

Harnessing the Blue Economy for Sustainable Development in Nigeria¹

Background and Context

Although the use of the term 'Blue Economy' can be traced back the 2010 publication by Gunter Pauli², it began to gain currency, traction and global significance during the 2012 United Nations Conference on Sustainable Development (UNCSD) held in Rio de Janeiro (Rio +20). It will be recalled that in addition to setting up the universal process leading to the adoption of the SDGs in 2015, the 2012 UNCSD reiterated the commitment of world leaders to *inter alia*, promote 'Green Economy'³ and address the sustainable management of oceans and marine

biodiversity.⁴ During the conference however, leaders from Small Island Developing States (SIDS) questioned the relevance and applicability of the concept of 'Green Economy' to them and argued that the world's oceans and seas require more in-depth attention and coordinated action; in essence calling for the adaptation of 'green economy' to the 'blue world'. Thus, the concept of 'Blue Economy', incorporates the principles of the 'Green Economy' into a paradigm of shift in the management of coastal water bodies and related resources in a sustainable manner by conceptualizing oceans and other water

¹ This Policy Brief is produced by the Strategic Policy Advisory Unit of the UNDP Nigeria Country Office. The opinions expressed in this Brief however, are those of the authors (Ojijo Odhiambo and Abubakar Metcho) and do not represent the views of UNDP, the United Nations or any of its affiliate organizations.

² See. Gunter Pauli, 2010, Blue Economy: 10 Years, 100 Innovations, 100 Million Jobs, New Mexico: Paradigm Publications

³ A 'Green Economy' is one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. It is low carbon, resource efficient, and socially inclusive" (UNEP, 2011).

⁴ See <https://sustainabledevelopment.un.org/content/documents/733FutureWeWant.pdf>

bodies as “developing spaces” providing an opportunity for sustainable development.

Indeed, UNECA (2016) has stated that a ‘Blue Economy’ is a ‘Green Economy’ in a ‘blue world’ and incorporates a new approach to the economic utilization of the resources of oceans, lakes, rivers and other water bodies. A more comprehensive definition of ‘Blue Economy’ was however, adopted during the 2012 East Asian Seas Congress as “ *a sustainable ocean-based economic model that is largely dependent on coastal marine ecosystems and resources, but one that employs environmentally sound and innovative infrastructure, technologies and practices, including institutional and financing arrangements, for meeting the goals of a) sustainable and inclusive development; b) protecting the coasts and oceans, and reducing environmental risks and ecological scarcities; c) addressing water, energy and food security; d) protecting the health, livelihoods and welfare of the people in the coastal zone; and d) fostering an ecosystem-based climate change mitigation and adaptation measures*”.

Elements of the Blue Economy

While the components of the Blue Economy would vary from country to country, depending on its ocean and freshwater, as well as coastal, resource endowments, a Blue Economy is generally understood to consist of, and include fisheries, coastal tourism, marine transport, off shore renewable energy, marine based blue economy, marine mineral resources, waste management, climate change and blue biotechnology. Indeed, the World Bank has highlighted that in order to qualify as components of a Blue Economy, activities must:

- provide social and economic benefits for current and future generations;
- restore, protect, and maintain the diversity, productivity, resilience, core functions, and intrinsic value of marine ecosystems; and
- be based on clean technologies, renewable energy, and circular material flows that will reduce waste and promote recycling of material.

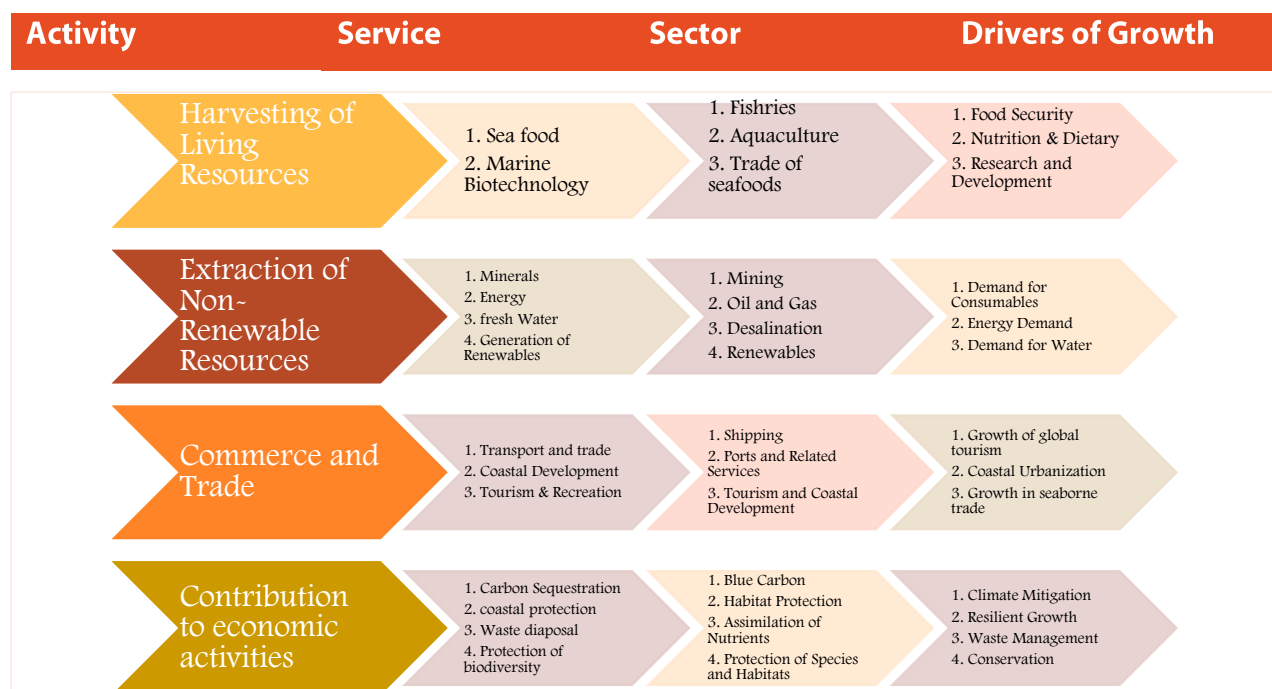


Fig 1. Elements of the Blue Economy. Source: World Bank

Oceans as a driver of growth and sustainable development

The very broad and ambitious nature of the Agenda 2030, and the SDGs, calls for new, additional and sustainable sources of growth, coupled with sound management of natural resources and conservation of the environment. The concept of the Blue Economy seeks to promote economic growth in an innovative and sustainable way. It aims to shift economies from scarcity to abundance, promote social inclusion, improve livelihoods, create jobs,

sustainably maintain the ocean ecosystem's health and ensure political stability (UNEP 2015). The Blue Economy is low carbon, efficient, clean and helps restore, protect, and maintain diversity, productivity, resilience on the natural capital upon which its prosperity depends (UNDESA 2014). It is anchored on clean technologies, renewable energy and circular material flows to secure economic and social stability over time, while keeping within the limits of one planet. It is governed by public and private processes that are inclusive and well informed. The Blue Economy provides

social and economic benefits for current and future generations.

According to the World Bank, oceans are an important natural resource providing jobs and food to billions of people, especially the poorest, around the world and a means of transport for 80 percent of global trade⁵, while the OECD has estimated that oceans contribute \$1.5 trillion annually in value-added to the overall global economy. The UN-FAO has estimated that in 2014 alone fishing, which accounts for 15 -17 percent of global protein intake, generated over \$ 148 billion in export earnings and that aquaculture is the source of livelihood for and estimated 10-12 percent of the world's population, ninety percent of them working in small scale operations in developing countries. ⁶ Beyond these economic benefits, oceans, coasts and freshwater ecosystems also play an important role in mitigating climate changes as "blue carbon sinks" such as mangroves and related habitats sequester an estimated 25 percent of the excess CO₂ from fossil fuels,

in addition to protecting coastal communities from floods and storms.

Blue Economy and the SDGs

SDG Target 14.7 aims to increase the economic benefits to SIDS and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism whereas Target 14.6 provides for "appropriate and effective special and differential treatment" of developing states and least developed countries (LDCs) in negotiating limitations to harmful fisheries subsidies and calls for the provision of access to marine resources and markets to small-scale artisanal fishers. Beyond the SIDS and the LDCs however, other countries such as Nigeria and indeed other SDGs, specifically SDGs 1, 2, 3, 5, 8, 9, 10, 11, and 13 all stand to benefit, directly or indirectly, from the conservation sustainable utilization of oceans and seas

⁵ See <http://www.worldbank.org/en/topic/environment/brief/oceans>

⁶ Available at <http://www.fao.org/3/a-i3720e.pdf>

and their abundant resources as depicted in fig. 2 here below.

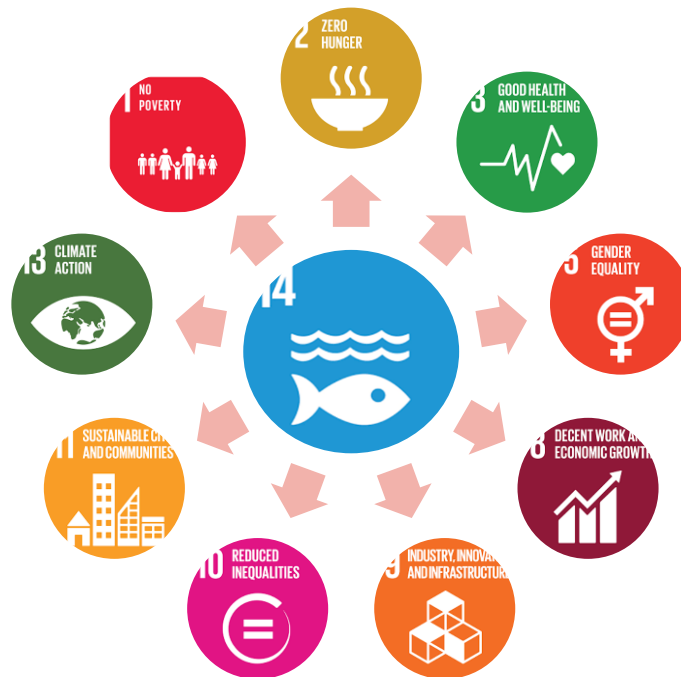


Fig 2: Relationships between SDG 14 and the other SDGs

But, there are many threats

Oceans, seas and freshwater ecosystems which form the basis of the Blue Economy are under serious threat from degradation due, primarily, to human activities including coastal developments; pollution, especially from plastics due mainly to inadequate land-based waste management; and acidification, as well as

deteriorating fish stocks due to overfishing. The share of fish stocks outside biologically sustainable levels rose from 10 percent in 1974 to 32 percent in 2013 and illicit fishing currently accounts for 15 percent (26 metric tons) of total fish catches per annum. Given the potential contribution of the Blue Economy, the need for sustainable management of oceans, seas and freshwater systems, maintaining them in a healthy and

productive state cannot be overemphasized.

Implications for Nigeria and the Region

Nigeria occupies some 853km (a paltry 2 percent), but nonetheless strategic, portion of the estimated 47,000 km of Africa's coastline. Beyond its geo-strategic importance, Nigeria's coastline also comprises majorly of the oil and biodiversity-rich Niger Delta which covers 80 percent of the coastline. Indeed, Nigeria's coastal and marine ecosystems cover a total area of 70,000 km² making it one of the largest wetlands in the world. These ecosystems are rich in flora and fauna including fish, forests, *acquaplants*, coral reefs, *acquabirds* which make up 60 percent of birds in the country (FAO 1994). The country borders the Atlantic Ocean to the South and Lake Chad in the North East parts of which it has control over and is traversed by a number of important rivers including Niger, Benue, Gongola and Sokoto. Altogether, these water bodies

occupy an estimated 13,000 km² of Nigeria total area of 923, 768 km².

The coastline, in addition to being home to a number of off-shore oil mines⁷ also plays an important role in facilitating international trade, job creation and, ultimately economic growth and poverty reduction. But the country's coastline and other marine resources are under threat of pollution and environmental degradation as a result of oil and gas mining.

It is also noteworthy to mention that the country shares some of these Blue Economy resources with her immediate neighbours and other countries in the region. Given the scenario -both at the national and extra-territorial levels there are inherent trade-offs and possible negative externalities associated with the harnessing of Blue economy resources implying regional cooperation will be key to the realization of benefits and long-term sustainability. Sustainable fisheries, aquaculture, tourism, transportation and maritime and port development could help spur job creation, economic growth, poverty reduction, and improve food and

⁷ Nigeria currently has 55 Onshore mines, 17 Deep Off shore mines and 37 Continental Shelf Mines.

energy security while enhancing ocean health and sustainable use of ocean and marine resources.

According to the World Bank, fisheries, currently the largest blue economy sector in the continent, employs 12 million people, providing food security and nutrition for over 200 million people on the continent and generating value added estimated at more than US\$24 billion or 1.26 percent of the region's GDP (de Graaf and Garibaldi 2014). The Blue Economy, which remains largely un-tapped, if properly harnessed has the potential to create jobs, promote trade, generate the requisite revenue for public investments, reduce dependence on external assistance and contribute to the economic transformation of the country and the region as a whole.

Lessons from Some On-going Initiatives

Although a lot remains to be done in harnessing the Blue Economy, some early efforts at both regional and national levels are quite encouraging and could provide useful lessons going forward. In 2014, the African Union endorsed the 2050 Africa

Integrated Maritime Strategy which is being championed by Seychelles, South Africa and Mauritius. As part of the implementation process, in 2014 South Africa launched Operation Phakisa focusing on marine transport, manufacturing, aquaculture and marine protection which will create 1 million jobs and add \$177 billion to the GDP by 2033; Mauritius hopes to substantially increase aquaculture production and jobs in shipping industries adding 11 percent to the GDP while Seychelles completed an innovative debt-for-nature conservation and raised funding to buy \$21 million of sovereign debt in 2016.

In line with this regional initiative, several African countries, including Ghana, Kenya and Nigeria are at various stages of developing national coordination frameworks and strategies for the development of Blue Economy. In Ghana, the Government, through the Aquaculture for Food and Jobs Programme, aims to substitute current fish imports by promoting local fish consumption at an estimated cost of US\$135 million. In the sub-region, the World Bank-funded West African Regional Fisheries Program aims to increase the economic contribution of

marine resources through strengthened fisheries governance, reduced illegal fishing and increased value-added to fish products. Closer home, the Nigerian Maritime and Safety Association (NIMASA) is constructing one of Africa's largest floating dockyards; has undertaken to address piracy through a draft anti-piracy bill, initiated a 24-hour port surveillance and initiated operations to improve maritime services by improving maritime the skills of operators and trade.

Some Recommendations

To meet her national development objectives, and the SDGs; Nigeria, like many countries in the region will need new and diversified sources of growth, jobs and prosperity. The Blue Economy, which remains largely un-tapped and under-developed, presents one such avenue for meeting these and other national development objectives such as ensuring adequate nutrition and achieving food security, in addition to meeting national and international environmental obligations such as biodiversity conservation and mitigating climate change.

For a start, it may be useful for the country to formulate a national Blue Economy policy; cataloguing the full range of Blue Economy resources, their potentials and evolving a strategy, as well as fully costed plan, for harnessing these resources and sustainably utilizing them.

Greater regional cooperation is, ultimately, key to the proper harnessing of Blue Economy resources and Nigeria should key into and align her strategies and plans with sub-regional, regional and global Blue Economy frameworks. There can be no gainsaying the potential contribution of Blue Economy to the economic growth and sustainable development in Nigeria. Greater appreciation, political goodwill and clearly articulated policies, programmes and strategies are however, needed for this potential to be realized. Hand-in-hand with these will the need to address some basic foundational issues such as environmental conservation and sustainable management of resources; good governance; and peace and security which are critically important for a thriving Blue Economy.

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