Blue Biotrade: restoring and enhancing biodiversity and ecosystem services.

June 8th, 2017 - Official Side Event
The Oceans Conference – UN Headquarters June 8th, 2017

Federico Vignati
CAF- Development Bank of Latin America
About CAF

- Latin American **multilateral financial institution**, essentially owned by developing countries
- Provides multiple types of **financial and non-financial services** to clients in the public and private sectors of its member countries.
- We promote the **conservation** of the natural and social capital, facilitating the migration towards a low-carbon and resilient climate change economy, with social **inclusion** and equal opportunities.

**Mission:**
- Sustainable development
- Regional integration
CAF Response for Biodiversity and the SDG’s

DACC - Environmental and Climate Change Division

Committed to promote the conservation of the natural and social capital, facilitating the migration towards a low-carbon and resilient to climate change economy, with social inclusion and equal opportunities.

1. Green Business Unit
2. Institutional Environmental Management Unit
3. Climate Change Unit

- 3 operative units;
- 8 programs;
- 14 benefited countries;
- 22 executives;
CAF Biodiversity Strategy: Marine and Coastal Commitments

By 2021, all CAF country members will have adopted biodiversity conservation and sustainable use measures and access to benefits sharing policies achieving a better situation for biodiversity in the region.

**Priority 1.** Promote biodiversity resources conservation.

**Priority 2:** Promote sustainable businesses.

**Priority 4.** Generate technical and management capacities.

**Priority 5:** Promote good practices on ABS (Access and Benefit Sharing)

---

**Marine and Coastal Ecosystem Services Actions for 2015-2020**

Support the identification, conservation, and restoration of fragile and vulnerable land/or marine ecosystems

Promote initiatives for the establishment of marine value chains and ecosystem services, based on the generation of scientific information that allows for the valorization of the oceans
More opportunities, a better future

Oceans Economy and Biodiversity in Context (L.A. and Caribbean)

✓ Coral Reefs in the Caribbean support the nearly $50 billion tourism industry and the 25 million visitors that visit the Caribbean region each year.

✓ Marine fisheries and aquaculture exports contributed nearly $15 billion to GDP 2016.

✓ Marine habitats like seagrass beds, salt marshes and mangrove, protect property and infrastructure from flooding, erosion, and natural hazards like hurricanes. The LATAM region host 1/3 of the world's mangrove.

✓ The market for certified seafood is growing rapidly in LATAM, now nearly 10% of world fisheries trade.
Facts we need to face as opportunities

• Demographics moving from 7.5b. in 1975 to 9 b. by 2050.
• 40% of the world oceans are threatened by overfishing, pollution, habitat degradation with implications on jobs, well-being and economic development is real.
• Plastics in the ocean will outweigh fish by 2050. This is critical.
• 55% of population in LATAM live within the coastal areas and around 70% within 100 km to the coast side.
• Even though, oceans still provide 63% of global ecosystem services with a total market value of around 4 trillions of dollars.
• SDG 14 is creating momentum for flipping the oceans economy system.
• Blue Biotrade brings an ethical dimension for oceans economy, one that can leverage biodiversity and ecosystem services restoration and sustainable use.
• The market for Blue Biotrade products and services is 200% higher than the mainstream market;
• People is pushing this trend, people searching for ethical healthy products and service.
Seafood as a provisioning service (good) that can be assessed independent of other services?

-or-

Seafood are service that relies on ecosystems health impacting production, quality and profitability?
Oceans Economy competitiveness relies on a variety of ecosystem services.

- Shoreline stabilization
- Disaster mitigation
- Biodiversity nursery habitat
- Water quality maintenance
- Carbon off-sett
- Disease control
- Among others......

Source: Agardy, Tundi
The opportunity - Risk reduction through Healthy Ecosystem Services

Maintaining or enhancing coastal ecosystems and associated services can reduce risks by:

• Providing predictable supply-presence of wild capture fisheries biomass and fishmeal used as feed in aquaculture;

• Enhancing biodiversity, allowing key species to restore;

• Protecting natural and gray infrastructure: civil, industrial, touristic, from natural hazards;

• Allowing for an ethical expanded market and increased responsible demand;

• Maintaining quality control that ensures better, safer marine and coastal products and services.

• Protect the bank account ‘ live on the interest( GIGI)
CAF Investment Portfolio in Blue Biotrade (Overall)

- Identification specific opportunities for targeted investment that enhances ecosystem services in LATAM. (2017.2)

- Blue Biotrade Principles (UNCTAD, CAF, CITES, Smithsonian) (2017.2)

- Blue Biotrade Portfolio Projects Identification (2017.2)

- Providing green financing for circular economy and technological shift for sustainable sound investments. (Since 2016)
Scaling-up - on the Ground Experiences - Whale Watching

- Impact Area: South America
- Number of targeted species: 03
- Champion: BJU
- Allies: UNCTAD, Smithsonian, Baleia Jubarte Institute.
- Ongoing work: Regional Baseline on Whale Watching (applying Blue Biotrade Principles)
- Spin-off: Regional GEF 7 project.
- Expected impact: Landscape and biodiversity restoration; ethical biotrade.
- SDG Goal: 14.7
Scaling-up - on the Ground Experiences  -  Flying Corridors & Wetlands

- Impact Area: Peru.
- Number of targeted species: 200.
- Ongoing work: Baseline - Wetlands ecosystem services evaluation in.
- Spin-off: GEF 7 project.
- Expected impact: Landscape and biodiversity restoration; ethical biotrade.
- SDG Goal 14.7
Scaling-up - on the Ground Experiences - Seaweed and Innovation

- Impact Area: Peru.
- Number of targeted species: 5
- Champion: ACUISUR.
- Allies: MINAM
- Ongoing work: Assessment of BlueBiotrade investment opportunities in Paracas.
- Spin-off: Green Financing
- Expected impact: Landspace and biodiversity restoration; ethical biotrade.
- SDG Goal 14.7 – 14.b
Scaling-up - on the Ground Experiences - Peru Tropical Marine Corridor

- Impact Area: Peru.
- Number of targeted species: over 100
- Allies: Inkaterra, Smithsonian, UNCTAD, MINAM
- Ongoing work: GEF -Project Concept
- Spin-off: GEF 7
- Expected impact: Landspace and biodiversity restoration; ethical biotrade.
- SDG Goal 14.4 – 14.7 – 14.b
Our Goal and Challenges

To mainstream ethical biodiversity based trade and demonstrate the value of marine and coastal ecosystem services as natural capitals that need investment for its sustainable use:

1. Reduce the cost of incremental change through green financing.
2. Provide proof of concepts of diversified and integrated business models that rely on marine products and services.
3. Promote BlueBioTrade as a driver for ethical trade, social inclusion, innovation and competitiveness for LATAM.

There is an immediate trade off decisions that needs to be taking to shift to a more sustainable and profitable oceans economy.
Thank you for your kind attention.

Federico Vignati
Green Business Unit – Biodiversity Program Manager
fvignati@caf.com