



Challenges, Responses, Strategies and Actions for the Implementation of the Sustainable Development Strategy for the Seas of East Asia

prepared by
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Introduction

The Seas of East Asia cover the six large marine ecosystems and their respective watershed areas that are linked ecologically by large-scale atmospheric, oceanic and biological processes and phenomena, including typhoons and tropical storms, ocean currents, and highly migratory species.

The coastal waters and watershed areas are rich in natural resources. The mangroves, wetlands, coral reefs, forests, rivers, lakes and other ecosystems in the region are biological powerhouses, producing more than 30 percent of the world's coral reefs, one-third of the world's mangroves, and over 17 percent of the most important wetlands in the world. This rich habitat is home to much of the planet's biological diversity.

The true value of such biological diversity defies conventional methods of quantification. These ecosystems provide services that range from regulating global climate to maintaining the biogeochemical cycles, to providing sources of export revenue for various sectors, to sources of food and income for the poor.



Biological and Ecological Economy of the Region

In 2004, more than 40 million tons of marine fish were produced from these ecosystems... that's about 51 percent of the production globally, as well as over 80 percent of the world's aquaculture products, valued at US\$50 billion. In the tourism sector, the region was able to capture 12 percent of the global market share of international tourists, resulting in tourist revenues of US\$84.5 billion across the region. Eco-tourism contributed a substantive part of this revenue.



The marine environment provides tradable resources, nutrition, livelihood, medicine, building materials and access routes to global markets. The Seas of East Asia facilitate trade and commerce, and are vital to the socioeconomic well-being of the region, both now and for the future. In some coastal nations, the coastal and marine contributions have been estimated to range from 20 percent to 60 percent of the national GDP.

Coral reefs, mangroves, seagrasses and other coastal habitats also form a "natural life-saving belt", providing shoreline protection and stabilization to coastlines. The role of coral reefs and mangroves in shoreline protection during typhoons and hurricanes and tropical storms is well recognized. The Indian Ocean Tsunami and Hurricane Katrina are recent reminders of the vulnerability of coastal populations to these forces of nature, emphasizing the 'non-market value' of such resources to people, and their role in improved disaster management.



Why Do We Need to Implement the SDS-SEA?

Because coastal areas are preferred sites for human settlements, economic development and urbanization, severe conflicts often arise from multiple uses and competition for limited land and sea resources by different sectors.



With the high levels of population and rapid economic development in the region, existing efforts and approaches to combat the degradation of watersheds and coastal and marine areas are not having the impact desired, as destruction and degradation appear to be the norm rather than the exception. In general, the impression is that the seas

are degrading faster than appropriate policies and management interventions are being put into place.

The implication is that the Seas of East Asia cannot sustain current rates of economic development and productivity in the region. Coastal governance issues are too large, too complex and frequently transboundary in nature, thereby outdistancing the effectiveness of programmes put in place by individual governments and sectoral agencies.

The fact is, economic development and poverty reduction are increasingly constrained by environmental concerns, including degradation of fisheries and habitats, scarcity of safe sustainable water, poor human health and premature death as a result of air and water pollution.

Industrial growth and urban expansion have contributed to the generation of uncontrolled sewage, solid and hazardous wastes in many of our cities, outstripping the collection, processing and disposal capacities of local governments. Uncollected wastes end up in drains and rivers, exacerbating flooding, or in the streets and vacant lots, where it impacts public health by providing habitat for rodents, flies, mosquitoes and other disease vectors.



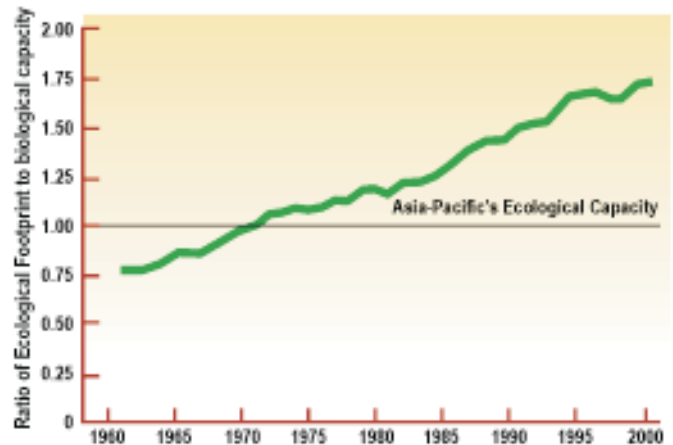
By 2020, for the first time in history, more than 50 percent of the region's population is expected to be located in urban areas. The demand for water, sewerage and sanitation services will be tremendous, far outstripping the current levels of service available in our cities.

Poor sanitation and dirty water are causing more than 500,000 infant deaths per year, as well as resulting in a huge burden of illness and disability. Recent estimates put productivity losses due to water-related illnesses at 1.5 percent to 7.3 percent of the GDP of countries in the region. On the other hand, most governments continue to commit less than 0.5 percent of their GDP to environmental issues.

Sustaining the Region's Ecological Capacity

Over 30 years ago, a report entitled "Limits to Growth" created global shockwaves when its computer-generated scenarios suggested that human activity would exceed the Earth's carrying capacity, leading to a decrease in industrial output and a decline in human well-being, in the mid-21st century.

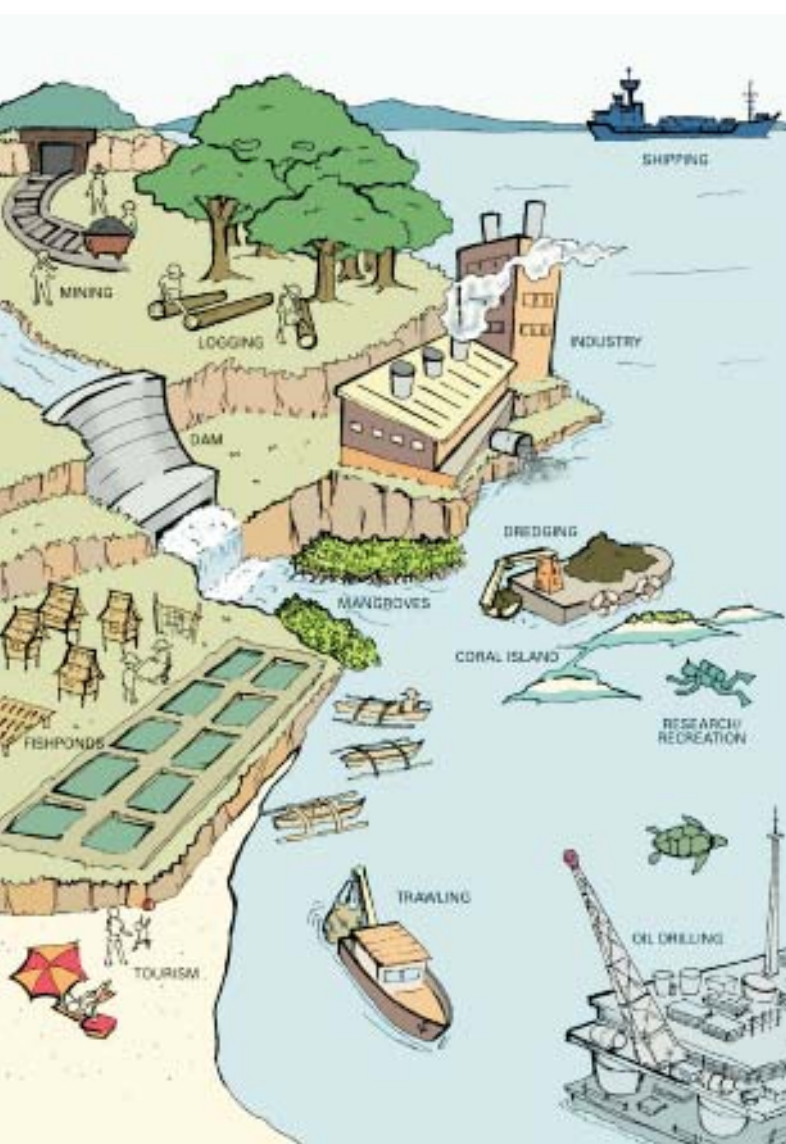
Unfortunately, that prediction is becoming a reality. The WWF's Living Planet Report indicates that humanity's annual demand for resources is now exceeding the Earth's regenerative capacity by more than 20 percent.



The region's ecological footprint is 75% greater than its biological capacity (WWF, 2005).

The East Asian region plays an increasingly central role in creating this "overdraft" on the planet's natural capital, as the region's population and economy continue to grow. Our per person demand for renewable natural resources has grown 130 percent since 1961, and we now have a situation where the demand on these natural resources is 75 percent greater than the ecological capacity to regenerate.

What does this mean in practical terms? It means that the economic change that has been occurring in the region has been supported in part by the natural resource base, both as a source of raw materials and as a sink of pollution and other negative outputs from human activity. It means that these processes of development have put the region's unrivaled natural resources at great risk.



Under threat are people's livelihoods and income, the survival of species, and various other ecosystem services mentioned previously that have local, national, regional and global significance in terms of security and well-being.

In summary, the apparent interconnectivity between land and sea activities, the regional economy, social well-being and functional ecosystems makes it essential to adopt a new paradigm in coastal governance.

Driving Forces for Change

Coastal and ocean governance in today's world entails a number of imperatives.

First and foremost, it must be recognized that there are no "quick fix" solutions. Coastal and ocean governance for sustainable development requires a long-term commitment of stakeholders.

Nor can it be achieved when limited resources and capacities are repeatedly being re-channeled into cleaning up the mess created by environmental crises. Hence it is imperative that proactive solutions be developed, which integrate strategic and multi-faceted policies, institutional arrangements, and responses.

The many powerful driving forces for change in the region, such as globalization, regionalization, consumption and use patterns, and digitization, are neither inherently good nor bad for the environment. The environmental impacts of intensified international flows of goods and capital, for example, depend very much on the energy, resource materials and pollution intensity of the technologies and processes involved.

Environmental outcomes depend on how these driving forces for change are channeled and harnessed to achieve desired societal ends. Under a business-as-usual scenario, with the increased level of globalization as well as rising consumption and use patterns of a growing middle-class, adverse impacts of economic growth on the natural resources and the environmental quality in the region would be disastrous.

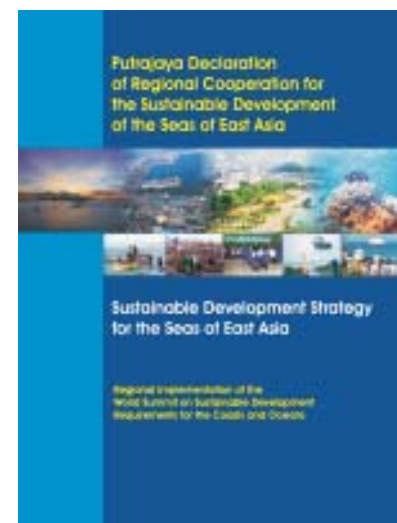
It is imperative to turn these forces of change to environmental advantage through effective coastal and ocean governance, operative regulations, functional economic instruments, improved technologies, and engagement of public support for improved environmental services. These are on-the-ground challenges faced by many countries in the region.

A Regional Vision of Desired Changes

The SDS-SEA is in fact a regional marine strategy developed to implement integrated management approaches for achieving sustainable use of the environment and the resources of the Seas of East Asia. It represents a collective response strategy to the above mentioned driving forces.

The SDS-SEA was developed over three years, through consultation and consensus building among the 12 participating countries of PEMSEA and 16 collaborating regional agencies and international organizations and institutions. It was founded on a shared vision and common objectives for sustainable development of the coastal and seas of East Asia.

The six major strategies and 227 action programs that are delineated in the SDS-SEA provide a framework for policy and programme development at the regional, national and sub-national levels. The identified action



programmes offer insights to stakeholders on the ways and means of achieving desired changes through sectoral and cross-sectoral initiatives.

The SDS-SEA is a package of principles, relevant regional and international action programs, agreements and instruments, as well as implementation approaches for achieving sustainable development. The strategy does not reflect any individual country, international organization or sectoral interest, but represents a regional perspective, principles and guidelines, providing a platform for each stakeholder to play a contributing role and to cooperate with one another in addressing common issues and concerns. The SDS-SEA offers guidance, references and examples for assisting stakeholders in the development of their respective strategies, policies, integrated implementation plans and investment approaches, in order to address specific national, local and sectoral needs.

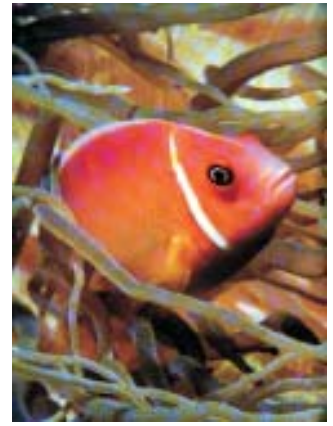
The proposed action programs are based on a set of operational approaches and measures, which have been proven suitable and effective through more than a decade of demonstration and expansion activities in the region.

The Putrajaya Declaration committed countries, on a voluntary basis, to regional cooperation and collaboration for implementation of the SDS-SEA. It established the SDS-SEA as a common platform among the countries for regional cooperation, and as a framework for policy and programme development at the national and local levels.

The SDS-SEA addresses common concerns that our coasts and oceans are facing today, including:

- Sustaining the productivity and marine biodiversity of coastal ecosystems, and ensuring that fish stocks are restored to levels that can sustainably support present and future generations;

- Preserving species, genetic resources and pristine areas through the adoption and implementation of agreed management regimes and safeguards;
- Protecting coastal and marine resources from human activities on land and at sea, and restoring those that are damaged and degraded;
- Developing sectors of the economy, partnership arrangements and coastal and marine areas, that not only contribute to economic prosperity, but also facilitate social well-being and safeguard the ecological and biological economies of the region;



- Implementing international conventions and agreements, by integrating and mainstreaming relevant objectives and desired outcomes of the different instruments into work programmes at the regional, national and local levels; and
- Communicating to raise awareness and understanding of the issues and the implications of actions and inactions, for the purpose of mobilizing governments, civil society, academe, and the private sector for sustainable development of the coastal and marine environment.

The SDS-SEA incorporates relevant international conventions and agreements. It does not create a new set of obligations, but rather implements existing ones. The difference between the SDS-SEA and other regional strategies and programmes of action is the fact that it is primarily founded on the principles of sustainable development, and primarily based on existing partnership experiences within and among the countries of the East Asian region.

It offers a regional framework for governments and other interested parties to implement, in an integrated or holistic manner, the commitments that they have already made. It addresses linkages among social, cultural, economic and environmental issues and embodies a shared vision formulated by the countries and other major stakeholders in the region.

Strategies and Opportunities for Implementation

After the adoption of the SDS-SEA, the next question was where and how to begin its implementation. This was addressed with the decision by countries, following the signing of the Putrajaya Declaration, that a regional mechanism was required to oversee and coordinate the long-term implementation of the Strategy.

In the process of reaching the decision on a regional mechanism, PEMSEA was recognized as the *de facto* implementing mechanism for the SDS-SEA. As such countries endorsed the transformation of PEMSEA from a project-based entity into a regional partnership mechanism. The regional mechanism is not legally binding, as is the case with regional conventions. Rather it is an innovative regional arrangement, founded on the principles of partnership, and dedicated to the achievement of the shared vision and objectives of the SDS-SEA. As a partnership, the regional arrangement is outcome-oriented, meaning that the partnership ceases when the respective objectives of the Partners have been achieved, individually and/or collectively.

A Partnership Agreement and Partnership Operating Arrangements were prepared over a three-year consultation period with governments and partners, in

order to outline the institutional arrangements and terms of operation of the new mechanism.

The Partnership Agreement was developed as a non-binding agreement among governments to transform PEMSEA into an effective, self-sustaining regional collaborative mechanism for the implementation of the SDS-SEA. The institutional arrangements that are identified in the Partnership Agreement, and detailed in the Partnership Operating Arrangements, are composed of the following interrelated components:

- The East Asian Seas Partnership Council is composed of governments of the region, as well as other stakeholders, including UN and international agencies and organizations, regional programmes and projects, donors, private sector, and NGOs;
- The PEMSEA Resource Facility (PRF) is a package of services and resources mobilized by PEMSEA to facilitate the implementation of the SDS-SEA. The PRF consists of Secretariat Services in support of Partnership Council, and Technical Services in support of Partners and collaborators. The Secretariat Services will be funded through Cost-Sharing Agreements involving the Governments of China, Japan and RO Korea. The Technical Services will be funded through the implementation of projects and services;
- The Regional Partnership Fund will address capacity disparities among countries and within countries regarding the implementation of the SDS-SEA. It is envisioned to engage and facilitate the coordination of support from donors and other Partners for capacity development;

New Paradigm for Regional Cooperation.



- d) The EAS Congress will become a regular event on the regional calendar, to be held triennially as a means of bringing stakeholders, experts and Partners together to share and discuss areas of concern, performance and achievements regarding sustainable development of the seas; and
- e) The Ministerial Forum, also to be held triennially in conjunction with the EAS Congress, to review the status of SDS-SEA implementation and to renew commitments and policy directions of countries.

The Partnership Operating Arrangements, which outlines the institutional arrangements for meaningful engagement of partners, would be signed by stakeholder groups committed to implementing issue and area-specific activities and plans under the umbrella of the SDS-SEA. In particular, the idea is to encourage the establishment of issue or site-specific agreements, such as the sub-regional agreement between Cambodia, Thailand and Vietnam on oil and chemical spill preparedness, response and cooperation in the Gulf of Thailand. Implementation of such agreements will be strengthened through the cooperative framework of the SDS-SEA and its implementing mechanism.

Measuring Progress

A series of strategic steps for the early implementation of the SDS-SEA have been identified and developed during national and regional consultations over the past two years. Recognizing that all issues cannot be addressed at once, these early steps are designed to provide countries and stakeholders with the direction, skills and capacities, experience, and indicators of progress that will encourage further effort and commitment.

At the regional level, the early focus is on the forging of strategic partnerships with international players, donors and the corporate sector in support of SDS-SEA implementation, and the operationalization of a work programme covering WSSD and MDG targets through increased collaboration and cooperation among players.

Indicators of progress at the regional level will be the actual resources that Partners commit to related programmes, the establishment of a 10-year work

programme for the Council, including time-bound targets covering for pollution reduction, habitat protection and restoration, etc., the capacity development achievements of the Regional Partnership Fund, and the products, services and outputs being achieved as a consequence of the partnership approach.

The next level of initiatives is primarily focused on "mining the available intellectual capital" in the region and, utilizing that capital, create or strengthen core capacities in policy and programme development and implementation at the national level.

This group of initiatives recognizes that sustainable programmes require competent and self-reliant managers, technical and scientific professionals and support staff, working within a policy environment that is conducive to on-the-ground problem solving and paradigm change.

Thus, the strategies involve creating a regional working environment, which facilitates access and use of the region's human resources to develop innovative policies and programmes covering matters such as scaling up ICM programmes, financing of pollution reduction facilities and services, capacity development, and knowledge transfer.

Another level of strategic initiatives is designed to facilitate investment in on-the-ground facilities, by both the public and private sectors.

Here the focus is on putting into place innovative financing and economic instruments that can mobilize innovative approaches, technologies, management skills and investments, while overcoming existing barriers being faced by the private sector and governments.

Specifically, in collaboration with GEF, UNDP and the World Bank, the targets are to establish and operate a financially sustainable project preparation revolving fund targeting pollution reduction in small communities of the region and to demonstrate and replicate good practices in financing environmental infrastructure. All of this designed to accelerate pollution reduction.



Another type of partnership arrangement that will be targeted involves the corporate sector and local governments. Building upon PEMSEA's experience in the Philippines, the idea is to engage multinational companies and major national companies as champions of sustainable development in the communities and countries in which they operate, and partnering with local governments and communities to sustain local resources and enhance social development.

The final level of strategies refers to monitoring and measuring the outcome and impacts of the partnership programmes.

Strategically, this involves working up the appropriate indicators that make sense and can be measured at the site level, and can be rolled up and integrated into country-level monitoring and assessment of progress.

Ultimately, a regional State of the Coasts reporting system will be established with country and Partner inputs. The first State of the Coasts report is scheduled for the EAS Congress 2009, to provide Governments, Partners, collaborators and concerned stakeholders with a regional overview of where we are with respect to implementation of the SDS-SEA, the changes that are occurring, the remaining challenges, and the considerations for moving forward.

Time is required for effective partnerships to be established and take root, and more time is needed to consolidate the gains made towards the goals of SDS-SEA on a self-sustaining path.

The Transformation

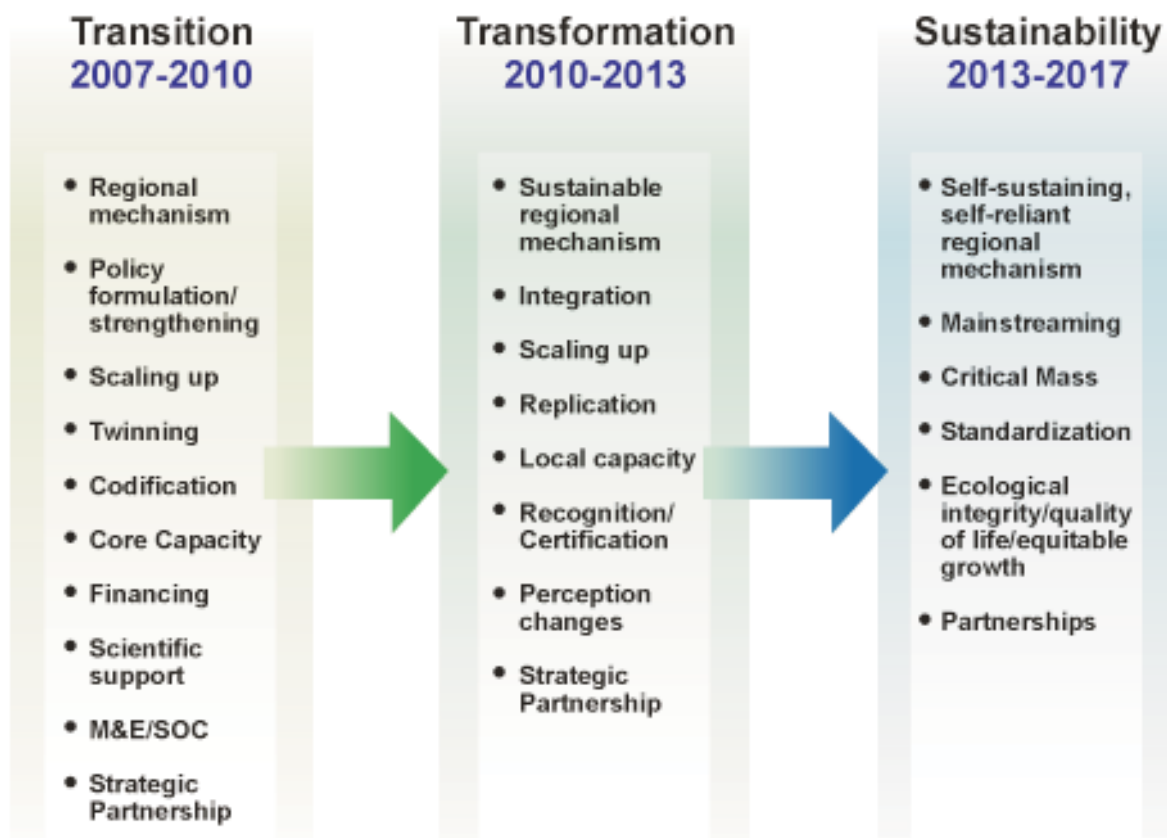
The proposed transformation programme will be implemented over a 10-year period.

The first 3 years (2007-2010) will be the *transitional period*, in which countries, their partners and other stakeholders will develop, agree on, and commence the implementation of a 10-year framework of partnership programs under the SDS-SEA.

During this period, a Plan of Action will be prepared for review by the EAS Partnership Council regarding the sustainability of regional mechanism for the long-term implementation of the SDS-SEA. The Plan of Action will be formulated in collaboration with Participating Countries and other Partners.

The second 3 years will be the *transformation period* (2010-2013), in which national level policies, legislation and programs in coastal and ocean governance/ICM will be fully implemented/evaluated and refined in the more developed participating countries, while other countries with less capacity will continue to build capabilities/skills and experience in river basin, coastal and ocean management. The EAS Congress and the Ministerial Forum will continue as regular, sustainable components of the regional mechanism, serving as instruments for evaluating the progress and effectiveness of the partnership programme, and for reconfirming country and other stakeholder commitments.

Proposed Transformation Programme.



The final 4 years will be the *sustainable operation period* (2013-2017). The GEF will exit as a major regional sponsor of the project, and countries and their partners will take full responsibility for SDS-SEA implementation, and the sustainability of the long-term, regional mechanism. Capacity building and institutional strengthening in coastal and ocean governance for lesser developed countries of the region will continue to be a priority concern of the EAS Partnership Council—the new regional operating arrangement. The Ministerial Forum will review the achievements of the countries and their partners regarding the implementation of the SDS-SEA, and the impact of such achievements on the people of the region, and will consider the endorsement of the second-cycle SDS-SEA as a guiding framework for the next 10 years.

Conclusion

These are the proposed activities and expected outputs of the next three years with respect to implementation of the SDS-SEA. We recognize that there are many challenges. Regional cooperation, partnerships, ecosystem-based management and sustainable development are common "buzz words", but difficult to implement. We must accept that to achieve all of these objectives will require time and effort. But, at the end of the day, we also recognize that there is really no other alternative.

It is time for action. We owe this to the next generation and to future generations. What we do in the region over the next few years will have a dramatic effect not only on the future development of our river basins, coasts, islands and oceans, and the accrued socioeconomic and ecological benefits to our nations, but also on the sustainable development of our global oceans as well.

