

# The Blue Economy: Opportunities for climate change adaptation and mitigation in SIDS

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# Context

- Africa's "Blue World" consist of vast lakes, rivers and extensive ocean resource base
- 38 of 54 member states are coastal states
- 90 percent of Africa's imports and exports are conducted by sea
- Some of the global strategic gateways for international trade are in Africa – underscoring its geopolitical significance
- Africa's maritime zone totals 13 million sq km including 6.5 million sq. km of continental shelf
- Mauritius with 1850 sq. km is one of the smallest but with its 1.9 million sq. km of territorial waters is almost the size of South Africa.
- We have another Africa under the sea. The economy of which the AU calls it "A New Frontier of African Renaissance"



# Context

- Africa's aquatic and marine resources remain largely unexploited
- Is now being recognised for its potential contribution to inclusive and sustainable development
- But the “Blue World” is more than economics – it includes rich geographical, social and cultural identity
- The IEA estimates that the oceans have the potential to provide 400% current global energy demands
- It was estimated that in 2010 annual economic maritime value was 1.5 trillion Euros and projected to be 2.5 trillion Euros in 2020
- Better understanding of the enormous opportunities of the blue economy will enable harnessing of its rich marine and aquatic resources to transform lives and livelihoods into a prosperous Africa that we all want
- This requires a paradigm shift and a new social contract for Africa to meet its long-term sustainable development challenges



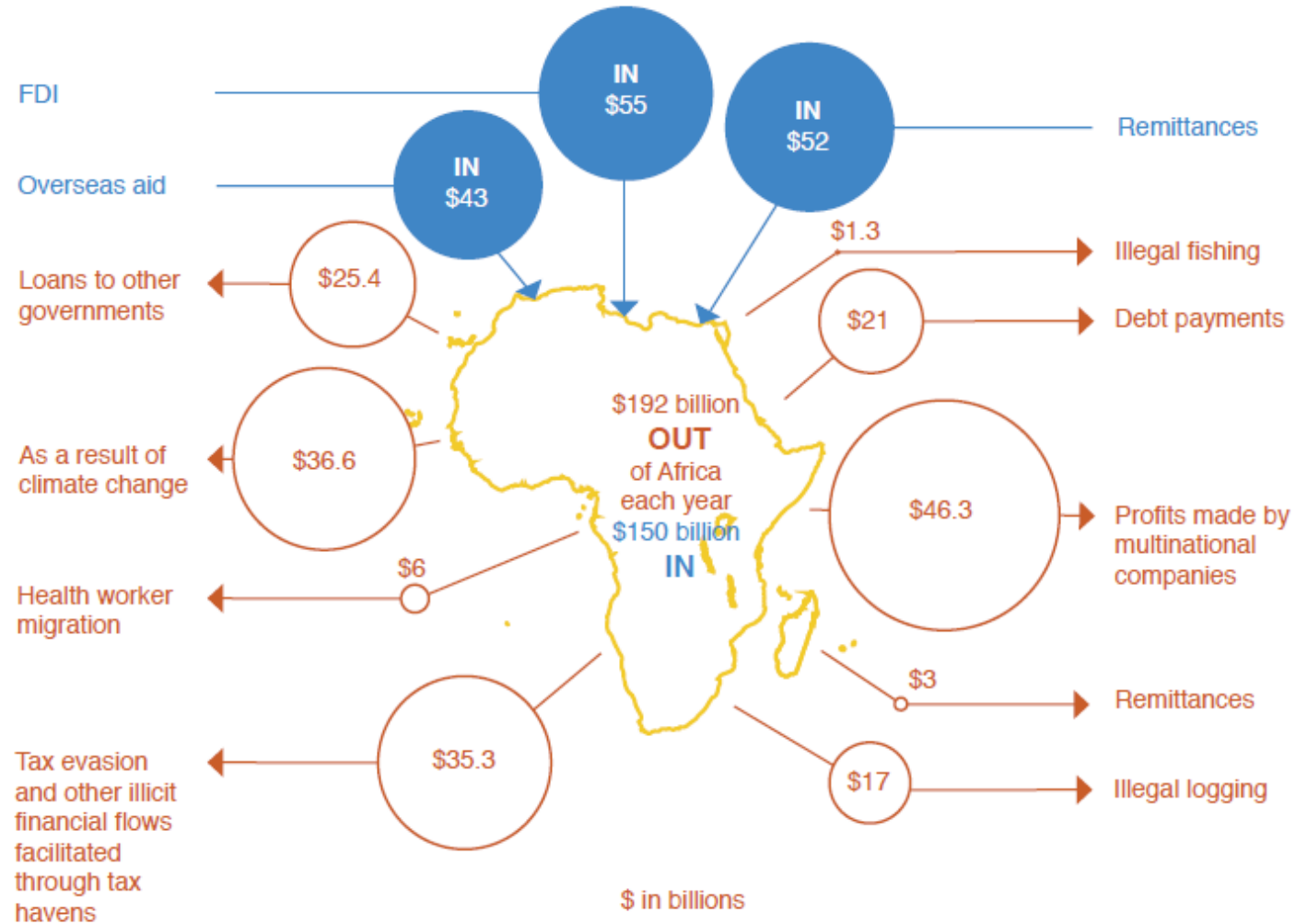
# Perspective of Eastern African Blue Economy

- The Africa's Union's (AU) Agenda 2063 states that *“Africa's Blue economy, which is three times the size of its landmass, shall be a major contributor to continental transformation and growth”*.
- the labour productivity of sectors directly or indirectly connected to the Blue Economy in Eastern Africa is consistently higher than the economy-wide average.
- For instance, the fishing sector is 26% more productive than the overall average in Tanzania, about 150% in Uganda, and more than 500% in Madagascar.
- This gives opportunity to linking the Blue Economy sectors, with high productivity potential, to accelerating structural transformation, primarily in Coastal and Island States in the region.

# Threats to the sustainable development of the Blue Economy

## Illicit financial flows, climate variability and change and development implications

# Major threats - Illicit financial flows



# Focus on Cabo Verde -Development indicators



- Tourism started in Sal in 1970 contributing \$41mil in 2000
- % GDP - 2% in 1997;6.8% in 2001
- Tourists numbers - 45k in 1997;115k in 2000;569387 in 2015
- In 2015 there were more tourists than locals -525000/569387

# Climate Change and Tourism



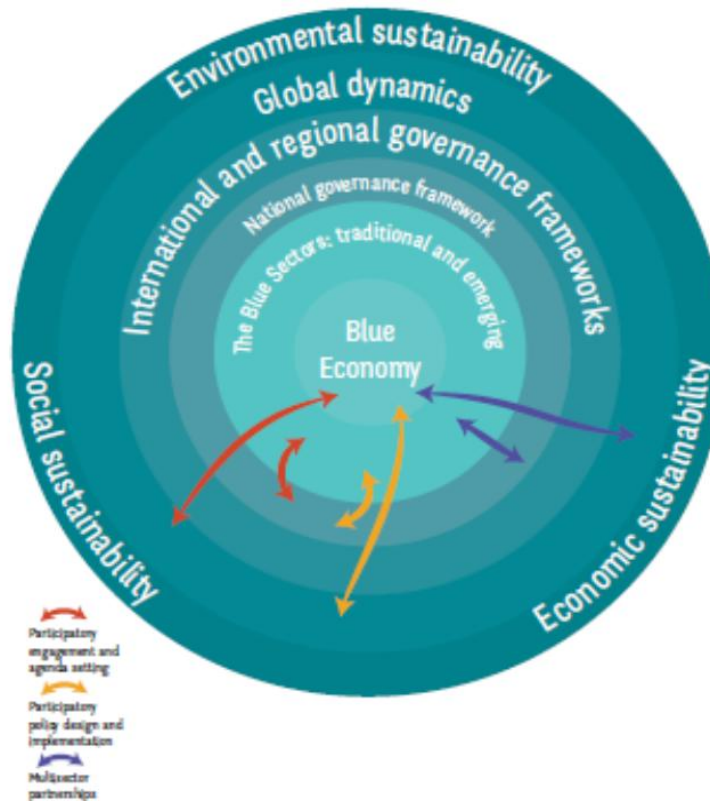
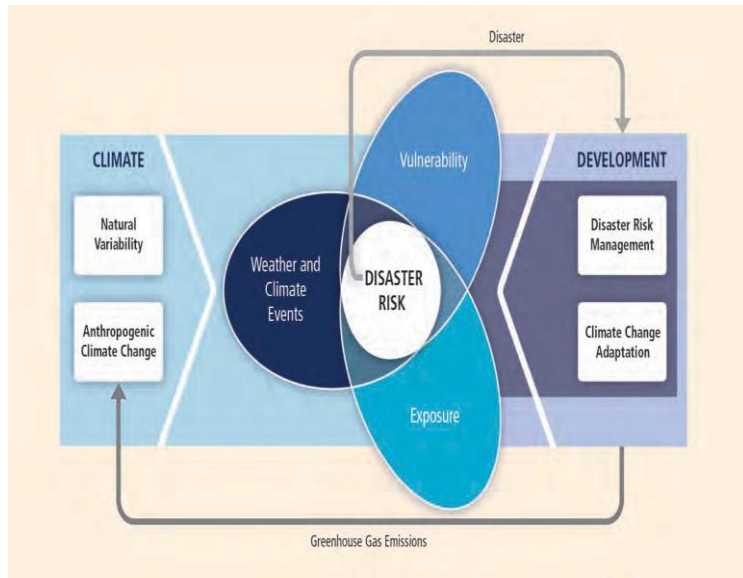
- Can be significant percentage of foreign exchange and GDP
  - e.g. Cape Verde (% GDP - 2% in 1997; 6.8% in 2001)
- Heavy reliance on traditional coastal tourism that are prone to climate variability and change
- Coastal tourism infrastructure prone to sea level rise, coral reef bleaching, strong winds, high temperatures and humidity (comfort index)
- Severe and prolonged droughts has led to resource conflicts

# Climate Change Impacts on Aviation Industry

- Damage to runways
  - Excessive heat or flooding
  - Characteristics (flat, coastal areas, floodplains)
- About 13% cause of aviation accidents
- Rising costs due to more frequent and intense extreme weather
- Health & safety risk to airport workers (extreme heat, cold and storm)



# Mainstreaming climate change dimension and sustainability

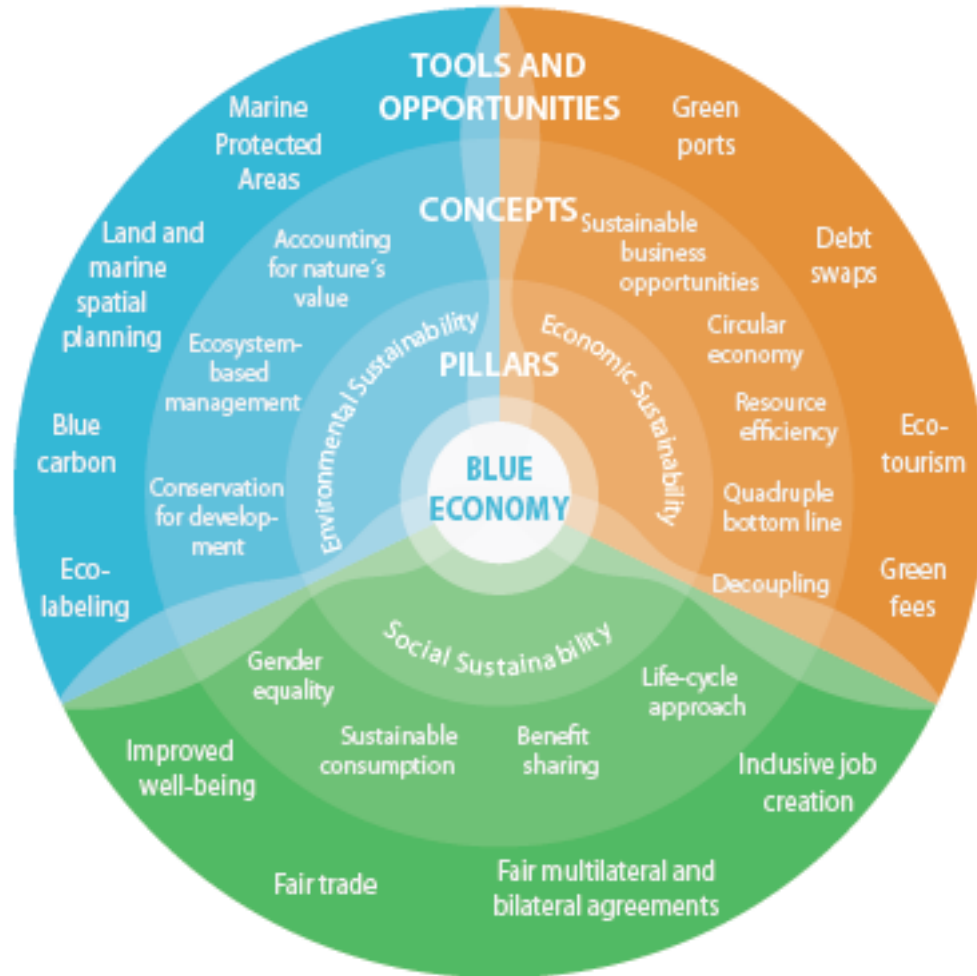


Climate variability and change,  
disaster risk and sustainable  
development

3 Pillars of sustainability (social,  
economic and environmental)

Climate and environmental risks,  
impacts and responses for  
resilience

# Tools, concept and pillars of the Blue Economy



## Policy guidance and principles

- Exploring individual and collective leadership challenges
- Encouraging multi-sectoral collaboration towards transformation action
- Producing prototypes of transformative action
- Simulating a network of change agents



# Sequencing and steps for the blue economy policy development process





# Linkages between the Blue Economy and the Sustainable Development Goals

Potential POSITIVES of proper development of the Blue Economy	SDG Goals	Potential NEGATIVES of improper development of the Blue Economy
Improved livelihoods and employment Investment in enterprises	1	Space conflicts Marginalization
Enhanced sustainable food production Improved food distribution	2	Increased food waste Harmful commoditization of food
Improved water quality Increased funding to health services Improved occupational safety of seafarers	3	Pollution Weak revenue capture at national level
Enhanced knowledge infrastructure Increased funding for the education sector Skill development	4	Outsourcing of skilled labor Unwillingness to invest in local training and education Brain drain
Increased equal rights to economic resources Increased participation in decision making	5	Increased gender disparity in wages Proliferation of income gap
Increased funding for access to clean water and sanitation Investments in nature-based water provision services	6	Water pollution Destruction of nature-based water provision services
Enhanced access to renewable energy Improved knowledge base to build and maintain infrastructure	7	Continued incentivization of carbon-based energy Population displacement Environmental impacts
Job creation Economic diversification	8	Wealth concentration Over-reliance on quantitative growth
Increased and improved infrastructure Technological progress	9	Environmental impacts High dependency on technology
Enhanced benefit distribution Enhanced participatory engagement of all stakeholders	10	Business as usual Concentration of influence
Improved cycling, harvesting, and use of water Cities have access to clean renewable energy	11	Increased pressure on freshwater resources Pollution
Removal of inefficient fossil-fuel subsidies Promotion of more equitable trade of goods and services	12	Unsustainable production practices Increased waste flows
Transition to low-carbon economies Resilience to uncertain climate future	13	Increased carbon intensity Coastal degradation leading to climate vulnerability
Enhanced health of aquatic and marine ecosystems Increased stock abundance supporting sustainable fisheries	14	Overexploitation of aquatic and marine resources Environmental degradation
Increased water security Enhanced sustainable transboundary water sharing	15	Nutrient pollution Biodiversity loss
Improved governance Promotion of continental peace and security	16	Resource conflicts Failure to implement and enforce laws and regulations Dutch disease and resource curse
Improved partnerships between public, private, and civil society actors Strengthened continental cooperation	17	Insufficient partnerships Bureaucratic complexity

**See the UNECA “Africa’s Blue Economy: A Policy Handbook”**