

**Kenya Blue Economy Concept Note
National Stakeholder Meeting
5 April 2022
Nairobi, Kenya**

Min. 1 Opening

The meeting was called to order at 11:00Hrs (EAT) with Dixon welcoming all in attendance and thanking them for creating time to attend the meeting physical at the UNEP compound in Nairobi. The purpose of this meeting was to discuss the Kenya Blue Economy concept note with the stakeholders and get comments on the different proposed project sites.

Min. 2 Summary of discussion:

- It was determined that the project will focus on the adaptation of vulnerable communities, with the potential for mitigation co-benefits from project activities. A Source-to-Sea approach was suggested as an integrated way to approach the issues at hand.
- Primary financing will come from the GCF, however, there was mention of county-level co-financing options, as well as the potential for private co-financing, particularly for mitigation components of the project. In addition, habitat restoration by mining companies around Vanga was suggested as a parallel financing pathway.
- Several specific examples of existing structures and opportunities for potential co-finance were mentioned during the discussion. The Climate Change Strategy for the Nairobi Convention provides a structure for regional upscaling that the project can build upon. The Western Indian Ocean Strategic Action Plan (WIOSAP) also provides such an opportunity for upscaling. Further to this, two GCF projects have been approved for WIO countries — the Blue Action Fund, a regional programme within the WIO region — and another under development with Conservation International. There is also a 10-year project funded by the World Bank that will establish a climate change fund, providing USD1.2–2 million per country per year in the WIO region.
- A point of note is that the coastal region in Kenya has been identified as key for carbon sequestration and meeting the country's Blue Economy priorities. A report published in 2021 on the landscape of climate finance in Kenya shows that 70% of funds are directed at mitigation efforts. This highlights a priority need for adaptation projects. Further to this, while there are GCF projects for inland areas under development, there is a gap for projects in the coastal zone.
- The discussion then turned to a detailed overview of the four sites proposed, along with their risks and potential for an adaptation project. The overarching issue that was identified between all the sites was shoreline change, including: i) sea level rise; ii) coastal erosion; iii) storm surges; iv) flooding; and v) increasing storm intensity. It was emphasized that some sites are already constructing seawalls, such as that at Vanga and Ngomeni.

Min. 3 A summary of the site-specific discussion follows:

1. **Lamu** — Potential and ongoing problems identified at the Lamu site include: i) loss of freshwater resources; ii) reduced mangrove regeneration¹; iii) coral reef loss; iv) refugee influx;

¹ Climate change was suggested as the main driver of mangrove loss at Lamu. According to stakeholders, the mangroves in the area grow tall, with little regeneration on the hard coralline substrate. Mangroves have begun to die-back without any evidence of harvesting, suggesting that the major driver is climate-induced environmental change. The coralline substrate makes it difficult to restore mangroves in the area, as planting is a challenge.

and v) human-animal conflict. It was suggested that the climate change impacts in the area have not yet been defined and that the climate change angle still needs to be determined. Following this, it was suggested there is a relationship between coral reefs and sediments at the site, and that it is likely that loss of reef has occurred due to rising temperatures and sediment deposition, and that this may have changed the mangrove substrate, resulting in die-backs. An emerging issue at Lamu is a new port that has been developed, which will bring considerable changes to the area. Mangroves have been removed from one bank of the creek to make space for the port, which is already having an impact on the ecosystem. The presence of the port will bring new development to the areas, threatening remaining ecosystems — including important wildlife corridors. There are important wildlife populations in this area, the most diverse in the country. Mangroves forests play an important role not only for marine species in Lamu, but also as a breeding refuge for many terrestrial species. Climate change-induced refugee migration is a considerable problem in Lamu, with many people moving into mangrove areas, as well as an increase in poaching and contamination of water in wetlands because of limited sanitation and waste management options.

2. **Tana River** — Noted challenges at the Tana site include: i) perennial flooding in low-lying areas of the delta; ii) changes in sediment load; and iii) crocodile-egg harvesting livelihoods threatened. The Tana River catchment is extensive, with many upstream drivers contributing to sedimentation — including farming in the riparian zone and sand mining. There are concerns with crocodile egg livelihoods. Large crocodile farms are granted permits to collect eggs for commercial use. This process is not well controlled and communities are often exploited. There are no proper benefit-sharing mechanisms in place, so while farms earn a massive profit the communities do not benefit while facing more of the risks involved.
3. **Mida Creek** — Challenges identified at Mida Creek include: i) loss of freshwater resources; ii) coral reefs in Watamu have had a limited recovery following mass bleaching and iii) crab culture livelihoods threatened. Communities rely on boreholes completely as there is no running river entering the creek. Forests are the main catchment area for groundwater, which is thought to be critical for the ecological functioning of the mangrove systems. As a result, communities are at risk of saltwater intrusion. Fisheries and tourism play an important role in the livelihoods and economy of the area. Therefore, reduced fisheries — caused by impacts such as coral bleaching — have a significant impact on the community. There is a lot of tourism in the areas, with extensive opportunities for ecotourism specifically. However, in addition to being affected by ecosystem degradation, tourism activities are also impacted by shoreline changes. Some areas have large amounts of accretion — with hundreds of metres of new land over the last 20 years — while others are experiencing consideration erosion and now require sea walls and other defences. These shoreline changes appear to be linked to the level of exposure and protection from wave action.
4. **Vanga** — The major note was that there is a seawall that has been constructed to protect the community against intense storms. It was also noted that the Vanga site includes sensitive mangrove ecosystems, and the potential for habitat restoration in parallel with mining companies was briefly mentioned. Coastal habitats are being impacted by shoreline change here as well, with major erosion on the banks of the creek. Sea walls have been built and subsequently expanded upon. The community is experiencing coastal flooding at the back village — which links with fluvial flooding and exacerbates the problem.

There are some issues that are related to Vanga's close proximity to the border with Tanzania. Some of the rivers in their area have a source in Tanzania, and as a result addressing sedimentation is a transboundary issue. There are some sustainable developments underway. The areas is home to some of the most diverse ecosystems — attracting those investments.

Min. 4 Closing

The meeting ended at 15:00Hrs there being on other matter to discuss.

Meeting Attendance

Date of engagement	Name	Organisation/Position	Gender
5 April 2022	Jared Bonsire	Nairobi Convention	Male
	Mohamed Oma	Wildlife Research Training Institute (WRTI)	Male
	Isaak Elmi	NEMA – Deputy Head of Marine	Male
	Lucy Muita	WRTI – Principal Scientist	Female
	Saphina Kirop	Principal Fisheries/Aqua and Blue Economy Officer	Female
	Agnes Njori	NEMA – intern	Female
	Nancy Soi	Regional Seas UNEP	Female
	Melisa Mureithi	Nairobi Convention - secretariat	Female
	Nathan Majwa	Nairobi Convention	Male
	David Ouma	NCS	Male
	Peter Odhengo	GCF NDA - Kenya	Male
	Robert Raw	C4 Ecosolutions	Male
	Miren Schleicher		Female
	Matthew Dooley		Male