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HIGH LEVEL PANEL *for*
**A SUSTAINABLE
OCEAN ECONOMY**

Summary for Decision-Makers

A Sustainable and Equitable Blue Recovery to the COVID-19 Crisis

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The ocean economy has been overlooked in COVID-19 stimulus measures to date, especially when compared to the pandemic's devastating impacts on ocean workers and sectors.

Global responses to the pandemic must not miss the unprecedented opportunity to reset and rebuild economic activities in a way that sets the foundation for a more equitable, more resilient and sustainable ocean economy fit for everyone's future.

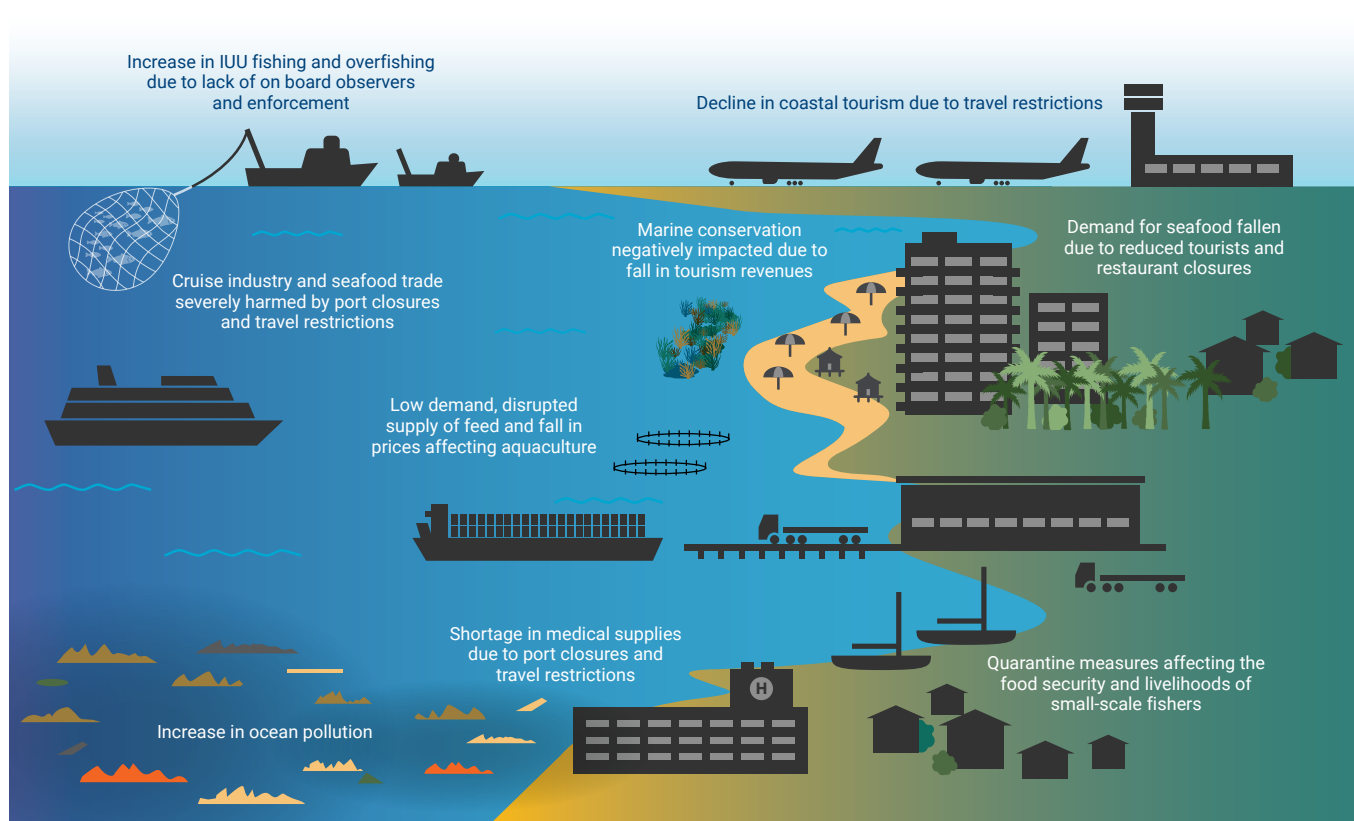
This report offers decision makers 5 priority "blue stimulus" opportunities that will create jobs and are ready for implementation now, while also supporting a step change in the sustainability of ocean industries for long-term economic growth.

The ocean is an important workplace, a source of income, livelihoods and nutritional food for billions of people worldwide, contributing upwards of US\$1.5 trillion in value added to the global economy (OECD 2016) alongside myriad of non-monetary values essential to human well-being and prosperous societies (Allison et al. 2020).

Ocean ecosystems are already facing cumulative impacts from human activities, leading to overexploitation, pollution, rapid biodiversity loss, ocean warming, acidification and deoxygenation. Together these impacts are forcing unprecedented changes in the ocean, undermining its health and potential to continue to deliver the goods and services that humanity relies upon.

The COVID-19 crisis has caused deep disruptions to the ocean economy, leading to significant revenue losses across coastal and marine tourism, fisheries and aquaculture, and global shipping industries (see Figure 1). The impact of these disruptions is felt acutely by countries highly dependent on income from commodity exports, tourism and remittance flows, alongside low-income, food-deficit countries and small island developing states which rely on fish and fish products as an accessible and low-cost source of protein and micronutrients.

Figure 1. Interwoven Impacts of COVID-19 Across the Ocean



Source: Authors.

The pandemic has exacerbated existing inequalities, with particular impacts for women, informal workers, Indigenous community members and young people across the ocean-based economy (see Table 1). Across the seafood supply chain and tourism sector, the social and financial resilience of small businesses has been weakened due to labour shortages and low demand.

Table 1. Summary of Impacts across Ocean-Based Sectors and Ecosystems

● Negative impacts ● No/neutral impacts ● Positive impacts

SECTORS	ECONOMIC IMPACT	SOCIAL IMPACT	ENVIRONMENTAL IMPACT
Coastal and marine tourism	<ul style="list-style-type: none"> ● Significant loss in gross domestic product and employment^a Sector recovery estimated to be slow 	<ul style="list-style-type: none"> ● Owners of small and medium enterprises, seafarers, young workers and female workers disproportionately impacted 	<ul style="list-style-type: none"> ● Temporary relief to marine ecosystem from reduced tourism activities ● Negative impact on conservation and restoration effort due to reduced tourism revenues
Marine transport	<ul style="list-style-type: none"> ● 25% reduction in shipping, causing significant losses to the industry ● Major negative impact on shipbuilding sector due to production halts 	<ul style="list-style-type: none"> ● Health and safety of seafarers at risk due to repeated contract extensions ● Medical treatment denied to seafarers by foreign port authorities during quarantine period 	<ul style="list-style-type: none"> ● Short-term environmental benefit from lower transport demand ● Opportunity to scrap excess tonnage by getting rid of older polluting vessels ● Increased food waste due to delays in port
Wild capture fisheries	<ul style="list-style-type: none"> ● Fall in sales and prices for premium seafood and export-oriented fisheries ● Increased demand for non-perishable seafood compared to fresh seafood 	<ul style="list-style-type: none"> ● Small-scale fishers' livelihood and food security affected due to low demand and reduced market access ● Increased unemployment and violence risk for women ● Risks of rapid spread of infection in fishing communities 	<ul style="list-style-type: none"> ● Potential recovery of stocks due to decline in fishing pressure ● Increased risk of illegal, unreported and unregulated (IUU) fishing due to reduced enforcement ● Impact on sustainability of stocks due to rollback of environmental policies
Aquaculture	<ul style="list-style-type: none"> ● Production disruption due to input and labour shortages ● Trade in fresh products affected due to flight cancellations ● Increased sale of frozen or canned fish and fish products in short term 	<ul style="list-style-type: none"> ● COVID-19 outbreaks among seafood process workers ● Women and casual workers disproportionately affected 	<ul style="list-style-type: none"> ● Increased pressure on forage fisheries to meet aquafeed demands from unsold aquaculture stock
Ocean-based renewable energy	<ul style="list-style-type: none"> ● Forecast for offshore wind unchanged for 2021 and increased since 2019 	<ul style="list-style-type: none"> ● Challenges to get personnel on board offshore energy platforms ● Potential job losses in some regions 	<ul style="list-style-type: none"> ● Offshore wind making up for slowdown in investment in other clean energy sectors
Marine conservation	<ul style="list-style-type: none"> ● Reduced revenues that forced organisations to reduce costs 	<ul style="list-style-type: none"> ● Locals and Indigenous communities turning to hunting and fishing for food security ● Nature-based solutions receiving increased attention regarding their contribution to global goals 	<ul style="list-style-type: none"> ● Positive effects on marine ecosystem due to reduced tourism activities and sewage from hotels ● Potential increase in poaching and IUU fishing due to roll-back of environmental protection measures ● Increased plastics in the ocean

^a Estimated to be at least \$30 billion for European coastal areas, \$7.4 billion for small island developing states and up to \$44 billion for the Caribbean.

With so many people reliant on the ocean for livelihoods and food, and the deep impacts already felt by coastal communities and ocean workers, the imperative for a healthy ocean is more urgent. It becomes even more pressing in the face of the continued climate emergency and biodiversity loss.

Fiscal stimulus packages amounting to US\$10 trillion have been mobilised globally with a view to repairing and rebuilding the global economy (IMF 2020). The majority of these packages, however, do not yet account for the vital role that the ocean, and sustainable ocean industries, can play in supporting the transition towards a more sustainable, inclusive and resilient global economy. With so many people reliant on the ocean for their livelihoods and food, and the deep impacts already felt by coastal communities and ocean workers, it is imperative that the ocean economy is part of the recovery.

Global responses to the pandemic must not miss the unprecedented opportunity to reset and rebuild economic activities in a way that sets the foundations for a more equitable, more resilient and sustainable ocean economy fit for everyone's future.

Charting a 'sustainable and equitable blue recovery' will require governments and financial institutions (global or domestic) to

1. actively invest in projects and programs that contribute to building a long-term sustainable ocean economy;
2. identify opportunities to make public finance and debt relief conditional on advancing core national priorities for a sustainable ocean economy; and
3. assess the impact of all interventions on the health of the ocean and ocean economy and either avoid investments that will detract from this long-term goal (e.g. high emitting, polluting industries or inequitable practices) or minimise their impact through additional conditions or requirements.

This report¹, commissioned by the High Level Panel for a Sustainable Ocean Economy, proposes five priority opportunities for immediate action to ensure a sustainable and equitable blue recovery to the COVID-19 crisis (see Figure 2). Each of these priority opportunities has sustainability and people at its core, and in the short term each can facilitate job creation or protection and economic growth, while also supporting a step change in the sustainability of ocean industries for long-term economic growth. These five priority 'blue stimulus' opportunities are:



Invest in coastal and marine ecosystem restoration and protection.



Invest in sewerage and wastewater infrastructure for coastal communities.



Invest in sustainable community-led non-fed mariculture (e.g. shellfish and seaweed).

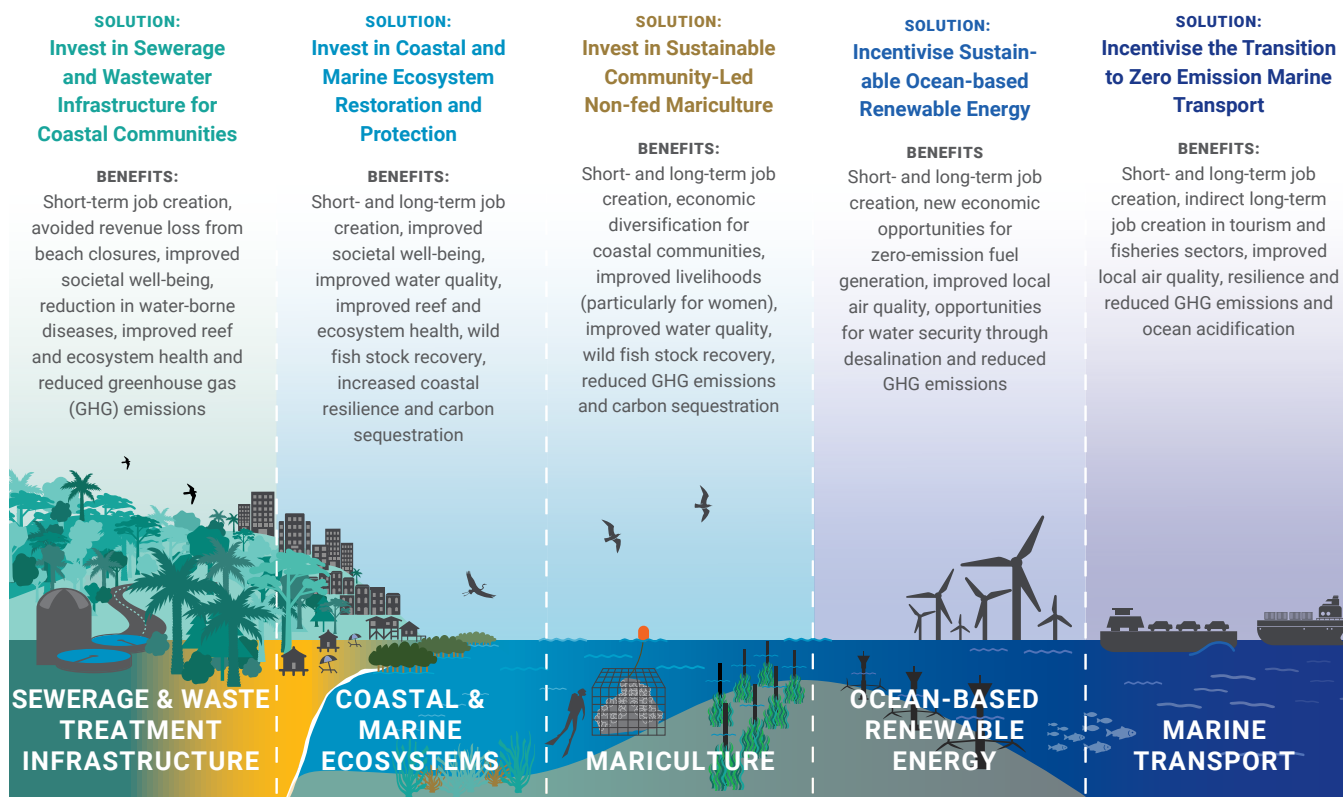


Incentivise zero-emission marine transport.



Incentivise sustainable ocean-based renewable energy.

Figure 2. Five Priorities for Ensuring a Sustainable and Equitable Blue Recovery to the COVID-19 Crisis



In addition to these immediate opportunities, the report presents a detailed set of additional interventions that can be taken to establish the foundation for the sustainable ocean economy for the future (see Table 2). These investments aimed at a ‘blue transformation’ have the potential to dramatically alter the course of a country’s transition to a sustainable economy that can provide long-term economic opportunities, improved health (the ocean is a storehouse of compounds for fighting disease) and food security, reduced emissions, enhanced biodiversity and ecosystem services and improved resilience to climate impacts and other future shocks.

Innovative finance will be crucial to making these interventions a reality within fiscally constrained economies. Identifying opportunities to advance ‘blue conditionality’ through debt restructures and grants to the private sector can be a key lever to advance long-standing reforms in fisheries management, marine conservation and disclosure of ocean data.

Achieving a sustainable and equitable blue recovery will take greater cooperation and collaboration among public and private sectors most affected by the COVID-19 crisis, including with small-scale fishers, community elders, youth, women and Indigenous Peoples who work in the maritime economy and steward the ocean. Making such a transition has the potential to deliver on many of the Sustainable Development Goals.

The importance of the ocean to a sustainable future is too important to neglect at this great moment of resetting and rebuilding. The relevance of the ocean for global economic and social recovery and future prosperity must become part of global discourse, and a greater part of measures applied to respond to the economic and social impacts of the crisis.

Integrated ocean management and other related holistic and knowledge-based approaches to planning and managing the multitude of uses and users of ocean spaces should be the foundation for any long-term decision-making. We must ensure that interconnected ocean industries can rebuild in a mutually reinforcing way towards a sustainable future ocean while protecting essential ocean ecosystems and functions.

Table 2. Additional Opportunities for a Blue Transformation

● Strong potential ● Potential ○ Minor potential

	SECTOR RELEVANCE	ECONOMIC BENEFITS	SOCIAL BENEFITS	ENVIRONMENTAL BENEFITS	SDGS
RESEARCH AND DEVELOPMENT TO SPUR INNOVATION AND NEW TECHNOLOGY					
Invest in research and development, including pilot projects, to accelerate the development of sustainable and low-carbon alternative feed options for fed mariculture (e.g. finfish).	Fisheries	●	●	●	2 8 9 12 13 14
Invest in filling data gaps on national coastal and marine ecosystems through employment schemes for surveys, modelling and mapping.	Tourism, Fisheries	●	●	●	8 12 13 14 17
Invest in R&D and innovation grants to stimulate the development of new industries for generating alternative marine fuels, e.g. hydrogen and ammonia (invest in land-based infrastructure for fuel generation and supply chains as opposed to ship related investments).	Transport, Energy	●	○	●	7 8 9 12 13 14 17
Establish blue economy skills-training and capacity-development programs in key ocean industries for affected communities and industries (e.g. ocean-based renewable energy, zero-emission vessels, GIS, ecotourism, restoration).	Tourism, Fisheries, Energy, Transport, Marine Conservation	●	●	●	4 7 8 9 12 13 14 17
Invest in research and development, including pilot projects, and incentivise emerging ocean-based renewables to accelerate their development.	Energy, Transport, Mariculture	●	●	●	7 8 9 12 13 14



Table 2. Additional Opportunities for a Blue Transformation, continued

● Strong potential ● Potential ○ Minor potential

	SECTOR RELEVANCE	ECONOMIC BENEFITS	SOCIAL BENEFITS	ENVIRONMENTAL BENEFITS	SDGS
REGULATORY REFORM TO PROVIDE AN ENABLING ENVIRONMENT FOR A SUSTAINABLE OCEAN ECONOMY					
Establish comprehensive integrated ocean management and marine spatial planning processes to balance marine users and spaces, competition for coastal resources and mitigate permitting and siting issues for sustainable ocean industries.	Fisheries, Tourism, Energy, Shipping, Marine Conservation, Mariculture	●	●	●	8 12 13 14 17
Initiate regulatory reform to promote best practice in climate-adaptive fisheries management, including through incentives for industry adoption in the form of taxes and subsidies.	Fisheries	●	●	●	2 8 12 13 14
Shift harmful subsidies to more sustainable and equitable uses, including supporting small-scale and artisanal fishing, ecotourism opportunities for local communities and management and monitoring of marine protected areas.	Fisheries, Tourism, Marine Conservation	●	●	●	2 8 12 14
Introduce levies or taxes to reinvest tourism revenue in local restoration and conservation efforts.	Tourism, Fisheries, Marine Conservation	●	●	●	8 11 12 13 14 15
Integrate ocean accounts into national accounting frameworks, or develop satellite ocean accounts, to measure and monitor the impact of recovery measures on long-term sustainability of the ocean economy.	Fisheries, Tourism, Transport, Energy, Marine Conservation, Infrastructure	●	○	●	8 9 12 13 14 17

Table 2. Additional Opportunities for a Blue Transformation, continued

● Strong potential ● Potential ○ Minor potential

	SECTOR RELEVANCE	ECONOMIC BENEFITS	SOCIAL BENEFITS	ENVIRONMENTAL BENEFITS	SDGS
PUBLIC/PRIVATE PARTNERSHIPS FOR A BLUE TRANSITION					
Mobilise private sector investment in hybrid ‘green/blue/grey’ approaches (e.g. utilising living coastal infrastructure in traditional construction) for coastal infrastructure projects and ports through financial incentives such as tax exemptions and guarantees.	Tourism, Fisheries, Marine Conservation	●	●	●	8 9 11 13 14 15
Invest in port authorities to transition to ‘blue ports’ and port reception facilities.	Transport, Tourism, Energy, Infrastructure	●	●	●	3 8 9 11 13 14 17
Incentivise investment in cold storage capacity through access to affordable credit, government backed loans, duty-free imports of equipment and tax exemptions. ^a	Fisheries	●	●	●	2 5 8 12 14
Scale parametric insurance policies for blue natural capital in small island developing states, least developed countries and developing countries.	Tourism, Fisheries, Marine Conservation	●	○	●	11 13 14 15 17
Stimulate sustainable and environmental sensitive mariculture (e.g. integrated multi-trophic aquaculture) through financial incentives such as tax exemptions and affordable credit, and government-backed loans.	Fisheries, Mariculture	●	○	●	2 8 12 13 14



About the High Level Panel for a Sustainable Ocean Economy

The High Level Panel for a Sustainable Ocean Economy (Ocean Panel) is a unique initiative by 14 world leaders who are building momentum for a sustainable ocean economy in which effective protection, sustainable production and equitable prosperity go hand in hand. By enhancing humanity's relationship with the ocean, bridging ocean health and wealth, working with diverse stakeholders and harnessing the latest knowledge, the Ocean Panel aims to facilitate a better, more resilient future for people and the planet.

Established in September 2018, the Ocean Panel has been working with government, business, financial institutions, the science community and civil society to catalyse and scale bold, pragmatic solutions across policy, governance, technology and finance to ultimately develop an action agenda for transitioning to a sustainable ocean economy. Co-chaired by Norway and Palau, the Ocean Panel is the only ocean policy body made up of serving world leaders with the authority needed to trigger, amplify and accelerate action worldwide for ocean priorities. The Ocean Panel comprises members from Australia, Canada, Chile, Fiji, Ghana, Indonesia, Jamaica, Japan, Kenya, Mexico, Namibia, Norway, Palau and Portugal and is supported by the UN Secretary-General's Special Envoy for the Ocean.

The Ocean Panel's approach is both ambitious and practical. Collaborative partnerships are essential to converting knowledge into action. To develop a common understanding of what a sustainable ocean economy looks like, the Ocean Panel gathers input from a wide array of stakeholders, including an Expert Group and an Advisory Network. The Secretariat, based at World Resources Institute, assists with analytical work, communications and stakeholder engagement.

In the spirit of achieving the UN Sustainable Development Goals (SDGs), providing value to the UN Decade of Ocean Science for Sustainable Development and meeting the objectives of the Paris Agreement, the Ocean Panel commissioned a comprehensive assessment of ocean science and knowledge that has significant policy relevance. This includes a series of 16 Blue Papers and various Special Reports that offer a synthesis of knowledge, new thinking and perspectives, and opportunities for action. This body of work is informing a new ocean narrative in the forthcoming report 'Towards a Sustainable Ocean Economy'. Together, this research and new narrative serve as inputs to the Ocean Panel's deliberations for its forthcoming action agenda.

The Ocean Panel commissioned the Secretariat at World Resources Institute to prepare this Special Report, which examines the impacts of the COVID-19 pandemic on the ocean economy and the role of ocean-based solutions in supporting sustainable and equitable recovery to the crisis. This paper is an independent input to the Ocean Panel process and does not necessarily represent the thinking of the Ocean Panel.

Northrop, E., et al. 2020. "A Sustainable and Equitable Blue Recovery to the COVID-19 Crisis." Report. Washington, DC: World Resources Institute. Available online at <http://www.oceanpanel.org/bluerecovery>.



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