



THE EAST ASIAN SEAS CONGRESS 2015

Global Targets

Local Benefits

Setting the Sustainable Development Agenda for the Seas of East Asia beyond 2015

16-21 November 2015 • Furama Resort, Danang, Vietnam

EAS Congress 2015

International Conference Session 3:

From Vision to Reality: Aligning the Global Agenda with Local Benefits

Workshop 3 Conclusions and Recommendations: Blue Economy Development: Where are we now? Where are we headed?

Prepared by the following Co-Chairs and Coordinator based on workshop presentations, panel discussions and interactions among participants:

Ms. Cary Anne Cadman, the World Bank

Dr. Marian delos Angeles, Resources, Environment and Economics Center for Studies, Inc. (REECs), Philippines

Dr. Maricor Ebarvia-Bautista, PEMSEA

Workshop Focus

1. Blue economy assessment would facilitate understanding of the role of the ocean and its contribution to the national economy, impacts of human activities on ocean health and sustainability, and potential areas for investments in environmentally-sound technologies and infrastructure and new practices.
2. The blue economy assessment, which uses the ocean economy-environment accounting and SEEA framework, is in line with the indicators of the SDGs and Aichi Biodiversity Targets.

Issues

3. The concept of blue economy is evolving as the ocean space is changing dramatically, driven by innovations, new industries, shifting demands, and pressures from changing environment and climate. We are still in a transitional phase to develop an ocean economy – environment accounting system, and design appropriate economic instruments and

incentives to effect transformational change in the blue economy. Challenges include data, leadership, science-policy linkages, capacity, and divergent interests.

4. Enabling conditions, clear regulations, strict enforcement, incentives and financing mechanisms are essential in coastal and ocean governance, and making industries 'blue'.
5. Transboundary problems, climate change, and other emerging issues affecting ocean health and sustainability of ocean economy pose new dimensions in economic and environmental management.

Workshop Conclusions

6. **Where are we now?** Seven countries presented their national ocean economic accounts, with some indicators for coastal and marine ecosystems. The ocean economy contributes to the GDP of the EAS countries in varying degrees: 3% in RO Korea, 4.5% in the Philippines, 9% in China, 13% in Indonesia, and 19% in Vietnam. Most countries reported degradation of coastal and marine ecosystems, which affect the sustainability of ocean economic activities that rely on a healthy ocean. Ecosystem services, such as carbon sequestration and shoreline protection, and environmental costs, such as pollution damages and loss of biodiversity and ecosystem resiliency, are not fully captured in GDP, but could significantly alter the true GDP. There is a rich body of work completed, and yet a long road is ahead towards a blue economy assessment that encompasses market values, as well as nonmarket ecosystem services, environmental costs, and equity aspects.
7. **Where are we headed?** The ocean economy is dynamic, with new investments and emerging industries. Different examples of how investments can be 'blue' were reported, such as green ports and shipping, climate smart aquaculture, and ecotourism. There are also new and innovative industries, such as marine biotechnologies and ocean energy. These industries started with the initiatives of the scientific community, but in response to emerging market demands. Presentations on blue carbon and public environmental investments reflect comprehensive plans that would contribute to the protection of coastal and marine ecosystems.
8. **Realizing a blue economy.** Innovative financing mechanisms are also available to capture resource rent and pay for programs to reduce pollution and protect ecosystems and biodiversity.

Workshop Recommendations

9. **MAKE ocean a priority** in medium- and long-term economic development plans.
10. **DEVELOP ocean economy-environmental accounts** to assess: contribution and trends of ocean economy; ecosystem services; impacts of ocean economic activities on the ocean environment; and progress towards blue economy. The UN System of Economic and

Environment Accounts (SEEA) provides a framework for this initiative and facilitates its institutionalization. However, capacity development and knowledge sharing are required as well as political support for implementation.

11. **REPORT using the State of Oceans and Coasts (SOCs)** as the platform to show progress, gaps and solution options. Scale up the local SOC to national and regional SOC, with a blue economy theme. Promote the results at the national level and at international summits to change mindsets, enhance collaboration, and get the blue economy as a global agenda.

12. **APPLY the blue economy assessment and SOC reports** in: drawing up economic development plans and investment programs that incorporate sustainability and inclusivity objectives; highlighting the investment opportunities; and designing combined carrot-and-stick mechanisms to refine existing policies and laws and make them more implementable by the private sector. By measuring the ocean economy and showing its significance, a case can be made for supporting investments in key ocean economic industries, higher budget allocation for protecting ocean health, and pushing forward the blue economy agenda.