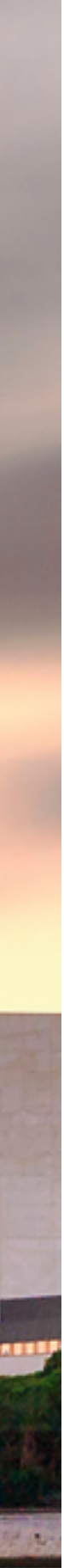


Strategic Proposal for the Concession of the Lisbon
Oceanarium and the new *Oceano Azul* Foundation





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This document contains the Strategic Proposal submitted by the *Sociedade Francisco Manuel dos Santos* to the public bid for the concession of the Lisbon Oceanarium, on 12 June 2015.

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Summary

The Proposal; facts and figures

114 M€ Cash inflow for the Portuguese State, in the course of 30 years, of which € 24,010,369 for the share capital of the Oceanário de Lisboa, S.A.

110 M€ Financial allocation for programmes in the Oceanarium relating to education, conservation and training for oceans' sustainability, over 30 years (37 times the amount currently spent by the Oceanarium)

40 M€ Proponent's non-refundable commitment with the *Oceano Azul* Foundation over the next 10 years

5 x Amount spent on marketing and advertising over the next five years, as opposed to the forecast scenario (total of €2.5 M)

2 x The amount allocated to investments in infrastructure, equipment and renovation of surrounding areas, over the next five years, compared to the forecast scenario (total of €7 M)

500,000 Children aged 5 to 9 being educated by the Lisbon Oceanarium in ocean sustainability over the next five years

40 National and international partners

1 New international champion of the oceans
– the *Oceano Azul* Foundation – strengthening leadership in marine affairs

The *Sociedade Francisco Manuel dos Santos* ("SFMS" or "Proponent") has been successfully developing a *Citizenship Programme*, which includes the creation of the Francisco Manuel dos Santos Foundation ("FMSF"), dedicated to studies in the key areas of economics, political science, demography, sociology, law, education and science. Its most representative project is the *Portdata* "Contemporary Portugal" Database, a portal for disseminating information on various areas of Portuguese society, which is a free public service.

The Proponent decided to launch a new *Citizenship Programme* on ocean sustainability, based on Portugal's past, present and future connection to the sea, in order to promote development of civil society, the economy and the country's European and global reach. Key steps have been taken over the past year in the creation of the *Oceano Azul* Foundation, bringing together a group of experts in ocean affairs to develop guidelines that will govern the Foundation's activity.

The Foundation's launch is currently in the final stages of preparation. The Proponent objective for this new institution is based on the strong brand and international prestige of the Lisbon Oceanarium, enabling it to strengthen considerably its strategic and public service mission through a symbiotic relationship that brings value and stability.

The Lisbon Oceanarium is an exceptional and highly prestigious institution at the national and international level, whose mission in education and ocean sustainability is in harmony with that of the *Oceano Azul* Foundation. Hence the Proponent's acquisition of the total share capital of the *Oceanário de Lisboa, S.A* will safeguard the Oceanarium's integrity in the public interest areas of education, blue literacy and conservation, while assuring the necessary cash inflow to the State.

This Proposal aims to describe the Proponent's strategic project for the Lisbon Oceanarium. It is a unique project at various levels, among which the following:

Strong financial proposal

This Proposal will yield a total cash inflow of €114 million for the Portuguese State over the 30 years of the Oceanarium concession, which includes:

- Price per share of Oceanário de Lisboa S.A. of € 120.05 (one hundred and twenty euros and five cents), corresponding to an overall proposal to acquire 100% of the shares for € 24,010,369 (twenty four million, ten thousand three hundred and sixty nine Euros);
- €10 million advance payment of the concession as provided for in the Concession Agreement;
- Rent for use of the infrastructure, estimated to total €80 million over the 30 years of the concession contract, of which €52 million corresponds to the fixed component of rent and €28 million to the variable component equivalent to 5% of revenues pursuant to the Concession Agreement.

In order to allow a higher initial cash inflow for the State, the Proponent is willing to make a prepayment at the time of completion of the sale of part of the annual fixed rent stipulated in the Concession Agreement, under conditions to be negotiated, should Parque EXPO 98, S.A. express an interest.

In addition to the significant cash inflow mentioned above, this Proposal also includes major investment for renovation and improvement of both the Lisbon Oceanarium and its surrounding area, which will result in concrete capital gains for the State as owner of the infrastructure.

The attractiveness of this financial proposal is made possible by the firm commitment of the Proponent to spend a non-refundable total of €40 million over the next ten years, its sole reward being the development of programmes that become a benchmark in ocean issues and which will ultimately benefit civil society and the economy.

Substantial investment in the renovation of the Lisbon Oceanarium's successful *modus operandi*

The Proponent ensures stability by retaining the Oceanarium's current management, which has proven its worth, and will reinforce the scientific core of the Lisbon Oceanarium through creating a Technical Support Council (TSC) consisting of recognised experts who will bring additional knowledge and skills to the Oceanarium's existing team. The TSC comprises Mark Smith, first CEO of the Lisbon Oceanarium and current Vice President of the New England Aquarium in Boston; Andrew Aiken, Manager of the Life Support Systems at the National Aquarium in Baltimore; and Andrew Rhyne, Assistant Professor of Marine Biology and researcher at the Roger Williams University in Bristol, Rhode Island.

The Proponent also undertakes to strengthen the investment plan of the current management team by €3 million over the next five years to reach a total of €7 million, thus ensuring the renovation and improvement of the infrastructure. The Proponent also plans to maximize the value of the Oceanarium by increasing the number of visitors – which will be achieved by strengthening the skills and budget available for advertising and marketing (from €84,000 to €484,000 p.a.) – and by expanding business partnerships.

Firm commitment to the public service pillars of the Oceanarium mission

The present Proposal reflects the Proponent's commitment to the important strategic public service mission of the Lisbon Oceanarium, in areas such as education, conservation, science and the development of technical capabilities in the management of the Oceanarium operations.

This commitment is materially reflected in the application of all funds that may be generated from the operation of the Lisbon

Oceanarium to pursuing public service on the theme of ocean sustainability, without any refund or compensation equity to the shareholder. This cash flow generated by the Oceanarium will be used in programmes aimed at ocean sustainability over the thirty-year concession, with an estimated provisional value of around € 110 million during that period – which is 37 times higher than the amount spent at the current rate by the Oceanarium in education and conservation programmes.

As an example of the initiatives to be continued, the Proponent intends to expand the educational programmes over a five-year period, which are expected to reach at least 100,000 students p.a. (versus the current 50,000), and which will include all children between 5 and 9 years of age living in Portugal.

Integration into an international, non-profit institution: The *Oceano Azul* Foundation

The Oceanário de Lisboa, S.A. will be integrated into the *Oceano Azul* Foundation, a new institution based in Portugal to be founded by the Proponent with the ambition to become a benchmark institution at the international level. The *Oceano Azul* Foundation will be a non-profit organisation exclusively dedicated to the theme of the oceans, with three pillars of action: Education and Literacy, Conservation of the Oceans, and Capacity Building in the fields of Ocean Governance, the Blue Economy and Marine Scientific Research. This Foundation aspires to reach an annual budget in excess of €5 million in the medium term, which will put it among the global leading institutions that develop projects on the theme of the oceans.

As a high visibility institution, the Lisbon Oceanarium will be a central element of this new Foundation, enabling the development of pillars common to their respective missions, namely the promotion of ocean education and conservation.

Broad network of partnerships and fundraising

This Proposal is supported by a wide network of credible and reputable national and international personalities and institutions dedicated to the sustainability of the oceans. Among these are some of the major donors in the field, such as the Packard Foundation, the Monterey Bay Aquarium, and The Oak Foundation; some of the most successful non-profit public aquaria, such as the Boulogne-sur-Mer Aquarium, in France; as well as some of the most active organisations in ocean protection, such as the World Wide Fund for Nature (WWF), Oceana and the IUCN.

In Portugal it includes organisations such as the Calouste Gulbenkian Foundation, the Portuguese Catholic University and the University of Aveiro, as well as all major research and development centers for ocean research, and has the explicit support of local authorities, particularly those linked to the sea, such as the Municipalities of Cascais, Peniche, Nazaré and Mafra.

The talent and influence from this network will significantly enhance the Oceanarium's activity, which, combined with that of the *Oceano Azul* Foundation, will generate clear synergies. This network will also play a crucial role in increasing the capacity for seeking financial support and sources of funding from international donors, with whom the Proponent proposes to expand the financial strength of the *Oceano Azul* Foundation and raise the profile of the public service mission of the Oceanarium.

The broad support for this proposal is expressed in the endorsement letters written by these and other personalities and entities identified in Annex II of this Proposal (Proponent's Network).

Summing up, the selection of this proposal works out to everyone's advantage:

For the Portuguese State, it ensures significant cash inflow while maintaining ownership of the iconic Oceanarium infrastructure and securing its non-profit operation in the long run, with full respect for the strategic value it holds for the country, reinforcing the current pillars of its public service mission.

For the Lisbon Oceanarium, it will ensure the investments needed for its renovation and modernisation, at the same time strengthening its impact on society through its inclusion in a non-profit institution based in Portugal, but with enhanced global reach, as evidenced by the support of prestigious international organisations.

Finally, it allows Portugal to strengthen and capitalise on its historical relationship with the sea through the use of funds generated by the Oceanarium and the *Oceano Azul* Foundation for projects that promote the conservation and sustainable exploration of this critical resource for the Country.

Indeed, Portugal has been recognising, especially in recent years, that its primary asset lies in the valuable geostrategic position conferred by its vast maritime area and its location at the centre of the major international trade routes of the Western hemisphere.

In order to take advantage of this asset, Portugal needs all the skills and resources that it can gather. The creation of a champion on ocean sustainability, resulting from the combination of the *Oceano Azul* Foundation and the Lisbon Oceanarium will not only make a contribution of exceptional importance to the development of a critical mass in Portugal, but will allow the Country to develop a leadership role at the international level.

This is in short a unique opportunity to join efforts to safeguard a national asset, which is essential for present and future generations. As such, it should not be wasted.



Strategic Proposal



I. Integration of the activity developed by the Oceanário de Lisboa, S.A., into the activity and strategy of the Proponent

As required by the Terms of Reference of the Public Bid for the Concession of the Lisbon Oceanarium its activities should be integrated in the Proponent's activities and strategy.

In order to do so, it is necessary to know from the outset the Proponent's strategy, which results from and is the corollary of its perspective on some key issues.

In this regard, it is important to describe (1) the activity of the Proponent; (2) its vision regarding the sustainability of the oceans; (3) its vision on the importance of the ocean to the Country's development; and (4) its specific Strategic Project, which is based on the creation of the first foundation established in Portugal exclusively dedicated to ocean sustainability: the *Oceano Azul* Foundation. Finally, it is also necessary (5) to set out the Proponent's vision regarding the Lisbon Oceanarium, now and in the future.

Having detailed the above, the explanation of (6) the integration of the Lisbon Oceanarium into the Proponent's strategy becomes relatively intuitive and more easily understood. Still, the guidelines on the perfect alignment of the principles, values and pillars of activity of the Proponent's and the Oceanarium's missions will be presented, highlighting the synergies it will generate.

1. The Proponent's activity

The Proponent is the family holding company of a corporate group that for over a century across several generations has developed and continues to develop its activities in the food industry and retail distribution in Portugal and abroad ("the Group").

Apart from important philanthropic activities, which out of principle the Proponent and the Group do not publicise, the Proponent has a clear view of the importance it holds not only for its shareholders but also for the Portuguese society.

As part of its mission of giving back and contributing to the progress of civil society, the Proponent developed a *Citizenship Programme*, which it has been financing for several years. In 2009, the Proponent established the Francisco Manuel dos Santos Foundation ("FMSF"), a non-profit foundation which has charitable status and aims to improve public institutions and reinforce citizens' rights, promoting the values of individual freedom, democracy and equal opportunities. The FMSF has promoted various studies and reports on economics, political science, demography, sociology, law, education and science among many others, in order to contribute to a more informed, free and active society. Such work been developed with the highest standards of scientific rigour and quality, presenting concrete solutions and recommendations to decision-makers, encouraging debate on major national issues and contributing to the development of justice and strengthening of social cohesion.

Core projects (such as the Pordata Databases, the Understanding the Crisis, Public Opinion, and Rights and Duties Portals, the Global Stat, or the Foundation Essays collection) and limited duration projects are examples of the achievements by FMSF work initiatives and sponsorship.

The Pordata, Database of Contemporary Portugal, embodies one of FMSF's priorities: the collection, compilation, systematisation and dissemination of information about multiple areas of the Portuguese society, Municipalities and European Countries. The FMSF collects and organises the available information from official and certified sources, making it as clear and accessible as possible. This

also entails the important task of contextualizing information, the so-called “metadata”, as an inseparable part of the data, allowing for its proper interpretation.

The Pordata was presented to the public on 23 February 2010 and released statistical data in three phases: Portugal (February 2010), Europe (November 2010), and Portuguese Regions and Municipalities (May 2012). Over sixty official organisations collaborate with Pordata, in particular Statistics Portugal (National Statistics Institute).

Much the same as the Lisbon Oceanarium, the FMSF provides a free public service to Portuguese society, without any cost to the user. This is a key aspect of the Proponent’s activity, which is in line with that of the Oceanarium.

It should also be noted that the success of its *Citizenship Programme* is indicative of the will, ability and experience of the Proponent in creating a non-profit public service entity, as will be the *Oceano Azul* Foundation. In that spirit, and in order to expand the reach of its *Citizenship Programme*, the Proponent has decided to provide a significant contribution to support the cause of ocean sustainability in Portugal.

With regard to the sea

Although historically the Proponent does not have a direct connection to the commercial exploitation of public aquariums or similar infrastructures, much of what it does is relevant and broadly falls within the Oceanarium activity.

In line with its philanthropic and socially responsible actions one of the Group companies operated by the Proponent agreed to support the Lisbon Oceanarium’s mission with an annual financial contribution of €100,000. This support started in 2003 and has been honoured ever since.

In 2011, the FMSF also published a study on Portugal’s connection with the sea, entitled “Portugal and the sea: rediscovering geography.” Other monographs on the theme of the sea, namely on the merchant navy and the Alfeite Naval Base are nearing completion.

From 2013, the Proponent began closely to follow ocean affairs and in 2014 to conduct preliminary studies on ocean sustainability, hiring consultants and establishing an interdisciplinary group of twenty-one leading international experts. That led to discussions about establishing a foundation based in Portugal exclusively dedicated to the oceans. The group of experts developed its ideas between April and the end of 2014, culminating in the drafting of a Strategic Document establishing the guidelines for the *Oceano Azul* Foundation. In May 2014, there was an extended meeting in Estoril, in which the discussions and presentations formed the basis for that Strategic Document. In 2015, the Proponent decided to extend its international network and consolidated a group of highly credible supporters, with whom it intends to work in education and ocean conservation, as well as to promote ocean governance, scientific research and a more environmentally-friendly maritime economy. This network includes institutions such as important North-American and European foundations dedicated to environmental education and ocean conservation, such as the Packard Foundation (through the Monterey Bay Aquarium), and in Europe the Oak Foundation; entities dedicated to the sustainability of the sea, such as the WWF, Oceana, IUCN, the Environmental Defense Fund and the Natural Resources Defense Council in Washington; institutes, internationally renowned universities, laboratories and researchers, such as the Irish Marine Institute, the Plymouth Marine Lab, Duke University, Delaware University, James Cook University and the Centre for Ocean Solutions (a partnership between Stanford University, Monterey Bay Aquarium and Monterey Bay Aquarium Research Institute).

The Proponent has also been consolidating a network of strategic partners in Portugal, and has obtained the support of virtually all the Portuguese scientific system dedicated to marine research, including CIIMAR, CESAM, MARE, CCMAR and the Polytechnic Institute of Leiria at Peniche as well as, in a more comprehensive way¹, the Portuguese Catholic University and the University of

1 Since it also covers social sciences that are waking up to the importance of marine studies in Portugal.

Aveiro. The Proponent also has the support of the Calouste Gulbenkian Foundation, whose endorsement of this project (and of the creation of the *Oceano Azul* Foundation) foresees the development of future partnerships between these foundations in the domain of marine affairs. On the other hand, it also began to develop partnerships with civil society organizations, which are themselves networks of partners, as is the case of the Ocean XXI Association and the Bluebio Alliance, and with which may develop the promotion of scientific knowledge and a sustainable blue economy.

Finally, the Proponent also benefits from the public support of several municipalities in the Greater Lisbon region², which have a special connection with the sea and are particularly interested in developing projects in the field of ocean education and conservation.

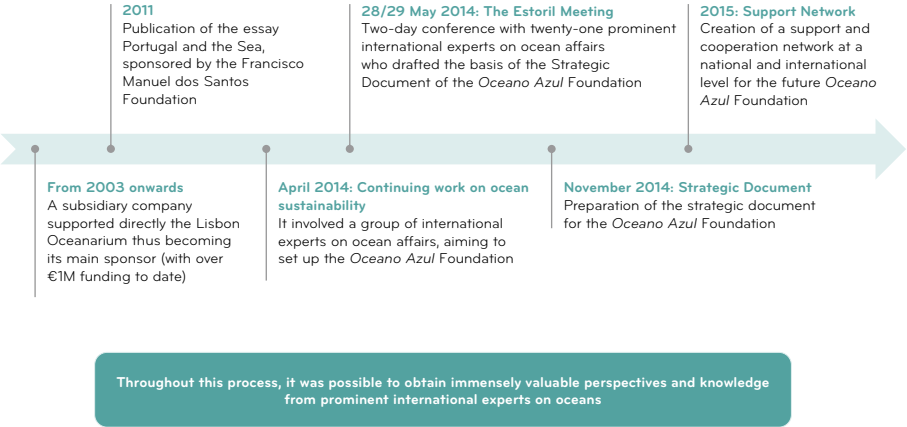
The Portuguese Government and the President of the Republic have in recent years been the main catalysts for reinvigorating the country's links with the sea, and should regard initiatives with civil society such as the ones initiated by the Proponent of national interest and in complete alignment with those of the Lisbon Oceanarium.

The Proponent's contributions to civil society, sense of public service, creation and consolidation of an important foundation on a national scale (the FMSF), along with everything it has already done in marine matters, means that it already has the experience, accumulated knowledge and operations that fit with the Lisbon Oceanarium's public service mission. It also demonstrates its ability to manage and operate the Oceanarium together with a foundation fully dedicated to the ocean.

2 These are the Municipalities of Cascais, Mafra, Nazaré and Peniche.

TABLE 1

Highlights of recent SFMS work on ocean affairs



2. The Proponent’s vision for ocean sustainability

2.1. The importance of the sea to the environmental and economic sustainability of the planet

The ocean and the seas cover nearly 3/4 of the earth’s surface and are the most remarkable biophysical element of the globe, playing an absolutely essential role in sustaining life on Earth.

The ocean and the seas constitute the greatest asset of the planet. They are responsible for producing close to 50% of the oxygen we breathe; they regulate the hydrological cycles and consequently are crucial to the production of fresh water, absorb a considerable part of the carbon we emit into the atmosphere and reduce the temperature rise resulting from global warming. They are a powerful recycler of hazardous gases and mitigate the pollution we generate from land-base sources. They generate biomass which translates into fish stocks and make up 20% of the food protein of three billion people. They are also a fundamental natural energy resource from the renewable energies they

can generate (including by means of offshore wind farms) and from fossil fuels (oil and gas) stored under the seabed. They are becoming a relevant mineral source with the discovery of high concentrations of minerals rich in metal alloys and rare earth elements. They generate over a hundred million jobs in the maritime economy, particularly in maritime transport and the entire logistics chain involving the transportation of 90% of the world trade, and in maritime tourism, which constitutes a significant part of the world tourism (the world's largest industry).

Nevertheless, for all that the oceans and seas give us, we still do not recognise their value and continue to think that they are more resilient and in a better state of conservation than they actually are. That is why it is essential to invest more resources, including financial resources, to the conservation of the ocean and in promoting its sustainability.

2.2. The ocean and the great societal challenges of our time

The ocean plays a vital role in the functioning of our planet earth. But its importance is increasing rapidly – at least in the eyes of national leaders and the international community³ – because there is a maritime dimension to virtually all major challenges that humanity faces today:

- The ocean and climate change are closely connected. Climate change is mitigated by the ocean's role in carbon retention and regulating the planet's temperature (heat absorption); whilst the ocean is a victim of climate change through acidification, rising sea levels, coastal erosion, and an increase in the frequency and severity of maritime storms.
- The challenge of the environmental degradation of the planet has a marine dimension given the imbalances that affect the oceanic system, with the great loss of biomass resulting from overfishing; reduction of marine predators; pollution of the

3 On this issue, please see the statements of c.70 ministers who participated in the Blue Week, held in 2015 in Lisbon.

marine environment, including plastic pollution; and destruction of many habitats and sensitive ecosystems, especially coastal ecosystems.

- Demographic explosion that threatens food security and requires new sources of proteins to feed the planet's population, including proteins of marine origin either from fishing or, in the future, mainly from aquaculture.
- Globalisation, which leads to the growth of international trade, requires more and larger commercial maritime vessels – 90% of foreign trade is made by sea worldwide – and thus more port infrastructure, larger navigation passages (e.g. the new Panama Canal), more shipbuilding, marine engineering and technology, more maritime services and related operations.
- Increasing energy demand requires exploration of offshore energy sources, be it oil and natural gas (80% of oil exploration CAPEX being offshore), or renewable energy sources, such as wind, waves, currents and tides, or the possible future exploitation of methane hydrates, so abundant on the seabed.
- Finally, the importance of the sea to defence and security is growing, given increasing threats to world peace and security that call into question the peaceful and equitable use of the oceans and seas. We are witnessing an increase in piracy and threats to maritime security, with the illegal and massive traffic in migrants, narcotics, arms, hazardous and toxic substances. The peaceful use of the sea is increasingly threatened by rising geopolitical tensions generated in Southeast Asia (China Sea), the Mediterranean, the Arctic Ocean, the Black Sea and the Persian Gulf.

In conclusion, the increasing importance of the ocean to humanity is becoming more evident as this century unfolds.

Understanding this is vital for all coastal countries, and for their global role in economic and social development in the 21st century.

2.3. The world race to the economic exploitation of the ocean

The ocean's importance is also growing as the main economic asset of the planet in terms of natural resources, maritime operations, and new uses and businesses. We are already witnessing a global race to exploit the sea, which will accelerate with the emergence of new underwater technologies and increasing decline of terrestrial natural resources.

Four factors decisively affect this race for the ocean: (i) continued growth of world trade; (ii) development of worldwide tourism; (iii) demand for energy; and (iv) demand for food.

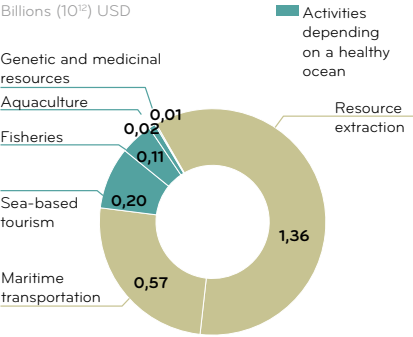
Growth in world trade will lead to expansion of maritime activities, particularly ports and shipping. Tourism development will lead to intensification of the recreational use of the sea and coastal areas. Demand for new energy sources will lead to exploitation of offshore energy. The need to expand the global food industry will lead to greater dependence on proteins (food of marine origin) extracted from the sea or cultivated there. These trends will lead to development of new offshore and underwater exploration technologies, which in turn will encourage exploitation of new maritime resources, products and services.

Thus, the sea is not only a vast economy but an expanding one. For instance, 110 million jobs depend on healthy and productive seas, being the value of businesses such as fisheries, aquaculture and maritime tourism \$300 billion p.a.. Yet these are responsible for only a portion of the economic value generated by the ocean. Add in offshore fossil fuel exploration, other extractive industries, and maritime transport with its associated value chain, and the turnover reaches \$2.3 trillion.

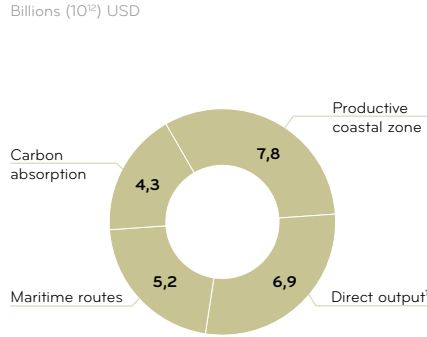
TABLE 2

The ocean is a resource with vast economic and ecosystem value

The direct economic revenues from the oceans are about USD 2.3b (~0.3b of which depend on healthy oceans...



... starting from a natural capital (the value allocated to the existent natural resources) of the oceans that exceeds USD 24b



1 This includes fishing areas, coral reefs and algae

SOURCE: FAO, UNEP, MGI, BCC, Global Insight, IEA, De Groet *et al.* 2012, WWF, "Reviewing the Ocean Economy"

2.4. Value of the ecosystem services generated by the sea: the blue natural capital

The importance of the ocean, as the life support system of the planet and driver of the well-being of current and future generations, is less known to the general public than, for example, that of forests and fresh water resources.

This is precisely why the Proponent's vision that the ocean is our planet's most precious asset is critical.

Concurrent with this vision is the fact that the ocean, in addition to being a net contributor to the world economy, also constitutes a colossal natural capital for the planet, through the non-market value that it generates by the ecosystem services it provides, although today that it is not accounted for in the traditional indicators for evaluating our economies.

The ocean produces a considerable part of the oxygen we breathe and absorbs a large portion of the CO₂ we emit into the atmosphere. It regulates the hydrological cycles of the planet and

so is essential to the production of fresh water resources. It recycles hazardous gases, regulates the climate and functions as a depot for nutrients and waste originating on land. It is a source of protein through the fish it generates, and of biological resources that we can use in many applications through biotechnology (pharmaceuticals, nutraceuticals, cosmetics, energy, biomaterials), as well as of hydrocarbons, aggregates, minerals and rare earth elements, and of renewable energy, whilst providing a natural infrastructure for maritime transportation. Finally, it is also a source of cultural, artistic, aesthetic, ethical, scientific and even spiritual values.

All this is accomplished through the services of the ecosystem produced by the ocean which, although largely unknown to ordinary people, begin to be associated with the benefits we derive from nature, constituting what today is known as "natural capital".

Such "natural capital", despite not being valued in accounting terms, has an economic value and is the basis of the manufactured capital we call the "productive economy". Without the conservation of the former there will be no sustainability of the latter, as is now beginning to be understood.

That is why society has to start looking to the marine environment as a component of the economy and should start thinking about the interventions needed to preserve it, not as a cost but as a real investment. In that sense, and in order to draw attention to the need to be able to account for the non-monetised value of the services provided by the sea, the WWF's 2015 report entitled "Reviving the Ocean Economy; The case for action" states that the ocean is worth \$24 trillion, including in that sum the value of some ecosystem services, such as the economic value generated by coastal areas, the value of marine biodiversity and the blue carbon absorbed by the sea and its ecosystems, as well as the value generated by the sea as an infrastructure for maritime transport.

Under this scenario, and given the prospects for future appreciation of the natural capital of the ocean, it becomes even more important to create the conditions to maintain and preserve that capital, which will inevitably demand a strategic focus on environmental sustainability of the sea and its proper management.

Portugal, which has one of the largest maritime areas in the world, needs not only to understand this evolution, but should seek to deliver a positive contribution to the international oceans agenda.

This is why an institution like the *Oceano Azul* Foundation is today, and may be even more so in the near future, an organisation of paramount importance.

3. The vision of the value of the ocean for the development of Portugal

With an economic performance that has not been particularly successful throughout the twenty-first century, Portugal is struggling with the need to adopt a development model that generates new productive platforms, sets new paths for growth and adds new sectors to its economy. The traditional structure of its economy developed over the past decades has not allowed the Country to grow in line with the legitimate aspirations of its citizens, as is now widely recognised. In fact, the Country's economic growth has been nil or weak since the turn of the century and so scenarios are being discussed, such as re-industrialisation or converting the economy to produce goods and services for the global market, incorporating more knowledge and technology and generating higher market value.

This discussion has brought the maritime or blue economy into the debate since it has a high potential for scale and, in the Portuguese case, it can be amplified by the size of the maritime zones under national jurisdiction and the biophysical characteristics which benefit several sectors of the maritime economy.

Portugal's main comparative advantages in developing its maritime economy are: (i) its geographical location; (ii) the vast size of its maritime geography; (iii) the biophysical characteristics linked to the marine environment; (iv) the high concentration of population, cities and economic centres in its coastal zone; and (v) an iconic and internationally recognised brand image, based on the centuries-old ties between Portugal and the oceans.

- i) Portugal's location at the centre of the shipping routes between the north and south basins of the Atlantic Ocean, if properly exploited, could yield a competitive advantage in maritime transport, port industry and its associated value chain. Its Atlantic coast could be a trade gateway for other continents into the Iberian Peninsula and Europe, stimulating its ports, maritime transport, logistics, shipbuilding and ship repair industries, increasing exports and the ability to diversify into non-European markets.
- ii) The sheer expanse of the Portuguese maritime areas call for investment in renewable energy and biotechnology. This requires internationalisation of the country's blue economy, as it involves a critical contribution of foreign capital and know-how.
- iii) The Portuguese sea waters' favorable biophysical characteristics, with their rich marine biodiversity, also enable sectors linked to aquaculture and marine biotechnology to be developed;
- iv) The concentration of the national economy, of industries and consumers in a narrow coastal strip, constitutes a market with a demand and supply of goods and services that should be seen as a competitive advantage, and which must be harnessed to support a new economy of the sea.
- v) Finally, the existence of a widely held international perception that Portugal is closely associated with the ocean has good will value for the maritime economy, given that products and services can be generated through the historical, cultural and symbolic resonance of such a "blue brand".

All these factors determine the strong potential of a blue economy, whose development should be a priority for decades to come, so that maritime activities may assume a higher proportion of GDP than the current 3%, itself below the European average of 5%.

Yet the country's connection to the sea should not be limited to economics, but centred in its citizens. This requires educating the younger ones so that ocean sustainability will be an integral responsibility and aspiration of future generations. To do this, it is essential to move on from a traditional maritime economy to

a new circular economy, to promote the green economy, and link the oceans to science and culture, quality of life and well-being.

The importance of creating in Portugal a civil society champion concerned with the sea and the ocean is all the greater when the Country does not really have any other organisation besides the State with the strategic and financial potential and means to strengthen its connection to the sea and to do so in a highly demanding and competitive international context. In ocean conservation in particular there is a gap waiting to be filled by an organisation with the profile of the foundation that the Proponent intends to establish if it were to buy the shares of the Oceanário de Lisboa, S.A.

Compared to the field of social sustainability where a large number of non-governmental organisations are active, Portugal has few that are dedicated to environmental sustainability, even less on ocean sustainability.

Portugal does not have an international reputation as a Country that is serious about preserving and conserving its marine environment, but rather of a nation influenced by fishing interests and even tolerant of some unsustainable fishing practices, such as bottom trawling.

This shows that there is a job to be done in Portugal regarding the ocean's environmental sustainability, and that it will be important in consolidating Portugal's connection with the sea.

The *Oceano Azul* Foundation appears to be the ideal organisation to perform that function in Portugal, due to its vision and strategy, the financial resources that will be made available to it, the importance of the founding group that supports it, the various nationalities that will form its team, and its prestigious network of international partners.

TABLE 3

Portugal needs a leader for the sustainability of the ocean

There is need for a **civil society organisation** that has the international influence and visibility necessary to become a champion of the oceans worldwide;

It is urgent that some organisation addresses topics such as **responsible governance of the ocean**, so it is able to support policy-makers to the benefit of ocean sustainability;

The **knowledge and marine scientific research** produced in Portugal need to be expanded due to the size of its maritime territory;

Urgent efforts are required to implement **effective measures** to protect the marine environment and the valuable coastal areas of Portugal.

4. The Oceano Azul Foundation

4.1. Introduction

The *Oceano Azul* Foundation will be established as a non-profit foundation under Portuguese law. Based in Portugal, it will support ocean conservation and capacity building in maritime affairs in Portugal and abroad. It will contribute to mobilising Portuguese society on ocean sustainability, including through educational programmes aimed at younger generations.

Through being based in Portugal, the Foundation will benefit from the country's reputation as a leading participant in international maritime affairs: organiser of Expo '98 dedicated to the theme 'The Oceans, a Heritage for the Future'; proponent of 1998 as the International Year of the Ocean; its prominent role in the United Nations' ocean agenda; its decisive contribution to the creation of the Integrated Maritime Policy of the European Union and to the adoption of the Marine Strategy Framework Directive. The Foundation should also benefit from close cooperation with the Portuguese government, in mobilising international partners who may bring knowledge, prestige

and tangible results to its activities in compliance with its statutory mission.

Finally, Portugal's participation in the CPLP (the Community of Portuguese Speaking States) – a community of coastal and island countries, some with large maritime zones on a global scale – is also an important factor in promoting the international reach of the *Oceano Azul* Foundation.

4.2. The Estoril Meeting

The Proponent's decision to establish a foundation exclusively dedicated to the ocean was not taken suddenly or thoughtlessly, but resulted from over a year's consultation and debate with internationally recognised personalities in the field, including world renowned scientists, highly experienced policy-makers, senior officials in international organisations dealing with maritime affairs (European Commission, European Council and United Nations), officers of important international foundations and other non-governmental organisations dedicated to ocean conservation, and representatives of internationally recognized organisations in environmental protection, such as the WWF and Oceana⁴.

This consultation culminated in a meeting held in May 2014 (the *Estoril Meeting*), in which the major marine trends in forthcoming decades were discussed, and the main challenges involving the oceans identified, among which: (i) the dangerous imbalance of the ocean system, threatened by climate change, pollution, habitat destruction, loss of biodiversity and excessive fishing; (ii) the race for economic exploitation of the oceans; (iii) and the need to adopt a new integrated ocean governance.

4 The Experts consulted in the process of creation of the *Oceano Azul* Foundation were: Andreas Kraemer, Alan Simcock, Bibiana Cicin Sain, Diane Regas, Emanuel Gonçalves, John B. Richardson, Heather Koldewey, Kathrine Angell-Hansen, Isabel Sousa Pinto, Leonardo Lacerda, Margarida Castro, Stephen de Mora, Martin Visbeck, Tiago Pitta e Cunha, Peter Heffernan, Tony Haymet, Pierre Erwes, Tony Long and Ricardo Aguilar.

The *Meeting* and subsequent work developed by this group of experts resulted in the drafting of the *Oceano Azul* Foundation's Strategic Document, which determines the Foundation's role, and defines its strategic vision and mission.

4.3. The Vision, Mission and Pillars of the *Oceano Azul* Foundation

Vision: Given the inexorable expansion of the economic exploitation of the sea and the significant environmental degradation of the marine environment, we shall see over the course of this century a gradual dissociation between economic growth and environmental degradation of the ocean. This will lead to a new paradigm of sustainability being reached in which the development of new economic activities related to the sea will be inextricably associated with preserving the ocean, rather than aggravating its environmental degradation.

This paradigm will be achieved through:

1. Increased awareness of citizens and societies in general for the important challenge of ocean sustainability;
2. Such awareness will lead to a marked change in behaviour, particularly of policymakers, but also of economic agents, the various users of the sea, and civil society;
3. That will allow for new ocean governance, far more based on scientific knowledge and ethical values of ocean stewardship;
4. These changes will have as a corollary and be accompanied by the gradual development of a new sustainable blue economy, which will achieve the desired dissociation between development of economic activities and environmental deterioration of the sea.

In line with this *Vision*, the Foundation's *Mission* consists in contributing to the sustainability of a healthy, productive ocean, aiming at:

- i) Increasing society's understanding of and literacy in maritime affairs, particularly among new generations, by promoting

education and knowledge of the ocean, notably through large-scale educational programmes;

- ii) Contributing to changing the behaviour of all citizens in their relationship with the sea, by education and supporting ocean conservation measures, and promoting and disseminating cases of success and best practices;
- iii) Promoting a new governance of the ocean, guided by ethical values and based on scientific knowledge, and encourage the development of a new environmentally friendly blue economy that enables the rational use of marine resources, thus promoting their sustainability.

These are, therefore, the three main objectives of the Foundation, to which correspond three pillars that focus all its activities.

TABLE 4

The purpose of the *Oceano Azul* Foundation is to become a champion of ocean sustainability



Our Vision:

In a context of inexorable expansion of the economic exploitation of the sea, and given the significant environmental degradation of the marine environment, we shall see during this century the gradual dissociation between economic growth and environmental degradation of the ocean.

A new sustainability paradigm will then be reached in which the development of new economic activities related to the sea will be inextricably associated with preserving the ocean rather than aggravating its environmental degradation.

Our Mission:

To contribute to the sustainability of a healthy, productive ocean.

TABLE 5

Three pillars define the *Oceano Azul* Foundation strategy

To increase society's understanding and literacy in maritime affairs, particularly with new generations, by promoting education and knowledge of the ocean, notably through large-scale educational programmes of excellence		Ocean education and literacy
To contribute to changing the behaviour of all citizens in their relationship with the sea, by education, supporting ocean conservation actions, and promoting and disseminating cases of success and best practices		Ocean conservation
To promote a new governance of the ocean , guided by ethical values and based on scientific knowledge, and encourage the development of a new environment-friendly blue economy that enables the rational use of marine resources, thus promoting their sustainability through capacity building		Capacity building

4.4. Other defining elements of the *Oceano Azul* Foundation

Integrated management of the three pillars of the Foundation

Since its three pillars arise directly from the Foundation's integrated vision, they should not be pursued in a fragmented, sectorial or separate manner, but instead their interconnection should be reinforced with a view to creating synergies among its various lines of action⁵.

Acting as a catalyst

Notwithstanding it may develop its own projects, the Foundation will favor supporting third party projects, acting as catalyst or facilitator and whenever possible assisting them in cooperation with other partners.

The Foundation's partners may be any credible public or private entities relevant to the development of its mission. With private organisations the Foundation will establish cooperative relations not only with other international foundations, but also with universities

5 It should be noted that the large international foundations in the United States and Europe that are dedicated to the oceans tend to specialise in only one area – usually ocean conservation – and not develop a more comprehensive mission.

and knowledge centres, non-governmental organisations dedicated to ocean conservation, as well as with the business sector, whenever it may be relevant to achieving the desired results.

Problem solving approach

The Foundation should undertake activities that seek and build solutions to concrete problems.

Scale and replication

Within its pillars, the Foundation should focus on developing activities that can achieve scale (e.g., by replicating its impact in other countries or aggregating efforts with international partners).

Geographical area of action

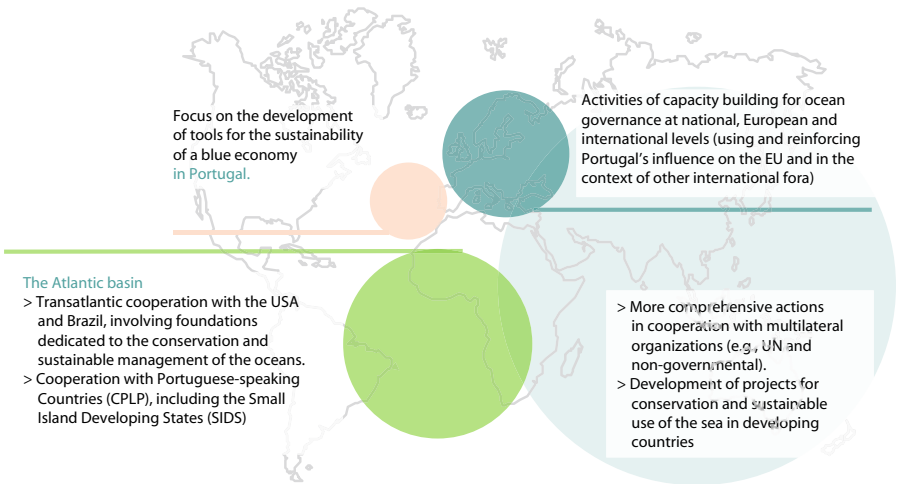
The Foundation may develop its programmes and activities in various geographical regions and will seek to have as wide and diversified a spatial impact as possible.

Portugal's connection to the sea, an educational strategy and the promotion of ocean sustainability will undoubtedly be at the epicentre of the *Oceano Azul* Foundation's operations.

Nevertheless, given the impact that the programmes and activities of the Foundation aspire to have in other regions, the European Union headquarters in Brussels and the United Nations in New York and Nairobi will be particular focuses of action. As for developing partnerships, Europe and the United States are appropriate regions due to their concentration of like-minded organisations.

TABLE 6

The Oceano Azul Foundation will cover a wide sphere of action



SOURCE: Oceano Azul Foundation's Strategic Document

The Foundation may also operate and develop programmes throughout the Atlantic basin, particularly in the South Atlantic basin, where there are not as many organisations dedicated to ocean sustainability as would be desirable⁶, and in the Portuguese-speaking countries. The Foundation will also focus on the Small Island Developing States (SIDS)⁷.

A prestigious network of partners

As already mentioned, during the preparation of the *Oceano Azul* Foundation the Proponent has been devoting great effort to create a highly qualified network, which includes numerous personalities and institutions associated with the theme of the oceans, at both national and international level.

6 Compared to, for example, the Pacific Ocean given the action of several North American foundations.

7 First recognized as a distinct group of developing countries at the United Nations Conference on Environment and Development in June 1992.

This network is identified in the letters of support sent by their authors, which forms part of the Proponent's Proposal and demonstrates the interest generated internationally by the project.

At the national level

TABLE 7

Proponent's national partners



In Portugal the Foundation will have the support of the national scientific system dedicated to marine science, taking into account the demonstrations of support and interest from organisations like MARE (the largest national inter-university platform dedicated to marine sciences⁸), CIIMAR⁹, CESAM¹⁰, CCMAR¹¹ and the Polytechnic Institute of Leiria, at Peniche, dedicated to applied marine research.

8 MARE comprises the Universities of Lisbon, Coimbra, Évora, Azores, Nova de Lisboa, ISPA, and the Polytechnic Institute of Leiria.
9 CIIMAR belongs to the University of Porto.
10 CESAM is the homologous Laboratory of CIIMAR in the University of Aveiro.
11 CCMAR is the Laboratory of Marine Sciences of the University of Algarve.

The Foundation also expects to establish partnerships with Portuguese universities, and was explicitly supported in this Proposal by the Portuguese Catholic University and the University of Aveiro. The Proponent has also reached out to other strategic partners, such as the Calouste Gulbenkian Foundation and the cluster Ocean XXI Association, as well as the national network association of marine bioresources (blue biotech) Bluebio Alliance.

In order to develop its operations on the ground, the Foundation also has the support of the Municipalities of Peniche, Cascais, Nazaré and Mafra, which have particular maritime traditions and pursuits.

At the international level

Internationally, the Foundation has the support of several well known and prestigious personalities, as well as of institutions that include other foundations dedicated to the conservation of the oceans, other aquariums with missions similar to that of the Lisbon Oceanarium, organisations connected with environmental protection, institutes, knowledge centres and marine science departments of top universities.

TABLE 8

Ocean leaders belonging to the following entities supported the proposal¹³:

Camilla Bausch

Director of the Ecologic Institute Berlin, Germany.



Jacqueline Délia Brémond

Co-Founder and Co-Chair of the Fondation Ensemble, France.



Billiana Cicin-Sain

Director Gerard J. Mangone Center for Marine Policy,
University of Delaware, USA.



Manuel Cira

Director of the World Ocean Network, France.



¹² As of June 2015.

Fiona Crouch

Member of the Marine Biological Association and Co-founder of EMSEA – European Marine Science Educators Association, UK.

**Larry Crowder**

Center for Ocean Solutions, Science Director, USA.

**Maria Damanaki**

Global Managing Director, Oceans, The Nature Conservancy, USA.

**Pierre Erwes**

CEO of BioMarine Organization, founder and chairman of BioMarine International Clusters Association, France.

**Bernard Fautrier**

Vice President, Chief Executive Director, of the Fondation Prince Albert II de Monaco.

**Øyvind Fylling-Jensen**

Managing Director of Nofima AS, Norway.

**Steve Gaines**

Dean – Bren School of Environmental Science & Management, University of California, at Santa Barbara, USA.

**Kristina Gjerde**

High-seas policy advisor for IUCN, the International Union for Conservation of Nature, USA.

**Barry D. Gold**

Environment Program Director of The Walton Family Foundation, USA.

**Tony Haymet**

Distinguished Professor and Director & Vice-Chancellor Emeritus at Scripps Institution of Oceanography at the University of California, USA.

**Peter B. Heffernan**

Chief Executive Officer of the Marine Institute, Ireland.

**Terry Hughes**

Director of the ARC Centre of Excellence for Coral Reef Studies, Australia.

**Michael B. Jones**

President of The Maritime Alliance, USA.



Heather Koldewey

Head of Global Conservation Programmes, ZSL
– Zoological Society of London, UK.

**Andreas Kraemer**

Founder and Director Emeritus, Ecologic Institute, Germany.

**Princess Laurentien of the Netherlands**

President of Fauna & Flora International. Founder and Director of the Missing Chapter Foundation, the Netherlands.

**Margaret Leinen**

Director of the Scripps Institution of Oceanography, and Vice Chancellor for Marine Sciences of the University of California, USA

**Amanda Leland**

Senior Vice President for Oceans of the Environmental Defense Fund, USA.

**Paolo Lombardi**

Director of WWF Mediterranean Program, Italy.

**Tony Long**

Director of WWF, EU Office.

**Carl Gustaf Lundin**

Director of Global Marine and Polar Programme, IUCN – International Union for Conservation of Nature, Switzerland.

**Stephen de Mora**

Chief Executive of PML – Plymouth Marine Laboratory, UK.

**Mike Orbach**

Professor Emeritus of Marine Affairs and Policy at Duke University, USA.

**Kristian Parker**

Chair of the Board of Trustees, Oak Foundation, Switzerland.

**Xavier Pastor**

Senior Vice President and Executive Director of Oceana in Europe.

**Julie Packard**

Executive Director and Vice Chair of the Aquarium's Board of Trustees, Monterey Bay Aquarium, USA.

**John B. Richardson**

Special Adviser for Maritime Policy and Diplomacy, Fipra, Belgium.



Waddah Saab

Policy Officer – Marine and Maritime Research
at European Commission, Belgium.

**Enric Sala**

Marine Ecologist, National Geographic Explorer-in-Residence, Pristine Seas project leader, USA.

**Lisa Speer**

Director of International Oceans Program,
NRDC – Natural Resources Defense Council, USA

**Despina Symons**

Director and founding member of EBCD – European Bureau
for Conservation and Development, Belgium.

**Monica Verbeek**

Executive Director at Seas At Risk, Belgium.

**Philippe Vallette**

General Manager and Scientific Director of Nausicaa,
France.

**Amanda Vincent**

Director and Co-Founder of the Project Seahorse;
Professor of the Institute for the Ocean and Fisheries,
University of British Columbia, USA.



This network, as well as the partnerships they aim to develop, will be a key asset of the *Oceano Azul* Foundation.

Such a comprehensive institutional and human capital should be duly taken into account when assessing the merits of the Proponent's Proposal.

Internationalisation of the *Oceano Azul* Foundation

As already mentioned, the Proponent intends that the *Oceano Azul* Foundation contributes decisively to further increase the already high international prestige and value of the Lisbon Oceanarium. The Proponent also intends that although the Foundation is based in Portugal it achieves worldwide reach, thus helping the Country to strengthen its position as an international leader in ocean affairs.

In order to meet these objectives, the Proponent intends to internationalise the *Oceano Azul* Foundation, which is already underway with the building of the above network.

In addition to building up a network, the Foundation will acquire international status through foreign experts that will join its team and, as a fundamental element of the philosophy behind this whole Project, will be open to external capital investors willing to contribute to increase the patrimonial assets that the Foundation will put at the service of its mission. To this end, several contacts have already been made by the Proponent, as the creation of a foundation with these characteristics and associated with the iconic Lisbon Oceanarium should create conditions to attract other renowned international institutors.

That said, the Proponent pledges that this Strategic Project and, specifically, its alignment with the public service mission and Oceanarium activities will not change by reason of international institutors entering the *Oceano Azul* Foundation.

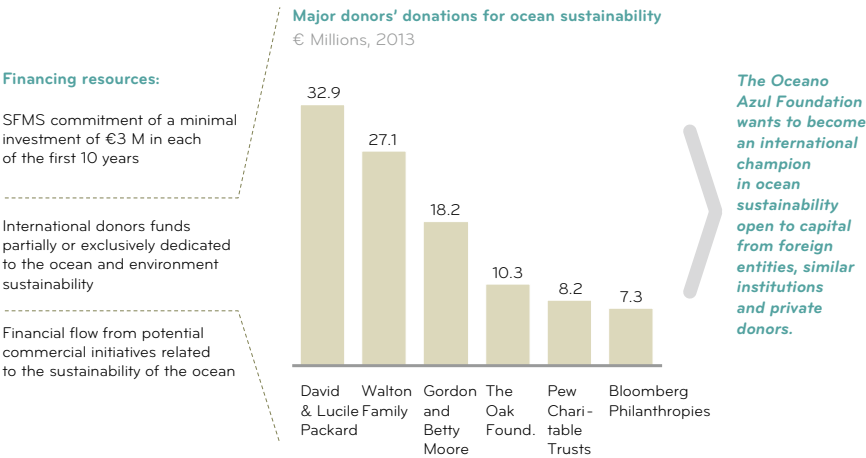
Scale, scope and financial critical mass

With its Strategic Project the Proponent undertakes to contribute €40 million to the *Oceano Azul* Foundation over ten years, to which further capital investment will be made by means of additional endowments from other institutors, as announced in the preceding paragraphs.

With an intended annual budget in excess of €5 million, the *Oceano Azul* Foundation will become one of the largest Portuguese foundations and will also hold a prominent position among the world's largest foundations dedicated to the cause of ocean sustainability.

TABLE 9

In a rolling year, the *Oceano Azul* Foundation aims at an annual budget in excess of €5 M



SOURCE: Websites and financial reports from the respective Foundations.

Fundraising

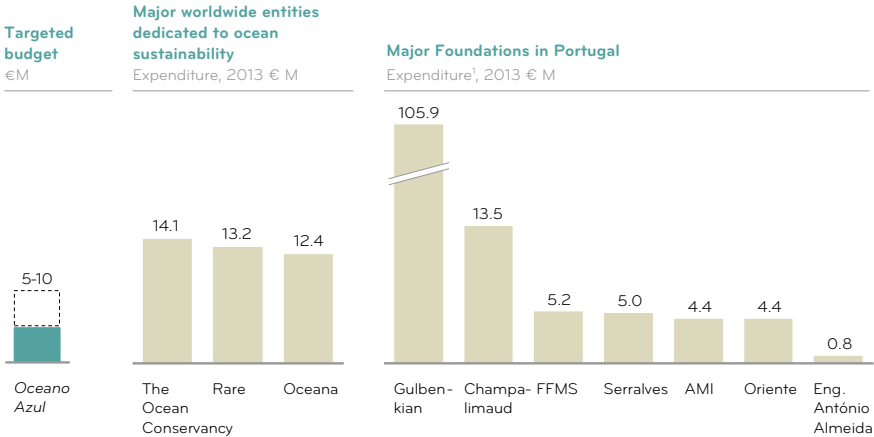
Finally, as with other foundations operating in ocean conservation, the *Oceano Azul* Foundation proposes to raise public and private funds from philanthropic sources.

The application and use of funds from the EU Horizon 2020 Programme will also be a priority for the Foundation, as well as other European funds that require private financing, which is within the reach of the Foundation to provide. In the private financing segment, the Foundation will resort to specialised services (international fundraisers), channeling the funds obtained and benefiting from the partnerships with its programmes to maximise its range of activities. With a hybrid financing structure, by combining its founders' financial allocation and fundraising, the Foundation should be able to become an undoubtedly prominent institution in the ocean domain worldwide.

This is a unique opportunity for Portugal, which should not be missed.

TABLE 10

With this budget, the Foundation will be an important worldwide partner and one of the greatest Portuguese foundations



1 Liabilities provisions and items classified as "other" are not included. The value of sales and services provided is excluded.
SOURCE: Websites and financial reports from the respective Foundations.

4.5. Conclusion

With a view to broadening the scope of its *Citizenship Programme*, the Proponent decided to contribute significantly to developing the cause of ocean sustainability.

This contribution consists in the creation of a foundation exclusively dedicated to the ocean. This decision is all too opportune: Portugal is at a turning point in its relationship with the sea, but the process is not yet completed, and a strong stimulus like the Proponent’s long-term investment proposal will undoubtedly be a decisive factor.

The creation of the *Oceano Azul* Foundation, based in Portugal but with the ambition and ability to become a world leader in conservation and capacity building, can be the catalyst that the Country lacks to bring about a fundamental change in its relationship with the sea.

Apart from the importance of the stimulus that can be given by the creation of the Foundation, the fact that an important Portuguese business group ventures into the domain of the sea is in

this Country an innovative, even disruptive, factor that can have a very positive impact. Unlike other European maritime countries, Portugal does not currently attract, nor has attracted in recent decades, attention and investment from major private economic groups in the marine field, let alone from a non-profit organisation dedicated to the field of environmental sustainability.

Seen in this light, the Proponent's strong commitment to the conservation and sustainable use of the sea set out in this Proposal is in itself unique and, very likely, a major opportunity for Portugal.

5. The Proponent's vision for the Lisbon Oceanarium

5.1. How does the Proponent see the Lisbon Oceanarium?

The Lisbon Oceanarium is recognised as a world class public aquarium. It was planned as one of the major symbols of the last world exhibition of the twentieth century, EXPO 98, dedicated to 'The Oceans, a Heritage for the Future', but surpassed the level of quality and prestige that would be expected at the time of its construction. The proof of this is the recent choice of the Oceanarium as the best aquarium in the world by the Internet site *Tripadvisor*, which has a customer satisfaction index for visitors of public aquaria.

There are many reasons that account for the global prominence of the Lisbon Oceanarium, starting with its iconic building, an architectural project designed by Peter Chermayeff, one of the world's best designers of aquaria. The variety of species it houses, namely those that occupy the central tank, its accumulated experience and the educational programmes it develops contribute to its widely recognised international merit.

The existence of a team and a leadership that display ability and rigour in their performance, and who are genuinely dedicated to the cause of the Lisbon Oceanarium's excellence, has been of paramount importance to its success, that is repeated year after year and so reinforces the image and reputation of the Oceanarium.

It is this trilogy of physical premises/equipment, human resources, and principles and performance practices that makes the Lisbon Oceanarium what it is.

So the primary objective of the management/operation of the Lisbon Oceanarium in the future can only be to maintain and strengthen its international reputation for excellence, without making any changes that might jeopardise it.

This means that the respect for the current operating principles of the aquarium, including care for the well-being of its resident species; rigorously informing and educating visitors and through pedagogical activities contributing to the goal of ocean conservation, and even the sober dignity of its image should guide the conduct of the future manager/operator of the Lisbon Oceanarium. In the Proponent's opinion this is what the Terms of Reference stipulate, with which the Proponent intends fully to comply.

5.2. The Proponent's vision for the Oceanarium

«Much more than an aquarium!»

Although the prestige of the Lisbon Oceanarium on the world stage of public aquaria is consolidated, as is its role of providing responsible entertainment for its more than one million visitors a year (including residents and tourists visiting Lisbon), it is recognised that the Oceanarium has a clear potential to do much more, including: (i) generating and disseminating marine education and literacy at a scale never before seen in Portugal; (ii) promoting the cause of conservation and protection of the oceans¹³; (iii) generating harmony between environmental and economic values of the sea; (iv) promoting the combination of scientific and technological knowledge of the sea with public policies for environmental sustainability; (v) and more




13 The Lisbon Oceanarium is currently developing some activities in this area, even if small in comparison with everything else it does. A new institution responsible for the Oceanarium's management should increase its contribution to ocean conservation, making it the Portuguese institution of reference in this field, with international importance in the medium term. This is one of the purposes of the *Oceano Azul* Foundation.

generally contributing actively to the renewal of the links between Portugal and the sea. This has once again become a goal most political parties and decision makers share.

It follows that the Oceanarium is much more than just a means of public entertainment but a strategic asset in the international cause of conservation and protection of the oceans which plays a central role in linking Portugal with the sea, whilst also being a prestigious symbol of Lisbon. The model to be developed for the management of the Oceanarium should allow for achieving these objectives through mobilising the financial and human resources appropriate to its execution. The *Oceano Azul* Foundation is thus ideally positioned to guarantee the human and financial resources, as well as the maintenance of the team that currently manages the Lisbon Oceanarium, to create unique conditions to make this Oceanarium... much more than a mere aquarium!

TABLE 11

The Lisbon Oceanarium is now a true public service provider based on three fundamental operational pillars

Public aquarium	Education and literacy	Conservation
		
Marine <i>habitats</i> complex focused on exhibition and promotion of ocean conservation	700,000+ participants in the Education Programme	More than 15 conservation programmes and relevant awareness-raising campaigns supported by the Oceanarium in recent years
National and international recognition	40 different programmes for all age groups, from infancy to seniority	Sharing forefront knowledge on the maintenance of animals in captivity with the scientific community
Innovative exhibitory techniques	110 Municipalities visited by the 'in motion' environment education project "Oceanarium Shuttle"	Cooperation with universities to implement studies and research activities in Marine Biology and Marine Sciences
Investment in modern equipments and qualified human resources	Diversified themes, like biology, science, biodiversity, literature, mathematics, economy, among others	
First public aquarium in Europe to be granted the ISO 9001, 14001 and EMAS Quality Certifications		

5.3. The use of precedent, or the paradigm of success

The decades old combination of one of the most reputed aquaria in the world – the Monterey Bay Aquarium – and its founder, the Packard Foundation, provides a precedent for the alignment and harmony which will occur naturally between the Lisbon Oceanarium and the *Oceano Azul* Foundation,

The *Oceano Azul* Foundation and the Oceanarium should replicate this highly successful model in Portugal, taking advantage of the connection between the two, to contribute decisively to the issue of ocean sustainability at the global level.

TABLE 12

This combined approach ‘foundation/aquarium’ has been a reason for the success of one of the best aquariums in the world

The Monterey Bay Aquarium is considered one of the best aquaria in the world in terms of visitors’ satisfaction



Mission	The Monterey Bay Aquarium is a non-profit foundation whose mission is to inspire the conservation of the oceans
Attendance	This aquarium attracts about 2 million visitors per year , with more than 50 million visitors since its opening in 1984
Investment	\$18 million (23% of its total expenditure) for education, conservation and research
Impact	Over 80 000 students and teachers visit the Aquarium yearly free of charge Programmes focused on the study and care of sea otters , saving dozens of sea otters every year Efforts to change the ocean legislation had practical results like the prohibitions of trading shark fins and the creation of marine protected areas

SOURCE: Monterey Bay Aquarium Website and financial reports.

5.4. Conclusion

Apart from its operational function, through which it helps to inform, educate and entertain, and to reinforce the image of Portugal's connection to the sea, the Lisbon Oceanarium also has an important symbolic role. With its creation, Portugal began to reinterpret its connection to the sea, no longer through the optic of its maritime history but via the prospect of preserving marine biodiversity, the importance of the ocean for our future, and the rigorous scientific knowledge required to ensure the conservation of the ocean and its sustainable use over time.

It is as if with the Lisbon Oceanarium the stones of the monuments honouring the country's maritime past were replaced by the multiplicity of colours of the marine fauna and flora in the Oceanarium. For twenty-first century Portugal the Oceanarium represents what the Belém Tower did for previous centuries; it became a national symbol of the values and principles guiding the relationship that Portugal aspires to establish with the ocean.

Given both its operational and symbolic value, the Oceanarium is an essential tool of the National Ocean Strategy¹⁴, a strategic asset, far from being confined to just a public entertainment resource.

Recognising the high value of the Oceanarium, the Proponent has applied to bid for its concession and has decided to manage it through a non-profit foundation, which aims not only to ensure the realisation of its vision for the Oceanarium, but also to empower it as an international leader in ocean sustainability.

14 As expressly recognized by the Government in Decree-Law no. 42/2015 of 26 March.

6. Integration of the Oceanarium into the strategy and activity of the Proponent; synergies and mutual advantages

6.1. Contextualisation

Having explained its vision and positioning on (i) the universal value of the ocean; (ii) the connection of Portugal to the sea; (iii) the *Oceano Azul* Foundation; (iv) and the role of the Oceanarium, the Proponent now has to explain how the activity of the Lisbon Oceanarium fits into its strategy, indicating cross-cutting lines between the two, identifying the alignment of the respective missions, as well as highlighting the synergies that that alignment can generate.

To this end, pursuant to Decree-Law no. 42/2015 of 26 March, which defines the remit of the Lisbon Oceanarium and its public utility, conferring the public service nature of its activities, the Government decrees¹⁵ that the pillars of that service are: (i) education (ii) ocean conservation; and (iii) the management of a public aquarium. In that Decree-Law, the Government also stated that the Oceanarium would be an instrument of the current National Ocean Strategy. Furthermore, the Government granted the Lisbon Oceanarium public service concession to the company Oceanário de Lisboa, S.A., and decided to grant all its shares to a private entity via a public tender of interested parties.

That decision led the Proponent to opt for proceeding with the creation of the *Oceano Azul* Foundation and to apply for the acquisition of the shares of the Oceanário de Lisboa, S.A. to enable creating important synergies between both institutions.

Reinforcing above all else the Oceanarium's public service mission while maintaining the excellent reputation it enjoys in the international arena and providing long-term stability for its

¹⁵ Pursuant to the Decree-Law stating the Bases for the Concession of the Lisbon Oceanarium.

management were what determined the Proponent's decision to apply for the acquisition of the Oceanário de Lisboa, S.A.

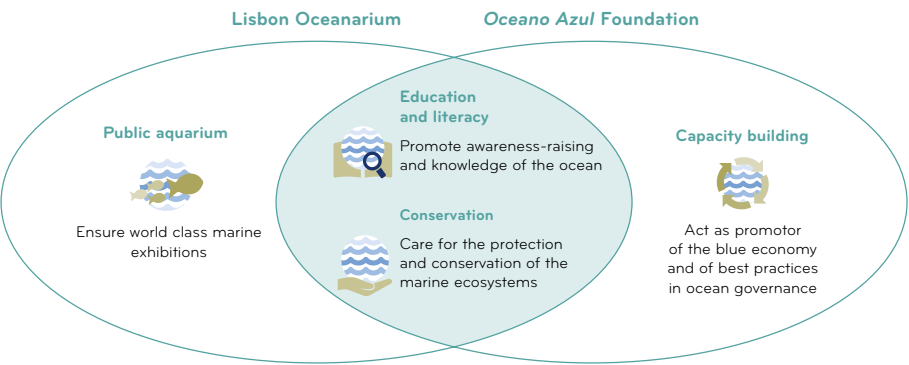
The clear alignment of the main operating pillars of the *Oceano Azul* Foundation with the public service pillars of the Lisbon Oceanarium, namely the promotion of education and ocean conservation, further determined the Proponent's decision to apply for the concession.

This combination also results in the release of substantial funds that will be assigned to the maximisation of the public service mission of the Lisbon Oceanarium.

TABLE 13

The Lisbon Oceanarium and the new *Oceano Azul* Foundation share a common mission of public service

Strategic pillars of each institution



6.2. Synergies and advantages of the links between the Oceanarium's operations and the Proponent's strategy, based on the creation of the *Oceano Azul* Foundation

An advantage for Portugal

The first advantage arising from the concession of the Lisbon Oceanarium to the Proponent is the creation of the *Oceano Azul* Foundation, which, without the synergies generated by both institutions, would be unable to build the capacity it needs. Without

the existence of that relationship there would be no conditions for establishing the Foundation with the scope and with the ambition described in this Proposal.

Indeed, what is at stake with the present Proposal is a unique opportunity to streamline the largest strategic and financial project that was ever proposed in Portugal in the area of environmental sustainability. There is a gap here with the absence of civil society organisations and so a space to be filled.

Advantages for the Lisbon Oceanarium

Granting the concession of the Lisbon Oceanarium to the Proponent confers a clear advantage to the Oceanarium because, thanks to the funding and support from the *Oceano Azul* Foundation, it allows existing programmes to be leveraged and many others to be planned that so far have not been able to generate financial support.

Apart from the Foundation's support, all the money generated by the Lisbon Oceanarium (other than that used to pay rent to the State and other operating costs) will be reinvested in the Oceanarium public service mission and must be assigned to its three defined pillars¹⁶. The funds thus channelled are to be exclusively reinvested in public service activities of the Oceanarium and are estimated to be approximately €110 million over the concession period.

Another clear advantage of this Proposal is the possibility of expanding the mission of the Oceanarium, funded as stated in the two preceding paragraphs, placing it at the operational heart of the *Oceano Azul* Foundation, an institution that aspires to become a major organisation worldwide in ocean education and conservation, development of ocean governance skills, promotion of scientific research and advancing an environment-friendly blue economy.

This budgetary allocation will bring about a profound transformation in the scale, quality and number of activities and

¹⁶ As the Foundation is a non-profit entity driven only by its mission, its management of the Oceanarium does not allow the profits derived from it to be channelled to shareholders.

programmes to be undertaken by the Oceanarium, because never until now were such funds available. Indeed to this day, almost the entire profits of the Oceanário de Lisboa, S.A. were transferred to its shareholder, Parque EXPO 98, S.A. In past years, the Lisbon Oceanarium only ever retained very small amounts to meet the costs of its public service mission. In other words, with its concession to and exploitation by a non-profit foundation exclusively dedicated to exhibitions, education, conservation, science and culture, the Oceanarium will be able comprehensively to expand its public service mission.

The stability of the Oceanarium management is another advantage that is ensured by backing the continuation of the current management team, maintaining its autonomy and the stability necessary for the institution to adequately fulfil its mission.

A further advantage to the Oceanarium that results from concession and management by the *Oceano Azul* Foundation lies in the benefit deriving from the critical mass generated by the highly qualified human resources of the Foundation and its consultants, as well as from the talent, reputation and experience resulting from its international network, which is based on individuals and entities of global standard and reputation.

The exploitation of the intrinsic synergies generated by combining the Lisbon Oceanarium with a foundation with the characteristics of the *Oceano Azul* Foundation, a non-profit organization, will allow it to seek further financial support from third parties (fund raising), which was incompatible with the pursuit of income and distribution of dividends to shareholders as was until now the case of the Oceanário de Lisboa, S.A., dependent on its parent company, Parque EXPO 98, S.A.

Advantages for the Foundation

The *Oceano Azul* Foundation will benefit from the powerful communication vehicle that is the Lisbon Oceanarium by virtue of its strong international brand and its vast number of visitors.

Just as the Oceanarium will be able to benefit from the Foundation in fundraising, the Foundation will also acquire the potential

to obtain funds and support (including donations and sponsorships), being able to build its reputation faster due to its connection to the Lisbon Oceanarium.

Advantages for the city of Lisbon

The Oceanarium is one of Lisbon's most visited tourist attractions. The *Oceano Azul* Foundation intends to contribute to expanding the Oceanarium's tourism capacity through planned promotional marketing and pricing initiatives.

The introduction of modern communication and information technologies to enhance visitor interaction with the exhibits, plus a projected second temporary exhibition, will attract more visitors to the Lisbon Oceanarium.

The Oceanarium cannot be dissociated from the physical and social environment in which it operates, the Parque das Nações. It was conceived as part of a wider project, EXPO 98, and this genetic code will continue to mark its existence and its relationship with its surroundings.

At the same time, the economic crisis and the administrative changes that have taken place, including the end of Parque EXPO 98, S.A.'s responsibility for managing and maintaining the gardens and surrounding area, has created some difficulties, particularly with the existing services and equipment, which in turn have led to the evident degradation of the surrounding gardens.

Being aware of this, the Proponent is convinced the Lisbon Oceanarium also has a role to play at local level, which includes contributing to maintaining the quality of its surroundings, and confirms it is ready as of now to enter into dialogue with the Lisbon Municipality and the Park of Nations parish council in order to find ways of cooperation, leading to the recovery of the urban and landscape surroundings of the Park. The Proponent pledges to allocate a substantial sum to that end.

The Proponent intends the Oceanarium to contribute decisively to the rehabilitation and maintenance of the gardens and surrounding areas, through financial contributions to defray costs or provision of human and technical resources as appropriate.

This investment in the surrounding spaces and infrastructure supporting the Oceanarium will attract more people to Parque das Nações, thus enabling the public spaces to be enhanced. Moreover, the Proponent intends to promote performing arts initiatives in the whole public space and immediate surroundings of the Lisbon Oceanarium, including its currently underutilised lake¹⁷.

6.3. Conclusion

The linkage of the Lisbon Oceanarium to the *Oceano Azul* Foundation is, in short, a scenario in which it can consolidate its present excellence in an ambitious project for the future. This is a project with obvious advantages for the Oceanarium, the Foundation to be instituted and for Portugal.

17 Especially when compared with the surroundings of other large public aquaria. In order to plan such an initiative, the Proponent, along with its technical consultants who are specialists in aquaria (Cambridge Seven Associates, Inc.), studied other aquaria such as those in Valencia in Spain, and Tennessee and Baltimore in the United States.





II. Compliance with the objectives of public service operation and administration of the Lisbon Oceanarium, to assure management stability and preservation of the Oceanarium's vocation, pursuant to Article 3 of the Decree-Law No. 42/2015, of 26 March

The previous chapter demonstrates the alignment that exists between the Proponent's operational charter and strategy – which essentially involves the creation of the *Oceano Azul* Foundation – and the remit of the Oceanário de Lisboa, S.A., explaining the vision, values and principles, as well as the mission and main pillars of the Proponent's strategy.

In this chapter, we must focus on the implementation, from the main pillars to the operations the Proponent plans to develop to realise its Strategic Project.

Only by so examining the Strategic Project is it possible to demonstrate that it complies with the public service objectives set out in Article 3 of Decree-Law No. 42/2015 of 26 March, as required by the Terms of Reference of the Bid.

However, the Strategic Project presented here is only the embryonic basis for the "Strategic Plan" that the Proponent will

adopt within 12 months, as demanded by law, should it acquire the Oceanário de Lisboa, S.A. shares. It should only be viewed in this light. In fact it would be unreasonable to think that the proponents for this tender could prepare and approve a final five-year plan in such a short space of time.

That said, the pillars of the Proponent's Strategic Project mentioned above are as follows:

1. Management of the Public Aquarium;
2. Education and blue literacy;
3. Ocean conservation;
4. Capacity building in ocean governance matters; in research and marine science; and in promoting an environment-friendly innovative blue economy.





The first three pillars correspond *verbatim* to the pillars that define the public service provision of the Lisbon Oceanarium, in accordance with the Government Decree Law defining the Bases of the Concession. The fourth and final pillar is part of the *Oceano Azul* Foundation's mission, as set out in its Strategic Document.

1. Proponent's objectives and action plan

To implement its Strategic Project, the Proponent has defined a set of objectives to pursue under each of the strategic pillars described above. These are set out in the following pages along with what has to be done to meet them. By disclosing its strategy, the Proponent enables its compliance with the public service objectives described in Article 3 of Decree-Law No. 42/2015 to be verified.

TABLE 14

Proponent's main objectives under the pillars that are part of its Strategic Project

Public aquarium 	Education and literacy 	Conservation 	Capacity building 
(a) Inspire the emotional connection to the oceans	(a) Contribute to a blue citizenship	(a) Preserve the natural capital of the ocean and coastal zones	(a) Contribute to a new governance of the ocean
(b) Navigate from the Global Ocean to the vast Portuguese Sea	(b) Support a "Pordata" for the sea	(b) Promote Marine Protected Areas	(b) Encourage a new, environmentally friendly, blue economy
(c) Exhibit endangered species and <i>habitats</i>	(c) Implement advanced training about the ocean for groups of decision-makers		(c) Link marine sciences to public policy objectives
(d) Become a world leader in best practices in aquariology			
Oceanarium-specific	Together with the <i>Oceano Azul</i> Foundation		Foundation-specific

1.1. Objectives and activities under the "Management of the Public Aquarium" Pillar

The Proponent intends to pursue the following four objectives within the scope of this pillar¹⁸:

- (a) To inspire the emotional connection to the oceans;
- (b) To navigate from the Global Ocean to the vast Portuguese Sea;
- (c) To exhibit endangered species and habitats;
- (d) To be a world leader in best practices in aquariology.

The ultimate aim of the Proponent in this context is to add to the recognised quality of the equipment and current exhibition portfolio an emotional connection with the living fauna and themes exhibited – always based on the promotion of international best

¹⁸ These objectives, defined with reference to the "expository management of the public aquarium", will also contribute to achieving objectives in the pillars of education and promotion of ocean conservation.

practice in animal welfare, and on the scientific accuracy of the information provided.

The Proponent also wishes to introduce technical innovation in aquariology and environmental promotion.

This deepening of the visitor's experience will strengthen the Oceanarium's image as one of the main tourist attractions in Portugal and one of the best aquaria in the world, which touches all who visit it, galvanising society as a whole on the issue of ocean protection.

In order to meet this goal, the Proponent relies not only on the high quality of the current Oceanarium team but also on the assistance of an internationally renowned company, Cambridge Seven Associates, Inc.¹⁹.

The Proponent also has the support of Mark Smith, who was the first director of the Lisbon Oceanarium and has agreed to preside over a Technical Support Council (TSC), appointed to support the Oceanarium team in implementing best practice in aquariology. The TSC will also include other reputed international experts in aquariology.

(a) Inspiring the emotional connection to the oceans

The Oceanarium is a gateway to the discovery of the ocean and, in addition to generating knowledge and entertainment, it has an unquestionable emotional dimension that leads us to an unknown but wonderful world, at the same time strange and familiar. This is a world where everyone can play an important part through changing their behaviour and attitudes towards the environmental sustainability of the sea.

The underlying idea is that mere teaching is not enough to achieve behavioural change, but that to raise awareness successfully the message recipients must be touched emotionally.

¹⁹ Cambridge Seven Associates, Inc. was responsible for the architectural design and construction of the Lisbon Oceanarium, whose architect Peter Chemayeff is an associate of the firm.

The Proponent will try to win not only the minds but the hearts of visitors to the ocean cause, without compromising the technical and scientific rigour. This emotional connection is being attempted with a view to stimulating greater awareness of the importance of marine life for society and the planet, and of the urgency of conserving ocean species and habitats.

To comply with this goal, the Proponent intends to: (i) increase investment in maintenance and development of the Oceanarium infrastructure and equipment; (ii) create a second temporary exhibition of shorter duration than that of the currently developed temporary exhibitions; (iii) introduce new exhibition technologies, including communication and information technologies²⁰; (iv) promote performing arts initiatives in the outside space adjacent to the Oceanarium; and (v) reinforce the messages and content that an aquarium can transmit to its visitors.

(b) Navigating from the Global Ocean to the vast Portuguese Sea

One of the most important messages that must be conveyed about the ocean is that it has no borders and that all oceans are interconnected, being in fact one single expanse of water. This is not only the key message of the Lisbon Oceanarium but its distinguishing feature, and will remain untouched.

Yet it is both possible and desirable to complement this central message through exhibitions with timely and important themes concerning the conservation and sustainable use of the ocean, such as the issues of climate change and plastic pollution, and to highlight the vital ecosystems that exist in the vast Portuguese sea.

Whilst Portugal is a European hotspot in terms of the wealth of its marine biodiversity, the Portuguese find it hard to comprehend or appreciate its richness and diversity.

The Lisbon Oceanarium²¹ has the ideal infrastructure to help its visitors “see” the Portuguese sea in all its diversity, through

20 Always without compromising the requirements and limitations of the exhibitions prescribed in Annex I of the Concession Agreement.

21 Notwithstanding other public aquaria, like the Vasco da Gama Aquarium, also exhibiting species from the Portuguese sea.

innovative exhibition techniques that will allow the visitor to travel through the Atlantic islands, submarine canyons, hydrothermal vents, deep sea corals and other ecosystems of the deep sea, the submerged forests and prairies, seamounts, coastal ecosystems and the richness of the main estuaries of the Country.

There are spaces outside the Lisbon Oceanarium's core exhibition areas that can be adapted to serve this purpose, for which the temporary exhibitions are also suited.

(c) Exhibiting endangered species and habitats

In today's world of international associations of zoos and aquaria it is widely accepted that they must play a central role in conservation efforts and recovery of endangered species and habitats. The emphasis given in the Oceanarium exhibitions to threatened marine biodiversity will be strengthened, and the Proponent intends to enable permanent exhibitions to be mounted that will show the general public some of these vulnerable or endangered species and habitats.

Awareness of the impact of human activities on endangered species and habitats provides a powerful form of cognitive and emotional involvement of people with the sea²².

Special attention will be paid to exhibiting a number of endangered species and habitats that are priority targets for conservation measures, such as sharks and rays, tuna, sunfish and seahorses, and habitats such as seagrass meadows, kelp forests and coral reefs. These "flagship species" are real "ambassadors of the oceans", and the Oceanarium already displays a significant number of species listed in the IUCN (International Union for Conservation of Nature) with conservation status²³.

22 Programmes will be developed in line with efforts to be introduced in the Education and Conservation Pillars.

23 As stated in the document "Lisbon Oceanarium – Conservation Strategy" drawn up by the Lisbon Oceanarium and which was made available to the proponents for this tender.

(d) Being a world leader in best practices in aquariology

The maintenance and reproduction in captivity of thousands of marine animals requires being at the forefront of best practices in aquariology – in animal welfare, energy efficiency, safety and performance – as an ethical commitment and to guarantee the high quality of the project.

The Oceanarium will therefore strengthen its position as world leader in best practices concerning the role aquaria play in society. The network of scientific institutions, non-governmental organisations, universities and experts that support the Proponent's project, together with the current Oceanarium team supported by the new Technical Support Council (TSC) that Mark Smith will lead, is a tangible guarantee of its being able to do so. And to realise this objective, the Proponent intends to create a European Aquariology Centre at the Oceanarium.

In conclusion, the Proponent guarantees that implementing these objectives will be conducted in compliance with the requirements and limitations prescribed in Annex I of the Concession Agreement, as to expository excellence; economic and environmental sustainability; investment in training human resources; and visitor satisfaction levels. This statement covers everything to be undertaken by the Proponent within the remit of the pillars and goals explained below.

1.2. Objectives and activities within the scope of the "Education and Blue Literacy" Pillar

Within the scope of this pillar, the Proponent intends to pursue the following three objectives:

- (a) Contribute to a blue citizenship;
- (b) Support a "Pordata" for the sea;
- (c) Provide advanced training in ocean affairs for groups of decision-makers.

(a) Contributing to a blue citizenship

One of the great myths of national identity is that Portugal is “a Country of sailors”, when recent studies show that, over time, the Country became predominately rural. Portugal does not have such a vibrant maritime culture as other coastal regions of European countries. As a result, and due to poor ocean literacy, the blue citizenship goal is of the utmost importance to Portugal.

The Nordic countries have since the 1970s benefited from a citizenship that is highly qualified on issues of environmental protection. Portugal too has much to gain from doing the same over the oceans, with the aim of turning Portugal into a country whose citizens are truly responsible for the conservation and sustainable use of the ocean.

There are various ways to achieve the objective of contributing to the creation of a “blue citizenship”, reinforcing ocean literacy in all strata of the population, especially the younger generation.

The Proponent’s ambitions include:

(i) Educating children in the 5–9 age group

In its first five years the blue literacy programme is intended to reach all children residing in Portugal aged five to nine, approximately 510,000 in total. This means reaching at least 100,000 children annually. To achieve this, it will be necessary both to increase guided visits for schoolchildren to the Oceanarium and greatly enhance “Oceanarium visits to schools”, taking the ocean theme to the children. This will be accomplished through cooperation with schools and local authorities, and deploying shuttle vehicles like those already used by the Oceanarium, but on a much larger scale than at present.

(ii) Blue Flag Schools

The involvement of schools nationwide in this “blue citizenship” effort requires a genuine commitment that the Proponent wants to encourage through the creation of “blue flag schools”, rewarding those that are most active in the blue citizenship campaign.

(iii) An Advisory Board of Children

To ensure the educational programme for children aged five to nine and the broader objective of "blue citizenship" succeed, the Proponent intends to involve children not only as a priority target for educational programmes but as architects of them. To that end a specialised Advisory Board will be created, which will include pre-adolescent children selected by means of a national competition, to incorporate their concerns and contributions in the educational strategy to be implemented.

(iv) Strengthening the Oceanarium resources and messages

All educational opportunities offered by the Oceanarium will be used so as to provide games, challenges and activities for children of pre-school age and in primary education, focused mainly, but not exclusively, on endangered species and habitats.

It follows that simple but effective messages on issues related to the conservation and sustainable use of the ocean should be transmitted to all visitors in suitable exhibition spaces without compromising the current approach of "emotional immersion", which should remain untouched.

Other relevant activities

- (v) The current 'S.O.S. Ocean' programme of the Lisbon Oceanarium, focused on sustainable consumption, will be strengthened.
- (vi) New programmes will be launched: for instance "The Portuguese Ocean; and Protect Our Blue Capital ", which aim to promote in society the notion that natural values are an essential commodity. Publicly introducing the concept of natural capital is a very important step towards highlighting this concept in cost-benefit analyses in decision-making.
- (vii) Another example will be the campaign "Plastic-free Portugal – Save the Ocean." We are witnessing today a global movement to ban the widespread use of plastic bags in many countries. Portugal can be at the forefront of this clean-up effort and the ocean is the ideal setting for successfully achieving this goal.

- (viii) The programme “Clean and Healthy Beach” will, together with what is envisaged in the Ocean Conservation Pillar, produce a global agenda to cover all aspects of this problem (from user to industry, involving municipalities, schools, institutes, etc.).
- (ix) In order to initiate Blue Citizenship, the Oceanarium will cooperate with the Ministry of Education, organisations interested in the issue of blue literacy at national and international level, the autonomous regions of the Azores and Madeira, and local authorities, with a view to incorporating the theme of conservation at various educational levels.

(b) Support a “Pordata” for the sea

One of the most successful programmes organised by the FMSF, which has proven to be of the utmost service to the Country, is the Pordata Contemporary Portugal Database. Ocean education on aspects of environmental sustainability should not be limited to primary school but to all levels of education and aspire to achieve deeper levels of knowledge of sea-related natural and social sciences. The creation of a Pordata for the sea is particularly useful as a tool for blue citizenship and for capacity building of sea studies at all levels in Portugal. The Pordata for the sea will create environmental, social and economic ocean sustainability indicators and develop tools for the definition and monitoring of public policies in this field, allowing it to be used by decision-makers so as to increase the sustainable uses of the sea in Portugal and by society at large, thus promoting awareness of the importance of the sea.

(c) Conduct advanced training in ocean issues for groups of key decision-makers

The Proponent will invite the Oceanarium to organise programmes of advanced studies on ocean issues with the *Oceano Azul* Foundation, targeted at specialist audiences that will act as catalysts in the dissemination of maritime culture and respect for the integrity of the oceans. These audiences should include maritime professionals, not least fishers; relevant decision makers, such as teachers

and other academics; staff from non-governmental organisations concerned with environmental sustainability; members from the public administration; and media professionals (as public opinion-makers) – with seminars being held for representatives of the leading Portuguese and European media.

These programmes will benefit greatly from the network of international scientific institutions that have already supported the Proponent's Strategic Project, and may also lead to the creation of postgraduate courses and advanced studies in topics that are a priority for the missions of the Lisbon Oceanarium and the *Oceano Azul* Foundation. Workshops on these strategic issues will also be held in collaboration with world experts in the different areas.

In conclusion, the three goals set out for this Pillar allow for achieving in five years an exponential increase in education and blue literacy, both at national level and in partnership with international institutions in third countries. Targets should be set down for increase knowledge and awareness of ocean challenges in the new generations and in selected audiences that may contribute decisively to disseminating a stronger, more vibrant maritime culture whilst not neglecting the need to promote the conservation and sustainable use of the ocean.

1.3. Objectives and activities within the scope of the “Ocean Conservation” Pillar

Within the scope of this pillar, the Proponent intends to pursue the following two main objectives:

- (a) To preserve the natural capital of the ocean and coastal zones;
- (b) To promote Marine Protected Areas.

(a) Preserving the natural capital of the ocean and coastal zones

The Ocean Conservation Pillar must be one of the most important in the Oceanarium remit in terms of public service since in the long run the institution's *raison d'être* largely depends on it, given that the maintenance of wild animal species in captivity will be increasingly unacceptable to society.

The Proponent wants to raise the status of the Lisbon Oceanarium to that of a European/World authority in ocean conservation and sustainable uses. This will require a considerable amount of the resources generated by the Oceanarium and the *Oceano Azul* Foundation being allocated to recovery and conservation of endangered or particularly vulnerable habitats and species.

In habitat protection, priority will be given to developing programmes acting on land-sea interface ecosystems, namely salt marshes in Portugal and Europe or mangroves and coral reefs in tropical zones. These areas have been destroyed at an alarming rate over the last thirty years, and it is dramatically urgent to curb their devastation and promote their recovery, given the decisive contribution that the services generated by these ecosystems render to society. They have a central ecological role in generating marine biodiversity and ultimately to the very sustainability of the oceans as a whole. Given how crucial they are, seagrass meadows recovery programmes will be undertaken on the ground. There is much to be done in Portugal in the preservation and sustainable use of coastal zones. The Proponent will therefore ensure that the Oceanarium and the *Oceano Azul* Foundation promote programs within one year to (i) prevent the pollution of ecosystems and coastal intertidal zones by hydrocarbons and detergents resulting from washing ship tanks, activity that is still performed with impunity; and (ii) implement a programme for cleaning up plastic and other waste materials from Portuguese beaches and coasts, in partnership with local authorities and various local partners, non-governmental organisations, universities etc., which are already trying to organise and coordinate efforts to address this problem.

Other matters relating to the coastline, estuaries and rivers, and sustainable ocean use requiring attention under this objective are: (i) intervention over industrial sewage pollution; (ii) conservation to protect biodiversity and draw attention to the rich natural capital it provides; (iii) promotion of sustainable fishing practices through partnerships with fishermen's associations and other local business entities, and through best practice incentives such as elimination of trawling and driftnet fishing and reduction of incidental fisheries.

The Proponent believes that the Lisbon Oceanarium can be constituted as a recovery centre for endangered or particularly vulnerable marine species. An example of such priority species is the seahorses at Ria Formosa in the Algarve, where recent estimates point to a marked decline in population. Promoting the study and recovery of other prime species (e.g., sharks, turtles, seabirds, rays, tuna and manta rays) will also be a objective.

(b) Promote Marine Protected Areas

This objective aims at promoting and encouraging the creation and effective management of marine protected areas, which are essential to maintaining the sustainability of the marine environment by recovering of ecosystems, habitats and species, with positive effects often beyond what would be expected²⁴.

The work will require support to studies on this theme, including scientific research on the resilience these areas offer in the recovery of biomass, as well as to economic and social studies on the costs and benefits of marine protected areas for the commercial activities which depend on sustainable oceans. It also requires analysis of the coherence and effectiveness of legal and regulatory instruments, and support for implementation of international best practices.

It is thus a priority for the Proponent that during the first five years of the project: i) the necessary partnerships be established to launch an effective plan to implement an ecologically coherent and effective network of marine protected areas in coastal zones, offshore, deep ocean and the continental shelf; ii) the *Oceano Azul* Foundation and the Lisbon Oceanarium become important partners in this theme at the international context, taking advantage of the network of partnerships already established.

24 Source: <http://www.piscoweb.org/>

1.4. Objectives and activities within the scope of the “Capacity Building” Pillar

Within the scope of this pillar, the Proponent intends to pursue the following three objectives:

- (a) To contribute to a new ocean governance;
- (b) To encourage an environmentally friendly, new blue economy;
- (c) To combine marine sciences with public policy goals.

(a) Contributing to a new ocean governance

This objective is one of the measures needed to move towards sustainable ocean use.

In order to pursue it the Proponent intends to create a think tank on Governance and Regulation of the Ocean, not only directed at production of policy papers but at building the capacity for intervention in the oceans by various players.

Portugal is particularly advanced in maritime spatial planning legislation, but the novelty and complexity of this new decision tool and the lack of trained and experienced people argue for the support of a Foundation with the characteristics and ambitions of the *Oceano Azul* Foundation. A think tank such as this can be extremely useful in establishing an international network of experts, and in holding regular working meetings and producing documents about the different challenges of ocean governance.

Political influence and leadership in the ocean agenda are critical to this area of governance. Therefore the Proponent, given its organisational, human and financial resources, wishes to exercise such influence at the European, even global level.

An active and regular presence in international oceans fora will be maintained. The Proponent also intends to support the Blue Week in Portugal, contributing to its success by organising an international meeting held at the highest level. With this event the Foundation aspires to bring together other foundations and international entities with an ocean agenda, combining resources and programmes.

(b) Encouraging an environmentally friendly, new blue economy

In order to contribute to achieving the new paradigm of sustainable use of the ocean, where the economic exploration of the sea must go hand in hand with the protection of the marine environment, it is essential to invest in a new, innovative and environmentally friendly blue economy.

For Portugal, whose maritime economy has a smaller share of GDP than the European average but whose maritime geography offers significant competitive advantages, as does the biophysics of the Portuguese sea, this objective begins to take on a new political significance.

This is also why contributing to a new environmentally friendly blue economy and designing programmes to implement it is of clear public utility. That being so, in order to contribute to the public interest in promoting a new blue economy and make it a productive platform capable of generating economic growth and job creation without jeopardising ocean conservation, the Proponent proposes creating a programme to support the selection of important sectors of the blue economy, and encourage the adoption of industrial policies which will empower them to be innovative economically whilst respecting the marine environment.

Meeting this objective of further encouraging the blue economy requires creating the tools needed to grow the sectors concerned. Such tools may include setting up or supporting business incubators, and developing or supporting networks of new players in the respective sectors, extending across entire value chains²⁵.

Finally, the Proponent intends to consider supporting the important initiative of creating a high level certification system for commercial activities linked to the sea.

25 The creation of BLUEBIO ALLIANCE network for the marine biotechnology sector can set an example to other innovative sectors and the Proponent, through its *Oceano Azul* Foundation, can give substantial support to the creation of such networks.

(c) Combining research and scientific knowledge of the sea with public policy goals

The promotion of scientific developments in ocean conservation and responsible governance, and the success of an innovative blue economy is common sense and has to be an objective of the Proponent's Strategic Project.

Central to this will be to generate strategic cooperation in research and marine science, trying to combine it with public policies and so confront the societal challenges posed by the sea. Care should be taken to avoid an excessive dispersion of human, financial and infrastructural resources within the scientific system of marine research.

In order to comply with this objective the Proponent will support the development of a national strategy for scientific marine research. This strategy should promote public policies and societal challenges, by identifying major challenges and topics of interest, such as ocean conservation, climate change, the deep sea, or prospecting the continental shelf.

Running inter-university and interdisciplinary academic courses that bring together the best teachers and students in these scientific fields should complement such a strategy.

2. Verifying the conformity of the Proponent's Strategic Project with Article 3 of Decree-Law no. 42/2015

As demonstrated in the previous section, the Proponent's Strategic Project aims to enable in all its aspects the public service mission at the heart of the operation and administration of the Lisbon Oceanarium, maintaining its status at national and international level.

The Proponent, therefore, establishes a commitment to ensure the two main objectives of the concession throughout its duration, in accordance with the terms properly identified in Article 3 of Decree-Law no. 42/205 of 26 March, that is to safeguard (1) the

stability of management and (2) preserving the Oceanarium of Lisbon's vocation.

2.1. Management stability of the Lisbon Oceanarium

Over the years the Lisbon Oceanarium has established a reputation for excellence, due to its exhibition quality, its modern equipment and its skilled human resources. Its excellence has been reflected in the awards it has gained, the high quality certifications it has obtained and the prominent positions it has played in the most important fora. This is all the more remarkable given it is an organisation with limited human resources compared to similar aquariums.

Being able to provide a high quality service with limited financial and human resources is indicative of the ability of the Lisbon Oceanarium's current management team. The *Oceano Azul* Foundation believes that this capacity will be critical to the maintenance of the Lisbon Oceanarium as a benchmark aquarium and so wants to continue to rely on a team that has already proved its worth.

Retaining the management team will entail a guarantee of stability, which will ensure that the future performance of the Oceanarium reflects its success story, not just in a transition stage, but as a continued commitment into the future.

A Technical Support Council (TSC) will also be created, whose purpose will be to ensure that the Lisbon Oceanarium benefits from rigorous and updated advice on all aspects of aquarium science and technology.

TSC support to the Oceanarium will be based on a set of principles and operations to which the TSC will commit. To begin with, the TSC will be available to help the Oceanarium solve any technical issue that may arise. It will meet at least twice a year, in order to discuss the challenges faced by the Lisbon Oceanarium technical team, to propose new and emerging technologies that may be relevant, and to analyse the results of research performed by the Oceanarium or on its behalf. These meetings will also result in the production of a technical audit of the Oceanarium

infrastructure once a year, and the presentation of a report on the state of the Oceanarium and its operations, with recommendations for the following year.

The importance of the TSC work is reflected in the wide range of topics included in its support to the management of the aquarium, helping to ensure that:

- ethical animal care practices consistent with international standards will be maintained;
- protocols for acquisition of animals will continue to be respected and will be consistent with the latest and safest techniques for collection and transportation of animals;
- quarantine and storage techniques will permit receiving, treating and adequately caring for each specimen while minimising the morbidity and mortality of animals;
- filtration techniques used will optimise the quality of life of specimens and visitor experience;
- a strict policy of hiring and training will be followed; research programmes in animal care, captive breeding and support for conservation activities external to the Oceanarium will be established;
- the Oceanarium's ecological footprint will be minimised by the use of energy efficiency techniques whenever and wherever possible;
- continuous contact with other international experts in the field will be maintained.









In conclusion, the Proponent's commitment to maintain the current Oceanarium management team and support it with the knowledge of highly qualified international experts in order to pursue the essential goals of its management pillar ensures long-term stability of the Lisbon Oceanarium management.

2.2. Preserving the Oceanarium of Lisbon's vocation

The following table displays the compliance of the Proponent's strategic goals explained in detail in section 1 of Chapter II with the public service demands established in Article 3 of Decree-Law no. 42/2015, concerning the Oceanarium's vocation.

TABLE 15

Conformity of the Strategic Project with the objectives for preserving the Oceanarium's vocation

Legal objectives (Decree-Law articles)	Corresponding strategic pillar	Activities to be developed
i. Pursuance of the mission to promote knowledge of the Ocean	 Education and Literacy	<ul style="list-style-type: none">> Promoting blue citizenship, by:<ul style="list-style-type: none">• Educating children in the 5–9 age group• Launching Blue Flag Schools• Creating an Advisory Board of Children• Strengthening the Oceanarium resources and messages• Other activities related to education and awareness-raising on the ocean environment – see paragraphs v) to ix) of point 1.2 of Chapter II in the Technical Proposal> Supporting the launching of a "Pordata" for the sea> Implementing advanced training for groups of key decision-makers> Encouraging the emotional connection to the oceans> Navigating from the Global Ocean to the Portuguese sea.> Exhibiting endangered species and <i>habitats</i>
	 Public aquarium	
ii. Maintenance and reinforcement of the status and reputation asset of the Lisbon Oceanarium	 Public aquarium	<ul style="list-style-type: none">> Creating a Technical Support Council with experts on aquariology> Further investing in the Oceanarium infrastructure> Further investing in attracting visitors> Launching new temporary exhibitions> Implementing new technologies and exhibitory methods> Creating a European Aquariology Centre> Improving the Oceanariums' surroundings> Other activities identified in point 2.1. of Chapter II in the Technical Proposal
iii. Blue education and literacy	 Education and Literacy	<ul style="list-style-type: none">> (See activities mentioned in point i)
iv. Connection between the Oceanarium and scientific research	 Conservation	<ul style="list-style-type: none">> Preserving the natural capital of the oceans and coastal zones> Promoting marine protected areas> Recovering marine species <ul style="list-style-type: none">> Coordinating marine research and scientific knowledge with public policies> Contributing to a new governance of the ocean> Encouraging a new, environmentally friendly blue economy
v. Conservation of the Ocean, marine biodiversity, maritime economy and governance of marine resources	 Capacity building	
vi. Cooperation between the Lisbon Oceanarium, similar institutions and international associations in this sector	 Public aquarium	<ul style="list-style-type: none">> Launching an international cooperation programme through:<ul style="list-style-type: none">• The TSC, including international experts on aquariology (see Chapter IV – Personnel Plan)• Creating a European Aquariology Centre (see Chapter IV – Personnel Plan)• The Proponent's network of international supporters that currently has 40 entities, including aquariums, foundations, civil society entities connected to oceans, universities, etc.
	 Capacity building	

3. Conclusion

The greatest evidence of compliance of the Proponent's Strategic Project described above with the public service activity of the Lisbon Oceanarium lies in the perfect alignment of principles, values and respective missions.

This alignment is complete with respect to "education and blue literacy"; namely the educational programmes that contribute to the promotion of the national maritime culture. Also, those focusing on environmental pedagogy and those enabling Portuguese universities to develop research on ocean conservation.

The relationship between the Oceanarium collaboration with universities to promote the development of research in the field of marine biology and marine sciences, and the Proponent's Strategic Project and its operations is equally clear. In fact, promoting the interlinkage between marine sciences and public policies is a major objective of the Proponent, which has been creating a network that includes the major national research centres in the field of marine sciences.

If the Oceanarium connection to scientific research is clear, so too is it clear that ocean conservation and marine biodiversity, the maritime economy and the governance of marine resources referred in paragraph v) of Article 3 of Decree-Law no. 42/2015, are components of the Oceanarium's public service role, and are also central topics of the Proponent's Strategic Project.

In turn, the scope of the Lisbon Oceanarium collaboration with internationally renowned institutions, as set out in point vi) of that same Article, not only will continue to be developed but will be considerably expanded through its connection to the *Oceano Azul* Foundation, granting the oceanarium full access to the Foundation vast network of partners.

Last but not least, the concerns expressed in the public service pillar of the Oceanarium as to the management and exploitation of the aquarium, are fully addressed by the Proponent, given the commitment to maintain the current Oceanarium

team, supported as noted above by a new body for technical and scientific advice, the TSC.

In sum and in conclusion: (i) given the natural affinity between the Proponent's position and views expressed throughout its Strategic Project and the legal requirements enacted in the laws related to the Oceanarium; (ii) given the perfect fit that exists between the Oceanarium activities and the strategy that is to guide the Proponent's activities, which is demonstrated by the coincidence of the pillars incorporating their respective missions; (iii) and given the commitment of the Proponent²⁶ to operate the Oceanarium with its current team, valuing its highly skilled and qualified know-how in the field of public aquaria, there should be no doubt that the Proponent's Proposal is ideally placed to assure those essential goals, which are:

- safeguarding the stability of the Oceanarium management;
- preserving the Oceanarium's vocation, ensuring it is not distorted;
- maintaining and enhancing the status and reputation of the Lisbon Oceanarium, as one of the world's best public aquaria, implementing an economic and environmentally sustainable operational model.

26 This commitment is in fact an integral part of the Proponent's Strategy.

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