

Seychelles Blue Economy Strategy

Abstract

The Seychelles Government has played a leading role in promoting the Blue Economy concept, especially on the international scene. It has consistently championed the principles of sustainable development and the protection of biodiversity since the launching of Agenda 21 at the 1992 Rio de Janeiro Earth Summit. Through the concerted efforts of coastal countries and Small Island Developing States (SIDS), including Seychelles, the role of oceans was finally acknowledged as crucial in planetary survival and human well-being at the RIO+20 Conference in 2012. Specific detailed actions aimed at the conservation and sustainable use of oceans and seas and of their resources were included in the conference outcome document 'The Future We Want'. This is now being further reinforced by Goal 14 of the proposed Sustainable Development Goals.

In the Seychelles context the Blue Economy refers to those economic activities that directly or indirectly take place in the ocean and coastal areas, use outputs from the ocean, and place 'goods and services' into ocean activities, as well as the contribution of those activities to economic growth, social, cultural and environmental wellbeing. It aims to transform economic development and human well-being through the judicious use of the resources that exist in the ocean. By conceptualizing the ocean as a development space where spatial planning integrates conservation, sustainable use, resource extraction, sustainable energy production and transport, the Blue Economy offers an alternative economic approach that is guided by environmental preservation principles. A number of related actions are already under way to effect the shift towards economic diversification and sustainable growth.

Key words: blue economy, sustainable development, oceans and seas, strategy, conservation.

Background

Valuing the ocean is a concept that is not new to Seychelles. Since the islands were inhabited almost 250 years ago, the growing population lived in close proximity to the sea and largely depended on the ocean for food, trade, travel and communication with the rest of the world. Over time the country has drawn considerable benefits from its ocean resources, with the development of fisheries, tourism, trade, international and domestic shipping to support trade. At the same time, it has established itself at the forefront of marine conservation in the region, the

government having consistently maintained that healthy oceans and seas are essential to a sustainable future for all, and not only for small island developing states. This point was reiterated by President James Michel in a recent meeting with the UN General Assembly President thus:

The government of Seychelles is pleased that the United Nations has accepted ocean development and the concept of the Blue Economy as part of its development goals. The Blue Economy does not only represent small islands states but all the coastal states of all continents, Kenya, Somalia, Mozambique, Tanzania and South Africa....It has a massive potential for Africa, for the continent, for the islands of the coastal states and together we can harness its potential in a sustainable way, so that we can develop our resources. (State House Newsroom, January 2015)

Indeed over the past few years the emerging concept of the Blue Economy has been embraced by many Small Island Developing States (SIDS) as a mechanism to realize sustainable growth based around an ocean economy. The term was first coined by SIDS and other coastal countries during the 2012 Rio +20 United Nations Conference on Sustainable Development, in recognition of the need to enhance marine-based economic development that brings about improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities (United Nations, 2013). At its core this concept implies the de-coupling of socio-economic development and environmental degradation.

Since then, the Blue Economy (also referred to as the ocean economy or blue growth) has become a key component of the new global dialogue about the role of seas and oceans in sustainable development. In particular the Open Working Group for Sustainable Development Goals has stipulated Proposed Goal 14 as follows: 'Conserve and sustainably use the oceans, seas and marine resources for sustainable development' (United Nations, July 2015, p18). Ten targets, focusing mainly on conservation and damage mitigation, point towards expected actions to be taken under this goal, including one specific to SIDS: 'by 2030 increase the economic benefits to SIDS and LDCs (Least Developed Countries) from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism' (United Nations, July 2015, Target 14.7).

Seychelles and the Blue Economy Concept

Like many other island nations, Seychelles has jurisdiction over a large area of ocean, claiming a vast Exclusive Economic Zone (EEZ) of 1.37 million square kilometres - the second largest in Africa. The government is therefore eager to realize the optimal potential of Seychelles' oceanic territory by applying the Blue Economy concept as the foundation for economic diversification and sustainable growth. But what is the 'Blue Economy' concept for Seychelles?

While there is as yet no universally accepted definition for the Blue Economy, for Seychelles the notion of the Blue Economy refers to **those economic activities that directly or indirectly take place in the ocean and coastal areas, use outputs from the ocean, and place 'goods and services' into ocean activities, and the contribution of those activities to economic growth, social, cultural and environmental wellbeing.**

The scope of the Blue Economy therefore includes:

1. Activities which explore and develop ocean resources
2. Activities which use ocean and coastal space
3. Activities which protect the coastal and ocean environment
4. Activities which use ocean products as a main input
5. Activities which provide goods and services to support ocean activities, and
6. Activities which develop mechanisms to ensure the benefits and equitable sharing of national wealth derived from the blue economy.

Central to this concept is an integrated approach to the sustainable use of the ocean, with clear commitments to ocean conservation and restoration, as illustrated by current policies and practices: over 50% of Seychelles terrestrial area is under protection and the Government has committed to increasing the marine protected areas to 30%, with 15% as "no-take" zones. Consequently the core principle encompassed within the Seychelles Blue Economy is the idea that all components must come together to support the ultimate goal of sustainable development for the Seychellois people and for future generations.

By conceptualizing the ocean as a development space where spatial planning integrates conservation, sustainable use, resource extraction, sustainable energy production and transport, the Blue Economy offers an alternative economic approach that is guided by environmental conservation principles. It challenges the status quo where oceans have been viewed as a means of free resources and an unlimited sink for the disposal of waste; it shifts the focus to where ocean values and services are included in economic modeling and decision-making, and where the benefits are shared more equitably among all Seychellois.

Overall Goals of the Seychelles Blue Economy

With respect to the Blue Economy, the Government's overarching goals are:

1. **Managing and protecting the coastal and marine environment in a sustainable and responsible manner** for present and future generations.
2. **The promotion of economic diversification** - to reduce vulnerability from reliance on a small number of existing sectors and to increase the percentage of GDP derived from coastal and marine sectors.
3. **Creation of high value jobs** – while unemployment levels in Seychelles are not high, the creation of higher value jobs is essential for a science-based approach.
4. **Ensuring food security**, through effective and sustainable utilization of marine resources.

The expected outcomes of the Blue Economy approach to sustainable development therefore include:

- Increased investment in existing ocean-based economic sectors (particularly tourism, fisheries and shipping) to realise greater monetary value from the existing resource base.
- The development of new economic sectors based on existing marine resources (for example marine-based aquaculture, offshore petroleum and marine biotechnology creating products and processes).

- Greater protection for Seychelles’ ocean spaces and resources through better coordination across different sectors, application of protective measures and greater use of surveillance and enforcement tools, and
- New research, innovation and generation of knowledge about Seychelles’ ocean space and management needs.

Translating new opportunities into productive sectors will require investment in research and development, building technical capacity and creating the right environment to attract and retain human capacities and outside investment. Furthermore, the Blue Economy is fundamentally about social inclusion. It is founded on the belief that real, tangible, effective results may only be achieved if an entire community is involved and works together. The ocean remains a space of equal opportunity for all.

Seven key thematic areas (or ‘enabling conditions’) have been identified as being vital for creating the conditions for growth, investment and conservation in Seychelles:

1. a healthy, resilient and productive coastal and marine environment
2. Effective and transparent ocean governance
3. Technology, research and innovation development
4. Business development, investment and finance
5. Effective maritime surveillance and enforcement
6. Research, education and capacity building (in particular with the Youth), and
7. Appropriate infrastructure.

If successfully implemented, a number of features should be prominent in Seychelles’ Blue Economy:

- Protection and recovery of coastal and ocean ecosystems and biodiversity would be prioritised;
- Existing ocean industries (e.g. fisheries, shipping and offshore petroleum exploration) would have upgraded their activities to ensure that their operations cause minimal environmental impact and meet the highest levels of sustainable practice;

- Integrated cross-sectoral spatial planning, including coastal zone management, would be in place for all sea uses at the national level;
- Optimisation of and sustaining revenues derived from fisheries and fisheries related products;
- Established and increasing sustainable use of bio-resources, including biotechnology (bio-prospecting, access and benefit sharing) and marine ecosystem services;
- Greater production and utilisation of renewable energy from the ocean would occur and renewable energy strategies would be engaged in development initiatives/activities;
- Disaster risk management practices and adaptation planning would be in place for rising sea levels and foreseeable climate change impacts;
- Surveillance of offshore waters would be strengthened through enhanced maritime domain awareness and existing laws would be robustly enforced;
- Branding Seychelles as a “blue” tourism destination would be used to promote the nations comparative advantage in this sector;
- Knowledge generation and collaboration will be facilitated to assist with capacity development and enhanced/informed/joint decision making.

Actions so far and a Way Forward

The Seychelles Government has played a leading role in promoting the Blue Economy concept nationally, regionally and internationally. It has consistently championed the principles of sustainable development and the protection of biodiversity since the launching of Agenda 21 at the 1992 Rio de Janeiro Earth Summit, through to the Barbados Programme of Action of 1994 (BPOA), the Johannesburg 2002 Plan of Implementation, the 2005 Mauritius Strategy, and more recently at the RIO+20 Conference on Sustainable Development. The outcome document of this conference, entitled “The Future We Want” (2012) includes in its ‘Framework for action and follow-up’ detailed actions related to ‘Oceans and Seas’ (United Nations, 2012, p27), emphasising in its introductory section the importance of the conservation and sustainable use of oceans and seas:

We stress the importance of the conservation and sustainable use of the oceans and seas and of their resources for sustainable development, including through the contributions to poverty eradication, sustained economic growth, food security, creation of sustainable livelihoods and decent work, while at the same time protecting biodiversity and the marine environment and addressing the impacts of climate change. We therefore commit to protect, and restore, the health, productivity and resilience of oceans and marine ecosystems, and to maintain their biodiversity, enabling their conservation and sustainable use for present and future generations, and to effectively apply an ecosystem approach and the precautionary approach in the management, in accordance with international law, of activities impacting on the marine environment, to deliver on all three dimensions of sustainable development (UN, 2012, p27)

This significant shift at Rio+20 in fully acknowledging the crucial role of oceans in planetary survival and human well-being, was largely due to the concerted efforts of Small Island Developing States (SIDS), including Seychelles, Indian Ocean Rim and other coastal countries (UN, 2014). Since then Seychelles has maintained its position as a leader in the promotion of the Blue Economy for the realisation of sustainable development.

At local and international levels the government has engaged in consultation and dialogue with stakeholders and development partners. A number of actions have been taken to spearhead the country's move towards embracing the Blue Economy paradigm, including the setting up of a Blue Economy Department within the Ministry of Finance, Trade and the Blue Economy. The highlights of such actions are outlined below.

The First Blue Economy Summit – January 19-20, 2014

The Government of Seychelles and the Government of the United Arab Emirates co-hosted the first 'Blue Economy Summit' during the Abu Dhabi Sustainability Week of January 2014, to explore ways in which the Blue Economy concept could be utilised as a tool to enable the transition of development models for island and coastal states towards sustainable development, building on the Rio+20 consensus.

The summit was attended by Heads of States and high level representatives of governments, as well as representatives of international organisations, including the Food and Agricultural Organisation (FAO), the United Nations Conference on Trade and Development (UNCTAD) and the President of the UN General Assembly.

Participants adopted the **Abu Dhabi Declaration** which presents the Blue Economy concept as one that emphasizes conservation and sustainable management of oceans, and complements the green economy. The blue economy approach also recognizes the productivity of healthy ocean ecosystems as a way of safeguarding sustainable ocean-based economies, while ensuring that SIDS and other coastal countries benefit from their marine resources.

The Declaration stresses the importance of an enhanced mechanism for governing the high seas and urges further development of an integrated ecosystems approach to maintain balanced, healthy and productive marine ecosystems, including valuing blue capital and considering blue carbon trading. The Declaration also expresses concern about threats to oceans, including acidification, habitat destruction, pollution and unsustainable exploitation. It recognizes that States should enhance management of ocean and seas to minimize and mitigate unsustainable exploitation of marine resources. It reaffirms the integral importance of co-operation, both national and international, including civil society organisations; and it urges states, international agencies and donors to develop means to support and facilitate the implementation of the Blue Economy in developing countries.

The Abu Dhabi Declaration also informed further debates on how island nations and ocean-linked communities move towards a more sustainable development trajectory, during the United Nation's Third International Conference on Small Island Developing States in September 2014, in Apia, Samoa.

UN Third International Conference on SIDS – September 1-4, 2014, Samoa

The theme of the conference was '*The Sustainable Development of SIDS through Genuine and Durable Partnerships*'. The conference was attended by twenty one Heads of States and governments, along with 3,500 delegates, including representatives of governments, civil society and the private sector. In addition to the main proceedings, a large number of side events took place on issues important to SIDS.

The Seychelles delegation led by President Michel, included representatives of government, the private sector, youth and civil society. Members participated in the plenary discussions as well as in the six multi-stakeholder Partnership Dialogues which were organised in parallel.

Each Dialogue focused on a specific theme, namely:

1. sustainable economic development
2. climate change and disaster risk management
3. social development, health and non-communicable diseases
4. youth and women; sustainable energy
5. oceans, seas and biodiversity
6. water and sanitation, food security and waste management.

Several members of the delegation also attended forums organised by major groups and other stakeholders.

The President and other delegates highlighted the challenges faced by SIDS, particularly the high costs of energy and transportation, climate change and susceptibility to natural disasters and vulnerability to external shocks. They also addressed debt restructuring, affordable financing for SIDS, promoting renewable energy and energy efficiency, and better representation of SIDS in international partnerships.

Delegates called for the need to reconsider the use of gross domestic product (GDP) as the sole measure of wealth – as pointed out by President Michel: ‘the globalisation of development measures wealth and forgets people, through indices such as GDP per capita.’ He also referred specifically to the Abu Dhabi Declaration, noting that participants at the summit had agreed on harnessing the resources of the oceans to accelerate their abilities to produce food and energy, whilst also diversifying their economies. He observed that this would require the development of substantial research capacity and technology transfer.

The Conference document titled ‘The Samoa Pathway’ devotes a section to Oceans and Seas, where it reaffirms the UN Convention on the Law of the Sea as the legal framework for the conservation and sustainable use of oceans and their resources; it strongly supports national, sub-regional and regional efforts on research and the implementation of strategies on coastal zone management and ecosystem-based management; it commits to addressing marine pollution, and calls for urgent action to protect coral reefs and other vulnerable marine ecosystems, including

through measures such as those identified in the Framework for Action 2013 of the International Coral Reef Initiative.

The Samoa Pathway also supports actions to develop the technological and research capacities of SIDS in marine science; monitor fishing vessels so as to eliminate illegal, unreported and unregulated (IUU) fishing; promote the sustainable development of small-scale fisheries; strengthen disciplines on subsidies in the fisheries sector, including the prohibition of subsidies that contribute to over-capacity and overfishing; and promote the conservation, sustainable use and management of straddling and highly migratory fish stocks (International Institute for Sustainable Development (IISD), 2014).

As part of the preparation for the Samoa SIDS conference Seychelles also hosted the Atlantic, Indian Ocean, Mediterranean and South China Seas (AIMS) Regional Preparatory Meeting, which took place on 17, 18 and 19 July 2013. The outcome document of the meeting called for a paradigm shift in the approach to SIDS' sustainable development, and it highlighted as priority areas: the blue economy; financing mechanisms and trade instruments; regional collaboration and institutional arrangements; and partnerships (IISD, 2014).

National Stakeholders Consultation Forum on the Blue Economy – December 9-10, 2014

The National Stakeholders Consultation Forum was a first step in obtaining the input of local stakeholders involved in oceans and sea-based activities, with a view to building an inclusive process for the integration of the blue economy concept into existing policies and strategic frameworks. It provided a platform for open consultation on the Blue Economy and debate on emerging issues to be addressed. Participants came from a wide range of public and private organizations and agencies, non-government organisations and Government Ministries, and they numbered around two hundred. Representatives of the Commonwealth Secretariat's advisory team assisting with the Blue Economy project also participated actively.

The main objectives of the dialogue were to:

- a) Sensitize the various international and national stakeholders on the ongoing and forthcoming work being done in various sectors, and infrastructure development involved in the Blue Economy,
- b) Obtain their feedback and input on how to further develop these sectors,
- c) Present opportunities and modalities for investment in the Blue Economy.

The expected outcomes were for all sectors to get a better understanding of existing and emerging opportunities and to contribute to the elaboration and implementation of the Blue Economy concept, and to obtain renewed political support for the development of the Blue Economy strategy.

The major themes covered included the oceans' living and non-living resources from the marine environment, the sustainable use of living resources, necessary infrastructural development and services for a blue economy, investment opportunities in the blue economy, marine mineral resources and energy, and maritime security and challenges.

A number of pertinent issues emerged from the deliberations of the Forum, the main ones being:

- the importance of knowing what constitutes our marine ecosystems so that we may better use and protect them;
- the need to work out an operational definition of what is meant by the Blue Economy concept for Seychelles
- Identifying the sources of and the development of a framework for sourcing and using funds judiciously;
- The importance of exploring opportunities for maximising the value of existing products;
- The primary importance of developing human technical and professional capacities in the maritime and related fields so that more Seychellois may benefit from the opportunities presented by the blue economy;
- Adopting an inclusive approach that provides the necessary support and enabling environment for Seychellois entrepreneurs and professionals to have the space to participate in the development of the blue economy;

- The importance of continued consultation and involvement of Seychellois entrepreneurs and professionals as well as local communities in the Blue Economy strategic development and implementation processes;
- The need for a strong governance mechanism that acts as the driving force for the BE from the centre of government, backed by adequate funding.

Further stakeholder dialogues on the Blue Economy are expected to take place over the course of 2015 through other consultative meetings at different levels in the community.

Establishment of the Blue Economy Department

A Government restructuring at the start of 2015 saw the establishment of a new Blue Economy Department within the Ministry of Finance and Trade – now renamed the Ministry of Finance, Trade and the Blue Economy. The main role of the Department is to provide a high level focal point that will ensure a more effective co-ordination of oceans and marine related initiatives. It should help Seychelles in promoting the sustainable use and conservation of its vast ocean territory, through complementing and better co-ordinating the work being done by other departments and agencies (Ministry of Finance, Trade and the Blue Economy, 2015).

The Blue Economy Department is already undertaking a number of projects and other initiatives, many of them linked to the development of a strategy for mainstreaming the Blue Economy into existing and future planning and development frameworks. With the assistance of the Commonwealth Secretariat’s Oceans and Natural Resources Advisory Division, the Department is working on a Roadmap for the Blue Economy.

While acknowledging that the protection and sustainable use of Seychelles’ extensive marine resources is already reflected in all of the country’s national strategies and plans, (including Strategy 2017, the Seychelles Sustainable Development Strategy 2011-2020 (SSDS), the Seychelles medium term National Development Strategy and the Seychelles Strategic Plan 2017-2040), the Department is working with the Ministry of Environment, Energy and Climate Change and other partners to explore the most effective ways of streamlining the planned activities and co-ordinating the related implementation mechanisms to ensure the optimisation of all outputs. In particular it is looking at ways of enhancing the country’s knowledge generation and research capacities through knowledge sharing and technology transfers.

As part of the process of ascertaining the resources of the oceans and ensuring their protection, a full marine spatial plan of Seychelles' Exclusive Economic Zone (EEZ) is nearing completion. Such an exercise should provide innovative ways to help the country better manage its oceanic and coastal assets. It is also linked to the financial mechanism known as the 'debt-for-adaptation swap' where a commitment to protect 30% of the EEZ will enable the Government to buy back almost \$30 million of the national debt with the Paris Club of creditors.

The Department is taking a leading role in a number of local and international ocean-related activities, including the organization of an investment forum in the margins of 'Le Festival de la Mer' being organised in Seychelles in December 2015; the setting up of a Blue Economy Think Tank and further stakeholder consultations, to enhance participation and enrich the ongoing dialogue on the Blue Economy.

The government will continue to call for strong global action in the Post-2015 Development Agenda, especially with regard to Goal 14 (which is dedicated to oceans, seas and marine resources) and at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) in December 2015 in Paris. Seychelles will also be co-hosting the Second Blue Economy Summit in Abu Dhabi together with the Government of the United Arab Emirates, in January 2016.

Conclusion

Ultimately the Seychelles Blue Economy concept aims to transform economic development and human well-being through the judicious use of the resources that exist in the ocean. This implies the need for wisdom and careful management of one of the world's essential global resources. In the words of the Minister of Finance, Trade and the Blue Economy, Mr Jean-Paul Adam, on the occasion of the 2015 World Oceans Day on 8th June:

We must never forget our oceans are a source of life, and we must ensure we empower our future generations to access its potential to the fullest. Each and every one of us can help change perspectives and encourage others to think about what the oceans mean to us and what they have to offer us all. We need to learn and discover the wealth of diverse and beautiful ocean creatures and habitats, and how our daily actions affect them. ...we are all linked to, and through, the ocean. Let us encourage our whole community to become caretakers of our ocean. By making small

modifications to our daily habits, by involving our families and friends, we will all greatly benefit.

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