

## DEFINING THE BOUNDARIES - METHODOLOGY

**The Objective of Section 2** is to define the boundaries of Ocean Health and Blue Economy Activities and to answer 8 questions posed by ADB and PEA (Poverty Environment Action Plan of UNEP-UNDP) in the Terms of Reference (ToR).

We are pleased to summarize the contents of Section 2 as follows:

### 1. Defining the Boundaries Heatmap:

- a. **Method:** We give a score (High to Nil, or 3 to 0) according to the 8 questions for each Market Segment under the of the Blue Economy Area of Focus, as designated in the ToR. We also provide Sample Investments and ISIC Codes. We also reference the following data points provided by the Ocean Finance Initiative (OFI): Segment Objectives, Geographic Limitations, Primary SDGs & Targets, Primary ADB Operational Priorities. This matrix will, at a glance, help stakeholders prioritise investment decisions for further analysis. A total score for each Segment is in the last column.
- b. **Highlights:** The top-ranked sectors overall (out of a maximum score of 24) are: Aquaculture/Mariculture (21), AlgaCulture (23), Offshore Wind/Floating Solar (22), Marine Energy (22), Ecosystem Mgt (both segments: 22), Non-Point Source Pollution Mgt (21), WasteWater Treatment (23), Sustainable Infrastructure (All Sectors and Segments, scores from 21-23).

### 2. Country Priority Heatmap:

- a. **Method:** In a similar matrix, we give a score to each of 29 ADB Developing Member Country (DMC), as designated in the ToR, according to an estimate of the current importance of each Blue Sector for that country. We note the ADB Region and Lending Group for each country. Our scoring criteria for each Segment are described at the bottom of the matrix. Again, a total score for each Segment is in the last column.
- b. **Highlights:** The top-ranked countries overall (out of a maximum score of 36) are: PRC (35), Philippines (35), Indonesia (35), Malaysia (35), Thailand (36), Vietnam (36), India (36), Pakistan (34). The relatively larger countries scored higher due to their higher base development, versus Small Island Developing States (SIDS), in most sectors. Since each sector is weighted equally, we did not make a judgment of sector priorities in this matrix - which was done in the Sector Matrix. We suggest considering both matrices together for a true overall picture. We took an individual country rather than region approach because this was more accurate (eg, some SIDS are members of PNA Tuna consortium, which gave them a higher ranking than the region would have on seafood value chains).

3. **Commentary by Focus Areas and Market Segments:** We did a summary analysis according to each of the 8 questions as noted in the Country Priority Heatmap description. References and graphics (in Appendix after each Sector) are included for further reading. We give the pros and cons of each blue economy segment, so that stakeholders can access the key decision-factors and prioritise investment decisions.

In the References, there are exhaustive studies noted from many sources for each segment and issue (including PEA issues). Our commentary is therefore a qualitative assessment according to our experience and the priorities of the Health Ocean Action Plan and PEA.

Quantitative analysis will be given in Section 3 of this important project. Section 2 will also help Mapping Blue Economy Sectors to SDGs and Investor Metrics and provide a matrix with commentary on the tools available to stakeholders for evaluating blue economy investments in the region.

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### **8 QUESTIONS FOR EACH SECTOR/SEGMENT:**

1. Relevant to ADB Healthy Ocean Action Plan?
2. Positive Social Impacts: Poverty, Gender, Health?
3. Positive Environmental Impacts?
4. Potential for Market Scalability?
5. Capacity for Innovation & Growth?
6. Benefit from Regional Governance Frameworks?
7. Opportunity for SMEs?
8. Attract Private Investment?

## SECTOR ORGANISATION

Focus Areas	Market Segments	Objectives
Ecosystem and Natural Resource Management	Marine and river ecosystems	Sustainably manage, conserve, or restore the health and resilience of coastal, marine and river ecosystems
	Fishing	Improve environmental sustainability and socio-economic benefits derived from seafood value chains
	Fisheries	
	Seafood processing and distribution	
	Aquaculture and Mariculture	
Algaculture		
Pollution control	Solid waste management	Reduce marine debris and impacts to marine life, coastal livelihoods, and human health
	Resource efficiency and circular economy	
	Non-point source pollution management	Reduce pollution (nutrients, sediments, chemicals) of coastal and/or marine environments
	Wastewater management	Reduce volume and damage to the coastal and/or marine environment from wastewater pollution
Sustainable Development and Infrastructure	Coastal and marine tourism	Improve environmental, economic, social, and cultural sustainability of coastal and marine tourism
	Coastal resilience	Enhance resilience of coastal communities to damage from natural hazards and climate change impacts
	Community infrastructure	Improve coastal community infrastructure to enhance amenity, recreational, and cultural values
	Green ports and shipping	Increase sustainability of maritime infrastructure and transport
	Marine offshore wind renewable energy	Increase marine renewable power to ADB developing member country communities and enterprises
Marine tidal, wave, geothermal renewable energy		