

# Secretary-General's background note for the preparatory meeting of the 2025 United Nations Conference to Support the Implementation of Sustainable Development Goal 14

## UNCTAD contribution

### I. Introduction

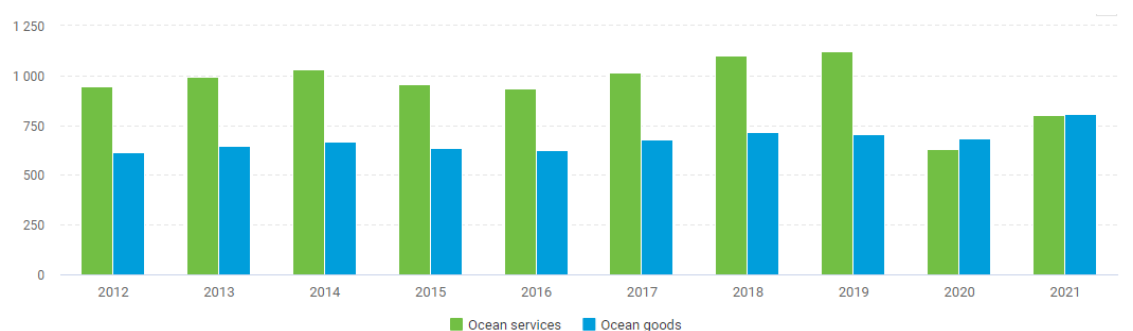
### II. Status and Trends

#### 1. Status and trends including key milestones.

1. The **value of the ocean economy** is estimated to range between \$3 trillion to \$6 trillion per year, sustaining at least 150 million direct jobs across a wide range of sectors, including but not limited to fishing, aquaculture, shipping, tourism, offshore wind energy, oil and gas, mining and marine biotechnology<sup>1</sup>. But marine resources are under threat from climate change, pollution and overfishing. About 11 million tonnes of plastic flow into the ocean each year. Globally, 34% of fish stocks have fallen to levels that are biologically unsustainable<sup>2</sup>. At stake are the livelihoods of about 3 billion people – living mostly in coastal developing countries – who rely on the ocean for food and income<sup>3</sup>.

2. In 2021, exports of **ocean-based goods and services** totalled \$1.6 trillion, each worth over \$800 billion. Developed economies accounted for 58 per cent of ocean trade and developing economies for 42 per cent. The COVID-19 crisis showed the potential and resilience of some sectors and revealed the vulnerability of others. Before the pandemic, ocean services made up 60 per cent of global exports. In 2021, despite over 27 per cent growth compared to 2020, the value of ocean service exports was still notably below the pre-pandemic level (see Figure 1). However, exports of ocean-based goods showed remarkable resilience during the crisis, falling by just 3 per cent in 2020, and rising to a new high of US\$808 billion in 2021<sup>4</sup>.

Figure 1. Exports of ocean services are yet to recover back to pre-pandemic levels (billions of US \$)



Source: UNCTAD calculations based on UNCTADstat (UNCTAD, 2023a).  
Note: Refers to ocean economy goods and services as classified by UNCTAD (2021c) based on HS codes.

<sup>1</sup> UNCTAD (2023a). Trade and Environment Review 2023: building a sustainable ocean economy. Available at: <https://unctad.org/publication/trade-and-environment-review-2023>

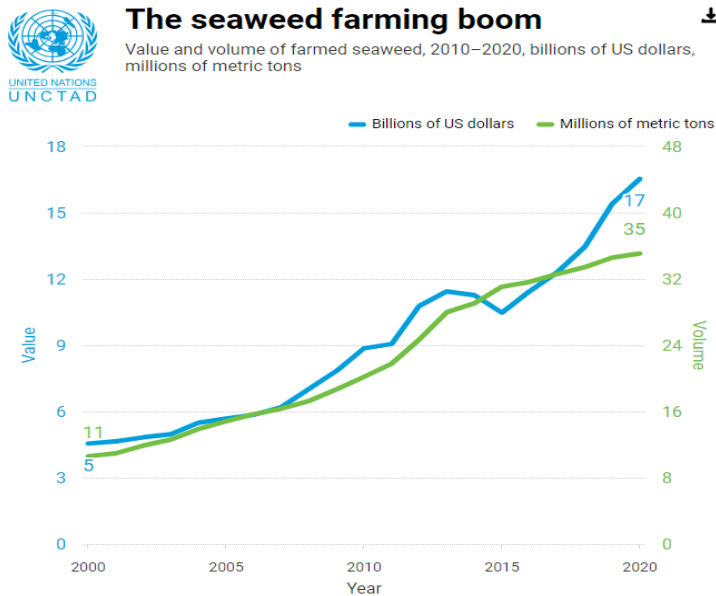
<sup>2</sup> FAO (2022). State of World Fisheries and Aquaculture 2022. Available at: <https://www.fao.org/family-farming/detail/en/c/1565527/>

<sup>3</sup> UNCTAD (2023b). SDG Pulse. Sustainable Trade. Available at: <https://sdgpulse.unctad.org/sustainable-trade/>

<sup>4</sup> UNCTAD (2023b).

3. Two **ocean economy emerging sectors – seaweed and plastics substitutes** – offer huge opportunities for developing countries to attract investment, create jobs and diversify their ocean economies. Seaweed can grow without fresh water or fertilizer and captures huge amounts of CO<sub>2</sub>. The global market has more than tripled in two decades, growing from \$4.5 billion in 2000 to \$16.5 billion in 2020<sup>5</sup> (see Figure 2).

Figure 2. *The seaweed farming boom*



Source: Source: Prepared by UNCTAD secretariat based on FAO.

4. Current estimates indicate that about 11 million tons of plastic enter the ocean each year. The annual global production of plastics was about 400 million tons in 2020 and is expected to double by 2040 and increase by 2.5 times by 2050 if the current consumption rates and patterns continues. Nature abounds in sustainable materials like bamboo, sand, banana plants and algae that could be used to make eco-friendly versions of the straws, shopping bags, bottles, food wrappers and other plastic products we consume daily. These materials can substitute the consumption of plastics and plastic packing today and can offer a viable solution for the transition out of plastics, particularly in developing countries. According to research by Pew Charitable Trust, plastic substitutes could cut global plastic waste by around 17 per cent by 2040<sup>6</sup>. The world traded about \$388 billion in a large variety of non- plastics substitute of mineral, plant, and agricultural wastes origin in 2020<sup>7</sup>. While this is already a sizeable market, it’s just one third the amount traded in plastics made from fossil fuels. Two thirds of global exports of plastic substitutes are in the form of raw materials that many developing countries have in abundance<sup>8</sup>.

**5. The years 2022 and 2023 marked significant developments in global action towards SDG 14, including the UN Environment’s mandate to develop an international treaty to end plastic**

<sup>5</sup> UNCTAD (2023a).

<sup>6</sup> Pew Charitable Trust (2020). Breaking the Plastic Wave. Available at: [https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave\\_report.pdf](https://www.pewtrusts.org/-/media/assets/2020/07/breakingtheplasticwave_report.pdf)

<sup>7</sup> UNCTAD (2023c). Plastic Pollution: The pressing case for natural and environmentally friendly substitutes to plastics. Available at: [https://unctad.org/system/files/official-document/ditcted2023d2\\_en.pdf](https://unctad.org/system/files/official-document/ditcted2023d2_en.pdf)

<sup>8</sup> UNCTAD (2023a).

pollution, the WTO agreement against harmful fishery subsidies (2022), the UNFCCC agreement for a loss and damage fund, the CBD post-2020 global biodiversity framework to conserve 30 per cent of land and the oceans by 2030. On the 19 of June 2023, the United Nations Treaty on Biodiversity on Areas Beyond National Jurisdiction was adopted to respond to the triply planetary crises as reflected on the ocean and seas<sup>9</sup>. To support these and other crucial efforts, UNCTAD called for a “Blue Deal”<sup>10</sup> on trade and finance at the 4<sup>th</sup> Oceans Forum<sup>11</sup> to accelerate the implementation of SDG 14. The “Blue Deal” seeks to address transparency and a reform of non-tariff measures and fishery subsidies, social sustainability of aquaculture value chains, sustainable and resilient maritime transport, and reduced marine litter and plastic pollution.

6. With climatic hazards growing at an alarming rate, addressing the **impacts of climate change on ports and other critical coastal transport infrastructure** is becoming an increasingly urgent challenge that remains to be effectively addressed. With over 80 % of the volume of world merchandise trade carried by sea, ports are crucial nodes in the network of global supply chains and critical gateways for access to global markets, as well as the ocean economy including, among others, fisheries, offshore mineral resource and energy development, and cruise-ship tourism. At the same time, ports are particularly exposed to various climatic hazards, including rising sea levels, storm surges, waves and winds as well as fluvial and pluvial flooding<sup>12</sup>. Associated damage, delay, operational disruptions and related economic losses costs can be extensive, with important repercussions for international trade and the development prospects of the most vulnerable countries<sup>13</sup>. Enhancing the climate resilience of ports is therefore a matter of strategic socio-economic importance, particularly for those at greatest risk of impacts and with limited capacity to respond, such as the Small Island Developing States (SIDS) and will be critical for the ability of SIDS to increase the Economic Benefits from Sustainable Use of Marine Resources (SDG 14.7). Related UNCTAD work over more than a decade includes extensive research and analysis, expert dialogue and technical cooperation, in collaboration with a wide range of partners and a network of interdisciplinary academic experts<sup>14</sup>.

**7. The sustainability and resilience of the maritime transport sector including shipping and port are key for the implementation of SDG 14.** A maritime transport sector that is economically

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<sup>9</sup> UNCTAD (2023b).

<sup>10</sup> UNCTAD news (2023d). Global ‘Blue Deal’ urgently needed to protect and invest in our ocean. Available at: <https://unctad.org/news/global-blue-deal-urgently-needed-protect-and-invest-our-ocean>

<sup>11</sup> UNCTAD (2022). 4<sup>th</sup> Oceans Forum on Trade related aspects of SDG 14.

<sup>12</sup> IPCC (2018) Summary for Policymakers. In: Masson-Delmotte V et al. (eds). Global Warming of 1.5°C. pp 1–24. <https://doi.org/10.1017/9781009157940.001>; IPCC (2019). IPCC Special Report on the Ocean and Cryosphere in a Changing Climate; Izaguirre C, et al. (2021). Climate change risk to global port operations. Nat Clim Chang 11:14–20. <https://doi.org/10.1038/s41558-020-00937-z>.

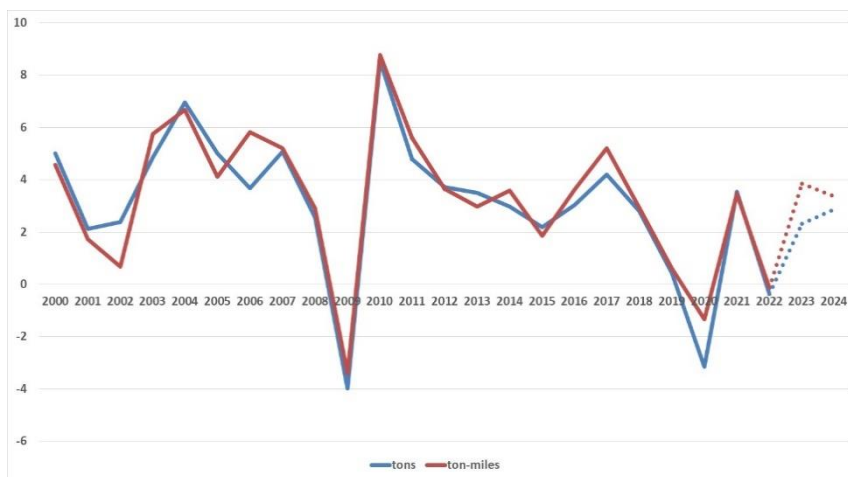
<sup>13</sup> UNCTAD news (2021). Climate change impacts on seaports: A growing threat to sustainable trade and development. <https://unctad.org/news/climate-change-impacts-seaports-growing-threat-sustainable-trade-and-development>.

<sup>14</sup> For further information, see <https://unctad.org/topic/transport-and-trade-logistics/policy-and-legislation/climate-change-and-maritime-transport>; <https://SIDSport-ClimateAdapt.unctad.org>; Becker AH et al. (2013). A note on climate change adaptation for seaports: a challenge for global ports, a challenge for global society. Clim Change 120:683–695. <https://doi.org/10.1007/s10584-013-0843-z>; Monioudi IN et al. (2018). Climate change impacts on critical international transportation assets of Caribbean Small Island Developing States (SIDS): the case of Jamaica and Saint Lucia. Reg Environ Change 18. <https://doi.org/10.1007/s10113-018-1360-4>

viable, socially inclusive and environmentally sound is crucial for building the sustainability and resilience of the oceans and achieving SDG 14.

8. Maritime transport is critical for SDG implementation given its role as an engine of growth and development and a key stakeholder using oceans and seas. The sector enables economic benefits and generates financial resources which can help to fund SDG14 implementation action. Maritime transport generates growth, employment, income and revenue while, at the same time, linking supply chain, enabling international trade and accelerating globalization. More than 80% of world merchandise trade by volume is carried onboard ships and handled by ports worldwide. Although international maritime trade volume contracted marginally by 0.4 per cent in 2022, UNCTAD projects it will grow by 2.4 per cent in 2023, thereby exceeding 11 billion tons (Figure 3). Indeed, the industry remains resilient and UNCTAD expects continued but moderated growth in maritime trade volume for the medium term (2024–2028).

Figure 3. Seaborne trade growth, tons and ton-miles, 2000–2024 (Annual percentage change)



Source: UNCTAD Review of Maritime Transport 2023.

9. A key trend that has been accelerated by the COVID-19 pandemic and the war in Ukraine, is the shift in trade patterns and the reconfiguration of maritime shipping networks. Reinforcing a development observed for many years, distances travelled by international shipping increased over the past few years.

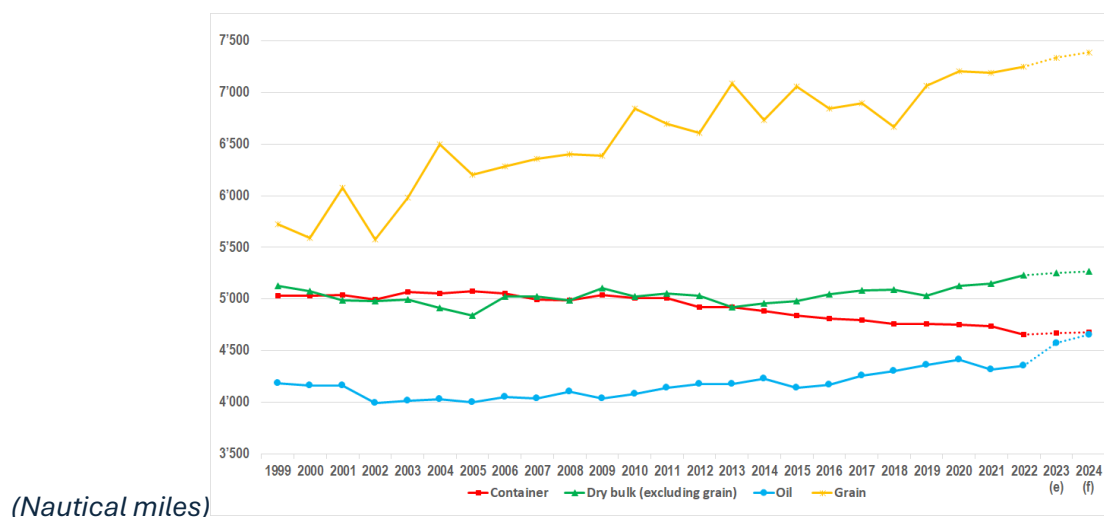
10. In 2023, oil cargo distances reached long-term highs (Longer distances **travelled and more intensified use of oceans and seas** raise sustainability concerns that need to be monitored and addressed.

Figure 4), driven by disruptions from the war in Ukraine. Crude oil and refined products travelled longer distances, as the Russian Federation sought new export markets for its cargo and Europe looked for alternative energy suppliers. Shipments of grains travelled longer distances in 2023 than any other year on record. Although grain shipments from Ukraine resumed in 2022 thanks to the Black Sea Initiative, several grain-importing countries had to rely on alternative grain exporters. They are instead buying from the United States of America, or Brazil, which requires

longer hauls. These trends entail greater use of the oceans and seas and the need to emphasize the SDG14 implementation imperative.

**Longer distances travelled and more intensified use of oceans and seas** raise sustainability concerns that need to be monitored and addressed.

Figure 4. Average distance travelled, grain, other dry bulk, container and oil cargo, 1999–2024



Source: UNCTAD Review of Maritime Transport 2023.

11. Maritime transport activities, whether at sea or at port, have a direct impact on the health of the marine ecosystems. **Marine pollution and air pollution as well as greenhouse gas (GHG) emissions** emanating from shipping and ports are a key consideration for effective SDG14 implementation. In this context, the maritime industry is embarking on a transformative journey towards decarbonization while sustaining economic growth. Balancing environmental sustainability, regulatory compliance and economic demands is vital for a prosperous, equitable and resilient maritime transport future.

12. With international shipping responsible for around 3 per cent of global GHG emissions, decarbonization continues to be an urgent priority. Regulation can play a key role in driving energy efficiency in the shipping sector. Short-term decarbonization measures include the Energy Efficiency Existing Ship Index (EEXI) and the Carbon Intensity Indicator (CII) under Annex VI of MARPOL. These have been implemented as from January 2023.

13. A key development took place in July 2023 as the IMO Marine Environment Protection Committee at its eightieth session adopted the Revised Strategy on Reduction of GHG Emissions from Ships. In parallel, the IMO is negotiating a basket of candidate mid-term GHG reduction measures. Before these are implemented, a comprehensive impact assessment of the proposed measures is currently being conducted, in accordance with the IMO workplan and the revised procedure for assessing impacts on States. UNCTAD is contributing to these efforts by assessing the impact of the IMO mid-term GHG reduction measures on countries economic output, trade and consumer prices.

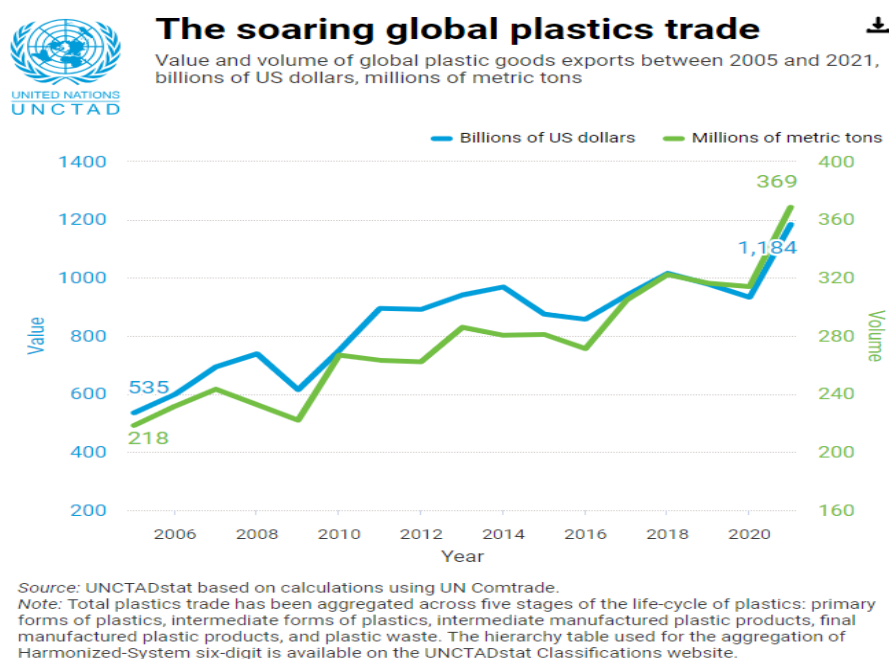
14. In addition to supporting the shipping decarbonization process at the IMO, UNCTAD contributes to effective implementation of SDG14 by building countries' capacity to develop and implement efficient, low-carbon, affordable and clean shipping and port operations. UNCTAD's research and analytical work assessing the implication of maritime transport operations for the sustainability of marine environment and oceans is supported by comprehensive statistics, data and indicators compiled over the years. Insights and main findings are disseminated through various channels including [technical assistance programmes](#), [online-statistical databases](#) and recurrent publications, in particular the annual [Review of Maritime Transport](#).

### III. Leveraging interlinkages between SDG 14 and other SDGs towards ocean action: Challenges and opportunities:

**Challenges** to the conservation and sustainable use of the oceans, seas, and marine resources (e.g., areas where gaps and challenges exist, where more action is needed):

1. As the world looks for solutions to address climate change amid growing concerns regarding negative environmental impacts caused by human habits, the problem of **plastics** is gaining momentum. Trade in plastics was estimated at about \$1.2 billion in 2020 (see Figure 5). There is a sober awareness that pollution caused by plastics needs a more aggressive approach while designing policies to prevent future plastic dependency and mismanagement. Nevertheless, plastics are here to stay as they provide some important functions for today's societal needs. Therefore, plastic substitutes are not a solution to be implemented overnight without a carefully designed and informed set of policies, as well as a system that would incentivize such substitution and prevent any further potential harm to the environment and human health<sup>15</sup>.

Figure 5. The soaring global plastics trade



<sup>15</sup> UNCTAD (2023c). Plastic Pollution: The pressing case for natural and environmentally friendly substitutes to plastics. Available at: [https://unctad.org/system/files/official-document/ditcted2023d2\\_en.pdf](https://unctad.org/system/files/official-document/ditcted2023d2_en.pdf)

2. **Global fishing fleets**, powered mainly by fossil fuels such as marine diesel, emit between 0.1% to 0.5% of global carbon emissions, or up to 159 million tons annually, according to the latest available data<sup>16</sup>. The fisheries sector, crucial for the livelihoods of more than 40 million people worldwide, faces escalating threats from climate change. These include rising sea levels and warming waters that jeopardize fishing ports and deplete fish stocks. The risks are particularly high for developing countries, where small-scale and artisanal fishing prevails. There is a need to explore options for the just transition and decarbonization of fishing fleets and the fisheries sector and not only of maritime transport.
3. While the ocean's biodiversity offers significant economic opportunities through the discovery of **novel genetic resources**, it remains underexplored. For instance, pharmaceutical, cosmetic, electronic and food industries are interested in uncovering marine compounds to help develop new innovative products. With over 1,000 compounds being discovered just for the pharmaceutical industry each year, the future of marine bioprospecting is bright. The ability of marine organisms to thrive in complex and harsh ecosystems makes them valuable for their antiviral, antibacterial and anti-inflammatory properties. Very few marine compounds are used commercially, with only seven drugs approved by European and American drug agencies, most of them for cancer treatment<sup>17</sup>. Early widespread ratification and effective implementation of the BBNJ Agreement could play an important role in facilitating developing countries' access to marine genetic resources and the fair and equitable sharing of benefits, but the Agreement requires 60 ratifications before it will enter into force<sup>18</sup>.
4. The most significant **reduction in CO2 emissions in the fisheries sector** has come from reducing fleet sizes, improving the energy efficiency of vessels, and introducing smarter vessel navigation and fishing methods. However, some fishing vessels may be energy-efficient but still undermine long-term energy efficiency by depleting fish stocks and negatively impacting ecosystems if they do not comply with national or regional stock conservation and management measures and quotas. This is because energy efficiency allows them to increase catches, which contributes to depleting fish stocks that then requires them to travel longer distances to catch fish. The technological alternatives for the transition in terms of fuels, engines, vessels, and port infrastructure are not mature yet and most of them are only on prototype or product development phase, except for energy efficient measures and green biofuels produced from seaweed, fish waste and other agricultural wastes. Also worth noting in this context is that existing energy efficiency measures and regulations adopted by the International Maritime Organization

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<sup>16</sup> UNCTAD (2024). Energy transition of fishing fleets: Opportunities and challenges for developing countries. Available at: [https://unctad.org/system/files/official-document/ditcted2023d5\\_en.pdf](https://unctad.org/system/files/official-document/ditcted2023d5_en.pdf)

<sup>17</sup> UNCTAD news (2022a). How marine bioprospecting can spur development in small island states. Available at: <https://unctad.org/news/blog-how-marine-bioprospecting-can-spur-development-small-island-states>.

<sup>18</sup> UNCTAD news (2023). UNCTAD set to support countries under new landmark treaty on high seas. <https://unctad.org/news/unctad-set-support-countries-under-new-landmark-treaty-high-seas>.

for global shipping are of only limited application to fishing vessels, primarily due to their size and operational patterns<sup>19</sup>.

5. **Climate change adaptation, resilience building and DRR for ports** poses an urgent challenge, particularly for SIDS, and will be critical for implementation of a number of SDGs/targets (1.5, 9.1, 9.a, 11.b, 13.1, 13.2 and 13.3, 14.1, 14.2, 14.5, 14.7, 14c)<sup>20</sup>. For SIDS, critical coastal transport infrastructure, notably ports and airports, are lifelines for external trade, food and energy security, as well as tourism, and in the context of DRR. However, these assets are projected to be at high and increasing risk of coastal flooding, from as early as in the 2030s<sup>21</sup>, unless effective adaptation action is taken. In the absence of timely planning and implementation of requisite adaptation measures, the projected impacts on critical transport infrastructure may have broad economic and trade-related repercussions and may severely compromise the sustainable development prospects of these vulnerable nations. In the light of what is at stake, accelerated action both on mitigation and adaptation will be key, as will progress on a implementing Loss and Damage funding arrangements agreed at COP 28. Flexible and adaptive infrastructure, systems and operations, and engineered redundancy to improve resilience are needed, as are other technologies to avert, minimize and address loss and damage in coastal zones<sup>22</sup>. However, important knowledge gaps remain concerning vulnerabilities and the specific nature and extent of the exposure that individual coastal transport facilities may be facing<sup>23</sup>. Funding is urgently needed for evidence-based risk and vulnerability assessments at facility level, which is critical to avoid maladaptation. In addition, there is an urgent need to step up capacity-building and climate adaptation finance for ports and other critical coastal transport infrastructure, including in the form of grants<sup>24</sup>. Estimated adaptation costs in developing countries are ten to eighteen times higher than current public adaptation finance flows, and the adaptation finance gap is widening<sup>25</sup>. To increase levels of preparedness and help mitigate impacts, there is also an important need to

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<sup>19</sup> UNCTAD (2024).

<sup>20</sup> See also UNCTAD (2023d). SDG Pulse. Transport Resilience and Sustainability. Available at: <https://sdgpulse.unctad.org/sustainable-transport/>; Resilience at Risk. Available at <https://sdgpulse.unctad.org/resilience/>

<sup>21</sup> Monioudi IN et al. (2018). Climate change impacts on critical international transportation assets of Caribbean Small Island Developing States (SIDS): the case of Jamaica and Saint Lucia. Reg Environ Change 18. <https://doi.org/10.1007/s10113-018-1360-4>.

<sup>22</sup> UNFCCC (2020) Technologies for Averting, Minimizing and Addressing Loss and Damage in Coastal Zones. Policy Brief. <https://unfccc.int/documents/210342>.

<sup>23</sup> Asariotis R, Benamara H, Mohos Naray V (2018). Port Industry Survey on Climate Change Impacts and Adaptation. UNCTAD/SER.RP/2017/18/Rev.1. [https://unctad.org/system/files/official-document/ser-rp-2017d18\\_en.pdf](https://unctad.org/system/files/official-document/ser-rp-2017d18_en.pdf).

<sup>24</sup> UNCTAD (2022a) Climate-resilience of seaports: Adequate finance is critical for developing countries but remains a major challenge. UNCTAD Policy Brief No. 103. <https://unctad.org/publication/climate-resilience-seaports-adequate-finance-critical-developing-countries-remains>. See also the UNCTAD XV outcome document, the [Bridgetown Covenant](#) (para. 87), as well as the outcome document of the 2nd Un Global Sustainable Transport Conference, the [Beijing Statement](#) (para. 19 (h)).

<sup>25</sup> UNEP (2023). Adaptation Gap Report. <https://www.unep.org/resources/adaptation-gap-report-2023>.



upscale support for Early Warning Systems as recognized by the WMOs Early Warning for All Action Plan<sup>26</sup>.

6. **Liability and compensation for bunker oil pollution damage** is a matter of particular concern for vulnerable developing countries, including Small Island Developing States, that rely heavily on fisheries, aquaculture and tourism, and may be exposed to a bunker oil spill from ever larger vessels calling at their ports, or transiting in proximity to their coasts. From the perspective of claimants, adequate compensation for any losses sustained is a priority, as is clarity regarding the amount of compensation that may be available. However, liability and compensation under the main international legal regime, the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001, may be limited in accordance with “any applicable national or international regime, such as the Convention on Limitation of Liability for Maritime Claims (LLMC), 1976, as amended” (art.6). Liability limits under the latest and most modern international limitation of liability regime - the 1996 LLMC Protocol - were last revised more than a decade ago, in 2012. As a result, the overall amount of liability and compensation available for bunker oil pollution damage is low, varies depending on the limitation regime in question, ship size, and competing claims, and is difficult to ascertain for claimants<sup>27</sup>. Given the steady growth in ship sizes and the corresponding amount of bunker fuel oil carried by vessels of all types, relevant risks are growing and the need to ensure the availability of adequate compensation deserves renewed attention as part of collective regulatory efforts to implement public common policy objectives agreed in the 2030 Sustainable Development Agenda, in particular SDG 14, and related international agreements.

**Opportunities** for conservation and sustainable use of the oceans, seas and marine resources, in particular considering interlinkages with other relevant SDGs:

1. UNCTAD defines “**BioTrade**” as “...the activities of collection/production, transformation and commercialisation of goods and services derived from native biodiversity under criteria of environmental, social and economic sustainability”. Based on best practices, lessons learned and the successes of BioTrade’s 26 years of implementation in nearly 100 countries and building on international mandates and agreements on the conservation and sustainable use of the ocean and its resources, the emerging concept of Blue BioTrade has considerable potential to promote sustainability and equity in the production of marine-based goods and services<sup>28</sup>, particularly for small scale coastal producers under target 9 of SDG 14.

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<sup>26</sup> UNDRR and WMO (2022). Global status of multi-hazard early warning systems. Target G. United Nations Office for Disaster Risk Reduction. <https://www.undrr.org/publication/global-status-multi-hazard-early-warning-systems-target-g>.

<sup>27</sup> See UNCTAD news (2020). Mauritius oil spill highlights importance of adopting latest international legal instruments in the field. <https://unctad.org/news/mauritius-oil-spill-highlights-importance-adopting-latest-international-legal-instruments>.

<sup>28</sup> UNCTAD (2022b). The Blue BioTrade regional plan of action for the Eastern Caribbean queen conch value chain. Available at: <https://unctad.org/publication/blue-biotrade-regional-plan-action-eastern-caribbean-queen-conch-value-chain>

2. Currently, an internationally agreed list of **non-plastic substitutes** does not exist. Therefore, an illustrative list of substitutes materials for plastics was proposed by UNCTAD for Member States consideration. The list includes 282 Harmonized System codes representing potential substitutes for plastics for analysis and policy action on various materials and products which can help steer society away from plastics. Their total global exports in 2020 were \$388 billion of which approximately two thirds are raw materials (\$258 billion), \$125 billion were products, and \$4 billion was about materials that could substitute fishing gear. This is a significant number, which can be upscaled with the right set of policy support and incentives<sup>29</sup>.
3. The **transition to cleaner energy sources** can provide new opportunities for trade and investment in renewable energy technologies, vessel renewal and new infrastructure. The energy transition in the fisheries sector can also reduce fuel costs and increase efficiency gains<sup>30</sup>.
4. Within the context of the **fishery sector**, to ensure the sustainable use of ocean resources, particularly for the benefit of SIDS and the broadening of their economic activities, SIDS should be supported in (i) implementing policies which will ensure transparent and equitable international fisheries access agreements in EEZs and will protect the local fishery sector; (ii) developing policies and procedures to eliminate overfishing, as well as unsustainable and illicit practices and trade; (iii) building institutional and technical capacity concerned with the fishery sector. SIDS need to be well prepared and trained for managing their fisheries, as well as for monitoring and enforcing compliance with relevant rules; (iv) developing a fish-processing sector. From the standpoint of the industrial policy and fisheries GVCs, industrial “upgrading” should be favoured over the maximisation of rent capture; (v) as indicated above, developing bioprospecting as a niche sector for SIDS to advance structural transformation and increase higher value-added exports; (vi) developing and implement measures to mitigate and adapt to climate change in relevant oceans-based value chains and intensify its work on policies to address environmental degradation and plastic pollution, with an aim to create plastic substitutes; (vii) establishing effective partnerships and incentivizing the sharing of good practices for meaningful interaction, networking and capacity-building.
5. The SIDS4 Conference, to be held in May 2024, could provide an important impetus for collective efforts to accelerate and upscale support and capacity-building for climate change adaptation, resilience-building and DRR for ports and other critical coastal transport infrastructure in SIDS. UNCTAD has been working on the implications of climate change for maritime transport since 2008, with increasing focus on climate change adaptation and resilience-building for seaports and other key coastal transport infrastructure, particularly in SIDS<sup>31</sup> .and is committed to continue and enhance its related support to developing countries, in particular to SIDS, in line with its related

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<sup>29</sup> UNCTAD (2023c).

<sup>30</sup> UNCTAD (2024).

<sup>31</sup> For further information about UNCTAD’s related work, see <https://unctad.org/topic/transport-and-trade-logistics/policy-and-legislation/climate-change-and-maritime-transport>; <https://SIDSport-ClimateAdapt.unctad.org>

mandate<sup>32</sup>. Coherent and supportive policy and legal frameworks on climate change adaptation and DRR have a key role to play in increasing levels of preparedness, by creating a level playing field and galvanizing effective action on the ground. Also important are the development of innovative technical measures and related guidance, as well as targeted facility-level climate-risk and vulnerability assessments and efforts at mainstreaming<sup>33</sup>. However, further ambition is needed to progress in national-level adaptation planning, finance, and implementation to mitigate impacts and ensure the climate-resilience of critical transport infrastructure before any major risks materialize.

#### **IV. Mobilizing all actors to accelerating ocean action:**

##### **1. Investing in SDG 14**

- *Mobilizing finance for SDG 14.*

1. The Sustainable Development Goal dedicated to life below water (SDG 14) is the least funded of all the goals (see Figure 6). From 2013 to 2018, only 1.6% of the total Official Development Assistance – some \$2.9 billion per year – was directed to the ocean economy. This is far below what’s required to address the ocean crisis. According to recent estimates, \$175 billion per year will be the minimum needed to achieve SDG 14 by 2030, especially given the impact of COVID-19 and other recent setbacks. It is also estimated that an investment of \$2.8 trillion today in four sustainable ocean solutions – conservation and restoration of mangroves, decarbonization of international shipping, sustainable ocean-based food production and offshore wind production – would yield net benefits of \$15.5 trillion by 2050. Without a global “Blue Deal”, such benefits and the targets of SDG 14 will be much harder to reach<sup>34</sup>.
2. ODA is not only very low, but it is also geographically uneven, being concentrated in just a few countries. The top 20 recipients accounted for 75 per cent of the total. SIDS, which are particularly dependent on and deeply exposed to the ocean economy, and highly dependent on ODA in their financing landscape are also poorly served. Only 5.5 per cent of ODA to SIDS is directed at the ocean economy – accounting for around \$296 million per year during the period studied; and of this just \$145 million per annum across all SIDS was described as directed to being sustainable<sup>35</sup>.

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<sup>32</sup> This work responds to UNCTAD’s specific mandate in the [Maafikiano](#) (paras. 55 (l) and (k)) as reconfirmed in the [Bridgetown Covenant](#) (paras. 5 and 127 (v)(iii)) and contributes to implementation of a number of SDGs/targets (e.g. 1.5, 9.1, 9.a, 11.b, 13.1, 13.2 and 13.3, 14.1, 14.2, 14.5, 14.7, 14c) as well AAAAA, Paris Agreement (Art. 7) and Sendai Framework (all targets, especially (b)-(f)). It also supports the implementation of the SAMOA Pathway (building on the MSI and the BPOA) objectives/key priority areas, namely those on climate change, DRR and oceans and seas (paras. 92, 106(c), 15, 32, 39, 44(a), 52 (e), 27 (b), 50 (d), 67 (c)).

<sup>33</sup> UNCTAD (2020) Climate Change impacts and adaptation for coastal transport infrastructure: A Compilation of Policies and Practices. Transport and Trade Facilitation Series No 12. [https://unctad.org/system/files/official-document/dttltb2019d1\\_en.pdf](https://unctad.org/system/files/official-document/dttltb2019d1_en.pdf).

<sup>34</sup> UNCTAD news (2023d).

<sup>35</sup> The South Centre (2021). The Ocean Economy: trends, impacts and opportunities for a post COVID-19 Blue Recovery in developing countries. *Research Paper 137*. Available at: <https://www.southcentre.int/research-paper-137-october-2021/>

Figure 6. The least funded SDG



Source: UNCTAD calculations.

3. ODA is not only very low, but it is also geographically uneven, being concentrated in just a few countries. The top 20 recipients accounted for 75 per cent of the total. SIDS, which are particularly dependent on and deeply exposed to the ocean economy, and highly dependent on ODA in their financing landscape are also poorly served. Only 5.5 per cent of ODA to SIDS is directed at the ocean economy – accounting for around \$296 million per year during the period studied; and of this just \$145 million per annum across all SIDS was described as directed to being sustainable<sup>36</sup>.
4. SIDS and other developing countries require urgent scaling up of accessible and affordable port infrastructure adaptation finance, including in support of SDG 14.7, in particular in the light of growing risks and the extensive cost of inaction. However, according to OECD (2022)<sup>37</sup>, in 2020, total climate finance provided and mobilised by developed countries for developing countries amounted to US\$ 83.3 billion, over 70% of which in the form of loans. Of this total, just US\$ 28.6 billion (34%) was for adaptation, and only a fraction of this amount will have been targeting climate change adaptation for ports and other critical coastal infrastructure.
5. Energy transition in shipping is still in its infancy and implementing alternative fuels on a large scale requires significantly transforming fuel production and distribution value chains. It also involves multiple stakeholders across the shipping, port, energy and finance sectors. Swift intervention at the policy and regulatory level is needed to stimulate demand for alternative fuels, green technologies and fleets, and encourage industry to invest. Shipping cannot decarbonize on its own. Decarbonization efforts

<sup>36</sup>The South Centre (2021). The Ocean Economy: trends, impacts and opportunities for a post COVID-19 Blue Recovery in developing countries. *Research Paper 137*. Available at: <https://www.southcentre.int/research-paper-137-october-2021/>

<sup>37</sup>

require collaboration among the broader industry, including carriers, ports, manufacturers, shippers, investors, energy producers and distributors. Green Shipping Corridors offer the opportunity to leverage such collaboration and help scale up green and low carbon shipping efforts.

6. However, and while achieving sustainable and low carbon shipping for more sustainable oceans is a must, this is not without costs. One potential consequence of decarbonization actions is the increase in maritime logistics costs and the ripple effect on trade and economic output, especially in developing regions. Increased investment in ship capacity, alternative fuels and green technologies, as well as lower sailing speeds, are all expected to result in increased maritime logistics costs. The shift to cleaner fuels will impact the cost structure of shipping operations.
  7. Impacts are likely to be stronger for many SIDS and LDCs, who already pay more for transport in international trade and have little capacity to mitigate higher maritime logistics costs. In 2021, UNCTAD conducted a Comprehensive Impact Assessment of the proposed IMO short-term GHG reduction measures, namely EEXI and CII. UNCTAD estimated an increase in maritime logistics costs of 2.7 per cent under the median scenario, with an increase of time at sea of 2.8 per cent and an increase in average maritime shipping costs of 1.5 per cent in 2030. Developing coastal countries, including SIDS and LDCs, are shown to experience a bigger decline in their gross domestic product (GDP) and in their import and export flows, when compared with developed coastal countries.
  8. In 2022, a second UNCTAD assessment revealed that hypothetical rises of 10, 30 and 50 per cent in maritime logistics costs would produce negative changes in trade (0.11, 0.32 and 0.60 per cent median reduction) and in GDP (0.01, 0.04 and 0.08 per cent median reduction, respectively). Based on the global GDP of US\$104 trillion in 2022, a reduction of 0.08 per cent would be equivalent to a reduction of global GDP of about US\$80 billion.
- *Marine science and technology (including technology development and transfer) and the use of traditional knowledge for ocean health.*
    1. Through bioprospecting, SIDS can generate immense value and use their natural endowments to solve pressing socioeconomic problems for more than 65 million people. With fair access and benefit sharing, bioprospecting can help create scientific capacities and productive jobs, as well as offer opportunities for economic diversification. All of this can promote socioeconomic development and reduce vulnerabilities to external shocks. However, despite its potential, marine bioprospecting can't be considered an only remedy to SIDS' developmental challenges. Nor can its management be left unattended. Bioprospecting is extremely expensive, its results are slow and unpredictable, and it risks damaging the local natural environment. The exploitation of marine bioprospecting should therefore be

done in a sustainable manner and viewed as part of a long-term development strategy<sup>38</sup>.

2. The joint commitment by UN-OCEANS agencies, including UNCTAD, to promote widespread ratification of the BBNJ Agreement and provide assistance in its effective implementation can play an important role in closing existing regulatory gaps and contribute to the overall strengthening of the legal regime for the conservation and sustainable use of the oceans and its resources.
- *Capacity-building.*
    1. UNCTAD can offer its capacity building support in trade, finance, investment and transfer of technology and trade logistics aspects of the ocean economy, particularly for developing countries, LDCs and SIDS.
    2. UNCTAD can also provide global and regional data and analysis on seaborne trade, policy and legal frameworks, ocean-based goods and services trade flows and trends and provide related advice and assistance.
    3. UNCTAD can provide technical support in relation to the negotiations of the UN instrument on Plastic Pollution, particularly as it related to plastic trade data, non-plastic substitutes, trade in services related to prevention, control and disposal of plastic waste, and consumer protection and rights.
    4. UNCTAD can provide technical support and advice on liability and compensation for ship-source pollution and promote the strengthening of the rights of claimants, including in the context of work under the auspices of the IMO and in collaboration with partners in the UN-Oceans interagency initiative.
    5. UNCTAD can also assist Members on the implementation of trade and logistics related aspects the WTO Agreement on Fisheries Subsidies, United Nations Treaty on Biodiversity on Areas Beyond National Jurisdiction, UNFCCC agreement for a loss and damage fund, and the CBD post-2020 global biodiversity framework.
    6. UNCTAD can support small coastal communities in applying the Blue BioTrade Principles and criteria to marine based biodiversity products and services.
    7. UNCTAD can provide support in developing and designing Oceans Economy and Trade Strategies.
    8. UNCTAD can provide capacity building and diagnostics on developing productive capacities aimed at structural transformation and economic diversification in order to enable sustainable development of the blue/ocean economy and related resources.
    9. UNCTAD will continue and expand on the current ongoing work on sustainable and smart ports, resilience building, climate change mitigation, climate change adaptation and DRR for critical transport infrastructure, decarbonisation, connectivity, transport costs and trade competitiveness, transport, logistics, and supply chains.
    10. UNCTAD can strengthen capacity building and research on SIDS specific research/data that address transport and logistical challenges (costs, connectivity, competition, efficiency, productivity, access to finance, climate mitigation, climate change adaptation

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<sup>38</sup> UNCTAD news (2022a). How marine bioprospecting can spur development in small island states. Available at: <https://unctad.org/news/blog-how-marine-bioprospecting-can-spur-development-small-island-states>

and DRR for ports) and broader sustainability and [resilience aspects](#) (disruptions to maritime supply chain and shocks, energy transition and energy efficiency, [smart ports](#), decarbonisation, ocean/marine sustainability, blue economy objectives).

11. UNCTAD will also continue to support SDG14 implementation through its ongoing work on sustainable and resilient freight transportation and trade logistics capacity building tools, training, and instruments. Insights, knowledge products, tools and guidance developed under UNCTAD three pillars of work spanning research, technical assistance and capacity building and intergovernmental negotiations will continue to be leveraged. As an example, countries can tap into the UNCTAD technical assistance toolbox (<https://unctad.org/projects/TOOLBOX>) including the programmes on [Sustainable](#) and [Resilient](#) Transport and Logistics Services, and [Transport Policy and Legislation](#), including methodological tools, training and guidance material on climate change impacts and adaptation for critical coastal transport infrastructure (<https://sidsport-climateadapt.unctad.org/>).

## **2. Strengthening Partnerships (including Voluntary Commitments)**

### **3. Mobilizing All actors**

This section will consider the relevant stakeholders that need to be mobilized to accelerate ocean action, with a focus on the role of women, youth, indigenous peoples, and local communities to leave no one behind.

*Inputs:*

- UNCTAD, UNDESA, DOALOS, FAO, UNEP (including the BRS, CDB, and CITES secretariats), IMO, UNDRR, WMO, UNFCCC, WTO, World Bank, IRENA, Commonwealth Secretariat, OACPS, CAF, and International Oceans Institute. Relevant NGOs include ICS, IAPH, PIANC and entities engaged in the Marrakech Partnership for Global Climate Action.

## **V. Possible themes for the Ocean Action Panels**

Recommendations will be made for the themes of the ten Ocean Action panels in this section, based on the input received.

*Recommendations by UNCTAD (these issues will be also tentatively discussed at the 5<sup>th</sup> oceans Forum in March 2025):*

1. Oceans economy, trade policy and the climate and development nexus.
2. Current trade-related trends in Oceans Economy
3. Sustainable and climate-resilient maritime transport infrastructure and services
4. Nationally Determined Contributions (NDCs) for sustainable use in export-oriented ocean economy sectors (fisheries, seafood processing, shipping, and coastal tourism)
5. The potential South-South Trade in ocean-based goods, and particularly in fisheries and aquaculture products.
6. Trade in new innovative marine based and low carbon products (foods, nutraceuticals, cosmetics, and non-plastic substitutes), particularly by SMEs.

7. Blue finance for a just energy transition and to support sustainable export-oriented ocean-based sectors.
8. Building economy-wide, green, productive capacities in SIDS and developing coastal states to diversify national economies and advance structural
9. Mitigating the costs faced by SIDS and LDCs as a result of the energy transition and decarbonization in international shipping. IMO will adopt mid-term GHG reduction measures in 2025. These may come into effect in 2027. Meanwhile, the short term GHG reduction measures (EEXI and CII) are implemented from 1 January 2023.
10. Assessing the implications for oceans sustainability of intensified disruptions to maritime chokepoints and shipping routes including disruptions from geopolitical risks (e.g. Red Sea/Suez Canal).

## VI. Way Ahead/Next Steps

### **UNCTAD calls for<sup>39</sup>:**

1. Implementing the key priorities for ocean cooperation adopted at the 2nd UN Ocean Conference and new commitments made in other multilateral agreements that benefit the ocean.
2. Urgently bridging the ocean funding gap, boosting investment in emerging sustainable sectors and promoting blended finance to enhance cooperation between public and private actors.
3. Including the goal of promoting a sustainable ocean economy in crisis recovery strategies and climate mitigation and adaptation efforts.
4. Improving the collection, management and sharing of statistics, and contribute to UNCTAD's database and classification of ocean sectors<sup>40, 41</sup>.
5. Creating conditions for sustainable use of ocean resources by SIDS and developing coastal states to build domestic productive capacities to advance structural transformation and diversify their national economies.
6. Scaled up assistance to SIDS and coastal developing countries in support of sustainable transport and logistics services, climate change adaptation and disaster risk reduction for critical coastal transport infrastructure, services and operations, including policy development for improving efficiency, and effective risk management and governance, as well as building human capacity and increasing access to technology and to finance, including for adaptation finance and prioritize grant finance for ports and other critical transport infrastructure in developing countries, in particular those most vulnerable to the adverse impacts of climate change, including LDCs, LLDCs and SIDS<sup>42</sup>.

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<sup>39</sup> See also UNCTAD (2023a). Trade and Environment Review 2023. Available at: <https://unctad.org/ter2023>; and UNCTAD (2023e). Review of Maritime Transport 2023. Available at: <https://unctad.org/publication/review-maritime-transport-2023>.

<sup>40</sup> UNCTAD Stat. Ocean Trade. Available at: <https://unctadstat.unctad.org/datacentre/>

<sup>41</sup> UNCTAD (2021). Towards a harmonized international trade classification for the development of sustainable ocean-based economies. Available at: <https://unctad.org/publication/towards-harmonized-international-trade-classification-development-sustainable-ocean>.

<sup>42</sup> See the UNCTAD XV outcome document, the [Bridgetown Covenant](#) (para. 87), as well as the outcome document of the 2nd Un Global Sustainable Transport Conference, the [Beijing Statement](#) (para. 19 (h)).