**Blue Finance Training: Designing and Financing Bankable Projects
in transitioning to a Blue Economy**
9,11 and 13 November 2020, 2:00-5:00 p.m. (Manila Time), via Zoom

AGENDA

Day 1 – 9 November 2020 (Monday)

14:00–14:30	**Welcome and Training Overview** Opening remarks by: **Bruce Dunn** *Director, Safeguards Division* *concurrently OIC, Environment Thematic Group* *Sustainable Development and Climate Change Department* *Asian Development Bank* This session will include a recap of learning objectives, an overview of the training program, and brief introductions.
14:30–15:25	**Session 1: Ocean Health, Blue Economy, and Blue Finance** A presentation on why the oceans are valuable and why they are under threat; what is the blue economy and why is it important to ocean health; and the role of blue finance in transitioning to a blue economy. *Session Outcome: Participants will be able to understand why it is important to transition into a blue economy.*
15:25–15:35	Break
15:35–15:50	**Session 2: Blue Economy Segments and the ADB Ocean Finance Framework** The session will explore the ADB Ocean Finance Framework, which provides a typology of the market segments that make up the blue economy, and standards for guiding blue economy investments. *Session Outcome: Participants will have a basic understanding on how to mainstream blue finance solutions in investments which support the blue economy and deliver SDG 14, particularly in the context of building back "bluer" post COVID-19.*
15:50–16:30	**Session 3: Ocean Finance Enabling Conditions** Strong enabling conditions including knowledge, capacity building, and supportive policy environments encourage sovereign spending on ocean health and to promote private sector investments. In order to be effective, innovative finance instruments will need to be supported by new legislation and regulation. In addition, fiscal policies are key to aligning taxes and subsides in ocean health. *Session Outcome: Participants will gain foundational understanding of the role of enabling conditions in ocean health and blue economies.*
16:30–17:00	**End of Day 1 - Wrap Up, Session Summaries, and Next Session's Program**

14:00–14:35	**Day 2 Introduction & Day 1 Recap** Followed by presentation of select asynchronous learning submissions.
14:35–15:45	**Session 4: Beneficiaries, Sources of Funds, and Finance Mechanisms** The beneficiaries of ocean health and the blue economy are explored, and the willingness and ability of these beneficiaries to pay for the marine ecosystem service benefits they receive. Various sources of capital are defined. Traditional and innovative finance mechanisms are presented. *Session Feature: The ASEAN Catalytic Green Finance Facility (ACGF) is an innovative financing initiative designed to scale up the development of green infrastructure projects in Southeast Asia.* *Session Outcome: Participants are able to use a toolbox approach to match and apply sources and mechanisms to projects.* ***A break will be scheduled sometime during Session 4.***
15:45–16:55	**Session 5: Ocean Investment Pipeline & Blue Economy Opportunities** Addressing the gap in pipeline development for medium- and large-scale projects for investment by larger institutions, including multilateral development banks through bankable projects and well-tested revenue models. Work in DMCs will be shared including how ACGF can support ASEAN member states in catalyzing private capital, technologies and management efficiencies to finance investments in protecting and restoring marine ecosystems and promoting inclusive livelihood opportunities. *Session Outcome: Participants will be able to develop pipelines on bankable, investment-ready ocean health projects.*
16:55–17:00	**End of Day 2 - Wrap Up, Session Summaries, and Next Session's Program**

Day 3 – 13 November 2020 (Friday)

14:00–14:30	**Day 3 Introduction & Recap of Previous Sessions** Followed by presentation of select asynchronous learning submissions.
14:30–14:40	**Session 6: A Deep Blue Vision: The Way forward for ADB and DMCs** Challenges and opportunities in application of blue finance solutions and transitioning to a blue economy. *Session Outcome: Participants contribute to building the vision for ADB and DMCs to accelerate the blue economy and identify individual next steps to apply the training to their roles and/or workplans.*
14:40 –15:55	**Session 7: Activity on Blue Finance Mechanisms** Includes plenary discussion of select blue finance mechanisms and a deep dive into these instruments in breakout groups. *A break will be scheduled sometime during Session 7.*
15:55–16:30	**Breakout Session Reports (Back to Plenary)**
16:30–16:50	**Key Takeaways from All Sessions**
16:50–17:10	**Closing Session** Closing remarks by: **Alfredo Perdiguero** *Director, Regional Cooperation and Operations Coordination Division* *Southeast Asia Department* *Asian Development Bank*

About our Training Specialists:

Melissa Walsh, PhD
Blue Economy, Ocean Finance, and Marine Conservation Expert
Program Manager, Ocean Finance Initiative, Consultant, Asian Development Bank

Melissa is an independent consultant working on blue finance with the Asian Development Bank, Micronesia Conservation Trust, and other clients. She co-leads the Ocean Finance Paper for the High-Level Panel on the Sustainable Ocean Economy and leads the Conservation Finance Alliance working group on Coastal and Marine Conservation Finance. She holds a BS in Chemistry and Marine Science (University of Miami), MS in Oceanography (University of Hawaii), and PhD in Marine Conservation Finance (James Cook University).

Deborah Robertson
Environment Specialist, Environment Thematic Group, Sustainable Development and Climate Change Department, Asian Development Bank

Deborah's work is focused on boosting ADB's ocean health and blue economy programs. Prior to ADB, she worked for the New Zealand Government, Beca, and several NGOs. She is experienced in policy analysis and planning, environmental impact assessment, and marine conservation. She holds masters' degrees in Environmental Planning and Marine Conservation.

Raghu Dharmapuri Tirumala, PhD
Infrastructure Financing Expert (ADB Consultant, Southeast Asia Department)

Raghu has over twenty-five years of experience in infrastructure advisory, management consulting, and academics. He has been advising various government and multilateral organizations in infrastructure financing, policy formulation, and public private partnership frameworks across urban, transportation, energy, and social sectors. He has operated a Project Development Fund and a Project Investment Fund in his previous corporate role as a CEO of iDeCK. He holds a PhD (on Public Private Partnerships in urban drinking water sector), MBA and Bachelor of Technology degrees.

Rodrigo Martinez
Project Origination Expert (ADB Consultant, Southeast Asia Department)
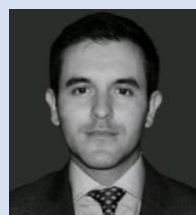
Rodrigo has over ten years of experience in originating, structuring, and implementing infrastructure projects. Prior to joining ADB, he was a Southeast Asia Business Development Manager at CENTUNION S.A., a Spanish General Contractor specialized in industrial and transport projects, and worked also as Trade and Investment Advisor in the Economic and Commercial Office of the Spanish Embassy in Manila. He holds an MBA and obtained his bachelor's degree in Economics from Universidad Complutense de Madrid, Spain.

Moderated by:
Kal Joffres

Kal is the CEO and co-founder of Tandemic, a strategic innovation firm based in Singapore, Malaysia, and Thailand, and the Philippines. His work focuses on helping organizations build capabilities for innovation, ranging from the IMF to UNDP to DHL. He also teaches Design Across Borders at Stanford's d.school.

ADB, TAKING GREEN MAINSTREAM

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Background Note

The ocean supports many economic activities which are growing rapidly and projected to reach at least $3 trillion in 2030.[1] Asia and the Pacific has some of the most diverse marine ecosystems in the world, providing multiple benefits to poor and vulnerable communities, and achieving climate change and disaster resilience, livelihood and food security, as well as economic development through tourism, fisheries, and aquaculture. However, the region's ocean ecosystems are not as vibrant today and in the brink of collapse. In the last 50 years, half of all coral reefs have disappeared, fish stocks and marine species are in decline, the ocean is getting warmer and more acidic, and sea levels are rising. If current trends continue, there will be no fish stock left by 2048 in the region, with catastrophic repercussions for the 34 million people who depend on commercial fishing. By 2052, 90% of coral reefs may be lost and the oceans might contain more plastic than fish.

With billions of people in Asia and the Pacific depending on oceans for food, livelihood, good health, and economic growth, collective action towards healthy oceans has become even more imperative. The "blue economy"—often synonymous and interchangeable with "sustainable ocean economy"—is an emerging concept that encourages better stewardship of invaluable ocean resources. Partly because there is no universal definition, the portion of the total ocean economy that is sustainable is unknown. ADB is a signatory to the Sustainable Blue Economy Finance Principles, which aim to further define and support the blue economy. ADB's Healthy Oceans Action Plan also launched the Oceans Financing Initiative (OFI) to support developing member countries (DMCs) catalyze much needed finance for ocean health and blue economy projects.

The global community has set ambitious commitments and targets for achieving healthy marine ecosystems. The cost to save the oceans and scale up investments are massive. The funding gap widens as domestic and donor resources are being redirected to immediate relief and stimulus packages for COVID-19. Blue finance will help address financing challenges and boost investment toward a 'blue recovery' in the aftermath of the pandemic. Blue finance (synonymous with ocean finance) can be defined as generating, investing, aligning, and accounting for financial capital to achieve sustained ocean health and governance.[2] Through the OFI, ADB aims to support DMCs to catalyze financing for projects that protect and restore marine ecosystems and promote sustainable blue economies.

A training on blue finance will therefore be relevant and timely to support DMCs in developing bankable investment opportunities that support ocean health and the blue economy.

Training Program on Blue Finance

The training is being organized by the Environment Thematic Group of ADB's Sustainable Development and Climate Change Department, in collaboration with the ASEAN Catalytic Green Finance Facility (ACGF) and the BIMP-EAGA, IMT-GT, and GMS Capacity Building Program (B-I-G Program). The training will be led by Melissa Walsh, Program Manager, Ocean Finance Initiative (ADB Consultant). Participants will be representatives from member countries of ASEAN, BIMP-EAGA, IMT-GT, and GMS, and ADB staff.

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[1] OECD. 2016. The Ocean Economy in 2030. OECD Publishing. Paris.
[2] M. Walsh. 2018. Ocean Finance: Definition and Actions. Prepared for the Pacific Ocean Finance Program.

The learning objectives are for participants to:

1. Understand the values and components of the blue economy, and the importance of a blue recovery post-COVID.
2. Understand the role of blue finance in supporting the blue economy and achieving SDG 14.
3. Use a toolbox approach from available finance mechanisms to fund projects with ocean health components.

The program will cover:

a) The definition of blue finance and why its pivotal in transitioning to a blue economy.
b) The role of blue finance in attaining SDG 14 and other sustainable development goals, particularly in the context of building back "bluer" post COVID-19.
c) The role of regional cooperation and integration in protecting and restoring the ocean, a regional public good.
d) Introduction on the Ocean Finance Initiative launched by ADB which aims to address barriers to investing in the blue economy such as a lack of universal standards and metrics that would be sufficient to ensure that investments are truly 'blue'; underfunding of ocean investments with funds traditionally coming from domestic resources and donors; difficulty to scale up investments due to lack of bankable projects that are supported by a revenue model; misalignment of taxes, subsidies, and economic incentives with the blue economy; and lack of data and specialist capacity to bridge the sectors of finance and economics with ocean science and management.
e) Sessions on defining standards and metrics, developing a pipeline of bankable ocean investments, innovating finance instruments, mobilizing capital, aligning taxes and subsidies, and strengthening policy, knowledge, and capacity.
f) Cross-sectoral benefits of blue finance, e.g. blue credits applied to projects such as management of agribusiness runoff, municipal waste water treatment, and municipal solid waste management; environmental tax to boost coastal tourism sector; blue bonds to finance resilience of coastal ecosystems, providing green jobs and capacity development to coastal communities, including indigenous peoples; innovative financing to give women (who play a key role in aquaculture and fisheries value chain) and youth access to credit, training, and technology, etc.
g) Case studies providing successes, challenges, lessons learned, and recommended actions.

The learning program is initiated under the Action Plan for Healthy Oceans and Sustainable Blue Economies (2019-2024) which was launched during the Annual Meeting in Nadi, Fiji in May 2019. The action plan aims to join global efforts to protect and restore the world's oceans, support ADB's developing member countries achieve Sustainable Development Goals (SDGs), particularly SDG 11, 12 and 14; and is fully aligned to Operational Priority 3 of Strategy 2030. Under this program, ADB aims to scale up investments and technical assistance supporting ocean health to $5 billion between 2019 and 2024.