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A Monthly Look at Successful Sustainability Initiatives

### **Green Light** Managing the Global Commons: The Coral **Triangle Initiative**

Global Agenda Council on Governance for Sustainability

April 2014



Green Light is published by the World Economic Forum's Global Agenda Council on Governance for Sustainability.

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### Acknowledgements

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Published by World Economic Forum, Geneva, Switzerland, 2014

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### **Foreword**



James Bacchus

Welcome to the seventh edition of Green Light, a monthly newsletter from the Global Agenda Council on Governance for Sustainability aimed at highlighting promising economic and environmental initiatives.

Our goal is not only to share green ideas, especially those on collaboration and public-private partnerships, but also to inspire people to replicate and even scale up similar initiatives wherever they are.

We are proud to share with you our 7th edition of Green Light, which focuses on the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security. In this edition, we look at how this multistakeholder partnership is tackling poverty reduction through economic development, food security, sustainable livelihoods for coastal communities and biodiversity conservation through the protection of species, habitats and ecosystems. This is an exceptional example of a bottom-up approach to governing environmental issues.

We hope you enjoy this issue and that you will find it a source of inspiration for your work.

James Baches

James Bacchus is Chairman of the World Economic Forum's Global Agenda Council on Governance for Sustainability. He chairs the global practice group of the Greenberg Traurig law firm, and is an honorary professor at the University of International Business and Economics in Beijing.



## The Challenge – An Ecosystem under Threat

The Coral Triangle, which lies between and links Indonesia, the Philippines, Malaysia, Timor Leste, Papua New Guinea and the Solomon Islands, is a vital global marine resource. It covers 5.7 million square kilometres of ocean fringed by six nations and is host to the highest level of coral diversity in the world. To many it is known simply as the "Amazon of the Seas" because of its rich biodiversity.

An estimated 363 million people live within the Coral Triangle's boundaries, and more than 120 million people along the 125,270 km of coastline – an estimated 2.25 million of them being fishers – depend on the area for economic and food security. The region produces annual earnings of some US\$ 3 billion from fish exports and a further US\$ 3 billion from coastal tourism.

The triangle represents a mere 1.6% of the world's oceans and yet is home to 76% of the Earth's coral species and 37% of all reef species. It is also the spawning ground for six species of turtles as well as endangered fish and cetaceans, such as tuna and blue whales.

The reasons for such super-rich biodiversity within the Coral Triangle are not known. Some scientists theorize it forms a birthplace for coral reef species – an area where they originated and later dispersed to other parts of the Indo-Pacific region. Others suggest it represents an accumulation or overlapping of species from the Indian and Pacific oceans.

Regardless, the economic and ecological importance of the Coral Triangle, as well as its fragility, is beyond dispute.

However, the area faces multiple threats and has already deteriorated as a result. Some 95% of reefs in the region are assessed as at risk; overfishing has been widespread as well as aggressive and destructive fishing practices, such as the use of dynamite and cyanide.

Pollution on land and dramatically increased coastal development, in addition to inadequate marine management, have all had a deleterious effect on biodiversity in the triangle and on its productivity. In the longer term, it is feared the effects of climate change – rising sea temperatures and sea levels, plus growing ocean acidification – will further damage the delicate ecosystem.

In many areas, this precious natural resource is believed already to have been damaged beyond the possibility of recovery. And, based on the projected effects of climate change, research indicates that the ability of the Coral Triangle to supply the people who depend on it for food could drop by 80% by 2100; an estimated 100 million people will be severely affected. Action to stem the pace of deterioration, and in some cases reverse it, is therefore urgent.

### The Response – Creating a Governance Structure

The response to the mounting threats to the Coral Triangle is the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF), commonly referred to as CTI.



This multistakeholder partnership was formed in 2007 by the governments of the six nations that border the Triangle, inspired by Indonesian President Susilo Bambang Yudhoyono.

The initiative seeks to tackle poverty reduction through economic development, food security, sustainable livelihoods for coastal communities and biodiversity conservation through the protection of species, habitats and ecosystems. To bring this about, the countries decided on and undertook to implement a Regional Plan of Action, with five fundamental goals:

- Identify and define seascapes to be managed
- Manage fishing as part of the complete ecosystem
- Establish a functioning, protected marine area
- Strengthen adaptations and resilience to the effects of climate change
- Improve the status of threatened marine species

Each year, senior officials meet to agree on priority regional actions for the following year. Following agreement on these regional aims, each country then develops National Plans of Action, which adapt regional targets to local conditions.

The structure of the CTI is straightforward – a Council of Ministers, the Committee of Senior Officials and the National Coordinating Committees – which are all supported by the Regional Secretariat.

The Council of Ministers is the highest decision-making body and the chair of the committee rotates among the six nations. The Senior Officials Committee is made up of government appointees from all member countries; their role is to decide on technical decisions and provide direction to the Regional Secretariat.

Crucially, the initiative also works with development partners, non-government organizations and local communities. High profile partners include the US Agency for International Development (USAID), the Asian Development Bank (ADB), the Global Environment Facility (GEF) and the World Wide Fund for Nature (WWF).

Collaboration and the involvement of the private sector are particularly important, and the CTI connects with business and industry leaders through its yearly CTI Regional Business Forum. The forum engages business and industry leaders in developing innovative solutions that are profitable and sustainable for the Coral Triangle region and promotes new partnerships with the private sector, CTI member countries, NGOs and international institutions.

Beyond the forum, development partners and NGOs form partnerships with businesses at a local level to support smaller-scale projects and programmes.

The Coral Triangle governments have progressed towards establishing the

initiative as a regional organization, endorsing a series of legal documents to guide its operations. This includes putting in place procedures to recruit staff based on merit, coordination procedures, establishing financial contributions to be borne by each country. This suite of foundational agreements will allow a fully independent Regional Secretariat to coordinate the implementation of the Regional Plan of Action.

One of the core challenges for an initiative on this scale that embraces many nations is establishing effective governance of the area – an area of global commons. Getting this feature right lies at the heart of the success of such an initiative.

# Model of Success – Top Coral Triangle Initiative Takeaways

Observers are able to identify a number of key features that are essential to a programme on the scale of the CTI that involves diverse stakeholders:

Senior political commitment
The most salient lesson to be taken
from the CTI is that, for such a
programme to be efficient and rapidly
effective, it needs political commitment
from the very top. Naoko Ishii, Chief
Executive Officer and Chair of the
Global Environment Facility, which is a
partner in the CTI, believes this is the
biggest lesson learned from the
initiative.



Naoko Ishii, Chief Executive Officer and Chair, Global Environment Facility, USA

"The challenge, whether it's oceans, rivers or vast rain forest systems is the same – these kind of regional or global commons are very difficult to govern or to be managed simply because everybody wants to squeeze benefits from them and nobody is responsible for the sum of those individual interests," she said.

What is especially significant about the CTI, however, is the speed with which it has established a governance framework. The overriding reason for this efficiency, believes Naoko Ishii, is political commitment at the most senior level. "This is the one really decisive factor that drives forward the agenda," she said.

Create multistakeholder involvement Along with senior political commitment, there must also be the right vision. Such a large challenge as the management and protection of the Coral Triangle means that vision needs to involve all parties affected.

"It was made clear from day one," Ishii said, "that all stakeholders needed to be involved and united. So, it's not only national governments that are involved – with political leadership driving the agenda forward from the top – but also local governments and local communities, as well as the private sector and academia."

"What is created is a platform for all the diverse and important stakeholders. Without that kind of initial commitment, I don't believe such an initiative is likely to be successful," she added. "And with the CTI, it could not be better because we have the President of Indonesia along with five peers in the region; it is so much easier to establish the right kind of governance framework if the president is calling for collective and inclusive action."

In the absence of such political leadership, managing such projects means building a governance framework primarily from the bottom up. While community-level engagement is important to ensuring buy-in from critical stakeholders, without complementary high-level political support, initiatives can be hampered by conflicting policies.

"In this case we need to put the building bocks in place country by country, sector by sector," said Ishii. "This is challenging because, of course, usually countries have national interests that come before indirect regional interests. It can be done and countries can be persuaded, but it takes time – and with so many

environmental problems, we have so little time to act."

Move from regional plans to national action plans

Moving from macro planning to concrete steps on the ground is critical. And the moment at which agreed regional plans are translated into national action plans is frequently a critical one. It is often at this time that initiatives can stall.

"Often a gap occurs at this point," noted Naoko Ishii. "Countries can be focused only on short-term, national interests. Again, what the Coral Triangle Initiative has demonstrated is that if the right structures are in place and there is a body with political leadership, those national programmes can be linked to a regional plan and can be effective.

"Setting up this multi-layer evaluation framework can be a slow process. It can often take many years for people to feel comfortable doing business with each other because trust needs to be built – and, if there is no political leadership, this has to come from the bottom," she added.

Involve the private sector
Many projects fail to involve the private sector sufficiently. A concrete instrument to bring in the commercial sector is therefore imperative. One way to bring this about is to explain and demonstrate that governance is in everyone's interests and makes business sense.

Competition among different actors is inevitable, But, the needs of local populations and the need for conservation do not need to conflict. Local communities understand that the marine ecosystem needs to be properly managed and that they depend on it.

"The problem is there because there is often an absence of a governance mechanism, either formal or informal," said Naoko Ishii. "Such a mechanism is key to make these communities behave in their long-term rather than short-term interests."

"The fishing communities do understand, but they are under day-to-day pressures, so naturally overfishing will occur. Under the right framework it is entirely possible to ensure their better welfare in the long term and the conservation that is needed," she added. "But without governance, this will not happen automatically."

#### Break down silos

Another challenge is the need to break down silos – whether these involve countries' self-interest, government ministries' rigid thinking and operational methods, or the self-interests and fixed attitudes of the commercial sector.

Sharing information and genuine collaborative thinking are prerequisites for a programme such as the CTI to work well. Political leadership can break down these silos

"Often the government is divided by ministries each with its own way of doing business," observed Naoko Ishii. "Of course, this is natural and rational behaviour – putting silo interests ahead of everything else. But the challenge is to convince each of these interest groups that working together and creating a joint framework will benefit all of them much better. To break down silos you need discussion and, once again, political commitment."

### Deploy technology

The use of technology has become essential in any multistakeholder initiative. In the case of the CTI, technology is not only a vital tool for collecting and disseminating information; a crucial by-product of this process is that it serves as a means of monitoring progress and the effectiveness of actions.

"It is very important to adopt a clear monitoring and evaluation system for the region, especially as each donor wants to be sure their contribution is producing results," said Naoko Ishii.

Technology can help this because, as progress is recorded, everyone is

effectively able to monitor everyone else. Technology can be in the form of databases, such as the Coral Triangle Atlas (CT Atlas). This is an online resource providing governments, NGOs and other interested parties with a view of spatial data at the regional scale.

For many years data on fishing, biodiversity, natural resources, and economic and social information have been collected by scientists, but what the CT Atlas aims to do is to draw these data together and make them available in a one-stop resource to enable better informed policy decision making.

Among the various challenges faced in optimizing the database, implementers describe the need to overcome cultural and institutional barriers to the sharing of information. Other technologies can be deployed more simply and have an almost immediate practical impact. An example of this is fishers and fish sellers in the Solomon Islands who are using mobile phone technology to gather data about the country's fish markets and landing stations into a real-time database.

USAID has funded the "Hapi Fis, Hapi Pipol!" (Happy Fish, Happy People!) smartphone app, which allows officials at the Ministry of Fisheries and Marine Resources of the Solomon Islands to send data to the cloud where it is analysed and shared with the fishing industry to help manage resources sustainably. The software involved is based on open architecture and can therefore be adapted for use elsewhere.

### Find uniting factors

Crucial for success of the CTI model is to find factors to unite all parties. This is the route to building collaborative partnerships. Sometimes these factors may not be immediately obvious.

"In the case of the Coral Triangle Initiative, the actors are united by an ecosystem boundary, so it's geographical and ecological," said Naoko Ishii. "But other unifying features can of course be deployed. Sometimes we need a more artificial platform, such as a global commodity supply chain. This is happening with the palm oil initiative to tackle deforestation, involving all elements along the supply

chain from small holder to plantation, multinationals and governments through to consumers."

"There are various ways to create a platform," she added. "What is important is that all stakeholders can clearly see it is in their interests to act in concert. I believe we urgently need to raise the profile of such collaborative initiatives because this model is the way to address the management of the global commons – and we cannot wait forever to do this."



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