



H.E BERETITENTI ANOTE TONG'S STATEMENT

(Third Edition of the Monaco Blue Initiative, Yeosu, Korea, 4 June 2012)

His Serene Highness Prince Albert II of Monaco

His Excellency President Toribiong

Sung Ho Joo, Korean Vice-Minister of Transport, Agriculture and Maritime Affairs

Members and supporters of the Monaco Blue Initiative

Moderator of the session

Members of the Panel

Distinguished Guests

Ladies and Gentlemen

I extend to you all warm greetings from Kiribati and from the Pacific.

Kam na mauri.

I am very happy to be part of the Third Edition of the Monaco Blue Initiative to share with you our love of the ocean, our vision, our passion and our experience in ocean conservation relevant to the topic of this session – marine protected areas and fisheries. The objective of the Monaco Blue Initiative to identify the potential synergies between a healthy environment and economic as well as social development around marine protected areas is an important and practical one.

Before I continue, let me express my deep gratitude to His Serene Highness and the

organisers of this conference for the invitation to speak at this session. Let me also express my deep appreciation to the people and Government of Korea for the warm hospitality extended to me, my wife and my delegation since our arrival into this beautiful country.

Ladies and gentlemen,

To set the scene, let me briefly share with you some facts about my country, Kiribati.

Kiribati consists of 33 very low-lying atolls in the Pacific Ocean straddling the Equator. The atolls are narrow strips of land rising no more than two metres above sea level. They are scattered across five million square kilometres of water. Our EEZ is 3.5 million square kilometres. Our land area is about 810 square kilometres. We may be small in land mass but we truly are a huge nation of water. Our population is over 100,000, half of whom live on South Tarawa, the capital. Our ocean is the source of our livelihood, providing us with about 90 percent of our protein. The ocean is also a major source of our income, both at the individual and national levels. 80 percent of our people make their living through fishing. My Government earns about 40% of its revenue from the sale of fishing licences. While this may seem significant, it is only 5% of the value of our fish. It is the strong desire and aspiration of my Government to maximise returns from this important resource through value-adding. I am happy to say that we are embarking on this path in partnership with some of our partners in the industry.

Ladies and gentlemen,

The resources of our ocean are finite. If we are to continue to live off our ocean in the foreseeable future, we will need to change our unsustainable patterns of consumption and protect this precious resource. This is because the oceans that bind us all are not in good

shape. As Ocean communities and custodians of the ocean and its entire ecosystem, we all share the responsibility to safeguard the health, integrity and viability of our ocean for the present and future generations. But there has been so much neglect of the Ocean's health and this is affecting its ability to provide the essential goods and services it has provided us since time immemorial. If nothing is done about this then our future and the future of humanity will be in serious jeopardy.

This is the main reason that has brought all of us together at this conference. We share a common interest and concern over the state of our Ocean and a common resolve to take action to improve its health, integrity and viability for our livelihood and survival. We represent the various sectors of the Ocean community from the public, scientific, academic, economic, and social to the political.

The theme for this edition of the Monaco Blue Initiative “The Living Ocean and Coast” with a particular focus on the integrated management of marine areas is an appropriate and timely one. The health of our world oceans is affected by centuries of unsustainable patterns of consumption in pursuit of economic development. An integrated ecosystem-based approach to marine management is essential to restore the health and vitality of the ocean and its ecosystem for the survival of present and future generations.

Pollution, overfishing, habitat destruction and climate change are the major challenges facing our oceans. We have, in the past conferences, looked at the value of the ocean, our natural capital, and actions required to protecting it and the economically valuable marine species. Now, we have to focus on action. The cost of inaction is catastrophic.

Individually and collectively, the countries in the Pacific are taking action. Let me highlight some of these.

In Kiribati, the Phoenix Islands Protected Area (PIPA) is our contribution to addressing the ocean challenges. PIPA is but one of the many national initiatives found around the Pacific. In 2010 PIPA was inscribed on the World Heritage list making it the largest world heritage site in the world – at least for now. This historic event is a major achievement and victory, not just for Kiribati and partners of PIPA – Conservation International and New England Aquarium – but also for the Pacific and for those who share our passion for the ocean. It is our hope that international resources would be mobilised to assist us in implementing our ocean governance and management programmes.

For those of you who are not very familiar with PIPA let me share with you some facts on PIPA.

In 2006, Kiribati took steps to designate part of its EEZ as a marine protected area. By 2008 the final stages were concluded to allocate an area of over 400,000 sq. km or 11% of Kiribati's EEZ as the Phoenix Islands Protected Area (PIPA). I am sure you would appreciate the challenge in looking after such a vast area and space. The preservation of the Phoenix Islands and the surrounding ocean is our gift to humanity and response to climate change given the role of the ocean in climate regulation. It is our contribution to international biodiversity conservation efforts such as the Aichi target under the Convention on Biological Diversity to increase from one percent of protection of the coastal and marine areas in 2011 to ten percent by 2020 in the form of networks of marine protected areas.

PIPA is unique in the world and globally significant as a natural climate change laboratory providing an opportunity to study the impacts of climate change on tropical marine systems without other impacts.

The designation of PIPA was by no means straight forward as forces both within the country and beyond expressed deep reservations. Our fisheries partners contested the

loss of some of their fertile fishing grounds whilst our own people protested over the potential loss of much needed revenue. This is relevant for the session this morning. How can we protect the natural capital in a way that won't compromise our source of revenue that finances our health and education programmes? By closing off the whole of PIPA for the conservation and protection of the area's rich and pristine marine ecosystems, it is estimated that Kiribati will lose approximately US\$4 million on average per annum in fishing revenue. This is no mean feat for my country which depends on fishing licence fees for around 40% of its annual recurrent budget. This was a difficult decision but my Government is committed to doing the right thing for the future of its people, the people of the Pacific and the rest of the world.

To address the concern of our people, my Government and our PIPA partners – Conservation International and New England Aquarium – came up with a financing model.

Under this model, PIPA will be managed according to the terms of a Conservation Contract executed between Kiribati and a new statutory trust organization, the PIPA Trust, created under Kiribati law as a non-for-profit corporation. Kiribati has representation on PIPA Trust Board but does not have a controlling interest. The New England Aquarium and Conservation International hold other mandatory Board seats.

The basis of this Conservation Contract arrangement is a unique "reverse fishing license" financing program in which the Government of Kiribati will be reimbursed by the PIPA Trust for the amount that they would have made from selling fishing licenses if PIPA were not protected. This is conditional on the satisfactory performance by the Government of Kiribati on its obligation to ensure the long-term protection of the terrestrial, coral, and oceanic natural resources as well as any cultural resources within the PIPA as defined under the Conservation Contract.

The PIPA Trust will be supported in meeting its financial obligations under the Conservation Contract and its founding Act by the creation of the PIPA Trust Endowment Fund (PTEF), a fund that will be established with private and public contributions. The PTEF will be capitalized at a level sufficient to generate an income stream to cover the operating and management costs of the Trust, the operating and management costs of the PIPA, and the foregone revenues from fishing associated with the closure or restriction of activities within the PIPA, i.e. the conservation license fee. The funds of the Trust (PTEF) will be professionally managed by a private third party.

The goal of the financing mechanism and conservation payments to Kiribati is to allow Kiribati to create the PIPA for the benefit of future generations of Kiribati citizens and the world without producing negative impacts on current national expenditures for health, education, and social welfare. The long term goal is to use the PIPA as a platform for appropriate ecotourism and research that will produce additional revenues and employment opportunities in Kiribati.

The next step for us is in securing contributions to this Endowment Fund to allow my Government to fulfil the objectives of PIPA. Failure to do this may result in our inability to protect the area and to compensate for loss of revenue. It is our fervent hope therefore that like-minded partners will support us in our efforts.

Ladies and gentlemen,

The designation of PIPA is a very loud statement at the height of the climate change debate to say that indeed sacrifices can be made if there is a will and commitment. Even now, as we confront the possibility that our islands will become uninhabitable within the century due to rising sea levels we recognise the value of protecting something that we firmly believe to be the common heritage of all. As we continue with our unsustainable

patterns of consumption of terrestrial resources and as we continue to pollute our atmosphere, it is imperative that we protect and preserve perhaps the last natural capital we have left. This is critical to our survival as a species.

While the inscription of PIPA has involved a lot of collaborative and commendable efforts by Government, Conservation International and New England Aquarium, the main challenge now lies ahead in safeguarding this common heritage of all for the present and future generations. We call on all to partner us in this endeavour and safeguard this precious treasure.

In the Pacific region, the Pacific Oceanscape was endorsed by the Pacific Islands Forum Meeting in 2009. This is an annual Forum of Pacific Leaders, including Australia and New Zealand. In 2010, the Pacific Oceanscape Framework was endorsed at the Pacific Islands Forum Meeting. This is a regional initiative that will promote collaboration and exchanges between marine protected areas in the region and beyond, promote scientific research and exchange on issues such as implications of climate change on the issues of sovereignty and maritime boundaries as well as strengthen the implementation of UNCLOS in the region. The Pacific Oceanscape provides an opportunity to bring all national and regional marine conservation efforts and programmes together under one overarching framework. These efforts and programmes include the Pacific Islands Regional Oceans Programme, the Micronesian Challenge, the Coral Triangle Initiative, fisheries conservation and management efforts such as under the Nauru Agreement and the on-going work of the Forum Fisheries Agency, the Secretariat of the Pacific Community and the Secretariat of the Pacific Regional Environment Programme. We want to take this further beyond our region. There has been a positive signal from bilateral and multilateral partners, including the World Bank's Global Partnership for Ocean.

Ladies and gentlemen,

In response to the challenges posed by climate change, it will be necessary to build the resilience in ocean ecosystems so that marine life has the best chance of adapting to the changes brought about by climate change. Only by doing this can there be some assurance that the oceans, and the millions of people who depend on them directly for their livelihood and well-being, will survive the onslaught of global climate change.

Climate change remains the greatest moral challenge of the 21st Century. For low-lying island communities like Tuvalu, the Marshall Islands, the Maldives and Kiribati, among others, climate change poses the very real issues of security and survival. The prospects for low lying island countries in the face of ever worsening projections of sea level rise continue to be pessimistic. Like I have done on numerous occasions I have no doubt that many of you have also pondered over the unprecedented international legal questions relating to sovereignty and what is to become of the EEZs of eroded coastal areas and submerged nations due to climate change should such scenario come about. This is an important issue that have serious implications on marine protected areas and fisheries. I have never fully resolved these questions but hopefully the Monaco Blue Initiative will be able to address it.

Ladies and gentlemen,

“What kind of legacy and future do we want to leave for our children and their children's children?” I will leave that to guide you in your work within the next few days but let me remind you of our strong connection to our planet, our environment and our ocean. Let us work together in safeguarding our natural capital for the present and future generations.

In closing, I wish you all the best in your important deliberations in the next few days with our Kiribati blessings of Te Mauri (Health) Te Raoi (Peace) ao Te Tabomoa (and Prosperity). Thank you.