



**European Economic and Social Committee**



## **Europe and the Global Blue Economy Oceans, New Frontier, Sustainable Use**

December 2<sup>nd</sup>, 2011, 09:00 – 16:30

**The Laboratory has been:**

**Hosted by the European Economic and Social Committee**

**Facilitated by the Resource Efficiency Alliance <sup>1</sup>**

**Sponsored by the European Commission; the European Water Partnership; and the Union of Greek Shipowners**

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<sup>1</sup> An initiative of European Partners for the Environment, the European Water Partnership, EUCETSA, the Mediterranean Information Office for Environment Culture and Sustainable Development .

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## **PART ONE – Oceans at Rio + 20 - Laboratory proposals**

### **Rio 2012+20 can be PROGRESS for humankind if:**

- ‘*Oceans Sustainable Development Goals*’ are adopted with a *Collective Accountability Systemic Review System* (CASRS) in charge of monitoring, verification, reporting, rewarding (MVR) and promoting an integrated approach
- we better protect the global commons with a substantial approach i.a. a *Protocol on Marine Natural Resources* under UNCLOS

### **What role for Europeans?**

#### **1. Not necessarily perceived as a “sustainability champion” worldwide**

- Fisheries etc.

#### **2. But Europeans:**

- Participate in most if not all international agreements
- Can play a leading and proactive role on a number of issues, e.g.: ABNJ
- European position on the legal/governance gap and the need for a new IEA
- Can build a strong coalition with G77+China
- Positive OSPAR and Barcelona Convention experiences in EU Neighborhood
- Regional approaches with EU Leadership are in place and Land-based pollution is addressed (e.g. HORIZON 2020, SWIM, etc).

#### **3. Europeans can take the lead by :**

- Preparing a ‘*high level leadership*’ initiative (see The European Blue Business Card proposal below)
- Launching a *Pilot Dynamic Multi-stakeholder Joint Review System*, contribution to a Global Oceans Sustainable Goals Collective Accountability Systemic Review System (CASRS).
- Hosting a Laboratory ‘*Financing long term investments in Blue Economy*’
- Initiating twinning initiatives as i.a. :
  - *Pacific-Europe 2020*;
  - *Oceans for the People, (Brazil-Europe), etc.* Twinning on the side of Rio+20.

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## **PART TWO - Laboratory Background**

Oceans will be high on the Rio+20<sup>2</sup> and EU political agenda with issues as:

- (i) Conservation and sustainable use of marine biodiversity in areas beyond national jurisdiction, including the establishment of protected areas in the high seas. Leaders EU and now also G-77. Including a new agreement under the Montego Bay Convention
- (ii) Sustainable fishery and aquaculture
- (iii) Emerging opportunities, including renewable energy and biotechnology
- (iv) Growing concerns linked with intensification of exploitation in new and traditional areas, including marine litter.

### **EU submission on « marine environment – oceans » in view of Rio+20:**

- Negotiation for a new Implementing Agreement under UNCLOS on the conservation and sustainable use of marine biodiversity in ABNJ.
- Commitment to deliver a meaningful UN regular process of assessment of the marine environment.
- Promote an integrated approach to governance of oceans (ecosystem based approach to management).
- Global action plan to combat marine litter and pollution.

Several of the above could be combined in a Protocol which could be proposed by the EU for UNCLOS.

**Oceans are the new frontier.** Oceans are a major 'resource efficiency issue' which concern major regions of the world. The international community should avoid repeating now at sea the mistakes and wrong approaches developed in-land, and aim at resource efficiency from now on.

### **DG MARE identifies the Blue economy sectors as follows:**

*Pre-development sectors: Blue Biotech and Algae aquaculture*

*Sectors in the Development/market Introduction phase: Offshore renewable energies (wave, tidal, osmotic, ocean thermal energy conversion – OTEC); marine mineral resources (i.e. deep sea drilling for mineral resources).*

*Sectors that have seen strong recent growth: Offshore wind; Cruise tourism; Maritime security and surveillance; Environmental monitoring; Desalination.*

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<sup>2</sup> A Blueprint for Ocean and Coastal Sustainability. An inter-agency paper towards the preparation of Rio+20.

*Economically mature sectors: Coastal Tourism; Oil & gas; Coastal Protection; Short-sea shipping*

*Important development opportunities exist and action should include the application of prevention and precautionary principles in all the above mentioned sectors.*

**Marine ecosystem** is a critical natural resource, imperative to ecosystem resilience (links to Resource efficiency and Green economy) – impacts of / adaptation to Climate Change. Non market ecosystem services from earth's biosphere (climate, water, soil, nutrients, etc) have been estimated to 33 trillion USD/y. 63% derive from marine ecosystems (Constanza et al, Nature 1987) 57% of the atmospheric carbon, 26% of the CO<sub>2</sub> emitted to the atmosphere by human activities is captured by maritime organisms. Marine phytoplankton is the most important “producer” on earth that provides organic matter which determines the carrying capacity of marine ecosystems and sustains the food web up to fish, marine mammals and ultimately mammal consumption. We need to introduce in a more systematic and comprehensible way the *eco-system services approach* to influence business models towards resource efficiency.

**Many activities already impact ecosystem services provided by the coastal and marine environment, more coming...**

<b>Existing activities &amp; processes</b>	<b>Emerging activities</b>
<ul style="list-style-type: none"><li>• Fisheries</li><li>• Aquaculture</li><li>• Nutrient, hazardous substance &amp; litter pollution</li><li>• Maritime transport (incl. noise) and ports</li><li>• Resource extraction: minerals and fossil fuel</li><li>• Tourism</li><li>• Sea-level rise</li></ul>	<ul style="list-style-type: none"><li>• Renewable energy</li><li>• Genetic resources and biotechnology</li><li>• Desalination</li><li>• Geoengineering</li></ul>
	<b>Earth process</b>
	<ul style="list-style-type: none"><li>• Climate change<ul style="list-style-type: none"><li>• Rising sea temperatures</li><li>• Ocean acidification</li></ul></li></ul>

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## **PART THREE - Laboratory Findings**

### **1. Vision**

- *Maritime economy in Europe 2020*. Lack of comprehensive analysis of possible future policy options to guide future strategies in relation with Blue growth areas.
- “Sea blindness”. The Marine Directive (2008) based on ecosystem approach should be the tool. The Marine (and Coastal) Natural Capital is underestimated. Thanks to the Marine Directive an ‘*Assessment of the Seas system*’ by each MS in six year cycles will start from 2012
- Lack of a clear *European Blue/Ocean Industry project*.
- Few major companies have goals on *responsible use of the seas* (unlike e.g. on carbon footprint). Need to promote also for oceans the emerging findings about sustainability and business (including resource efficiency): a key for growth and for adding value.

### **2. Leadership**

- High level leadership is needed in Europe.
- Learn from success and failures. Not hide conflicts under carpet but try to find consensus.
- Need Blue Economy champions and Champion countries in EU.
- Support the greening of Oceans Industries. Identify and scale up successful green economy initiatives and strengthen means of implementation.
- *Global role of EU ship-owners and Sustainable Shipping*. Shipping is global not European. Standards and rules should be defined and strengthened at global level. Europeans should seek for more sustainability stringent standards at IMO level rather than at EU level, in particular considering that, in practice, existing ‘stringent’ EU rules do not apply to short distance travels.

### **3. Climate Change Dialogue**

- Emerging blue economy activities are facing major uncertainties related to economic losses and ecological damages linked with earth processes as climate change and acidification.

### **4. Land Based Pollution**

- Give a new impetus to a drastic reduction of land-based pollution.

- Brines from expanding use of desalination produced near coasts and discharged into the sea in its undiluted state have negative environmental effect.
- The issue of discharges rich in Phosphorus (negative impacts and alternative options)

## 5. Ecosystem Services

- Support the valuation and payment of ecosystem services and other biodiversity mechanisms

## 6. Innovation Europe-Oceans

- Towards an *Innovation Europe Initiative on Oceans*?
- R&D *Horizon 2020* should be streamlined on Oceans.
- An equivalent to INNOWATER (**Innovation partnership for better innovation support tools and delivery mechanisms in sustainable water and wastewater**) and MIRA (Med Innovative Research Activities)?
- Gather unusual innovative approaches.
- Building with nature.
- R&D should not be abandoned in fields such as fuel tech, deep sea exploration, wind
- Eco dynamic development & design.
- Incineration at sea, a new value chain to be reassessed.
- Promoting, strengthening, supporting Marine Litter activities in place such as:
  - a. FP7 project on marine litter MARine Litter in Europe Seas: Social Awareness and CO-Responsibility (MARLISCO), 18 partners one of which is MIO-ECSDE from the 4 EU Regional Seas;
  - b. Pilot project - Plastic Recycling Cycle and Marine Environmental Impact, in which MIO-ECSDE is a partner;
  - c. MIO-ECSDE, HELMEPA and Clean-up Greece “Keep the Mediterranean Litter-free Campaign”;
  - d. HELMEPA activities collecting useful data on types and sources of marine litter from ship owners and ship managers. MIO-ECSDE has contributed to the development of the questionnaire;
- Waste Free Oceans (WFO) Pilots with support of DG Mare in 4 EU Regional Seas;
- Aquaculture and Clean-Up Technologies: Various initiatives and competition from various non EU parties (eg. Russians).
- Major Patent gap for European ‘blue tech’ innovations in comparison with others, e.g. South Korea.

## 7. Regional Seas

- Strengthening regional governance frameworks and capabilities.
- Cross-basin networking. From science and advocacy to action.
- *JPI-Oceans*, Member States policy driven initiatives are needed aiming at science-policy-industry dialogue and partnerships for all European Seas.
- Seas (Baltic. Science for a better future of the Baltic Sea Region.
- Mediterranean initiatives:
  - De-pollution of the Mediterranean Sea by 2020. *Horizon 2020* Mediterranean MED-POL (*UN- Barcelona Convention*)
  - Sustainable Med (*World Bank*)
  - GEF- Med Partnership (*UNEP MAP*)
  - Union for the Mediterranean (UfM)
- Black Sea).
- Atlantic:
  - EU Forum for the Atlantic
  - EU-US Transatlantic Dialogue
- Pacific 2020.
- China Blue Economic Zone

## 8. Awareness

- Development of a “marine awareness” component in combination with the content of a “*marine watch*” under the “Eye on Earth” platform – Development, in collaboration with major NGO Federations, active in the issue with a “citizen science” component, e.g. on marine litter.
- Enhance, under Regional Seas Convention, effective (specialized) *Regional Centers* (see 7 RACS in Med), etc.

## 9. Stewardship

- Responsible Finance and Oceans projects
  - Invest in Marine Natural Capital
  - Educating financial institutions. Blue Economy/Technology are risky and not well known. Need to mobilize capital.
  - Guidelines for investors: Screening, scooping, impact study, climate, alternatives identification, public consultation.
  - Responsible investors & fisheries (see e.g. in association in NL with Rabobank and ING).
- Responsible use of seas and standardization
  - Well advanced as far as fisheries are concerned. Good fishery management standard. Traceability.

- Not common in the other sectors.
- Certificates
  - Public partnership in NL (Parliament support and funding for fishery certification) & DK.
- Green procurement
  - EU GPP standards *Oceans and Green Procurement* to be analyzed and developed?

## **PART FOUR - Three Next Steps proposed to DG MARE and DG ENV**

### **1. The *European Blue Business Card* in view of Rio+20.**

A mapping initiative of a Coalition of Organizations under the patronage of the European Commission, facilitated by the Resource Efficiency Alliance with the laboratory participants.

This draft 'European Blue Business Card' emerged from the main recommendations of the Laboratory to prepare a *'high level leadership'* initiative, enlighten the role of European champions, build on success stories and support the vision of a *Blue Ocean Industrial Project for Europe*.

This draft 'European Blue Business Card' would be a rapid 'mapping/survey exercise' in view of initiatives (to be decided) as:

- A folder to be disseminated at Rio+20
- An initiative 'Oceans & Responsible European Market Actors' in Rio+20 in support to sustainable oceans goals (see below)
- A contribution to the Commission consultation on the Blue Growth Strategy 2012
- Establish an annual meeting of the European Champions of the Blue Economy,
- A ("Blue") Innovation Europe Initiative,
- A web portal for Blue Economy Europe,
- Twinning 'Oceans for the People eg with Brazilian and European Civil Society groups, etc.

### **2. Oceans and responsible market actors**

To stimulate activities and investments; a Pilot Dynamic Multi-stakeholder Joint Review System should be launched, involving the financial community, based on sustainable goals for oceans:

- Monitoring and Verification (projects screening for several sectors as sustainable fishing, shipping, dredging, etc.) on the basis of 'Oceans Responsible Investments/Companies Guidelines'
- Reporting in relation with Environment, Social, Governance (ESG)
- Rewarding (bonus attached to ESG performance)

### 3. A Laboratory “Financing long term investments in the Blue Economy”.

The Financial Community (Public and Private) has a key role to play in the field of Sustainable exploitation of oceans and new uses of the Seas.

Blue Technologies are often risky (i.a. offshore platforms) and not well known. The Laboratory will explore a long term investment strategy related to hard investments as the one described below:



#### Policy Implementation - Hard investments

- Direct growth/environmentally driven projects
  - › Land-based environmental infra (wastewater, solid waste, industrial emissions, decontamination)
  - › Port reception facilities
- Conditioning of eligibility by international conventions
  - › Fishing fleets
  - › Environmentally friendly fish processing
  - › Aquaculture
  - › Maritime transport (ports, shipping)
- Integration of safeguards into infrastructure affecting marine areas
  - › Offshore pipelines and cables
  - › Offshore windfarms
  - › Desalination

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The Laboratory would be facilitated by the Resource Efficiency Alliance and many partners, a number of whom have participated in the meeting of the 2<sup>nd</sup> of December.

## **Findings and proposals emerging from contributions to the Laboratory by :**

- ❖ *Mr. Richard Adams, the European Economic and Social Committee, EESC member*
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- ❖ *Mr. Ernesto Peñas Lado, Director DG Mare*
- ❖ *Mr. Carlos Berrozpe, DG Environment*
- ❖ *Mr. Ronan Uhel, European Environment Agency*
- ❖ *Mr. Raphael Billé, IDDRI*
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- ❖ *Mr. Richard Delaney, Director of the Center for Coastal Studies, Global Ocean Forum*
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- ❖ *Mr. J.C. Lyras, Union of Greek Shipowners*
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