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THE SUSTAINABLE BLUE ECONOMY (SBE) – A CRUCIAL SOLUTION FOR A SUSTAINABLE FUTURE IN THE CARIBBEAN

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The Sustainable Blue Economy (SBE) - A crucial solution for a sustainable future in the Caribbean

DRAFT

Preamble

In 2019, during the last Fifteenth Conference of Parties to the Cartagena Convention, Member States acknowledged the growing regional importance of the Sustainable Blue Economy Framework as an element of their future sustainable development strategies. A Blue Economy Summit was held in association with the Eighteenth Intergovernmental Meeting and COP 16, providing another framework within which Member States declared their sustainable use of ocean resources.

The Sustainable Blue Economy is a significant and fast-growing component of the worldwide economy. According to a report issued by the United Nations and the World Bank, the Blue Economy is seen as both a concept and a practice that aims to promote economic development, social inclusion and equity, development of science and technology, and a continuous improvement of livelihoods. Moreover, the Blue Economy seeks to take into consideration the environmental protection of the ocean, seas and coastal areas, the health of the ocean and its ecosystems, and the sustainability of open ocean resources. SBE touches all aspects of how the ocean is used, managed, and protected. It therefore has a central role in improving ocean health as part of our collective response to key global challenges, such as climate change, biodiversity loss, pollution, and resource overexploitation.[1] Healthy oceans contribute to most of the Sustainable Development Goals, especially to goal 6 - Clean Water and Sanitation, 13 - Climate Action, 14 - Life Below Water and 15 - Life on Land.

In 2019, during the Eighteenth Intergovernmental Meeting on the Action Plan for the Caribbean Environment Programme and Fifteenth Meeting of the Contracting Parties to the Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region (WCR), member states recognised that much of the work of the Cartagena Convention Secretariat is contributing to the sustainable development of coastal and marine resources in an integrated manner and is directly related to the concepts of “Sustainable Blue Economy” or “Ocean-Based Economies.”

This document on Sustainable Blue Economy in the Wider Caribbean Region is presented to the Nineteenth Intergovernmental Meeting on the Action Plan for the

[1] The Science We Need For The Ocean We Want (Available at: https://oceandecade.org/)

Caribbean Environment Programme and Sixteenth Meeting of the Contracting Parties to the Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region. The Secretariat prepared this document, in response to the decision of Contracting Parties at COP15, encouraging "*the Secretariat to work with other regional agencies and Contracting Parties to gain a better understanding of ongoing blue economy initiatives in the Wider Caribbean Region. Requesting that the Secretariat prepare an information paper based on its findings to be presented at the next Conference of Parties.*"

Recommendation

Recommendation to the Nineteenth Intergovernmental Meeting of the Action Plan for the Caribbean Environment Programme and Sixteenth Meeting of the Contracting Parties to the Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region (Cartagena Convention).

1. That an intersessional working group be convened, as agreed by the Forum of Ministers of Environment of Latin America and the Caribbean, and in cooperation with the UNEP Regional Office for Latin America and the Caribbean (ROLAC), to explore modalities for the development of a regional Sustainable Blue Economy strategy.

2. That the Terms of Reference for the Working Group be agreed (Annex 1), as well as the proposed membership (Annex 2).

3. That the Secretariat support initial testing of UNEP's global SBE Framework by conducting pilot initiatives in the WCR, further clarifying the role and niche of the Secretariat within the SBE space.

In negotiating such a decision, Member States may consider the following aspects:

a. Allocation of resources to allow the establishment of the Working Group, entrusted with the development of a Regional Strategy for Sustainable Ocean-Based Economy in the Wider Caribbean Region through regional consultations.
b. Partnerships required, both in relation to the Working Group and the Secretariat, to ensure comprehensive review and analysis of the many complex issues and sectors related to this theme.

c. The relative importance of this issue, as articulated by heads of Government and ministers of several countries within the Wider Caribbean Region, to other emerging issues during the next decade that may constitute a demand on the human and financial resources of the Secretariat.

Regional Context

WCR countries face a variety of economic challenges which act as major impediments to their growth and development. The continued reliance on a limited number of major export products with the associated vulnerability to economic shocks, as well as natural disasters, places many countries in the region in a precarious position. Overseas development assistance has been on the decline and is no longer an option for several Caribbean countries. Graduation to middle income status has also meant that concessional financing is no longer available, notwithstanding the vulnerabilities of the economies in the region. Most recently, the global coronavirus pandemic has exacerbated the socioeconomic vulnerabilities of WCR developing countries. Given these factors, there are few options available to shift countries from a "survivability to sustainability" frame of reference. One identified area of priority is the Blue Economy, offering opportunities for economic diversification, new sources of revenue, economic growth and employment creation for the Caribbean region.[2]

The Heads of Government of the Organization of Eastern Caribbean States (OECS) approved the Eastern Caribbean Oceanscape Policy in 2013, and since then, have been building toward national implementation. They held a Blue Economy Investors Roundtable during their Sustainable Development Movement 2020, and these 11 OECS members and observers challenged themselves to make the paradigm shift from Small Island Developing States to Large Ocean States. The OECS Director General, Dr. Didacus Jules affirmed:

> *"Recognizing that our marine space is about 85 times larger than our land space and thus one of our greatest assets, we are now doing some of the fundamental work that will allow us to truly claim that space and contribute to maintaining our Caribbean Sea as a zone of peace. We no longer see ourselves constrained by the challenges typically associated with small*

[2] The Blue Economy: From Concept to Reality in the Caribbean Region (Available at: https://blueresources.co.uk/wp-content/uploads/Caribbean_Blue_Economy.pdf)

island states, and so we can focus on and steer towards the opportunities that come with being Large Ocean States in a global setting."[3]

The OECS Caribbean Regional Oceanscape Project (CROP) was also implemented in five countries, with the main goal to accelerate the development of the Blue Economy, funded by the Global Environmental Facility (GEF), and managed by the World Bank. Along with CROP, the 'Unleashing the Blue Economy of the Eastern Caribbean' (UBEEC) is a project that aims to promote fisheries, aquaculture, waste management and tourism. It aims to boost economic prosperity, increase employment and tackle marine pollution. Another ongoing programme, linked to the work of the Assessment & Management of Environmental Pollution Programme (AMEP), and supporting the OECS SBE aspirations, is entitled 'Building Resilience in the Eastern Caribbean through Reduction in Marine Litter Project' (ReMLIT). This project, supported by the Government of Norway, is aimed at reducing and controlling marine pollution in the Eastern Caribbean, and is being implemented in six countries.[4]

The SBE therefore calls for the intelligent management and conservation of coastal resources to drive economic growth, while protecting ocean and coastal ecosystems and long-term sustainable development. A development strategy grounded in SBE will enable the Caribbean to promote the growth of existing productive sectors, expand into emerging blue industries, improve food security, and potentially reduce dependence on imported fossil fuels.[5] Creating a Sustainable Blue Economy depends on the proactive and rapid design and implementation of systematic, bold and sound policies, based on interdisciplinary ocean science and made through inclusive governance processes.[6]

The Caribbean Community (CARICOM) also developed a "Blue Economy Caribbean Large Marine Ecosystem Plus (CLME+): Promoting National Blue Economy Priorities through Marine Spatial Planning in the Caribbean Large Marine Ecosystem Plus" programme. This project is funded by the GEF. The project will boost the Blue Economy

[3] OECS Publishes Blue Economy Case Study (Available at: https://pressroom.oecs.org/oecs-publishes-blue-economy-case-study)

[4] Reducing Marine Pollution in the Eastern Caribbean (ReMLit) (Available at: https://oecs.org/en/marine-pollution-eastern-caribbean)

[5] FINANCING THE BLUE ECONOMY (Available at: https://www.caribank.org/sites/default/files/publication-resources/Financing%20the%20Blue%20Economy-%20A%20Caribbean%20development%20opportunity.pdf)

[6] Bennett, N. J., Cisneros-Montemayor, A. M., Blythe, J., Silver, J. J., Singh, G., Andrews, N., ... & Sumaila, U. R. (2019). Towards a sustainable and equitable blue economy. *Nature Sustainability*, *2*(11), 991-993. (Available at: https://www.nature.com/articles/s41893-019-0404-1.pdf)

through marine spatial planning and marine protected areas, the ecosystem approach to fisheries, and the development of sustainable fisheries value chains.[7]

The Comisión Centroamericana de Ambiente y Desarrollo (CCAD) and the Sistema de la Integración Centroamericana (SICA), implemented the integrated Ridge to Reef Management of the Mesoamerican Reef Ecoregion Project (MAR2R) which is designed to strengthen the governance of the Mesoamerican Reef System (MAR) and create enabling conditions to position the ridge to reef approach to water, coastal, and marine resource management.[8] SICA also has a strategic plan for the period 2017-2021 which aims at establishing the foundation for the generation of growth based on the sustainable use of marine and coastal resources, thus contributing to the improvement of the quality of life of Central American people, focusing on the sustainability approach - reconciling the social, economic and environmental aspects. The strategy of SICA is being implemented with the support of the European Union in three aspects: the creation of a Regional Blue Economy Observatory of the SICA member countries as the governance element of the strategy; the creation of a Regional Network of Universities and the socialization of the strategy.

The Roatán Declaration from the Blue Economy Summit (2019) was a strategic starting point for some contracting parties promoting a regional SBE strategy for the WCR; this exercise reflected the contribution of the oceans to the 2030 Agenda and poverty eradication efforts; it provides a roadmap for innovative solutions for the integrated management and sustainable use of marine resources, and is based on three main axes: exploiting the natural capital of coastal marine ecosystems, sustainable consumption and production and the integration and articulation of public policies in different sectors, building on a sustainable blue economy approach for a climate-resilient future.

The following examples of ongoing initiatives demonstrate how small island developing states (SIDS) are integrating SBE as an integral component of national policies and development plans.

The Government of Grenada is working on having SBE principles and policies at the heart of national planning over a fifteen-year time frame from 2020 to 2035. The goals of the

[7] New GEF-Funded Blue Economy Initiative begins in Caribbean (Available at: https://today.caricom.org/2020/03/05/new-gef-funded-blue-economy-initiative-begins-in-caribbean/)

[8] Route for the Blue Economy Regional Protocol Development with a Ridge to Reef Approach -PREA-R2Rin the framework of fostering the reactivation of the Tulum - SICA-CCAD Agreements (Available at: https://www.sica.int/documentos/route-for-the-blue-economy-regional-protocol-development-with-a-ridge-to-reef-approach-prea-r2rin-the-framework-of-fostering-the-reactivation-of-the-tulum-sica-ccad-agreements_2_126102.html)

strategy include, but are not limited to: improving access to stable long-term sources of potable water for domestic use, strengthening regulation of land based sources of pollution, enforce mechanisms to support the protection of coastal environments and communities, increase resilience to mitigate sea level rise and severe weather events, support small scale fisheries and research offshore renewable energy.[9]

In a document published in July 2020, supported by the UNDP Barbados and the Eastern Caribbean Multi-Country Office, Barbados identified modalities of placing SBE at the heart of its national strategy to diversify the economy and create jobs in a sustainable way.[10] It is worth noting that in 2018, Barbados established the Ministry of Maritime Affairs and the Blue Economy, facilitating the transition towards the sustainable use of ocean assets.

Sustainable Blue Economy strategies are not only for Caribbean Islands, the USA has come forward earlier this year with a Blue Economy Strategic Plan 2021-2025. They are focusing on: transportation, Exclusive Economic Zones (EEZ), US seafood and fishing, tourism and the resilience of oceans, coasts and Great Lakes communities.[11]

In May 2021, during the Ministerial Council of the Caribbean Regional Fisheries Mechanism (CRFM), ministers agreed to put the blue economy forward as a response to losses from the COVID-19 pandemic and natural hazards faced by Member States this year. The Region's Fisheries Ministers will meet again in October 2021 for the 11th Special Meeting, where it is expected that a resources mobilization strategy for SBE will be considered. Other initiatives considered by the CRFM Ministerial Council include the 'Sargassum Products for Climate Resilience in the Caribbean,' a 3-year initiative, funded by the Government of New Zealand, which will explore the potential opportunities for countries to generate revenue from high-end products to be made from Sargassum seaweed. The Japan-funded COASTFISH project will advance co-management of coastal fisheries. The recently launched EU-funded sanitary and phytosanitary systems project is aimed at addressing quality control and safety of fish exports and imports, and is expected to help drive an important engine for economic growth through increased international trade opportunities.

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[9] Grenada - Coastal Master Plan and Marine Spatial Plan

[10] Barbados Blue Economy Scoping Study (Available at: https://www.bb.undp.org/content/barbados/en/home/library/undp_publications/barbados-blue-economy-scoping-study.html)

[11] NOAA Blue Economy Strategic Plan 2021—2025 (Available at: https://aambpublicoceanservice.blob.core.windows.net/oceanserviceprod/economy/Blue-Economy%20Strategic-Plan.pdf)

The Sustainable Islands Platform (SIsP) is exploring ways to support island territories in their pursuit of sustainability and prosperity. Developed by the Inter-American Development Bank (IDB), the platform exists under three key pillars for the WCR: Climate Resilience, Circular Economy, and Blue Economy, seen as a model to support significant economic growth in the region. The Bank is focused on Blue Economy as a driver for welfare and prosperity, and is investing in related projects such as the programme developed with the Commonwealth of the Bahamas to promote competitiveness, environmental resiliency and economic diversification by promoting the Blue Economy. Other projects are being supported, such as the "Blue Carbon Restoration in Southern Clarendon" project in Jamaica.

It is worth noting that the Blue Economy is also a critical part of the European Commission Green Deal. The Blue Economy is considered central to the achievement of climate neutrality and zero pollution, switching to a circular economy, preserving biodiversity and nature and supporting climate adaptation and coastal resilience.[12] The Council of the European Union approved its conclusions on a sustainable Blue Economy where it calls on Member States to work in close cooperation with Regional Seas Conventions and Action Plans (RSCAPs) and encourages cooperation, synergy, exchange of knowledge and best practices to implement Blue Economy policies.

These ongoing initiatives are a few examples of the many policies, programmes, projects and plans being undertaken in the region. Many donors, development partners, NGOs and the private sector have joined some regional governments in pinning the region's aspirations on a Blue Economy framework. The Cartagena Convention, with its primary focus on the key issues of protecting biodiversity, reducing pollution and encouraging cooperation among Member States, already provides a strong regional platform for negotiation on "protection and development of the marine environment." The current SBE framework fits into both areas of protection and development, with support to countries in the key areas of policy and capacity development, knowledge management, exchange of best practices, and establishing an agreed regional approach to inform national action.

Programme Approach

Marine ecosystems account for over 80 percent of CARICOM Member States and territories, supporting not just fisheries, but also tourism, ocean transportation, energy,

[12] THE EU BLUE ECONOMY REPORT 2020 (Available at: https://blueindicators.ec.europa.eu/sites/default/files/2020_06_BlueEconomy-2020-LD_FINAL-corrected-web-acrobat-pro.pdf)

and other economic pillars. They are also critical to the sustainable livelihoods of coastal communities and food security for markets even beyond their borders. Despite threats that the region confronts, not the least of which are climate change, ocean acidification, marine pollution and irresponsible fishing, the Sustainable Blue Economy model still holds great promise.

The ocean is being disproportionately impacted by increasing carbon dioxide (CO^2) and other greenhouse gas emissions (GHG) from human activities. This causes changes in water temperature, ocean acidification and deoxygenation, leading to changes in oceanic circulation and chemistry, rising sea levels, increased storm intensity, as well as changes in the diversity and abundance of marine species. The degradation of coastal and marine ecosystems threatens the physical, economic and food security of local communities, as well as resources for global businesses. Climate change weakens the ability of the ocean and coasts to provide critical ecosystem services such as food, carbon storage, oxygen generation, as well as to support nature-based solutions to climate change adaptation. The sustainable management, conservation and restoration of coastal and marine ecosystems are vital to support the continued provision of ecosystem services on which people depend. A low carbon emissions trajectory is indispensable to preserve the health of the ocean.[13] The role of the Cartagena Convention as the custodians of ocean governance in the region might be considered in a regional strategy development context, providing the foundation by which states, partners and stakeholders move forward on SBE.

The Caribbean Region's fishing industry is among the most vulnerable to climate change in the world. Climate change has increased the frequency and intensity of tropical cyclones, resulting in warmer seas, increased acidification of the ocean, and rising sea levels, among other impacts. This has led to higher financial and time costs associated with fishing and a reduction in the sustainability of commercial fishing, resulting in lower fish catch, less income, and reduced employment opportunities. The industry is also highly susceptible to illegal fishing and pollution, which threatens the coastal and marine. These pollutants range from oil hydrocarbons, sediments, nutrients, pesticides, litter and marine debris, and toxic wastes to sewage.[14] Not only are Caribbean states facing the climate crisis more than ever, including extreme weather events, but many countries have also seen an unprecedented severe economic decline due to losses within the tourism sector during 2020 and 2021. Given the impact of the COVID-19 pandemic, policymakers

[13] The ocean and climate change (Available at : https://www.iucn.org/resources/issues-briefs/ocean-and-climate-change#solutions)
[14] FINANCING THE BLUE ECONOMY (Available at: https://www.caribank.org/sites/default/files/publication-resources/Financing%20the%20Blue%20Economy-%20A%20Caribbean%20development%20opportunity.pdf)

are urgently calling for national roll-out of Sustainable Blue Economy. This is more crucial than ever to ensure an economy that both expands the capacity of each Caribbean country and is also sustainable. In this context, it is clear that the role of the Cartagena Convention through its ongoing work of the Oil Spills and LBS Protocols will prevent or reduce this type of pollution associated with SBE initiatives.

Economists have highlighted the critical need to diversify Caribbean economies away from an overdependence on tourism. Multiple examples exist of the impact that shocks such as hurricanes, vector-borne diseases or, as is the present case, a global pandemic, can have on revenue, plunging Caribbean economies into a dire financial situation with few options for accessing concessional financing.[15] UNEP Finance Initiative is working with the European Union and other partners to develop a range of finance options for the diversification and development of SBE sectors to promote conservation and sustainable use of ocean assets.

The Blue Economy can contribute to climate change mitigation by developing offshore renewable energy, decarbonizing maritime transport and greening ports. It promotes circularity in economies by renewing the standards for fishing gear design, for ship recycling and for the decommissioning of offshore platforms. Developing green infrastructure in coastal areas will help preserve biodiversity and landscapes, while benefiting tourism and the coastal economy. Activities such as fishing, offshore oil and gas, maritime transport, and tourism, including cruise tourism, are recognised as major components of the region's Blue Economy matrix.[16] The Sustainable Blue Economy is not only good for the environment and the economies of Members States but also a number of other issues, including gender equality. Indeed, Women make up most of the workforce in coastal and maritime tourism and fisheries, the main blue economy sectors.[17] Studies have shown that Sustainable Blue Economy can help single mothers and female heads of households through factors such as increasing food security, water quality and new job opportunities; encourage women to enter into more technological and/or male dominated fields; and motivate boys to remain in school or help dropouts to

[15] Unlocking the Potential of the Blue Economy (Available at: https://antigua-barbuda.com/unlocking-the-potential-of-the-blue-economy)
[16] Hassanali, K. (2020). CARICOM and the blue economy–Multiple understandings and their implications for global engagement. *Marine Policy*, *120*, 104137. (Available at: https://reader.elsevier.com/reader/sd/pii/S0308597X20301123?token=C60005473D585E2F9B300DAC7FEC70408FA0D2CC83755A863B973D5900E8962E79C4366187D56DE52282D6316447B8B5&originRegion=eu-west-1&originCreation=20210521171202)
[17] The blue economy is an ocean of opportunity to advance gender equality (Available at: https://unctad.org/news/blue-economy-ocean-opportunity-advance-gender-equality)

venture into more practical fields.[18] As the UN intends to "Deliver as One"[19], it is crucial for input from different agencies to align our work and create synergy on a variety of topics around the Blue economy, including gender equality. The Secretariat's experience in Jamaica using the Human Security Approach will be an advantage as we seek to partner with other UN agencies to assist states in delivering sustainable

The Sustainable Blue economy opens new practices that can and should improve livelihoods. Aquaculture, for instance, allows the local population to have stability in terms of location and thus improve household stability but also education and health provision. It also guarantees safe and stable finance. Other initiatives such as Blue carbon or the spatial planning of Exclusive Economic zones (EEZ) are also to be explored within the Sustainable Blue Economy framework. Although the Sustainable Blue Economy is a major paradigm shift, with the right financing and political will, it is possible as the necessary knowledge is already there.

Research needs will also be identified, as the region pivots to this redesigned paradigm. Technical capacity across the range of sciences required for successful Blue Economy development is often weak in the Caribbean countries, particularly if consideration is given to the full range of biogeophysical and social science inputs that are essential for planning, implementing, monitoring (progress and impacts) and evaluating Blue Economy initiatives. Without increased attention to the science needs of many components of Blue Economy development, both old and new, progress is likely to be poorly advised and haphazard. Science-based development is not just about having good scientists, it is about converting their outputs to information that is usable in decision-making and in creating pathways for the uptake of that information in practice.[20] The role of the Secretariat would be to assure that this exchange of best practices is as fluid as possible among countries. If a Sustainable Blue Economy is to be developed in the Caribbean region, it can only through coordinated efforts, and the Secretariat of the Cartagena convention, with its expert Regional Activity Centers and Regional Activity Networks can provide support on the sustainable aspects of the blue economy strategies of member states.

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[18] Allard, A., & Bauer, C. (2018). The possible effects of the blue economy on gender equality in the Republic of Seychelles.

[19] General Assembly of the United Nations (Available at: https://www.un.org/en/ga/deliveringasone/)

[20] Clegg, P., Mahon, R., McConney, P., & Oxenford, H. A. (2020). 19 The Blue Economy in the Wider Caribbean. *The Caribbean Blue Economy*, 24. (Available at: https://books.google.fr/books?hl=en&lr=&id=rJgAEAAAQBAJ&oi=fnd&pg=PT201&dq=blue+economy+caribbean&ots=IsE-UWbiAq&sig=tVFdgFrAmYXaiGnkb834BpXvnbQ#v=onepage&q=blue%20economy%20caribbean&f=false)

Annex 1

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Terms of Reference (TORs)
LAC Working Group on Blue Economy

Background

Healthy oceans are key for a sustainable future for people and the planet; they are the basis for human well-being and essential economic activity providing clean water, fisheries, recreational opportunities, and nutrient recycling; they are key nursery habitats, carbon sinks, with rich biodiversity underpinning resilience. Healthy oceans contribute to most SDG's but most especially, to goals 6 Clean Water and Sanitation; 13 Climate Action, 14 Life Below Water and 15 Life on Land. They are fundamental to economic sectors in Latin America and the Caribbean including Fisheries, Maritime Transport and Tourism and offer new but yet untapped potential in areas such as offshore wind energy, minerals and mariculture.

However, ocean and coastal health are rapidly declining as human pressures on oceans and coasts are increasing. With a growing human population and increasing demand for food, economic activities including agriculture and fishing are expanding around the world leading to greater pressures on coastal and marine environments. At the same time, other marine and coastal activities and resource exploitation, as well as land-based activities, are posing increased threats to marine biodiversity and associated ecosystems. The recent Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) 2019 global assessment concludes that progress towards global marine conservation and restoration goals varies from poor to moderate. It highlights that marine biodiversity and ecosystems continue to face multiple threats from human activities, including habitat degradation and destruction, pollution including marine litter/plastics and microplastics, wastewater, nutrients, oil spills, alongside unsustainable and unregulated fisheries, ocean acidification and rapidly increasing climate change effects. Increasing marine and coastal ecosystem degradation e.g. of coral reefs, and invasion of invasive species like Sargassum is driving biodiversity loss and threatening economies and livelihoods in coastal countries and communities. Degraded marine ecosystems also increase the vulnerability of coastal communities and Small island Developing States (SIDS) to climate change.

Embedded within this narrative is a distributional problem, as poor and vulnerable coastal communities are likely to have particularly high levels of dependence on nature. The root causes for this decline are unsustainable models of resource consumption and production globally, a misalignment of policies and economic incentives, and fast-increasing populations in coastal areas, requiring resources for good lives, good health and economic development.

The immediate problem is uncoordinated proliferation of many marine and coastal sectors, causing resource overexploitation and high cumulative environmental impacts. Another more systemic problem is current economic models promoting wasteful and short-term use of natural resources, with a lack of accountability and responsibility for its consequences**.**

Blue Economy

Efforts to manage, restore and safeguard marine and coastal ecosystems and biodiversity, and maintain their contribution to people, will require a transition to sustainable ocean economies that are fully integrated into ecosystem-based ocean and coastal governance systems. This transition includes reframing the development of ocean economies around the dual need to sustainably manage the natural capital that underpins them and the adoption of green fiscal policy and other economic principles and incentives in sector/cross-sector policies and macro-economic planning that considers the reliance and impact of different sectors to deliver long-term societal benefits. Ultimately, such a transition would create and support a holistic forward-looking green/blue economic narrative to replace the current mainly growth-focused ocean economic narrative, using oceans within safe operating space of the planet for humanity and equitable benefits. Such Sustainable Blue Economy (SBE) approaches would also help deliver climate change mitigation and adaptation benefits as well as sustainable, inclusive socio-economic development opportunities through nature-based solutions.

The blue economy or interchangeably referred to as ‘ocean-based economies’ is defined by UNEP as one based on a vision of “improved wellbeing and social equity, while significantly reducing environmental risks and ecological scarcities” and by the World Bank as “the sustainable use of ocean resources for economic growth, improved livelihoods and jobs, while preserving the health of marine and coastal ecosystems.” It is a term that describes the current and future delivery of benefits from marine and coastal ecosystems through integrated policy and sustainable management approaches, as well as their sustainable financing, to generate long-term socioeconomic shifts that create viable jobs, eradicate poverty and strengthen resilience to climate change, while not compromising the natural capital on which that development is based.

The blue economy comprises economic activities that directly take place in the ocean and seas adjacent coastal areas and/or use outputs from the sea for consumption or as a source of income. It also comprises activities such as land-based activities with a direct impact on the ocean, like agriculture (via pesticides, nutrient and fertilizer runoff), or consumer goods (via waste materials, plastic etc.) and pharma (via wastewater and chemical pollution of coastal areas). The blue economy, therefore, calls for the effective and sustainable management of the use of coastal and marine resources including where appropriate conservation that at the same time contributes to equitable economic growth and long-term sustainable development. For Small Islands Developing States (SIDS) of the Caribbean subregion, the Blue Economy approaches could be the backbone to realize the 2030 SDG agenda, as they offer enormous potential for new ocean-based projects and activities that are financially sustainable, low-carbon, climate-resilient and tailored to meet local stakeholders’ needs while having a positive social and environmental impact.

The blue economy, as a specific or combination of development approaches, will enable the LAC region to promote the growth, expansion and modification of existing sectors, expand into emerging blue industries, improve food security, and potentially reduce dependence on imported fossil fuels. These would have to be reinforced by rigorous institutional strengthening, awareness raising, supportive policies, and seed investment and infrastructure.

- Fisheries and aquaculture - marine shellfish aquaculture
- Coastal and maritime tourism
- Marine biotechnology
- Marine renewable energy - offshore wind, ocean and wind action
- Marine Transport/Shipping, - Freight transport; passenger transport
- Shipbuilding and repair

The development of a regional sustainable blue economy strategy offers potential for greater private capital investment and innovative financing for sustainable development in different sectors from current and potential new funding sources such as bilateral donors, development banks e.g. IDB, World Bank, CDB, environmental foundations interested in coastal and marine issues and the private sector. Further resource mobilisations and implementation through partnerships include the Global Environment Facility (GEF), Green Climate Financing, Foundations, Trusts, United Nations Decade and from thematic partnerships e.g coral reefs, sea turtles.

Mandate

It is in this vein that the Intersessional Meeting of the Forum of Ministers of Environment of Latin America and the Caribbean that took place in Bridgetown, Barbados 5-6 November, 2019 advised the creation of a working group on blue economy and entrusted the Secretariat to take necessary steps to facilitate the creation of the group, in recognition that oceans offer tremendous potential - in terms of productive sectors, livelihoods and food security - and need real partnerships to grow that potential.

The meeting was further encouraged by the outcomes of the Eighteenth Intergovernmental Meeting on the Action Plan for the Caribbean Environment Programme and Fifteenth Meeting of the Contracting Parties (COP) to the Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region in Roatan, Honduras, 5-6 June 2019, specifically decision IV on developing a new Caribbean Environment Programme Strategy that would have as its key objective, ocean-based economies or blue economy.

The subsequent Blue Economy Summit that took place back-to-back with the COP, in Roatán, Honduras, 6-7 June 2019, also called for effective actions that enable the conservation and sustainable use of marine and coastal resources towards the sustainable development of countries in the region.

This was also based on the recommendation by the Secretariat of the Caribbean Community (CARICOM) and their ministers and ambassadors present at the Blue Economy Summit of November 2018, to develop Sustainable Ocean-Based Economies/Blue Economy Strategy in the Wider Caribbean Region, as well as the establishment of an intersessional Working Group to support development of such Strategy and an associated decision support and enabling framework.

Clearly there is a momentum in the region to explore blue economy policy pathways, opportunities, strategies and actions for resource efficient, sustainable and equitable use of marine and coastal ecosystem services but also to look at the challenges and the barriers that may hinder the embracing of and transition to such blue economy approaches.

Role of the Working Group

The proposed working group will identify and discuss key issues, challenges, innovative solutions and transformative approaches, opportunities and regional perspectives in blue economy framing and delivery; develop a holistic regional Strategy and decision-support and enabling framework to support countries; develop and implement sustainable ocean-based economic policies and actions that ensure sustainable, efficient and equitable use of coastal and marine resources which balance economic, environmental and social priorities. Through shared experiences and collaborative scenario development, the Strategy and enabling framework would help LAC countries identify and address economic drivers of environmental degradation and policy gaps currently accelerating coastal pollution, resource overexploitation, uncoordinated coastal development and climate vulnerability at the land-sea interface. It will build coastal resilience as a prerequisite for societal progress.

By drawing from initiatives and experiences at multiple scales within and between LAC countries, the working group will combine and apply knowledge, assessment and scenario tools on natural capital and ecosystem services, coastal vulnerabilities and risks, green economic policies, coupled economic-social drivers, holistic planning of human activities, and resource-efficient green technologies, focusing on the specific character of oceans and coasts. This includes analysing trade-offs between single sector benefits vis-à-vis their cumulative environmental and social impacts and enhancing circularity in sustainable ocean-based economy policies and sector-based approaches. The working group will address the following
strategic steps and transformative actions**:**

- Defining ocean-based blue economies for the region - clarification of what blue economy looks like in practical terms – what are the defining characteristics of a blue economy, the objectives, role and principles of a blue economy;
- Practical understanding of the potential of the blue economy within planetary boundaries of oceans and coasts in a specific country or region. What principles and frameworks exist or need to be developed to articulate planetary boundaries of oceans? How is SBE defined and tracked within these boundaries;

- Tangible and specific measures of impacts on and reliance of different blue economy sectors on marine and coastal ecosystem services including quantifying the cumulative impacts of blue sector and inter-relation of sectors on shared ecosystem services for trade-off analyses and decision-making;
- What are the opportunities to further this work at national and regional levels, including through existing mechanisms etc.
- Visualize different transition pathways – consideration of national priorities and needs, customized to regional characteristics;
- Outline ongoing efforts to develop national, sub-regional and/or regional strategies for Blue/Ocean Based Economies – could consider ongoing and planned projects a sort of stock taking exercise;
- Identify policy and regulation gaps, a methodology to identify key Blue Economy opportunities,
- Address transboundary issues and solutions;
- Address impacts and implications of COVID-19 to transitioning to blue economy;
- Explore integrated governance mechanisms for optimal use of ocean;
- Enable policy and management implementation;
- Identify targeted capacity building support;
- Investing in healthy oceans provides good return and contributes to national economies and sustainable development;
- Consider linkage with existing initiatives;
- Policy actions needed to account for the full value of oceans' 'natural capital';
- Need to communicate the value of oceans to industry stakeholders for sector and cross-sector planning and management;
- Circular economies, resource-efficiency and sustainable consumption & production in blue sectors can support ocean profitability overall;
- It is essential to engage local communities and stakeholders in planning and sharing of ocean benefits;
- Blue Economy financing principles https://www.unepfi.org/ecosystems/sustainable-blue-economy-finance/the-principles/ to inform actions of governments, development organizations, private sector and civil society.
- Consider using nature-based solutions to deliver climate change mitigation and adaptation benefits as well as sustainable, inclusive socio-economic development opportunities.

In doing so, LAC countries and institutions will combine expertise and efforts across national/regional programmes and activities, including the Inclusive Green Economy

Initiative, environmental economics and natural capital valuation The Economics of Ecosystems and Biodiversity (TEEB), integrated ecosystem assessment, ecosystem-based planning and management, sustainable production and consumption, trade policies for environmental sustainability, and innovative green financing. Such harmonization of policies, knowledge and activities can also help stimulate public and private investments in approaches that enable long-term healthy and productive oceans and coasts for human well-being and resilience in the face of environmental change.

A main output to support a regional LAC blue/ocean-based economy strategy will be a proposed 'decision-support and enabling framework' to contextualize, develop and implement national and regional sustainable ocean-based economy policy pathways and strategies. The decision support and enabling framework will customize and combine:

(i) Knowledge and forecasting capability using mapping, integrated assessment and valuation of ecosystem health, services, vulnerabilities and risks;

(ii) Strategic Environmental Assessment, trade-off analyses and scenario tools for integrated policy support, decision-making and spatial planning of competing marine and coastal sector objectives and pressures; and

(iii) Macro-economic models to support integrated green economy policy-making and strategies that build economic circularity and resource efficiency into coastal development.

The resulting blue/ocean-based economy enabling framework will include tools and advice on effective policies, strategies, legal and economic instruments and institutional capacities for cross-sectorial policy-making and implementation, with guiding principles for financing.

On-the-ground implementation may be guided and facilitated through the 'Sustainable Blue Economy Financing Principles' and Initiative (hosted by UN Environment with the European Commission, European Investment Bank, WWF and World Resources Institute) to facilitate public and private investments in coastal conservation and greening blue sector activities that deliver good returns, while ensuring social and environmental benefits.

The Strategy's expected immediate outcomes include national and regional environmentally sustainable blue economy policies; implementation strategies; guidance on resource-efficient and circular sector approaches; and enhanced institutional capacity and financing principles, enabling more efficient and sustainable use of marine and coastal ecosystem services.

Within a decade, the Strategy is expected to generate behavioural change in the way LAC governments, the private sector and civil society engage and invest in sustainable resource use and reduced human impacts on marine and coastal ecosystems in support of climate-resilient, ocean based sustainable development—ensuring healthy and

resilient oceans and coasts as a prerequisite for food security and prosperous social and economic development.

The working group would be supported by the LAC Forum of Minister's Secretariat and the Cartagena Convention Secretariat (CAR/RCU/CEP) who will also assist with the procurement of funds for the activities of the Working Group as well as coordinate the formulation and adoption of recommendations by the Working Group, to facilitate the decision-making process at the regional level.

Modalities of Working Group and membership

The proposed working group as described above will be multilateral, multisectoral, multidisciplinary and will take a participatory approach toward the development of a blue economy strategy. It will consist of national representatives from responsible Ministries of Environment, of Planning, of Finance and Economic Development of LAC countries; member states - Parties to the Cartagena Convention; recognized practitioners and experts with real interest and expertise in ocean based resources/blue economy and related fields from across sector and cross-sector agencies, regional policy-makers and practitioners in LAC e.g. CARICOM the primary organ promoting integration and cooperation in the Caribbean Sub-region, the organization of Eastern Caribbean States (OECS) promoting the same for the eastern Caribbean and which has long been a champion for blue economy and has recently developed a Blue/Green Strategy. These regional organizations have an important role to play in assisting their member countries to participate fully in the activities of the working group by among others, coordinating of the activities of the working group and facilitating the decision-making process at the Sub-regional level.

Mercosur, officially the Southern Common Market - a South American trade bloc that promotes free trade and the fluid movement of goods, people, and currency. Regional Activity centres like Regional Marine Pollution Emergency Information and Training Center for the Wider Caribbean (REMPEITC-Caribe); The Centre of Engineering and Environmental Management of Coasts and Bays (RAC CIMAB) and The Institute of Marine Affairs (RAC IMA), Specially Protected Areas and Wildlife (SPAW-RAC) that have expertise in pollution control, marine protected areas and invasive species e.g. Sargassum. The Central American Commission for Environment and Development (CCAD), a regional regime for environmental cooperation and integration contributing to improving the quality of life of the populations of its Member States.

It will include organizations from the private sector like Network of Chambers of Commerce (CARICHAM), Caribbean Tourism Organization (CTO) and Sandals Foundation that will bring in their experience in the trade and tourism sector; financial institutions which have been leaders in the green/blue economy discussions like the World Bank, the Inter-American Development Bank (IDB),as well the Caribbean Development Bank (CDB) which has already articulated a Blue Economy Strategy; civil society like CANARI the highly regarded organization with vast experience of research, policy influence and capacity building for participatory coastal and marine Livelihoods and natural resource governance in the Caribbean; in AIDA, AGRA Healthy Reefs Initiatives

that can provide substantial expertise in fisheries and coral reef restoration; academia/research institutions, centres of excellence like SCRIPPS Institute of Oceanography of the University of California San Diego the leading centre for ocean and earth science research; the international organizations - UN agencies such ECLAC, FAO, UNDP, GEF, UNDCO who will provide (in-kind) expertise, participate in information and data collection, facilitate funding, collaborate in the organization of workshop(s) and funding of experts participation (if appropriate), support the coordination and communication in the Working Group and support the decision-making process in the LAC region in order to reach well-balanced outputs and recommendations that are acceptable to the region and can account with the support from the various partners in terms of implementation and follow-up.

The Working Group will help to build necessary national/transboundary/regional capacity and actions to develop and implement blue economy/ocean-based economy policies and strategies and also facilitate ongoing discussions on blue economy and other topics of interest to the LAC Forum and the Contracting Parties of the Cartagena Convention and observers. (See Annex 1 for the full list of the Working group).

- The group will work virtually and through written consultations
- Share approaches, knowledge and pilot experiences
- Support and communicate SDG 14 implementation, plus other ocean-related SDGs
- Identify capacity building opportunities
- Link national, regional, global expertise
- Cross –sector: many relevant marine & coastal agencies/organisations
- Support from CEP Secretariat, UNEP Regional Seas Programme, government agencies, academia, civil society, development banks, business
- Work through correspondence, annual meeting, background studies outlining regional decision-framework;
- The group will remain as an active standing committee unless otherwise designated by the LAC Forum and the Cartagena COP - there is no limited timeframe for it so it will remain in existence whilst there is a need for it.

Convener

The Convenor (Could be LAC Forum Secretariat or Cartagena Convention Secretariat) of the working group will play a leading role during the organization of the meetings by coordinating the inputs of the members of the working group in consultation with them: call for meetings as appropriate; ensure that contributions are received in a timely manner and in the appropriate format; technically guide the group work and determine subjects to be discussed; ensure that outputs are delivered as agreed during each meeting; represent the group in regional and international meetings (as appropriate); invite new members and ad hoc experts to participate in working group meeting; review and approve publications and messages produced by the working group and; take a leading role in securing funding for working group meetings.

Communication

Communication is critical to the efficient execution of the work programme of the Working Group, to maximize the quality of outputs. A mechanism for ongoing communication amongst Working Group members (Video conference, Teams, Zoom, Skype and email), is essential to ensure that the work of the group is sustained between meetings. It must include all Working Group members. The successful functioning of the Working Group also requires that each member country and organization/ agency identify a national focal point through which communications will be directed. The outputs of the Working Group will be communicated through Working Group reports to the LAC Forum of Environment Ministers and the Cartagena Convention COP.

Working Group meetings

Working Group meetings will be organized at least twice a year or as required if resources are available. Where possible the use of available ICT tools to facilitate electronic meetings should be maximized. The meetings must utilize cost-effective measures and whenever possible piggyback or take advantage of other meetings in the region like the LAC Forum of Environment Ministers or the Cartagena Convention COP IGM meeting.

ANNEX II

LIST OF POTENTIAL WORKING GROUP MEMBERS ON BLUE ECONOMY FOR LATIN AMERICA AND THE CARIBBEAN

Name of group	No of members	Contact person	Issue of interest/expertise
All LAC Countries/Min of Environment/Min of Blue Economy **(Countries who have really been "leaders" in Blue/Green Economy discussions, Honduras; Dominican Republic; Barbados; Grenada; Jamaica; France; Colombia; Guyana; Saint Lucia)**	33	Env Focal points	Policy, governance, legislation etc
			integrated approach to public policies in fisheries (including aquaculture and mariculture), agriculture, maritime transport, tourism, marine mining (minerals) and telecommunications (underwater cables)
			Marine Resources management including use of tools such as Ecosystem Based Management, Marine Spatial Planning, Economic Valuation and Nature-Based Solutions
			emerging threats and new technologies e.g. to deal with Sargassum, Invasive Species, Ocean Acidification, Microplastics
			real multisectoral and inclusive partnerships
			circular economy
			Climate Change Adaptation and Disaster Risk Reduction
			coordinated and systematic resource mobilization
			COVID- 19
			Sustainable consumption and production
			livelihoods and food security
			oceans productive sectors

Name of group	No of members	Contact person	Issue of interest/expertise
			Air, Land, Marine and Freshwater Pollution
			Solid, Liquid and Hazardous Waste Management;
			Management of Ship-Generated Waste and Dumping at Sea
			capacity building for implementation, monitoring and evaluation
			Ocean-based/blue/green economies
Parties to the Cartagena Convention	26	Focal points	All of the above
UNEP divisions & units			
Cartagena Convention Secretariat (CEP/CAR/RCU)	2	Lorna Inniss/Chris Corbin/Ileana Lopez	All of the above Regional Strategy including Strategic Objectives on Pollution, Marine Biodiversity, Knowledge Management and Ocean-Based Economies.
ROLAC/CSRO	2	Vincent Sweeney/Andrea Brusco	All of the above
PAGE, Marine and Freshwater Branch, Marine and Coastal Unit, Life Cycle team, Trade and Oceans, Fiscal Policy Team, Regional Seas, Trade Branch, UNEP FI, Green Growth Knowledge, Platform (GGKP), SBE Advisory Panel, World Conservation Monitoring Centre (WCMC)	12 staff	Ole Vestergaard Steven Stone etc	Capacity building, green economy, Sustainable Blue Economy Initiative; finance, lifestyles, trade, Knowledge, capacity building Expertise, Biodiversity; monitoring, COVID
UN agencies, programmes, funds			
ECLAC	1		SAMOA Pathway; SDGs
FAO	1		Agriculture and Fisheries
GEF	1		Funding
UNDP	1		Sustainable Development

Name of group	No of members	Contact person	Issue of interest/expertise
UN DCO Regional Office (Panama)	1		Sustainable Development, coordination
Regional organisations			
OECS Commission,	1	Mrs. Joan Norville (OECS ESC) or	Blue/Green Strategy
Regional Marine Pollution Emergency Information and Training Center for the Wider Caribbean (REMPEITC-Caribe)	1		Oil Spills Pollution, Shipping, Maritime Agreements, Coordination with IMO
The Centre of Engineering and Environmental Management of Coasts and Bays (RAC CIMAB)	1		Pollution
The Institute of Marine Affairs (RAC IMA)	1		Pollution/Marine Biodiversity
Specially Protected Areas and Wildlife (SPAW-RAC)	1		Wildlife; invasive, seaweed – Sargassum, Marine Protected Areas
CARICOM Secretariat	1		ocean-based economies
Central American Commission on Environment and Development (CCAD)	1		climate-resiliency; adaptation; Ecosystem restoration;
Mercosur	1		Trade
CCCCC	1		Climate Change; resilience
CWWA	1		Water and Wastewater
CRFM, WECAFC, OSPESCA	3		Fisheries
ACS1	1		Sustainable Tourism and Development
Financial Institutions			
Caribbean Development Bank CDB	1		Finance Blue economy strategy
IADB	1		Finance Blue/green economy
World Bank	1		Finance Blue/green economy
European Investment Bank	1		Finance
CAF – Development Bank of Latin America (CAF-Banco de Desarrollo de América	1		Finance

Name of group	No of members	Contact person	Issue of interest/expertise
International Organisations			
OECD	1		Standards
Worldwide Fund for Nature (WWW)	1		conservation
World Resource Institute (WRI)	1		research
IUCN	1		Conservation, research, education
Private Sector			
Network of Chambers of Commerce (CARICHAM	1		trade
Caribbean Tourism Organization (CTO)	1		tourism
Sandals Foundation	1		tourism
Caribbean Shipping Association	1		Maritime Transportation
Civil Society			
CANARI	1	Nicole Leotaud	Forests, Livelihood and Governance; Coastal and Marine Livelihoods and Governance
			Marina Pollution
			coordinated and systematic resource mobilization
			COVID 19
AIDA	1		Fisheries/Coral Reefs
AGRA	1		Fisheries/Coral Reefs
Healthy Reefs initiatives	1		Fisheries/Coral Reefs
SCRIPPS	1		Fisheries/Coral Reefs