

Background notes
High-level Roundtable on "Innovative Partnerships for addressing environmental challenges in implementation of the SAMOA Pathway and the 2030 Agenda"

Topic: Innovative partnerships in the area of environment: oceans

Introduction

Small Island Developing States (SIDS) are also known as Large Ocean States for their large maritime areas. Many economic activities important to SIDS including fisheries, tourism, shipping, energy and mining are based on ecosystem services provided by the marine and coastal ecosystems. It is clear that conservation and sustainable use of oceans, seas and marine resources is crucial for sustainable development of SIDS and thus they have demonstrated strong leadership in the conservation of marine and coastal environment.

Paragraph 58 of the SIDS Accelerated Modalities of Action Pathway (SAMOA Pathway) adopted in 2014 at the third International Conference on Small Island Developing States, specifically calls for actions on oceans and seas including those *“(a) To promote and support national, subregional and regional efforts to assess, conserve, protect, manage and sustainably use the oceans, seas and their resources by supporting research and the implementation of strategies on coastal zone management and ecosystem-based management, including for fisheries management, and enhancing national legal and institutional frameworks for the exploration and sustainable use of living and non-living resources.”* This clearly has a linkage with the ocean-related SDGs, especially Goal 14 *“Conserve and sustainably use the oceans, seas and marine resources for sustainable development”*.

Blue Economy

Blue Economy is an approach pioneered by SIDS. Although there are many definitions of Blue Economy, the core of the concept is to include the value of ocean ecosystem services into economic modelling and decision making processes and to decouple economic growth from environmental degradation¹. This concept offers potential for SIDS to alleviate the challenges associated with their narrow resource base and to move towards more sustainable and socially inclusive economic growth capitalizing the rich marine resources.

Fisheries and Tourism

Ocean based sectors are important for SIDS economy. In the Pacific SIDS, capture fisheries can contribute as much as 10% of GDP while the fish consumption accounts for 50-90% of animal protein intake in the region². The sector has many small-scale and self-employed operators for commercial as well as subsistence fisheries.

Tourism is also a vital sector to SIDS economy. For more than half of the SIDS, tourism sector is the largest source of foreign currency³. Coral reefs and associated fauna are a major attraction to tourists while the reefs serve as an important habitat for fish including commercially important species. Therefore the current coral bleaching events may have significant impacts on industry sectors developed around reefs including the tourism and fisheries sector.

¹ Blue Economy Concept Paper. Available at <https://sustainabledevelopment.un.org/content/documents/2978BEconcept.pdf>

² Gillett (2011) Fisheries of the Pacific Islands: Regional and National Information. Food and Agriculture Organisation of the United Nations, Regional Office for Asia and the Pacific. 10. Bell J.D., M. Kronen, A. Vunisea, W.J. Nash, G. Keeble, A. Demmke, S. Pontifex, and S. Andréfouët (2009) Planning the Use of Fish for Food Security in the Pacific. *Marine Policy*, 33(1): 64–76.

³ UNEP, UN DESA and FAO (2012) SIDS-FOCUSED Green Economy: An Analysis of Challenges and Opportunities

Eco-Disaster Risk Reduction

Climate change is one of the most significant risks to SIDS due to their special vulnerabilities. Global increase in temperature, change in precipitation patterns, ocean acidification, sea-level rise and intensification of weather events are projected to continue⁴. Paragraph 52 (e) of the SAMOA Pathway also stresses the importance to “*mainstream policies and programmes related to disaster risk reduction, climate change adaptation and development, as appropriate*”.

The ecosystem approaches are also used for the purpose of disaster risk reduction. Such ecosystem-based disaster risk reduction (Eco-DRR) is defined as “*the sustainable management, conservation and restoration of ecosystems to reduce disaster risk, with the aim to achieve sustainable and resilient development*”⁵. The Sendai Framework for Disaster Risk Reduction 2015-2030 (SFDRR)⁶ also encourages the implementation of ecosystem-based approaches. Eco-DRR has much in common with ecosystem-based approaches to climate change adaptation (EBA) particularly because of its focus on ecosystem management, restoration and conservation although there are some differences in terms of, among others, terminologies and institutional structures⁷.

Eco-DRR aims to use ecosystems such as wetlands, forests and coastal systems as natural infrastructure to reduce impacts from extreme weather events. These natural infrastructures also provide socio-economic benefits to stakeholders. For example, mangroves can serve as natural barriers to typhoons and tsunamis, while they also provide various ecosystem services important for fisheries, aquaculture, tourism, education and research. Eco-DRR may also reduce financial cost for disaster risk reduction. For example, an economic analysis on the options for the storm protection in Lami Town, Fiji found that the most cost effective adaptation solution was the ecosystem-based option which was estimated to have the benefit-to-cost ratio of \$19.50 while the engineering options had that of \$9⁸. Also in Vietnam, it was found that mangrove planting reduced the maintenance cost of the sea-dike by \$7.3 million/year even though the planting cost \$1.1 million⁹.

Below are the two possible questions for the discussion:

- What are the challenges of forming or implementing cross-sectoral partnerships on oceans? (e.g. Pacific Ocean Alliance, West Indian Ocean Coastal Challenge, Caribbean Community Climate Change Centre)
- What are the existing initiatives and partnerships that can connect SAMOA Pathway and SDGs related to oceans and how to effectively implement and strengthen them?

Topic: Innovative financing for SIDS

Innovative finance which supports the efforts that SIDS and their development partners undertake in pursuit of SIDS sustainable development aspirations have and will continue to be play an important role. Due to their inherent characteristics including their smallness, SIDS have often faced the challenge of mobilising resources at the national level to meet their obligations as well as at the international level.

⁴ IPCC (2014), Climate change 2014: Synthesis report, Summary for policy makers

⁵ Estrella and Saalimaa (2013) Ecosystem-based disaster risk reduction (Eco-DRR): an overview, In *The role of ecosystems in disaster risk reduction* [Renaud, F.G., Sudmeier-Rieux, K. and Estrella, M.(eds)] United Nations University Press, New York

⁶ Sendai Framework for Disaster Risk Reduction (2015-2030) http://www.unisdr.org/files/43291_sendaiframeworkfordrren.pdf

⁷ Doswald and Estrella (2015) Promoting ecosystems for disaster risk reduction and climate change adaptation

⁸ Rao N.S., Carruthers T.J.B., Anderson P., Sivo L., Saxby T., Durbin, T., Jungblut V., Hills T., Chape S (2012) A comparative analysis of ecosystem-based adaptation and engineering options for Lami Town, Fiji. A synthesis report by the Secretariat of the Pacific Regional Environment Programme

⁹ UNEP (2014) The Importance of Mangroves to People: A Call to Action.

Competing demands and limited resources often mean that the provision of services, including in the health and education sectors, as well as the servicing of debt and other obligations, often outweigh the need for adequate resources to support own efforts to conserve and manage their natural assets. Even with these limited resources SIDS are recognized globally as among the leaders in global conservation efforts, with the SAMOA Pathway calling to conserve by 2020 at least 10 per cent of coastal and marine areas in SIDS, especially areas of particular importance for biodiversity and for ecosystem services, through effectively and equitably managed, ecologically representative and well connected systems of protected areas and other effective area-based conservation measures in order to reduce the rate of biodiversity loss in the marine environment¹⁰. Agenda 2030 also contains a similar goal¹¹.

Agenda 2030 also calls on the international community to mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems¹². The International Community, through the Addis Ababa Action Agenda (AAAA), recognised the need to strengthen their efforts to address financing gaps and low levels of direct investment faced by SIDS and other vulnerable countries. The use of innovative mechanisms and partnerships to encourage greater international private financial participation in the economies of these vulnerable economies, including that of SIDS, was also recognized¹³.

Examples of these innovative mechanisms in SIDS, specifically in the field of environmental conservation and management, include: the Micronesian Challenge, the Caribbean Challenge Initiative, the debt-for-nature-swap involving the Republic of Seychelles, and other nationally focused initiatives. These innovative mechanisms involve equally innovative finance aspects to them as well. The need for these arrangements to be supported and sustained remains paramount. The need to identify available new resources from SIDS development partners specifically targeted to support SIDS conservation and management efforts is also a high priority for SIDS. The importance for SIDS to strategize to access these newly available resources is paramount and the need for collaboration among SIDS and between SIDS and their development partners remain key.

Going forward, SIDS will need to develop bankable project proposals that promote the conservation and management of their natural assets and will likewise require assistance on this issue. On the other hand, the need for effective implementation of bankable projects and to ensure sustainability of such projects is equally important for SIDS.

Below are few possible questions for the discussion:

- What types of innovative finances are available to support SIDS which takes into consideration their inherent characteristics while contributing to the conservation and management of their ocean and environment?
- How can the current mechanisms for financing conservation efforts within SIDS be sustained and how can these mechanisms be scaled up?
- What can be done at the international and national levels to attract and enhance better public-private blended financing in SIDS to support the efforts of SIDS to meet their sustainable development aspirations?

¹⁰ Para.58(o), SAMOA Pathway

¹¹ Goal 14.2, 2030 Agenda

¹² Goal 15.a, 2030 Agenda

¹³ Para.46, AAAA