

Launch of the Report

Bulgaria Blue Economy Policy Note: Toward Blue Economy Development in Bulgaria

AND

Consultations on the design of the 'Blueing the Black Sea Programme'

*A regional initiative to tackle marine pollution and climate change
in support of the Common Maritime Agenda for the Black Sea*

Consultation workshop in Bulgaria, 29 March 2021

Discussion paper

Event Format

- Live Webinar via Zoom, 29 February 2021, 15:30-17:30 (GMT+2)

Objectives

Present results and recommendations of the World Bank Report:

- *Bulgaria Blue Economy Policy Note: Toward Blue Economy Development in Bulgaria.*

Conduct BBSEA national consultation to seek:

- information to support a national and regional pollution diagnostic tool that will form the baseline for further action;
- input from respective stakeholder communities on marine pollution, pressing issues and priorities related to pollution prevention, reduction, and control in the Black Sea, and opportunities to inform the BBSEA architecture and implementation modalities.

Participants

- Government of Bulgaria representatives, relevant ministries, public authorities, policy makers, and technical experts responsible for issues related to coastal and marine environment, research, blue economy development, and investment;
- regional and local stakeholders;
- private entities and financial institutions working on climate change and marine pollution.

Structure of the Consultation

Following the opening ceremony, the consultation in Bulgaria will be practically carried out during three working sessions. Working **Session 1**: Policy note "Toward a Blue economy Development in Bulgaria" will introduce the Report prepared by the World Bank in collaboration with the Government of Bulgaria. Following a brief introduction of the BBSEA umbrella programme, * **These activities** will be carried out in the following counties: Georgia, Moldova, Turkey and Ukraine

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Working session 2: Turning the Tide of Pollution in the Black Sea will focus on the analytical component of the BBSEA, while Working session 3: BBSEA GEF Regional project, Focus on Bulgaria on the BBSEA investment component. Finally, **Session 4** will briefly present the

outcomes of the MARSPLAN II project¹ which contributed to the development of Bulgaria's first ever maritime spatial plan and cross-border cooperation with Romania in the area of maritime spatial planning.

Following a brief reminder of the topic and the objectives of the respective session, the moderator will seek feedback from the participants on the questions put forward in this paper. A tailor-made [Survey](#) is available online to gather opinions prior and after the event. The participants may use the chat function to provide answers or participate in the polls as these are presented by the moderators. High-quality interpretation will be available to facilitate interaction.

The indicative questions will guide the conversation and: *help validate/fine-tune the findings of the Report and the gap analysis carried out by the World Bank analytical teams; help understand what concrete actions/interventions are planned at national level to overcome the identified gaps and the marine pollution problem; help identify the actors that can take these actions forward and appropriate funding avenues; help understand the interest in and identify the practical shape of a potential eco-business competition that may cover Bulgaria.*

Working Session 1: Policy note “Toward a Blue economy Development in Bulgaria”

The webinar's first session will introduce the **Policy note “Toward a Blue economy Development in Bulgaria”** developed in support of Bulgaria's 1st chairmanship of the Common Maritime Agenda for the Black Sea in 2020 and aims at informing the country's vision and strategy for a sustainable and resilient blue economy.

The policy note, which was developed on the basis of a more detailed report entitled “Diagnostic of the Blue economy in Bulgaria”, takes a close look at the blue economy sectors with strong growth potential and provides an overview of the blue economy as a mix of interconnected economic activities. It further highlights the development risks and charts a way forward to advancing Bulgaria's policy and investment alignment with European Union policies and directives with reference to blue economy, including the recent [Roadmap to Sustainable Blue economy](#) published by the European Commission.

The policy note aims at revealing the blue economy potential in Bulgaria by highlighting the synergies and interlinkages between the various sectors in the blue economic space and together offer opportunities for sustainable growth. At the same time, the note's recommendations reflect the need to protect the marine environment and natural resources as the basis for development of the blue economy sectors. Another *key objective of the Policy note* is to support the work of the institutions working on maritime policy-related issues, especially during the 2020 Bulgarian chairmanship of the Common Maritime Agenda for the Black Sea – but also after that the event, with regard to the preparation of the country's strategic framework to 2030 as well as in support of the programming and absorption of the new EU Multiannual Financial Framework (2021-2027). Last but not least, the policy note aims to inform and support Bulgaria's active role at the regional table of the Black Sea cooperation.

The policy note has undergone a peer review involving global blue economy specialists and including experts from the European Commission who have confirmed its alignment with the Commission's new approach towards realising a sustainable blue economy in the EU.

Blueing the Black Sea Programme – a brief introduction

The 2019 Common Maritime Agenda for the Black Sea, negotiated with the active support of the Permanent International Secretariat of the Organisation of the Black Sea Economic Cooperation (BSEC PERMIS), has created a new dynamic in the regional dialogue on sustainable Blue economy development and once more highlighted the need for effective

¹ <http://www.marsplan.ro/bg/>

preservation of the marine environment. In response to the ambitious political commitments under the [Common Maritime Agenda](#) by the six Black Sea littoral states and the Republic of Moldova (CMA countries), the World Bank has announced the deployment of the “[Blueing the Black Sea Program](#)” (BBSEA) aiming to catalyse blue economy investments for the Black Sea and strengthen regional dialogue and institutions. The first activities under this umbrella programme consist of an *analytical work* and a *project*. The latter, the [BBSEA Regional project](#), will be implemented by BSEC PERMIS and is expected to be launched in the 2nd half of 2021 with a focus on waterborne marine pollution.

A preparatory action, funded by the Global Environmental Facility (GEF) and led by BSEC PERMIS, is expected to deliver the critical elements for the design of the BBSEA Regional project (BBSEA GEF Regional project) for 2021-2023 which in turn will support identification and preparation of investment to reduce pollution in the Black Sea. To this effect, seven national stakeholder consultation workshops will be organised – one in each CMA country. The **cycle of consultations started in Turkey**, the coordinator of the Common Maritime Agenda for the Black Sea in 2021, followed by Georgia, Ukraine, Moldova and Bulgaria. Consultations in Romania and Russia will be scheduled in the near future.

The national consultations, held as webinars, will gather selected participants that include public authorities and policy makers responsible for issues related to marine environment, research, blue economy development and investment, as well as private organisation working on marine pollution and financial institutions. In practice, the consultations will seek feedback on the *state of play, pressing issues and priorities related to pollution prevention, reduction and the control in the Black Sea, as well as the opportunities that result in the process.*

The pollution and climate change problem in the Black Sea

The Black Sea has a pollution problem that has turned it into one of Europe’s most polluted sea in the past two decades which has implications for the littoral countries at the economic, social (health) and environmental levels. Addressing nutrient pollution from point and diffuse sources will help mitigate one of the key drivers of eutrophication, which in turn has the potential to create huge impacts on GHG emissions. As outlined by Beaulieu et al (2019), “enhanced eutrophication of lakes and impoundments will substantially increase CH₄ emissions from these systems (+30–90%) over the next century. This increased CH₄ emission has an atmospheric impact of 1.7–2.6 Pg C-CO₂-eq y⁻¹, which is equivalent to 18–33% of annual CO₂ emissions from burning fossil fuels. Thus, it is not only important to limit eutrophication to preserve fragile water supplies, but also to avoid acceleration of climate change.”²

Pollution is a common problem, which requires a joint and coordinated regional solution. Although climate change is expected to exacerbate the pollution problem, the future impacts of pollution under a “business as usual” scenario in the Black Sea are not fully known (**Knowledge gap**). Some existing national and regional policy and legal frameworks are not sufficient or conducive to support regional action against pollution and when they are, implementation is not necessarily effective (**Policy, legal and institutional gap**). The lack of an accurate evaluation of pollution risks hampers the prioritization of impactful pollution reduction investments in the Black Sea basin (**Financial gap**). This is evidenced by the limited innovation and coordinated investments towards pollution prevention, as well as the partial involvement of financial institutions in this domain.

Some of these gaps have already been addressed by policy initiatives at national and regional levels or actions by the industry (e.g. on waterborne pollution by ships). Others have been

² <https://www.nature.com/articles/s41467-019-09100-5>

tackled mostly separately at the level of the coastal regions (e.g. collection and recycling of marine litter).

The current activities under the BBSEA program are described in the table below. The webinar in Bulgaria will seek to discuss all key gaps in a uniform and focused manner, which will allow BSEC PERMIS and the World Bank to fine tune its actions on both fronts – analytical and investment – and gather concrete input for the Regional project design at the end of the webinar.

Identified Gaps	Analytical Work Turning the Tide of Pollution	BBSEA GEF Regional Project	Timeframe								
			2021 S1	2021 S2	2022 S1	2022 S2	2023 S1	2023 S2	2024 S1	2024 S2	
Information & Knowledge	Sources of pollution/ Hotspots of pollution										
	Benefits of addressing pollution										
	Business as usual scenarios* (Qualitative assessment)										
		Cost of pollution on national economies* (Quantitative assessment)									
Policy, Legal and Institutions	Institutional policy and legal analysis**										
		Regional dialogue									
		Capacity building for regional coordination									
Financing and Investments		Sustainable business standards and guidelines									
		Investment prioritization and preparation*									
		Investment plans for pollution prevention and circular economy prepared*									
		Eco-business grants provided through competition*									

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Working session 2: Turning the Tide of Pollution in the Black Sea

During the working session, the World Bank-led effort will be introduced to establish an up-to-date diagnostic of the state of play and issues at stake regarding marine pollution in the Black Sea on the example of the efforts undertaken by the coastal countries. The project will build on the on-going and planned national investments for rural development, wastewater treatment

and rivers basin and coastal zone management as well as current institutional reforms that may present further opportunities for improved coordination.

Through a targeted discussion, the panel will aim at identifying the sources, impacts and prevention efforts (information and institutional gaps) related to marine pollution, as well the key pollution challenges in Bulgaria. The findings will feed into an in-country pollution diagnostic paper, which, in turn, will inform the BBSEA GEF Regional project architecture. Pilot countries are Georgia, Moldova, Turkey and Ukraine. Bulgaria and Romania will be covered by the legal and institutional review in terms of benchmarking their legal and institutional systems that follow the EU acquis – vis-à-vis the other Black sea countries which have various types of association with the EU.

Indicative questions for discussion

- ▶ *Will the report activities (i) legal and institutional analysis; and (ii) regional pollution diagnostic contribute to the regional efforts to address marine pollution?*
- ▶ *Does the scope of the diagnostic activities reflect on the main gaps that need to be addressed?*
- ▶ *Are there any other similar existing projects and initiatives at national and regional levels that are relevant to this activity and which we should consider?*
- ▶ *What are the most important pollution sources and/or human activities impacting the health of marine resources and ecosystems in Bulgaria that the “Turning the Tide of Pollution Report” should assess?*
- ▶ *Does the institutional, legal and policy framework in Bulgaria provide an adequate response to marine pollution in the Black Sea?*
- ▶ *How could the World Bank support Bulgaria’s effort to ensure pollution-free development of the blue economy in the Black Sea region and the waterways that flow into the Black Sea?*

Working session 3: BBSEA GEF Regional project, Focus on Bulgaria

The working session will present the planned BBSEA-GEF project and aim at gathering feedback on its key components. The project includes a long list of activities, some of which are primarily at the national level (with a regional coordination element) and some primarily at the regional level (with some national aspect). This set of activities is a long list that will be streamlined further based on country priorities as voiced during the consultations.

Activities primarily at regional level include:

- A. Development of Sustainable Business Standards and Guidelines in key sectors (agriculture, aquaculture, tourism, shipping, and water management);
- B. Capacity building in banking for green finance and innovation;
- C. Knowledge exchange of best practice and study tour;
- D. Awareness raising on the issue of pollution in the countries supporting the Common Maritime Agenda.

Activities primarily at national level in Georgia, Moldova, Turkey and Ukraine – with spillover effect across the region – include:

- E. The Cost of Pollution on the national economies;
- F. National Investment Plans for Pollution Prevention and Circular Economy (including financing targets and monitoring);
- G. Eco-Business Competition and Grants to reduce pollution and improve water quality run-off to the Black Sea;
- H. Preparation and fund raising for investment to reduce pollution in waterways and improve water quality run off to the Black Sea.

Indicative questions for discussion

- ▶ *What are the topmost important regional level activities for Bulgaria?*
- ▶ *What do you consider to be a good example of pollution management/reduction practices and projects in Bulgaria worth showcasing to other countries implementing the Common Maritime Agenda?*
- ▶ *Are there any standards and/or procurement rules for sustainable business operations and investments in Bulgaria applied by banks, private investors, and development agencies in projects in the domains of agriculture, aquaculture, tourism, shipping, and water management?*
- ▶ *Are there any institutions, at the national or regional level, that promote investments in green technologies, circular economy models, or novel green infrastructures for pollution reduction, waste management, and recycling related to marine pollution?*
- ▶ *Are there any financial institutions and (equity) funds active in Bulgaria or at regional level that strategically target and support companies or early-stage ventures that develop solutions for marine pollution?*

These consultation themes do not include all topics related to marine pollution in the Black Sea, nor can they include all potential activities for the investment and analytical components of BBSEA as outlined above. However, they offer a good entry point for discussion. Not least, with the progress of the consultations in the other countries, the thematic focus could evolve and integrate additional facets based on audience interest or the overall needs of the consultation.