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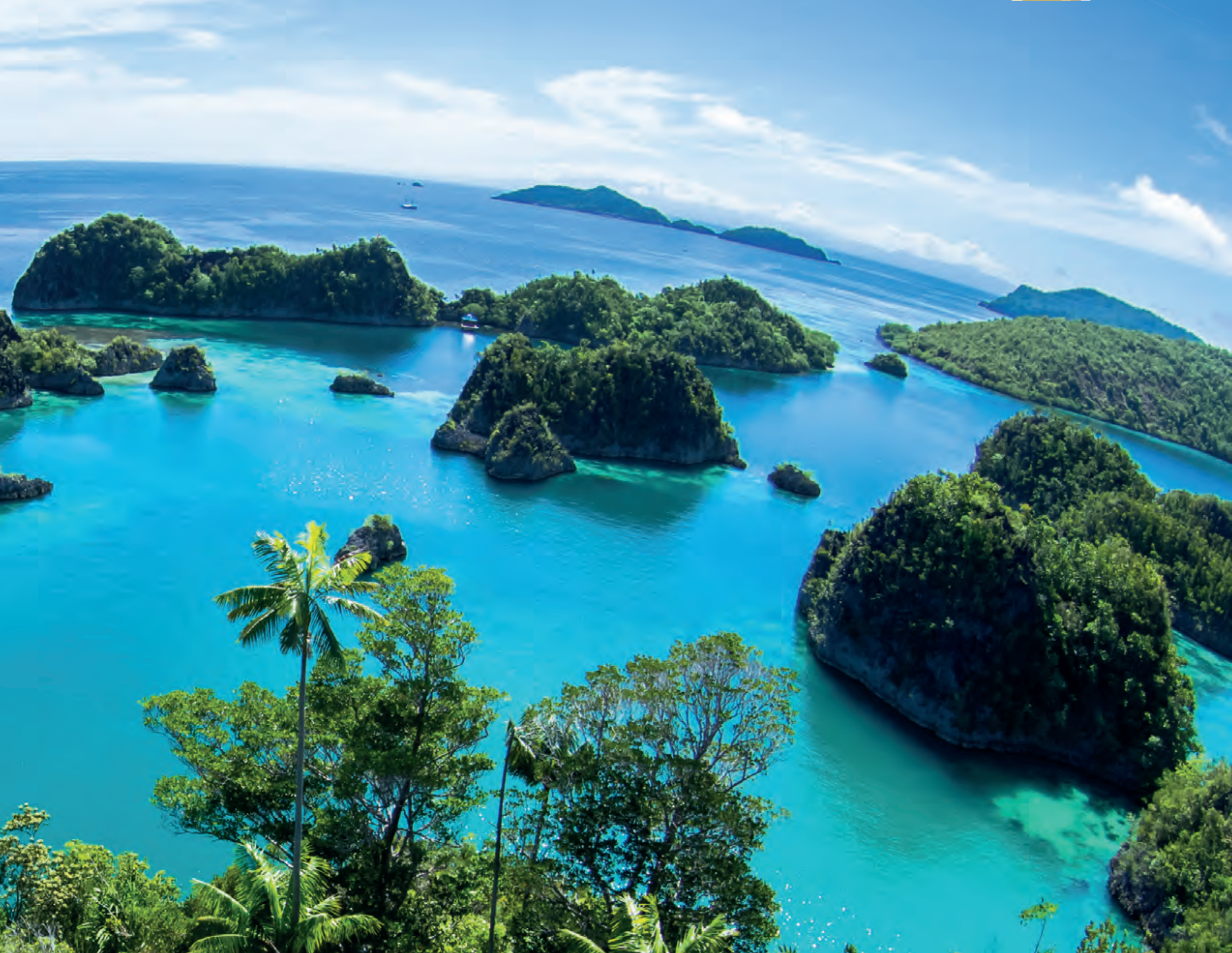

Blue BioTrade:

Harnessing Marine Trade to Support Ecological Sustainability and Economic Equity

UNITED NATIONS

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Abbreviations

ABSCH	Access and Benefit-Sharing Clearinghouse of the CBD Secretariat
CAF	development bank of Latin America
CAST	Caribbean Alliance for Sustainable Tourism
CBD	Convention on Biological Diversity
CBF	Caribbean Biodiversity Fund
CCI	Caribbean Challenge Initiative
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CTO	Caribbean Tourism Organization
DDR	Due diligence requirement
EEZ	Exclusive economic zone
FAO	Food and Agricultural Organization of the United Nations
GDP	Gross domestic product
ILO	International Labour Organization
IOC	Intergovernmental Oceanographic Commission
ILO	International Labour Organisation
IP	intellectual property
ISA	International Seabed Authority
ISEAL	International Social and Environmental Labelling Alliance
IUU	Illegal, Unreported, and Unregulated Fisheries
MIF	Multilateral Investment Fund
MEIF	Marine Enterprise Investment Fund
MMAs	Marine managed areas
MPAs	Marine protected areas
MSP	Marine spatial planning
MSY	Maximum sustainable yield
NAMA	Nationally appropriate mitigation action
NGO	Non-governmental organization
NPAA	Natural Protected Areas Authority
NTOs	National tourism organizations
OECD	Organisation for Economic Co-operation and Development
SDG	Sustainable Development Goal
SIDS	Small island developing states
SME	Small and medium sized enterprise
TBT	Technical barriers to trade
UEBT	Union for Ethical BioTrade
UNCLOS	United Nations Convention on Law of the Sea
UNCTAD	United Nations Conference on Trade and Development
UNDESA	United Nations Department of Economic and Social Affairs
UNDOALOS	United Nations Division on Ocean Affairs
UNEP	United Nations Environment Program
UNESCO	United Nations Environmental, Scientific, and Cultural Organization
UNWTO	United Nations World Tourism Organisation
WMO	World Maritime Organization
WTO	World Trade Organization

EXECUTIVE SUMMARY

The United Nations Conference on Trade and Development (UNCTAD) defines BioTrade as "the activities of collection/production, transformation and commercialization of goods and services derived from native biodiversity under criteria of environmental, social and economic sustainability." As it directly impacts the sustainability of natural-resource exploitation, BioTrade has important implications for the objectives of the Convention on Biological Diversity. BioTrade encompasses an expanding range of goods and services, including personal care, natural pharmaceuticals, and phytopharma, nature-based fashion, horticulture products, handicrafts, textiles, sustainable nature-based tourism, and forestry-based carbon credit generation. In 2015, total BioTrade sales were estimated at €4.3 billion, and over 5 million people directly benefitted from global BioTrade.

In this context, the emerging concept of "Blue BioTrade"—focused on marine-based products and services—presents an exciting new tool to promote sustainability and equity. Blue BioTrade reflects the same seven criteria that define BioTrade: conservation of biodiversity, sustainable use of biodiversity, equitable benefit sharing, socioeconomic sustainability, legal compliance, respect for stakeholders' rights, and clearly defined tenure and access to resources. The Blue BioTrade approach involves working across multiple levels of the value chain to develop sustainable livelihoods, adopt an ecosystem-based management approach, and foster swift adaptation to dynamics markets and changing ecological conditions.

Because terrestrial products differ from marine products in important ways, the principles that define BioTrade must be adapted to the marine and coastal context. The unique socio-political characteristics of marine ecosystems require both the conservation of common-pool resources and the adoption of innovative systems to allocate property rights. The status of the world's oceans as a global commons governed by international laws and conventions (e.g., the United Nations Convention on the Law of the Sea) creates unique challenges for the sustainable exploitation of, and trade in, marine resources.[1]

Among the greatest threat to the oceans economy is the general lack of knowledge or accountability regarding the value of goods and services originating from the sea. Tracking the impact of economic activities based on indicators of marine and coastal biodiversity is challenging, as the available data on the status and exploitation of marine biota are deeply inadequate. Whereas numerous data sources are available for the terrestrial environment, marine and coastal data come primarily from the official statistics reported by the world's fisheries. Value chains for marine and coastal products tend to be relatively opaque, due in part to the difficulty and cost of monitoring these value chains, which frequently encompass multiple jurisdictions with different levels of oversight capacity. As a result, goods sourced from a particular origin are often hard to trace.

The concept of Blue BioTrade comprises a sustainable-sourcing model that is primarily applied on a business to business basis, but business-to-consumer applications have also proven successful. Like BioTrade overall, Blue BioTrade can build on international mandates and agreements, such as Sustainable Development Goal 14, the Millennium Ecosystem Assessment, UNCTAD's Nairobi Maafikiano, and other United Nations agreements and declarations. Informed by more than 20 years of experience in developing sustainable value chains and sectors, the BioTrade concept has been successfully applied to many biodiversity-based sectors, both though government policies and private initiatives. The emerging field of Blue BioTrade will catalyse the sustainable and equitable use and protection of marine and coastal biodiversity and oceans as a whole.

The following report describes how the application of the Blue BioTrade concept can promote sustainable and equitable economic sectors and value chains that rely on marine and coastal resources. A proposal for implementing a Blue BioTrade approach is described in Annex I. Blue BioTrade principles and criteria can be applied without the force of law through voluntary verification and certification systems that enable firms to obtain a price premium for embracing equity and sustainability. Once an international consensus on the principles and criteria for Blue BioTrade has been established, and certification systems are in place (e.g. under the existing framework of the Union for Ethical BioTrade), firms will be able to publicly demonstrate their commitment to sustainability and equity. This represents the first exchange in an ongoing dialogue on Blue BioTrade between UNCTAD, CAF: development bank of Latin America, and their regional and national partners throughout the world.

Expanding Blue BioTrade will require clear guidelines expressly tailored to the marine and coastal environment, as both the governance arrangements and ecological characteristics of oceans very different from land-based economic sectors. Four industries should be regarded as priorities for Blue BioTrade: (i) fisheries and aquaculture; (ii) marine-based pharmaceuticals and cosmetics; (iii) marine and coastal tourism, and (iv) carbon capture and sequestration. Leveraging Blue BioTrade principles can enhance both the economic value of natural capital, which supports food production, tourism, and a range of other economic activities, as well as the noneconomic benefits of ecosystem services, including water-quality maintenance, carbon sequestration, shoreline stabilization and disaster mitigation, scenic beauty, and the cultural worth of traditional livelihoods. Blue BioTrade focuses on the interconnected values and benefits of ecologically healthy, well-managed marine and coastal habitats to achieve sustainability and enhance economic efficiency.

Blue BioTrade principles should be aligned with the policies of coastal nations within the framework of the United Nations Convention on the Law of the Sea and its implementing agreements, especially in areas that are beyond any national jurisdiction. Blue BioTrade is also relevant to the first and second objectives of the Convention on Biological Diversity, and it can help ensure that the exploitation of coastal and marine resources does not exceed the ecosystem's maximum sustainable yield[2] or regenerative capacity. Blue BioTrade can also promote the equitable sharing of benefits derived from the use of marine biodiversity by helping to establish clear rights of access, use, and ownership over marine and coastal resources and by leveraging traditional ecological management knowledge and benefit-sharing systems. As an expanding array of organizations, businesses, and communities adopt Blue BioTrade principles for ensuring ecological sustainability, economic efficiency, and social equity, the immense value of the world's oceans will continue to grow.