

**Session 11: Sustainability of WIOSAP**  
**Nairobi Convention Secretariat**

**Paper 1: A partnership for ocean governance and fisheries management in the Western Indian Ocean region**

**NC-SWIOFC-SIDA Collaboration - A partnership for ocean governance and fisheries management in the Western Indian Ocean region**

**Objectives and areas covered**

**Nairobi Convention**

**Objective: Protection, management and development of marine and coastal environment in the Western Indian Ocean region**

**Countries: Comoros, France, Kenya, Madagascar, Mauritius, Mozambique, Seychelles, Somalia, Tanzania and South Africa**

**SWIOFC**

**Objective: To promote sustainable utilization of living marine resources of the South West Indian Ocean by proper management & development of the marine living resources**

**Countries: Comoros, Kenya, Madagascar, Maldives, Mauritius, Mozambique, Seychelles, Somalia, South Africa, Tanzania and Yemen**

**NC, SWIOFC and SIDA**

- **In 2004 -2008: SIDA - FAO partnership enabled the South West Indian Ocean Fisheries Commission (SWIOFC) to assist member countries in the development and/or management of their fisheries.**
- **In 2010 -2015, SIDA provided capacity development support to the Secretariat (and National Focal Institutions) of the Nairobi Convention.**
- **These contributed to the NC and SWIOFC acquiring essential expertise to help build relationships at national, regional and global levels in environmental protection and management; fisheries management, aquaculture development, and generally towards planning and management related to the use of marine resources.**

**Proposed Swedish support to NC and SWIOFC**

- **Obvious need for NC and SWIOFC joining forces to strengthen cooperation in support of SDG 14, 1, and 5**
- **SIDA asked the two entities to jointly develop a project for implementation in support of their Member States**
- **Implementation Period: 2018 -2021**
- **Amount Proposed: ~US\$10,000,000**

**Project Objective & Main Areas of Intervention**

- **A project Concept Note was prepared, discussed and accepted by SIDA**
- **Objective: To promote adaptive ocean governance and fisheries management for Sustainable Blue Growth in the WIO region, especially in support of small-scale fishing communities with a focus on women and youth. The Blue Growth Initiative "aims at building resilience of coastal communities and restoring the productive potential of fisheries and aquaculture, in order to support food security and poverty alleviation**

**Within this high-level goal, the project is to focus on the following main areas of work:**

- **Promote area-based management tools such as Marine Spatial Planning (MSP) for policymaking in support of ocean governance;**
- **Promote a consistent regional high-level policy dialogue and coordination between the environmental and fisheries management institutions;**
- **Support and promote a similar policy dialogue and coordination at the national level to achieve sustainable livelihoods for coastal communities;**

- **Support integration of fisheries management in multi-sectoral multi-stakeholder initiatives for policy-making and integrated management;**
- **Promote the sustainable improvement of livelihoods of small-scale coastal communities, particularly of women and youth involved in fishing and related activities, and upscale successful models for community-based resource management in the WIO region;**
- **Promote the inclusion of vulnerable coastal communities, and particularly small-scale fishing communities, in the sectoral and inter-sectoral management processes dealing with the coastal and marine regions; and**
- **Enhance regional capacity on adaptation to environmental variability including climate change, targeting especially poor coastal communities.**

**The project is to have two complementary components - regional and national:**

- **The regional component to focus on issues directly related to regional-level mechanisms, coordination and cooperation and requiring agreements and coordination among the countries.**
- **The national component to focus on establishing processes and mechanisms for the cooperation and coordination between the institutions responsible for fisheries management and for environmental conservation.**

**Proposed Expected Outcome**

- **Healthy coastal and marine ecosystems in the Western Indian Ocean countries supporting sustainable fisheries in line with the Blue Growth Initiative**

**Proposed Outputs**

- **Marine spatial planning (MSP) promoted and implemented as a tool for policymaking in support of ocean governance and integrated management of coastal and marine resources.**
- **Strategic Environmental and Social Assessment (SESA) of selected and prioritized sites including critical habitats, marine ecosystems, and coastal development plans (e.g. ports, harbors, terminals, etc.) in the WIO Region implemented.**
- **Fisheries management integrated in multi-sectoral and multi-stakeholder policy-making and integrated management**
- **Management plans for selected critical coastal habitats and selected fisheries developed and implemented**
- **Regional capacity on adaptation to climate and environmental variability and change enhanced;**
- **Regional high-level Fisheries Management/Environmental Protection Policy Dialogue established and operational;**
- **National Fisheries Management/Environmental Protection Policy Dialogue established and operational;**
- **Status of critical habitats such as coral reefs, mangroves, sea grasses, and their resilience against impacts of climate change, marine pollution and ocean acidification assessed;**
- **Degraded coastal ecosystems restored; and**
- **Functional knowledge and information sharing mechanisms in place**

**Output 1: Marine spatial planning (MSP) promoted and implemented as a tool for policy-making in support of ocean governance and integrated management of coastal and marine resources**

**Indicative activities**

- **Develop a multi-stakeholder process for MSP for policy-making and integrated management towards a Blue Economy development approach that explicitly benefits coastal fishing communities, particularly women and youth;**
- **Review the status of selected critical habitats (e.g. coral reefs, mangroves, sea grasses, estuaries) in the Western Indian Ocean, and their contribution to the dynamics of fishery resources and to the livelihoods of poor local communities;**
- **Support the capacity, training, awareness, collection, management and analysis of information for area-based management tools, their approaches, and with specific reference to marine spatial planning;**

- Review the current status of selected MPAs, their effectiveness, connectivity, and impacts on local resources and on the livelihoods of coastal communities; and
- Support the establishment/enhancement of coral reef and other critical habitats conservation networks.

Output 2: Strategic Environmental and Social Assessment (SESA) of selected and prioritized sites including critical habitats, marine ecosystems, and coastal development such as ports, harbors, terminals, etc. in the WIO Region undertaken

Indicative activities

- Undertake strategic environmental and social assessment to identify at least 5 priority sites to support in decision-making in relation to the integration of coastal zone management and marine spatial planning at national and regional levels, as applicable, based on upscaling existing country and regional experiences;
- Support incorporation of aspects of community-based coastal and marine management into broader cross-sectoral management processes and systems; and
- Identify specific national and regional needs and assist the development and implementation of community-based coastal and marine management frameworks and plans in line with the ecosystem-based management (EBM) framework.

Output 3: Fisheries management integrated in multi-sectoral and multi-stakeholder policy-making and integrated management

Indicative activities

- Support the collection, management and analysis of information for participatory and evidence based ocean governance, including of artisanal fisheries and other uses of the coastal and marine ecosystems;
- Support awareness-raising on the importance of small-scale fisheries in the WIO region, in particular on social and economic aspects;
- Identify specific national and regional needs and assist the development and implementation of fisheries management frameworks and plans in line with the ecosystem approach to fisheries;
- Document existing tools and approaches for sustainable small-scale fisheries and use of ecosystem services and evaluate their applicability to the countries and fisheries in the region;
- Support the establishment or reinforcement of community-based fisheries and natural-resource management systems, based on the multiple experiences already gained in the region;
- Support incorporation of community based coastal and marine management aspects into broader cross-sectoral management processes and systems;
- Identify specific national and regional needs and assist the development and implementation of community-based coastal and marine management frameworks and plans in line with the ecosystem-based management (EBM) approach.

Output 6: Regional Fisheries Management-Environmental Protection Policy Dialogue established and operational

Indicative activities

- Review concept and guidelines of the Nairobi Convention Science to Policy Platform (NC-SPP);
- Organise regional consultation, under the auspices of the NC-SPP, to discuss a process that will link scientists, policy makers and key stakeholders in the fisheries and environment sectors. Participants will be drawn from FARI, NC Focal Points and SWIOFC Scientific Committee) ;
- Identify priority issues and define policy dialogue indicators relevant to fisheries and marine environment;
- Establish a mechanism that will support regional policy mechanisms e.g. COPs, Ministerial conferences, and forge partnerships for interpretation of science into policy and implementation of policy and outline the role of the partners (including FARI)

Output 7: National Fisheries Management-Environmental Protection Policy Dialogue established and operational

Indicative activities

- **Organise national consultation to discuss a process that will link scientists, policy makers and key stakeholders in the fisheries and environment sectors. To be led by the National FARI Chapter under the leadership of the FARI National Focal Point and the SWIOFC Scientific Committee member in the country;**
- **Establish and operationalise a national inter-Ministerial fisheries-environment consultative platform;**
- **Examine priority issues identified at the regional level on policy dialogue indicators relevant to fisheries and marine environment and facilitate implementation at the national level;**
- **Facilitate access and understanding of scientific advice provided to managers for their use in fisheries management**

Output 9: Degraded coastal ecosystems restored

Indicative activities

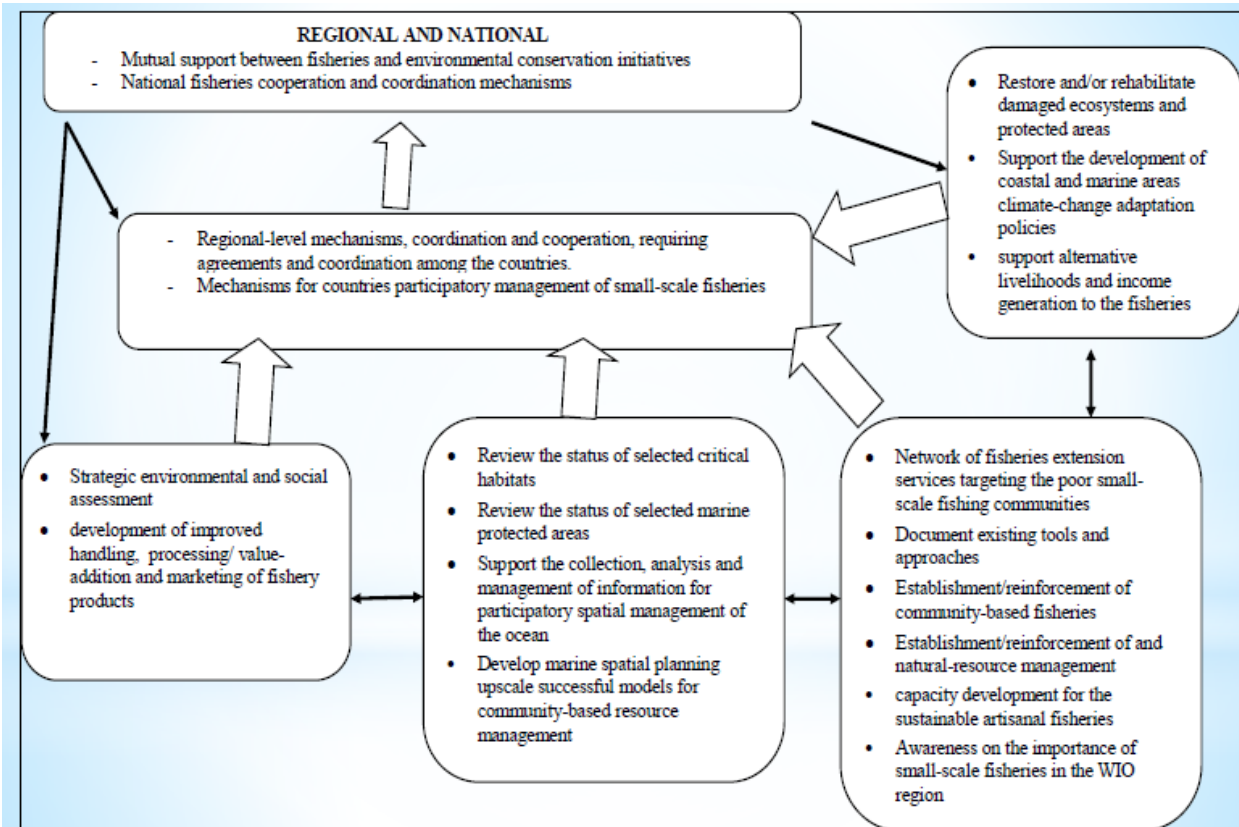
- **Develop criteria for selecting the ecosystems for restoration;**
- **Review status of selected ecosystems and provide support for assessment of the status and what needs to be done;**
- **Agree on modalities for the restoration and undertake needs assessment**
- **Develop strategy for implementation.**

**Elements of several of these are already covered in the Work Programme of the NC and partners**

Project strategy – Theory of change

- **To come up with a strategy that gives a comprehensive description and illustration of the desired change based on the necessary and sufficient conditions required to bring about the outcome following strengthened cooperation and collaboration between the Nairobi Convention and SWIOFC in ocean governance in the Western Indian Ocean Region.**

**The challenge is to clearly work out how the desired change is expected to happen from the two pathways (fisheries, environment)**



#### Mechanism for Implementation

- **Coordination: By UN Environment (Nairobi) and the FAO Sub-regional Office for Southern Africa (Harare);**
- **Some components of the project will be implemented by the NC and others by SWIOFC in partnership with relevant regional NGOs and other partner organizations**
- **The project will complement regional support provided by other development partners such as the EU, GEF, IUCN, WCS, World Bank, WWF, etc.**
- **The project will be closely coordinated with other initiatives including those within the framework of IOC, SADC, the African Union (AU-IBAR), WIO-C**

#### Comparative advantages

##### UN Environment

- **Nairobi Convention has a strong project coordination structure, the project execution will only require desk officer support for project implementation.**

##### FAO

- **SWIOFC has administrative support from FAO's Sub-regional Office for Southern Africa (SFS). SFS has various technical teams including for climate change, natural resource management and fisheries.**
- **FAO country offices in pilot countries have structures that can provide administrative support for the implementation of national project activities.**

#### Going forward....

- **Development of the Prodoc;**
- **The Prodoc is to be submitted to COP9 of the NC and the 9th Session of SWIOFC (2018)**
- **Project activities to be part of the 2018-2021 work programmes of the NC and also SWIOFC**

#### Key Message....

The NC-SWIOFC partnership will advance better sectoral management and improved inter-sectoral coordination in support of mitigating the adverse impacts of human activities on the marine and coastal environment in the WIO region.

*Draft Decision on Partnership for Ocean Governance and Fisheries Management in the WIO Region*

1. **Note the collaboration between the Secretariat and the South West Indian Ocean Fisheries Commission (SWIOFC) in the development of a project on Partnership for Ocean Governance and Fisheries Management in the WIO Region,**
2. **Urge the Secretariat and SWIOFC to complete the formulation, validation and implementation of the Project and report progress at the next Conference of Parties**

**Paper 2: Proposed Trans-Boundary Conservation Area (TBCA) on the Coast of Kenya and Tanzania**

The concept of establishing a marine Trans-Boundary Conservation Area (TBCA) between the Republic of Kenya and the United Republic of Tanzania arose from the countries recognition of the potential benefits of joint management of shared resources. The main agencies promoting this initiative are Kenya Wildlife Service (KWS) and the Tanzania Marine Parks and Reserves Unit (MPRU). The aim of the TBCA is to mainstream ecosystem management objectives and priorities into productive sector practices and policies. The concept seeks to strengthen capacity for restoring ecosystem health and conserving biodiversity at the local, national and trans-boundary level in the two countries. The proposed initiative seeks to pilot ecosystem-oriented approaches into spatial planning, water management, agriculture, forest, fisheries and protected area management. The project will provide a mechanism to enhance collaboration between existing institutions, frameworks and stakeholders.

The proposed site extends from the northern boundary of the Diani – Chale Marine National Reserve in Kenya to the southern boundary of Mkinga District in Tanzania, just north of the Tanga Coelacanth Marine Park. The area of interest harbours highly significant marine and coastal biodiversity which are key for the socio-economics of coastal communities. Thus, the area has been recognized by international agencies such as the World Wide Fund for nature (WWF) and the Convention for Biological Diversity (CBD) as an area deserving significance conservation attention.

The TBCA initiative will provide the opportunity for the entire coastal area of the TBCA to be managed though a multi-use and zoned system; some areas with greater protection than others, but within the context of an overall system which allows greater communication between sectors and stakeholders both within each country and between them. However, the existing gazetted parks and reserves would continue to operate within their jurisdiction according to the legislation that guides their activities and be primarily responsible for the existing protected areas.

The project is directly designed to contribute to the Global Environment Facility's (GEF) focal areas of Biodiversity, International Waters and Climate Change. These will be achieved through the projects five components:

1. **Supporting policy harmonization and management reforms towards improved governance of marine transboundary resources between Kenya and Tanzania**
2. **Community and private sector engagement and empowerment in marine conservation, natural resource management and sustainable development**
3. **Infrastructural development and equipment procurement to effectively manage existing MPAs and facilitate engagement with surrounding communities**
4. **Socio-ecological research to inform decision making and establish baselines from which development of the TBCA can be measured**

**5. Capacity Development to enhance marine conservation and natural resource management in the proposed TBCA in Kenya and Tanzania**

**Additionally, the proposed project will contribute to the achievement of key Aichi Biodiversity targets under the Strategic Goals that:**

- 1. Address the underlying causes of biodiversity loss by mainstreaming biodiversity across government and society**
- 2. Reduce the direct pressures on biodiversity and promote sustainable use**
- 3. Improve the status of biodiversity by safeguarding ecosystems, species and genetic diversity**
- 4. Enhance the benefits to all from biodiversity and ecosystem services**
- 5. Enhance implementation of biodiversity strategy and action plan through participatory planning, knowledge management and capacity building**

**This is an innovative approach in the marine sector, with only one other marine TBCA having been established in Africa (Ponto do Ouro-Kosi Bay TBCA between South Africa and Mozambique). With the concept being locally driven and with strong national support, it is believed that the TBCA will be sustainable beyond project funding. The authorities responsible for marine protected areas, local government and communities living on the coast are all supportive of the idea, realising that the potential benefits of such an approach far outweighs the business as usual scenario of limited cooperation across the border. The concept has good potential of being scaled-up at a regional scale, providing the first example of such a joint management approach of a seascape between countries in Eastern Africa.**

**The proposed TBCA would be constituted by representatives of all the major interest groups and stakeholders from Kenya and Tanzania such as; local and district/county authorities, MPRU and KWS, the private sector, Beach Management Unit and Community Conservation Area, immigration, forestry services, NGOs and other relevant Civil Society Organizations. Representatives from the stakeholder groups will remain actively engaged throughout the project by been involved in the proposed Marine Transboundary Steering Committee (MTBSC) that will coordinate the development of the TBCA.**

***Requests from Kenyan and Tanzanian Governments***

**Pursuant to Decision CP8/6a on support to implementation of the transboundary MPA between Kenya and Tanzania as an example of cross-border management system of marine protected areas, the Secretariat requests the 2 Governments to:**

- 1. Commit and confirm their respective GEF STAR allocations to the TBCA project.**
- 2. Issue No Objection Letters to facilitate submission of the concept under the current GEF 7 cycle**

**Paper 3: Transition to a Resilient Blue Economy in the Western Indian Ocean Region**

**Introduction**

**The Western Indian Ocean (WIO) region, also referred to as the Nairobi Convention area, is composed of Comoros, France (Reunion), Kenya, Madagascar, Mauritius, Mozambique, Seychelles, Somalia, Tanzania and South Africa, who are also parties to the Nairobi Convention. Over 60 million people in the WIO islands and Eastern Africa coastal communities rely on the coastal and marine environment for goods and services. Coastal and island communities are largely dependent on fishing, shipping and tourism for their livelihoods. Yet the natural resources that provide sustainable livelihoods and fuel economic activity are already under pressure from threats such as poverty, overfishing, overdevelopment, pollution, and environmental degradation. The impacts of climate change are exacerbating these problems and are already presenting mounting challenges to the sustainable development of the region<sup>1</sup> as evidenced by widespread coral reef**

<sup>1</sup> <https://www.cbd.int/islands/doc/wiop/wiop-factsheet-en.pdf>

**bleaching (with limited recovery), prolonged droughts, sea level rise and flooding/sedimentation which have significant potential to retard economic growth and slow realization of respective national development targets including SDGs.**

**Hitherto regular weather patterns have become more unpredictable in recent years, with erratic rainfall patterns and inconsistent monsoon periods.<sup>2</sup> This has caused greater disruption to communities whose livelihood activities are closely intertwined with weather patterns, such as agriculture and fishing.**

**The Intergovernmental Panel on Climate Change (IPCC) also predicts that by 2100 sea levels will have risen by between 0.26 and 2.3 metres, and there is a consensus that a climate shift will impact the frequency, intensity and temporal and spatial variability of rainfall, cyclones and tropical storms resulting in floods and the destruction of property, high rates of coastal erosion, saline water intrusion, reduced economic opportunities and habitat loss under a business as usual (BAU) scenario.**

**Another impact of climate change, the acidification of oceans, is likely to have a dramatic effect on shelled organisms. Some calcifying species, such as sea urchins, shallow-water corals, oysters, clams and calcareous plankton, are at risk and, consequently, the entire food web may also be at risk, which will gravely impact food security and employment opportunities. These effects of climate change, such as elevated water temperatures, have already had a severe impact on coral fauna, as seen through occasional coral bleaching events<sup>3</sup>, such as the global events triggered by El Niño which, in 1998 killed approximately 16% of the world's coral, and occurred again in 2010, and in October 2015.<sup>4</sup>**

#### **Impacts and vulnerability**

**The impacts of these climate change dynamics have already begun to jeopardize the livelihoods of people living in coastal areas and the resilience of the natural environment throughout the region, as they will:**

- **Decrease the natural biological productivity of crops, forests, mangroves and marine life throughout the food chain, reducing the ecosystem services they provide;**
- **Cause severe and more frequent coral bleaching events, which will impact the natural productivity and ecosystem services provided by reefs;**
- **Intensify water-related risks from changes in rainfall patterns, including droughts, flooding and saltwater intrusion in coastal aquifers,**
- **Increase the likelihood of permanent inundation of low-lying coastal areas from sea-level rise and coastal erosion,<sup>5</sup>**
- **Increase economic uncertainty as future climate variability tends to be difficult to predict and national authorities do not have the capacities to adapt or to manage disaster risk.**
- **Exacerbate extreme climate events, leading to higher losses in food and property during extreme events,**
- **Increase the exposure of assets and infrastructure to climate extremes and hazards.**

**There is an urgent need to reorient the development pathways in the region towards more resilient, adapted approaches. This requires acknowledging the root causes of vulnerability such as environmental degradation from unsustainable coastal resource use. The ideal solution would be to transition the WIO economies towards a harmonized Blue Economy Framework<sup>6</sup> that will reduce pressures on fragile coastal and marine resources, combined with the implementation of**

<sup>2</sup> A Regional Climate Change Programme for the Nairobi Convention

<sup>3</sup> A Regional Climate Change Programme for the Nairobi Convention

<sup>4</sup> Global Coral Bleaching. The 3rd Global Coral Bleaching Event – 2014-2017 <http://www.globalcoralbleaching.org>

<sup>5</sup> Church, J.A., White, N.J., Hunter, J.R., 2006. Sea-level rise at tropical Pacific and Indian Ocean islands. *Global and Planetary Changes* 53, 155–168.

<sup>6</sup> UN - World Bank. The potential of the Blue Economy [https://sustainabledevelopment.un.org/content/documents/15434Blue\\_EconomyJun1.pdf](https://sustainabledevelopment.un.org/content/documents/15434Blue_EconomyJun1.pdf)



**urgent ecosystem-based adaptation measures designed to remedy the existing vulnerabilities and pre-empt future climate change impacts.**

In order to achieve this, however, a number of barriers need to be addressed, including, for example: *Scientific* barriers (to reduce the level of uncertainty and to fill key knowledge gaps regarding climate change impacts); *Policy* barriers (to create a science-based enabling national policy framework, including stronger land and coastal use planning frameworks); *Financial* barriers (to dramatically increase the level of resources available for adaptive livelihoods, while creating lasting financial structures and mechanisms for self-sustained change).

This project is a direct result of high-level guidance provided by the member countries through the development and adoption of the Nairobi Convention's Climate Change Strategy, which expresses a common vision for adaptation in the WIO region. In addition, the project is consistent with the measures and priorities for coastal adaptation listed in the participating countries national adaptation programmes of action (NAPA), national adaptation plan (NAP) and intended nationally determined contributions (INDC). The project also builds on lessons learned from pilot projects undertaken in the past, whose successes now need to be implemented at scale to enable region-wide adaptation. In terms of climate change vulnerability, WIO countries are generally classified as highly vulnerable thus making the proposed project critical and of high priority to regional governments.

Programme description.

#### Project Objective

The objective of the project is to increase the adaptive capacity of governments and communities in the WIO to address the impacts of climate change through a blue economy framework approach. It is designed to be achieved through three outcomes, addressing the barriers identified above.

Outcome 1: An improved science base informs policy-making in all sectors towards the deployment of a Blue Economy Development Approach.

*Output 1.1 Increased information base to document, analyze and project climate change impacts on key sectors in the WIO countries.*

The expected result of this research will be added evidence and reduced uncertainty regarding specific climate change impacts on sectors such as commercial and artisanal fisheries, safety at sea, agriculture, tourism, and water. Each research programme will deliver targeted recommendations applicable to all countries in the region. Where warranted, country level or ecosystem-level case studies may also be developed. Activities include:

- Harmonized country-level coastal vulnerability assessments and implementation of critical recommendations for resilience;
- Analysis of trends, impacts and options for response to acidification;
- Improvement of coastal climate observation networks, including ocean observation, coastal erosion monitoring, SST measurement, and ongoing data collection for key climate parameters
- Strengthening of existing scientific entities to produce data of higher quality, and to harmonize data standards to enable sharing, including through training;

**Output 1.2 Strengthened policy capacity to understand and use science to develop evidence-based policies**  
The second output aims to create bridges between climate science and policy development. Whereas under Output 1, governments and decision makers in all sectors would be called upon to co-design research programmes, under this output the project will strengthen their capacity to understand, analyze and act upon the results of the research. Activities under this output could include:

- Development of policy instruments informed by relevant research under the Science to Policy Platform;
- Creation or strengthening of multi-stakeholder platforms in key sectors, including fisheries, agriculture, transport, tourism, health;
- Reassessment of macroeconomic policies (e.g. EEZ) and explicit or implicit policy incentives towards adaptive economies, including the development and adoption of a “BlueTrade” standard for fair, climate-smart products originating from the WIO;
- Harmonization of land-use plans, ICZM plans, NAPs and NAPAs;
- Promoting and implementing integrated planning and development in selected locations in WIO guided by priority government policies using relevant climate science;
- Climate leadership training for senior policy makers.

Outcome 2: Resilient livelihoods and economic activities are pursued, in partnership with the private sector

**Output 2.1 An WIO Adaptation Technology Transfer Facility is established to catalyze investment and capacity towards resilience**

An adaptation technology transfer facility will be designed, based on the Climate Change Technology Network and Centre (CTCN) and building on existing initiatives, through which countries and sub-national entities will be able to access expertise, material and technical support for the implementation of adaptation technologies. The Facility would be open to all WIO entities, including governments, private sector, non-profit organizations, community-based organizations, and sub-national governments. Calls for proposals would be launched at regular intervals, and assistance requesters would need to demonstrate counterpart contributions in funds or in kind. A mechanism to make the Facility financially sustainable would be designed during project preparation and implemented under Output 2.3.

Activities under this output would include:

- Undertake a census of WIO specific adaptation technology needs on the basis of existing available science and national plans such as Technology Needs Assessments, including limits and barriers to their adoption at scale;
- Create and administer a WIO adaptation technology transfer Facility designed to assist public and private stakeholders in accessing expertise, material and technical support (building on existing mechanisms);
- Implement strategies to ensure financial and operational self-sustainability of the Facility.

**Output 2.2 Barriers to the adoption of resilient and sustainable livelihoods are lifted**

Using the support and technologies mobilized through Output 2.1, the project would support concrete priority adaptation interventions in participating countries, focusing on the removal of barriers to upscale. This would include addressing local adaptive capacity barriers in all sectors, for example through training, awareness raising and community mobilization, as well as through the deployment of targeted investments into productive assets. The initial sectors of focus will be fisheries, including the development of new marine-based value chains (e.g. algaculture, mariculture, aquaculture), eco-tourism and the development of sustainable tourism practices, and climate-smart coastal agriculture. In all sectors, the project will also support the use of new technologies and renewable energy sources throughout the value chains. Activities under this output include:

- Organization of national and regional value chains, producer groups and market linkages;
- Provision of technical advice, training, seed investment financing, and access to inputs for adaptation activities
- Promote certification and market linkages using fair trade/green trade or new certification schemes (see Output 1.1);
- Piloting renewable energy technologies e.g. from solar for domestic and small business consumption to reduce dependency on biomass.

**Output 2.3 Public Private Partnerships (PPP) leverage lasting and sustainable financing towards resilient coastal economies**

**Under this output, the project will support governments' capacities to engage in discussions, negotiations, and eventually to formalize partnerships with the private sector to ensure a sustainable flow of funds towards public goods. This would include assessing and tapping into the willingness to pay by private sector actors at all levels for public goods such as water, climate information, improved planning services, or access to natural resources. It would also include the ability of governments to develop innovative financial products to reorient economies towards resilience, such as for example the issuance of Blue bonds by the government of Seychelles to fund the development of sustainable fisheries. The end result of this output would be the design of innovative PPPs and financing mechanisms towards adaptive economies at national and regional levels.**

**Activities under this output may include:**

- Establish a WIO Business Council for the Blue Economy which will serve as a regional platform for identification and negotiation of PPP opportunities;
- Undertake an assessment of the willingness to pay for key ecological and information services (including valuation and Targeted Scenario Analysis<sup>7</sup>);
- Enter into collaborative PPPs;
- Design and implement innovative public, private and PPP financing mechanisms for adaptation including exploring opportunities for Blue/Green Bonds in selected WIO countries.

**Outcome 3: Ecosystems are restored, protected and sustainably managed for increased resilience to the spectrum of anticipated climate change**

***Output 3.1 Protected areas identified, established and sustainably managed.***

**Under this output, the project would support MPAs whether by improving the scope of protection and management of existing MPAs or by designating and initialising the establishment of new marine protected areas (to support SDG14.5 commitments and thus implementation of the MPA Outlook recommendations), according to best practices and building on the findings of the research conducted under Outcome 1. Furthermore, the project will implement innovative mechanisms for financial sustainability of MPAs and LMMAs, such as private-sector co-ownership of MPAs, where private organizations partner with the public sector and impact investment among others.**

**Activities under this output will include:**

- Census of climate impacts on current LMMAs<sup>8</sup> and MPAs and recommendations on management and legal changes, including the prioritization of adaptation hotspots<sup>9</sup>.
- Designation, gazetting and setting up of climate smart, regionally/nationally connected marine protected areas.
- Improvement, development and adoption of guidelines to facilitate the establishment and development of an improved network of marine protected areas at national and regional level.
- Creation or improvement of regional MPA network focusing on resilience and connectivity for conservation of species and critical habitats.
- Overlaying ongoing planned and proposed large scale developments with current and future protected areas and working with governments on scenarios to limit environmental impacts from these developments e.g. ports, oil & gas, mining among others.

<sup>7</sup> TSA Source

<sup>8</sup> i.e. Locally Managed Marine Areas (LMMAs)

<sup>9</sup> Critical habitat: areas with high biodiversity conservation significance which are critically endangered or host endangered species, restricted range or endemic species that are highly threatened. UN Environment. [http://www.biodiversitya-z.org/content/critical-habitat\\_e.g\\_coral\\_reefs\\_seagrass\\_bed\\_mangroves](http://www.biodiversitya-z.org/content/critical-habitat_e.g_coral_reefs_seagrass_bed_mangroves)

- Implementation of innovative governance and financial strategies for sustainability of MPAs (including private sector delegated MPA management and impact investment)

#### **Output 3.2 Degraded coastal zones are rehabilitated and protected through ecosystem-based adaptation**

The project will support country efforts to undertake the restoration of degraded protective, regulating and productive ecosystems, using a program approach. This will include the creation of a coral reef laboratory that will provide viable reef material to countries in the region and conduct experiments in resilience of reefs to bleaching events and climate change scenarios. The project will support targeted reef restoration or reef creation efforts, as well as the restoration of mangroves and seagrass beds, using best practices, which will be captured in regional ecosystem restoration guides to be developed shortly on behalf of governments by the Nairobi Convention. The project will also provide technical assistance and funding for the restoration of estuaries, wetlands and lagoons that can provide bio-treatment capacity to neighbouring towns using proven expertise/technology in constructed wetlands.

Activities under this output will include:

- Creation of a WIO Coral Reef Restoration Laboratory.
- Restoration of reefs, mangroves, estuaries, wetlands and lagoons.

#### **Outcome 4: – Governance and regional collaboration**

##### ***Output 4.1 Participatory Monitoring and Evaluation***

Activities include:

- Development and implementation of participatory M&E system at national and regional level;
- Capacity building in M&E for effective project design and implementation;
- Programme evaluation – Mid-term and final;
- Impact monitoring, including gender-based impact monitoring.

##### ***Output 4.2 Knowledge Sharing and Regional Bridging***

Activities include:

- Knowledge sharing among countries, scientific community and private sector;
- The development and deployment of an awareness raising/communication strategy;

##### ***Output 4.3 Project Coordination and Management***

Activities include:

- Establishment and operationalization of the regional and national coordination units;
- Development of an upscaling strategy;
- Application of relevant social and environmental safeguards at national and regional levels.

The proposed activities are consistent with the national policies and regional strategies adopted by all member countries (see pre-feasibility study). In addition, UN Environment is uniquely placed to deliver this innovative program to member countries, given that it currently administers the Nairobi Convention Secretariat, has developed significant body of experience in Ecosystem Based Adaptation Approaches, as well as technology transfers for climate change and climate adaptation in particular.

Expected project results aligned with the GCF investment criteria

*Paradigm Shift*

**This project has the potential to achieve significant paradigm shift first by adopting a regional approach to complement national efforts to transition towards a Blue Economy development framework – itself a considerable change in development paradigm. As discussed during the 2017 meeting of the Nairobi Convention, there are considerable economies of scale to be achieved by pursuing common efforts, and by creating regional institutions that can cater to the needs of member countries. In addition, the project will leverage successful approaches piloted in other countries and regions to leverage impact at scale in terms of policy change as well as concrete physical impacts. This project brings significant innovations, including by ensuring a key role for the private sector as key agents of change, by creating lasting mechanisms for technology transfer, facilitating local research and the development of a stronger interface between science, economy and policy, in the service of resilience and adaptive action.**

#### *Sustainable Development*

**The project intends to deliver significant social and economic development benefits, and will contribute to the achievement of the SDGs regionally and in each participating country. This will include the creation of jobs in science and technology, as well as private sector employment and growth opportunities for the existing and relevant economic sectors, and the fostering of new economic opportunities, particularly for women and youth. Increased incomes and productive assets for coastal communities, as well as the creation of new enterprises in emerging technologies will also be achieved. As more reliable scientific data are produced, efficiently managed MPAs will positively influence sustainable regional development by increasing the value of goods provided by marine ecosystems. Healthier environments and more sustainably produced coastal goods and services will improve health and access to economic opportunities. Losses of lives and property during climate extremes will be reduced thanks to the foreseen improvements in protective ecosystems.**

**The process is aligned to the targets under SDG goal 14, in particular Targets 14.2 and 14.5 and to the Convention of Biological Diversity (CBD) Aichi Strategic Goal C, Target 11, to increase MPA coverage for coastal and marine protection in the Western Indian Ocean (WIO) region to 10% by 2020. This would include further enhancing the use of ecosystem-based and other large-scale approaches to managing the coastal and marine ecosystems.**

#### *Needs of Recipients*

**The project addresses the vulnerability and adaptation needs of the communities in recipient countries. All countries targeted by this project are experiencing extreme vulnerability to climate change, 4 are small island developing states, and 5 are Least Developed Countries. In all member countries, adaptive capacity among coastal communities is very low, and the degradation of coastal ecosystems severely aggravates the impacts of climate shocks and extremes. An estimated 60 million people could be endangered by climate impacts and compromise any socio-economic gains made by regional countries. The priorities expressed in this project were also the product of consultations through the member states participation in the Nairobi Convention, including through the adoption of the Climate Change Strategy, the Protocol on Land Based Sources and Activities and policy recommendations in the WIO State of the Coast Report among other Nairobi Convention inter-governmental commitments, Additionally, the priorities are also reflected in national policy documents for adaptation.**

#### *Country Ownership*

**The project addresses the needs of the recipients to adapt to climate change as expressed in National Adaptation Programmes of Action, INDCs, NAPs and Technology Needs assessment. The project also addresses needs and priorities for climate change articulated and agreed by all country parties to the Nairobi Convention through the Nairobi Convention Climate Change Strategy. The original intent of the Nairobi Convention's climate change strategy is to reiterate the importance of coastal and marine environments for resilience, and to counter the fact that international climate finance – such as that**

deployed to support NAPA implementation - has been mostly dedicated to land based adaptation (e.g. agriculture).

*Efficiency and Effectiveness*

The project relies on a combination of approaches that are designed to lift the barriers to upscale adaptive action. This includes lifting the policy and scientific barriers, as well as creating lasting institutional mechanisms that will enable the countries to continue to leverage resources for adaptation. Adopting a regional approach to this project allows for cost and experience sharing and the reduction of transaction costs to most project activities, including research and scientific endeavour, technology transfer and the development of value chains that can more effectively reach markets.

Approaches for the restoration of ecosystems also follow best available and most cost-effective technologies, particularly considering the immense gains and benefits that ecosystem services can provide to the economies of the region. While significant investment is required to achieve the first stages, it is expected that project activities will become self-sustainable by the end of the funding period.

A. Indicative financing / Cost information

C.1. Financing by components

*Please provide an estimate of the total cost per component and disaggregate by sources of financing.*

Component	Indicative cost (USD)	GCF financing		Co-financing		
		Amount (USD)	Financial Instrument	Amount (USD)	Financial Instrument	Name of Institutions
Outcome 1	4,880,000	3,110,000	Grant	1,770,000	Grant	FFEM*
Outcome 2	19,540,000	15,540,000	Grant	5,000,000	Grant	SIDA
Outcome 3	17,900,000	12,900,000	Grant	5,000,000	Grant	SIDA
Outcome 4	17,974,000	16,974,000	Grant	1,000,000	Grant	UNEP
Indicative total cost (USD)	61,224,000					

\*the FFEM contribution was earmarked as 1.5 million Euros.

*Request from Contracting Parties*

The Secretariat acknowledges and sincerely thanks the Governments of Somalia and Madagascar for their submission of No Objection Letters pursuant to the recommendation made during the April 2018 Focal Point Meeting and now requests other Contracting Parties to facilitate submission of these NOLs from their Nationally Delegated Authorities to enable the Secretariat submit the Concept Note to the GCF.