

ORRAA Solution Lab: High Quality Blue Carbon Principles and Guidance

Context

Coastal ecosystems like mangrove forests, tidal marshes, and seagrass meadows mitigate climate change by sequestering and storing vast amounts of carbon; serving as barriers against storm surges, flooding, and erosion; cleaning air and water; and providing critical habitats for fish, crustaceans, and other species. Coastal blue carbon ecosystems are valued at over \$190 billion USD per year for carbon sequestration and the other ecosystem services they provide.

The High-Quality Blue Carbon Principles and Guidelines provide a consistent and understandable approach to guide the development and management of blue carbon projects that are equitable, fair, and credible.

At the UNFCCC's COP27 in Sharm El-Sheikh, after a year of collaboration, listening, and engagement with more than 70 leading organizations actively working on blue carbon projects and policy, the Ocean Risk and Resilience Action Alliance (ORRAA), Salesforce, the World Economic Forum (WEF) Friends of Ocean Action, The Nature Conservancy, Conservation International and Meridian Institute delivered the [High-Quality Blue Carbon Principles and Guidance](#). The principles for high-quality blue carbon have since been endorsed and championed by multiple programs and initiatives across the globe who share a vision for high-quality quality blue carbon investments and projects.

A year later ORRAA hosted a Solutions Lab with members, partners and other key blue carbon community stakeholders. The goal was to better understand barriers and develop solutions to support the adoption of high-quality principles and guidance in blue carbon projects.

The Solution Lab also provided an opportunity to connect the blue carbon community, with representation from across the supply chain which included developers, community representatives, government, policy makers, buyers, and investors.

The Solution Lab was a platform for stakeholders to talk about some of the challenges and solutions, which included a better understanding and shared language between stakeholders. A blue carbon Practitioners Guide was identified as a tool/mechanism to help facilitate this.

Solution Lab Summary

The Solution Lab showcased 6 stories and case studies that exemplify the challenges and opportunities inherent in developing high-quality blue carbon projects. There was active participation from the audience around key barriers to implementing the guidelines (Annex 1 – Menti-metre results), and a discussion around solutions as summarised below in Table 1.

Key themes that emerged from discussions include:

- The need for stronger legislation and policies around blue carbon that protect nature, empower people, and which also link local, national, and international objectives.
- There is a lack of technical capacity and access to resources around blue carbon.
- There is a need for a shared understanding and common language between stakeholders in the blue carbon supply chain.
- There would be value in a platform that helped to facilitate conversations between various stakeholders, including investors and local communities.
- There is a need for partnerships and joint mechanisms to capitalize on the available finance for blue carbon action.

Table 1. HQBC principles, barriers, and solutions

Principle	Factors for success	Barriers	Solutions
<p>Principle 1: Safeguard Nature</p> <p>Mangrove Restoration as NbS: Vida Manglar Project in Colombia.</p> <p><i>Maria Claudia.</i> Conservation International</p>	<ul style="list-style-type: none"> • Participatory process with communities. • Restoration and monitoring. • Consider flora and fauna. • Blended finance 	<ul style="list-style-type: none"> • Lack of legislation and policies that support or enable safeguarding of nature. • Lack of capacity within project teams to ensure nature safeguards. • Lack of science-based ecological protocols for safeguarding nature. 	<p>Governments commit to building national ambition and an enabling domestic environment on blue carbon, for example, through integration in their national climate and biodiversity commitments as well as in national policies and public finance commitments, and build comprehensive domestic regulation on blue carbon ecosystem protection and restoration, such as addressing perverse incentives (e.g. fisheries, infrastructure development) to ecosystem degradation, creating clear legislation to address issues of land ownership and tenure, and ensuring interagency coordination on coastal development.</p>
<p>Principle 2: Empower People</p> <p>Inclusive Participation of Local Communities in Blue Carbon Projects.</p> <p><i>Mwanarusi Mwafrica</i> Vangu Blue Project (Kenya).</p>	<ul style="list-style-type: none"> • Importance of early community engagement and consultation, including with women. • Securing tenure rights for the community establishing co-management 	<ul style="list-style-type: none"> • Lack of mechanisms in place to protect the rights of local peoples, ensure fairness, manage grievances, and obtain free, prior and informed consent. • Lack of capacity or cultural connections necessary to 	<p>Community elected committees that play a leadership role in decision making, along with scientists and partners.</p> <p>Practitioners guide to help build capacity.</p>

	<p>agreements with the government.</p> <ul style="list-style-type: none"> • Fostering a sense of ownership and understanding of the project's goals and impacts. 	<p>ensure inclusive leadership/participation of Indigenous People, local communities, women and marginalised groups in project design, governance and management.</p> <ul style="list-style-type: none"> • Lack of clarity around what equitable benefits sharing looks like in practice. 	
<p>Principle 3: Employ the Best Information, Interventions and Carbon Accounting Practices</p> <p><i>Leah Glass</i> (Blue Ventures, Silvestrum)</p>	<ul style="list-style-type: none"> • Practical methodologies that are easy to understand and not overly complex or expensive. • Recognising the uniqueness of blue carbon ecosystems and the importance of factoring in their dynamics into greenhouse gas accounting methodologies. • Incorporating local ecological knowledge into solutions to address climate change and coral reef challenges. 	<ul style="list-style-type: none"> • Existing carbon accounting methodologies are complex and hard to understand for most stakeholders, including investors. • Lack of capacity to conduct greenhouse gas accounting and monitoring using established methodologies. • Lack of guidance/pathways to include Indigenous, traditional, and local knowledge. • Lack of existing and accurate carbon baselines. 	<p>Ensure information is accessible and Understandable for all different stakeholders involved in the project. While a 'common language' is important – adapting the information for different audiences is crucial.</p> <p>Credit purchasers, investors, suppliers, project developers, and regulators consistently recognize and apply the High-Quality Blue Carbon Principles and Guidance in order to (1) underpin the blue carbon marketplace with robust standards to ensure impacts for people, nature and climate; (2) prioritize investment in high-quality credits that adhere to the standards; and (3) meet the demands for high-quality carbon credits.</p>

<p>Principle 4: Operate Locally and Contextually</p> <p>Traditional Owner seagrass restoration project.</p> <p><i>Will Hamil</i> Great Barrier Reef Foundation</p>	<ul style="list-style-type: none"> • Project team included local staff who were living and working in that area. • Allow appropriate time for project to develop and all stakeholders to be engaged and supportive. • Use existing governance systems and structures to support project facilitation. 	<ul style="list-style-type: none"> • Disconnect between international policies and local implications of these policies. • Lack of capacity to understand local social and ecological context. • Lack of a diverse network of local partners. • A lack of government coordination and duplicated effort at the national level. • Lack of local and cultural understanding and awareness. 	<p>Document lessons and share lessons with others, including policy makers.</p> <p>Ensure local representation from key stakeholder groups, and use existing governance structure.</p> <p>Invest appropriate time and resources in capacity building for project participants and stakeholders.</p>
<p>Principle 5: Mobilize High-Integrity Capital</p> <p><i>Chenae Neilson</i> Australian, Gov./ International Partnership for Blue Carbon</p> <p><i>Whitney Johnston</i> Salesforce/ Buyer's Alliance for Scaling Climate Solutions</p>	<ul style="list-style-type: none"> • Measuring the value and benefits of ecological and social benefits (not just carbon credits). • Understanding market enablers and barriers. • Partnerships and collaboration. • Shared language and understanding. • Use of intermediary, and other partners for between project developers and investors. 	<ul style="list-style-type: none"> • High start-up and feasibility costs & return time (and risk) on investments. • The economic value of blue carbon ecosystems is often unknown or poorly communicated. • Lack of capacity to design agreements and contracts that promote fair and transparent pricing and compensation. • Lack of access to buyers or sellers or project developers. 	<p>Governments should commit ambitious large-scale financial commitments that support the protection and restoration of blue natural capital, including through de-risking private investment through blended finance to support the development of the blue carbon project pipeline, and integrating coastal ecosystem protection and restoration into grey infrastructure investments</p> <p>Integrating non-carbon values: stacking Credits & Nested Blue Carbon offers a suite of complementary financing mechanisms, including those that capture the resilience, biodiversity, fisheries, and community values of</p>

		<ul style="list-style-type: none">● Lack of shared language between financiers and project developers – communication challenges.● Investable project pipeline● Concerns about uncertainty risks for project continuation.	these ecosystems, can be bundled to attract additional investment to address the funding gap.
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Key issues raised during the Solution Lab that warrant attention:

As the blue carbon market evolves there will be an increasing need to address the challenges and progress possible solutions as discussed in the Lab. Some suggested next steps could include:

1. Guidance for the development of policy and legislation as it relates to blue carbon. This could help support the development of legislation and policies around blue carbon that protect nature, empower people, and which also link local, national and international objectives.
2. Development of a Practitioners Guide ensuring that it:
 - provides specific information and training where there are capacity needs and information gaps, and a 'point of truth' to access blue carbon resources; and
 - facilitates a better shared understanding, and common language that can be used between stakeholders in the blue carbon supply chain.
3. Develop plain language communications resources to identify, summarise and present key actionable information (e.g. materials designed specifically to help the three target groups – governments, investors, project developers - action key content in the HQBC P&G.)
4. Establishment of a platform to facilitate ongoing exchange between diverse blue carbon stakeholders around key issues and challenges.
5. Partnerships to continue championing the mobilisation of high-quality capital.

For further questions or comments, please feel free to reach out to us at HQBC@oceanriskalliance.org.



ANNEX 1 Key Barriers_ Mentimeter results

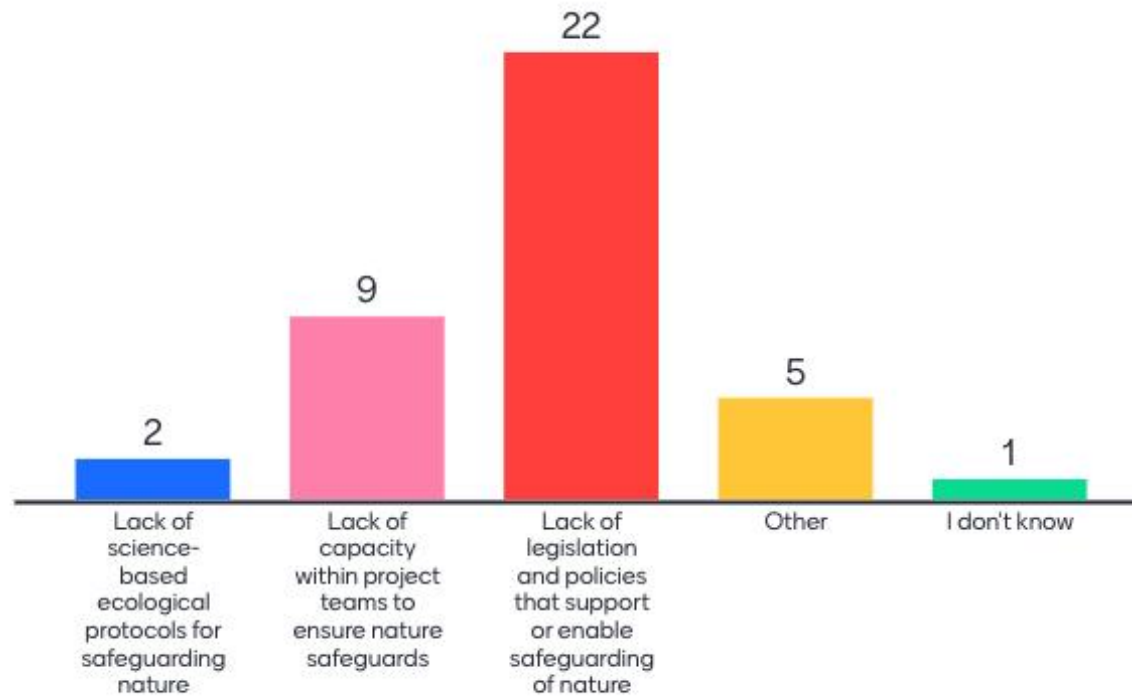
Principle 1 - Safeguard Nature



Join at menti.com use code 6683 3077

Mentimeter

What do you think is the greatest barrier to safeguarding nature in blue carbon projects?



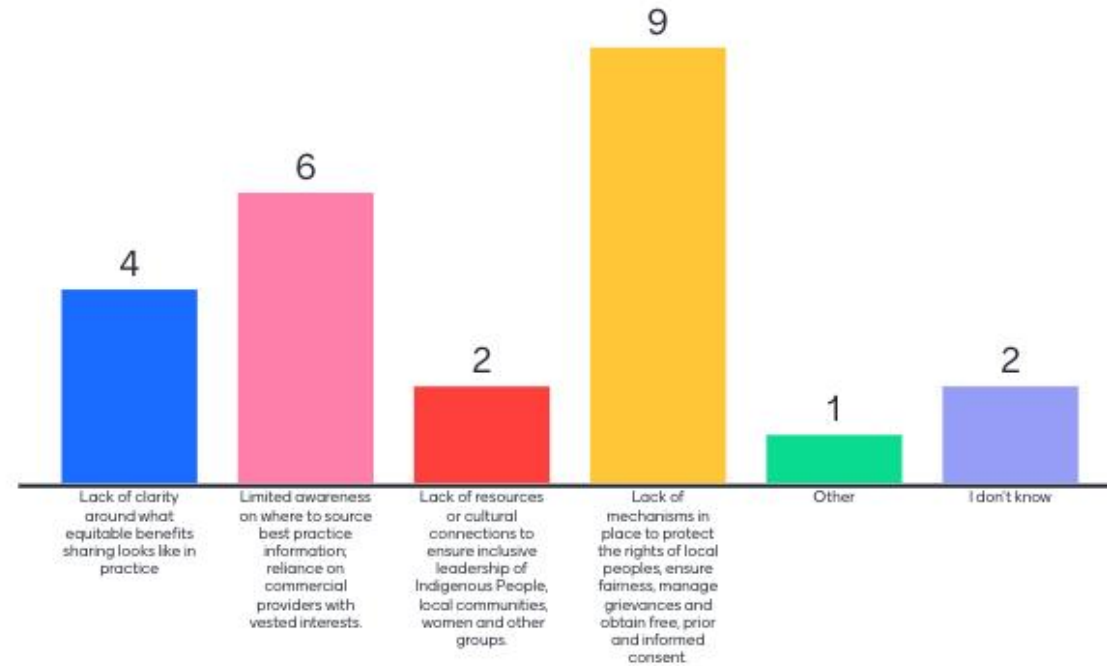
Principle 2: Empower People



Join at [menti.com](https://www.menti.com) use code 6240 7111

Mentimeter

What do you think is the greatest barrier to empowering people in blue carbon projects?

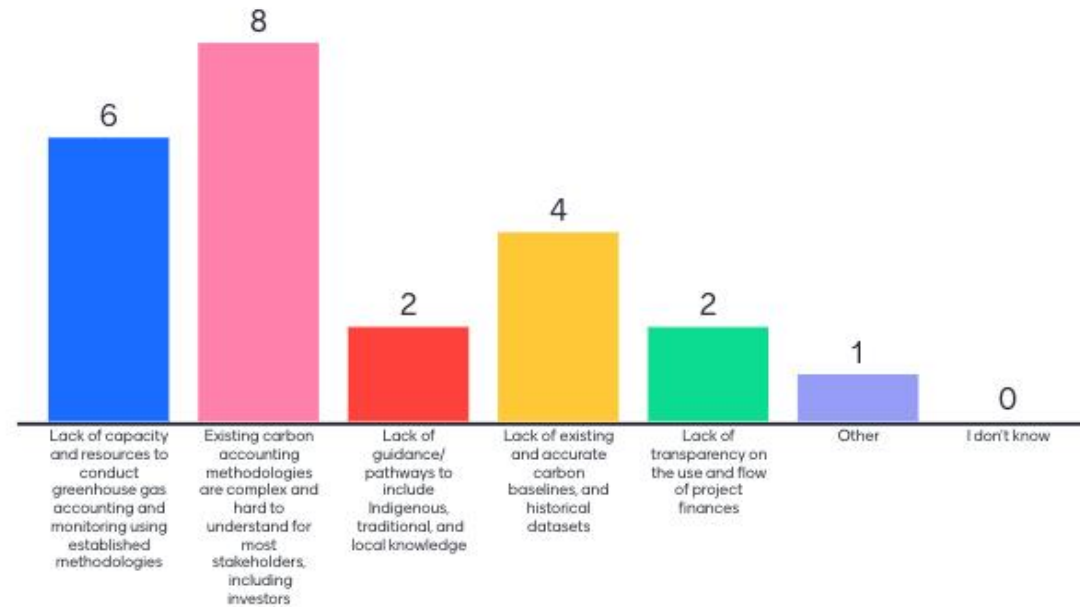


Principle 3 - Employ the best information, interventions and carbon accounting



Mentimeter

What do you think is the greatest barrier to employing the best information, interventions, and carbon accounting practices in blue carbon?



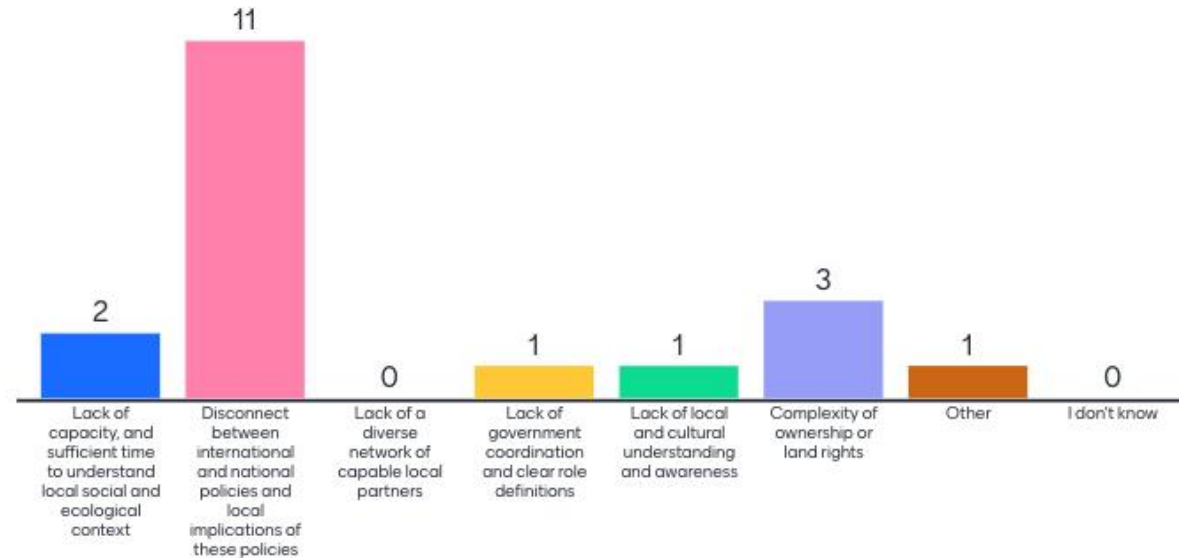
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Principle 4 - Operate locally and contextually



What do you think is the greatest barrier to operating locally and contextually?

Mentimeter



Principle 5 - Mobilize high integrity capital



What do you think is the greatest barrier to mobilising high-integrity capital for blue carbon projects?

