



United Nations
Economic Commission for Africa

**Intergovernmental Committee of Experts (ICE) of Southern Africa on
the theme:**

***“Blue Economy, Inclusive Industrialization and
Economic Development in Southern Africa”***

Welcome Address

By

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**The Special Guest of Honour and Keynote Speaker, Hon. Seetannah Lutchmeenaraido,
Minister for External Affairs of Mauritius,**

Other Hon. Ministers Present,

The Financial Secretary, Ministry of Finance and Economic Development, Mr. D.D. Manraj,

Permanent Secretaries and Senior Officials of Government present,

The UN Resident Coordinator in Mauritius, Ms. Christine Umutoni,

Your Excellences-Ambassadors and Members of the Diplomatic Corps,

The African Union Regional Delegate for Southern Africa, Dr. Auguste Ngomo,

The Representatives of SADC and COMESA,

Representatives of the Private Sector, Civil Society, academia, and research Institutions,

Dear UN Colleagues,

Members of the Media,

Distinguished Ladies and Gentlemen,

I would like to warmly welcome you all to this 24th Session of the Inter-governmental Committee of Experts Meeting for Southern Africa, under the theme '*The Blue Economy, Inclusive Industrialization and Economic Development in Southern Africa*'. This is a meeting of senior officials of government and other key stakeholders in the region through which they deliberate on key development issues of importance and proffer policy recommendations, which inform the strategic programming of the work of our office in ECA, Southern Africa.

At the onset, let me express our gratitude to the Government and people of Mauritius for hosting this statutory meeting this year and for providing us with invaluable support and hospitality in its organization. In particular, I would like to thank the inter-departmental committee led by the Ministry of Finance and Economic Development that supported the hosting of the meeting.

Specifically, I would like to express our deep sense of appreciation to Mr. Vidianand Lutchmeeparsad, the Acting Senior Chief Executive in the Ministry of Finance and Economic Development of Mauritius, the Deputy Permanent Secretary, and Mr. Anil Kokil, Director of Finance and Economy, and all other colleagues in the ministry for their support, dedication and commitment towards the organisation of this important meeting.

Also, I would like to use this opportunity to thank the outgoing Chair, Zimbabwe, for hosting the 23rd Session of the ICE in Bulawayo, Zimbabwe in 2017.

Excellences, Distinguished Guests, Ladies and Gentlemen,

The topic of the 24th ICE session highlights three important concepts: "*Blue Economy*"; "*Inclusive Industrialization*"; and "*Economic Development*", which are

closely interrelated. The blue economy which some refer to as the ocean economy, is what I often call Africa's "hidden treasure" and the African Union hailes it as the “new frontier of African renaissance”. This consists of the vast array of coastal water and maritime resources, which could serve as sources of food, energy, mineral extraction, leisure, good health, science, innovation and technology. Indeed, our livelihood and existence are intricably linked with the coastal eco-system, which affects various aspects of socio-economic life.

As the President of Seychelles (then Vice President), H.E Danny Faure noted, "The blue economy encapsulating all of the potentials of our oceanic resources, offers us a platform for Africa's transformation both in terms of Agenda 2063 and the post 2015 Development Agenda and the sustainable development goals..... The majority of world trade is by the sea. The majority of the world oil shipments are by the sea. There is no food security without a sustainable ocean. The majority of new mineral resources will not be found on land but in the sea. The Blue economy is Africa's future". I fully agree with him.

While Africa is essentially a coastal region, in which it is estimated that about 38 countries are coastal states, apart from the Island countries mostly in Southern Africa, with vast ocean territories, yet, our coastal sector remains largely underdeveloped, under-utilised, and poorly governed, which has enabled other forces from outside the Continent to benefit more from it, than us.

The concept of the blue economy or blue growth, which seems relatively new was first raised during the United Nations Conference on Sustainable Development, held in Rio de Janeiro (Brazil) in 2012. While at that time, it was essentially a developing

world initiative pioneered by Small Island Developing States (SIDS) – including our host country Mauritius – , however, the concept has assumed greater importance and popularity on a global scale, relevant not only to coastal countries but also land-locked and land-linked countries, which constitute part of the production networks and value chain of the blue economy sector.

The blue economy can be the engine of economic growth, the basis of socio-economic development and industrialization for many African countries, if well utilised. The maritime industry, for example, is estimated at over \$1 trillion, and there are other related and emerging sectors of tourism, offshore renewable energy, aquaculture, seabed extractive industries, marine biotechnology and bio prospecting.

In China, the ocean economy contributed \$962 billion or 10 % of its GDP and employed over 9 million people in 2014. In the United States of America, the ocean economy was valued at about \$258 billion or 1.8% of its GDP in 2010, and in Indonesia, the ocean economy contributed about 20% of its GDP which is similar to the ratio of other middle income oceanic countries¹. While other countries and regions are harvesting the gains and returns from the blue economy, West Africa for example, is estimated to be losing about \$2 billion annually from illegal fishing.

It is worthy of note that a number of Southern African countries have adopted strategic plans and development blueprints to transform their blue economy sector. For example, South Africa has the famous Operation Phakisa, which aims to address four critical sectors of transport and manufacturing, offshore oil and gas, aquaculture, and protection and governance. South Africa hopes to grow the blue economy sector

¹. See, The Economist Intelligence Unit, *The Blue Economy: Growth, Opportunity, and Sustainable Ocean Economy. Briefing Paper for the World Ocean Summit, 2015.*

from R54 billion (rands) and 316,000 jobs in 2010 to R177 billion (rands) and about 1 million jobs by 2033. This is remarkable. Seychelles has developed a National Blue Economy Roadmap through which it seeks to accelerate economic growth and diversification, while our host nation-Mauritius has the Vision 2030, which provides an overall development framework including on the blue economy sector.

However, the blue economy sector is very complex and dynamic, with various challenges and risks which require more of collective action, cooperation, partnerships and regional frameworks in order to address them. Some of the associated challenges and risks of the blue economy include issues of governance and security of the ocean, piracy and terrorism, climate change, ocean environmental sustainability, poor infrastructure and technology, effective production connectivity with land-linked and land-locked countries, financing, and poor technical skills and capacity.

It is heartening to know that some regional bodies are already taking necessary actions in this regard. The African Union in Agenda 2063 explicitly alludes to the strategic advantage of the blue economy in the process of economic transformation in Africa, hence amongst others, the 2050 Africa Integrated Maritime Strategy (AIMS) was developed. The SADC Secretariat through its Industrialization Strategy and Roadmap 2015-2063, as well as the Revised Regional Indicative Strategic Development Plan (RISDP) 2015-2020, identify the Blue Economy as a key area for fostering sustainable development in the region. Linking industrialization with the blue economy at the regional level enables the promotion of regional value chain approach to industrialization. While the Indian Ocean Commission (IOC) and the Indian Ocean Rim Association (IORA) have developed cooperation initiatives and strategies for their members.

However, more needs to be done at the regional level in the transformation of the blue economy sector through an integrated and holistic approach. We, at the ECA, recognize the immense potentials of the Blue Economy for fostering industrial growth and economic development in Africa and its regions, and are fully committed to supporting the AU, Regional Economic Communities (RECs) and member States, through our research and analytical work, advocacy and awareness raising activities, technical assistance, and capacity building in achieving this. This forum is meant to serve that purpose of further debate and discussion, and policy articulation by member-states in the region on the issue.

Distinguished Ladies and Gentlemen,

The ocean economy as noted by a senior official of government in Guinea Bissau, Cipriano Gomez "should not be a problem, but a space for solutions". It should be a space to advance economic production, create jobs, alleviate poverty, encourage small and medium scale enterprises to participate in, and ultimately create a better society where no one will be left behind. As Donald Kaberuka, the former President of the African Development Bank (AfDB) also rightly noted, "we have a right as a Continent to benefit from our terrestrial and maritime resources, there is a commercial case to be made for choosing to support the development of Africa's blue economies".

I am quite optimistic that with the calibre of people gathered here today consisting of senior policy makers, leading practitioners and experts, private sector operators, civil society, regional and international development agencies including development

financial institutions, we would have fruitful deliberations which different stakeholders including our member states, the African Union, SADC and COMESA could take forward towards the economic transformation and sustainable development of our region.

In closing let me thank the organising team made of government officials from different ministries and staff of my office, for the tireless efforts in putting this meeting together. We do appreciate you and the region is indeed grateful to you.

Without further ado, it is now my pleasure and honour to invite the outgoing Chairperson of the ICE (Zimbabwe) to take the floor for his opening remarks.

I thank you for your kind attention and may GOD Bless Africa.