

CONCEPT NOTE

HIGH LEVEL SUSTAINABLE BLUE ECONOMY CONFERENCE

NOVEMBER 26 – 28 2018, NAIROBI KENYA

I)- Context and Justification

This Concept Note explores avenues for strengthening the visibility of the work of the ECA during the High Level Sustainable Blue Economy Conference, which will be taking place in Nairobi, Kenya, from November 26th-28th, 2018. ECA's participation at this conference results from discussions between the Kenyan government as well as its institutional partners (AU, IMO...). With regards to the Blue Economy, the joint participation of the ECA and its partners at this high level conference will enable these institutions to find synergies in their work programmes towards the development of the Blue Economy for African States in light of the UN Agenda 2030 and Africa Union's Agenda 2063.

The Blue economy conceptualizes "oceans and inland waters as 'development spaces' where spatial planning integrates conservation, sustainable use, oil and mineral wealth extraction, bio-prospecting, sustainable energy production and marine transport. Blue economy has diverse components, including established traditional ocean industries such as fisheries, tourism, maritime transport, including new and emerging activities such as offshore renewable energy, aquaculture, seabed extractive activities and marine biotechnology and bioprospecting"¹.

The maritime spaces settled by the 1982 United Nations Convention on the Law of the Sea (the 1982 UNCLOS), as well as the Africa's Maritime Domain (AMD) fixed by the 2050 AU Maritime Integrated Strategy (the 2050 AIMS), offers all African nations, vast growth opportunities and a network of sea-lanes of enormous importance for their development, security and prosperity. It is of huge importance in terms of natural resources and energy, trade and industry, scientific and tourism. International commerce by water affects people and industries throughout the entire continent, including land-connected countries. In addition, the numerous vessels, ports, shipyards, and support industries in the AMD provide thousands of jobs for Africans, including women and youths. Clearly, disruptions or inefficiencies in Africa's maritime system with its supply chains and industries can thus have costly impact on a large number of participants in the economies of many African countries.

The potential for the development of the Blue Economy in Africa is clearly linked with the efficient implementation of the AfCFTA. The AfCFTA is a continental platform for trade policy formulation and negotiation, which aims to develop regional value chains and enhance Africa's participation in global value chains. There is a clear linkage and interdependence between the Blue Economy and the AfCFTA, as trade is essential to fostering the development of Africa's economy. The Blue economy has the potential to generate wealth in key sectors, such as mining, transports, fisheries to name a few.

Furthermore, the Blue Economy can be harnessed for enhanced climate action. The Paris Agreement on climate change has been hailed as a breakthrough in the trajectory of the

¹http://www.ke.undp.org/content/dam/kenya/docs/UNDP%20Reports/Policy%20Brief%20%202018%20-%206-%20%20Blue%20Economy%20for%20Inclusive%20and%20Sustainable%20Growth.pdf

United Nations Framework Convention on Climate Change (UNFCCC)². The main mechanism by which nations commit towards achieving the objectives of the Paris Agreement is through Nationally Determined Contributions (NDCs) to climate action. In the case of most African countries their intended nationally determined contributions (INDCs) were developed in a haste – and mostly by external entities - with a view to meet the deadline for the 21st Conference of the Parties to the UNFCCC.

Given the context in which the NDCs of many African countries were formulated, it is becoming increasingly clear that they are very ambitious. The Paris Agreement, through the global stocktakes that begin in 2023, provide opportunities for Parties to revise the ambition level of their climate actions. However, these revisions can only be towards higher ambition. Since many African countries have already overcommitted in their current climate actions, there is urgent need to assist member States with revision of their NDCs to capitalise on opportunities in sectors not previously considered.

The blue economy sector is indeed an area where appropriate climate responses can unleash socio-economic and environmental benefits. Yet, many African countries did not consider this sector in their NDCs formulation. Although a few countries highlighted blue economy related actions such as sustainable fisheries and coastal zone management, only two countries – Seychelles and Cabo Verde – specifically identified the blue economy as a sector for focussed climate actions for sustainable development. The blue economy sector offers opportunities for both mitigation and adaptation actions – particularly for African island and coastal countries.

Objectives of the Conference:

The Conference is preparatory to the UN Ocean's Conference 2020; which Kenya will be cohosting with Portugal. The goal of the Global Blue Economy Conference is to have actionoriented discussions pertaining to a sustainable Blue economy strategy that is peoplecentric, with ocean-centric investments. The Conference will provide an opportunity for both developing and developed countries to explore:

- 1- The priorities and challenges of establishing a sustainable Blue economy and its contributions to the implementation of the 2030 Agenda for Sustainable Development including maritime safety and security.
- 2- The innovative role of various stakeholders, including national and local governments, private sector, civil society, regional and sub-regional groups as well as

² 197 Parties to the UNFCCC signed up to all take actions needed to limit the increase in the global average temperature this century to "well below 2 °C above pre-industrial levels" and to pursue efforts to "limit the temperature increase to 1.5 °C above pre-industrial levels". To date, 180 Parties to the Convention have ratified or otherwise joined the Paris Agreement, with 47 of these Parties are African countries.

domestic and international financial institutions in investing and formulating sustainable ways of exploiting Blue Economy.

- 3- The Conference thematic
 - The Main Theme: Blue Economy and the 2030 Agenda for Sustainable Development.
 - The cross-cutting issues under each sub-theme, main events and side events:
 - a)-New Technologies and Innovation for Oceans, Seas, Lakes and Rivers
 - b)-Challenges, Potential Opportunities, Priorities and Partnerships
 - c)-Financing for Blue economy

The Kenyan government has requested the ECA to provide Technical Assistance in the following areas:

- Study on proposals for key policy reforms to the Kenyan Government on Blue Economy.
- List of experts in Blue Economy and Sustainable development to be invited by the Kenyan Government as High-level panellists.
- An Issues paper on challenges for the development of the Blue Economy in Africa.

There have also been requests for the ECA to co-organize side events during this high level meeting:

- The Kenyan Government has requested the ECA to co-organize a Side Event on the LAPSSET project in collaboration with the LAPSSET Corridor Development Authority.
- The African Union in collaboration with some private sector stakeholders have requested the ECA to co-organize a Side Event on the themes of the Conference for the development of the Blue Economy, with a particular reference to the participation of women in the Blue Economy, and the challenges of the Maritime Transportation in Africa.
- The International Maritime Organisation (IMO) in collaboration with the ECA and others (Africa@Norshipping, Norwegian MFA, AO Energy Consulting, AUC, Innovation Norway) is also organizing a Side event on how national governments may leverage on the blue economy for sustainable wealth creation.

These Side events will bring together policy makers, development partners, civil society and the private sector to share experiences and identify entry points for tapping the resources of the blue economy for its sustainable development of the economies.

II)- Background for the ECA Side Events at the High Level Sustainable Blue Economy Conference

LAPSSET Side Event meeting

There has been strong political support for the development of the Blue Economy in East Africa in general and in Kenya in particular. The Lamu Port, South Sudan, Ethiopia Transport Corridor (LAPSSET) project³ and the expansion of the Mombasa port including the legislative reforms to ensure greater local economic benefit from the Fisheries⁴, demonstrate the range of sectoral activities that can contribute to strengthening of the Blue economy sectors.

During the Sustainable Blue Economy Conference, it is proposed that LAPSSET Corridor Development Authority will hold a side meeting on LAPSSET. This meeting will aim at sensitizing the various stakeholders on LAPSSET and its role on the Blue economy.

The overall coordination of LAPSSET is vested in the LAPSSET Corridor Development Authority in the office of the President. Its implementation is spearheaded by Kenya with the full support of the Governments of Ethiopia, South Sudan, and Uganda.

EXPECTED OUTCOMES

ECA is co-hosting this side event on the LAPSSET corridor project during the Sustainable Blue Economy Conference. The purpose of the Side event is to deliberate on all the issues affecting the project as highlighted above and give recommendations on the proposals below.

- 1. The re-launch of LAPSSET with support from the Heads of State and Government of Kenya, Uganda, South Sudan, and Ethiopia.
- 2. Decision on the formation of a regional apex body responsible for the project's overall coordination and monitoring. This body should draw its members from the four countries.

³ The LAPSSET Corridor Program is Eastern Africa's largest and most ambitious infrastructure project bringing together Kenya, Ethiopia and South Sudan. This mega project consists of seven key infrastructure projects starting with a new 32 Berth port at Lamu (Kenya); Interregional Highways from Lamu to Isiolo, Isiolo to Juba (South Sudan), Isiolo to Addis Ababa (Ethiopia), and Lamu to Garsen (Kenya), Crude Oil Pipeline from Lamu to Isiolo, Isiolo to Juba; Product Oil Pipeline from Lamu to Isiolo, Isiolo to Addis Ababa; Interregional Standard Gauge Railway lines from Lamu to Isiolo, Isiolo to Juba, Isiolo to Addis Ababa, and Nairobi to Isiolo; 3 International Airports: one each at Lamu, Isiolo, and Lake Turkana; 3 Resort Cities: one each at Lamu, Isiolo and Lake Turkana; and The multipurpose High Grand Falls Dam along the Tana River. http://www.lapsset.go.ke/#1461328856794-2dee9bba-e774

⁴ The Kenyan Fisheries department was renamed the "Department of Fisheries, Aquaculture and the Blue Economy in June 2016"

- 3. Assemble experts from the four countries to prepare a well thought-out action plan to guide the implementation of the project.
- 4. Increase visibility of LAPSSET project
- 5. Attract more stakeholders

AU - ECA Side Event meeting

The African Union has an important role to play with regards to the development of the Blue Economy on the continent. The 2050 AIMS gives a broad outline for the development of maritime transport on the continent. It also establishes the premises upon which the Blue economy can be developed.

EXPECTED OUTCOMES

The purpose of the joint side event is to:

- Enhanced advocacy of the Blue Economy, through the nomination of the President of the Republic Seychelles as the "Champion for Blue Economy";
- Compilation of Q & A sessions for the development of an implementation document for the 2050 AIMS and a Strategy for the African Union on Blue Economy;
- Recognition through the distribution of awards to some key players and women active in the development of Blue Economy in Africa;
- Formulate a Blue Economy and Trade Strategy Document through discussions of ways in which the Blue Economy can be implemented through the AfCFTA. <u>This topic</u> <u>will be discussed by ECA's ATPC team</u>;
- Better understanding of all stakeholders of notable key sectors that require improved gender participation include fisheries, tourism, maritime transport, offshore renewable energy, aquaculture, seabed extractive activities, and marine biotechnology and bio prospecting;
- Dialogue to improve maritime transport in Africa and the creation of an African fleet, including the revival of national shipping lines in many African countries;
- The roles of principal stakeholders to further develop the Blue Economy agenda in Africa and define a clear Work Programme for 2019 with regards to resource mobilization and capacity building for gender specific projects within the Blue Economy.
- Enhanced awareness on linkages between the Blue Economy and Climate change.
 Demonstrate how countries can use the Blue Economy to fulfill some of the requirements of the Paris Climate Change Agreement.
 This topic will be discussed by ECA's ACPC team

IMO - ECA Side Event meeting

Main theme

This side event aims to find an answer to "How can States leverage the sustainable Blue Economy in their national policies and plans to strengthen implementation of the 2030 Agenda, African Union Agenda 2063, the 2050 Africa Integrated Maritime Strategy and

related intergovernmental agreements, promote synergies and address negative tradeoffs?"

EXPECTED OUTCOMES

The primary objective of this Side Event is to discuss, explore and provide guidance on how national governments may leverage on the blue economy for sustainable wealth creation and:

- Formulate strategies and blue prints to exploit the African Maritime Domain;
- Optimise the benefits received from the development of their marine environments e.g. shipping and ports, bioprospecting, oil and mineral extraction;
- Promote national policies, including gender equality, and in particular the generation of inclusive growth, decent jobs for all and poverty eradication;
- Create awareness on opportunities for the sound utilisation of resources beyond national
 jurisdiction the sustainable development of the common heritage of humanity; the
 resources of the High Seas; and
- Identify challenges in marine environment protection, unreported and unregulated (IUU) fishing, governance and security of the ocean, piracy and terrorism and climate change.

III)- Administrative costs and Finances

A dedicated budget will be sought to cover the Conference, including research, data collection, travel, and consultancy and stakeholder engagements.

III-1 Expected accomplishments

- Increased awareness of the Blue economy and showcase some of the work done by ECA's interdivisional team on areas related to the Blue Economy;
- Increased level of international partnerships around the Blue Economy;
- Better knowledge of the AIM Strategy, Agenda 2063, the UN Agenda 2030 for the development of Blue Economy on the continent;

III-2 Conference Outputs

- 1. A publication on the challenges faced by Africa in the development of Blue Economy and proposed recommendations.
- 2. A publication on how the Blue Economy can boost intra-African trade and the operationalization of the AfCFTA.
- 3. A report on key policy reforms on the Blue Economy for sustainable development in Kenya.

III-3 Post Conference Outputs

- 1. A Blue Economy Fact sheet for each African Country.
- 2. A publication on how to harness the Blue economy for enhanced climate change action.



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