



Remarks from Ms. Sanda Ojiambo, Assistant Secretary General and CEO of the United Nations Global Compact for UN Ocean Conference Interactive Dialogue 5

Excellencies, distinguished guests, ladies and gentlemen. It is an honour to join you here today and speak about strengthening sustainable ocean-based economies, in particular for Small Island Developing States and Least Developed Countries.

At the UN Global Compact, we have been taking action to deliver the ocean's full potential. Through our Ocean Stewardship Coalition we are working to support all 17 Sustainable Development Goals and the Paris Agreement targets by convening companies, governments, NGOs, academic institutions and UN partners to scale the collective impact of sustainable ocean business.

On Sunday, we held a Youth Innovation Forum and I heard from two youth delegates from Fiji and Palao XXX

Thanks to the collaborative efforts of the Coalition, there is growing recognition of the vast opportunities for ocean solutions, and the way in which these solutions can address many of the pressing challenges the world faces today. The ocean can

significantly increase our capacity to address the climate and biodiversity crises. It is a source of food and energy. And it is key to keeping supply chains moving despite ongoing conflicts.

Many of you are no doubt familiar with the encouraging findings of the High Level Panel for a Sustainable Ocean Economy. To highlight a few, let me emphasize that a well-managed ocean could produce 40 times more renewable energy, six times more food, 12 million more jobs, and 21 % of the necessary emissions reductions to limit global warming to 1.5C. The significant potential of the blue economy is especially critical to Small Island Developing States and coastal least developed countries, from whom ocean resources can increase their capacity to recover better from the pandemic and advance inclusive, sustainable development.

Yet to reap these benefits, we need to increase implementation of these solutions. And we must address the pressing threats to ocean health, including pollution, habitat destruction and climate change.

There is no disputing that we are in a climate and nature emergency. The latest climate science shows that limiting global warming to 1.5 C above pre-industrial levels is imperative if we are to avoid the worst impacts of climate change. In order to keep the hope of 1.5 C alive, the global economy needs to halve emissions by

2030 and reach net-zero by 2050. Unfortunately, action to date has fallen well short of what is needed to put the world on a trajectory for a 1.5C future.

Yet in the past year, we at the Global Compact have witnessed exponential growth in environmental commitments from the private sector. Business leaders are increasingly recognizing the urgent need for innovative solutions, without which they cannot hope to thrive as the global economy transitions to net-zero.

As of June 2022, nearly 3200 companies have committed to the Science Based Targets initiative, of which the Global Compact is a founding partner. And some 1500 have had their targets validated. These companies cover over a third of the global economy, with US\$38 trillion in market capitalization.

What's really exciting is that these SBTi companies are demonstrating that the process of setting science-based targets aligned with 1.5°C works. Between 2015 and 2020, companies with approved targets reduced combined scope 1 and 2 emissions by 29%. Typically, an SBTi company with well-aligned targets is reducing emissions twice as fast as required.

Ocean industries are also answering the call to set ambitious climate targets, and the UN Global Compact aims to provide the necessary guidance to encourage more to do so. This year, in collaboration with the World Wildlife Fund, we released the Seafood Sector Guide to Setting Science-Based Targets. The goal of the High Level Climate Champions is for 20% of seafood companies to sign on to Race to Zero, and the UN Global Compact will contribute to achieving this important tipping point.

Private businesses are also committing to incorporate ocean sustainability into their operations by signing on to the UN Global Compact Sustainable Ocean Principles. These build upon our Ten Principles, and cover ocean health and productivity, governance and engagement, and data and transparency. These principles represent a framework for companies to implement responsible practices, consider sustainable ocean business opportunities, and serve as an aspirational pledge to mitigate negative impacts on ocean health.

The Sustainable Ocean Principles now have 150 signatories, representing many of the largest blue economy companies, with a combined market capitalization of over USD 942 billion. These firms include several of the largest shipping companies and have an estimated combined market share of 50 per cent. Other signatories include some of the largest offshore renewable energy and seafood companies.

By signing on to these principles, companies commit to take action towards SDG 14 Targets, as well as other related SDG goals, including: reducing marine pollution, fostering collaboration between the industry and academic to increase scientific knowledge, and addressing ocean acidification.

We need to mainstream commitments such as these, and the UN Global Compact will continue to push for a principles-based approach to sustainable ocean business in this pivotal decade.

We also need to adopt a people-centered approach as the global economy strives to reach net-zero by 2050. Toward this end, the Global Compact has launched a Just

Transition Think Lab, and the Maritime Just Transition Task Force, which will scale up learning and deliverables to help increase uptake of just transition across sectors and regions.

A just transition for all, leaving no one behind, is mandatory to realize a net-zero economy. Therefore, we must facilitate the necessary social dialogue, knowledge sharing, and technology transfer to secure opportunities for developed and developing countries alike.

To ensure inclusive development, financing is critical. The estimated investments necessary to achieve a low-zero carbon transition range from \$1.6 to \$3.8 trillion annually between 2016 and 2050 for supply-side energy system investments alone. Meanwhile, developing countries face adaptation costs in the range of \$140 to \$300 billion per year.

With such large projected financing gaps, leveraging private finance, for instance through Blue Bonds, is essential. In order to mobilize much-needed capital towards investments that are science-based and sustainable, the Global Compact convened

a blue finance initiative, collaborating with leading financial stakeholders to develop globally recognized standards and build the blue finance market.

Innovative financial mechanisms and catalyzing private sector investments can also support SIDS and LDCs in overcoming some of the barriers they currently face in accessing capital to scale up the blue economy. Expanding criteria for blue and sustainable finance will enable more companies to enter the market and fund ocean business opportunities that can meaningfully contribute to the SDGs and the just transition to a net-zero, resilient blue economy.

These are just a few examples of how the UN Global Compact is collaborating with the private sector to advance ocean and climate solutions. I am pleased to amplify the voice of the business community here in my role as Assistant Secretary-General.

The private sector has a critical role to play in averting catastrophic consequences for people and planet. But we must act decisively and urgently. Only through collective action will we be able to achieve the ambitious goals we've set before us.

I look forward to today's discussion exploring how we can advance our cooperative efforts and action.

If called on to provide closing remarks, a few points to reflect on:

- Thank you again everyone for this important and engaging discussion.
- It is encouraging to see how the ocean has risen on the global agenda, and this UN Ocean Conference is a pivotal milestone to scale up our cooperative efforts.
- The ocean agenda will be discussed at several international conferences this year. We need to ensure that this relay of conferences are interconnected, and that we continue to advance progress as part of a broader strategy to deliver on our global goals. Let's keep the dialogue going, but let's back these up by translating recommendations into concrete action.
- The UN Global Compact looks forward to collaborating further with you towards these aims.