

UNEP Nairobi Convention Secretariat/University of Nairobi-Maritime Centre

Write shop for Authors on Assessment of Kenya's Blue Economy
Sectors: Values, Potentials and Governance Frameworks.

Introduction and statement of objectives

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a. Background and context

- The Blue or Ocean Economy is an emerging concept for developing and managing coastal and marine resources or “blue” or “ocean” resources for sustainable economic development.
- The Blue or Ocean economy is essential to the future welfare and prosperity of humankind, as it is a key source of food, energy, minerals, health, leisure and transport upon which hundreds of millions of people depend

a. Background and context

- The Blue Economy offers wide opportunities for responsible and sustainable economic growth from the **traditional sectors** of shipping, tourism, fisheries, and boat building, and **new industries** including aquaculture; marine renewable energy technologies for wind, wave and tidal energy; bio-products (pharmaceutical and agrichemical); blue or ocean carbon (carbon storage in mangroves, sea grasses and salt marshes), among others.

a. Background and context

- Further, blue economy supports the achievement and implementation of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs), especially SDG14 ‘life below water’, and recognizes the need for ambitious, coordinated actions to sustainably manage, protect and preserve coastal and marine resources for the present and future generations

a. Background and context

In terms of **importance of the blue economy**, it is worthy of note that:

- ✓ the worldwide ocean economy is valued at around US\$1.5 trillion per year;
- ✓ Eighty per-cent of global trade by volume is carried by sea;
- ✓ Approximately 350 million jobs globally are linked to the oceans through fishing, aquaculture, coastal and marine tourism and research activities

a. Background and context

- It is estimated that by 2025 34% of crude oil production will come from offshore fields
- Aquaculture is the fastest growing food sector and provides about 50% of fish for human consumption;
- Between 2010 and 2030 on a “business- as- usual” scenario basis, the ocean economy could more than double its contribution to global value addition, reaching over USD 3 trillion.

a. Background and context

- ✓ The estimated annual economic value of goods and services in the marine and coastal ecosystems of the blue economy in the WIO region is over US\$22 billion
- ✓ Kenya's share of the WIO region's blue economy is slightly over US\$4.4 billion (20%), with the tourism sector making the largest contribution of over US\$4.1 billion, according to Kenya Maritime Authority (KMA) estimates.
- ✓ Kenya's marine fisheries had the potential of producing 350,000 metric tonnes in 2013 worth Ksh90 billion, yet the region only yielded 9,134 metric tonnes worth Ksh2.3 billion in that year (per KMA estimates)

a. Background and context

- The key drivers of the blue economy include a combination of population growth, rising incomes, dwindling natural resources especially terrestrial, responses to climate change and pioneering technologies.
- However, rather surprisingly, despite its primordial role, the ocean economy has only recently begun to garner attention and move up the international policy agenda.

a. Background and context

- In Africa, blue economy development has gained attention as governments are now recognizing blue economy as a new frontier for socio-economic development.
- In this regard, the 2050 Africa Integrated Maritime Strategy (AIMS), adopted by the African Union in January 2014, offers guidance for the continent in delivering an integrated and multidimensional blue or ocean economy
- Nevertheless, the African Union (AU) has established that oceans remain a generally low consideration for steering the growth of African economies.

a. Background and context

- In the WIO region, fisheries, tourism, aquaculture, shipping and coastal transport, coastal agriculture and forestry contribute an estimated US\$ 25 billion p.a to the economies of the countries. However, these sectors are not fully exploited with WIO assets currently valued at US\$333.8 billion.
- In this regard, the Nairobi Convention Contracting Parties have agreed in decisions CP8/10, and CP9/10 to unlock opportunities for new economic growth from the ocean sectors.

a. Background and context

- At national levels, **Seychelles** (Blue Economy), **Mauritius** (Ocean Economy), and **South Africa** (Operation PHAKISA) are taking the lead in efforts to unlock these opportunities, while the other countries of the WIO region are already at various levels of implementation.
- In the **Seychelles**, blue economy sectors of priority include maritime security, fisheries, aquaculture, tourism, mariculture, port development, and mineral exploration.
- In **Mauritius** seven main clusters have been prioritized: seabed exploration for hydrocarbons and minerals; fishing, seafood processing and aquaculture; deep ocean water applications; marine services; sea port related activities; marine renewable energies; and ocean knowledge.
- In **South Africa**, through Operation Phakisa, the Government has prioritized four growth areas: marine transport and manufacturing; offshore oil and gas exploration, aquaculture; and marine protection services and governance.

a. Background and context

- With a total area of 582,650 square kilometres, Kenya has 536 km of coastline on the Indian Ocean bordered by Somalia to the north and Tanzania to the south.
- The coastal belt of Kenya is one of the most highly prized parts of the country, having enormous natural resources, ecosystem goods and services, rural and urban communities, infrastructure and other developments

Background and context

- Kenya's blue economy sectors (including conventional sectors such as coastal tourism, fishing, shipping and maritime transport, aquaculture/mariculture, as well as newer sectors such as wind and wave energy, offshore oil and gas, marine biotechnology etc.) should ultimately contribute meaningfully to wealth creation and employment, reduction of poverty and inequity, and assist in the realization of greater socio-economic advancement of the country.

a. Background and context

- In recognition of the importance of the Blue Economy, the Government of Kenya established the State Department for Fisheries and the Blue Economy, and the Blue Economy Implementation Standing Committee, among other frameworks.
- Further, with the support of the international community Kenya organized the first Sustainable Blue Economy Conference (2018 SBEC) in Nairobi on 26 - 28 November 2018, co-chaired by Canada and Japan.

a. Background and context

- In the Nairobi Statement of Intent on Advancing the Global Sustainable Blue Economy, the outcome document of the 2018 SBEC, countries charted a new paradigm for an economically vibrant, socially inclusive and environmentally resilient blue/ocean economy.
- Among others, Kenya committed to establish an Institute for Blue Economy Studies at the University of Nairobi (herein “the Maritime centre”).

a. Background and context

- The 2018 SBEC acknowledged that there is need to continue with research, training and development related to the Blue Economy to allow greater contribution to the achievement of Kenya's blueprint Vision 2030 agenda for sustainable development
- It is against this backdrop that this assessment is undertaken by the UoN-Maritime Centre with support from UNEP Nairobi Convention, to take stock of Kenya's activities in the blue economy with a view to identify priority maritime sectors and their **values, potential for investment, governance regimes and policy tools** needed to further develop the blue economy in the country.

a. Background and context

- The proposed assessment proceeds on the basis of an apparent knowledge gap in the understanding and documentation of the existing values and potentials of Kenya's maritime sectors and their contribution to the GDP and the overall socio-economic development of the country.
- The main thrust of this assessment is the prioritization of key maritime sectors that can help the Government of Kenya to provide policy and regulatory direction towards the realization of the blue economy promise

a. Background and context

- The following are the key sectors prioritized in this assessment:
 - Coastal and deep sea fisheries, including aquaculture and mariculture;
 - Coastal tourism;
 - Ports, harbours and maritime transport;
 - Coastal and offshore oil and gas, including renewable energy
 - Coastal agriculture
 - Coastal forestry
 - Coastal and offshore mining and extractives

b. Rationale of BE Assessment

- The commitments made by Kenya during the 2018 SBEC necessitate taking the blue economy discourse to a higher level, focusing on deepening understanding of the ocean sectors, their values and potential, policy frameworks and governance regimes.
- Moreover, the growing importance of the blue economy paradigm globally and regionally means that Kenya, in collaboration with its partners, should invest in maritime sectors that offer the greatest potential and prioritize sectors that would create impact and bring socio-economic returns, including wealth and employment creation, poverty reduction, value addition, and sustainability.

b. Rationale of BE Assessment

- The assessment also seeks to assist the Government of Kenya to develop a robust National Blue Economy Strategy that is aligned with other development blueprints including Kenya Vision 2030, the National Fisheries and Oceans Policy, and other commitments, including those designed to address the SDGs and the 2050 Africa Integrated Maritime Strategy (AIMS), as well as AU Agenda 2063.

c. Purpose of BE Assessment

This assessment aims to:

- ✓ Advance knowledge on the ocean economy/maritime sectors and resources in Kenya, and particularly the definition, classification and status, capacities, potential and values, and governance frameworks in the ocean/maritime sectors;
- ✓ Support the Government of Kenya to prioritize high-potential sectors and strengthen its policy orientation towards the blue economy for wealth and employment creation, food security and reduction of poverty;

c. Purpose of BE Assessment

- ✓ Provide input into the development of the National Blue Economy Strategy;
- ✓ Contribute to Marine Spatial Planning (MSP) and Ecosystem Based Management (EBM) approaches in the maritime sectors.

d. Key Outputs

- i. A Baseline Study on Blue Economy Sectors in Kenya, including:
 - a. sector specific reports and
 - b. a synthesis report
- ii. Policy Brief(s) on identified priority sectors in Kenya
- iii. Organization of two (2) workshops namely:
 - a. **Author's workshop/write shop on the sectors/ synthesis reports (the current meeting)**
 - b. Validation/stakeholder workshop.
- i. Annotated Template/Outline of National Blue Economy Strategy.

e. Expected outcomes and impact

- The assessment will assist in identifying priority sectors that Kenya should focus on in the efforts to realize the full potential of the blue economy.
- It is anticipated that the assessment will support the Government of Kenya in the implementation and reporting obligations post 2018 SBEC.
- The overview will enhance knowledge, understanding and capacity for/of the blue economy at both economic and policy levels in Kenya.

f. Expected outcomes and impact

- The study has good potential for regional replication as a model for other WIO countries and Regional Economic Communities.
- The outcome of this study also has global relevance for achieving global sustainable development goals (SDGs), particularly SDG14 ('Life below water'), the AU Agenda 2063, and the Africa Integrated Maritime Strategy (2050 AIMS).

g. Approach

- The Nairobi Convention Secretariat has engaged the UoN-Maritime Centre to undertake the various activities outlined and to produce the outputs and deliverables specified in the assignment.
- The University engaged its expertise in implementing the assignment and utilized a combination of detailed desktop study/literature review; field study/surveys on key sectors, focusing on status, potential and values, and governance regimes; and focused group discussions/key informant interviews, including National Government and coastal county governments, among others.
- The experts have been brought together in this **author's workshop/ write shop to present their sectoral reports and receive feedback from other experts and the UNEP.**
- **The draft synthesis report will also be presented .**



Thank you all for your attention