



Session 5:
**Overview of the Coordination Mechanism
and country responses**



Key assumptions and approach

Summary presentations and country responses regarding:

- Mandate and Functions
- Governance Structure
- Hosting Agreement and Establishing Agreement
- Sustainable Financing Plan

Summary to guide the discussions ahead

Responses on Phase 2 report were received from 13 countries



**Key assumptions and approach taken for the development of
the proposal for the Coordination Mechanism**

KEY ASSUMPTIONS

The proposed Coordination Mechanism...

- ...is **not** built from zero, but it builds on and strengthens the existing ocean governance framework in the region.
- ...is **not** a project implementation body, but it would have an enabling and facilitating role, performing mostly coordination related activities.
- ...is **not** a policy making body, but it enables the improved coordination and harmonization in the development and implementation of programmes, strategies, policies, action plans, projects and activities relating to ocean governance by IGOs, while promoting greater synergies between national and regional actions.

“Form follows function”

The first concern for the establishment of the mechanism is its functionality, i.e. what is the mechanism tasked to do. The governance model of the mechanism should respond to its functionality.

“Modular approach”

With each function, specific responsibilities are attached for the mechanism to perform, as well as a certain operational structure with resource requirements and associated costs. These “modules” form the basis for a decision by countries on the preferred scope of the mechanism.



Mandate and Functions

PROPOSED MANDATE

Promote and facilitate regional collaboration and cooperation by coordinating policies and programmes in the Wider Caribbean Region (WCR) for the conservation, management and sustainable use of the marine environment and coastal and marine resources.

Geographic scope: The mandate refers to the Wider Caribbean Region (WCR), defined as the combination of the Caribbean LME and the North Brazil Shelf LME (together referred to as CLME+), as well as the Gulf of Mexico LME.

Thematic scope:

- initially cover the three main thematic areas identified in the CLME+ SAP – **marine pollution, marine biodiversity and fisheries, and the cross-cutting area of climate change.**
- As recommended by countries, the mandate is proposed to be thematically broader including sectors and economic activities that are related to the marine environment and resources, such as **Tourism, Oil and Gas, Shipping, Mining, Biotechnology, Bioprospecting and Renewable Energy.**

The **proposed functions** build on

- current functions of the CLME+ SAP ICM
- countries' recommendations resulting from the first Consultation Meeting
- gap analysis and stakeholder consultations carried out under this consultancy

PROPOSED FUNCTIONS

**Programmatic
Coordination &
Progress
Monitoring**

**Communication
and Awareness**

**Policy
Coordination &
Consolidation**

**Knowledge
Management &
Data Sharing**

**Stakeholder
Engagement**

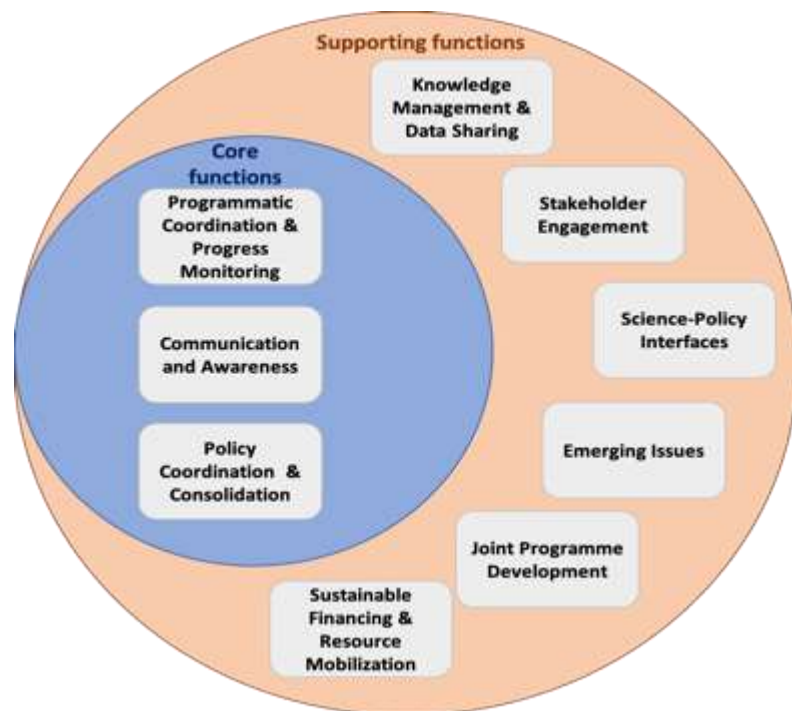
**Science-Policy
Interfaces**

Emerging Issues

**Joint Programme
Development**

**Sustainable
Financing &
Resource
Mobilization**

Step 1: Endorse the mandate and select the core and supporting functions of the Coordination Mechanism.



COUNTRY RESPONSES ON MANDATE AND FUNCTIONS

- General agreement with mandate and functions by majority of countries
- Distinction between core and additional functions is perceived as adequate by various countries
- Need to assure that the mandate does not have any overlaps with other regional governance structures
- Coordination Mechanism is perceived to have very similar objectives as the ACS-CSC

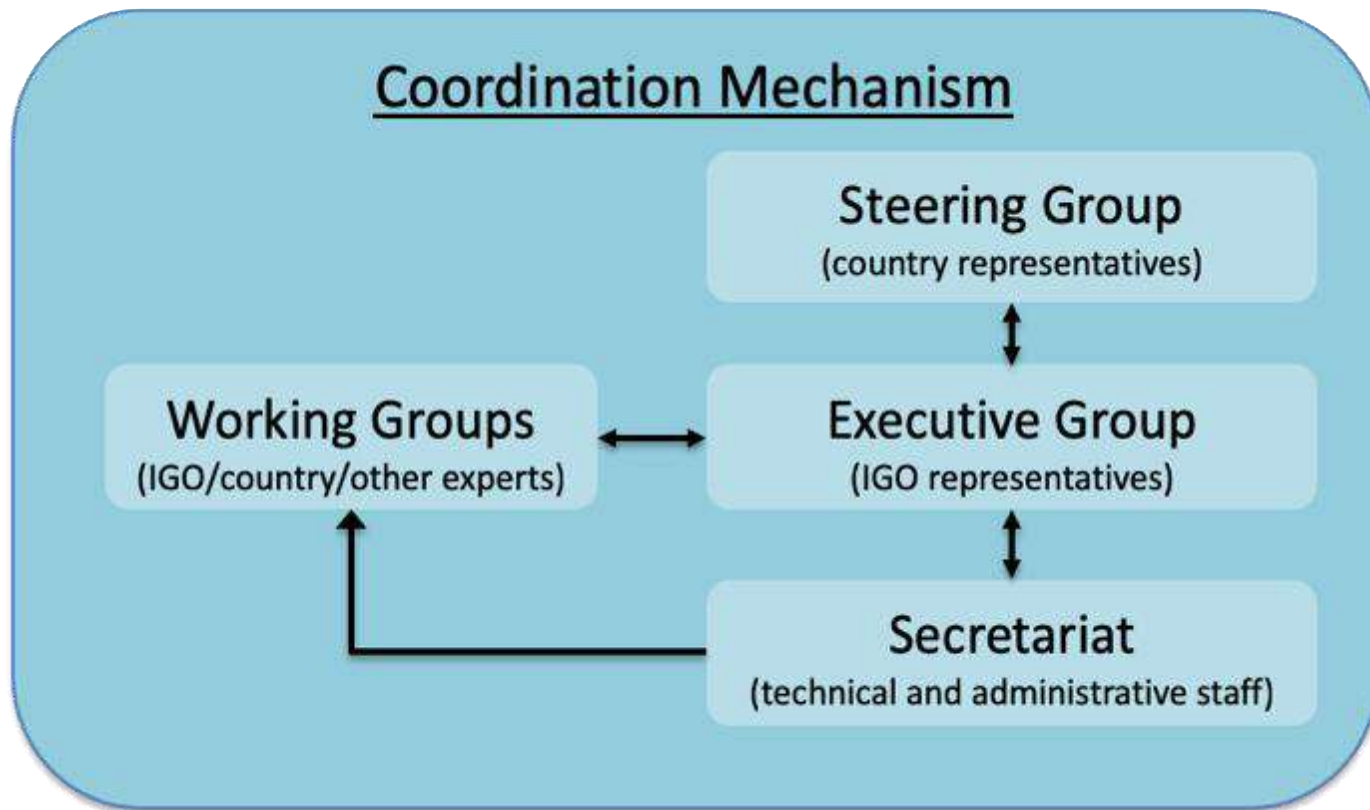
COUNTRY RESPONSES ON MANDATE AND FUNCTIONS

- Necessity to first decide on the functions to be able to decide on the scope and the governance structure
- Some countries with specific questions related to Knowledge Management and sharing function and related to the integration of other sectoral stakeholders
- Monitoring and enforcement, public awareness, sustainable financing mentioned as important functions for the Coordination Mechanism

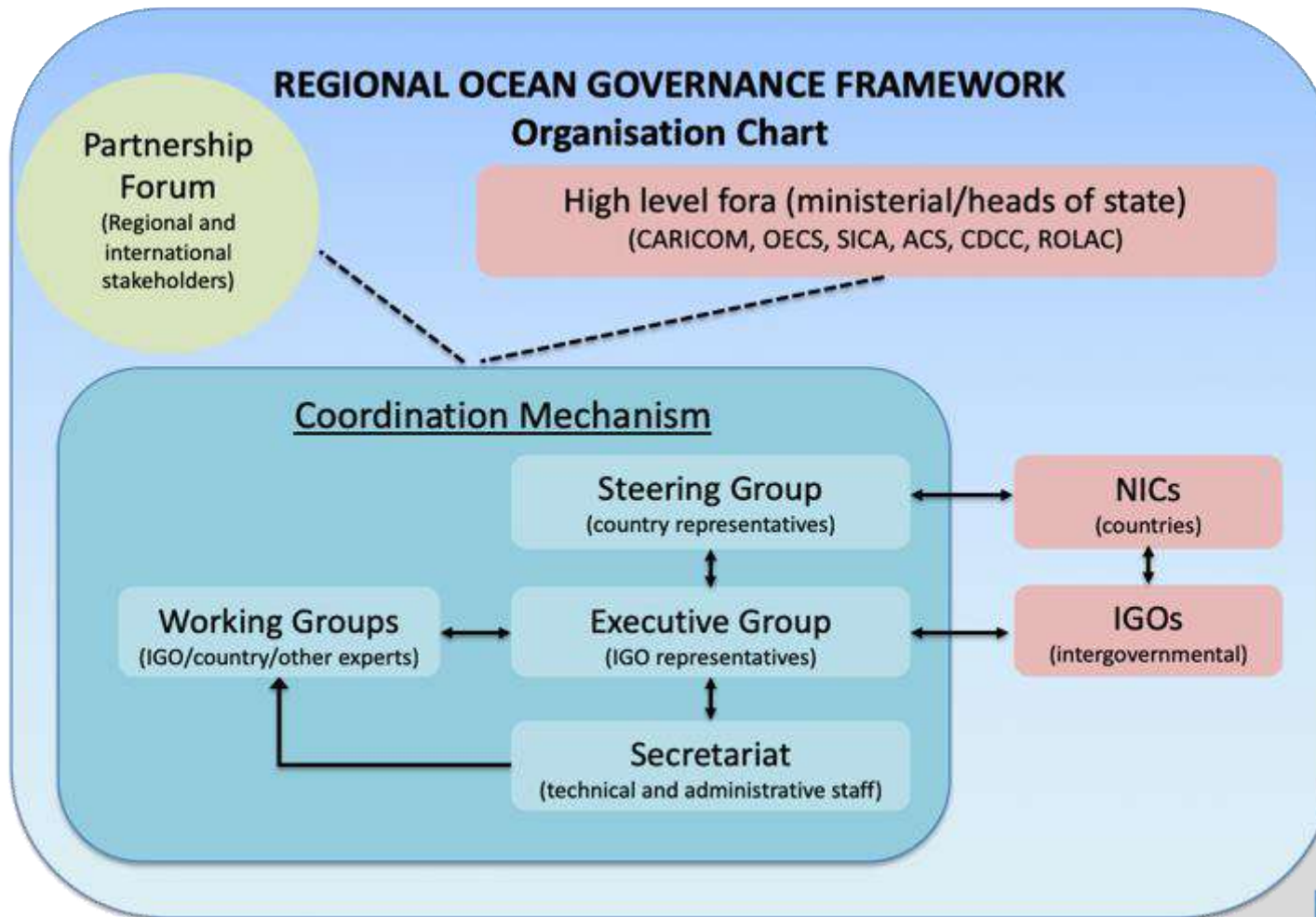


Governance structure

PROPOSED GOVERNANCE STRUCTURE



THE COORDINATION MECHANISM WITHING THE REGIONAL GOVERNANCE FRAMEWORK



COUNTRY RESPONSES ON THE GOVERNANCE STRUCTURE

- Most countries agree with the proposed structure (no comment or in agreement)
- Question about an alternative to the proposed structure
- Proposal to have more frequent meetings of the Steering Group
- Proposal to include more details (e.g. selection of focal points)

COUNTRY RESPONSES ON THE GOVERNANCE STRUCTURE

- Proposal of an alternative set-up based on regional intersectorial committees (with sector-specific IGOs as full members, and multi-purpose IGOs and NGOs and observers)
- Proposal to have a similar structure as the Cartagena convention
- No country response on the cost estimates

Type of Establishing Agreement



The establishing agreement can be:

- an *informal network/partnership agreement* (based on a MoU)
- a more *formal and binding agreement*
- or a *sequencing* of both

COUNTRY RESPONSES ON THE ESTABLISHING AGREEMENT

- Preference of a binding agreement similar to Cartagena Convention

vs:

- Preference of a voluntary collaboration/MoU
- Current agreement needs to be replaced with a new agreement (2 countries)

and:

- Preference of a binding agreement (but in agreement that the suggestions to start with an MoU and move towards a more binding agreement is good)
- A new MOU mechanism necessary, and the Coordination Mechanism can look for other options for the development of formal agreements between countries.



Hosting agreement

- The Secretariat of the Coordination Mechanism can be installed in any country of the WCR, based on countries' decision and a hosting agreement with the respective selected country.
- Another option is for a Secretariat of an existing IGO to host the Secretariat of the Coordination Mechanism, based on a hosting agreement with the respective IGO (and possibly the country in which it is located).

Potential criteria for selecting a host country:

- Provision of co-financing/in-kind contributions (e.g. office space)
- Location and connectivity
- Cost for operation of the Secretariat
- Attractiveness for recruiting and retaining international staff

Potential criteria for selecting a host organisation (in addition to the ones above):

- Membership in the Executive Group of the Coordination Mechanism
- Consensus among CLME+ SAP ICM member IGOs on the selected host IGO
- Broad geographic mandate wide membership of CLME+ countries
- Broad thematic mandate Provision of co-financing/in-kind contributions
- High technical and managerial capacity and financial
- High level decision making

COUNTRY RESPONSES ON THE HOSTING OF THE COORDINATION MECHANISM

- Hosting by a country more desirable, but if no country steps forward an IGO would also be an option (but certain risks with regards to the IGO's original role and mandate, and with regards to conflict of interest (two countries))

vs.

- Hosting with an IGO desirable, but no agreement on which one most suitable
- Proposed hosting at UNEP/CEP (and development of WECAFC into a full fledged RFMO)
- Suggestion to decide on a later stage, but also possibility of rotation

COST ESTIMATES PER FUNCTION

Proposed Functions	Estimated annual costs (USD)
1 - Coordination of programmatic approaches for ocean governance and monitoring progress with critical ocean sustainability instruments, goals and commitments	470,000-1,119,000
2 - Communication, outreach and awareness raising	66,000-153,000
3 - Policy Coordination and consolidation of the regional institutional and policy framework for ocean governance	66,000- 163,000
4 - Knowledge management and data and information sharing	72,000-250,000
5 - Stakeholder engagement	84,000-250,000
6 - Strengthening science-policy interfaces	43,000-143,000
7 - Identification of new areas for collaboration and emerging issues	66,000-163,000
8 - Development of joint programmes	66,000-163,000
9 - Sustainable financing and resource mobilisation for ocean governance	221,000-522,000

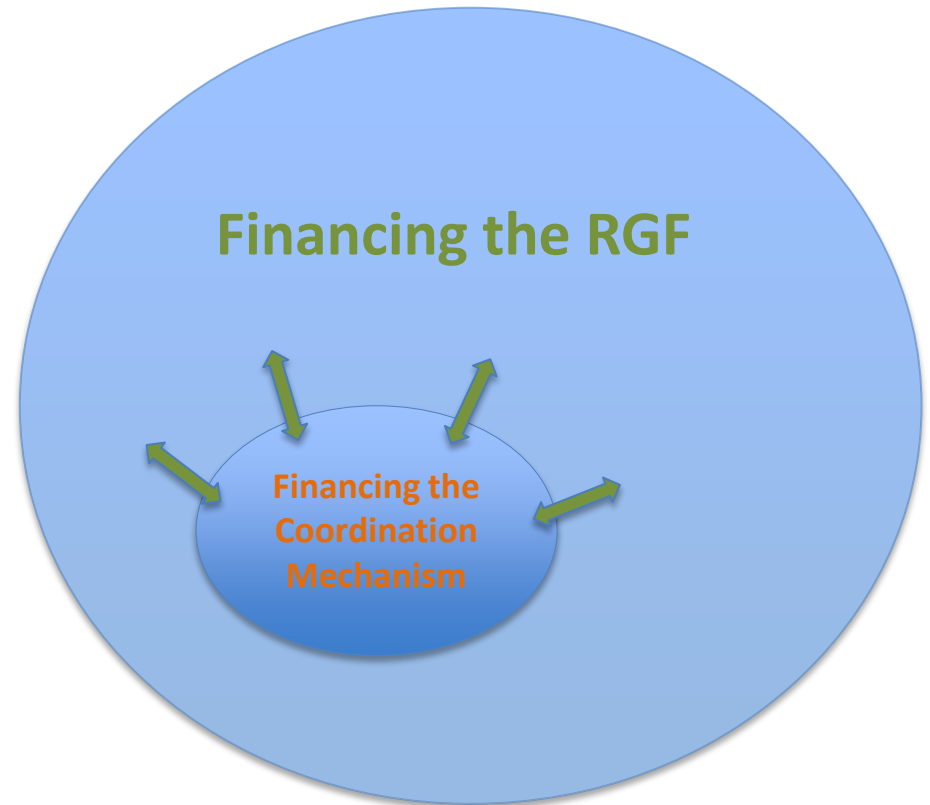
COST ESTIMATES PER FUNCTION

- Regular implementation of the **full scope of functions** could cost between **USD 1m and 3m annually**.
- Implementation of the three functions **Programmatic Coordination, Communication and Policy Coordination as core functions** is estimated to cost between around **USD 600,000 and USD 1.4m per year**.



Sustainable Financing Plan

- Financing of the Coordination Mechanism needs to be embedded in a financially sustainable regional ocean governance framework (RGF) in order to be viable and sustainable in the long term.
- The Coordination Mechanism plays a critical role to enhance financing of the RGF.



Approach

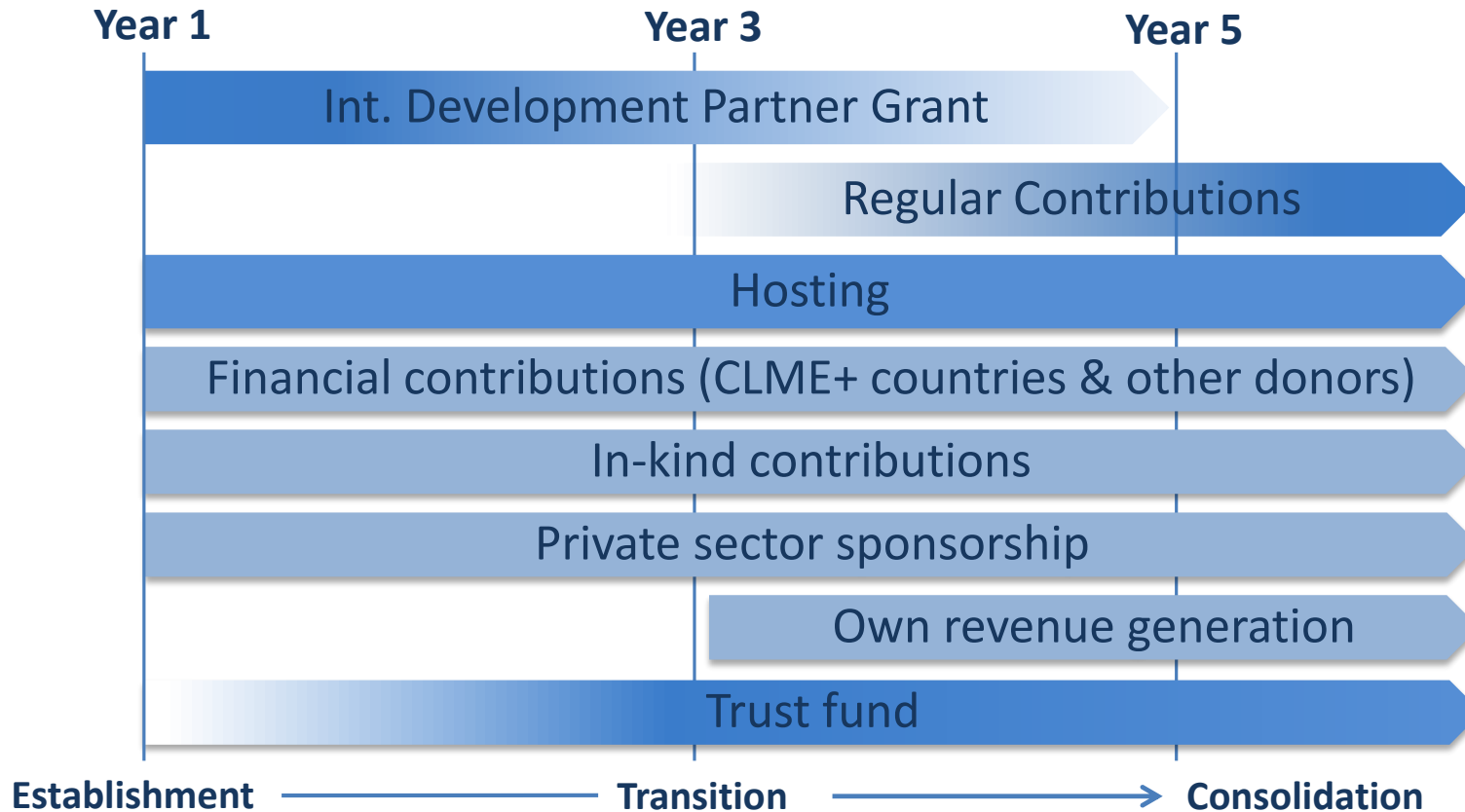
The sustainable financing plan combines a strategic approach to donor grant coordination and acquisition (“***donor centred approach***”) and the “***beneficiary centred approach***” which aims to finance ocean governance to the largest extent possible by the beneficiaries of marine ecosystem services and/or ocean governance, both public and private.

Guiding Considerations

- at the very minimum core functions of the Coordination Mechanism implemented
- diverse combination of complementary sources of income necessary
- financing plan to accommodate evolving Coordination Mechanism & RGF

-> Emphasis and specific selection of financing sources depends on the choices of participating countries

FINANCING THE COORDINATION MECHANISM



From Establishment to Transition

1-3 years

- > *Coalition of committed stakeholders to share effort & demonstrate ownership*
- > *Acquire in a shared effort a transitional project grant*
- > *Develop a balanced self-financing solution for after transition*

From transition to consolidation

3 to 5 years & beyond

-> introduce regular contributions to ensure stability of the Coordination Mechanism

-> succeed to shift from project grant financing to self-sufficiency

-> develop additional income streams through own revenue generation

Sustainable Financing of the RGF

Why?

The financing of the Coordination Mechanism needs to be embedded into a financially sustainable regional ocean governance framework (RGF) in order to be viable and sustainable in the long term.

How?

1) ***Recommended measures*** to strengthen the financial sustainability of the RGF:

- Coordinated grant leverage increases available resources
- Strategic regional approach to private sector partnership
- Catalysing investment for a thriving and sustainable ocean-based/blue economy
- Broadening countries' resource base for ocean governance

2) ***Specific opportunities for each IGO*** identified

Sustainable Financing of the RGF

Coordinated grant leverage increases available resources

- Increased leverage & efficiency gains could amount to additional resources of USD 11.6m to 25.3m annually.
- -> Introduce a regional donor round table.

Strategic regional approach to private sector partnership

- Regional ocean governance addresses risks which cannot be solved at sub-regional or sectoral level & provides for *investment security*.
- -> Develop a coherent strategy to communicate the benefits of ocean governance to the private sector.

Sustainable Financing of the RGF

Catalysing investment for a thriving and sustainable ocean-based/blue economy

- Creates USD 80bn of additional economic value & 1.2 million additional jobs by 2030.*
- -> Develop a shared definition and strategy for a sustainable ocean-based economy.

Broadening countries' resource base for ocean governance

- Introducing a beneficiary centred approach at national level can create new revenue streams.
- -> Seriously consider options to secure financing of ocean governance at national levels.

*Compared to “unsustainable scenario”, based on OECD 2016 & World Bank 2016

COUNTRY RESPONSES ON THE SUSTAINABLE FINANCING

- Overall: Country contributions are mentioned as complicated by various countries
 - Countries emphasize on the financial constraints of and the complications to raise funds for existing IGOs and other regional activities
 - Need for a very convincing case if country contributions are to be considered
 - Some countries agree with the funding proposal, but still emphasize on the complication for smaller countries to comply with country contributions
 - Need for concrete levels (and mode of differentiation among countries) of contributions, and periodic review
 - One country mentions it cannot support the initiative if it contemplates country contributions

COUNTRY RESPONSES ON THE SUSTAINABLE FINANCING

- Private Sector Funding/Trust fund/International Organizations as preferred options for funding by most countries. Country contributions, as the last resort.

RESPONSES BY COUNTRIES ON THE PROPOSED COORDINATION MECHANISM (OTHER TOPICS)

- The document does not provide the two alternatives that were requested.
- How could the proposal constitute a regional element of the BBNJ agreement?
- Proposal well founded, considers the fact that small island states require support and follow up, but does not capitalize enough on the experience of the bigger countries.

Thank you
Gracias
Obrigado
Merci
Dank u

