

BLUE ECONOMY STRATEGY

Presentation by:
John Omingo
Head of Commercial Shipping
Kenya Maritime Authority

Role of Kenya Maritime Authority



- ☐ Maritime Safety;
- ☐ Prevention of Marine Pollution;
- ☐ Maritime Education and Training;
- ☐ Search and Rescue;
- ☐ Security of ships and port facilities;
- ☐ Licensing/ Registration;
- ☐ Arbitration on service delivery;
- ☐ Oversight on service quality, availability and cost structure;
- ☐ Maritime sector Research and Development;
- ☐ Policy advise and implementation;



Contents

Realization of maritime strategies for an economically vibrant and sustainable sector

- ✓ Where were we?
- ✓ Where are we?
- ✓ Where are we going?

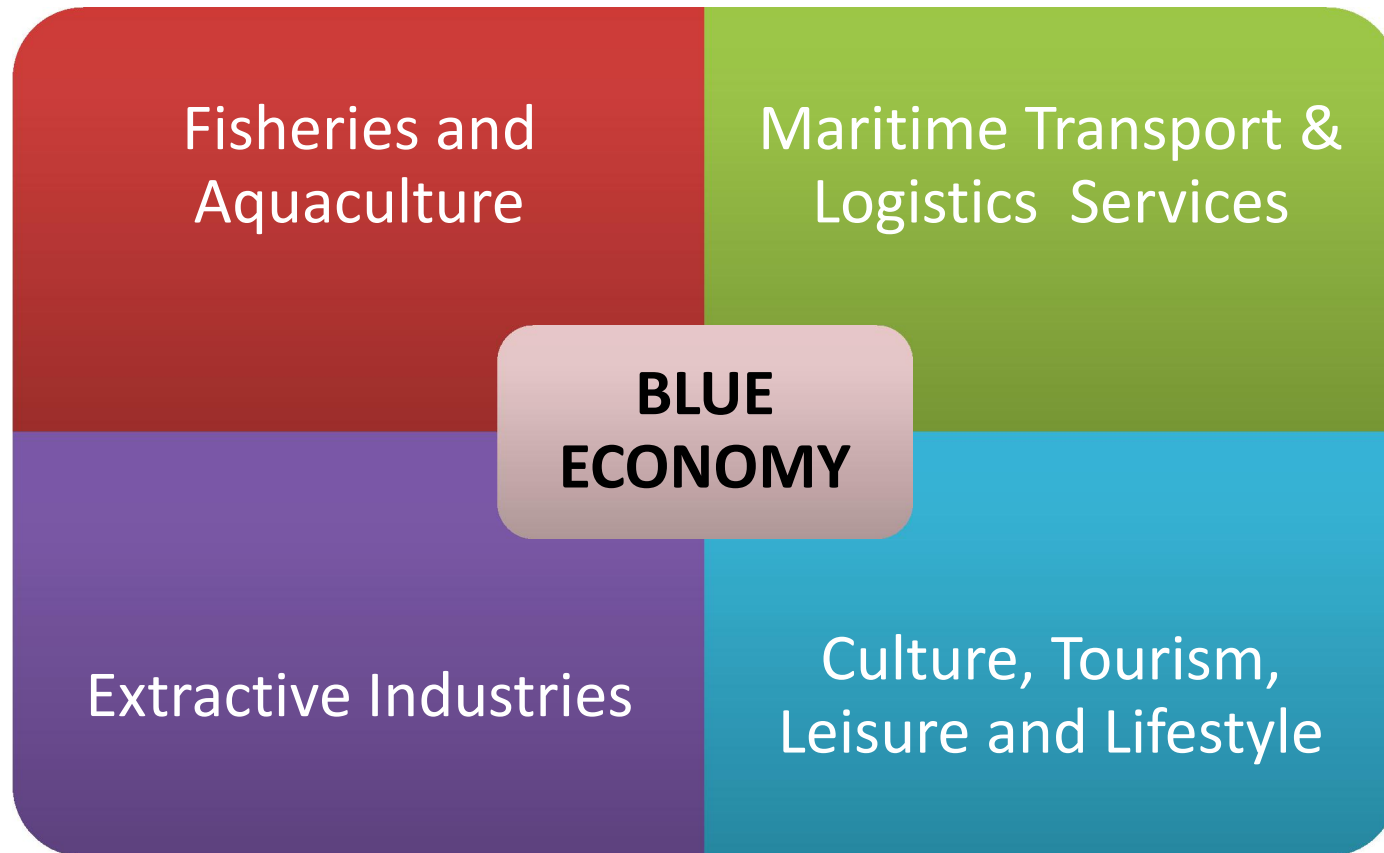
Africa - The Island Continent



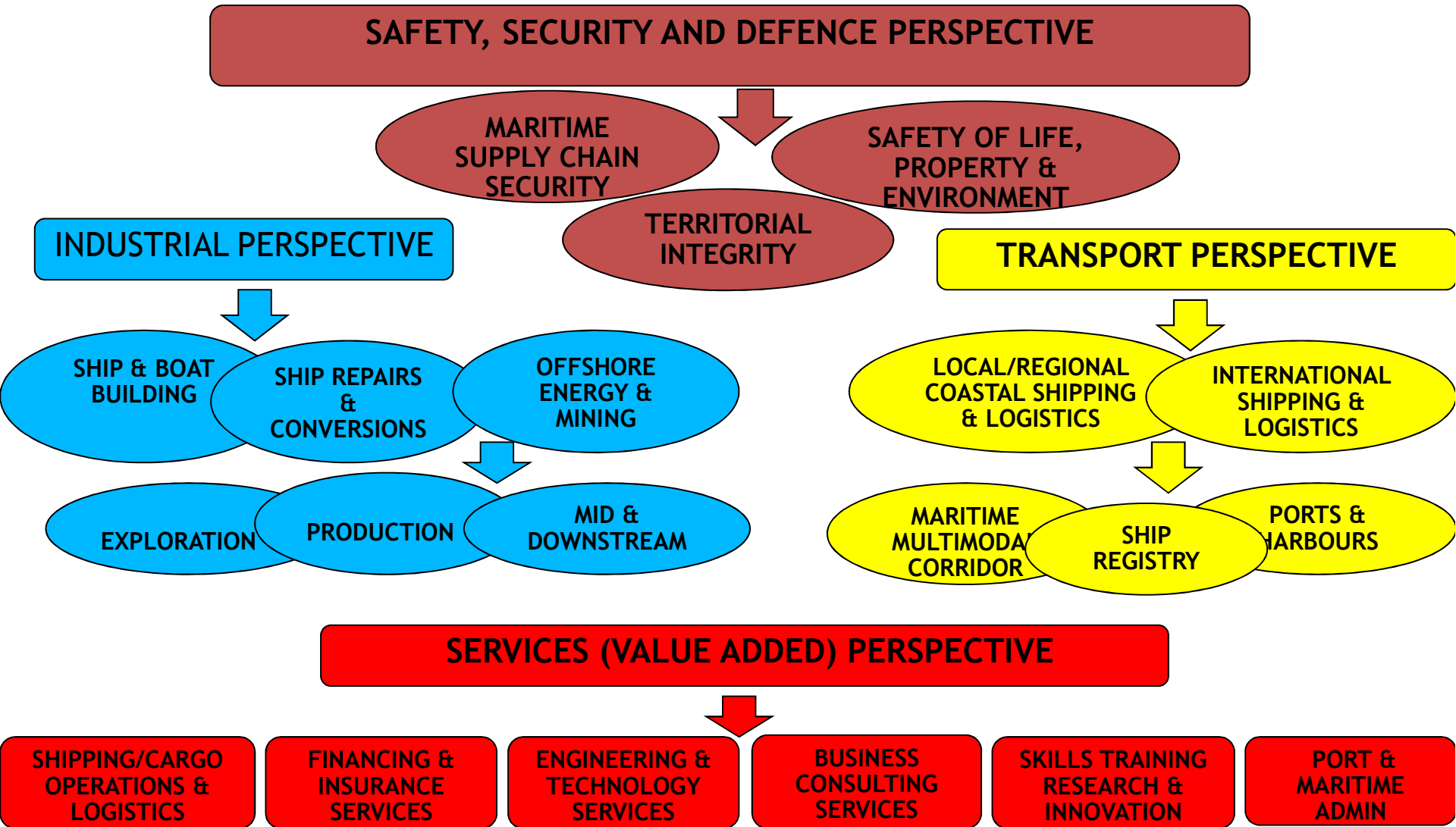
Overview

- ☐ Largest island on earth with oceans on all sides
 - Atlantic Ocean (West)
 - Indian Ocean (East)
 - Southern Oceans (South)
 - Mediterranean & Red Sea (North)
- ☐ 39 (70%) out of 55 African countries are coastal or islands
- ☐ Trade amongst African countries accounts for 11% of the total trade volume (lowest compared to ASEAN, Europe and Americas)
- ☐ Coastline of 31,000 km
- ☐ African-owned ships account for less than 1.2% of the world's shipping and only 9% by gross tonnage
- ☐ Inland waterways of 300,000 square kilometres

The maritime domain, referred to as the Blue Economy is vast including



MARITIME SECTOR OVERVIEW



Sample Sector Activities

Shipping



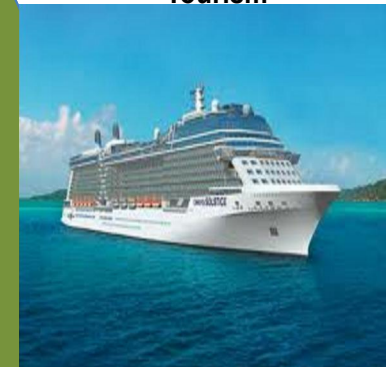
Ports & Logistics



Vessel Construction & Repairs



Marine Leisure & Tourism



Offshore Energy & Minerals



Fishing & Aquaculture



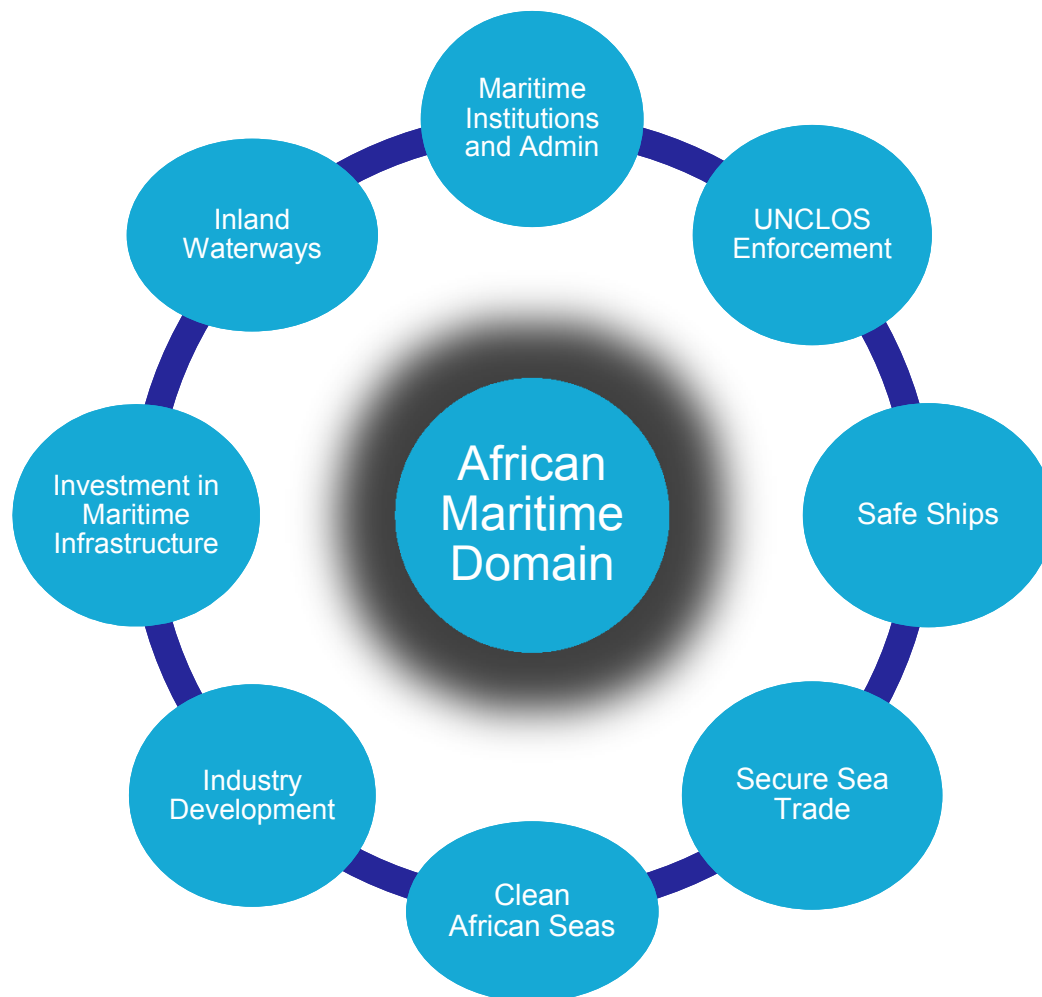
Boat Building & Repairs



National Shipping Line

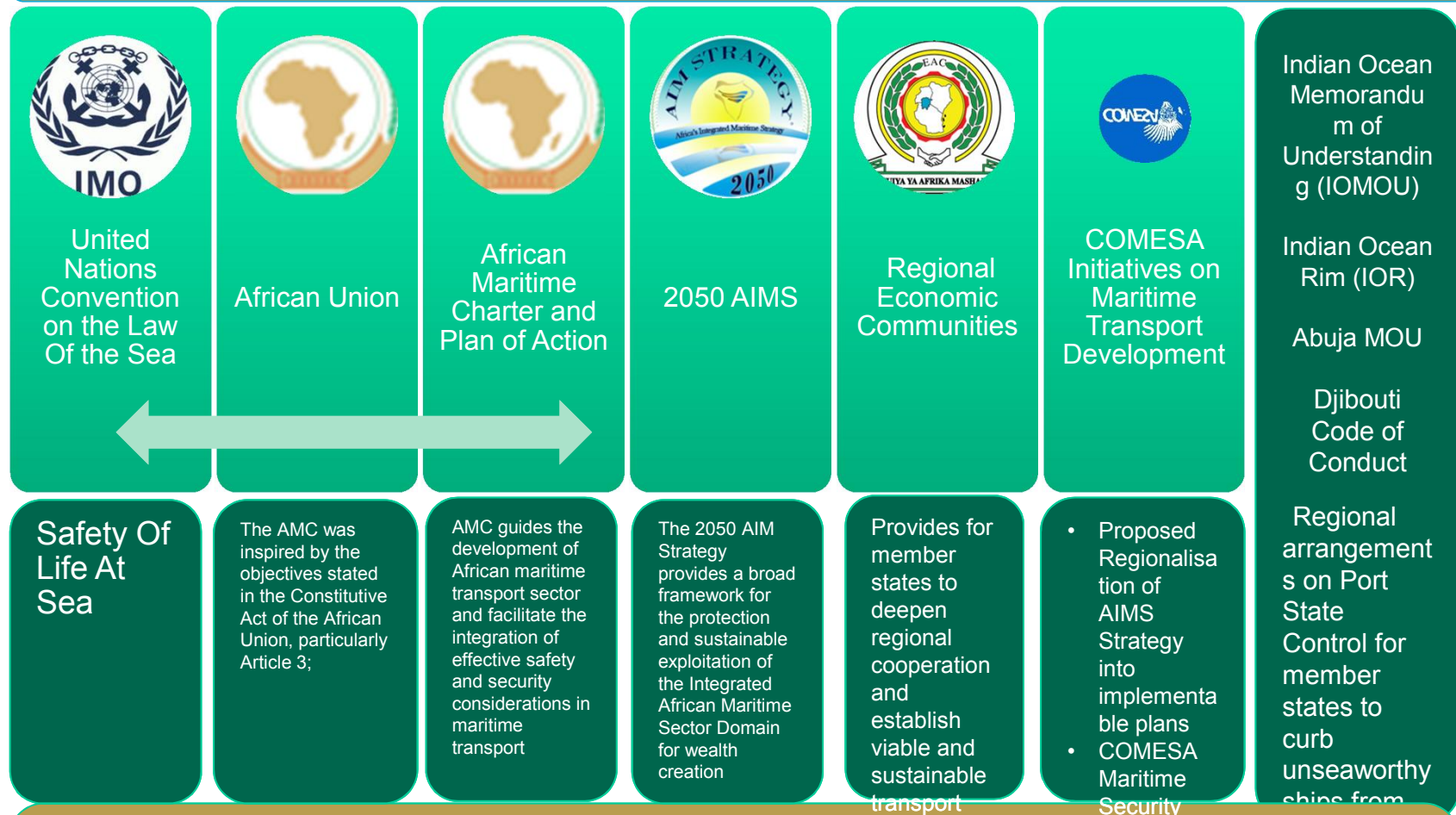


The African Maritime Development Agenda



The Africa's Maritime Governance Framework

African Maritime Governance Framework



- ✓ **African Union – (to establish a stand alone AU Department of Maritime Affairs, supported by a Panel of Champions)**
- ✓ **African Maritime Council (made up of Multiple Maritime Sectors eg Africa Ports, Shippers, Administrations, Industries)**
- ✓ **Regional Maritime Councils (operating as Regional Focal Points within the RECs)**

Maritime Domain in Kenya



In 2015,
maritime
domain
contributed
\$1.83 billion
to the GDP

- ❑ Maritime Transport – \$0.73 billion;
- ❑ Fisheries – \$0.5 billion;
- ❑ Tourism – \$0.6 billion

Presidential Taskforce on Blue Economy (2016)



1. Master operational plan that identifies the economic sectors that should be prioritized including constraining factors;
2. Priority programmes and projects required to unlock growth of the BE - enabling policy and infrastructure;
3. Fishing ports in Shimoni, Kilifi and Lamu.
4. Human resource capacity building – fishing, energy, mining, seafaring, logistics, marine science.
5. Framework for beach management;
6. Organizational structure for execution of the BE master operational plan;
7. BE budget proposals for inclusion in the 2017/18 FY;
8. A report capturing resourced delivery work plans for each of the identified BE project;

The BE Taskforce



- Meetings



- Review of documents and literature



- Stakeholders Consultations



- Site Visits



- A report and an implementation plan

Government intervention on inland aquaculture



- 48,000 ponds constructed by program
- Farmer cluster formation – AAK
- Improved extension services
- Established 4 mini-processing and cold storage facilities
- Elaborate capacity building for all actors

Government injected Kshs 5 Billion on hatchery, training farmers and building ponds. Aquaculture has grown into contract farming, cage farming, processing and export



CAGE CULTURE IN LAKE VICTORIA



OPPORTUNITIES AND FUTURE PROSPECTS

Opportunities

- Site selection – Suitability mapping
- Infrastructure development
- Diversification and domestication of farmed species
- Affordable, sustainable feeds
- Availability of good quality seed – **Network of hatcheries**
- Environmental Management

Governance

- **Conducive policy for investment**
- **Integrated Marine Spatial plan**
- **Harmonization of county and National government interventions**



Investment Opportunities

- Cage farming of fin fish in deep sea/lake; RAS (closed system farming)
- Hatcheries, feed production , value addition and other value chain needs)

Fully fledged agro-processing of seaweeds Long-term



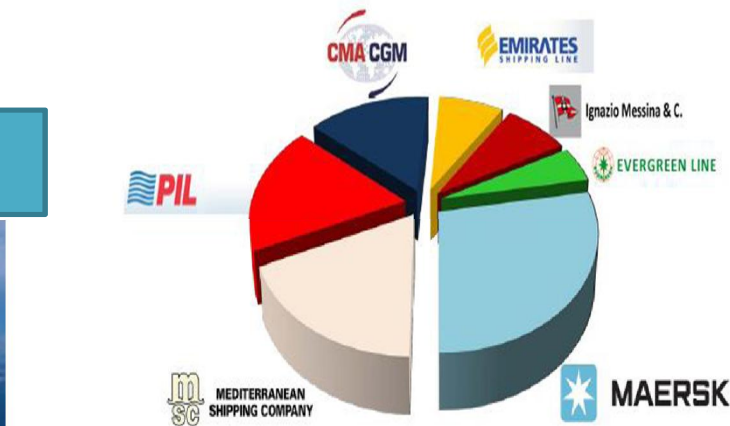
Cosmetics – other valued added products



Kenya's Maritime Transport Sector



Kenya's Air Transport Sector



Revamping the Maritime Sector



Get back into shipping and:

- Save part of the \$3 billion paid every year in foreign exchange;
- Reduce the annual \$ 0.4 billion destination charges;
- Build capacity to train seafarers; 10,000 can remit \$0.25 Billion annually into the economy.

How?

- Start with Government interest cargoes; **54,570 containers** – annual freight value - \$ 0.14 **Billion**;
- Restructure KNSL/Support locally established operators;
- Build operational capacity;
- Serve Government interest cargoes, brand and market;

Revamping the Maritime Sector



- Handle part of the Kenyan Extractives;
- Leverage on berth concessioning to acquire cargo carrying capacity;
- Coastal Shipping - Regional
- Shipbuilding and Repairs
- Container Repair Industry
- Marine Cargo Insurance;
- Maritime Cluster Development Funds

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MARITIME
EDUCATION
AND
TRAINING

By 2019,
additional
\$4.3 billion
to the GDP



Conclusion (5 Items)

If we put appropriate strategies in place to:

- ☐ Share part of the \$ 3 billion (sea freight and agency charges);
- ☐ Implement forced landing in line with the Fisheries Management and Development Act, 2016 on (raise fish processing capacity from 2,500 to 18,650 metric tonnes);
- ☐ Promote fish consumption from 4.6 kg to African average of 10 kg and ultimately global average of 20kg per person per year;
- ☐ Build fishing ports in Shimoni, Kilifi and Lamu (Potential of 12,000 jobs);
- ☐ Diversify tourist package to cover among other areas, cruise, sport fishing, game safaris, marina, dolphin and whale watching in addition to world class malls;

	2012	2013	2014	2015	2016
<u>GDP (USD Billion)</u>	50.6	55.3	61.6	63.1	70.8

Ask
Answer
Who
Why
Where
What
When
How
Apply
Question
Answers
Understand
Query
Questions