

# ONLINE REMINDERS



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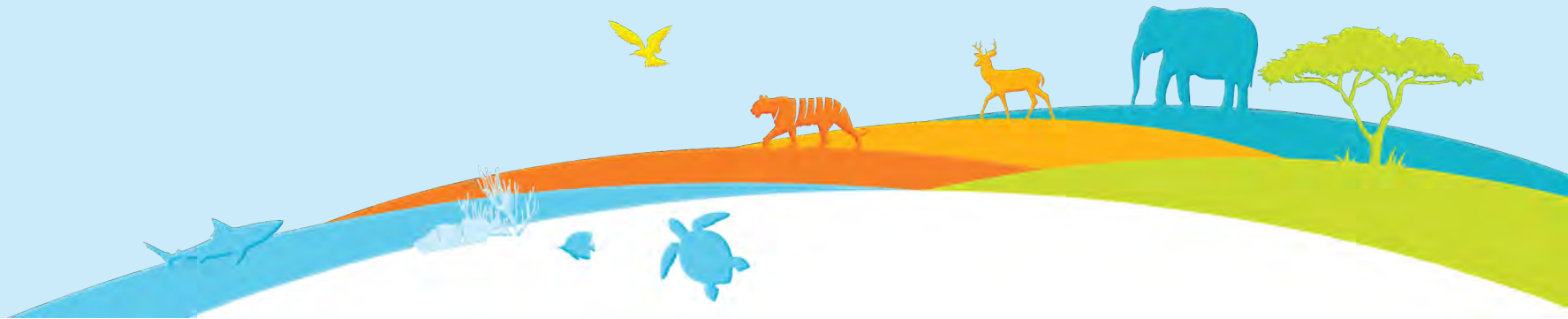
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The logo of the Asian Development Bank (ADB), consisting of the letters 'ADB' in white on a dark blue square background.

ADB

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# Progress Report: Action Plan Healthy Oceans and Sustainable Blue Economies

Investing in Sustainable Marine Economies for  
Poverty Alleviation in Asia and the Pacific



# OUTLINE

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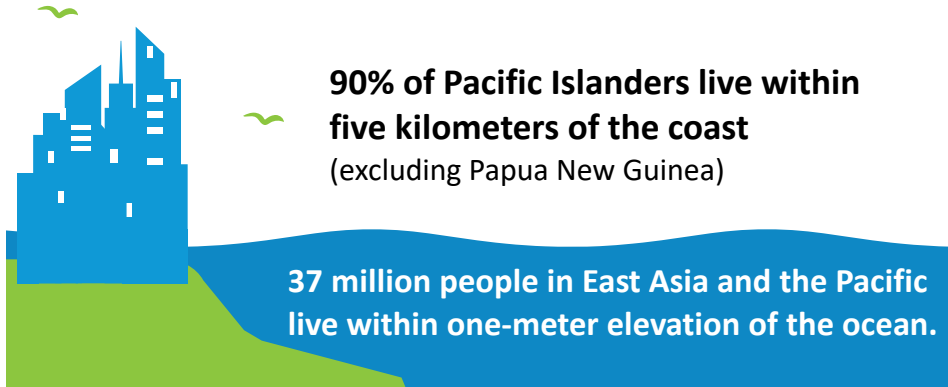
1. Overview of ADB's Healthy Oceans Action Plan, by Bruce Dunn
2. ADB's Oceans Programmatic Work, by Deborah Robertson
3. ADB's Ocean Finance, by Melissa Walsh
4. Knowledge, Regional Cooperation and Partnerships  
Healthy Oceans and COVID-19 by Deborah Robertson
5. Audience Q&A



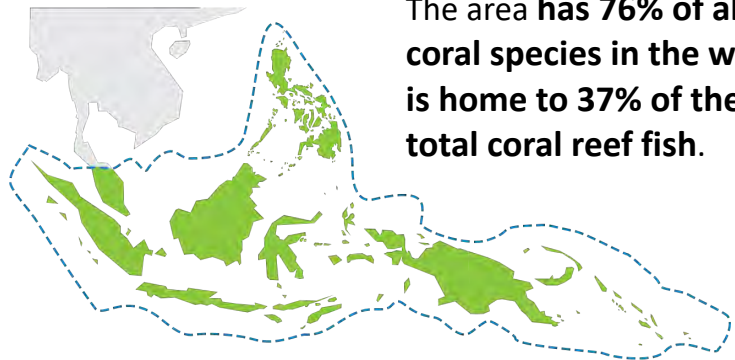
# Why Healthy Oceans Are Valuable to Asia and the Pacific

The global ocean economy is estimated to be worth

**US\$3 trillion by 2030**



The Coral Triangle, which covers six countries in Asia and the Pacific (Malaysia, the Philippines, Indonesia, Timor-Leste, Papua New Guinea, and Solomon Islands), is the **center of marine life and coral diversity in the world.**



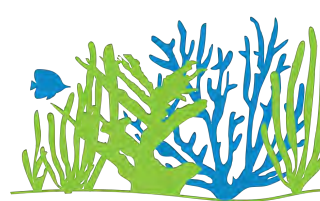
The area **has 76% of all known coral species in the world and is home to 37% of the world's total coral reef fish.**



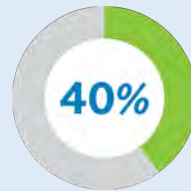
Asia and the Pacific is home to approximately **46% of the world's mangroves.**

Mangrove forests can hold **up to four times more carbon than tropical rainforests.**

Southeast Asia holds 21 seagrass species, which is **29% of the world's seagrass species.**

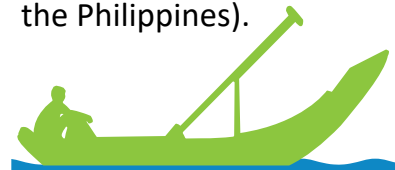


**Coral reefs, coastal wetlands and other coastal ecosystems act as buffers against storms and large waves.**



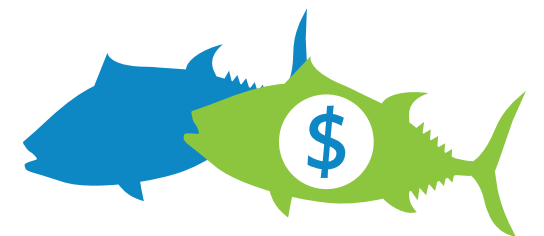
The coastal zones of Bangladesh, India, the Maldives, Pakistan, and Sri Lanka contain about **40% of the economic activities in South Asia.**

**Six out of the ten largest fisheries in the world are in Asia** (The People's Republic of China, Indonesia, India, Japan, Vietnam and the Philippines).



**Thirty-four million people in Asia and the Pacific are engaged in commercial fishing.**

Six Pacific Islands (Federated States of Micronesia, Kiribati, Marshall Islands, Nauru, Tokelau, and Tuvalu) **derive at least 45% of all government revenue from tuna.**



In many least developed countries of Asia, **fish accounts for more than 50% of the total animal protein intake.**

Total production of aquaculture in Asia reached 103 million tonnes in 2017. That supplied **60% of fish for global human consumption.**



In the East Asia Seas region (Cambodia, People's Republic of China, Indonesia, Japan, Malaysia, Philippines, Republic of Korea, Singapore, Thailand, Timor-Leste, and Viet Nam), the gross value added of coastal and marine tourism is worth **around US\$200 billion.**



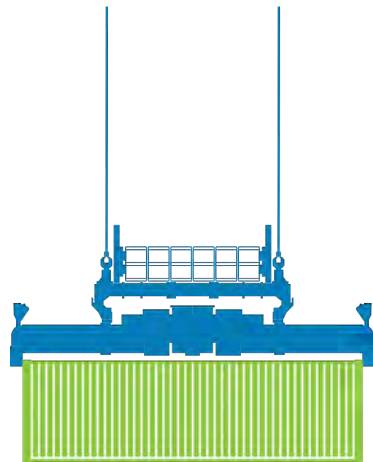
International arrivals to six Pacific countries (Cook Islands, Fiji, Papua New Guinea, Samoa, Solomon Islands, Vanuatu) **grew almost 50% between 2005 and 2015.**

**Tourism is a significant employer in the Pacific Islands.**

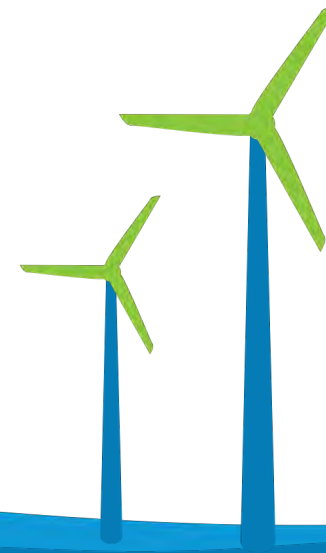
The highest levels of tourism employment are in **Tonga (15%), Samoa (18%), Palau (50%).**



The East Asia Seas region serves as a conduit of **90% of the world's trade through shipping.**



Every 1 million tons of cargo volume handled by a port generates an additional **US\$100 of economic benefit and creates 300 new jobs.**



**Marine and offshore renewable energy** powers coastal communities and mitigates climate change.



# IMPACTS OF POOR OCEAN HEALTH

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Closure of popular tourism sites

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Declining fish stocks

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Death of up to 90% of coral reefs by 2052

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Plastic entering the human food chain

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Massive economic loss

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# ACTION PLAN FOR HEALTHY OCEANS

INVESTING IN SUSTAINABLE MARINE ECONOMIES FOR POVERTY ALLEVIATION IN ASIA AND THE PACIFIC

Target: **\$5 billion** (2019–2024)

## FOCUS AREAS



### Blue Economy

Creating inclusive livelihood and business opportunities in sustainable tourism and fisheries.



### Ecosystem Management

Protecting and restoring coastal and marine ecosystems and key rivers.



### Pollution Control

Reducing land-based sources of marine pollution including plastics, wastewater, and agricultural runoff.



### Sustainable Infrastructure

Improving sustainability in port and coastal infrastructure development.



# Healthy Oceans Implementation Plan

- Sets the direction to expand investments to **\$5 billion by 2024**
- Two-year rolling plan
- Develops a larger integrated program so ADB's ocean health activities will be strategic to maximize impact
- Identifies entry points and opportunities for ADB/DMCs to improve ocean health and develop sustainable blue economies
- Structured around 5 pillars of action







# Healthy Oceans Implementation Plan

## Operational Support and Initiatives

Support new projects and opportunities, initially through 3 Healthy Oceans Flagship Programs:



**Greening Asia and the Pacific's Major Ports**



**From Source to Sea:  
Towards a Plastic Free Ocean**



**Building Coastal Resilience**



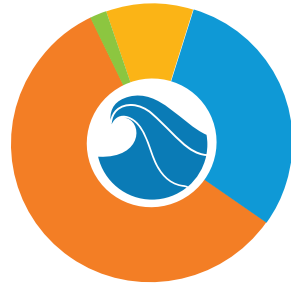
**Others ++ (tbc)**





## Ocean Health Related Project Pipeline (2019-2023):

**\$ 2.2 billion est.\***



**71%** \$ 1.57 billion  
Pollution Control



**16%** \$ 356 million  
Ecosystem Management



**10%** \$ 221 million  
Sustainable Infrastructure



**3%** \$ 78 million  
Sustainable Blue Economy



## Projects by Region (2019-2023)\*

### Sample Projects:

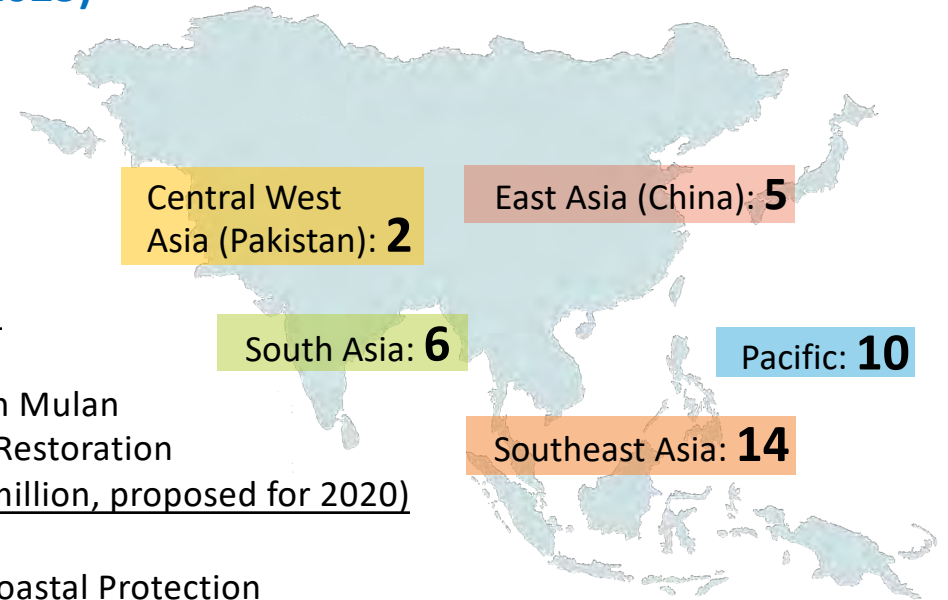
**Pakistan:**  
Sindh Coastal Resilience Project  
(\$100 million, proposed for 2021)

**People's Republic of China:** Fujian Mulan River Basin Integrated Ecological Restoration and Management Project (\$200 million, proposed for 2020)

**India:** Maharashtra Sustainable Coastal Protection and Management Project (\$200 million, proposed for 2021)

**Cambodia:** Inclusive Coastal Marine Fisheries Value Chain and Sustainable Tourism Development (\$50 million, proposed for 2021)

**Solomon Islands:** Urban Water Supply and Sanitation Sector Project (\$37 million, approved in 2019)



\* Amounts and number of projects as of February 2020 and are subject to change.



# Flagship Program: From Source to Sea: Towards a Plastic Free Ocean

## SDCC RETA: Promoting Action on Plastic Pollution from Source to Sea in Asia and the Pacific

### Activities:

- Government led national and city action plans to reduce marine plastic pollution.
- Policy and regulatory reforms to stimulate circular economy
- Plastic pollution reduction investments and pilot demonstrations
- Studies on infrastructure and technology needs; circular economy and green jobs potential; sustainable innovative financing
- Circular business hub and test facility in Indonesia
- Support for knowledge-sharing, regional cooperation activities, cross-country site visits, city twinning.

**Budget:** \$13.7 million total (\$8 million Indonesia project)

**Implementation:** December 2019 – June 2023

**Participating countries:** Indonesia, Myanmar, Philippines, Thailand, Viet Nam

**Key partners:** Governments of Japan and Korea; GEF; GPAP; WWF.





# Flagship Program: Building Resilience: Investing in Critical Coastal Ecosystems and Livelihoods

## SDCC RETA: Building Coastal Resilience through Nature-Based and Integrated Solutions

### Activities:

- Strategic plans, policies and programs to build coastal resilience and expand investments
  - long-term adaptation and risk-based approach
  - integrated “hard”, “soft”, “grey”, “green” options
  - sustainable coastal livelihoods and women’s economic empowerment
- Support to identify, prepare and accelerate nature-based and integrated coastal resilience investments
- Knowledge on benefits of NBS, regional cooperation, and financing for building coastal resilience



**Budget:** \$2 million TBD

**Implementation:** Q3 2020 - Q3 2023

**Participating countries:** India, Pakistan, Indonesia, Philippines, RMI, Tuvalu



# Flagship Program: Greening Asia and the Pacific's Ports

## SDCC RETA: Greening of Ports - Supporting Environmental Management Programs in South-east Asia (RCI with support from ETG and Transport SG)

### Activities:

- Assessment of existing port environmental standards and practices.
- Audits of existing port facilities against environmental standards.
- Establishment of best practice and peer to peer learning to align and improve implementation of standards.
- Assessment of infrastructure and investment needs.
- Technical support to ports in preparing sustainable and bankable projects that help port operators attain green objectives, including through sovereign, non-sovereign and PPP funding.

**Budget:** \$1 million

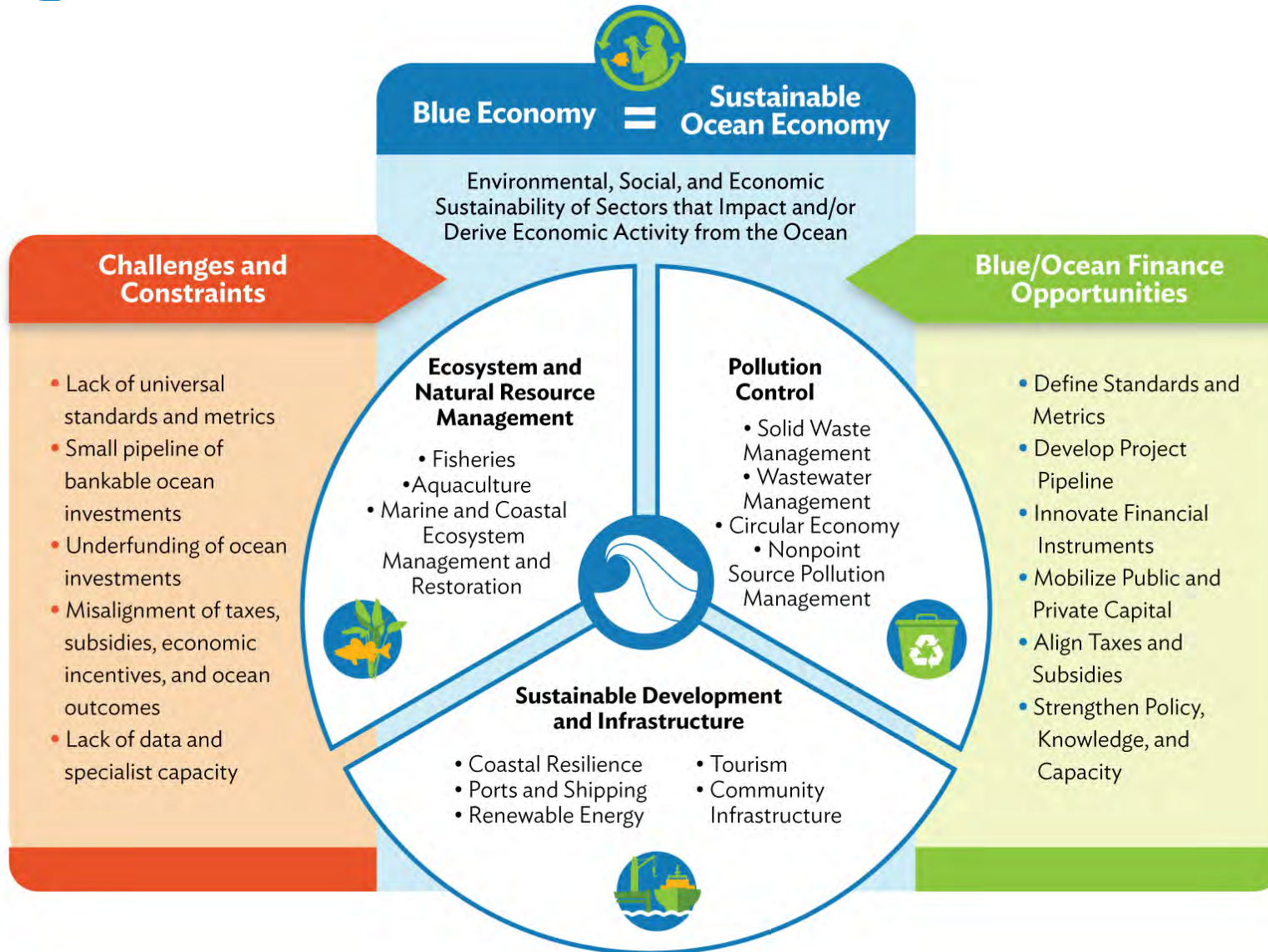
**Implementation:** Q3 2020 - Q3 2023

**Participating countries:** South-East Asian DMCs





# The Blue Economy





## Oceans Finance Initiative

Objective: to increase the amount and efficacy of financial capital for ocean health and sustainable blue economies





## Ocean Partnership Facility

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Working with the funds team to develop an Oceans Partnership Facility, an umbrella facility that will pool ADB, public and private capital (grants, concessional debt and equity). We had good interest from some key donors on this pre-COVID, and will pick this up again when the right is right.

ADF 13 replenishment includes a new thematic pool for Regional Public Goods, which includes Environmental Protection and Shared Natural Resources, with a focus on supporting ocean health, biodiversity, and ecosystems.

Disbursements through traditional and innovative finance mechanisms, for example blue bonds, results-based lending, ocean risk insurance, credit enhancements etc.







# Ocean Finance Framework

ADB's Healthy Oceans Action Plan and Ocean Finance Initiative support TA, grant, and investments that demonstrate a quantifiable contribution to ocean health and/or sustainable blue economies.



## Eligibility Criteria

- Location
- Investment
- Screening
- Impact



## Objectives and Limitations



## Indicators and Tracking



## Example projects



## Mapping framework against PCS, SDGs, and SICs



# Piloting Ocean Finance: ASEAN Catalytic Green Finance Facility



## AIF Resources

- \$USD 6months LIBOR for first 7 years
- \$USD 6months LIBOR + 140bps from year 8 – 20
- Refinancing at year 8 onwards permissible

## ACGF BLEND

(Rate will be lower based on the blend of concessional funds raised from climate/bilateral donors)

## AIF Resources

- 2-step ACGF pricing + IFF concessional pricing for CAM, LAO, MYA
- Additional co-financing from partners
- Concessional blended price

## Inclusive Finance Facility (IFF)

- 1% (USD loan) for years 1 – 5
- 1.5% (USD loan) for years 6 – 25

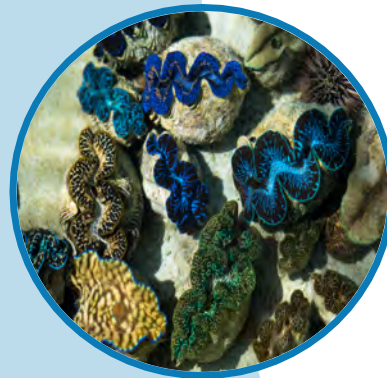


## Green and Blue Projects



## Blue Economy Knowledge Product

In partnership with  
Finance Sector Group,  
Ocean Assets Institute,  
UNDP and UNEP



Assessing Blue Economy  
Opportunities by Sector



Mapping to SDGs  
and Investor Metrics



Estimating Blue Economy  
Finance Gap



Financial Market Perspectives



# Knowledge, Regional Cooperation and Partnerships

## Regional knowledge events

- **Healthy Oceans Technology and Innovation Forum:** promoting partnerships and engagement with the private sector on the latest science, technology, and innovations for ocean health (ADB HQ, Q1 or Q2, 2021)
- **Blue Finance Roundtables** (with ACGF)

## Mainstreaming through ADB's sub-regional cooperation programs

## High-level engagement

- Signatory of the **Sustainable Blue Finance Principles**, European Commission, WWF, the Prince of Wales's International Sustainability Unit and EIB
- **Virtual Oceans Dialogues** by World Economic Forum and Friends of Ocean Action (June 2020)
- Advisory Network to the High Level Panel for a Sustainable Ocean Economy
- **Woman Leaders of the Ocean**
- **Our Ocean Conference**, Palau (Dec 2020)



Financing and knowledge partnerships in development with:





## Threats



- Disrupted supply chains
- Large increase in medical waste and single-use plastics and packaging
- Coastal and marine tourism industry halted
- Suspended monitoring / surveillance

## Impacts



- Economic losses along seafood supply chain
- Increase in marine plastic pollution
- Loss of tourism jobs
- Increased pressure on coastal fisheries plus illegal fishing offshore
- Loss of conservation revenues

## Blue Recovery

- Jobs through conservation and nature-based solutions
- Redesign, shorten, and digitize, seafood supply chains
- Boost investment in ISWM and sanitation
- Shift to green businesses that “design out waste”
- Digital and high-level technologies for fisheries surveillance and environmental monitoring



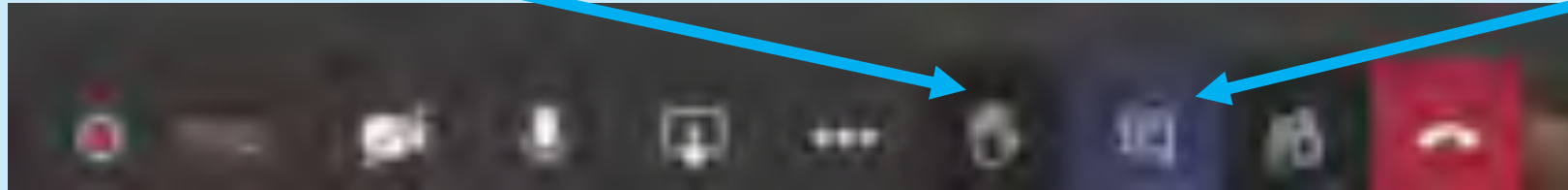
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ACHIEVING IMPACT AT SCALE TOGETHER

THANK YOU!

## Q&A Reminders:

1. Please raise your hand (through your MS Teams call control panel) or send us your question on the chat box.



2. When called, please remember to turn on your microphone, but kindly keep your video off to save on bandwidth.

Thank you.

