

BUILDING THE SUSTAINABLE OCEAN ECONOMY OF TOMORROW

Honorable Ministers, Distinguished Panelists, Ladies and Gentlemen:

- It is a pleasure to be here today, to talk about building
 - healthy seas and oceans, and
 - resilient ocean economies.
- In addition to being critical for the SDGs – as everybody here has mentioned – they are critical for the World Bank to meet its goals of
 - ending extreme poverty and
 - boosting shared prosperity.
- So, we are deeply committed to
 - managing our oceans better, and
 - increasing the resilience of ocean economies.

- As many of you know, we recently put out a report - together with UN DESA -

- that lays out **what we call “a Blue Economy approach.”**
- This approach is based on the premise that
 - oceans can be used sustainably, and
 - socioeconomic development and ocean health can be compatible.
- We know that the overall economic potential of the oceans is impressive and...
 - ...could be a huge driver of growth.
- **The OECD estimates that the Ocean Economy could be worth at least 3 trillion dollars annually by 2030.**
- That’s positive. And it’s probably a conservative number. But, **interestingly...**
 - ...we estimate that countries could get **a lot more value** from their ocean resources
 - ...**if** they started using them more sustainably.

- **So, my first point is that the ocean has a big role to play in driving economic growth and**
 - **the ocean’s economic value can be even higher...**
 - **...if sustainability considerations are built in.**

- At the World Bank, we've been looking closely at how coastal economies could increase their benefits from the ocean...
 - ...by using this Blue Economy approach or using the ocean sustainably.
- Earlier this year, we released a new report – **The Sunken Billions Revisited** – which argues that
 - at the global level, fishing less would produce more fish.
- **And we put numbers to this message:**
- The bio-economic model that we used looked at what would happen if
 - fishing effort were reduced by a hypothetical 44 percent over a certain period of time...
 - and we found that the biomass of fish would
 - almost triple,
 - harvests could be 13 percent bigger ...
 - and fish would be larger and have higher value.
- And these findings are part of the evidence base that leads us to our this first point.

- **My second point is that our response needs to be multi-country – or regional**
 - **not country-specific.**
- I did a three-country road trip in August...
 - ...traveling along the coast of Benin, Togo, and Ghana, and
 - ...saw first-hand the impact of coastal erosion and flooding on
 - fishing villages,
 - cities,
 - the road network and
 - tourism.
- One piece of Togo's national highway has been rebuilt three times...
 - ...each time moving further inland.
- Hotels and entire fishing villages have been swallowed up by encroaching waters.
- Some areas in West Africa's coastal areas -
 - which are home to about one-third of the region's people –

- **are losing 20 to 30 meters in any given year to erosion.**
- What became clear is that remedial action on erosion taken in one country is not only inefficient,
 - but it can make conditions worse for a neighbor.
- Instead of approaching this problem on a piecemeal basis,
 - we have developed a regional strategy that
 - supports 17 West African countries to
 - improve the management of shared
 - natural, and
 - man-made risks...
 - ...affecting targeted coastal communities.
- **The West Africa Coastal Areas Management Program, or WACA, will**
 - reduce risk to 40 million people and
 - strengthen the resilience of coastal communities to climate hazards.
- Projects will include

- Building mutually beneficial sea defenses, with physical infrastructure, but also, and increasingly with natural infrastructure like mangroves,
- managing and reducing marine litter,
- reducing pollution
- and improving waste management more generally, and
- strengthening early warning systems for coastal flooding, to name a few.
- **And we would more than welcome the participation of partners in this important program.**

- **My third point is that there are innovative ways to**
 - **finance this transition to a sustainable ocean economy and**
 - **bring private sector capital to the table.**
- In the Seychelles, we are working with the government and other **partners to issue a Blue Bond –**
 - This is a new product modeled on the success of the Green Bond.

- The bond, **valued at \$15 million dollars over 10 years,**
 - **with guarantees from the World Bank and the Global Environment Facility,** will
 - help mobilize public and private investments to
 - cover the costs of transitioning to more sustainable and profitable fisheries.
- **Last week, the World Bank Board approved the financing** that is needed to support the issuance of the Blue Bond.

- This is part of **the two billion dollars' worth of projects** that the World Bank currently has under implementation or preparation ...
 - ...related to the Blue Economy.

- **And over the next six years, we will commit another \$350 million dollars to**
 - help advance the Blue Economy approach in developing countries.
- This work will include:

- **First, \$121.4 million dollars** to improve fisheries management in **the South West Indian Ocean region**, covering
 - **Madagascar,**
 - **Seychelles,**
 - **Maldives and**
 - **the Indian Ocean Commission,**
- with co-financing from
 - the Global Environment Facility and
 - Japan's Policy and Human Resources Development Trust Fund.
- **Second, we will invest \$150 million dollars for Vietnam** to protect its coastal forests by
 - Facilitating mangrove and other planting, and
 - helping coastal communities build sustainable livelihoods.
- **Third, we will commit \$40 million dollars** in Peru to build
 - Innovative fisheries and
 - aquaculture value chains.
- **Fourth, we are planning \$23.6 million dollars for the Marshall Islands** to

- strengthen early warning systems,
- support climate resilient investments in shoreline protection, and
- help with crisis and emergency response.
- **Fifth, we are will provide \$17.5 million dollars of financing** to improve solid waste management **in the Maldives.**
- **And sixth, we will provide** technical assistance
 - - with support from Denmark-
 - to help **Indonesia** develop an action plan to reduce marine plastic pollution.

- We know that each country will have to create its own vision for a sustainable blue economy,
 - balancing growth and sustainability to
 - enable the optimal use of ocean resources so they can provide
 - maximum benefit to livelihoods and the environment.
- Thank you.