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*Coalition pour des Accords de Pêche Équitables*

# CFFA

*Coalition for Fair Fisheries Arrangements*



## Is the European Commission's blue growth strategy a model for Africa? Considerations from small-scale fisheries<sup>1</sup>

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### Introduction

In the past few years, global efforts at reforming ocean governance have increasingly been presented as an effort to promote a 'blue economy'. It is a concept that derives from the idea of the green economy, but the relationship between the two is now confusing. As it was conceived at Rio+20, the blue economy naturally favours small-scale farmers and fishers, given that their livelihoods depend on healthy ecosystems, and that their methods of production are generally more sustainable and 'clean' in comparison to industrialised food production systems, or the 'brown' economy.

Among international organisations, the European Commission (EC) is at the forefront of promoting growth in the blue economy. For the past few years this blue growth strategy has been implemented at the EU level, however there are indications that this model will provide an overarching framework for the EU's engagement and support with third countries.

There are several aspects of the EC's interpretation of blue growth that are unattractive for small-scale fisheries. So far, the EC's vision places the emphasis on promoting high value 'growth industries', which does not include fisheries. The EC's interpretation also appears to place more

importance with growth than sustainability. A fundamental problem is that the EC interpretation of the blue economy lacks the developmental and social dimensions that have been given prominence by others for both the blue and green economy concepts.

While the EC is not the only international organisation that will influence thinking on the blue economy in Africa, it is clear that its approach must be challenged. An alternative is needed which better serves the interests of achieving a blue economy that meets both environmental and social targets. This must put the small-scale fisheries sector at centre stage, and help protect it from the potential negative impacts of growth and enhanced investments in other sectors.

### **An overview of the EU's blue growth strategy**

The EU's a blue growth strategy has been developed by the EC since 2010. The most significant publication to shape its approach to blue growth came in 2012, entitled 'Scenarios and drivers for sustainable growth from the oceans, seas and coasts'.<sup>2</sup> Following this study, and based on its main findings, in 2012 the EC provided its first communication on Blue Growth.<sup>3</sup>

The context for the launch of the blue growth is important. The EU was facing an economy struggling in the aftermath of the global financial crisis. Thus, the blue economy was described as an exciting potential area for increased growth. The EC communication therefore established that despite the blue economy already making significant contributions for EU member states, there is huge potential for various business sectors operating at sea or in coastal areas to generate increased profits and employment. There is a need to enhance this potential with improved policies, as well as financial and technological investments.

In framing the blue growth strategy, the EC highlighted three key factors that have prompted the blue growth strategy.

- ▶ Technological improvements that have opened up enormous potential for new business opportunities.

- ▶ The fact that marine ecosystems are under increasing ecological threat, meaning future investments in the blue economy have to be sustainable.

- ▶ The potential that investments in the maritime sector can be helpful for reducing EU greenhouse gas emissions. This is partly because shipping is considered more clean in comparison to moving goods and people by land or air, but also because there is potential for increased use of offshore wind and tidal power.

The EU's blue growth strategy is focussed on five core growth areas, namely "Blue Energy", "Aquaculture", "Coastal and Maritime Tourism", "Blue Biotechnology" and "Seabed mineral mining". To enable growth in these sectors, the EC has implemented a number of initiatives, which are summarised in a review of progress in advancing the Blue Growth Strategy undertaken by the EC in 2017.<sup>4</sup> Here the overall strategy was described as one driven by market forces, so that "from the very outset, action on Blue Growth did not rely on regulation but on enabling market forces, by removing those barriers and market failures that prevent innovation and investment." The report cites as an example the success achieved by removing regulations and 'red tape' in aquaculture, which has stimulated increased investments. Thus, the blue growth concept is one that reflects a wider assurance that private investments will secure win win scenarios; benefiting the environment but also enabling the blue economy to grow.

Although the EC highlights deregulation as an overarching approach, the report also describes that the EC has channelled increasing public funds into research and the production of data, which is primarily intended to be used to help investors fund blue economy ventures. One example is the investment by the EC in seabed mapping. As the EC describe, "making marine data publicly available through an EU-funded open network has multiplied the opportunities for innovative business" and that the goal has been about "shifting research from the laboratory to the

marketplace". This has resulted in EUR 800 million being allocated to marine and maritime research and innovation projects between 2014 and 2016.

The EC also sees the importance of collaboration and partnerships in enabling blue growth. This has led to the establishment of new multi-stakeholder groups that include, civil society, businesses, academia and public authorities, such as the "Ocean Energy Forum" and the "Blue Economy Business and Science Forum".

To what extent the blue growth strategy has been successful so far is unclear. There does not seem to be any explicit targets, nor is there a system in place for monitoring outcomes. The EC does report that there has been some progress towards growth in the five focus sectors, but investments remain slower than hoped for:

"Access to finance continues to be a challenge for many of the blue economy actors. Especially high potential but risky ventures find it difficult to obtain sufficient investment...The gap between the funding of research, which EU programmes cover well, and investment for market entry remains an issue. Setting up suitable investment vehicles to close that gap and to blend much-needed investments from private and public sources and to boost investment in the blue economy will remain a priority."

### **The EU's Blue Growth Strategy as a model for Africa?**

If we consider the EU's blue growth strategy as a model for following in Africa, then there are a number of critical issues to consider. The primary question for small-scale fisheries in Africa is whether this vision of blue growth is supportive of a wider reform strategy to promote and enhance small-scale fisheries, which includes the extent this model of blue growth is compatible with the principles of two key international guidelines: The Voluntary Guidelines on Securing Sustainable Small-Scale Fisheries (henceforth, VG on SSF), and the Voluntary Guidelines on the Responsible Governance

of Tenure of Land, Fisheries and Forests (VG on Tenure).

While the blue growth strategy is not representative of the EU's entire approach to managing oceans and fisheries, there are several areas where the EC's vision for blue growth can be criticised for falling short of these two guidelines. From these criticisms, it is apparent that the underlying concept of the blue economy being used by the EC is not one that is attractive for small-scale fisheries.

### **The problem with leaving out the fishing sector?**

The most glaring aspect of the EU's current strategy on blue growth is that, while fisheries is obviously a key sector in the blue economy, fisheries is not considered a sector that warrants assistance for growth. The EC's role in managing and regulating fisheries is considered as separate, both in terms of funding and policies, to its blue growth strategy. Although nowhere is the reason explained by the EC, it would seem that in surveying the blue economy, the EC found that the sectors offering the best potential for increased employment and profits did not include fisheries.

The implications of this are difficult to know. However, one concern is that if the blue growth idea takes off in Africa, the influence played by the EU could also lead to fisheries being sidelined, with the focus given to directing public funding and encouraging private investments where there is the best prospect for profits. However, it is well recognised, including in the VG on SSF and the VG on Tenure, that the small-scale sector is chronically underfunded, which limits its ability to meet its potential in terms of supporting livelihoods and contribution to food security. What is more, in many countries SSF are marginalised due to their weak financial status. The preamble for the VG-on SSF reads:

"Small-scale fishing communities also commonly suffer from unequal power relations. In many places, conflicts with large-scale fishing operations are an issue, and there is increasingly high

interdependence or competition between small-scale fisheries and other sectors. These other sectors can often have stronger political or economic influence, and they include: tourism, aquaculture, agriculture, energy, mining, industry and infrastructure developments.”

These are the sectors which the EC is prioritising for increased investment and support through business friendly regulations.

The EU’s Fisheries committee’s has challenged the EC on this decision to leave out fisheries, and suggested this could be damaging to the fisheries sector. Their statement on the blue growth strategy argued that fisheries must be included, “in terms of the supply of fish and the food balance in the European Union, as well as its considerable contribution to socio-economic well-being in coastal communities”.<sup>5</sup>

The notion that fisheries should be ‘reintegrated’ in the EU’s Blue Growth Strategy was also a message provided by the European Council of Ministers, through their conclusions on Blue Growth, published in July 2017.<sup>6</sup> This stated that:

“...the future direction of the Blue Growth Strategy should acknowledge the potential and importance of all relevant sectors of the blue economy crucial for value and jobs like ocean energy, aquaculture, maritime, coastal and nautical tourism, shipping, port-related activities, dredging, coastal and marine construction, marine technology, blue biotechnology, fisheries and food processing among others.”

### **The negative impacts on fisheries from blue growth**

The EC stresses that in promoting its blue growth strategy, negative impacts on the marine living resources are to be minimised. The sustainability of marine ecosystems is therefore something that the EC ensures will happen despite its blue growth strategy.

However, that blue growth could have a detrimental impact on the fisheries sector is a claim made by several organisations in the EU. There is a level of apprehension

that the EC’s market friendly vision for promoting growth in these five sectors will lead to pollution and loss of coastal and marine habitats, contradicting its premise for launching the blue economy as part of its response to addressing marine ecosystem degradation. For example, the Fisheries Committee also stated that “when realising these (other) activities the utmost attention must be paid to avoiding damage to the marine environment and to fishing grounds”.

In 2017 the European Parliament commissioned a study on the implications of the EC’s Blue Growth Strategy on Small Scale Fisheries.<sup>7</sup> This study noted that there are potential socio-economic synergies between Blue Growth sectors and SSF. These need to be given more prominence. However, it also argued that increased investment and growth in all of the five blue growth sectors, as defined in the EU’s strategy, bring risks of environmental harms that will directly affect SSF. The report also noted that the threat to SSF is not only in terms on environmental impact that could reduce the abundance of fish, but also due to restrictions in fishing zones caused by the use of the sea and coastal zones by these other industries.

It is not evident that the EC has identified these threats and is doing enough to monitor how investments in the five core blue growth sectors could negatively impact on fisheries. This is essential to promote for African states if they are to develop their own blue growth strategies. Many countries in Africa have a poor record for undertaking credible environmental and social impact assessments, and lack the resources for responding to breaches of environmental laws or disasters at sea.

On this the EC is failing to meet the requirements of both the VG on SSF and the VG on Tenure. Both of these clearly establish that a responsibility of governments is to ensure that investments in the economy minimise or avoid harms to others, and that social and environmental impacts of investment decisions must be undertaken. The VG on SSF states:

"All parties should recognize the need for integrated and holistic approaches, including cross-sectoral collaboration, in order to address disaster risks and climate change in small-scale fisheries. States and other relevant parties should take steps to address issues such as pollution, coastal erosion and destruction of coastal habitats due to human-induced non-fisheries-related factors. Such concerns seriously undermine the livelihoods of fishing communities as well as their ability to adapt to possible impacts of climate change." [9.3]

Furthermore the VG on Tenure asks governments to provide existing tenure holders with independent and impartial information on how investments could impact on their rights and on their food security:

"When investments involving large-scale transactions of tenure rights, including acquisitions and partnership agreements, are being considered, States should strive to make provisions for different parties to conduct prior independent assessments on the potential positive and negative impacts that those investments could have on tenure rights, food security and the progressive realization of the right to adequate food, livelihoods and the environment." [12.10]

### **Blue growth is defined by economic growth only**

The EC's blue growth strategy does not have specific targets. This is unusual, and unlike many other EU strategies, including the overarching EU 2020 strategy. This lack of targets and measurable indicators makes monitoring the success of the blue growth strategy impossible.

The articulation of targets and indicators should be an essential feature of a strategy for reforming business in the oceans. As it is, the EC's vision of success is provided in vague terms, and the emphasis is given to the scale of investments and the number of jobs, although the quality of these jobs remains overlooked. In doing so, the EC is furthering the mistake that the

value of the blue economy is one best measured by economic indicators, and can be simplified into a single dollar or Euro amount.<sup>8</sup> This leaves out many of the most important values provided by small-scale fisheries, such as contributing to food security and the employment of people that may be marginalised in the economy if it were not for fisheries, including women.

It should be noted that the same criticism has been made against several organisations that work on the green economy agenda, and that these are wedded to growth in GDP as the leading indicator of success. Here the VG on Tenure highlights that in approaching investments, governments must take into consideration a range of objectives:

"(States) should strive to further contribute to policy objectives, such as poverty eradication; food security and sustainable use of land, fisheries and forests; support local communities; contribute to rural development; promote and secure local food production systems; enhance social and economic sustainable development; create employment; diversify livelihoods; provide benefits to the country and its people, including the poor and most vulnerable."

The EC statements on blue growth suggests it puts faith in the ability of private investment to propel the blue economy in ways that combine beneficial economic, environmental and social outcomes. However, the focus on private investments and market forces, and the assistance being provided by deregulation, means its blue growth strategy is highly orientated to generating private riches, not public goods. The VG on Tenure highlight this problem:

"States and other parties should recognize that values, such as social, cultural and environmental values, are not always well served by unregulated markets" [11.2].

### **The underlying vision of the 'blue economy'**

Taking the above points of concern, there is a more general criticism regarding the way

in which the EC has interpreted the concepts of the blue economy and blue growth. The EC is not alone on this, and it is a problem evident in the way that many organisations use these terms.

It is clear that the origin of the concept of the blue economy derives from the concept of the green economy, and that blue growth is bound up with the wider agenda for achieving green growth. Indeed, the concept of the blue economy was given international prominence at the UN's Rio +20 meeting, where the green economy agenda provided the overall framework for the final statement. The idea of a separate 'blue economy' was an outcome of multi-stakeholder forums at the event dealing with the oceans, and was informed by several publications leading up to the event, such as one produced by UNEP entitled "Green Economy in a Blue World". The intention of adopting the term 'blue economy' was to ensure that sustainability of marine ecosystems was given due recognition in broader discussions on promoting the green economy. By doing so, the vision of the blue economy was one that was framed with language promoting fairness and socially desirable outcomes - small-scale fisheries were well served by this vision. A concept paper<sup>9</sup> was published as an outcome of Rio+20 on the blue economy which stated:

"The Blue Economy espouses the same desired outcome as the Rio +20 Green Economy initiative namely: "improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities" (UNEP 2013) and it endorses the same principles of low carbon, resource efficiency and social inclusion, but it is grounded in a developing world context and fashioned to reflect the circumstances and needs of countries whose future resource base is marine."

It continues to explain that:

"At the core of the Blue Economy concept is the de-coupling of socioeconomic development from environmental degradation...Efficiency and optimisation of

resource use are paramount whilst respecting environmental and ecological parameters. This includes where sustainable the sourcing and usage of local raw materials and utilising where feasible "blue" low energy options to realise efficiencies and benefits as opposed to the business as usual "brown" scenario of high energy, low employment, and industrialised development models."

In 2015 UNEP's study on progress towards the blue economy offered a similar view:

"In the lead up to, and during Rio+20, coastal and island developing countries gave a definitive voice to the major role that oceans have to play in all of our futures. It was a discussion which initiated exploration of how concepts and objectives of a Green Economy could be applied to the unique and irreplaceable role of marine and coastal ecosystems - i.e. the 'Blue Economy'...As a marine and coastal analogue to the Green Economy, the Blue Economy approach is based on a vision of "improved wellbeing and social equity, while significantly reducing environmental risks and ecological scarcities""<sup>10</sup>

However positive this vision of the blue economy is, the idea of having a separate concept of the blue economy from the green economy creates problems. This is because the notion of 'blue' has two contrasting meanings; on the one hand it is meant to mirror the environmental and development ideals attached to 'green', but on the other it refers to a specific environment; the ocean.

This double meaning is important. This is evident from the interpretation of the blue economy and blue growth by the EC. The EC has yet to define blue growth precisely, however in its 'Communication on Blue Growth' the EC described that:

"The individual sectors of the blue economy are interdependent. They rely on common skills and shared infrastructure such as ports and electricity distribution networks. They depend on others using the sea sustainably."

Subsequent efforts to measure the blue economy by the EC have involved measuring the size of all industries that, in any way, rely on the oceans for their business. This is in contrast to how the international community, including the EU, thinks about the 'green economy' and green business sectors. That is because the green economy is seen as distinct from other industries and businesses because of its green credentials (the rest is sometimes referred to as the 'brown' economy, as above). The concept of blue growth, as articulated by the EC, relies on a view of the blue economy that is defined by its physical existence (happening in and around the oceans), not by any environmental or developmental ideals. One would not expect to include the extractive industries who mine fossil fuels to be included in measurements of the green economy - but industries, such as mining and shipping that are polluting and have no need for healthy marine ecosystems to exist, are considered sectors in the 'blue economy'. The green economy is not a concept that refers to all business sectors that happen on land, but the blue economy concept, as used by the EC, is referring to all business sectors that happen at sea.

This interpretation of the blue economy is also evident in high level discussions in Africa. For example, in 2015 the United Nations Economic Commission for Africa held a meeting with government heads on the theme of Africa's blue economy. The Director of UNECA in Eastern Africa stated that that "the blue economy encompasses among others: mining, energy resources, fisheries and marine life, tourism and maritime transportation and trade and several other developmental sectors".<sup>11</sup>

The fact that the blue economy has been decoupled from the concept of the green economy can be seen in other statements by the EC on its blue growth strategy. In its 2012 communication the EC state that:

"The blue economy needs to be sustainable and to respect potential environmental

concerns given the fragile nature of the marine environment."

That the blue economy needs to be sustainable and merely needs to respect potential environmental harms show that sustainability is an adjunct; it is not a core characteristic defining what the vision of a blue economy is. This goes some way to understand the weaknesses of the EC vision; the assumption that the blue economy should stand as a transformational concept, in the same way that the concept of the green economy does, no longer applies. Accordingly, the EC's vision has very little to offer to the small-scale sector, as it lacks the social and developmental objectives contained in the green economy concept.

### **Conclusion: Advocating for a blue economy that promotes small-scale fisheries**

The focus of this article has been to consider the potential impact of the EC's blue growth strategy, if this is to have influence on shaping blue growth strategies in Africa. While the EC has been challenged for not including fisheries in this strategy, the most serious criticisms from a SSF perspective has been the lack of concern showed to the impact on fisheries of growth in certain prioritised sectors, as well as the narrow agenda displayed, which considers profits beyond other important features of the blue economy. On these faults, we can see that it is not a strategy that follows key requirements of the VG on SSF and the VG on Tenure.

At the heart of the problem with the EC vision of growth in the blue economy is its underlying conceptualisation. The blue economy merely stands for the ocean economy. Whereas the blue economy concept was propelled by the international community as being a transformational concept, addressing climate change, loss of marine ecosystems and enhancing poverty reduction, the EC does not work from that understanding. The blue growth strategy it is advocating is based primarily on the goal of increasing the profitability of the

businesses taking place at sea and in coastal environments, as an end in itself.

For women and men in small-scale fisheries in Africa, it is clear that the EC vision is unattractive. There needs to be a revisit of the definition that captures the ideals contained in the concept of the green economy, from which the term blue economy derived. This should be based on the existing requirements of the VG on SSF and the VG on Tenure, which include steps to protect and promote the rights held by small-scale fishers, as well as ensure that

decision making is transparent, based on meaningful consultations, and that there are effective grievance mechanisms. It must also reassert that the value of the blue economy is not best measured by traditional economic indicators, but include health, gendered, social and cultural dimensions. It is beyond the scope of this paper to elaborate on blue economy in any more detail, but this is needed so that there is a clear alternative to the EC for Africa.

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## Notes:

<sup>1</sup>This publication forms part of an initiative of CFFA, the Swedish Society for Nature Conservation, Bread for the World and the Confederation of African Artisanal Fisheries Organisations (CAOPA) that seeks to promote reform of fisheries in Africa based on the principles contained in the Voluntary Guidelines on Securing Sustainable Small-Scale Fisheries and the Voluntary Guidelines on Responsible Governance of Tenure.

<sup>2</sup>ECORYS, 2012. “Blue Growth Study; Scenarios and Drivers for Sustainable Growth from the Oceans, Seas and Coast”, available at <https://webgate.ec.europa.eu/maritimeforum/content/2946>

<sup>3</sup>European Commission, 2012. “Blue Growth opportunities for marine and maritime sustainable growth”, available at [https://ec.europa.eu/maritimeaffairs/sites/maritimeaffairs/files/swd-2017-128\\_en.pdf](https://ec.europa.eu/maritimeaffairs/sites/maritimeaffairs/files/swd-2017-128_en.pdf)

<sup>4</sup> European Commission, 2017. “Report on the Blue Growth Strategy: Towards More Sustainable Growth and Jobs in the Blue Economy”, *Commission staff working document*, available at [https://ec.europa.eu/maritimeaffairs/sites/maritimeaffairs/files/swd-2017-128\\_en.pdf](https://ec.europa.eu/maritimeaffairs/sites/maritimeaffairs/files/swd-2017-128_en.pdf)

<sup>5</sup> European Parliament, Committee on Fisheries, 2013. “Comment on Blue Growth - Enhancing sustainable growth in the EU’s marine, maritime transport and tourism sectors”, available at <http://www.europarl.europa.eu/sides/getDoc.do?type=REPORT&reference=A7-2013-0209&language=EN#title4>

<sup>6</sup> Council of the European Union, 2017. “Conclusions on Blue Growth”, available at <http://data.consilium.europa.eu/doc/document/ST-10662-2017-INIT/en/pdf>

<sup>7</sup> Kim Stobberup, María Dolores Garza Gil, Aude Stirnemann-Relot, Arthur Rigaud, Nicolò Franceschelli, Roland Blomeyer, 2017. “Research for PECH Committee - Small scale fisheries and “Blue Growth” in the EU”, available at [http://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL\\_STU\(2017\)573450](http://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL_STU(2017)573450)

<sup>8</sup> See also the report in 2015 by WWF, which makes the same error: “Reviving the Ocean Economy - The Case for Action”, available at <https://www.worldwildlife.org/publications/reviving-the-oceans-economy-the-case-for-action-2015>

<sup>9</sup>Anonymous, 2012. “Blue Economy Concept”, available at <https://sustainabledevelopment.un.org/content/documents/2978BEconcept.pdf>



<sup>10</sup> UNEP, 2015. “Blue Economy: Sharing Success Stories to Inspire Change”, available at [https://wedocs.unep.org/bitstream/handle/20.500.11822/9844/-Blue\\_economy\\_sharing\\_success\\_stories\\_to\\_inspire\\_change-2015blue\\_economy\\_sharing\\_success\\_stories.pdf?sequence=3&isAllowed=y](https://wedocs.unep.org/bitstream/handle/20.500.11822/9844/-Blue_economy_sharing_success_stories_to_inspire_change-2015blue_economy_sharing_success_stories.pdf?sequence=3&isAllowed=y)

<sup>11</sup> United Nations Economic Commission for Africa, 2015. “The Blue Economy is Africa’s Future”, press release available at, <https://www.uneca.org/stories/blue-economy-africa’s-future>

#### About CFFA

The coalition for fair fisheries arrangements is an initiative established in 1989 that works to ensure that the European Union and its member states enhance the interests of small-scale fisheries in Africa, including through its fisheries partnership agreements and the external dimension of the EU’s Common Fisheries Policy. CFFA supports and collaborates with partner organisations in Africa, including the Confederation of African Artisanal Fisheries Organisations and the West Africa Network of Journalists for Responsible Fisheries.

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