

Conclusions

Growth Blue Fund I

INVEU-ICR-0026-2022 – SME + Research, Innovation and Digitisation Window

Short description of the financing or investment operation and its objectives

Name of the promoter or financial intermediary	Growth Partners Capital, S.A.
Countr(ies) of implementation	Portugal
Implementing partner	EIF

The Fund will invest across all sectors of the blue economy in Portugal. It targets start-ups, microenterprises and SMEs with significant innovation and growth potential. The Fund will focus around the value chains of the following preferred areas of investment:

- Aquaculture, given the centrality of the sector for the Portuguese economy;
- Blue bioeconomy, where start-ups are initiating the same path that tech start-ups entered into 10 years ago;
- Offshore energy, for example in the equipment building industry for wind energy floating technology or other sources of energy such as waves, tide or algae.
- Technologies that currently offers solutions applied to different sectors of the blue economy and that are accelerating the efficiency and competitiveness of such companies.

The project contributes to EU policy objectives in environment and resources, SMEs and especially upscaling and commercialisation of technologies that contribute to the EU Green Deal, in particular in the area of blue economy.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the EU guarantee on 8 June 2022 for the above-mentioned operation.

The Blue Economy is a vital sector of the economy which is critical for global livelihoods and the climate, but that is at risk due to the degradation of ocean ecosystems, and has hitherto been largely neglected by the venture capital and private equity community. The supply of financing and capital for the innovation and development of ocean and maritime technologies is indeed greatly limited and is characterised by a sparse investor landscape that lacks the depth and breadth of more established sectors. Similarly, and to ensure the viability of the blue economy over the long term, it is critical that the climate and environmental issues affecting its sustainability be resolved, both through innovation and the transition of existing maritime activities. The Fund will seek to address these market needs.

The investment will be in the form of equity, which in turn will allow the Fund to promote equity and quasi-equity investments at the level of each underlying company, therefore investing in companies and start-ups with significant innovation and growth potential.

Conclusions

Implementing Partner as anchor investor to the Fund will be crucial to enable its launch and attainment of a viable fund size. It will contribute to catalyse private investors to the Fund who also look to contribute particularly to the development of a sustainable blue economy in Portugal. The Fund manager has been able to raise interest from other financial institutions.

The Fund is operating in an emergent niche segment of the market with good potential for innovation, research and new solutions in the maritime environment. Short investment period of 3 years is justified by large existing deal-flow. Newly composed team provides a complementary skillset of industrial, management and expertise in investments and blue economy.