

## **Unleashing the full potential of Africa's blue economy through Africa@Nor-Shipping 2019**

The term “blue economy” evokes a variation of definitions. According to the World Bank, the blue economy is the "sustainable use of ocean resources for economic growth, improved livelihoods, and jobs while preserving the health of ocean ecosystem."<sup>1</sup> The European Commission defines it as "All economic activities related to oceans, seas and coasts,"<sup>2</sup> while the Center for the Blue Economy defines it in terms of three related but distinct meanings viz - the overall contribution of the oceans to economies; the need to address the environmental and ecological sustainability of the oceans; and the ocean economy as a growth opportunity for both developed and developing countries."<sup>3</sup>

### **Highlighting Africa’s blue economy potential at Africa@Nor-Shipping**

The theme for Africa@Nor-Shipping 2019 is “Unleashing the full potential of Africa’s blue economy”. Unleashing this potential requires raising the strategic focus and high-level political involvement of the AU and its member states in matters related to the blue economy. At the continental level, the AU has established a division on the blue economy in the Department of Rural Economy and Agriculture. In addition, the AU extraordinary summit in November 2018 appointed a blue economy champion, who is H.E. the president of the Republic of Seychelles. These actions signal high level commitment and will reinforce the implementation of the blue economy policies and strategies at the AU level.

The blue economy is very important to Africa in several ways. First, 70% of the African Union (AU) member states are coastal States. These states face daily, the opportunities and challenges posed by oceans, lakes and rivers. Second, fisheries and coastal tourism play important roles in the economies of AU member states. Third, marine mining which includes salt extraction, plays a significant role in the economy of AU states like Namibia, which is a major exporter of salt. Fourth, cargo transportation plays a critical role in the economies of AU states.

### **Challenges to unleashing Africa’s blue economy potential**

Against this background, multiple policies and projects have been formulated and are currently under implementation. A key challenge is ensuring their effective implementation with a focus on obtaining tangible results that underscore impact. Some of the policies addressing Africa’s blue economy have been well articulated in the Africa Integrated Maritime Strategy for 2050 (AIMS) and African Maritime Transport Charter (2010) and are referenced in the AU's Agenda 2063 and the Lomé Charter on Maritime Security, Safety and Development in Africa.

Another key challenge to unleashing Africa’s blue economy potential is the development of innovative financial instruments for financing blue economy projects and programmes. Some of these instruments include blue economy bonds, as well as financial commitments under environment sustainability and climate change global programs, in addition to blended finance and impact investment.

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<sup>1</sup> "[What is the Blue Economy?](#)". THE WORLD BANK. 6 June 2017. Accessed on 29.01.2019. 11.49 AM.

<sup>2</sup> "[The 2018 Annual Economic Report on EU Blue Economy](#)" (PDF). European Union: 5. 2018. Accessed on 29.01.2019. 11.52 AM.

<sup>3</sup> <https://www.middlebury.edu/institute/academics/centers-initiatives/center-blue-economy/about/history>. Accessed on 29.01.2019. 11.58 AM.

### **Unleashing Africa's blue economy potential through freer trade**

Yet another challenge to unleashing Africa's blue economy potential is the mobilization of the private sector to play a key role in the sector's development. In this regard, ongoing AU initiatives include the African Continental free Trade Area (AfCFTA), the agreement for which was signed in March 2018 and has now entered into force, following The Gambia's ratification on April 2<sup>nd</sup>, 2019 as the 22<sup>nd</sup> country to sign the Agreement.

Through the AfCFTA the AU is able to work with parts of the private sector such as the 'Afro-Champions', and with private sector interest organizations such as the African Shipowners Association. The focus behind these initiatives being to ensure that the private sector brings onboard investments that are useful not just to developing the continent's blue economy, but also other aspects of Africa's development.