



Governance Committee Meeting
***Noo Raajje* Program**
Summary Minutes

Meeting No: 03
Date: Wednesday, 23rd February 2022
Time: 10:00 am – 11:00 am (Maldives Time)
Venue: (Virtual)

Attendees:

Governance Committee Members:

1	Attorney General's Office	Fathimath Nadha Ibrahim Zuhair	State Attorney
2	Ministry of Environment, Climate Change and Technology	Aminath Shauna	Minister
3	Ministry of Environment, Climate Change and Technology	Dr. Abdulla Naseer	Minister of State
4	Ministry of Tourism	Dr. Abdulla Mausoom	Minister
5	Ministry of Tourism	Dr. Naushad Mohamed	Deputy Minister
6	Ministry of Fisheries, Marine Resources and Agriculture	Dr. Aminath Shafia	Permanent Secretary
7	Ministry of Fisheries, Marine Resources and Agriculture	Adam Ziyad	Director
8	Ministry of Fisheries, Marine Resources and Agriculture	Hassan Rasheed	State Minister
9	Ministry of Fisheries, Marine Resources and Agriculture	Mohamed Ahmed	State Minister
10	Ministry of Defense/ MNDF	Mohamed Rizmee Waleed	Lieutenant Colonel
11	Ministry of Economic Development	Shuhad Ibrahim	Consultant for Trade and Investment

Program Leadership Representatives:

1	Ministry of Fisheries, Marine Resources & Agriculture (Chair)	Dr. Hussain Rasheed Hassan	Minister
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Blue Prosperity Coalition Representatives:

1	Waitt Institute	Dr. Angus Friday	Blue Economy Director
2	Waitt Institute	Asia Williams	Blue Economy Manager
3	Waitt Institute	Kristin Methlagl	
4	City Facilitators	Martin Andreas Petersen	Senior Research Analyst

Program Administration Representatives:

1	Waitt Institute	Robin Ramdeen	Program Director
2	Ministry of Fisheries, Marine Resources & Agriculture	Maleeha Haleem	Senior Fisheries Officer
3	President's Office	Jauza Khaleel	Senior Associate, Economic Policy, and Research
4	President's Office	Sara Abdul Ghanee	Senior Climate Diplomacy Officer
5	<i>Noo Raajje</i> Program	Fathimath Nistharan	<i>Noo Raajje</i> Site Manager

6	<i>Noo Raajje</i> Program	Moosa Zameer Hassan	<i>Noo Raajje</i> Program Coordinator
7	<i>Noo Raajje</i> Program	Maeesha Mohamed	<i>Noo Raajje</i> Administrative Coordinator
8	<i>Noo Raajje</i> Program	Dr. Shaistha Mohamed	<i>Noo Raajje</i> Stakeholder Engagement Strategist

Meeting Hosted by: President's Office

Meeting Chaired by: Hon. Minister Dr. Hussain Rasheed Hassan

Welcome Remarks & Introduction

The Chair, honorable Minister of Fisheries, Marine Resources, and Agriculture, Dr. Hussain Rasheed Hassan, welcomed the Governance Committee members and thanked everyone for their presence and participation in the third Governance Committee meeting of the *Noo Raajje* Program and the first Governance Committee meeting of 2022. Before continuing with the meeting, Minister briefly reviewed the program objectives and work pillars, highlighting the government partnership with the Blue Prosperity Coalition to protect and safeguard ocean resources by ensuring intergenerational equity to support the local economy and environmental protection. The Chair indicated that, of the program's four pillars of work, which are marine spatial planning, blue economy, sustainable fisheries, and marine protection, this meeting will focus on the blue economy pillar of work.

Before proceeding with the presentation by the blue economy team, the chair offered the floor to Ms. Robin Ramdeen, Program Director at Waitt Institute, to provide an overview of the program.

Robin provided a brief update on the ongoing offshore marine spatial planning (MSP) work, noting that a draft offshore MSP is expected in 2022, after which the coastal MSP work will begin. She gave an update on the sustainable fisheries pillar of work, noting that work is being carried out with a team of consultants from the U.K. called Key Traceability, looking at market interventions to open up access for Maldivian tuna to new markets and ways to improve traceability to increase profit margins. She then gave the floor to the blue economy team and Waitt Institute's Blue Economy Director Dr. Angus Friday, to provide updates on the blue economy strategy that is being developed to see how the Maldives can position itself as a blue economy leader.

Presentation on the Maldives Blue Economy Strategy

(Presentation attached)

Dr. Angus Friday, Blue Economy Director at the Waitt Institute, and Mr. Martin Andreas Petersen, Senior Research Analyst at City Facilitators, provided an overview of the Maldives Blue Economy Strategy that has been developed. The following are the key areas were covered in the presentation:

1. **High-level strategy**, in which Dr. Angus Friday presented the overall blue economy process that the Maldives follows in three phases. The phase 1, scoping phase has been completed leading up to the "One thing" narrative. The work is currently in the shaping phase, phase 2, leading up to a partnership forum and a set of partnerships to carry out the projects. Phase 3 will be an acceleration phase that will lead to a communication strategy for project champions and successes.
2. **Action track marquee projects**, in which Mr. Martin Andreas Petersen presented several projects identified and filtered in the four tracks (natural capital, food, energy, and tourism) that would help to bring the blue economy strategy to life and ensure the Maldives' vision of becoming the World's First Smart Ocean State [The "one thing" narrative].

3. **Potential financial options**, in which Dr. Angus Friday presented a range of financial options, highlighting the potential of generating over \$1 billion USD for environmental, economic, and social development for a resilient and sustainable Maldivian nation, which could also finance blue strategy projects and other government priorities.
4. **Suggested next steps**, where Mr. Martin Andreas Petersen indicated that the blue economy team is seeking suggestions and approval for the projects and the proposed strategy from the *Noo Raajje* Governance Committee in order to proceed with garnering interest and showering up the partnerships. He noted one potential partner who has sent a letter of interest indicating their interest in running their projects in the Maldives if given the opportunity. Highlighting the importance of international advertisement to make it happen, he requested the **following as next steps** from the members.
 - i. Choose the projects for implementation [now]: Give go/no go to *Noo Raajje* on Funding Mechanisms and Marquee Projects to be developed
 - ii. Fund Mechanism: Consider merits of suggested sovereign funding mechanism and seek guidance and alignment with key ministries. Develop more detailed concept and strategy
 - iii. Narrative and Communication: Firm up the Narrative around the Smart Ocean State; develop communication strategy to engage the global audience
 - iv. Trunk and Branch: Consider (and revise as needed) timelines on the trunk and branch strategy; socialize with *Noo Raajje* and align with key ministries
 - v. Blue Economy Working Group: Establish blue economy working group to take responsibility for mission critical deliverables
 - vi. Towards Investment: Finalize Prospectus, Plan Roadshow and Partnership Forum

Martin shared a poll (*link in annex*) with the Governance Committee members to collect anonymous feedback on Funding Mechanisms and Marquee Projects, as well as an opportunity to express concerns or ask additional questions.

The Chair thanked Dr. Angus and Martin for their presentation and invited members to ask questions or make comments.

1. Dr. Naushad Mohamed, Deputy Minister at the Ministry of Tourism, highlighted that there is a bit of emphasis in the proposed strategy on levying too many fees and taxes on tourism; highlighting that there are already a number of taxes and fees are being charged from the tourism industry and additional fees will be a burden to the industry, he recommended keeping tourism fees/taxes to a minimum as much as possible.
2. Dr. Naushad suggested looking into the Ministry of Tourism's diversification strategy to see what can be aligned and taken into consideration in making long-term plans, noting that they are currently looking at integrating cultural tourism, eco-tourism, MICE tourism, and sports tourism into the Maldives' main tourism product.
3. In contrast to Dr. Naushad's suggestion, Minister of Environment, Climate Change, and Technology Ms. Aminath Shauna highlighted that the Maldives' taxes are quite low in comparison to other island nations and countries of comparable status. She also noted that the revenue generated is not always directed towards the blue economy and sustainable development. Minister mentioned that as a result, the Maldives now have more options for things like bio rock technology, which has been experimented in resorts for several years and is now at a point in the Maldives where we can scale these up.
4. Minister Shauna expressed interest in learning more about carbon trading and how the Maldives can benefit from it in a more organized manner, despite the fact that this is a new area for the Maldives.

Minister Shauna emphasized the importance of bringing in the financial sector and having a more detailed discussion with other cabinet ministers to understand their reactions and see how we can move forward with project implementation as quickly as possible. She also requested a timeline for the blue economy work.

5. Minister Dr. Hussain Rasheed Hassan agreed that some of these discussions should be taken to the Economic Council for consideration because these are important decisions to make.
6. Dr. Naushad further said that there needs to be more awareness in the tourism sector about using marine resources, highlighting the two opposing views on seagrass, where some developers don't encourage keeping seagrass in lagoons while other resorts use and promote seagrass ecosystems in a variety of ways. Therefore, he suggested that this program raise awareness and encourage the tourism sector to make use of and utilize the rich local marine ecosystems and resources.
7. In response to Minister Shauna's request for a timeline, Mr. Martin Andreas Petersen indicated that a partnership forum is expected by June 2022; although this is a tentative goal, it would require the approval of the Maldives government and would need to move rather quickly to engage with different partners, but it is also extremely important to build political momentum and show results as soon as possible.
8. Minister Dr. Hussain Rasheed Hassan stressed that if the Maldives is to benefit from the Blue Economy, the country's energy needs must be prioritized. Noting that the Maldives spends up to 10% of its GDP on purchasing fossil fuels, he highlighted that the Maldives' government, President Solih, has pledged to become a carbon-neutral country by 2030, provided that the Maldives receives the necessary support from development partners. Therefore, renewable energy should be pursued, as should the exploration and facilitation of technologies and hydrogen to fuel vehicles and vessels.

The Blue Economy team was then given the floor to make comments and respond to questions.

9. In response to Dr. Naushad's suggestion to look into integrated tourism and tourism diversification strategy, Dr. Angus noted that it is one of the critical areas that was looked at and learned that one of the key challenges is that while there may be a SME bank and for example someone from an island may want to set up a dive shop, there is a need for a jetty on the island, which the current SME bank cannot do. As a result, some of these things must work very closely together, such as the types of financing required for different aspects of integrated tourism. While the Ministry's integrated tourism initiative is an excellent initiative, he noted that the proposed Blue Economy strategy may have a much more detailed financing structure that covers this ability to deal with some of the challenges in integrated tourism.
10. Regarding the fees and taxes, Dr. Angus noted that it is not necessarily proposing an increase, but rather looking at what is already in place in the Maldives, and if it is the case that use of those fees for airports will end at some point in time, then the future continuation of those fees after that date will be something that will be looked for. However, rather than waiting for that day, there is the option to securitize and receive that money right away.
11. Regarding seagrass and carbon trading, Martin indicated that the team has met with two of the major carbon market makers, the largest of which is the South Pole, which provided estimates on average project size. South Pole also offers full-service project management, including methodology and expertise setup. It would not require in-house expertise in the Maldivian government, and it could be integrated into various projects. The Blue Economy team recommends exploring these partnerships now because starting some of these processes and getting some of the projects underway would already raise capital to protect some of the areas and offset some of the economic costs of protecting some of the areas.

12. Martin further said that the aforementioned carbon market makers are both voluntary carbon markets that have grown from a few hundred million dollars to nearly a trillion dollars and are still growing. Private individuals are increasingly utilizing subscription services to offset their own carbon footprint, therefore, there is a market for it.

Closing Remarks

The Chair, Minister Dr. Hussain Rasheed Hassan, reiterated the importance of having a detailed discussion with other cabinet ministers, as well as prioritizing the projects to include in the blue economy. He also stated that it is critical to present the strategy to the Economic Council, along with the likely impacts and cost-benefit analysis of the projects, because similar projects are approved through the Economic Council.

Dr. Angus Friday thanked all of the Ministers and members of the Governance Committee, as well as the President's Office and the *Noo Raajje* site team, for the ongoing support throughout the development of the Blue Economy Strategy and the work done to position Maldives as the World's First Smart Ocean State.

Minister Dr. Hussain, the Chair, thanked the Blue Economy team, the Blue Prosperity Coalition, and all members of the Governance Committee for their attendance and the productive meeting.

Attachments:

1. Poll – Funding Mechanisms and Marquee Projects: <https://forms.gle/AY6zzRV1cTxdnDeV8We>
2. Copy of the Blue Economy Strategy presentation

Noo Raajje Program Secretariat

02/03/2022