



United Nations
Economic Commission for Africa

21st Intergovernmental Committee of Experts

Transformative Growth in Eastern Africa: *Catalysts and Constraints*

Venue: Moroni, Union of Comoros

Date: 7 November 2017.

The Blue Economy: How to leverage its full potential

I. Background

The word 'blue' in '*Blue Economy*' stands for water, the starting point for all life. More than 70 percent of the Earth is covered by water, particularly the oceans. Climate regulation, the maintenance of complex ecosystems and the storage of atmospheric carbon are key functions of oceans. In recent years, there has been a growing consciousness of the fundamental economic role of the oceans. Their *wealth is conservatively valued at USD 24 trillion, with an annual estimation of the goods and services they provide at USD 2.5 trillion.*¹ *If collectively the oceans were a country, they would thus constitute the seventh largest economy in the world.*

*Goods provided from fisheries and aquaculture constitute important sources of food, nutrition, income and livelihoods for hundreds of millions of people. The world's per capita fish supply attained an unprecedented 20 kg in 2014, with aquaculture providing fifty per cent of all fish for human consumption*². *The market value of global marine biotechnology is expected to increase from USD 4.3 billion in 2016 and reach USD 6.9 billion by 2025*³, *boosted by the healthcare industry.* Ocean renewable energy has a power potential sufficient to provide up to 400 per cent of global current energy demand⁴. Deep sea mining has emerged as one of the most promising sectors given the surge in global demand for minerals and rapid technological advance. *In terms of services provided, it is estimated that 90 per cent of the world's international trade is transported by sea*⁵. Coastal and marine tourism support more than 6.5 million jobs (second only to industrial fishing) and are expected to become "the largest value-adding segment of the ocean economy by 2030"⁶.

The increasing interest worldwide for this remarkable set of assets risks provoking a renewed scramble of resources into hitherto unexploited areas, and has spurred worries about unbridled exploitation. But it has also created new hopes and expectations about the potential for leveraging those resources in countries like Comoros with considerable *Blue Economy* assets.

Against this background, the *Blue Economy* has emerged in Africa as a new framework, anchored in the principles of sustainable development, to deliver upon those expectations. Africa is richly endowed with blue natural resources.

¹ World Wide Fund for Nature (WWF), 2015. *Reviving the Ocean Economy: The case for action.*

² Food and Agriculture Organization (FAO), 2016. *State of World Fisheries and Aquaculture.*

³ Global Marine Biotechnology Market Forecast 2017-2025 (www.inkwoodresearch.com).

⁴ International Energy Agency, 2015.

⁵ www.ics-shipping.org

⁶ <https://blogs.worldbank.org/voices/Sustainable-Tourism-Can-Drive-the-Blue-Economy> (accessed 17 September 2017)

*Thirty-eight of the fifty-four African nations are coastal states. Maritime zones under African countries' jurisdiction amount to about 13 million square kilometres. African lakes constitute 27 per cent of surface freshwater in the world. Moreover, freshwater and ocean fish make a vital contribution to the food and nutritional security of over 200 million Africans and provide income for over 10 million.*⁷ The African Union has recognized the strategic importance of the *Blue Economy* for job creation, socio-economic transformation, and sustainable growth by calling it a “new frontier for African Renaissance” in its Agenda 2063.

With a view to taking into account the interests of ‘landly connected’⁸ or landlocked countries and inland water ecosystems, in its 2050 African’s Integrated Maritime Strategy (AIMS), the African Union and ECA have adopted a wider definition of the word ‘blue’, to include lakes, rivers and underground water in addition to oceans, seas and coasts. This is in line with the UN 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs).

The *Blue Economy* is in fact interlinked with the SDG agenda in numerous ways. For instance, beyond SDG 14 on the conservation and sustainable use of oceans, seas and marine resources, the *Blue Economy* provides an array of opportunities to contribute to ending poverty (SDG 1), to improving food security and eliminating hunger (SDG 2), and to accessing clean water (SDG 6).

The *Blue Economy* encompasses a range of productive sectors, including fisheries, aquaculture, tourism, transport, shipbuilding, energy, bio-prospecting⁹, and underwater mining, and puts emphasis on the synergies between them. As highlighted in the ECA 2016 study on the *Blue Economy* focusing on Eastern Africa, these sectors have great potential to create new job opportunities, reduce youth employment and diminish inequality. The *Blue Economy* can support structural transformation if it generates relatively high-productivity jobs to absorb workers from lower productivity activities such as subsistence farming.¹⁰ The potential is evident in other ways too. For instance, the Western Indian Ocean, bordering Eastern Africa, is a major oil shipment sea highway. In recent years, Eastern Africa seas and lakes have become the focus of much new energy exploration, for both oil and gas.

⁷ FAO, 2014. The Value of African Fisheries, FAO Fisheries and Aquaculture Circular No. 1093.

⁸ The African Union has adopted the terminology of ‘landly connected’ in most of its policy documents in lieu of the word ‘landlocked’ deemed ‘pejorative’.

⁹ The search for plant and animal species from which medicinal drugs and other commercially valuable compounds can be obtained (<https://en.oxforddictionaries.com/definition/bioprospecting>).

¹⁰ For three countries with available data (Madagascar, Tanzania and Uganda), labour productivity directly or indirectly linked to *Blue Economy* activities is consistently higher than the economy-wide average.

At the same time, however, economic, geopolitical, social and environmental challenges, including climate change, are adversely impacting the existing blue economy assets and negatively impinging on dependant sectors like fishing and tourism. The most prominent challenges include a poor knowledge of scale of the resources¹¹, a lack of multisectoral approaches, and weak legal and regulatory frameworks.

II. Objectives of the Session

The session will provide a platform to raise awareness about the full potential of the *Blue Economy*. The session will also showcase regional and country-level initiatives to leverage the *Blue Economy*, as well as share replicable and innovative examples of good-practice in fisheries and aquaculture, the shipping industry and deep-sea mining. Participants will be invited to provide inputs to the discussion and to review the following questions:

- a. How can we strengthen the knowledge and awareness of the blue economy assets in Eastern Africa?
- b. How can ECA's *Centre of Excellence* and *Atlas on the Blue Economy* contribute to the development of the Blue Economy¹²?
- c. How can the *Blue Economy Policy Handbook for Africa* inform policy development and implementation at all levels?
- d. How can we ensure the long-term sustainability of Blue Economy interventions?
- e. What are the existing examples of Blue Economy initiatives in Eastern Africa that could be replicated and up-scaled?
- f. How could existing regional and national authorities collaborate to support Blue Economy initiatives and help to improve existing legal and regulatory frameworks?

¹¹ Assessments of living species, geomorphological analysis and mapping of floors of water bodies in general, oceans in particular, are almost inexistent.

¹² Both the Centre of Excellence and the Atlas on the *Blue Economy*, spearheaded by the African Minerals Development Centre (AMDC), aim to provide further support to member States, Regional Economic Communities (RECs) and Intergovernmental Organization (IGOs) in bridging knowledge gaps and promoting enhanced collaboration in various fields and at all levels.

III. Participation

The session will gather experts from Eastern African countries, as well as representatives of the private sector, civil society organizations, and other relevant institutions. For further information and clarification, you may wish to contact the following UNECA/SRO-EA focal point for the session:

Ms. Daya Bragante, Email: bragante@un.org

IV. Provisional programme

14.45-16.00: Part I *Blue Economy*: How to leverage its full potential

14.45-15.15: Presentation on Blue Economy Features and Benefits

- **Mr. Yannick Beaudoin, Chief Scientist, GRID-Arendal**
(Concept of Blue Economy)

- **Mr. Philippe Murcia, Consultant, Ocean Company Consulting**
(Blue innovations in the fishing and aquaculture sectors, and recent developments in the shipping industry)

- **Ms. Vita Onwuasoanya, Legal Officer, United Nations Division for Ocean Affairs and the Law of the Sea**
(Importance of maritime boundary delimitation for conflict resolution)

- **Mr. Kaiser de Souza, Head, Geology and Mineral Information Section, African Mineral Development Centre, ECA**
(Presentation on deep sea mining, the Centre of Excellence and the Atlas on the Blue Economy)

- **Ms. Daya Bragante, Head, Cluster on Sub-Regional Initiatives, ECA SRO-EA**
(Presentation on the BE Policy Handbook for Africa)

15.15-16.00: Questions & Answers

16.00-16.15: Coffee break

16.15-17.30: Part II *Blue Economy*: How to leverage its full potential

Panel on Blue Economy country pathways moderated by Ms. Novella Nikwigize

Madagascar: the representative of the Secretary of State for the Sea will introduce the genesis of her institution and its current role in developing a strategic framework on the Blue Economy for the country.

Union of Comoros: Mr. Imam Abdillah, Blue Economy Focal Point, will refer to the outcomes of the first meeting of the inter-ministerial committee and national Blue Economy vision.

Indian Ocean Rim Association (IORA): Mr. Firdaus Dahlan, Director, will highlight the role of IORA in promoting the Blue Economy in the region.

Port Management Association of Eastern and Southern Africa (PMAESA): Ms. Nozipho Mdawe, Secretary General, will discuss specificities and synergies between island, coastal and land linked countries for sustainable maritime value chains within a blue economy framework.

References

ECA, 2016a. Blue Economy Study

<https://www.uneca.org/publications/blue-economy>

ECA, 2016b. Blue Economy Policy Handbook for Africa

<https://www.uneca.org/publications/africas-blue-economy-policy-handbook>

African Union Agenda 2063

<https://au.int/en/agenda2063>

2050 African Integrated Maritime Strategy

<https://au.int/en/documents/30928/2050-aim-strategy>
