



United Nations Office of the High Representative for Least Developed Countries,  
Landlocked Developing Countries and Small Island Developing States

## Summary

### Second Preparatory Webinar for the SIDS Global Business Network Forum 2024

Monday 29 January, 2-3pm

Virtual

#### Opening

- Mr. Sandagdorj Erdenebileg, Chief of Service, Economic Affairs-OHRLLS, opened the webinar, expressing gratitude to the Permanent Mission of Portugal and the Permanent Mission of Palau for co-hosting the event with the OHRLLS. He acknowledged the support from the Government of Denmark and the Government of Ireland in organizing the Forum. The primary objective of the Forum, as highlighted by Mr. Erdenebileg, is to ensure the active integration of the private sector into the Fourth International Conference on SIDS (SIDS4) and the upcoming decade of SIDS development agenda. The Forum aims to produce a summary with specific recommendations from the private sector, outlining how the UN and member states can facilitate business engagement in implementing the new SIDS agenda.
- Emphasizing the pivotal role of the private sector, Mr. Erdenebileg stressed the need to include the private sector in SIDS4 discussions, underlining its significance as a catalyst for progress through public-private partnerships (PPPs). He referenced the zero draft outcome document of the new Programme of Action for SIDS, which acknowledges the necessity for partnerships to implement innovative approaches for the new SIDS agenda as well as the importance of fostering conducive business environments.
- Building on insights from the recent meeting of the Preparatory Committee, Mr. Erdenebileg noted the reinforced call for increased PPPs for SIDS and the advancement of the Global Business Network. He explained that the series of webinars leading up to the Forum have been designed to incorporate the private sector's voice into the process, ensuring the Forum aligns with private sector priorities.
- Highlighting the multi-dimensional vulnerabilities of SIDS, Mr. Erdenebileg underscored the urgent demand for advancing blue and green growth. This interconnected approach is deemed vital for addressing environmental challenges and ensuring the well-being of both land and sea. Illustrating innovative solutions, he cited examples such as Seychelle's sovereign blue bond, Palau's marine protected area and shark sanctuary, and Barbados' projects for wave energy, aquaculture, and sea moss production in its blue economy program. These examples exemplify the commitment to sustainable practices and the economic benefits associated with them.

#### Moderator

- Mr. Jorge Aranda, Deputy Permanent Representative of Portugal to the United Nations, moderated the second webinar session.
- Mr. Aranda thanked OHRLLS for the introduction and opportunity to moderate the webinar, confirmed the relevance of the topic addressed and its alignment with Portugal's international profile and foreign policy priorities, and recalled to that effect the recently concluded co-chairmanship of the Steering Committee for SIDS Partnerships and Portugal's work on the promotion of green and blue economies at home and abroad, as evidenced by commitments announced at COP28 (e.g. ambitious domestic targets on carbon neutrality, acceleration of transition to renewable energies, international pledges of EUR 4M to the Green Climate Fund and EUR 5M to the Loss and Damage Fund, and debt-for-nature swap agreement announced with São Tomé e Príncipe), the organization of the Second UN Ocean Conference with Kenya in 2022 and two editions of the Sustainable Blue Economy Investment Forum in Lisbon, as well as an active participation in the Third UN Ocean Conference preparatory process, the Fourth International Conference on Small Island Developing States and this process itself.
- Mr. Aranda underlined the importance of involving all relevant stakeholders in the preparatory process of the SIDS GBN Forum — private sector, academia, civil society, and international financial institutions — commending OHRLLS for the geographic and gender diversity of the speakers selected, representing both SIDS and partners, whom he then introduced:
  - Mr. Olsen Vaafusuaga, Co-founder and Project Manager of Falease'ela Environment Protection Society (FEPS) in Samoa as well as co-founder of Eco Cultural Adventure Talanoa/Tourism (ECAT), Lalotalie River Retreat (LRR), and the Samoa Rangers Association (SRA).
  - Ms. Therese Turner-Jones, Director, Projects, Caribbean Development Bank (CDB)
  - Mr. Rajiv Ramlugon, Group Chief Sustainability Officer, Omnicane, Mauritius
  - Ms. Mira Bergem, Public Affairs Manager at Maersk McKinney Center for Zero Carbon Shipping, Copenhagen
- Each speaker brought expertise in conservation, economic development, corporate sustainability, and shipping-related environmental issues, contributing to the diverse perspectives in the webinar.

### **Private Sector Discussion**

- Mr. Vaafusuaga presented a case study outlining a village community model that could serve as a blueprint for success in blue and green economies. The focus is on developing an economy based on environmental sustainability and cultural aspects. The presentation highlighted collaboration with UNDP and the GEF Small Grants Programme over the past decade, emphasizing a ground-up approach and a global perspective. The three-pronged strategy implemented through the Rangers program addresses the challenges faced by Pacific communities, particularly in the front line against natural disasters.
- Mr. Vaafusuaga emphasized the need for building resilience within communities. The strategy involves seeking support not only in terms of funding but also expertise from the government, emphasizing a village-based and policy-driven approach. The initiative, known as "Roots to Reef", encompasses projects spanning from mountains to the sea, protecting ecosystems, replenishing resources, and involving a collaborative effort with the Rangers.

- The presentation underscored the importance of strengthening the Rangers, who act as guardians of the lands and sea. The three-pronged strategy includes village-level engagement, reinforcing the knowledge, expertise, and traditional wisdom of the Rangers. The goal is to enhance their resilience and entrepreneurial spirit, ensuring the development of businesses within the villages.
- Examples of the organization's resilience efforts were highlighted, such as responding to Cyclone Evan in 2012 and rehabilitating land through community engagement. Organizations like FEPS, ECAT, and SRA serve as mechanisms for bringing together indigenous sustainability, community, individual businesses, and building resilience. The success of this blue and green economy model is evident in the employment opportunities created over the last 25 years through ecotourism, employing locals in various capacities and contributing to community livelihoods.
- Ms. Therese Turner-Jones discussed CDB's efforts to support investment in both climate resilience and a sustainable blue economy. She highlighted initiatives such as the Blue Coal Caribbean Umbrella Coordination Programme and the Caribbean Investment Window, emphasizing the need for increased funding for SDG 14 (Life below water). Ms. Turner-Jones expressed gratitude to OHRLLS and the UN for sponsoring the panel and outlined CDB's commitment to supporting clients in transitioning towards a climate-resilient and sustainable blue economy.
- The Blue Coal Caribbean Umbrella Coordination Programme, a new initiative by CDB, is being developed for submission to the Green Climate Fund. This regional program, supported by various partners like Conservation International, The Nature Conservancy, and the Caribbean Community Climate Change Centre, focuses on mobilizing the private sector. Ms. Turner-Jones stressed the importance of PPPs and discussed the Conservation International's establishment of funds in other regions, providing financing to enterprises supporting a climate-resilient blue economy.
- Unlocking the full potential of the regional private sector, Ms. Turner-Jones emphasized the need for the public sector to share some of the risks. PPPs were presented as a powerful tool for transitioning to a sustainable blue economy, contingent on a supportive policy and legal environment. Ms. Turner-Jones proposed innovative PPP models, including the recoupment of revenues by the firm, sovereign funds, and SDG-aligned investments. She underscored the role of concessional financing in bridging projects to bankability, particularly when dealing with less readily bankable initiatives.
- Highlighting challenges such as high debt service obligations hindering government investments in blue growth, Ms. Turner-Jones advocated for risk mitigation through concessional financing. Incentives for private sector investment, PPPs, and venture capital financing were identified as crucial elements to support the delivery of blue economy initiatives.
- Mr. Rajiv Ramlugon, discussed the pivotal role of the sugar cane industry in Mauritius's green economy. Facing economic, social, and environmental challenges in the 21st century, including the loss of the sugar protocol, labor scarcity, an aging workforce, and vulnerability to climate change, Mauritius sought solutions.
- Omnicane, rooted in a century-old history of sugar cane cultivation, devised a strategy for the next five years. The objective is to consolidate sugar cane production while transitioning to a model that addresses climate change challenges, aiming for net-zero emissions. To overcome challenges, Omnicane invested in the early 2000s, creating an integrated cane cluster. This

unique model valorizes sugar cane into refined sugar, bioethanol, and renewable electricity through bagasse/coal cogeneration. Additionally, carbon dioxide is captured for use in the beverage industry.

- This circular economy approach has yielded direct employment for over 800 people, bringing significant revenue to the island. Omnicane's model focuses on maximum resource utilization and minimal wastage.
- Addressing the global energy transition challenge, Mr. Ramlugon emphasized reducing CO2 emissions, mitigating climate change, and decreasing dependence on fossil fuels. Mauritius aims to achieve 60% renewables and eliminate coal from its energy mix by 2030. Omnicane contributes to this goal through a national biomass framework, utilizing biomass and woody biomass to generate renewable energy and displace coal-based energy.
- Omnicane's power plants will transition to 100% renewable biomass, reducing CO2 emissions by 720,000 tonnes, equivalent to 25% of Mauritius's NDC objective by 2030. Mr. Ramlugon's presentation highlighted the sugar cane industry's historical significance and its crucial role in Mauritius's energy transition and climate adaptation strategy.
- Ms. Mira Bergem emphasized the critical need to decarbonize the shipping sector for global climate targets while highlighting the potential for sustainable economic growth, particularly in developing countries. The shipping industry plays a vital role in the global economy, responsible for over 80% of global trade, making it indispensable for island states heavily reliant on shipping for various needs.
- However, the shipping sector contributes significantly to climate change, accounting for around 3% of all greenhouse gas (GHG) emissions. The Maersk McKinney Center for Zero Carbon Shipping was established three years ago with the mission to drive sustainable maritime decarbonization. Ms. Bergem discussed the concept of "green shipping corridors" as a key instrument to decarbonize the sector. Green shipping corridors involve shipping routes where ships operate using low or zero-emission fuels, covering the entire value chain from energy and fuel production to port infrastructure, trade routes, vessels, cargo, services, end consumers, financial institutions, and the regulatory landscape.
- Green corridors offer substantial benefits for developing countries by accelerating the development of alternative energy, facilitating knowledge and technology transfers, building local capacity, creating green jobs, and supporting broader energy transition objectives. These objectives include access to clean energy and clean air, achieved by reducing pollution from fossil fuel production and ship emissions.
- Ms. Bergem highlighted green corridors as exemplary instances of public-private partnerships contributing to harnessing blue-green economies. The Maersk McKinney Center, in collaboration with the US and Danish governments, announced a new partnership at COP 28. The partnership aims to conduct pre-feasibility studies for green corridors in five developing countries. One of the first studies will focus on the Pacific region, collaborating with the Pacific Blue Shipping Partnership to explore opportunities in Fiji, Marshall Islands, Solomon Islands, Tonga, Kiribati, Tuvalu, and Vanuatu.
- The pre-feasibility studies involve working closely with national and local authorities and private sectors to identify potential green corridors and related investment opportunities. This collaborative effort aims to create green jobs, stimulate economic growth, and reduce emissions. The Center's methodology, available on its website, is designed to empower local

stakeholders, contribute to capacity building, and establish strong networks of public and private stakeholders. Ms. Bergem emphasized the Center's commitment to supporting sustainable growth opportunities and emission reduction in the Pacific and worldwide.

- **Lead Discussant**

- Her Excellency Ilana Seid, Permanent Representative of Palau to the United Nations, led the discussion and expressed gratitude to OHRLLS and partners for facilitating the SIDS-GBN Forum. She highlighted challenges faced by SIDS when partnering with the private sector, primarily due to the small size of SIDS markets, which often hinders the scalability of projects.
- Ambassador Seid identified three key areas with significant scaling potential in the blue economy. Firstly, sustainable fisheries and aquaculture were emphasized, leveraging the extensive blue ocean resources in SIDS for cultivating seafood.
- Secondly, sustainable tourism was identified, focusing on developing tourism in a more sustainable way by partnering with companies that prioritize local talent, food, and materials. The goal is to ensure that the benefits of tourism remain within the country rather than flowing out with foreign businesses.
- The third pillar highlighted was technology, with Palau seeking partnerships with technology companies and data centers. Palau's recent advancements in high-speed internet and spare fiber optic capacity position it as a favorable destination for such partnerships, facilitating business operations globally with minimal transportation costs.
- Ambassador Seid acknowledged the importance of addressing financing challenges for SIDS, emphasizing efforts to work with philanthropies, the Green Climate Fund (GCF), and other funds to leverage public funding as a guarantee to attract private sector investment. She recognized the need for creativity in utilizing existing resources to sustain blue-green projects in SIDS.
- Ambassador Seid underscored the concept of equity, advocating for businesses and industries that align with the local communities' core expertise and traditional knowledge. Leveraging local understanding of the ocean and cultural tourism, she emphasized the potential for more efficient and culturally resonant projects in SIDS.
- In conclusion, Ambassador Seid highlighted the significance of approaching partnerships with a focus on local expertise, cultural context, and the unique strengths of small island communities.

### **Open Discussion**

- Mr. Andre A. Santos of Indico Capital, a venture capital firm based in Lisbon, shared insights, and raised questions related to leveraging impact in the blue economy. He noted that the blue economy is one of the least funded SDGs, emphasizing the need for economically driven solutions to scale up impact.
- Mr. Santos posed a question about how SIDS could collaborate on regulations to spur solutions, particularly in the context of decarbonization initiatives. He highlighted the potential of sustainability premiums and regulations to make innovative solutions economically viable. Additionally, he explored avenues to overcome the challenge of small markets in small states, proposing the idea of larger procurement programs or incentives through multilaterals to create a joint market for small states.
- The suggestions presented by Ms. Bergem align with the need for collaborative efforts to address common challenges faced by small states. These include regulatory frameworks and mechanisms to enhance market access for impactful solutions. The proposal for joint regulation

and collaborative initiatives to overcome market size limitations reflects an awareness of the shared challenges and a call for collective action to drive meaningful change in the blue economy.

- Mr. Beck Arnd expressed immense satisfaction with Mr. Ramlugon's presentation, citing pride in having financed the showcased project at the European Investment Bank (EIB). This example was utilized in a recent conference on the blue economy, underscoring its significance. Acknowledging Ms. Turner-Jones insights from the CDB, he emphasized the critical combination of technical assistance, long-term loans, and investment grants for SIDS, echoing the sentiments of the CDB as a valued partner.
- EIB plans to leverage funds from the European Union and the European Commission for initiatives such as the Caribbean Sustainable Water Management Oceans Programme, in collaboration with the CDB. The procurement strategy involves increasing collaboration with UN agencies due to the limited presence of National Designated Authorities in many SIDS.
- Mr. Beck Arnd addressed Ambassador Seid's point about the challenge of supporting very small-sized projects, disclosing internal efforts to address this issue. To overcome this challenge, the EIB often collaborates with regional or national development banks, citing an example in Africa where SIDS were directed to equity investments and ventures. The speaker expressed eagerness for continued collaboration, anticipating active participation in the upcoming global business forum and expressing commitment to addressing the challenges associated with small-sized projects.
- Mr. Escipion Joaquin Oliveira Gomez from International Trade Centre (ITC) representative expressed appreciation for the insightful discussion and directed a question to Ambassador Seid. As someone from a SIDS, the representative highlighted the challenge faced by SMEs in catering to the tourism sector, either locally or regionally. The representative sought Ambassador Seid's views on how organizations like ITC could better support SMEs by connecting them to the tourism sector, emphasizing the need for authenticity in showcasing local products, food, and culture. The representative stressed the importance of ensuring that visitors experience the genuine offerings of the host country rather than imported alternatives, particularly in the context of limited quantity, quality, and standards.
- Mr. Isaiah Gangadeen raised a question addressing the general business model for Developing SIDS. Acknowledging the challenges related to market size, scalability, and risk, he also emphasized the absence of a robust National Innovation System in SIDS. The concern was directed towards the commercialization and scaling up of local niche innovative ideas to drive significant progress in the blue-green economy. The participant sought the thoughts of the presenters on this matter.
- Ambassador Seid provided insights into the promotion of brand awareness for SIDS within the tourism sector. She highlighted examples of sustainability-focused hotels in Costa Rica and Panama, emphasizing the importance of authenticity and cultural experiences. Ambassador Seid suggested targeting customers seeking authentic experiences and leveraging social media for effective marketing. Additionally, she acknowledged the challenge of attracting the right audience but expressed optimism about the potential of social media to showcase unique island experiences.
- Ms. Bergem addressed the question of the role of regulation in the shipping sector and emphasized its pivotal importance. She highlighted the International Maritime Organization's

unanimous agreement on a revised climate strategy in July of the previous year. This global regulatory step is seen as crucial in shaping the industry's environmental commitments.

- Regarding green corridors, Ms. Bergem acknowledged the persistent price gap between conventional and green fuels. Recognizing this challenge, she emphasized the need to close the gap, considering potential government subsidies and private investments. The focus is on leveraging public financing to attract private sector involvement, aligning with the strategies discussed by other speakers.
- While the International Maritime Centre is not currently involved in green corridors in the Caribbean, Ms. Bergem expressed interest in exploring the potential for replication based on the lessons learned from ongoing projects, particularly in the Pacific. She suggested that addressing the challenges of small economies and markets could involve collaborative efforts across Caribbean islands, exploring joint projects to achieve greater scale. Ms. Bergem invited further bilateral discussions for those interested in delving deeper into the concept of green corridors, citing the global excitement surrounding such initiatives.
- Mr. Ramlugon responded on the significance of diversification and product differentiation to address the challenge of economies of scale in small island economies. They presented a case from the sugar cane industry, illustrating a transition from raw sugar production to a diverse range of products, including refined sugar, bioethanol, renewable energy, and antioxidants extracted from sugar cane. This diversification strategy aims to enhance versatility and resilience within the industry.
- Furthermore, Mr. Ramlugon highlighted the importance of differentiation in the market. As a small producer, the ability to offer supply chain transparency and certifications such as Fair Trade can serve as distinctive factors. These certifications not only appeal to customer preferences but also open doors to new markets, highlighting a strategic approach for small island economies to compete effectively.

## **Closing**

- Mr. Aranda provided concluding remarks, highlighting two key points. He emphasized that most societies still have untapped potential in the subject under discussion. This webinar marked the second in a series, with more planned leading up to the main event in May in Antigua and Barbuda.
- Expressing hope that the webinar had sparked interest, Mr. Aranda mentioned the upcoming sessions and stressed the commitment to promoting green and blue economies. He acknowledged the challenges, not only in terms of financing but also in building capacity. Portugal, he noted, is dedicated to addressing capacity-building challenges and intends to present specific programmes for SIDS this year.
- In closing, Mr. Aranda extended gratitude to OHRLLS and thanked all participants for their virtual presence.