



THE MELOY FUND
FOR SUSTAINABLE COMMUNITY FISHERIES

About Meloy Fund

Coastal fisheries are in crisis:

- 34% of coastal fish stocks are considered overfished or in collapse.
- In the developing tropics, near-shore fish catch represents half of the yield but over 90% of fishing sector jobs, supplying a key source of food and sustaining livelihoods for impoverished coastal communities.

The Meloy Fund for Sustainable Community Fisheries is a debt and equity impact investment fund created to invest in and provide technical assistance to small-and-medium enterprises (SMEs) that operate in coastal environments in Indonesia and the Philippines to:

- Become responsible businesses that comply with ESG best practices
- Generate triple bottom line results
- Serve as catalyst for increasing sustainable fisheries management

The Meloy Fund is managed by Deliberate Capital, LLC in partnership with Rare.



**Triple
Bottom Line
Objective**



100,000

Fisher household members reached



1.2 million

HAS of seascape under improved management



% IRR

Financial return

A Blended Structure



Commercial Capital

- **Investment type:** Debt/mezzanine, trade finance, equity
- **Investment size:** \$1M-\$5M
- **Investment term:** 5-7 years
- **Market rate return**



50%
Guarantee on Debt



Technical Assistance Facility

Non-dilutive funding to support:

- **Business Development**
Improving investees' financial management, corporate governance, meeting international food quality standards
- **Fisheries Technical Assistance**
Improving fishers' livelihoods and sustainable fisheries management

Investment Strategy

Focus on Three Main Segments

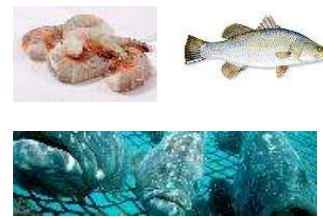
1 Wild caught



2 Mariculture



3 Aquaculture



Enabling Technologies



Traceability



Fintech



Yield
enhancers

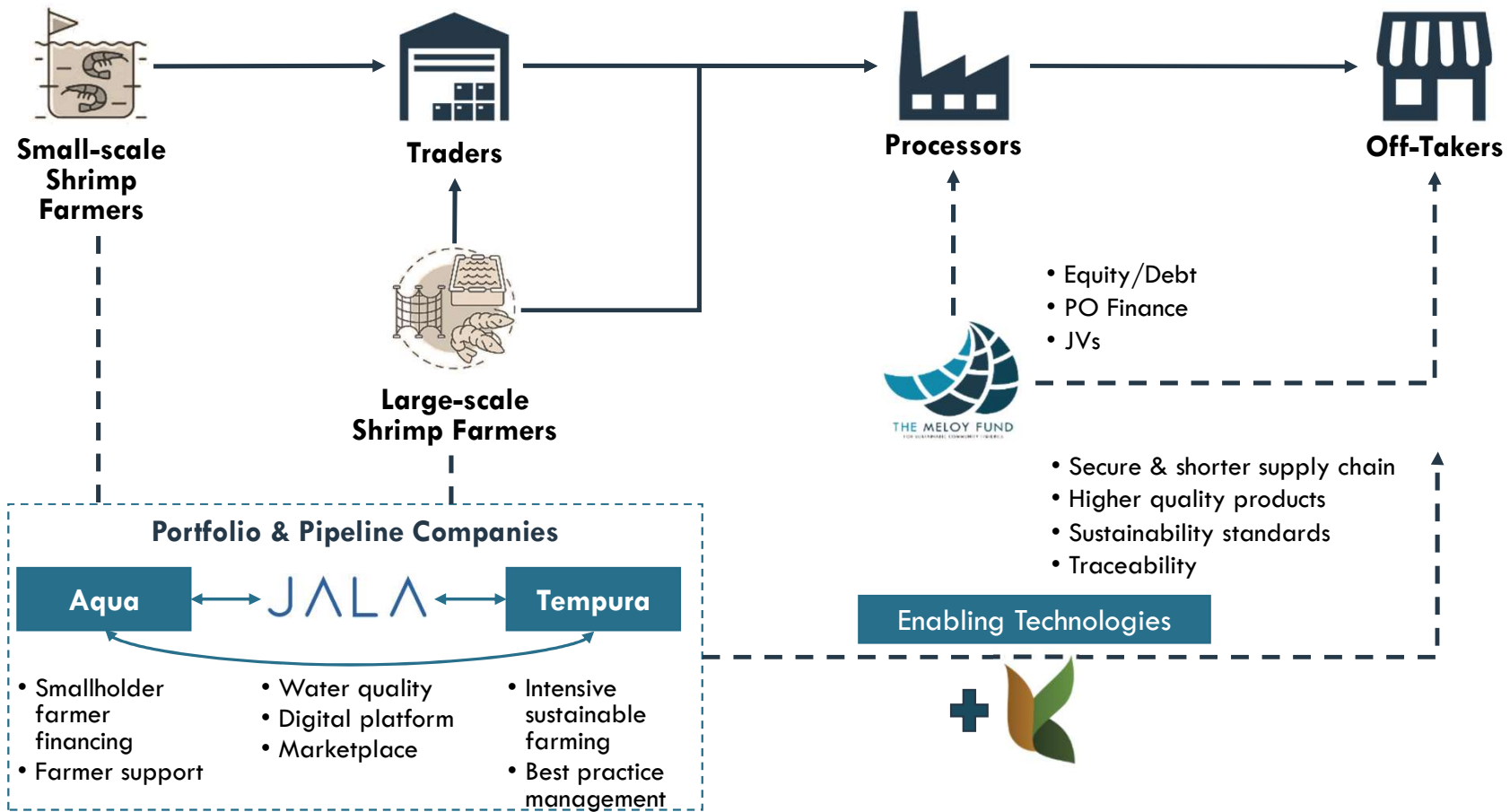


Value added
products

Improve community
outcomes

Accelerate the transition
towards sustainable
fisheries management

Ecosystem Approach



IMPACT IN NUMBERS



\$17.2Mn
aggregate annual purchase from fishers

61,153 household members positively impacted



44% of the investments are women-owned/led



853 Jobs Permanent & Temporary



593,244 hectares of seascape under improved management



ESG and Impact: From Minimizing Risks to Maximizing Impact

ESG Due Diligence

All Meloy Fund's investees are assessed against the IFC Performance Standards.



Technical Assistance Facility

Based on investees' Corrective Action Plans, TA projects are co-developed with investees in:

1. Business Development

- International market access
- Improving financial and HR management, corporate governance

2. Fisheries Technical Assistance

- Vessel pre-financing
- Fisher trainings
- Sustainability certification
- Traceability

Investment & TA Highlight: Agrita

Meloy Fund Investment

- Build a processing plant
- Increase working capital



 Demand for Sustainably Sourced Seafoods



Agrita Best Seafood

One of the few processors in Indonesia focusing only on octopus with strong technical knowledge and sourcing policy that benefits fishers.

TA Focus:

- HACCP certification
- Financial management
- Data collection
- Octopus traps

TA Focus:

- Distribution of fisher aid relief kits to 300 fishers
- Health & Safety training to minimize COVID-19 infections

TA Focus:



[FISHERYPROGRESS.ORG](https://fisheryprogress.org)

Fishery Improvement Project
Progress Tracking Database & Tools

Investment & TA Highlight: Agrita

First multi-stakeholder gathering for the octopus value chain in East Nusa Tenggara (ENT)



Attendees:

- Government
 - Head of Capture Fisheries, DKP ENT Prov
 - Head of DKP, Sikka Regency
 - Head of DKP, Ende Regency
- Industry (PT Agrita Best, PT Laut Biru)
- Fishers and buyers from Ende and Sikka
- Academic (University Nusa Cendana)
- NGOs (Yayasan Tananua, Blue Ventures, Yayasan Lini)

“The potential for octopus fisheries is very large in the ENT province. The octopus fishery commodity turned out to be superior but received less attention. For this reason, it is important now to pay attention to responsible management.”

- Head of Capture Fisheries, DKP ENT Province

Investment & TA Highlight: Meliomar



Tuna Quality Improvement Project (TUQIP)

Jul '20

End: Jun '21

Meloy Fund Investment

- Build traceability system
- Upgrade processing plant
- Increase working capital



Objective: Support seven vessels owned by Meliomar's long-term suppliers to increase the proportion of high-quality handline tuna catch as a percentage of total catch.



Key Results

Output



10 Jobs Created



Increased AB grade tuna from 18% to 46%



Increased vessel revenue by 12-130%



Trained 600 Fisherfolks



Handline Tuna Economic Data



Fish Catch Data

TUQIP provided Meliomar better access to traceable, sustainably sourced, and better-quality raw materials at a lower price than they would normally be able to purchase, even with the incentive model.

Investment & TA Highlight: Meliomar



Feedback on Meliomar's Tuna Quality Improvement Project (TUQIP)

Jul '20

Jun '21



Oscar Almaden
Chief Procurement
Officer, Meliomar

“The objective of this project is to change the mindset of fishers and traders from **‘Quantity is Money’** to **‘Quality is Money’**.
...this project instilled improvements in the way fish catch is handled by all fishers that we had conducted meaningful workshops with.”



Ricky Ramintas
Captain,
Fishing Vessel

“ My fellow captains, fishers and I are happy with the TUQIP project as it has big advantage compared to other captains - from the allowance, ice, high price and incentive. As a result, the grade of the fish is good. ”

Follow On Fund



More than 2/3 of Meloy Fund I committed to date

Seeking additional investors

- Follow-on investments in existing portfolio
- Co-investments in pipeline companies

Raising the next fund

- Larger ticket size
- More global footprint

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