Report: Partnering to build resilient oceans and blue economies

Thursday 15 – Friday 16 January 2026

In association with
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This workshop brought together representatives from Small Island Developing States (SIDS), development partners, regional institutions, the private sector, civil society and the research community to explore opportunities and challenges in ocean governance and blue economy financing. Discussions focused on the entry into force of the Agreement on the Conservation and Sustainable Use of Marine Biological Diversity of Areas Beyond National Jurisdiction (BBNJ Agreement), the blue economy financing needs of SIDS, persistent data and capacity gaps, and practical solutions for mobilising finance and implementing area based conservation measures. Interactive sessions—including world cafés and breakout groups—were used to identify actionable next steps and clarify stakeholder roles.

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Context and Emerging Themes

SIDS are at a pivotal moment. The BBNJ Agreement provides a modern, cross sectoral framework that integrates biodiversity, climate and ocean governance, while global financing systems are evolving rapidly. Across all sessions, several themes consistently emerged:

- Equity and SIDS leadership must be central to ocean governance and financing arrangements.
- Long term capacity and human resources are essential for SIDS to identify priorities, structure projects, mobilise blue financing and engage effectively at national, regional and international levels.
- Data and technology gaps remain significant, but imperfect data should not delay action, while technology transfer should be accelerated.
- Financing solutions must be tailored to SIDS, avoiding unnecessary complexity and fragmentation, while strengthening local capacity to lead on new and innovative financing approaches.
- Private sector engagement requires clearer frameworks, de risking tools and better communication of SIDS priorities and stories.
- Regional collaboration can reduce transaction costs, build scale and strengthen negotiating power.
- SIDS are starting from different baselines, and diagnostic work would help identify country specific needs.

Ocean Governance and the BBNJ Agreement

Discussion on ocean governance centred on the Agreement on the Conservation and Sustainable Use of Marine Biological Diversity of Areas Beyond National Jurisdiction (BBNJ Agreement), which entered into force on 17 January 2026. Participants highlighted the influential role of SIDS in shaping the Agreement—particularly the advancement of the concept of “stewardship”—and noted that early SIDS ratification was instrumental in its swift entry into force.

The Agreement was recognised as a modern instrument that brings together biodiversity, ocean and climate issues traditionally addressed in silos. Participants emphasised the importance of giving practical effect to the principle of “full recognition of the special circumstances of SIDS” (Article 7(m)), especially in the institutional design of the Special Fund and the broader financing mechanism under Article 52.

Equity emerged as a central concern. The BBNJ financing mechanism was seen as an opportunity to learn from existing climate and nature finance models while avoiding their fragmentation and complexity. It was also stressed that SIDS' stewardship of their national waters generates global benefits, yet SIDS face capacity constraints at all levels. Capacity building and technology transfer under the Agreement could support both BBNJ implementation and national ocean management.

Discussions addressed potential tensions in developing area based management tools—such as balancing conservation ambitions with fisheries interests, or reconciling seabed sovereign rights with water column conservation. Participants noted opportunities for SIDS to benefit from the equitable sharing of marine genetic resources, both through strengthened scientific capability and through emerging ocean related industries.

Financing Gaps and Opportunities

The second plenary examined gaps in ocean and blue economy financing. Three challenges were highlighted: data and knowledge gaps, capacity constraints, and limited access to appropriate financial instruments.

Many SIDS lack the data needed to identify financing priorities. While Nationally Determined Contributions (NDCs) often contain ocean related measures— UN Trade and Development (UNCTAD) notes that 36 of 39 SIDS reference them—national biodiversity strategies and marine plans are less consistently developed. Participants stressed the need for long term, in house expertise to undertake needs assessments and manage financing processes. They also noted that data valuable for conservation is equally valuable for industry, creating potential investment opportunities.

On financial instruments, participants emphasised the need to distinguish between one off expenditures and long term financing approaches. Equity and SIDS specific contexts must guide the design of solutions. A portfolio approach—combining public, private, domestic and external sources—was seen as essential. ODA remains limited: only 1% goes to the ocean economy, and just 0.8% is sustainable.

Innovative mechanisms offer potential but often carry high transaction costs and require capacity that many SIDS lack. Instruments that increase debt, even at concessional rates, are not attractive. Participants stressed that blended finance has often bypassed SIDS in favour of larger countries.

Regional collaboration was highlighted as a way to reduce costs, pool expertise and build scale. The BBNJ Agreement was seen as a platform for developing high quality markets for blue natural assets within broader natural capital markets. Participants also noted that lowering the cost of capital is a systemic issue for SIDS, linked to how international financial institutions and credit rating agencies assess sovereign risk. Strengthening the dialogue with SIDS on how best to assess SIDS assets, risks and resilience investment is required. More widely, improving SIDS literacy amongst the financial community will be important.

From the private sector perspective, it was emphasised that private sector institutions have to provide financing that meets the requirements of shareholders in terms of return and regulators' expectations. The term "blue finance" can trigger regulatory burdens; some argued for framing this simply as "SIDS financing". Clear definitions of "good" practice—aligned with SIDS realities—are needed to avoid "bluewashing". There is also a need to increase private sector knowledge and expertise about SIDS. It was also noted that the difficulties in placing a value on ocean assets and on the blue financing required makes it difficult for private sector finance to engage in this area.

Participants also discussed the role of national financial institutions, regulators and conservation trusts, as well as the potential for levies such as tourism fees—while recognising that not all SIDS have the capacity or economic base to implement them. Community level access to finance is critical for long term sustainability, and fintech solutions could help bridge gaps between local banks and coastal communities.

World Café: Financing Solutions

Small group discussions focused on two themes: mobilising blue finance and financing area based conservation measures, including under BBNJ. The aim of these small group exercises was to consider what financing solutions and ocean finance instruments could offer the best prospects for SIDS needs and ambitions.

Mobilising Finance

Participants emphasised the need to:

- Identify clear blue financing needs and priorities, including through better data.

- Build/strengthen the environment required to build market confidence and attract finance (governance, political will, legislation, successes)
- Develop blue finance guidelines and taxonomies.
- Strengthen capacity and technical support across all aspects of blue finance.
- Support transitions from fossil fuels to renewables to generate cashflow.
- To derisk, use guarantees and refinancing tools; clarify the role of ODA and the role of and the Fund Responding to Loss and Damage (FRLD).
- Explore the BBNJ fund for rehabilitation and restoration.
- Establish a SIDS finance and knowledge hub to share lessons—including failures— of initiatives for blue finance mobilisation and undertake diagnostics and capacity building.

Financing Area Based Conservation

Key points included:

- Prioritising simple, sustainable and scalable solutions such as user fees, while recognising collection challenges.
- Exploring biodiversity and nature credit schemes with potential for replication.
- Addressing high enforcement costs through digital evidence, fines and port based accountability.
- Leveraging regional economies of scale.
- Identifying corporate incentives—for example, reduced whale strike incidents though tech/AI assisted solutions will reduce costs for shipping.
- Recognising that monetary benefits from marine genetic resources may be limited.
- Matching financing solutions to the scale of need (local, national, regional).
- Ensuring community buy in and transparency, including through revenue sharing.
- Improve and increase ocean asset valuation to better quantify benefits, including for fisheries.
- Learning from existing credit schemes.

Towards a Blue Finance Roadmap

With the aim of populating the “what”, “who” and “how” of a “blue finance roadmap”, breakout groups were asked to consider what actions should be taken to meet blue financing needs and which stakeholder should take what action. Based on the discussions during the previous sessions, participants worked in breakout groups to identify:

- how to achieve the blue financing that had been discussed;
- the role of different stakeholder groups.

The following issues were identified by the breakout groups.

How do we achieve the financing discussed previously?

Strengthen Capacity & Knowledge

- Build financial, technical, and project structuring skills across SIDS institutions
- Use Centres of Excellence, regional bodies, and technical assistance
- Invest in long-term in-house expertise

Engage the Private Sector More Effectively

- Create structured dialogue platforms with investors and credit rating agencies
- Upskill investors on SIDS realities and blue economy value
- Use evidence, case studies, and storytelling to build confidence

Improve Risk Mitigation & De Risking

- Integrate risk analysis into project design
- Use blended finance, guarantees, and donor/MDB support tailored to SIDS and the blue economy
- Provide clear guidance, modelling, and best practice frameworks

Build on Existing Regional Strengths

- Leverage existing SIDS institutions and initiatives
- Align with ongoing work across MDBs, philanthropies, CSOs, and development partners
- Maintain political will, timelines, and urgency.

Participants identified the following roles for stakeholders:

SIDS Governments

- Lead coordination, articulate priorities and build internal capacity.
- Develop strong project pipelines and provide clear policy signals.

Development Partners & Donors

- Provide technical assistance, concessional finance and de risking tools tailored to SIDS.
- Support capacity building, exchanges and investor engagement.

MDBs, IFIs & Regional Institutions

- Offer blended finance and structuring support which might involve a layered capital structure in which concessional finance absorbs risk (through FLDR) to mobilise additional private investment.
- Share best practices and strengthen regional platforms.

Private Sector

- Engage proactively with governments.
- Invest in understanding SIDS contexts and participate in co investment.

Research, Academia & CSOs

- Generate evidence and policy advice.
- Support community engagement, training and evaluation.

Outcomes

The workshop produced several clear outcomes:

1. A shared commitment to develop a SIDS led blue finance roadmap integrating governance, financing and capacity building.
2. Agreement that equity and SIDS special circumstances must be embedded in the BBNJ financing mechanism and Special Fund.
3. Recognition of the value of regional approaches to reduce costs and build scale.
4. Support for blue finance guidelines that reflect SIDS realities and avoid unnecessary regulatory burdens.
5. Momentum behind establishing a SIDS finance and knowledge hub.
6. Clear identification of priority actions for governments, donors, MDBs, the private sector and civil society.

Lowri Griffiths

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enquiries@wiltonpark.org.uk

Switchboard: +44 (0)1903 815020

Wilton Park, Wiston House, Steyning,
West Sussex, BN44 3DZ, United Kingdom

wiltonpark.org.uk