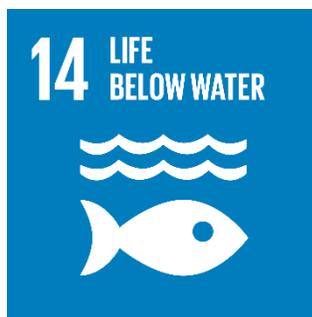




THE  
**OCEAN**  
CONFERENCE  
UNITED NATIONS, NEW YORK, 5-9 JUNE 2017



## Community of Ocean Action on Sustainable Blue Economy Interim Assessment

United Nations Department of Economic and Social Affairs (DESA)  
and World Resources Institute (WRI)



**SUSTAINABLE BLUE ECONOMY**

*Developing sustainable ocean-based economies for current and future generations*

Community of  
Ocean Action  
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 **341**  
Commitments

 **328**  
Members

**GET INVOLVED**

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## Executive Summary

The Community of Ocean Action on Sustainable Blue Economy (hereinafter “this COA”) consists of 369 voluntary commitments (“VCs”, as of 1 January 2019). Even though progress is being made, there are still gaps in the coverage of VCs. While the percentage of VCs with the private sector as lead entity has significantly increased (30 % of VCs registered in 2018), the Community needs to intensify its efforts to further engage with this group as well as with stakeholders currently underrepresented, including the scientific community (1% of total) and philanthropic organizations (2% of total). The highest proportion of VCs currently cover the fisheries, tourism and aquaculture sectors (63%, 52%, and 36% respectively). Given the immense scientific and technological advancements, marine biotechnology and marine renewable energy have the potential to receive more commitments. The cluster of VCs under Sustainable Blue Economy primarily relates to SDG 14.7, however, in 2018 most of the VCs which were registered in 2018 were addressing target 14.1 and 14.2.

In terms of ocean basin coverage, most of the registered VCs (125 VCs of 360) focus on the South Pacific Ocean. Submissions in 2018 are pointing to a new trend, according to which a majority of these VCs are aimed at bringing global benefits rather than at specific ocean basins. A higher number of VCs for the Indian Ocean, South Atlantic Ocean, South Pacific Ocean and the Southern Ocean and an increased focus on Ocean Basins and regions with countries in vulnerable situations, such as small island developing States (SIDS) and least developed countries (LDCs) would be beneficial to fill gaps. Furthermore, enhanced registration of VCs by African LDCs and SIDS from the Caribbean would facilitate actions towards building the sustainable blue economy. Many VCs display a short time frame with deliverables due in years 2018 (39%) and 2020 (35%). It would thus be desirable to encourage the registration of commitments that have deliverables beyond 2020 and in particular after 2025.

78 VCs out of 369 VCs in the COA on Sustainable Blue Economy have reported on overall progress made during implementation. 81 % of them were on-track with their activities. In particular academic institutions and VCs addressing marine renewable energy and habitat protection need to be actively targeted for registering updates on the implementation of VCs. While all VCs by philanthropic organizations, the scientific community and UN system entities have an on-track status, lower rates for On-track or Completed status by the private sector and partnerships point to the need for additional support.

Out of the 78 VCs that indicated information on their progress, 34 reported to face challenges during implementation. These included issues related to stakeholder engagement (18%), such as ensuring consensus among countries, partners and stakeholders at many levels, as well as national environment factors (29%) such as time-consuming training, regulatory reasons e.g. obtaining permissions and political changes. A majority of the challenges (76%) were related to resource deficiencies. These can be further categorized in staff/expertise related (38%), in-kind delays (19%) and financial issues (77%). 90% of the VCs that mentioned financial issues faced sponsorship issues or delays with funding implementation plans.

COAs and their Co-focal points have a broad range of options to accelerate the work of the community. In order to tackle financial challenges, a mechanism where the members of this COA can publish sponsorship proposals has the potential to generate publicity that would help interested sponsors get in touch with the members of this COA. To facilitate the exchange of information, best practices and solutions on challenges, the COA can create an online member group by activity coverage as well as thematic webinars or newsletters that provide information on updates or overall progress in that activity/theme. Further engagement with philanthropic organizations, the scientific community, and the private sector would be useful to fill current gaps in lead entity type. Also, more in-person meetings with various lead entity types would help to actively generate new VCs and narrow gaps in lead entity type. An online course that contains videos and infographics for the viewer to demonstrate the purpose of the COA along with explanations of activity coverages could be added to the COA webpage. Also, an e-certificate could be issued to those COA members who have completed the course to help members understand the Community's purpose and objectives.

# 1 Introduction

In September 2015, the Heads of State and Government adopted “Transforming our world: the 2030 Agenda for Sustainable Development”,<sup>1</sup> which contains the 17 Sustainable Development Goals (SDGs) and 169 targets. Among other ocean-related Goals, Goal 14 aims to conserve and sustainably use the oceans, seas and marine resources for sustainable development.

**Table 1 SDG 14 and its targets (footnote omitted)**

<b>Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development</b>
14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution
14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans
14.3 Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels
14.4 By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish stocks in the shortest time feasible, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics
14.5 By 2020, conserve at least 10 per cent of coastal and marine areas, consistent with national and international law and based on the best available scientific information
14.6 By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the World Trade Organization fisheries subsidies negotiation
14.7 By 2030, increase the economic benefits to small island developing States and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism
14.a Increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Intergovernmental Oceanographic Commission Criteria and Guidelines on the Transfer of Marine Technology, in order to improve ocean health and to enhance the contribution of marine biodiversity to the development of developing countries, in particular small island developing States and least developed countries
14.b Provide access for small-scale artisanal fishers to marine resources and markets

<sup>1</sup> A/RES/70/1, available at: <https://undocs.org/a/res/70/1>.

14.c Enhance the conservation and sustainable use of oceans and their resources by implementing international law as reflected in the United Nations Convention on the Law of the Sea, which provides the legal framework for the conservation and sustainable use of oceans and their resources, as recalled in paragraph 158 of “The future we want”

Pursuant to General Assembly resolutions 70/226 and 70/303, the high-level United Nations Conference to Support the Implementation of Sustainable Development Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development (The Ocean Conference) was held at UN Headquarters from 5 to 9 June 2017. One of the important outcomes of the Conference were nearly 1400 voluntary commitments made by governments, the United Nations system, civil society organizations, academia, the scientific community, and the private sector. Since the conclusion of the Conference, over 100 additional voluntary commitments were made, leading the total number of voluntary commitments to 1526 (as of 2 April 2019).

To follow up on the implementation of these voluntary commitments; to catalyze and generate new voluntary commitments; and to facilitate collaboration and networking amongst different actors in support of SDG 14, the United Nations launched nine thematic multi-stakeholder Communities of Ocean Action (COAs) in November 2017. The nine Communities of Ocean Action are:

- Coral reefs
- Implementation of international law as reflected in the United Nations Convention on the Law of the Sea
- Mangroves
- Marine and coastal ecosystems management
- Marine pollution
- Ocean acidification
- Scientific knowledge, research capacity development and transfer of marine technology
- Sustainable blue economy
- Sustainable fisheries

Mr. Liu Zhenmin, Under-Secretary-General for Economic and Social Affairs, and Mr. Andrew Steer, President and CEO, World Resources Institute (WRI), have been appointed as the Co-focal points for the COA on Sustainable blue economy. Their work has been supported by the UN Department of Economic and Social Affairs (DESA) and WRI. In 2018, the COA held two webinars to exchange information on the experiences of its members in implementing voluntary commitments and share information on recent and upcoming meetings, including presentations by the governments of Kenya and Canada on the Global Sustainable Blue Economy Conference.

In order to accelerate the work of COAs, Co-focal points have been requested to carry out an interim assessment. To address this request, DESA and WRI have conducted an interim

assessment of the members of this COA,<sup>2</sup> based on the information available as of 31 January 2019.

The interim assessment is structured in the following manner. Section 2 considers the membership of the Community of Ocean Action on Sustainable Blue Economy, with a view to identifying current gaps in the coverage of voluntary commitments belonging to this Community and progress to date in filling gaps from various perspectives, such as: lead entity types, sector coverage, SDG 14 targets addressed, coverage of ocean basins and timing of deliverables. Section 3 analyzes the progress made in the implementation of voluntary commitments, including the analysis of overall status by activity coverage and by lead entity type. Section 4 outlines challenges faced during the implementation of the voluntary commitments. Section 5 introduces some of the voluntary commitments belonging to this COA as illustrative examples. Section 6 articulate some suggestions for the acceleration of the work of the COA. Section 7 provides brief concluding remarks.

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<sup>2</sup> As of 1 January 2019, there were 369 VCs belonging to this COA, which are the subject of this assessment.

## 2 Membership of the Community of Ocean Action on Sustainable Blue Economy: Current Gaps in the Coverage of Voluntary Commitments Belonging to the Community and Progress to Date in Filling Gaps

The Community of Ocean Action on Sustainable Blue Economy (hereinafter “this COA”) consists of 369 (as of 1 January 2019) voluntary commitments (“VCs”). This section analyzes the membership of this COA by looking into the characteristics of the VCs belonging to this COA,<sup>3</sup> including 30 VCs newly registered in 2018, and discusses the various types of gaps that still need to be addressed by the COA.

### 2.1 Lead entity types

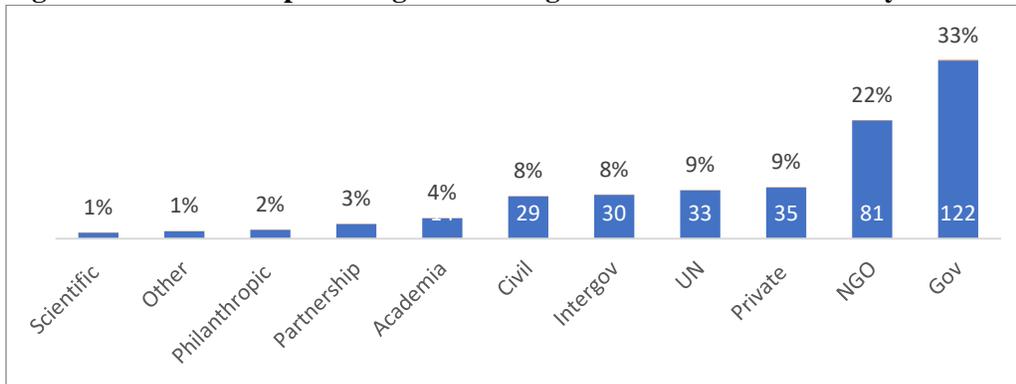
Participation statistics represent a division of the voluntary commitments by the type of lead entity involved in implementation of the commitment. Figure 1 represents lead entity types by the number and percentage of voluntary commitments contributed to.

For instance, 14 voluntary commitments (4%) are initiated by academic institutions. In the case of this COA, the two entity types making the fewest contributions are the scientific community (4 commitments, 1% of total), and philanthropic organizations (6 commitments, 2% of total). Engaging philanthropic organizations in the Community is crucial as they can provide more opportunities for commitments to succeed, by offering grants and other funding opportunities to VCs facing financial difficulties and also support commitments that may be too difficult to gain funding support from the government or other potential sources. This is especially useful in developing countries. As science, technology and innovation are key to successfully building sustainable blue economy, scientific communities can play an important role in developing and implementing VCs, and they are therefore urged to be involved in VCs more actively, either as lead entity or as partners. Last but not least, due to the nature of this COA, it is essential to get the private sector involved in VCs. While a good number of VCs have been made by the private sector (35 VCs representing 9 %), this is the group of stakeholders that the Community needs to intensify its efforts to engage with.

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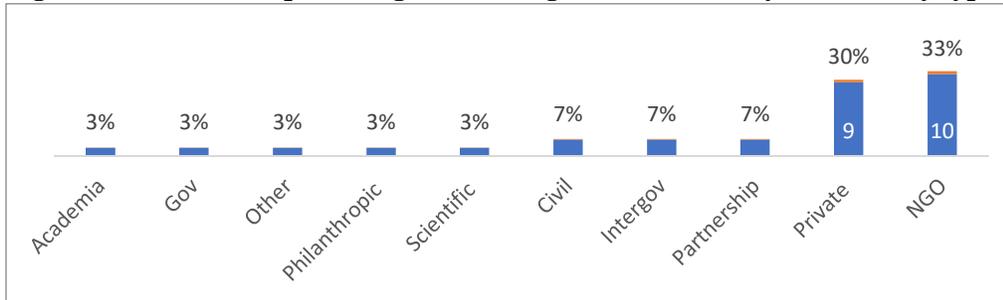
<sup>3</sup> For the analysis of voluntary commitments, including those addressing SDG target 14.7, see UN DESA, *In-depth analysis of Ocean Conference Voluntary Commitments to support and monitor their implementation*, [https://sustainabledevelopment.un.org/content/documents/17193OCVC\\_in\\_depth\\_analysis.pdf](https://sustainabledevelopment.un.org/content/documents/17193OCVC_in_depth_analysis.pdf). VCs addressing target 14.7 formed the basis for the membership of this COA when it was created in 2017.

**Figure 1 Number and percentage of VCs registered in 2017 and 2018 by Lead Entity**



In this regard, the number of VCs with the private sector as lead entity grew from 26 in 2017 to 35 in 2018 due to a significant increase of commitments registered in 2018 (30% compared to 8% in 2017, see Figure 2). Nevertheless, the need for collaboration between different actors, beyond governments and across all sectors of society, cannot be emphasized enough for implementation of the Community objectives.

**Figure 2 Number and percentage of VCs registered in 2018 by Lead Entity type**



## 2.2 Sector Coverage

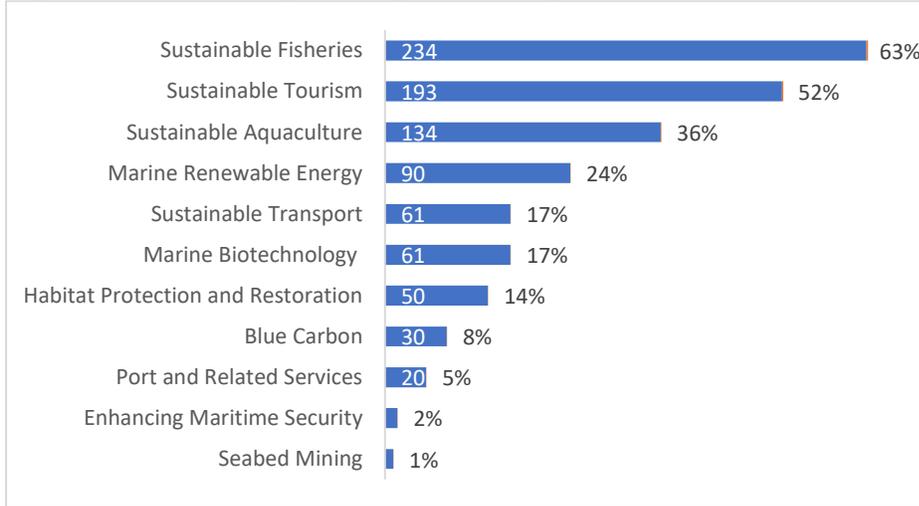
VCs belonging to this COA cover a wide range of sectors/issue areas (see Figure 3).<sup>4</sup> Majority of the voluntary commitments have selected multiple sectors. Fisheries, tourism and aquaculture were addressed by the highest proportion of VCs (63%, 52%, and 36% respectively). In the sectors covered by more than 1% of the VCs, the two activities that received the least commitments were maritime security at 6 (2%) commitments and port services at 20 (5%) commitments. As some sectors of the sustainable blue economy are broader in scope than the others, differences in proportion are expected. Certain sectors of sustainable blue economy, such

<sup>4</sup> When registering, VCs addressing target 14.7 may choose one or more of the following economic benefits under types of commitment: sustainable fisheries, sustainable tourism, sustainable aquaculture/mariculture, marine renewable energy, biotechnology and sustainable transport. In addition to these benefits, VCs belonging to this COA also cover the following issues: habitat protection and restoration, blue carbon, port and related services, enhancing maritime security and seabed mining. For these categories, see also World Bank and United Nations Department of Economic and Social Affairs. 2017. *The Potential of the Blue Economy: Increasing Long-term Benefits of the Sustainable Use of Marine Resources for Small Island Developing States and Coastal Least Developed Countries*. World Bank, Washington DC.

as marine biotechnology and marine renewable energy, have the potential to receive more commitments due to immense scientific and technological advancements. Generating new VCs in these sectors would contribute to developing the sustainable blue economy.

Trade of Edible and Non-Edible Sea Food Products, Oil and Gas, Sea Water Desalination and Shipbuilding were addressed by 2 VCs each.

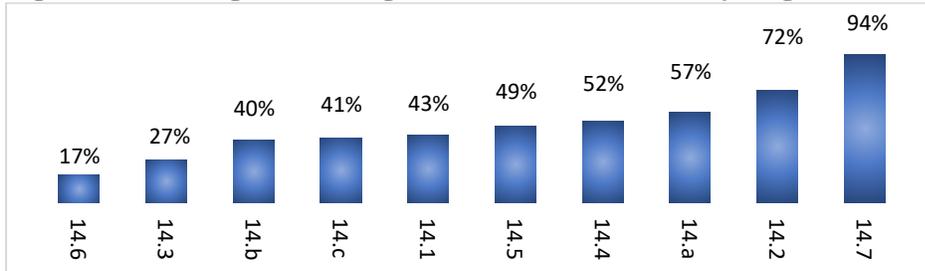
**Figure 3 Number and percentage of VCs registered in 2017 and 2018 by sector**



### 2.3 SDG 14 Targets Addressed

The cluster of voluntary commitments under sustainable blue economy primarily relates to SDG 14.7, but contains aspects of all other SDG 14 targets. The three SDG 14 targets that received the least commitments were target 14.6 (on fisheries subsidies) at 64 (17%) commitments; target 14.3 (on ocean acidification) at 100 (27%) commitments and target 14.b (on access for small-scale artisanal fishers to marine resources and markets) at 147 (40%) commitments. Not all targets necessarily need to have the same number of VCs as some are broader than the others. Besides, other COAs address relevant targets that are not the primary focus under this COA. For instance, 97% of voluntary commitments in the Community of Ocean Action on Ocean Acidification address target 14.3.

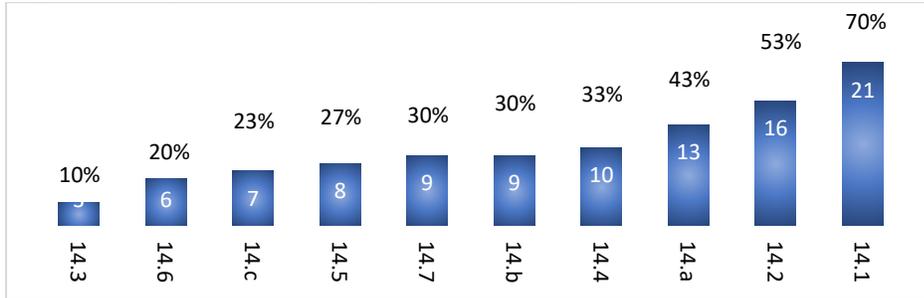
**Figure 4 Percentage of VCs registered in 2017 and 2018 by targets addressed**



When focusing on VCs registered in 2018, however, a very different picture appears. For example, whereas the proportion of VCs addressing target 14.7 (30%) has radically decreased

from those registered in 2017, those addressing target 14.1 have substantially increased (70%, constituting the largest share).

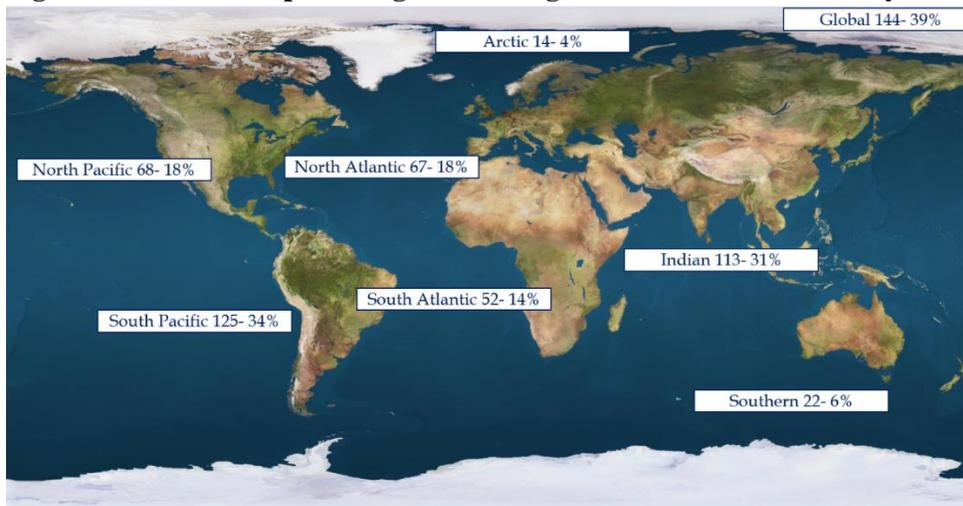
**Figure 5 Targets addressed by the 30 VCs registered in 2018**



## 2.4 Coverage of Ocean Basins by Voluntary Commitments

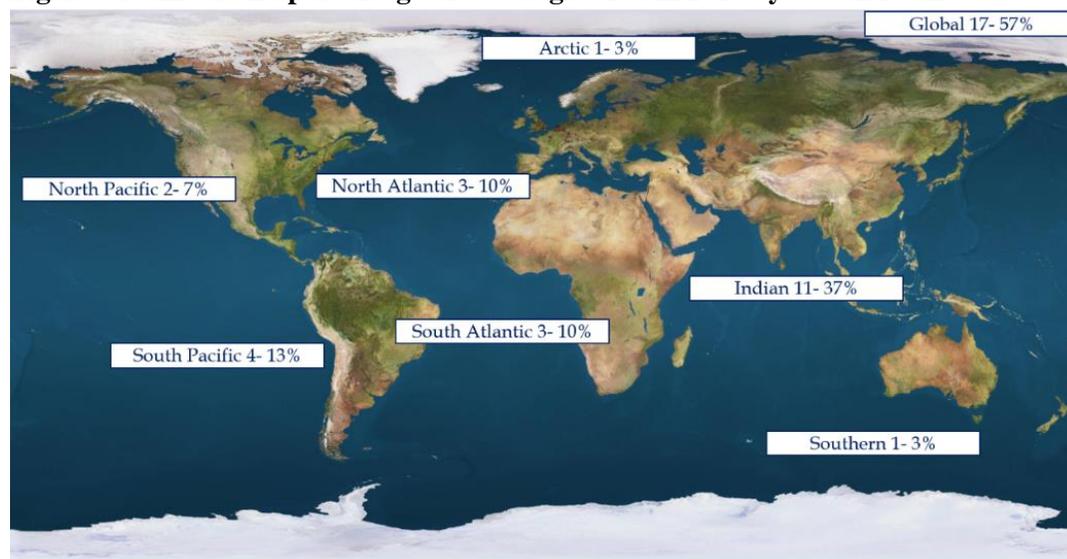
VCs belonging to this COA relate to multiple ocean basins. Figure 6 provides a breakdown of the VCs, illustrating that on an ocean basin level, most registered VCs (125 VCs or 34%) related to the South Pacific Ocean. The Arctic Ocean and Southern Ocean were targeted by only 4% and 6% of the voluntary commitments.

**Figure 6 Number and percentage of VCs registered in 2017 and 2018 by Ocean Basin**



With regard to the 30 VCs that were registered in 2018, a new trend seems to have emerged: whereas the majority of these VCs are aimed to bring benefits globally, benefits for specific ocean basins are not explicitly indicated, except for the Indian Ocean.

**Figure 7 Number and percentage of VCs registered in 2018 by Ocean Basin**



Among the 369 VCs registered in 2017 and 2018, regional variance appears when we look at a breakdown of lead entity by Ocean Basin to identify gaps in participation by region. For instance, Globally, NGOs take the lead by representing 45 VCs out of 144 VCs (31%) however, government takes the lead in Indian Ocean basin initiating 44 VCs out of 113 VCs (39%). The breakdown displayed aids in deciding which entity types can be actively targeted across which Ocean Basin. For instance, compared with the overall average, Ocean Basins, such as the Indian Ocean, South Atlantic Ocean, South Pacific Ocean and the Southern Ocean, have the potential to generate more VCs. Some entity types are consistent across ocean basins and require increased participation overall. Lowest amongst them include partnerships, philanthropic organisations and scientific community.

**Table 2 Number of VCs registered in 2017 and 2018 by ocean basin and lead entity**

Lead Entity	Arctic	Global	Indian	North Atlantic	North Pacific	South Atlantic	South Pacific	Southern
Academia	0	6	6	2	1	4	4	2
Civil	0	7	2	4	4	4	14	0
Gov	4	23	44	26	29	16	58	8
Intergov	1	14	11	3	5	5	5	1
NGO	3	45	24	13	13	10	23	5
Other	0	2	2	1	0	0	1	0
Partnership	0	4	1	2	0	3	1	1
Philanthropic	1	3	3	1	2	1	2	1
Private	2	20	7	9	6	3	10	1
Scientific	1	3	1	1	1	1	2	1
UN	2	17	12	5	7	5	5	2

Table 3 below demonstrates the percentage of VCs initiated by each lead entity type across each Ocean Basin.

**Table 3 Percentage of VCs registered in 2017 and 2018 that were initiated by each Lead Entity type across each Ocean Basin**

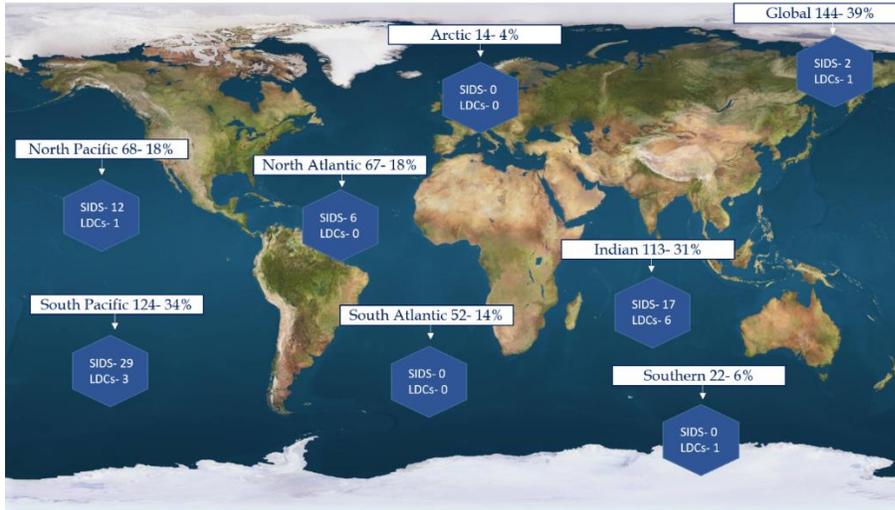
Lead Entity	Arctic	Global	Indian	North Atlantic	North Pacific	South Atlantic	South Pacific	Southern
Academia	0%	4%	5%	3%	1%	8%	3%	9%
Civil	0%	5%	2%	6%	6%	8%	11%	0%
Gov	29%	16%	39%	39%	43%	31%	46%	36%
Intergov	7%	10%	10%	4%	7%	10%	4%	5%
NGO	21%	31%	21%	19%	19%	19%	18%	23%
Other	0%	1%	2%	1%	0%	0%	1%	0%
Partnership	0%	3%	1%	3%	0%	6%	1%	5%
Philanthropic	7%	2%	3%	1%	3%	2%	2%	5%
Private	14%	14%	6%	13%	9%	6%	8%	5%
Scientific	7%	2%	1%	1%	1%	2%	2%	5%
UN	14%	12%	11%	7%	10%	10%	4%	9%

A vital component of implementation should also involve increased focus on Ocean Basins and regions with countries in vulnerable situations, such as small island developing States (SIDS) and least developed countries (LDCs). Out of the 122 VCs submitted by government entities, 59 VCs are initiated by governments of SIDS and 7 VCs are initiated by governments of LDCs. Table 4 provides a breakdown of the VCs by SIDS group and LDCs region. Figure 8 provides a break-down of SIDS and LDC VCs by Ocean Basin addressed. For instance, in the Indian Ocean Basin, 17 VCs were initiated by SIDS Government entities and 7 VCs were initiated by LDCs Government entities out of overall 44 Government VCs in Indian Ocean Basin (as seen in the previous sub-section). Enhanced registration of VCs by African LDCs and SIDS from the Caribbean would facilitate actions towards building the sustainable blue economy.

**Table 4 Number of government-registered VCs registered in 2017 and 2018 by SIDS groups and LDC regions**

LDCs	
Region	No. of VCs
African	-
Asia-Pacific	6
Eastern European	-
Latin American and Caribbean	1
Western European and Others	-
SIDS	
Group	No. of VCs
Atlantic, Indian Ocean, Mediterranean, and South China Sea	17
Caribbean	3
Pacific	35
Non-member States of the UN and associate members of Regional Commissions	4

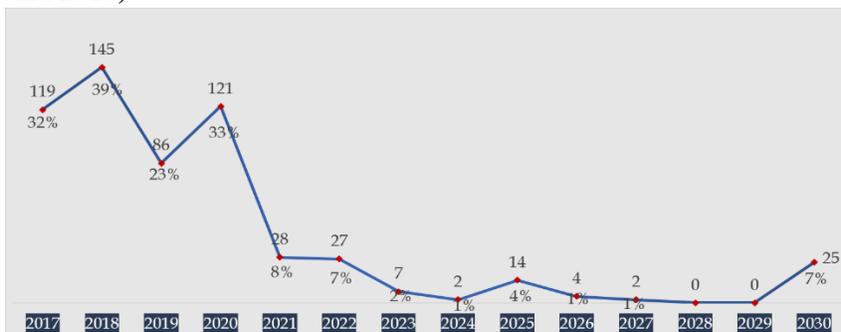
**Figure 8 Number and percentage of VCs registered in 2017 and 2018 by SIDS and LDCs in each ocean basin**



## 2.5 Timing of Deliverables

Achieving SDG 14 generally and the objectives of the COAs in particular will require concerted action within the timeframe of the relevant SDG 14 targets. This section provides an analysis of the timing of the deliverables of the voluntary commitments of the Community as displayed in Figure 9. There are spikes in the number of deliverables for 2020, 2025 and 2030, reflecting a responsiveness in the VCs to the dates of the targets. The largest proportion of voluntary commitments (39% and 35%) have deliverables due in years 2018 and 2020 respectively, whereas the years after 2020 have an average of less than 5% of voluntary commitments' deliverables due. This indicates a short timeframe of a number of the VCs. This also indicates that it would be desirable to encourage the registering of further commitments, particularly commitments that have deliverables aimed to be completed at the later target dates (beyond 2020, in particular after 2025), thus allowing for a final push to ensure that SDG 14 targets of the 2030 Agenda are reached.

**Figure 9 Number and percentage of deliverables by year (as indicated by VCs registered in 2017 and 2018)**



### 3 Progress in the Implementation of Voluntary Commitments

The COA on Sustainable Blue Economy has received information from 78 VCs out of 369 VCs on overall progress made during implementation. The primary sources of this information are responses to the survey conducted from 27 December 2018 through end of January 2019 and the progress updates submitted through the Ocean Conference website. Although the information corresponds to only 21% of the total VCs, the diverse themes addressed provide a snapshot of the overall progress made with the implementation of the VCs since the conclusion of the Ocean Conference. This section discusses the overall progress and gaps in progress updates that this COA needs to address.

While progress reports have been submitted by 21% of VCs belonging to this COA overall, the proportion of submissions are higher among the VCs address certain sectors (see Table 5). For instance, while 30% of VCs addressing sustainable transport have submitted progress reports, the percentage of VCs that have submitted progress reports is only 19% in the case of VCs addressing marine renewable energy. This statistic can provide an indication of which themes need to be actively targeted for registering updates on the implementation of VCs. In addition to VCs addressing marine renewable energy, only 20% of VCs addressing habitat protection have submitted progress reports.

**Table 5 Percentage of updates per sector (as of 31 January 2019)**

Activity	Total Updates
Blue carbon	33%
Sustainable Aquaculture	30%
Sustainable Transport	30%
Marine Biotechnology	26%
Seabed mining	25%
Sustainable Fisheries	24%
Sustainable Tourism	24%
Habitat protection and restoration	20%
Marine Renewable Energy	19%
Trade of (edible) seafood products	0%
Trade of non-edible seafood products	0%
Oil and gas	0%
Seawater desalination	0%
Shipbuilding	0%
Port and related services	0%
Enhancing maritime security	0%

#### 3.1 Overall Status by Activity Coverage

Out of 78 progress updates received, 81% or 63 VCs were on-track in their implementation. However, 12% or 9 faced financial issues and delayed implementation. 6 VCs (8%) completed implementing their commitments. Table 6 provides a breakup of progress updates by their overall status.<sup>5</sup>

<sup>5</sup> 95% of VCs of this COA that have submitted progress updates address more than one activity/sector/theme.

**Table 6 Progress status break-up by overall updates (as of 31 January 2019)**

Status	Gross	%
Completed	6	8%
Financial Issues	9	12%
On Track	63	81%

Table 7 provides a breakup of progress updates in each activity by their overall status. For instance, 46 VCs or 81% of total VC updates addressing sustainable fisheries are on-track in their progress, whereas 7 VCs (12%) are facing financial issues and delayed progress.

**Table 7 Progress status break-up by theme (as of 31 January 2019)**

Activity	Total Updates	Completed	Financial Issues	On-Track	Total Updates	Completed	Financial Issues	On-Track
Sustainable Fisheries	57	4	7	46	100%	7%	12%	81%
Sustainable Tourism	47	5	6	36	100%	11%	13%	77%
Sustainable Aquaculture	40	2	7	31	100%	5%	18%	78%
Sustainable Transport	18	1	3	14	100%	6%	17%	78%
Marine Renewable Energy	17	1	3	13	100%	6%	18%	76%
Marine Biotechnology	16	2	2	12	100%	13%	13%	75%
Blue carbon	10	-	1	9	100%	0%	10%	90%
Habitat protection and restoration	10	1	1	8	100%	10%	10%	80%
Seabed mining	1	-	-	1	100%	0%	0%	100%

### 3.2 Overall Status by Lead Entity Type

This section provides a breakdown of progress reports by type of lead entity involved during the implementation of the voluntary commitment. An important measure to consider is the number of VCs that have provided updates to implementation with respect to the total number of VCs registered by the lead entity type. In addition to providing key information on progress by lead entity, this statistic provides types of entities that need to be actively targeted for registering updates to the VC. As seen from Table 8, none of the commitments by academic institutions have registered updates, whereas VCs registered by the scientific community have the much higher percentage of progress report submission.

**Table 8 Number and percentage of VCs that have submitted progress reports by lead entity type (as of 31 January 2019)**

Activity	Total Updates	As a % of VCs
NGO	22	27%
Gov	15	12%
Private	10	29%
UN	10	30%
Intergov	6	20%
Civil	5	17%
Partnership	3	30%
Scientific	3	75%
Other	2	40%
Philanthropic	2	33%
Academia	0	0%

Table 9 provides a breakup of progress updates in each entity type by their overall status. For instance, 13 VCs or 87% of total VC updates by government entities are on track, whereas 2 VCs (13%) of total VCs registered by government entities have completed implementing the VC. All VCs by philanthropic organizations, scientific community and UN system entity have an on-track status. VCs registered by the private sector and partnerships have lower rates for On-Track or Completed: their implementation needs additional support.

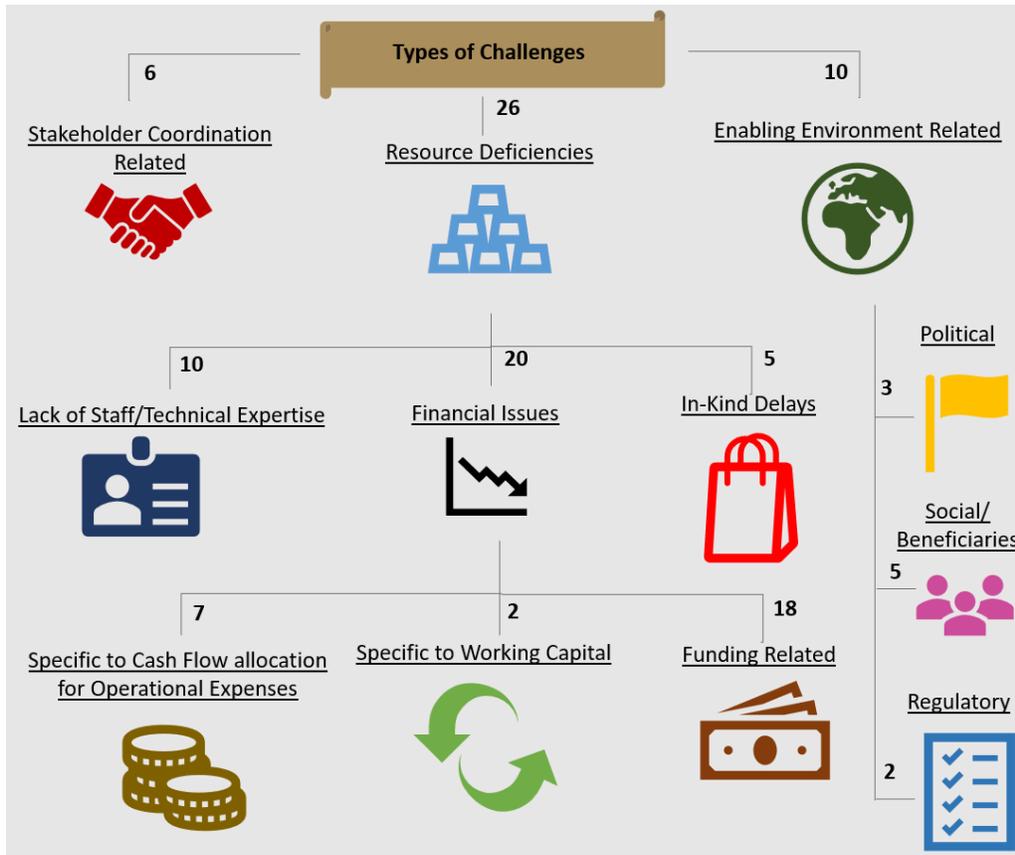
**Table 9 Breakup of progress updates in each entity type by their overall status (as of 31 January 2019)**

Activity	Total Updates	Completed	Financial Issues	On-Track	Total Updates	Completed	Financial Issues	On-Track
Academia	0	0	0	0	100%	0%	0%	0%
Civil	5	0	1	4	100%	0%	20%	80%
Gov	15	2	0	13	100%	13%	0%	87%
Intergov	6	1	0	5	100%	17%	0%	83%
NGO	22	1	4	17	100%	5%	18%	77%
Other	2	1	0	1	100%	50%	0%	50%
Partnership	3	0	1	2	100%	0%	33%	67%
Philanthropic	2	0	0	2	100%	0%	0%	100%
Private	10	1	3	6	100%	10%	30%	60%
Scientific	3	0	0	3	100%	0%	0%	100%
UN	10	0	0	10	100%	0%	0%	100%

## 4 Challenges Faced during the Implementation of the Voluntary Commitments

Out of the 78 VCs that mentioned information on their progress, 34 VCs provided information on the challenges faced during implementation.<sup>6</sup> Figure 10 showcases the types of challenges mentioned by the VCs and the number of VCs that mentioned a particular type of challenge.

**Figure 10 Types of challenges and number of VCs that mentioned each type of challenges (as of 31 January 2019)**



6 out of 34 VCs or 18% faced issues related to stakeholder engagement. For instance, VC 15334 (Northern Mozambique Channel partnership) that is about regional ocean governance in East Africa, needs consensus among countries, partners and stakeholders at many levels which is extremely challenging as mentioned in its survey response. Large scale commitments with national/international implementation may face such challenges while working closely with different agencies to enforce commitment on the ground.

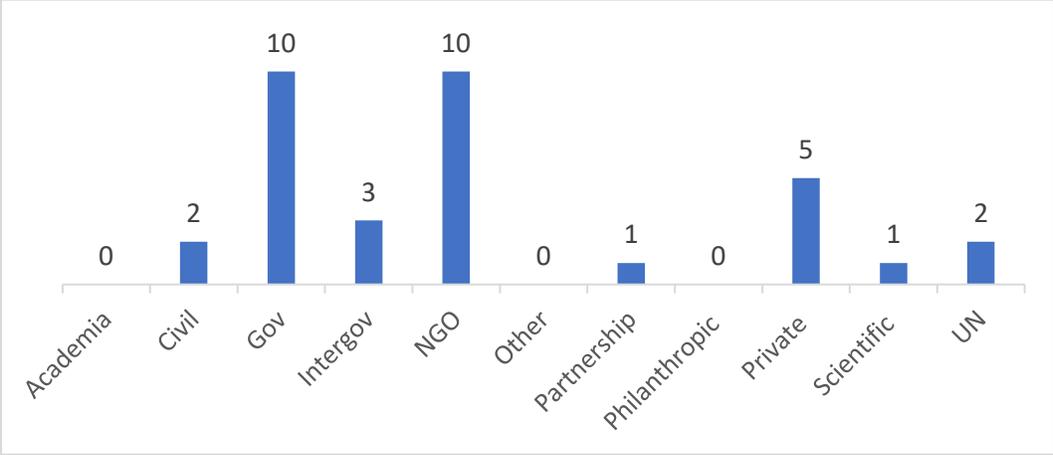
<sup>6</sup> Several VCs have chosen more than one type of challenges in their responses. Therefore, the sum of VCs under each type of challenges does not correspond to the total number of VCs that have provided information on challenges.

26 out of 34 VCs or 76% faced resource deficiencies which can be further categorized into staff/expertise related, in-kind delays and financial issues. 10 out of 26 VCs or 38% faced challenges due to inadequate amount of dedicated personnel available to carry out the activities as well as the lack of expertise available to perform such tasks. 5 out of 26 VCs or 19% faced delays in contribution from partners. VC 26161, Information Technology in Marine life for Kenya, mentioned facing challenges in coordination of various partners that caused in kind contribution delays. 20 out of 26 VCs or 77% faced issues with funding their implementation. 2 out of 20 VCs, or 10% of the VCs that mentioned funding issues specifically mentioned not having resources to fund their working capital or fund plans that began in less than one year. For instance, VC 26950, Assessing the Carbon Potential of Mangrove Forests in Nigeria, mentioned lack of a financial plan to sponsor the pilot project slated for July 2019. 7 out of 20 VCs or 35% of the VCs that mentioned funding issues specifically mentioned having problems allocating their cash inflow to operational expenses. For instance, VC 19929, Delivering Improved Coastal Fisheries Management Services in Fiji, stated in its survey response that there are currently no clear funding allocations to operationalize the roles/functions. On the other hand, VC 19754, Integrated National Oceans Policy and Marine Spatial Plan for Solomon Islands, is finding high operational expenses such as consulting with outer islands as costly. VC 14216, Biodiversity Conservation, Coastal, Ocean Clean-up and Protection, finds it challenging to cover its operational expenses, etc. Projects are soon to be implemented but resources are needed to support cash outflows. Lastly, 18 out of 20 VCs or 90% of the VCs that mentioned financial issues faced sponsorship issues or delays with funding implementation plans. For instance, VC 18998 or Restore the Mesoamerican Coral Reef, mentioned that since the lead entity is a local organization in Mexico, it is extremely challenging to gain access to climate change finance or impact investment for implementing its objectives of a collaboration program between civic society, academic, private and public sectors to favor protection and restoration of the Mesoamerican Coral Reef.

10 out of 34 VCs or 29% mentioned national environment factors as challenges to implementation. 3 out of 10 VCs or 33% felt political changes were challenges in implementation. For instance, VC 19193, Managing and conserving Indonesia's rich marine coastal biodiversity through MPAs, faced challenges when there was a shift in authority at the local government level from district to provincial. 5 out of 10 VCs or 50% that mentioned national environment factors as challenges felt training or engaging commitment beneficiaries could be time-consuming. For instance, VC 15557 (Raising awareness about marine conservation and sustainable resource management and creating independent small businesses by developing aquaculture techniques in order to reduce poverty in Zanzibar) plans to train and hire a second local trainer and to create a teaching manual in Kiswahili as a manual is required for transferring training knowledge along with autonomous operations and development of the sponge farming business to local people. VC 27732 (Sustainable Ocean Ambassador) has been mobilizing, showcasing, endorsing the sustainable use of oceans and mentions different level of SDGs awareness and understanding of Ocean amongst beneficiaries as challenging. 2 out of 10 VCs or 20% mentioned regulatory reasons as challenges.

Figure 11 showcases a breakdown of VCs that reported challenges by lead entity type. 29% of the VCs that reported challenges were by NGOs and 29% by Government lead entity types. VCs initiated by academia, philanthropic organizations and other relevant actors reported no challenges.

**Figure 11 Number of VCs in each Lead Entity Types that Reported Challenges (as of 31 January 2019)**



## 5 Voluntary Commitments in the Spotlight

This section introduces some of the VCs belonging to this COA that has made progress since their registration, based on the updates provided by VCs through the Ocean Conference website and other information available online. Information in this section would be useful for other members in this COA in the implementation of their VCs.

**#22450**

**Restoring dying and degraded coral reefs**

**(Registered- July 2017, Progress Until- Nov 2018)**

### **Key Characteristics:**

- Lead Entity- Coral Vita (Private Sector)
- Partners- n/a
- Ocean Basin- Global, North Atlantic
- Activity Coverage- Economic Benefits from Sustainable Fisheries, Economic Benefits from Sustainable Tourism, Economic Benefits from Sustainable Aquaculture/Mariculture, Economic Benefits from Marine Biotechnology
- Tenure- January 2018- January 2020
- Website- <http://www.coralvita.co>

### **Description**

Coral Vita commits to planting thousands of corals to restore degraded reefs in the Caribbean over the next two years. As a mission-driven company committed to helping preserve coral reefs for future generations, it plans to launch a pilot coral farm by the end of 2017. There, it will be integrating breakthrough coral farming methods developed by its advisors to grow corals up to 50x faster (Mote Marine Lab) while enhancing their resilience to climate change (Hawai'i Institute of Marine Biology). Using land-based coral farms, it can supply restoration projects at scale with more diverse and resilient corals to help protect reef health and the communities who depend on them. Ultimately a global network of such farms is envisioned that help carries out unique ecosystem-level restoration projects.

Initially, the pilot coral farm will be small-scale, where several thousand coral fragments (native to the host country/territory) will be grown every 6-12 month growing cycle. Corals will be transplanted into reefs with optimal conditions for restoration (e.g., in marine protected areas), where they will be monitored for various impact metrics, such as coral growth rates and survivorship, changes in marine life diversity and abundance, and level of engagement with local community members.

While the initiators are driven primarily by their love for the oceans and appreciation for their wonder and critical ecological value, they also appreciate their critical socio-economic

importance. By framing coral reef degradation as a threat to ecosystem services like food security, economic prosperity, coastal livelihoods, and shoreline protection, and demonstrating the value of reef restoration, they hope to motivate effective investment and create a sustainable financing system for protecting these marine resources. In turn, they also ensure to build local communities into their efforts, in order to promote long-term stewardship for the people that benefit most from coral reefs.

### **Deliverables:**

DECEMBER 2019: Transplantation of corals at reefs near the pilot farm

### **Progress and Impact**

Construction on Coral Vita's pilot coral farm in Grand Bahama is underway. It will be the world's first commercial land-based coral farm for reef restoration. Once operational, it will grow several thousand coral fragments per year to restore local reefs. Simultaneously, it will serve as an interactive education center for local communities, as well as a tourist attraction for visitors to the island. In doing so, it can restore the island's reefs, boost local tourism revenues, and empower a create new jobs for locals in the blue economy.

Once the pilot is demonstrated, Coral Vita intends to launch its first large-scale coral farm. Ultimately, a global network of such coral farms is envisioned in every country and territory with reefs around the world, helping preserve these vital ecosystems for future generations.

**#19353**

### **One Pearl Farm in Fiji to review practices for better sustainability**

**(Registered- June 2017, Progress Until- Dec 2017)**

### **Key Characteristics:**

- Lead Entity- Civa (Fiji) Pearls Ltd (Private Sector)
- Partners- Civa (Fiji) Pearls Ltd, Vanua Trust of Laucala
- Ocean Basin- South Pacific
- Activity Coverage- Economic Benefits from Sustainable Fisheries, Economic Benefits from Sustainable Tourism, Economic Benefits from Sustainable Aquaculture
- Tenure- January 2017- December 2018
- Website- <http://www.civapearls.com>

### **Description:**

One Pearl Farm in Fiji has four sustainability commitments-

1. commitment to Pearl Farming Best Practice
2. strive to be a driving force for the sustainable development of local communities
3. aim to achieve long term profitability with long term environmental protection
4. an educative force for the development of sustainable aquaculture in Fiji

Bad pearl farming practices adversely affect the environment and bring the pearl farming industry into disrepute. Bio-fouling pollution chokes the capacity of the lagoons to grow quality oysters for pearl production. Smaller, weaker, disease-prone pearl oysters plague the Pearl industry. Translocation of pearl oysters seriously threatens lagoons health. Inadequate quarantine procedures spread disease. Spat collecting is the process of collecting young oysters for pearl production. Locating spat collection close to the pearl farm will result in Inbreeding and weak pearl oysters.

Even though the Fijian Pearl Industry is young and minimal, bad farming practices have already affected some sectors of Fiji. One Pearl Farm in Fiji aims to turn the tide.

### **Deliverables**

DECEMBER 2018- Convert the remaining outboard fleet from 2 strokes to more environmentally friendly four-stroke engines by the end of 2018

DECEMBER 2017- Provide technical assistance and training to implement a community-based Half Pearl Farm by the end of 2017

JUNE 2017- Commence recycling of ALL bio-fouling from pearl oyster cleaning via conversion to organic composted fertilizer for use on organic-certified farmlands

JUNE 2017- Locate all spat collecting grids a minimum distance of 5 nautical miles up current from the pearl farming sites

### **Progress and Impact:**

One Pearl Farm Fiji has so far implemented 3 out of 4 deliverables. The initiative is halfway to implement its fourth and last deliverable. All spat collectors are now situated at least five nautical miles up current of the farming site to curb in-breeding and disease spreading. All quarantine procedures have been reviewed. Also, all the biofouling produced at the farm is now composted to be recycled on an organically certified land farm. The third deliverable was to establish a community-based half pearl farm which is now in production. The fourth and last deliverable was to convert all the outboards on the farm to 4 less polluting stroke engines. This deliverable is halfway done but well on track to complete the transition before December 2018.

**#18723**

**New Caledonia Towards Sustainable Blue Growth**

**(Registered- June 2017, Progress Until- Dec 2017)**

### **Key Characteristics:**

- Lead Entity- New-Caledonia Maritime Cluster (Private Sector)
- Partners- 78 partners of the cluster originating from private companies, Public administrations and oceanographic research institutes (for details and list see: <http://www.clustermaritime.nc/membres-cmnc.html>)

- Ocean Basin- South Pacific
- Activity Coverage- Economic Benefits from Sustainable Fisheries, Economic Benefits from Sustainable Tourism, Economic Benefits from Sustainable Aquaculture, Economic Benefits from Marine Renewable Energy, Economic Benefits from Marine Biotechnology, Economic Benefits from Sustainable Transport
- Tenure- August 2014- Open Ended
- Website- <http://www.clustermaritime.nc>

**Description:**

The New Caledonia Maritime Cluster founded August 2014, aims at boosting synergies between economic, environmental, societal and cultural actors in the field of coastal seas and oceans sustainable management.

Main objectives:

- i) to promote sustainable Blue Growth in New Caledonia and the South Pacific, according to the EEC Blue Growth approaches and objectives and to help to harmonize Maritime Public Policies,
- ii) to develop technological innovation and transfer in the field of marine observation as to foster maritime surveillance, monitoring, and control of the quality of the environment (mostly lagoons, corals reefs), of the availability of natural resources and marine, uses sustainability,
- iii) to demonstrate the value of new technologies (hybrid engines on boats, Marine Renewable Energies, autonomous sensors, eco-sailing) in reducing human impact and greenhouse gas emissions,
- iv) to optimize the communication on marine and maritime affairs between Science, Administrations, Economic Operators, Associations and the Great Public,
- v) to promote marine and maritime training, awareness, vocations, and eco-responsibility,
- vi) to boost marine heritage values in between all the layers of the society

**Deliverables:**

DECEMBER 2017

Results of 14 synergy groups analysis focused on 1. Ports and Transport Infrastructures, 2. Cruise, 3. Maritime Tourism, 4. Shipbuilding and naval repairs, 5. Marine Data Bases and Marine Spatial Planning, 6. Governance, 7. Marine Technological Platforms, 8. Marine Bio-Resources Management, 9. Training, 10. Recycling Boat Wrecks and other Sea Waste, 11. Marine Renewable Energies, 12. Maritime Pole of Excellence, 13. Security at Sea, 14. Marine and Maritime Heritage,

JULY 2017

Organizing of The Sea Day every year, a general platform for discussion on questions and solutions in the field of economic, scientific, technologic, ethic, and marine environmental challenges as on governance issues. The next to be held in Nouma 12 July 2017

MAY 2017

A general report titled: New-Caledonia and Blue Gold focused on opportunities and stakes in the field of Marine and Maritime Economy and Blue Society (see [www.rjpec.nc](http://www.rjpec.nc))

JULY 2016

Report on Maritime challenges in New-Caledonia (see <http://www.clustermaritime.nc/rapport-de-synthese.html>) and setting up of the First Sea and Ocean General States Nouma (see <http://www.clustermaritime.nc/actions.html>)

### **Progress and Impact:**

The voluntary commitment "New Caledonia Towards Sustainable Blue Growth" considers the maritime facts of a tropical Pacific archipelago with an economy that was only based upon land nickel mines. Those maritime facts are expressed by a world-wide recognized marine biodiversity hot spot (shallow and deep sea), including a 1.500.000 km<sup>2</sup> Marine Park on the Coral Sea and more than 15.000 km<sup>2</sup> of the lagoon and coral reefs recognized as a UNESCO World Heritage Site. They are also based upon a unique marine geo-diversity (including a part of a submerged continent: Zelandia, shared with Australia and NZ) and a marine geostrategic position which explains, for such a small territory of fewer than 300.000 inhabitants, the development of 26 maritime activities sectors. Those sectors range from fisheries to aquaculture, maritime transport, marine tourism, Cruise industry, maritime repair, biotechnologies, management challenges, Spatial Marine planification needs, marine renewable energies and energy transition questions, coastal erosion and coastal engineering, land activities impacts on lagoons and reefs, marine natural patrimony conservation, natural hazards impacts, sea level rise, marine Sciences and innovation, new technologies applications as submarine digital connections, marine and maritime culture etc. A maritime cluster federating the know-how was set up three years ago.

Following the first "Sea Day" organized by the Cluster in July 2017 in Nouma (New Caledonia), five priorities have been identified, i.e. :

- a/ sharing marine data and implementing Marine Spatial Planning ;
- b/ boosting the ecological transition and promoting marine renewable energies,
- c/ Training youth in marine technologies and know-how,
- d/ Setting up on the marine waters and EEZ of New-Caledonia a marine sustainable development "pole of excellence,"
- e/ solving the problem of the end of lifeboats by strategic recycling operations.

Furthermore, the New-Caledonia Maritime Cluster has been active, presenting papers on Blue Growth Strategy in the following events in November and December :

- 1/ "Sea and Space Conference," Oceanographic Institute and Albert 1er of Monaco Foundation, Paris;
- 2/ Maritime & Coastal Economy Congress, Le Havre, France ;
- 3/ Commit France Maritime, French Sea Committee: National Assembly - Ministry of Overseas Territories and General Secretary for the Sea, Paris;
- 4/Launch of the Maritime Technology Center Pacific in Suva (Fiji): MTCC Pacific (SPC-IMO-EU-SPREP).

#17770

**Small Island States (SIDS) Blue Guardians: Partnership to Protecting Oceans and Climate-resilient Blue Economies**

**(Registered- May 2017, Progress Until- Nov 2018)**

**Key Characteristics:**

- Lead Entity- SIDS DOCK (Partnership- Intergovernmental)
- Partners- SIDS DOCK, UN Environment, GRID-Arendal, Clinton Climate Initiative, DigitalGlobe, Esri, Geographic Planning Collaborative Group, QLIK, Global Mana, Squire Patton Boggs
- Ocean Basin- Global
- Activity Coverage- Economic Benefits from Sustainable Fisheries, Economic Benefits from Sustainable Tourism, Economic Benefits from Marine Renewable Energy
- Tenure- January 2018- December 2022
- Website- <http://www.blue-guardians.org>

**Description:**

Climate change adaptation for Small Island Developing States (SIDS) is a matter of survival. SIDS collectively contribute less than 1 percent towards global greenhouse gas emissions, yet their communities are some of the most vulnerable to the impacts of climate change. The Blue Guardians partnership for SIDS is one of the last best hopes to save the oceans and islands from the stresses brought about by climate change.

Blue Guardians is a smart partnership between SIDS governments, the private sector, civil society and intergovernmental bodies designed to make the best possible use of scientific, technical and human resources to contribute to the climate change priorities of island nations. It responds to the UN-Oceans Conference call for Partnering for the Implementation of Sustainable Development Goal 14, as well as the need to increas[e] the ability to adapt to the adverse impacts of climate change and foster climate resilience as stated in the UNFCCC Paris Agreement.

The Blue Guardians Program will work with SIDS across three inter-related activity areas to directly increase climate resilience and contribute to their Nationally Determined Contributions (NDCs):

1. Nature-based Climate Adaptation and Mitigation Projects
2. Information and Data Infrastructure for Building Climate Resilience and Addressing NDCs
3. SIDS Regional Community of Exchange

The Blue Guardians program will be implemented through both regionally targeted activities for SIDS across the Pacific, Caribbean and Africa, Indian Ocean, Mediterranean (AIMS) regions, as well as through national activities piloted in six countries. It will focus on

both capacity enhancement and on-the-ground actions through six National Climate Resilience Centers in these countries.

The Blue Guardians Program is designed to build on and complement existing or planned climate adaptation and mitigation programs within each SIDS country and regionally with SIDS DOCK and partner organizations. In its planning, implementation, and execution the program will incorporate a gender-sensitive approach, as well as ecosystems, an approach in all its activities. The program will also leverage existing efforts by regional and national mapping and statistical organizations to provide accurate, timely, authoritative information to support decision and policy-making. Supported work for each of the six SIDS countries will be designed as a replicable model that can be adapted for other SIDS throughout the Caribbean, Pacific and AIMS ocean regions.

**Deliverables:**

DECEMBER 2022

Implementation of Blue Guardians program activities

JUNE 2018

Establishment of six Blue Guardian Climate Resilience Centres

POST 2012

Expansion of Blue Guardians program to other SIDS countries.

**Progress and Impact:**

- a. Confirmation of the Blue Guardians Green Climate Fund proposal in the official work programme of SIDS DOCK during the Fourth Session of the Assembly of SIDS DOCK, Sept. 2018.
- b. Recognition of the importance of the initiative by His Excellency Dr. The Right Honourable Keith C. Mitchell, Prime Minister of Grenada in his acceptance speech as the new President of SIDS DOCK, linking Blue Guardians to a toolbox for sustainable development of the Blue Economy.

Eight countries are now part of the Blue Guardians proposal: Barbados, Grenada, Mauritius, Saint Vincent and the Grenadines, Samoa, Seychelles, Tonga, and Tuvalu.

**#15910**

**Supporting a Blue Commonwealth**

**(Registered- May 2017, Progress Until- June 2018)**

**Key Characteristics:**

- Lead Entity- Commonwealth Secretariat (Intergovernmental Organization)
- Partners- Commonwealth member countries (Governments)
- Ocean Basin- Global

- Activity Coverage- Economic Benefits from Sustainable Fisheries, Economic Benefits from Sustainable Tourism, Economic Benefits from Sustainable Aquaculture, Economic Benefits from Marine Renewable Energy, Economic Benefits from Marine Biotechnology, Economic Benefits from Sustainable Transport
- Tenure- May 2017- December 2030
- Website- <http://www.thecommonwealth.org>

**Description:**

The Commonwealth Secretariat commits to support all Commonwealth member countries, and especially vulnerable states and small island developing states, in their work to transition to 'Blue Economies' and to do so in line with the Commonwealth Charter and the Sustainable Development Goals. They recognize the necessity to preserve ocean health while relying on ocean resources for sustainable economic development.

The Commonwealth is a voluntary association of 52 independent and equal sovereign states. The Commonwealth is home to 2.4 billion people and includes both advanced economies and developing countries. Forty-five of its members are coastal states. Thirty of its members are small states, many of which are island nations. Its shared values and principles are inscribed in the Commonwealth Charter, which includes a commitment to sustainable development.

The Commonwealth Secretariat Oceans and Natural Resources Division provide technical assistance to Commonwealth member states towards sustainable development of marine resources.

**Deliverables:**

DECEMBER 2030

Technical advisory support for Commonwealth member countries towards ocean good governance, including development and implementation of policy, legal frameworks, and institutional arrangements that promote and support the sustainable management of marine resources.

**Progress and Impact:**

In April 2018, Heads of Commonwealth Governments (Heads) adopted the Commonwealth Blue Charter. Their landmark decision will affect one-third of the world’s national coastal waters, helping to sustain livelihoods and ecosystems globally. The Heads also mandated the Commonwealth Secretariat to develop an implementation plan.

As of 1 June 2018, 11 Commonwealth countries have stepped forward to lead on eight priority areas of action under the Blue Charter: Australia, Belize, and Mauritius will spearhead the protection and restoration of coral reefs; Fiji will champion climate change action for the oceans, including blue carbon sequestration by coastal vegetation and the development of resilient, low-carbon coastal cities; UK and Vanuatu will lead on tackling ocean plastics, supported by the UK's 61 million pound commitment to a Commonwealth Clean Oceans Alliance; Sri Lanka will initiate collaboration on mangrove restoration; Cyprus will offer its experience and expertise on

the sustainable development of aquaculture; Kenya will pioneer the development of blue economic growth; and New Zealand will champion action on ocean acidification caused by man-made CO2 emissions.

The goals of the action groups are to cross-promote shared technical, scientific and policy solutions to effect broader implementation and change. The Commonwealth Blue Charter applies the principles of the Charter of the Commonwealth to the sustainable development and protection of the ocean.

**#15043**

**Exploring financing approaches and mechanisms to promote sustainable development and the Blue Economy in Small States Developing States**

**(Registered- April 2017, Progress Until- April 2018)**

**Key Characteristics:**

- Lead Entity- OECD (Intergovernmental Organization)
- Partners- SIDS
- Ocean Basin- Global
- Activity Coverage- Economic benefits from the sustainable development of maritime resources (i.e., the Blue Economy)
- Tenure- June 2017- December 2017
- Website- N/A

**Description:**

This commitment will support the efforts of the Small Island Developing States (SIDS) to develop their economies through the sustainable use of their vast oceans resources.

Having often limited domestic revenues and high debt which limits their access to additional loans, SIDS critically rely on concessional finance. Current OECD work on SIDS financing will quantify overall concessional flows to SIDS and explore financing approaches and mechanisms through which the international community can enhance the effective use of resources, catalyze new flows, and stimulate a more coordinated response to the financing needs to SIDS. This work will be published in an OECD report by the end of 2017 and will inform international, regional and country-level policy discussions with a view to promoting more effective and catalytic use of concessional resources for sustainable development in SIDS.

**Deliverables:**

DECEMBER 2017

OECD Report on financing approaches and mechanisms to promote sustainable development and the blue economy in Small States Developing States.

## **Progress and Impact:**

A new OECD report on Making Development Cooperation work for Small Island Developing States, which exploring financing approaches and mechanisms to promote sustainable development and the Blue Economy in Small Island Developing States, was completed and published in April 2018. Kindly access the report here-

<http://www.oecd.org/publications/making-development-co-operation-work-for-small-island-developing-states-9789264287648-en.htm>

**#16283**

## **Seychelles blue bond: transitioning to sustainable artisanal fisheries and strengthening value chain benefits through innovative finance and partnerships**

**(Registered- May 2017, Progress Until- Mar 2019)**

## **Key Characteristics:**

- Lead Entity- Office of the Vice President, Government of Seychelles (Government)
- Partners-
  - Department of Blue Economy, Office of the Vice President (Government)
  - Ministry of Finance, Trade and Economic Planning (Government)
  - Ministry of Agriculture and Fisheries (Government)
  - Ministry of Environment, Energy and Climate Change (Government)
  - Seychelles Conservation and Climate Adaptation Trust (Other Relevant Actor)
  - Development Bank of Seychelles (government)
  - World Bank Group (Intergovernmental Organization)
  - Global Environment Facility (Intergovernmental organization)
  - Private investors (private sector)
- Ocean Basin- Indian
- Activity Coverage- Economic Benefits from Sustainable Fisheries, Economic Benefits from Sustainable Tourism, Economic Benefits from Sustainable Aquaculture/Mariculture
- Tenure- July 2017- July 2030
- Website- N/A

## **Description:**

Seychelles has pioneered the blue economy concept as a model for sustainable development and future prosperity since 2014. The model adopted focuses on economic diversification, local employment and investment opportunities, food security, and the adequate protection and sustainable use of marine and coastal environments. Seychelles blue economy strategy internalizes global commitments to the SDG agenda and the Paris Agreement on Climate Change and is consistent with regional blue economy strategies.

Seychelles comparative advantage lies in its natural capital and the tourism and fisheries sectors that dominate the economy are highly dependent on the health of coastal and marine ecosystems. Unsustainable practices will erode this natural capital and incomes for fishers and tourism operators, jeopardizing future investments in the blue economy. Moreover, overfishing will pose significant risks to nutrition and food security in a country where almost all fish consumption is based on local fisheries production. Since these impacts will be compounded by climate change, careful fisheries management will be required to promote ecosystem resilience.

To support its blue economy strategy, the Government of Seychelles is preparing the Third South West Indian Ocean Fisheries Governance and Shared Growth Project (SWIOFish3) with financial support from the World Bank, the GEF and the issuance of a sovereign blue bond. Following graduation to a high-income country, Seychelles has sought to diversify sources of funding. Consequently, the country has turned to Innovative financial instruments, such as blue bonds, whose aim is to raise capital from private investors interested in supporting a sustainable development agenda. Scheduled for 2017, Seychelles sovereign blue bond issuance aims to raise US\$ 15 million.

Specifically, the SWIOFish3 project supports the Seychelles Marine Spatial Planning Initiative, which will expand sustainable-use marine protected areas to conserve biodiversity across 15% of the EEZ. Improved governance of priority fisheries will also be supported, with important objectives including ending open access, stock rebuilding, addressing overcapitalization, and adoption of rights-based approaches. These interventions in marine and fisheries governance will provide a foundation for the development of seafood value chains, which are a cornerstone of the country's blue economy strategy.

SWIOFish3 has been designed to utilize the proceeds of blue bonds in the form of grants and loans that will be administered by the Seychelles Conservation and Climate Adaptation Trust (SeyCCAT), an independent local Trust Fund established under Seychelles legislation, and the Development Bank of Seychelles. They will be used to support private sector investments in scientific and logistical support services, skills development, eco-labeling, and postharvest and value-adding activities as alternative business opportunities for fishers, as well as public investment in rebuilding fish stocks and addressing overcapitalization. Critically, the disbursement of grants and loans are tied to governance milestones to prevent changes in demand or price signals placing higher pressure on fisheries resources.

Ultimately, the Seychelles Blue Bond aims to integrate governance and investment, creating a replicable and scalable model for other countries or regions interested in innovative finance for sustainable development of ocean economies.

## **Deliverables**

2030

Phased approach from open access to rights-based management of Seychelles small scale fisheries

2030

A restructure of the small-scale fisheries sector towards value chains and increased employment and local investment opportunities

2030

Increased contribution to GDP from sustainable small-scale fisheries and associated activities

2020

integrated management of marine protection, climate change and fisheries management in 15 % of Seychelles EEZ as part of its MSP process

### **Progress and Impact<sup>7</sup>:**

On 29<sup>th</sup> October 2018, Seychelles launched a US\$15 million blue bond to support sustainable fisheries and marine projects. Seychelles announced the bond at the fifth edition of the Our Ocean Conference 2018 in Bali, Indonesia.

The World Bank assisted Seychelles in developing the blue bond and in reaching out to Calvert Impact Capital, Nuveen and Prudential Financial, Inc. The bond was issued with a ceiling value of US\$15 million, with a maturity of 10 years. The Blue Grants Fund and Blue Investment Fund, managed by the Development Bank of Seychelles (DBS) and Seychelles' Conservation and Climate Adaptation Trust (SeyCCAT), will provide grants and loans. The Seychelles blue bond is guaranteed by a US\$5 million guarantee from the World Bank and a US\$5 million concessional loan from the Global Environment Facility (GEF) that will partially cover interest payments for the bond. These credit enhancement instruments allowed for a reduction of the price of the bond by partially de-risking the investment of the impact investors, and by reducing the effective interest rate of 6.5% for Seychelles to 2.8% by subsidizing the coupons.

Seychelles is an archipelagic nation consisting of 115 granite and coral islands. It has a land area of 455 km<sup>2</sup> spread across an Exclusive Economic Zone of approximately 1.4 million km<sup>2</sup>. Proceeds from the bond will support the expansion of marine protected areas (MPAs) to 30 percent of the country's exclusive economic zone (EEZ), improved governance of priority fisheries and development of the blue economy in Seychelles.

After tourism, the fisheries sector is the country's most important industry, contributing significantly to annual GDP and employing 17% of the population. The primary beneficiaries of the bond are Seychellois who depend on marine resources and the ocean for their livelihoods, including artisanal and semi-industrial fisheries, tourism operators and operators engaged in seafood value chains, among others.

The bond will also contribute to the World Bank's South West Indian Ocean Fisheries Governance and Shared Growth Program (SWIOFish3), which supports countries in the region

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<sup>7</sup> Information in this section is a summary of the following articles: <https://sdg.iisd.org/news/seychelles-launches-first-blue-bond/> <https://www.thegef.org/news/seychelles-launches-world-s-first-sovereign-blue-bond> <https://www.worldbank.org/en/news/feature/2018/10/29/seychelles-achieves-world-first-with-sovereign-blue-bond>

to increase economic benefits from their fisheries sectors while sustainably managing their fisheries.

The World Bank is also supporting Seychelles' efforts to build a diversified blue economy via SWIOFish3, a project co-financed by the blue bond. SWIOFish supports countries in the South West Indian Ocean region to sustainably develop their fisheries sectors by improving fisheries governance, encouraging regional dialogue and cooperation and enhancing the fisheries' value chain with better conservation, facilities, equipment, and training.

**#16110**

### **Investing in Seychelles' Blue Future**

**(Registered- May 2017, Progress Until- Mar 2019)**

#### **Key Characteristics:**

- Lead Entity- Seychelles Conservation and Climate Adaptation Trust (Philanthropic Entity)
- Partners- Government of Seychelles (Ministry of Environment, Energy and Climate Change; Ministry of Finance, Trade and Economic Planning; and, the Ministry of Fisheries and Agriculture), The Nature Conservancy (NGO), Seychelles Islands Foundation (NGO), Nature Seychelles (NGO), Seychelles Chamber of Commerce and Industry (Private) Seychelles Hotels and Tourism Association (Private) Islands Development Company (Private).
- Ocean Basin- Indian
- Activity Coverage- Economic Benefits from Sustainable Fisheries, Economic Benefits from Sustainable Tourism, Economic Benefits from Sustainable Transport
- Tenure- June 2017- June 2025
- Website- <http://www.seyccat.org>

#### **Description:**

The Seychelles Conservation and Climate Adaptation Trust (SeyCCAT) vision are for Seychelles oceans and islands to be stewarded by the people of Seychelles, generating sustainable benefits for future generations to share. SeyCCAT is driven by a mission to strategically invest in ocean stakeholders to generate new learning, bold action and sustainable blue prosperity in Seychelles.

SeyCCAT is an independent Trust that was legally established in November 2015. The Trust is governed by a diverse Board of Directors and performs exclusively for charitable, educational and scientific purposes for the benefit of the people of Seychelles. With the support of The Nature Conservancy (TNC), SeyCCAT has purchased and restructured US\$21.6M in Government of Seychelles debt. This mechanism is capitalizing an endowment and is providing an annual fund accessible by non-governmental organizations, the private sector, individuals and government departments. SeyCCAT has already leveraged these funds against additional capital and is now working with the Seychelles Ministry of Finance and Economic Planning, Blue

Economy Department and the World Bank to support the issuance of a sovereign US\$15M Blue Bond, with proceeds in part being managed by SeyCCAT.

Through these assets, SeyCCAT will provide a sustainable flow of funds to support Research and Development, Organisation and Management, Planning and Policy, and Communication and Capacity that will enable SeyCCAT to deliver its objectives to:

1. Support new and existing marine and coastal protected areas and sustainable use zones;
2. Empower the fisheries sector with robust science and knowhow to improve governance, sustainability, value, and market options;
3. Promote the rehabilitation of marine and coastal habitats and ecosystems that have been degraded by local and global impacts;
4. Develop disaster risk reduction and social resilience plans to mitigate the effects of climate change; and,
5. Trial and nurture business models to secure the sustainable development of the Seychelles blue economy.

SeyCCATs commitment is to competitively grant at least US\$ 750,000 per annum to support the stewardship of Seychelles ocean resources, island life, and blue economy. To help deliver the vision, SeyCCAT is also committed to developing partnership dialogues and aims to share its learning throughout Seychelles as well as with other SIDS. SeyCCAT will also support more broadly the initiatives and SDG14 voluntary commitments of the Western Indian Ocean (WIO) region such as the Nairobi Convention, Northern Mozambique Channel initiative and WIO Coastal Challenge.

#### **Deliverables:**

JUNE 2025- Further develop innovative financing mechanisms to boost the assets of SeyCCAT.

JUNE 2025- Create a national blue partnership dialogue to identify and incubate viable projects, and to build capacity.

JUNE 2025- ESG (Environmental, Social and Governance) screened investments to support MPAs, fisheries management, ecosystem rehabilitation, adaptation planning, and the blue economy.

JUNE 2025- Support the dialogue and development of a Trust fund for the Western Indian Ocean region.

#### **Progress and Impact<sup>8</sup>:**

On 19 October 2017, SeyCCAT announced the first competitive Blue Grants Fund call for proposals, utilizing proceeds from the Seychelles marine debt-for-nature swap. The first call

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<sup>8</sup> <https://seyccat.org/> is the source website for all information in this section.

focused on supporting the second of SeyCCAT's strategic objectives: to empower the fisheries sector.

SeyCCAT's innovative financing mechanisms provide new resources to expand MPA coverage and to improve governance of priority fisheries, including the implementation of the Mahe plateau fishery management plan. SeyCCAT's Blue Grants Fund will annually (from 2018) disperse, via a competitive process, over US\$650,000 to projects that support new MPAs and to pre-development and growth stage ventures that aim to improve the sustainability of fisheries. Other initiatives, such as habitat restoration, economic diversification, and projects to enhance social resilience to climate change in coastal communities can also be supported. The Development Bank of Seychelles will disperse commercial loans to viable fisheries ventures through a parallel "Blue Investment Fund."

SeyCCAT's Blue Grants Fund committee reviewed the proposals received and in January 2018, successful stage I applicants were invited to submit full project proposals. In April 2018, SeyCCAT announced the successful projects. With an initial disbursement of SCR 2,868,490, SeyCCAT's Blue Grants Fund is supporting five project partnerships to co-deliver the sustainable fisheries strategic objective. Details of SeyCCAT's ongoing projects can be found at <https://seyccat.org/projects/>

On 8 June 2018 SeyCCAT announced the second Blue Grants Fund. SeyCCAT sought project proposals & partnerships in support of the following three strategic objectives:

- 1: Support new and existing marine and coastal protected areas and sustainable use zones.
- 2: Empower the fisheries sector with robust science and knowhow to improve governance, sustainability, value, and market options.
- 5: Trial and nurture appropriate business models to secure the sustainable development of the Seychelles' blue economy.

The goal is to disperse up to SCR 9.5M (US\$700,000) through BGF#2. The investments are available as one-year small-medium (SCR 100,000) grants, or large two-year grants (SCR 100,000 up to SCR 1M).

Additionally, On November 2018, application guidelines for an innovative collaboration between Nekton Mission and Seychelles' Conservation and Climate Adaptation Trust (SeyCCAT) were launched. This subsequently led to the financing of seven Seychellois researchers, in March 2019, who will venture on an underwater expedition to explore the depths (up to 500 m) of the waters of Seychelles.

Furthermore, SeyCCAT is delighted to be co-managing proceeds from the Seychelles Blue Bond issued in October 2018. Working with the World Bank's "Third South West Indian Ocean Fisheries Governance and Shared Growth" (SWIOFish3) project, in partnership with the Development Bank of Seychelles, they will be co-managing US\$15M to provide blended finance in the form of grants and concessionary loans.

## 6 Suggestions for the Acceleration of the Work of the Community

The Community of Ocean Action on Sustainable Blue Economy has registered 369 VCs on the VC registry. This section suggests several actions the COA, including through Co-focal points, can undertake to generate new VCs, support the implementation of existing VCs and monitor their progress. As new commitments are continuously being registered, it is expected that this analysis and suggested measures need to be reviewed periodically.

### **Assistance in Tackling Financial Issues**

Out of the 34 VCs that provided information on challenges faced during implementation, 20 VCs mentioned facing financial issues. For instance, VC 21889 (Establish the Local Environmental Observer (LEO) Network in all oceans and along all the world's coastlines within 5 years) stalled implementation due to lack of funding despite having registered 2,772 LEO Network members affiliated with over 1000 organizations in 651 communities around the world. The commitment's objective is to rapidly establish an effective local-knowledge-based global oceans surveillance system for detecting, measuring, understanding environmental change across scales, and to enable the development of scale-relevant solutions such as social-ecological adaptation actions. The lead entity, Conservation Science Institute, specifically requested the COA to help identify sources of funding in a survey response. Additionally, VC 15019 (Programme Aquacole dans l'Arrondissement de Fimela Promotion de la Pisciculture et de l'Ostriculture dans les Communes de Fimela et de Palmarin Facao) that revolves around conservation, sustainable management and development of fisheries resources for the benefit of current and future generations of island areas in the Fimela district (Senegal), requests the Community's help in financing in a survey response. If there is a mechanism where the members of this COA could publish sponsorship proposals, the assistance requests could receive publicity that would help interested sponsors get in touch with the members of this COA.

### **Information Assistance and Exchange of Best Practices**

The Community can put in place a mechanism for meaningful interaction and networking amongst contact points of VCs in the form of an online member group by activity coverage. To bring together VCs with similar activity coverage (for example, sustainable transport) and facilitate their collaboration, the COA could hold thematic webinars or create newsletters that provide information on updates or overall progress in that activity/theme. This introduces them to the Community, gives them a chance to interact with experts and/or focal points and has a multitude of other benefits. For instance, 3D PARS, the lead entity of VC 23654 (Unmanned/Autonomous Technologies For Ocean Protection and Production), looks forward to scheduling meetings with Community representatives to discuss ways to align all of the efforts in such a way that can optimize the positive impact of its commitment that revolves around developing technologies for protecting the ocean as mentioned in its internal comments and survey response. For local VCs with small-scale implementation, the mechanism helps gain access to updated information. For instance, VC 18998, Restore the Mesoamerican Coral Reef, mentioned in its survey response that access to information, technology and finance is

significantly lesser for local organizations. For international VCs with large-scale implementation, the same mechanism could be a way to showcase latest developments. For instance, VC 18076, International Ocean Institute (IOI)- Ocean Governance training & capacity development, aims to bring to the attention of the ocean community the latest developments in ocean governance and IOI training courses characterized by the most recent knowledge and research are integrated into the syllabus. IOI and partners continuously seek to identify current and emerging issues and mainstream them into the course syllabi. For VCs that host events, the mechanism could be used to invite members of the Community to these events.

If members who have successfully completed the implementation of their VCs or whose VCs are on-track in their implementation share information on best practices and solutions to challenges faced, it could benefit many other members to tackle similar issues during the implementation of their VCs. For instance, VC 15910, Supporting a Blue Commonwealth, has requested the Community to share best practices for implementation under each activity so it can use this information in its overall objective of supporting all Commonwealth member countries in transitioning to Blue Economy. Although a knowledge platform for this COA, which is intended for the exchange of information through discussions, already exists (<https://oceanconference.un.org/commitments/index.php?forum=7>), COA members have not utilized it to date. If the Community's existing knowledge platform can be actively promoted by the Co-focal points, for example, by posting periodic discussions, this platform could encourage members to share information on various aspects, such as best practices and challenges faced, more actively. Members could post questions they have during the implementation of their VCs, which could be answered by other members from the COA.

### **Side Events**

To fill current gaps in lead entity type, it would be useful to engage with various stakeholders whose participation have been limited, such as philanthropic organizations, scientific community, and private sector. For instance, Private sector initiated only 9% of the VCs belonging this this COA and, to call for more VCs from this lead entity type, the Community could work together with the UN Global Compact. Furthermore, more in-person meetings with various lead entity types would help to actively generate new VCs and narrow gaps in lead entity type.

### **Incentives**

An online course that contains videos and infographics for the viewer that demonstrate the purpose of the COA along with explanations of activity coverages within it could be added to the COA webpage. In addition, an e-certificate could be issued to those COA members who have completed the course. This helps members understand the Community's purpose and objectives. Then, when lead entities register a VC, they will be aware of secondary categories such as Blue Carbon and Habitat Protection that are not under Target 14.7 and will be able to mention them under the activity coverage section of their registration form.

## 7 Conclusion

This assessment illustrated several important issues regarding the Community of Ocean Action on Sustainable Blue Economy. The analysis of the COA shows that majority of the VCs cover projects in the fisheries, tourism and aquaculture sector and are meant to be implemented within relatively short time frames. While VCs are registered predominately with governments and NGOs as lead entities, trends in 2018 point to a greater participation of the private sector as lead entity and are increasingly aimed at bringing global benefits.

Enhanced engagement with philanthropic organizations, the scientific community, and the private sector and, moreover, collaboration between different actors across all sectors of society is vital for the achievement of the Community objectives. In addition, encouraging pledges that benefit the Indian Ocean, South Atlantic Ocean, South Pacific Ocean and the Southern Ocean would support the achievement of SDG14. Moreover, increased focus on ocean basins and regions with countries in vulnerable situations would be beneficial to fill gaps in coverage. To successfully build the sustainable blue economy, African LDCs and SIDS from the Caribbean as well as sectors like the marine biotechnology and marine renewable energy should be considered for commitments. Furthermore, VCs with deliverables beyond 2020 and in particular after 2025 are needed to ensure that SDG 14 targets of the 2030 Agenda are reached. To address the challenges that VCs in this Community face during implementation and accelerate the work of the community, COAs and their Co-focal points can establish mechanisms and platforms to connect stakeholders and reinforce the internal and external information exchange.

Accelerated work of this Community, through the registration of new VCs and support for the implementation of existing VCs, would greatly contribute to delivering the 2030 Agenda for Sustainable Development, in particular implementing SDG 14 and its 10 targets. In addition, it would also make an important contribution to the proposed 2020 UN Ocean Conference and its preparatory process.