



THE EAST ASIAN SEAS CONGRESS



Charting a New Decade of Healthy Ocean, People and Economies

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Collab 23

Capitalizing upon the Co-Benefits of Blue Economies in East Asia: Managing Risks and Building Partnership

29 November 2021, 3:00 PM - 4:30 PM (GMT+7)

Online via Zoom

ORGANIZER:



Ocean Policy Research Institute of the
Sasakawa Peace Foundation (OPRI-SPF)

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PROCEEDINGS

1. INTRODUCTION

This collab will highlight the key findings of the study on co-benefits in promoting blue economies in Asia and the Pacific spearheaded by the Ocean Policy Research Institute of the Sasakawa Peace Foundation in collaboration with the experts in the region. The speakers will address the importance of managing and optimizing trade-offs and present enabling policies and factors for promoting blue economies in the region.

A blue economy has become a pivotal policy objective to promote sustainable development through the conservation and sustainable use of marine and coastal resources. An approach to promote co-benefits and synergies is useful for a wide range of stakeholders. It is also important to manage risks and trade-offs. To capitalize upon such co-benefits and synergies, it is vital to secure enabling factors such as sound policy framework, multi-stakeholder and cross-sectoral collaboration, innovation, and science-based policy development and implementation. Market disruption, changes in the marine environment, and climate change impacts impeded a blue economy. Capacity development and international partnership are indispensable to promote a blue economy and scale up this effort. The speakers will address policy options and courses of actions to pursue co-benefits and synergies for achieving a sustainable blue economy.

2. OPENING REMARKS

Dr. Hide Sakaguchi, President, Ocean Policy Research Institute of the Sasakawa Peace Foundation (OPRI-SPF) has delivered the opening remarks highlighting the major work of OPRI-SPF and background and objectives of this meeting. He thanked the Government of Cambodia and Presh Sianouk Province Government for hosting the EAS Congress, Mr. Kong Vitanak, Deputy Governor, Preah Sihanouk Province for being present at the meeting. He congratulated the Government of Cambodia and Preah Sihanouk Province Government as well as PEMSEA Secretariat lead by Ms.

Aimee Gonzales, Executive Director, PEMSEA Council chaired by Mr. Arief Yuwonom, and all collaborators for their successful preparation of the forthcoming EAS Congress. He underlined that OPRI-SPF undertakes research on blue economies and undertake policy dialogues. At the today's meeting, He stated that OPRI senior researchers are presenting the highlight of their research by focusing on co-benefits and synergies in promoting blue economies based on some empirical studies. He emphasized that while we need to tailor the prescriptions to varying socio-economic and topographic conditions of respective coastal and island communities, there are some factors that can be universally applicable. He explained that this is an attempt to share some lessons and perspectives to promote the blue economy co-benefit approach. He expressed his hope that that the participants would find interesting aspects in the today's presentations and discussions and let us consider how we can advance regional cooperation towards promoting the blue economy co-benefit approach. He stated that OPRI-SPF remains committed to promoting regional and international cooperation for achieving a sustainable ocean and blue economies. He stated that he looks forward to candid discussions today and further collaboration with the participants all under the framework of PEMSEA and EAS Congress.

Ms. Aimee Gonzales, Executive Director, PEMSEA made remarks at the opening welcoming the participants and stating that the Ocean Policy Research Institute of the Sasakawa Peace Foundation is one of the key partners for PEMSEA. She emphasized that this meeting is timely as parties and stakeholders strive to achieve conservation and blue economy. She underlined that many governments and stakeholders in the region work to protect and restore marine resources and coastal ecosystems while at the same time trying to sustainably manage the ocean. She underlined that it is important to mobilize support by the industrial sector and local communities to pursue blue economy co-benefits. She stated that she looks forward to learning the reflections and recommendations from this meeting especially on practical solutions and actions to pursue blue economy co-benefits.

Mr. Kong Vitanak, Deputy Governor, Preah Sihanouk Province, Cambodia made remarks at the opening. He welcomed the participants at the meeting He thanked the Ocean Policy Research Institute of the Sasakawa Peace Foundation to convene this meeting and emphasized that the Royal Government of Cambodia attaches the importance to the forthcoming EAS Congress. He mentioned that Preah Sihanouk Province is located in Southwest of Cambodia and he was supposed to welcome the participants at the conference center. He regretted that he could not do so due to the prolonged pandemic precautionary measures. He stated that in Cambodia, maritime transport is vital and that blue tourism is also important. He emphasized that tropical climate and coastal areas with rich marine biodiversity attract tourists who dare to do snorkeling and scuba diving. However, he said that the pediment has affected the tourist sector and they are now exploring how to revise local economic through blue economy. He underlined that he and his

college are very much interested in learning about the presentations and discussions on blue economic co-benefits approach. He expressed his hope that OPRI colleges and other participants can find chance to visit Preah Sihanouk Province and explore joint research and activity in the context of achieving blue economy co-benefit.

Mr. Arief Yuwonom, Chair, PEMSEA Partnership Council made remarks stating the pandemic continue to pose difficult challenges but at the same time, we see opportunities to reset our regional strategy for sustainable development of seas of East Asia. He mentioned that Indonesia suffered a lot from the pandemic and he lost some good friends and colleagues in the pandemics. The impact of COVID-19 were at multifaceted at various sectors such as tourism, international trade, fisheries, aquaculture and seafood processing. He mentioned that the Indonesian government developed the national economic recovery programs to mitigate the impact of COVID-19. He said that some of the programs provide habitat restoration, offer employment opportunities, food security and nature based solution to combat climate change, and promote labor intensive mangrove planting enforcing 800 community groups in town, this initiative aims to provide economic stimulus for coastal communities and restore mangrove ecosystem. He underlined that the co-benefits approach for promoting blue economies is indeed very useful and noted the need to consider different types of critical and socio economic conditions. He encouraged the participants to have interactive discussions and cooperation.

Mr. Kensaku Kobayashi, Coordinator for International Ocean Affairs, Ocean Policy Division, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism (MLIT), Japan made remarks stating that the promotion of the blue economy theme of this event has been identified as a key issue for the conservation of coastal and marine ecosystems in East Asia. He emphasized that in order to cope with various problems related to the ocean, Japan established the basic act on ocean policy in 2007. He underlined that the basic plan on ocean policy is adopted and this basic plan is to be revised every five years according to changes in social situation surrounding the ocean. He underpinned the importance of regional and multi stakeholder cooperation in promoting the pro economic and the intent to contribute to promote blue economy with other countries.

3. Thematic presentation on co-benefits of blue economies

Mr. Masanori Kobayashi, Senior Research Fellow, OPRI-SPF made a presentation entitled “Capitalizing upon the co-benefits of blue economies in East Asia: Managing risks and building partnership”. He stated that blue economy is one of the key topic for us to promote, in connection with our research for achieving a sustainable ocean. He mentioned that OPRI convened webinars to explore measures for ensuring a robust recovery in Asia and the Pacific. He then introduced

some case studies and the first one was about Minami Sanriku, Miyagi Prefecture, Japan. Minamisanriku was devastated by the massive disasters in 2011. He said that aquaculture farmers lost farming gears, but did not intend to restore the gears back to the same level capacity prior to the disaster. Instead, they agreed to keep it only 1/3 of the pre-disaster level in terms of the oyster production capacity. Although the production capacity was just one third of the pre-disaster level, oyster productions have increased as there was a better nutrient saturation in the ocean. The oyster production increased by two times in terms of weight and 1.5 times in terms of the revenue. The local aquaculture farmers applied for the aquaculture sustainability certifications, a certificate given by the Aquaculture Stewardship Council and obtained it in March 2018. The local oyster farmers have also collaborated to propose that the local bay, called Shizugawa Bay to be inscribed to the Ramsar Convention on the ground that the bay is an important kelp habitat.

He referred to another case study in Hinase, Okayama Prefecture. The seagrass habitat that was once covering 580 hectares in 1940's diminished substantively and came down to 12 hectares in 1985. The fishermen faced a reduction in the fish catch. So local oyster farmers got together to try to restore the seagrass. They worked with junior high school students and teachers to collect and distribute seagrass seeds. Students interviewed the fishermen and wrote papers and the students demonstrated the improvements in learning skills, speaking skills writing skills and made better academic achievement. It was reported that there was a return of fish stocks while seagrass habitats were restored. The fish catch was stagnating, but oyster production remained to be stable presumably because the seagrass provided marine environmental conditions favorable to oyster aquaculture.

In Kumejima, Okinawa Prefecture, the local government launched ocean thermal energy conversion as renewable energy by applying warm surface seawater to evaporate gas and turn turbines to generate power. There is byproduct of deep seawater that is used for prawn aquaculture. It is also used to lower soil temperature to produce vegetables, sea grapes, and cosmetics and to run a thalassotherapy spa. In Taketomi, Okinawa Prefecture, the local government adopted an ocean policy and action plans. Eco-tourism is designated as a priority for promoting tourism as well as nature conservation. Sea kayaking in mangrove forests have become one of the key tourism activities and the tourist number increased. At the same time, the Ministry of Environment, Japan adopted a legislation called the Regional Natural Assess Act that allow the local government to collect financial donations from the private people and organizations under the pretext of conserving the natural environment. Nonetheless, this is not the tax. So it is suggested that the people who are entering Taketomi make donations of about \$3 US dollars. However, so far, only 10% of the visitors contribute to this fund.

In Erimo, Hokkaido, it was baren land in 1940's – 1960'. Kelp production was getting lower due to

soil erosion and sedimentation. The local kelp farmers brought kelp flown ashore to apply on the land as organic fertilizers. It was intended to change soil conditions and enhancing soil nutrient. Then, they started planting pine trees to arrest soil erosions. As soil erosion and sedimentation subside, local fishermen starting have an increase in the fishery production. In 2000, however, they started facing a decline in fish production. It was more due to the sea water warming. So soil erosion was arrested by local people. But now they need to overcome the challenges of seawater warming that is challenging.

In the Philippine, mangrove conservation and shrimp cultivations seem to be a trade-off. As the local enterprises and farmers clear mangrove to expand shrimp farming ponds, there is an evident decrease in the mangrove coverage. So it is an important ask to sustainably manage mangrove forests while minimizing ecological risks such as mangrove destruction. In Ecuador, a Latin American country, the government legislated, the act that banned the conversion of mangrove to create new shrimp farms. At the same time, the government developed partnership with international NGOs and made arrangements with local agricultural farmers and villagers that they receive financial allowance on the ground of protecting mangrove. He underlined that these case studies show the multiple benefits from the sustainable management of the coastal and marine areas. He underpinned the importance of supporting policies, finance, technology, science, traditional knowledge, human resource and leadership development, stakeholder partnership. He expressed his hope that a blue economy and blue recovery will be promoted as very much important policies in East Asia and a co-benefit approach can be supported as an instrumental approach.

Dr. Atsushi Watanabe, Research Fellow, OPRI-SPF made a presentation “Conservation and restoration of blue carbon ecosystems and demonstration of co-benefits: Initiatives in Japan”. He underlined that blue carbon ecosystems such as mangrove forests and the seagrass beds, provide modern political benefits and CO benefits. Blue carbon conservation and restoration are widely regarded as having a positive impact on economic, environmental, social, and governance related SDG goals. Japan has blue carbon ecosystems and potentials. On the other hand, in Japan, the area of seagrass is decreasing due to land reclamation, sedimentation, high sea water temperatures, coastal development, coastal erosion by typhoons. In Japan, conservation and the distribution depend highly on the voluntary activities of fishers and nonprofit organizations. Funding is vital, but it is not sufficient and there is a need for mechanisms to mobilize funds from the private sector. The private sector rather expects their investment to generate impacts. The Japan Blue Economy Association (JBE) was established in 2020 as a government approved cooperation. OPRI is a core member of this JBE. JBE brings together researchers, businesses, ventures and non-governmental organizations to link science with community actions, assess blue carbon, promote technology to build and conserve blue carbons. He emphasized that OPRI plans to conduct surveys in related

municipalities to ensure that blue carbon conservation and restoration are an important part of municipal policies. He referred to the plan of OPRI to continue activities in cooperation with the National Government to contribute to the development of a greenhouse gas inventory by 2023 and its inclusion in NDCs or nationally determined contributions by 2025. He expressed his hope that there will be a progress towards zero emissions and rebuilding coastal ecosystems in Asia.

4. Discussions

Dr. Ben Malayang III, Professor Emeritus, Silliman University and former Undersecretary of the Department of Environment and Natural Resources, Philippines praised for the two presenters, Mr. Kobayashi and Dr. Watanabe who highlighted the dynamics of how the blue economy is likely to expand and grow as a synergy of investments are made restoration and sustainability, the proper management of ecosystem services, and the proper use and reinvestments of co-benefits and the synergies coming from the blue economy. He sees that, as demonstrated in the case studies, investments on restoration and sustainability could take the form of two major kinds of investments. The first is investments in terms of the deployment and build up of social capital, where you have cooperation, collaboration, and coordination, even between national government and local governments, people and nonprofit organizations. All of this translate to being able to do more with respect to restoration and sustainability of our natural capital. When combined, in particular, will public private blue financing such as public sector financing and private sectors financing in the form of enforcement of regulations and plans in the form of providing incentives, or perhaps in the form of securitization of natural capital. These investments are nature and restoration can lead towards improving ecosystem services and ecosystem services improvements can be done, as shown in the case his studies, by way of either balancing ecosystem dynamics. Investing in balancing restoring, conserving and generating leads to expanding co-benefits and synergies from your blue economy. To the extent that much of the cost benefits are reinvested into building up even more social capital, and investing in more investments on financing for in balancing and restoring, conserving and generating benefits from ecosystem services. The blue economy is a big machine that grows out as a synergy of this dynamics of these three phenomena. He emphasized that in the Philippines, which is a high aquatic biodiversity has 220 million hectares of sea and only about 28.9 million hectares of land. The ocean economy plays a vital role to how our economy as a whole is going to prosper. These were estimates that had been published is that in terms of ocean economic activities, in 2016, we generated some 566 billion pesos or \$11.9 billion worth of ocean economic activities value and that provider that was that constituted 3.7% of GDP in 2016. It kind of went down a bit in 2018, according to the data from the Philippine government. The estimate in 2017 is about 75 trillion pesos or about \$1.5 trillion. And this blue carbon generated 8.4 billion and coastal protection and other ecosystem service run up to about 1.8 billion. The national income accounts of the country do not particularly

reflect these values. And so fisheries alone is only 2.6% of the GDP as estimated in our present income accounts. But if these are properly accounted for our blue resources, they probably will be much more. Now we do not even include here, but the fact that 70% of the oxygen of the planet is produced from plants and sea grasses that is much smaller than our produce on our land. We are thinking always a big carbon load in our atmosphere. But if we start thinking of the production of oxygen and facilitate more practical care about our oceans in order to ensure the sustainability of oxygen productivity in our planet, that too must be accounted for. That is not yet in the accounts of our traditional ocean economy accounting. In the Philippines, employment in the ocean economist 2.75 million, or about 6.7% of total employment, and in fisheries, only one 1.9 – 1.95 million people. And there are overseas workers like our maritime workers. They are remitting 6.5 billion. The poverty incidence in our fisherfolk is still very high. This numbers tell you that we are not properly and equitably mobilizing our blue economy and its vast potentials, as it could benefit our people. If people really see our seas in the proper way, in the proper value and lenses, they can manag our oceans more acutely, properly and sustainably. Our fishers would not be this poor. And second, our economy would probably be more resilient to such global disturbances like pandemics. He emphasized that the very specific case studies brought about useful lessons in promoting blue economies.

Well, my, I was fortunate to be able to attend this meeting. And really what I was planning is to come and learn. Because as you know, I have already been retiring for more than 1213 years already. But anyway, since you have raised wanting me to say something, I will say a few words, I would just want to highlight a few points that I think the top, the presentation is wonderful. It's given us a lot of new insight. And the better understanding of how do we approach blue economy? I feel that blue economy is a new concept. In fact, he was coined as early as 2012, during the the UN Conference on sustainable development. But I think we still have a lot of knowledge gap as to how do we approach it, because if we take sustainable development and blue economy, they were basically the same thing is that you will have to try. In fact, we are focusing on the oceans and focusing on the coastal areas. But what has been brought up today, I think, also very important, there are some real value for us to see how we can still approach addressing some of the natural habitats that we have, and try to really salvage it. And in fact, the only way to salvage it to improve it is to show its value. And I think this is something that I learned a lot from this, this meeting, that we really can see the point. Now, the fact that Fisheries has gone down, I was a fisherman a fisheries people before. But let me let me say this, I think I think we have to pay for what we have done in the past and the declining of fisheries in not only in the Philippines, but all over the world. We need to have collaborative efforts to address them. But at the end of the day, we need to really start off to get things implemented. We talked about sustainable development, but we have very little implementation. We talked about a lot of biodiversity conservation, but we still have very little implementation. So I think that we have to move now into it. actual implementation.

And this is where the coordination, the integration, the collaboration between the various stakeholders, scientists, and the government has to come together. So I feel that we need a collaborative effort, if we really want to solve the problem of climate change, and promoting our sustainable very economy or blue economy, I hope this will work basically is in my mind. Thank you.

In the open discussions, various useful comments and suggestions were made by the audience. A participant stated that it is important to examine what was done in the past and what are the impacts and the fishery itself may also have multiple factors not just overfishing, but maybe also the land based pollutions and coastal environment, conversion as well. It was suggested to look into the various biophysical conditions as well as socio economic conditions that may be affecting the blue economy potentials in local areas. Another participant mentioned that SDGs clearly stipulates that ocean that is very important for the livelihood of everyone and the blue economy concept was seen as useful and presentations were very informative and instructive.

It was responded that blue economy potentials haven't yet been cultivated in East Asian countries as well and we haven't really done the proper assessment on the cost benefit and also the trade offs. It was said vital to take into account the need to safeguard the environment integrity in promoting a blue economy and it requires further elaborations or the development of policies and measures in East Asia.

It was also stated by a participant that it is useful to recognize the importance of the coastal ecosystem and adverse impacts caused by the huge anthropogenic activities and it is useful to forge a platform to discuss and share information on coastal evaluation, adverse impacts, mitigation and preventive measures as solutions for the future. It was also suggested to consider the degree to which local people reinvested the benefits that they acquired from the ecosystem services that they were properly more properly managing ecosystems. It was suggested important not just to acquire benefits, but also to set aside the portion of such benefits to reinvest in improving the ocean as a way to expand our blue economy.

It was also suggested that the participants widely share the importance of a blue economy for facilitating the recovery from the economy hit by the pandemic. But at the same time, it was also recognized that there are some uncertainties about the pandemic and need to readjust our economic models based on the rural economy, this may be another challenge that we may have to tackle as well. Leaders who will gather at the EAS Congress 2021 are expected to shed more insight on the right course of actions and collaborations, and the framework for promoting a blue economy.

5. Conclusion

Mr. Kobayashi express appreciation on behalf of OPRI to the participants who participated in the meeting and contributed to the ebullient discussions. He expressed his hope that the participants can have a face to face meeting very soon and expressed his best wishes for a successful deliberation at EAS Congress 2021.

ANNEX 1. PROGRAMME.

29 November 2021, 3:00 PM - 4:30 PM (GMT+7)

Speakers at the Opening

- Dr. Hide Sakaguchi, President, Ocean Policy Research Institute of the Sasakawa Peace Foundation (OPRI-SPF)
- Ms. Aimee Gonzales, Executive Director, PEMSEA
- Mr. Kong Vitanak, Deputy Governor, Preah Sihanouk Province, Cambodia
- Mr. Arief Yuwonom, Chair, PEMSEA Partnership Council
- Mr. Kensaku Kobayashi, Coordinator for International Ocean Affairs, Ocean Policy Division, Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism (MLIT), Japan

Presenters

- Mr. Masanori Kobayashi, Senior Research Fellow, OPRI-SPF
- Dr. Atsushi Watanabe, Research Fellow, OPRI-SPF

Discussants

- Dr. Ben Malayang III, Professor Emeritus, Silliman University and former Undersecretary of the Department of Environment and Natural Resources, Philippines
- Dr. Béne Agulto, Sustainable Financing Specialist – Coastal & Marine Conservation Programme, Fauna & Flora International, Cambodia

ANNEX 2. LINKS TO PRESENTATION MATERIALS AND GROUP PHOTO.

Presentation materials - <https://tinyurl.com/OPRI-Collab-Presentations>

Group photo - <https://tinyurl.com/OPRI-Collab-GroupPhoto>

