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:

- Fisheries and Aquaculture
- Maritime Transport & Logistics Services
- Extractive Industries
- Culture, Tourism, Leisure and Lifestyle
SAFETY, SECURITY AND DEFENCE PERSPECTIVE

MARITIME SUPPLY CHAIN SECURITY

SAFETY OF LIFE, PROPERTY & ENVIRONMENT

TERRITORIAL INTEGRITY

INDUSTRIAL PERSPECTIVE

SHIP & BOAT BUILDING

SHIP REPAIRS & CONVERSIONS

OFFSHORE ENERGY & MINING

PRODUCTION

MID & DOWNSTREAM

EXPLORATION

TRANSPORT PERSPECTIVE

LOCAL/REGIONAL COASTAL SHIPPING & LOGISTICS

INTERNATIONAL SHIPPING & LOGISTICS

Maritime Multimodal Corridor

Ship Registry

Port & Harbours

SERVICES (VALUE ADDED) PERSPECTIVE

SHIPPING/CARGO OPERATIONS & LOGISTICS

FINANCING & INSURANCE SERVICES

ENGINEERING & TECHNOLOGY SERVICES

BUSINESS CONSULTING SERVICES

SKILLS TRAINING RESEARCH & INNOVATION

PORT & MARITIME ADMIN
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

Maritime Institutions and Admin
Inland Waterways
UNCLOS Enforcement
Safe Ships
Secure Sea Trade
Clean African Seas
Industry Development
Investment in Maritime Infrastructure
African Maritime Governance Framework

The African Maritime Governance Framework was inspired by the objectives stated in the Constitutive Act of the African Union, particularly Article 3, to guide the development of African maritime transport sector and facilitate the integration of effective safety and security considerations in maritime transport.

The 2050 AIM Strategy provides a broad framework for the protection and sustainable exploitation of the Integrated African Maritime Sector Domain for wealth creation.

Provides for member states to deepen regional cooperation and establish viable and sustainable transport security strategy.

- Proposed Regionalisation of AIMS Strategy into implementable plans
- COMESA Maritime Security Strategy

Regional arrangement on Port State Control for member states to curb unseaworthy ships from trading.

Indian Ocean Memorandum of Understanding (IOMOU)
Indian Ocean Rim (IOR)
Abuja MOU
Djibouti Code of Conduct

- 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
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

- ~3,000 Cages
- ~2,000 Jobs
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
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
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 20 kg 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;

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<td>GDP (USD Billion)</td>
<td>50.6</td>
<td>55.3</td>
<td>61.6</td>
<td>63.1</td>
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Questions

Ask
Answer
Apply
Who
Why
Understand
Where
What
Query
How
When