

Sea of Cortez Region Sustainable Socioeconomic Development Plan



The Totoaba



Vaquita Porpoise

- Sonora
- Sinaloa
- Baja California Norte
- Baja California Sur



Kathryn Steele
Director
ksteele@wellsgroup.us

Wells Ocean & Environment 1221 S Lamar St Dallas TX 75215
WellsOandE.org • Main: 214.421.2700 • Fax: 214.421.3132



S E A O F C O R T E Z R E G I O N

Sonora • Sinaloa • Baja California Norte • Baja California Sur



Wells Ocean & Environment 1221 S Lamar St Dallas TX 75215
WellsOandE.org • Main: 214.421.2700 • Fax: 214.421.3132

MEXICO IS THE KEEPER OF THE SEA OF CORTEZ REGION, A REGION SO BEAUTIFUL, AND SO UNIQUE, THAT IT IS CONSIDERED ONE OF THE WORLD'S MOST INVALUABLE TREASURES.



As one of the world's most biologically diverse bodies of water, the Sea of Cortez is a unique living lab referred to as "the aquarium of the world" by famed ocean explorer Jacques Cousteau. This stretch of sea between Mexico's mainland and the Baja California peninsula is home to thousands of marine species, abundant natural resources, and striking natural beauty. However, for the past 20 years and increasingly over the last five, the Sea of Cortez Region has drawn international attention, not for its diversity and splendor, but for the critical endangerment of two of its extremely rare species.

The Vaquita (*Phocoena sinus*) is the most endangered marine mammal in the world. With estimates of as few as 60 remaining, this small porpoise is considered to be on the very edge of extinction. The giant totoaba (*Totoaba macdonaldi*) is another of the Region's perilously endangered fish. As both the vaquita and totoaba are endemic to the Sea of Cortez, their diminishing numbers have raised international alarm and negative sentiment toward the Mexican government, in spite of its earnest attempts to legislate their preservation.

E W Wells Group, LLC, proposes that the intense international focus on this Region's crisis provides a timely opportunity to advance a solution. The biological diversity of the Sea of Cortez has been identified internationally as a unique ecosystem that must be saved. While focused efforts from a multitude of entities have been numerous and determined, none have proven to affect sustainable improvement.

Though historical commercial overfishing and poaching have been the main threats to the Region's ecological preservation (this, in a region that relies heavily on fishing for its economy), additional challenges and contributing factors are almost as broad and unique as the species represented there. For the above reasons, Wells believes that a true solution can come only from the development of a cohesive master plan that unifies efforts and provides sustainable ecological and socioeconomic solutions. In addition, an effective plan will address not only the issues of the endangered vaquita and totoaba, but must also take on the complex ecological and economic challenges of the entire Region that contribute to endangerment.

Wells has already identified industries that, with a concentrated comprehensive approach, could advance an ecological solution while contributing to a stable, legal economy in the Sea of Cortez Region. The totoaba presents great potential for increased aquaculture in the Region, as it is a fast-growing species whose swim bladder is in high demand in Asian markets. Responsible breeding of the totoaba could replace current poaching and black-market activity to contribute to the economy while aiding in the recovery of wild stocks.

With the Region's existing natural resources, growth in sustainable fishing and increased eco-tourism have also been identified as having the potential to contribute significantly to a sustainable ecological and economic solution. We anticipate that additional industries will be identified through the discovery process as the master plan is developed. Working with Mexico's Federal government and key stakeholders in the states that make up the Sea of Cortez Region (Sinaloa, Sonora, Baja California Norte, and Baja California Sur), Wells proposes to bring together a task force of world-renowned experts across multiple disciplines to focus on individual issues and opportunities from an all-encompassing perspective. By harnessing the synergy of the best and the brightest minds along with proven concepts, techniques, and technologies, the impact of all efforts to save and enhance the Sea of Cortez Region will grow exponentially.

Proposal to Lead the Writing, Implementation and Management of the Sea of Cortez Region Sustainable Socioeconomic Development Plan

By: *E W Wells Group LLC Kathryn Steele, Stephen Shaner PhD, Tony Haymet PhD, Richard Tremaglio*

The proposed Sea of Cortez Region Sustainable Socioeconomic Development Plan will:

- Provide a clear, structured approach to a sustainable solution centered on goals that are focused on the needs, desires and well-being of the entire Region and its people.
- Integrate proven, business management turnaround methodologies and mentorship, with the goal of transitioning local business leaders and Mexican nationals to leadership of the project within a two-to-five year time frame.
- Empower the Region's four states to jointly create a plan, appeal for finance, and execute their vision within an organized, transparent, and budgeted strategy.
- Engage with non-governmental organizations already contributing to subparts of the Region's challenges to build on knowledge previously gained.
- Demonstrate to the international community that Mexico is committed and engaged in resolving issues that have garnered negative attention in recent years.
- Pilot a model for universal learning. With its diverse species, resources, and challenges within a finite space, the Region offers unique opportunities for investigation, discovery, and problem solving that can be replicated globally.

The Sea of Cortez Region has an abundance of resources that, with a unified approach, can be developed to create sustainable, socioeconomic activity while resolving the environmental issues that have plagued the area for the past two decades. Mexico is the keeper of the Sea of Cortez Region, considered to be one of our planet's most invaluable treasures. Thus, it is incumbent on the world to come together to create the synergy that will enable this Region to coexist eco-logically and economically and thrive into the future.



EXECUTIVE OVERVIEW

E W Wells Group LLC, proposes to form a coalition with a Mexican company and an Australian company to together function as the Sea of Cortez Region Sustainable Socioeconomic Development Plan's leadership team. This coalition will lead initial research, identify the Plan's baseline, and conduct needs assessments through meetings with all key stakeholders. The coalition will also oversee the writing, implementation, and management of the Plan.

This master Plan will be comprehensive to encompass the Region's complex ecological and socioeconomic challenges. This is critical to a successful solution in the Sea of Cortez Region, as past attempts have shown that approaching this complex set of situations with disparate projects and discrete efforts is ineffective, at best. Many such initiatives have proven to be extremely costly and have reflected poorly on the image of the Mexican government amongst the international community.

The first critical task in the development of the Plan is to establish the structure upon which all decisions and investments are made, focused on singular set of clearly defined, achievable, sustainable goals. The second task is to develop a framework that will ensure that investments are made in accordance with the goals and objectives of all key stakeholders and that those investments yield the desired outcomes.

The result will be a structured framework featuring defensible, auditable, repeatable, and transparent decision-making that maximizes value and ensures the most beneficial outcomes for the Sea of Cortez; the marine ecosystem; the flora, fauna, and people of Sonora; Baja California Norte, Sinaloa, and Baja California Sur. (Note: This master Plan does not attempt to incorporate other assets of the states unless they directly affect in a positive or negative way the Sea of Cortez.)

To date, Wells has been in communication with the Armada de Mexico Secretaria de Marina, as well as numerous Mexican officials and influential stakeholders who are in support of and committed to the development of this master Plan. (Please see back cover)

PROJECT METHODOLOGY TO ACHIEVE SUSTAINABLE SUCCESS:

Establishment of Goals and Objectives

- Identification of key stakeholders (i.e. local fishermen and indigenous residents, commercial fisherman, businessmen, conservationists, environmentalists, and State and Federal Governments).
- Interviews with the key stakeholders to fully understand the challenges and issues that most affect each area within the region.
- Creation of the master project Plan, with well-defined objectives and success measures, so that all key stakeholders have a clear understanding of the project and risks are mitigated.
- The master project Plan will include short-, mid-, and long-term outcomes. It will also prescribe the framework – a set of planning activities - to maintain consistency across all initiatives.



Definition of the Organizational Structure

- Development of a project team/task force, which will include Mexican nationals at each level and on all projects. This will allow for a transition of leadership within five years that will produce a project fully run by Mexican nationals and Mexican-owned companies.
- Involvement of an Advisory Committee, which will seek input from international experts in relevant fields to improve financial efficiencies and draw from the experience of approaches or solutions that have demonstrated proof-of-concept elsewhere in the world.
- Creation of clearly stated leadership and governance structures for approvals. This will ensure that this complex project progresses at the most efficient rate possible.

Risk Mitigation

- Conduct proactive risk analysis to identify and solve potential issues that could cause costly mistakes and delay progress.

Budget

- Creation of a master budget to control costs and ensure proper allocation. This includes identification of the authority that will have oversight for spending on individual activities.
- Prioritization of projects and activities for optimal results and maximum benefits within the most efficient time line.

MASTER PLAN PHASES AND TASKS

The following are the phases, tasks and objectives for The Writing, Implementation and Management of the Sea of Cortez Region Sustainable Socioeconomic Development Plan:

Task 1: Establishment of Goals and Objectives

This task will establish the framework for decision-making that will be applied to evaluate future investments. Through interviews and working sessions, goals, objectives, and outcomes will be identified based on input of key stakeholders associated with the Sea of Cortez. These include, but are not limited to, local and commercial fishermen, indigenous residents, businessmen, conservationists, environmentalists, and State and Federal Governments of Mexico.

- **Objectives:** Establish the foundation upon which decisions and investments are made to maximize the project's value and ensure the best outcomes for the Sea of Cortez Region.
- **Activities:** We will conduct interviews and facilitate scoping sessions to define goals, objectives, and outcomes that are based on input from all key stakeholders. Representative criteria will be developed that allow objective evaluation of the relative opportunities and risk mitigation of competing needs and priorities.
- **Deliverables:** Scoping sessions will be used to outline a number of proposed initiatives. Most importantly, this approach will present stakeholders with a consolidated list of issues and opportunities. Stakeholders will collaborate with the leadership team to achieve consensus on priorities and desired outcomes, resulting in the structured framework of the master Plan.
- **Time Line:** This one-time activity will begin at the onset, with a limited duration. We expect the master project Plan to be completed in five to six months.

Task 2: Define the Organizational Structure

This task will define the organizational structure required to administer and manage the program of investments. The decision framework created in Task 1 will be used to identify the experience and skill sets needed to govern and complete the diverse initiatives of the overall project. Executive positions will be defined and personnel identified to establish a Board of Directors and Chair to administer and steer the program.

- **Objective:** Create Advisory and Execution Committees to ensure ongoing alignment with key stakeholder interests and oversight of investments and roles. We will also establish authorities to identify and solicit investors; nominate and qualify committee and advisory members; identify, evaluate, and prioritize investment proposals; manage and award funding; manage and track project progress and effectiveness; and recommend enhancements and modifications to the framework.
- **Activities:** Staff Advisory and Execution Committees will create program roles, responsibilities, and relationships.
- **Deliverables:** Identification of a management and leadership team that will be accountable to accomplish the deliverables of the master Plan.
- **Time Line:** This task will be ongoing for the life of the project. The Advisory and Execution Committees will receive input on prioritized investment opportunities and will finalize, authorize, manage, and monitor projects designed to meet the objectives. Outcomes should be in accordance with stakeholder requirements and desires as identified in Task 1.

Risk Analysis and Mitigation

Wells will be responsible for conducting interviews and discussions with key stakeholders to develop the Risk Analysis and Mitigation Report. This will be completed initially in the first three months of the time line, then updated every six months thereafter with the objective of preventing early issues from becoming long-term problems.

Budget

A master budget will be created to ensure that costs are controlled and properly allocated. This includes determining a comprehensive estimate for the entire project as well as identifying the authority that will have oversight for spending on individual activities. Budget governance will include a clearly-defined process and authority for distributing funds.

To learn how you can participate in helping shape the future of the Sea of Cortez, contact:

Kathryn Steele, Director, Wells Ocean and Environment
ksteele@wellsgroup.us Office: 214.421.2700



Stakeholders Committed to the Development of The Sea of Cortez Region Sustainable Socioeconomic Development Plan

- **Lic. Ernesto Ruffo Appel** Senador de la República México D.F.
- **José Calzada**, Secretary of the Secretariat of Agriculture, Livestock, Rural Development, Fishing and Food (SAGARPA)
- **Mario Aguilar Sánchez**, National Commissioner of the National Commission for Aquaculture & Fishing (CONAPESCA)
- **Pablo Arenas**, Director of the National Aquaculture and Fishing Institute (INAPESCA)
- **Próspero Ibarra**, President of the Fishing Commission of Chamber Representatives (Comisión de Pesca de la Cámara Diputados)
- **Jesús Camacho**, President of National Fishermen Organizations
- **Julio César Córdova**, Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA)
- **J Antonio Berumen**, State of Sonora Tourism Coordinator (Coordinador de Turismo)
- **Octavio Esquerra**, IMPULSOR Trust General Director, Sonora Strategic Projects Office (Director General de Fideicomiso IMPULSOR)
- **José Luis Moreno**, Business Partner of Octavio Esquerra (Socio de Octavio Esquerra)
- **Martin Carranza**, Liaison, Governor of Arizona, US
- **Ingeniero Alfredo Villegas-Arreola**, General Director of the Institution for Security and Social Services for State Workers (Director de Delegaciones ISSSTE)
- **Carlos Alberto Tirado**, Legal Appointee for Biosfera Fishermen
- **Sunshine Rodriguez**, San Felipe Fishermen Legal Appointee
- **Maestro Raúl Adan Romo Trujillo**, Undersecretary for the Secretariat of Agriculture, Livestock, Rural Development, Fishing and Food of Sonora (SAGARPA)
- **Enrique Ruiz**, General Director of the Council for Economic Promotion of SONORA (COPRESON)
- **Jorge Vidal**, Secretary of Economy SONORA (Economía)
- **Luis Romo Salazar**, General Director of Ecology and Sustainable Development Commission (CEDES)
- **Wenceslao Cota**, Delegate for SONORA of Federal Department of Interior (Delegado Gobernación)
- **Victor Ibañez**, Baja California Fishing Director (Secretariat de Pesca and Aquaculture)
- **Hilda Hurtado**, President of the Fisherman Cooperative of Cucapa, Baja California



Wells Ocean & Environment
1221 S Lamar St Dallas TX 75215
Main: 214.421.2700 Fax:
214.421.3132 WellsOandE.org

