

**ECONOMIST
IMPACT**



The 11th annual

WORLD OCEAN Summit & Expo

“How to” sessions summary report

March 11th-13th | Lisbon, Portugal

Summary

The 11th annual World Ocean Summit launched the “How to” working group sessions this year.

The purpose of the sessions was to create a set of action points and practical takeaways for individuals and organisations committed to restoring ocean health. These sessions, for small, focused groups of subject-matter experts and a carefully picked audience were interactive, engaging and solution oriented. This report shares the key takeaways from the speakers and audience from each discussion.



How to develop an enabling environment to finance sustainable economic activity in conjunction with ocean conservation



A series of conservation targets and industry-specific decarbonisation goals have been set for 2030. Achieving these means combining sustainable economic activity with ocean conservation. There is no single bullet to reach the targets—but there is more chance of success with an integrated approach. This session explored how to develop financing mechanisms to achieve conservation and decarbonisation goals. Speakers and participants discussed how to create solutions from the bottom up as well from the top down. The session also discussed what can sovereigns do to create mechanisms for the sustainable ocean economy and ocean conservation, by working on debt-for-nature swaps and blue bonds? How can local community organisations develop innovative mechanisms with impact from the bottom up? The working group discussed how to get ministries, central banks, philanthropists and the private sector on the same page, to provide certainty and make deals go faster. Participants shared ideas on how to demonstrate to stakeholders the potential trajectory of small projects, and the opportunities for scaling.

Moderator:



Richard Hill
Chief executive
Ocean Generation

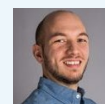


Karen Sack
Executive director
Ocean Risk and Resilience Action
Alliance (ORRAA)



Oliver Withers
Biodiversity head
Standard Chartered

Table leads:



Dennis Fritsch
Blue economy associate
Minderero Foundation



Kate Schweigart
Vice-president
Innovative Finance, RARE

The key takeaways from this session are:



How governments can partner with multilateral development banks, development financial institutions and philanthropy to quantify the economic benefits of conservation and hence increase private capital investment:

It is important to have a robust plan and understand who the client is, what the real value of conservation is, and important to work with sovereigns to put together a finance strategy blueprint.

Can we de-risk investments? Yes. WTW as a credit/catastrophe wrapper (high-scale level). Community level = microfinance—how can we disperse capital at community level? Cost of microfinance is too high so there is a need to tailor their products to the community. Enabling pipelines for microfinance.

How the government and private sectors can best work together to ensure ocean governance is appropriately and durably funded:

There need to be opportunities for cross-silo communication

from government to private sector including start-ups, businesses and the financial sector.

Language is important and is quite different across the value chain. Private- and public-sector language, experience and interpretation are quite different and need to somehow be connected. Inclusive conversations are key.

The philanthropy sector has a role in acting as a catalyst to de-risk/support development of innovations.

Need to place strategic expertise in government and people who understand the different languages/environments.

Aligning key performance indicators (KPIs) between investors and buyers:

We need to align the criteria and KPIs from the demand and supply sides.

We need to build the narrative so that there's understanding of the value at risk (this includes the risk of inaction); what the financial sector

needs to bring investment to bear; and what the supply side can actually supply.

Also important to learn from green-infrastructure/green-sector investments. Financial return is key, but can we build social returns into this? For example, jobs, health, equality and conservation benefits.

Need to recognise and use the information and data that we already have at our disposal—for example the Octopus deck at ORRAA.

More effective partnership between the financial sector and non-private-sector stakeholders; and what does bankability mean?

Bankability requires:

Generating credible revenues to service departments. Important to explore if the impact generated has a value that offsets revenue generation.

Fit-for-purpose financing: raises challenges in terms of scale. Banks need/want to do big deals, so there's a need for intermediaries. What role could/should development financial institutions play in this space in de-risking and supporting the intermediary journey?

How does the banking sector get to grips with science? There's a need for consultation across stakeholder groups, and scientific support with a pragmatic approach.

Banks need some degree of consensus—brokers who can consolidate views.

