



## CALIFORNIA OCEAN PROTECTION COUNCIL

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## CALIFORNIA OCEAN PROTECTION COUNCIL

Item 5a

Staff Recommendation  
July 25, 2018

### **Enhancing Sustainability of Fisheries and Fishing Communities through Innovation: A California Track of Fish 2.0**

Paige Berube, Program Manager

**RECOMMENDED ACTION:** Authorization to disburse up to \$143,020 to Manta Consulting Inc. to support a California track of Fish 2.0 through online trainings, webinars, regional and global workshops and other activities to enhance sustainability of fisheries and fishing communities through innovation.

**LOCATION:** Statewide

**STRATEGIC PLAN OBJECTIVES:** Sustainable Fisheries and Marine Ecosystems, and Science-Based Decision-Making

### **EXHIBITS**

Exhibit A: Fish 2.0 1-Page Overview

Exhibit B: Fish 2.0: 2017 Results in Numbers

Exhibit C: Resolution of the California Ocean Protection Council Supporting Innovative Approaches to Sustainable Fisheries Management (2006) and Resolution of the California Ocean Protection Council regarding the Advancement of Fisheries Management and Support of Fishing Communities (2013)

Exhibit D: Support Letters

### **FINDINGS AND RESOLUTION:**

Staff recommends that the Ocean Protection Council (OPC) adopt the following findings:

"Based on the accompanying staff report and attached exhibit(s), the Ocean Protection Council hereby finds that:

- 1) The proposed project is consistent with the purposes of Division 26.5 of the Public Resources Code, the Ocean Protection Act.
- 2) The proposed project is consistent with the Ocean Protection Council's grant program funding guidelines (Interim Standards and Protocols, August 2013).
- 3) The proposed project is not a 'legal project' that triggers the California Environmental Quality Act (CEQA) pursuant to Public Resources Code section 21068 and Title 14 of the California Code of Regulations, section 15378. If it were determined to be a 'legal project' under CEQA, the proposed project is categorically exempt from review under CEQA pursuant to 14 Cal. Code of Regulations Section 15306 because the project involves information collection, consisting of

data collection, research, and resource evaluation activities that will not result in a serious or major disturbance to an environmental resource.”

Staff further recommends that the OPC adopt the following resolution pursuant to Sections 35500 *et seq.* of the Public Resources Code:

“The California Ocean Protection Council hereby approves the disbursement of up to \$143,020 to Manta Consulting Inc. to support a California track of Fish 2.0 through online trainings, webinars, regional and global workshops and other activities to enhance sustainability of fisheries and fishing communities through innovation.

This authorization is subject to the condition that prior to disbursement of funds, Manta Consulting Inc. shall submit for the review and approval of the Executive Director of the OPC detailed work plans, schedules, staff requirements, budgets, and the names of any contractors intended to be used to complete the projects, as well as discrete deliverables that can be produced in intervals to ensure the projects are on target for successful completion. All projects will be developed under a shared understanding of process, management and delivery.”

**PROJECT SUMMARY:**

This project would sponsor a series of online trainings, webinars, regional and global workshops and other activities to advance sustainable fisheries innovation through a California-based track of the Fish 2.0 program. Fish 2.0 is a global program that seeks to incubate pioneering sustainable seafood businesses through a series of trainings and workshops, helping them to grow and scale with a priority on strengthening the positive environmental and social impact of their businesses. Fish 2.0 connects investors, seafood entrepreneurs, industry experts, public agencies and NGOs to foster collaboration, partnerships, and provide opportunities to integrate environmental and social components into seafood business investment strategies to maximize their profit and sustainability impact. Economically incentivizing businesses to enhance their sustainability is an additional tool to management and policy strategies to effect change and ensure sustainable fisheries and fishing communities for future generations.

The Fish 2.0 global program consists of various regional tracks, and OPC would support a California-based track of Fish 2.0. Through sponsoring a California-based track of Fish 2.0, OPC would have a key role in outlining specific focus areas and eligibility criteria for California seafood businesses participating in the program. An OPC-sponsored track will target California businesses that focus on 1) increasing traceability and transparency in seafood supply chains; 2) innovations in seafood supply chains that favor sustainability, local food systems and fishing communities; and 3) increasing resilience to impacts from climate change through innovative tools, technologies, and approaches. OPC will coordinate with state agency partners to ensure the California Fish 2.0 track includes appropriate criteria to enhance sustainability for fisheries and fishing communities. The Fish 2.0 program builds partnerships between seafood businesses, public agencies, investors, expert advisors and NGOs, all of whom seek to enhance sustainability of fisheries and fishing communities through innovation. OPC’s sponsorship of a California-based track of Fish 2.0 will include participation in the overall global event, which will elevate OPC’s

priorities at the global scale.

**OPC Financial Support & How a Regional Fish 2.0 Track Works:**

The goal of OPC's Sustainable Fisheries program is to enhance the sustainability of California's ocean fisheries to protect marine ecosystems, port communities, and coastal economies. As a core sponsor of a California-based track of Fish 2.0, OPC would have a key role in creating a focal point for innovation and change in the sustainable seafood by helping design the Fish 2.0 Global Innovation Forum event; engaging in the design, criteria selection and development of the California Fish 2.0 track; hosting workshops and events related to the California Fish 2.0 track; learning about opportunities and trends regarding seafood industry innovation in California; being included in media and communications opportunities offered by Fish 2.0; participating in speaker opportunities offered at events and webinars; and participating as a member of an advisory team to Fish 2.0 for the California track, as well as a member of an advisory team to select workshop participants.

OPC funds would support administration of online trainings, webinars, a regional training and network building workshop in California, and a portion of the global innovation finals and investor event, which will be held in California in 2019 to improve the environmental and social impact of innovative seafood business models. Specifically, OPC investment would support the four phases of the competition and the finals, outlined here:

- Phase 1: online application including in-person and online training workshops/webinars
- Phase 2: online development and judging of business idea, team and plans by seafood industry experts and investors – with feedback provided to all participants
- Phase 3: online development and judging of impact, risk and investment opportunities with further feedback from investors and input from sustainability experts on integration of the International Union for Conservation of Nature's Sustainable Development Goals and impact elements and metrics into business strategies
- Phase 4: online pitch and presentation development in preparation for the Finals
- Finals/Global Innovation Event: connecting in-person with investors and other partners

Manta Consulting Inc. will provide OPC with a summary report at the conclusion of the Global Innovation Event to include a qualitative and quantitative overview of the overall California program, which addresses how the ventures involved in the California track met the track criteria.

Regional tracks will be announced at various times in 2018-19, which will allow participants multiple opportunities to compete against other innovators, qualify for Fish 2.0 network membership, and attend regional and global events. In addition to the OPC-sponsored California track, there will be several other regional and global tracks as part of Fish 2.0 2018/19. Each regional track will include a regional, two-day event consisting of workshops, pitching and partnership-building. There is also an online component to the competition where eligible businesses participate where they meet the various regional or global track criteria. The best qualified ventures from each of the tracks will advance to the Fish 2.0 Global Innovation Forum & Finals, which will be held in California in 2019. With free online participation and a waived registration fee for finalists, Fish 2.0 is accessible to all and does not preclude community

members from being involved and supported.

It is expected that ventures participating in the Fish 2.0 program are revenue generating or expect to be revenue generating and should be seeking investment or industry partnerships, not grant funding.

While the online competition and final global forum event serve as successful and engaging participation components of the program, Fish 2.0 also seeks to build a strong network of investors, NGOs, fishermen, public agencies, and fishery-related businesses that can act as a catalyst for positive social and environmental impact in the sustainable seafood industry.

**Benefits & Impact of OPC Supporting a Fish 2.0 California Track:**

OPC sponsorship of a Fish 2.0 California track will elevate and deepen the State's role in supporting innovative partnerships for sustainable fisheries and fishing communities in California. These partnerships are important to achieving a sustainable fishing industry in the state. OPC will also strengthen our state's network through building partnerships across other regional and global tracks.

OPC will receive a public-facing summary report at the conclusion of the Global Innovation Event to include a qualitative and quantitative overview of the overall California program, which addresses how the businesses involved in the California track met the track focus areas pertaining to 1) increasing traceability and transparency in seafood supply chains; 2) innovations in seafood supply chains that favor sustainability, local food systems and fishing communities; and 3) increasing resilience to impacts from climate change through innovative tools, technologies, and approaches

The Fish 2.0 global event will also help to identify the main barriers to certain areas requiring innovation within the seafood industry as well as key questions and priority needs where advances or investment are required. The Fish 2.0 network provides an opportunity for the state to better understand the pace of change within the sustainable seafood industry, as the Fish 2.0 program attracts both established ventures and new start-ups implementing state-of-the-art technology and innovation to seafood issues. OPC support of a California-based track of Fish 2.0 will builds partnerships between seafood businesses, public agencies, investors, expert advisors and NGOs to enhance sustainability of fisheries and fishing communities through innovation.

**Alignment with OPC Priorities:**

Funding a California Fish 2.0 track aligns with OPC's Strategic Plan, particularly Objective 7.1 to promote sustainable fisheries in California's coastal communities. This project is also consistent with two previous fisheries resolutions: the Resolution of the California Ocean Protection Council Supporting Innovative Approaches to Sustainable Fisheries Management (2006) and the Resolution of the California Ocean Protection Council regarding the Advancement of Fisheries Management and Support of Fishing Communities (2013) (Exhibit C), which highlight the importance of advancing innovative approaches to sustainable fisheries, supporting community fishing associations and local fishing harbor revitalization, as well as promoting economic opportunities in California fishing communities. Furthermore, this project is well aligned with the California Ocean Protection Act (COPA), particularly Section 35650 (C) (ii)-

iii) and (J) (i), as shown below:

*“(C) Foster sustainable fisheries, including grants or loans for one or more of the following...*

*(ii) The design of community-based or cooperative management mechanisms that promote long-term stewardship and collaboration with fishery participants to develop strategies that increase environmental and economic sustainability.*

*(iii) Collaborative research and demonstration projects between fishery participants, scientists, and other interested parties...*

*(J) (i) Provide funding for adaptive management, planning, coordination, monitoring, research, and other necessary activities to minimize the adverse impacts of climate change on California’s ocean ecosystem, including, but not limited to...fisheries... Adaptive management strategies, planning, research, monitoring, or other activities shall be designed to improve the management of coastal and ocean resources or aid the state to adapt to climate change impacts.”*

**Background of Fish 2.0:**

Fish 2.0 has demonstrated success in creating a program through which innovators, investors, public agencies, expert advisors and other partners together can catalyze sustainable growth of fisheries businesses that prioritize ocean sustainability, climate resilience, and improved livelihoods of fishing communities. For additional background on Fish 2.0, please see the One-Page Overview and the Fish 2.0 2017 Results in Numbers documents provided in Exhibit A and Exhibit B, respectively.

In 2017, Fish 2.0 hosted two global thematic tracks: Transparency and Traceability, and Supply Chain Innovation; as well as six regional tracks: West Coast (U.S.), New England (U.S.), South Atlantic and Gulf Coast Shellfish and Crustaceans (U.S.), Southeast Asia, Chile & Peru, and the Pacific Islands. The core sponsors for 2017 across all global and regional tracks were: the David and Lucile Packard Foundation, Gordon and Betty Moore Foundation, the Walton Family Foundation, U.S. Department of State and USAID.

Starting in 2018, Fish 2.0 will be working with ventures globally to incorporate Sustainable Development Goal (SDG) 8 (economic growth) and SDG 14 (oceans) into their strategies and to report on these as Fish 2.0 metrics to support both policy makers and investors in achieving the SDG goals for their portfolios and programs.

**Project Timeline:** July 2018 – November 2019

**PROJECT FINANCING:**

Staff recommends that the Ocean Protection Council (OPC) authorize encumbrance of up \$143,020 to Manta Consulting Inc. to support a California track of Fish 2.0 through online trainings, webinars, regional and global workshops and other activities to enhance sustainability of fisheries and fishing communities through innovation. Other partners supporting the California Fish 2.0 track may contribute about \$10,400 to support additional costs related to the workshops. Other core sponsors for Fish 2.0 2018/2019 may contribute around \$108,000 specifically supporting the global event, which is a

culminating forum event in California at which finalists pitch their business models and are judged by a panel of experts. The forum event is especially important for building connections and partnerships within each regional track and across tracks as lessons are learned and transferred across the globe.

Ocean Protection Council	\$143,020
Other partners for the California track	~\$10,400
Other core sponsors for Fish 2.0 2018/19 supporting the global event	~\$108,000
<b>TOTAL</b>	<b>\$261,420</b>

The anticipated source of funds will be Ocean Protection Council's Fiscal Year 2018/19 appropriation of California Environmental License Plate Funds (ELPF). Using these funds to support this project is consistent with the California Ocean Protection Act, Section 35650(b), as well as OPC's Strategic Plan and Grant Program Funding Guidelines as discussed in more detail in the following section.

#### **Leverage of OPC funds**

This project will leverage \$10,400 from other private partners to be determined to support OPC's financing of this project. This project will also leverage about \$108,000 from other core sponsors for the 2018/19 Fish 2.0 program, specifically supporting the global event. A percentage, amounting to about \$12,000, of OPC's potential contribution of up to \$143,020 will also support the global event. As a core sponsor, OPC would have an important role in the design, criteria selection and development of the California Fish 2.0 track and a voice in the development of the global event, also to be held in California.

#### **CONSISTENCY WITH CALIFORNIA OCEAN PROTECTION ACT:**

The proposed project is consistent with the Ocean Protection Act, Division 26.5 of the Public Resources Code, because it is consistent with Sections 35510, 35515, and 35620 as a project which:

- Incorporates ecosystem perspectives into the management of coastal and ocean resources, using sound science, with a priority of protecting, conserving, and restoring coastal and ocean ecosystems, rather than managing on a single species or single resource basis
- Improves monitoring and data gathering, and advance scientific understanding, to continually improve efforts to protect, conserve, restore, and manage coastal waters and ocean ecosystems
- Identifies scientific research and planning that is useful for the protection and conservation of coastal waters and ocean ecosystems
- Helps identify decision-support tools relevant to ecosystem-based management, and, where appropriate, supports the adaptation of those tools or the creation of new tools to serve the state's needs

#### **CONSISTENCY WITH THE OPC'S STRATEGIC PLAN:**

This project implements Focal Area A: Science-Based Decision-Making and Focal Area C: Sustainable Fisheries and Marine Ecosystems. The innovative and multi-constituent nature of the Fish 2.0 event to catalyze sustainable fisheries is well aligned with OPC's Strategic Plan.

**CONSISTENCY WITH THE OPC'S GRANT PROGRAM FUNDING GUIDELINES:**

The proposed project is consistent with the OPC's interim Grant Program Funding Guidelines for the California Environmental License Plate Fund, in the following respects:

Required Criteria

1. Directly relate to the ocean, coast, associated estuaries, or coastal-draining watersheds: *This project supports California fishing businesses and ventures engaged in employing a problem-solving approach within their business models that contributes to a positive environmental and social impact in support of ocean conservation, sustainable seafood, climate resilience, and sustainability of coastal livelihoods.*
2. Support of the public: *See Exhibit D.*
3. Greater-than-local interest: *This project supports a statewide California Fish 2.0 track, where California participants will have the opportunities to connect with other innovators and partners within California, and also within other regions in the U.S. and across the globe.*

Additional Criteria

4. Improvements to management approaches or techniques: *A California Fish 2.0 track will spur innovative approaches and sustainable business models within the sustainable seafood sector, as well as support global partnership-building to share lessons learned across regions for continual improvement to approaches and techniques.*
5. Resolution of more than one issue: *OPC's investment in a California Fish 2.0 track may support businesses that are focused on increasing traceability and transparency in seafood supply chains; innovations in seafood supply chains that favor sustainability, local food systems and fishing communities; and increasing resiliency to impacts from climate change through innovative tools, technologies, and approaches.*
6. Leverage: *This project leverages up to \$118,400 in funding from other partners for either the California track or in support of the final global event, which will be held in California in 2019.*
7. Timeliness or Urgency: *Manta Consulting Inc. is the founder and sole entity managing the Fish 2.0 program and has demonstrated experience in hosting 3 previous rounds of the Fish 2.0 global competition, over 15 online trainings, and 8 regional workshops. Regional and global tracks for Fish 2.0 2018/19 are anticipated to be announced in late summer/fall of 2018 with the online trainings to begin soon thereafter.*
8. Coordination: *Fish 2.0 encourages coordination through partnership-building across the diverse sectors of innovators, investors, public agencies, NGOs, impact investment and sustainability experts and other partners who are united by the common goal of positive environmental and social impact within the fishing industry.*

**COMPLIANCE WITH CEQA:**

The proposed project is not a 'legal project' that triggers the California Environmental Quality Act (CEQA) pursuant to Public Resources Code section 21068 and Title 14 of the California Code of Regulations, section 15378. If it were determined to be a 'legal project' under CEQA, the proposed project is categorically exempt from review under CEQA pursuant to 14 Cal. Code of Regulations Section 15306 because the project involves information collection, consisting of data collection, research, and resource evaluation activities that will not result in a serious or major disturbance to an environmental resource. Staff will file a Notice of Exemption upon approval by the OPC.