

What is a Blue Economy?

THE RIPPLE EFFECT

Backgrounder
Grades 9 - 12



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More than two-thirds of the world's surface is covered by oceans and seas. By offering jobs, food, minerals and international trade routes, oceans play an important role in alleviating poverty and many communities around the world depend on oceans for survival (Lu, et al., 2019).

Keeping our oceans healthy ensures protection of the diverse ecosystems and other resources provided by oceans, which are instrumental for the overall survival of humanity. Climate change has impacted all aspects of the natural world, including the severe adverse impacts on the oceans. The rising earth temperature as a result of global warming is causing disproportionate impacts on the oceans - causing "changes in water temperature, ocean acidification and deoxygenation, leading to changes in oceanic circulation and chemistry, rising sea levels, increased storm intensity, as well as changes in the diversity and abundance of marine species" (International Union for Conservation of Nature, 2017).

As a result of climate change and the challenges that come along with it, economists, policy experts, world leaders, and youth change makers have all been exploring sustainable solutions to development. With the constant need for development to keep up with increasing world populations, the need to explore sustainable solutions to development is immediate.

Blue economy (figure 1) is a viable solution to manage ocean resources more sustainably as it ensures using ocean resources sustainably for economic growth, while protecting ocean ecosystem health (The World Bank, 2017). A blue economy differs from traditional economic models given its inherent goal of protecting the oceans that is embedded within its framework. A blue economy is much like a policy framework that allows jurisdictions to develop economies in a sustainable manner - one that ensures the well-being of oceans and coastal areas. The primary functions of a blue economic model are "to recognize ocean's value to human society and to facilitate an economic system that promotes better stewardship of the ocean and its resources for all humanity" (Sustainable Islands Platform, 2019).

Figure 1: What is a Blue Economy?



Source: (The World Bank, 2017).

The term “blue resources” is often used to refer to the resources provided to us by oceans. Although there are many resources provided by oceans, a few include maritime transportation, fisheries, coastal tourism, and renewable energy sources such as tidal energy. A blue economic model recognizes the value of these blue resources to humanity and the role they play in global economic development (Sustainable Islands Platform, 2019).

Although ocean resources or blue resources generate economic value when harnessed, it is also important to acknowledge that there are many other benefits provided by oceans where we cannot easily attribute a monetary value. For example the role oceans play in regulating earth’s temperature – did you know that the plankton, small marine organisms drifting throughout the oceans carried by tides and currents (National Ocean Service, 2021), absorb roughly one-third of the carbon dioxide that is emitted globally? (Sustainable Islands Platform, 2019). A blue economy acknowledges and considers in its framework all the benefits provided by oceans, regardless of whether we readily able to identify the economic benefit or not.

Examples of a Blue Economy

Many countries around the world have policies in place to support economic development of ocean resources. More recently the terms “blue economy” or “blue GDP” have been used as a policy tool to drive sustainable development of ocean-resources. In 2012, the European Union coined the term “blue growth” to describe their plans for a blue economy. Similarly, Australia launched a “Blue Well-being Initiative” to support sustainable industrial development and growth of ocean-based resources (Wenhai L, et al., 2019).

More recently, in 2021 the European Union introduced its Sustainable Blue Economy, which is a part of its Green Deal and Recovery Plan in an effort to stabilize the region after the COVID-19 pandemic. This Blue Economy includes sustainable development of all industries and sectors that are related to oceans, seas and coasts. Below is an excerpt of a policy brief released by the European Commission’s Directorate-General Maritime Affairs and Fisheries that summarizes the objectives of EU’s Sustainable Blue Economy plan: “How can the blue economy contribute to the European Green Deal objectives?”

- Decarbonization: the blue economy contributes to climate change mitigation by developing offshore renewable energy, decarbonizing maritime transport and greening ports
- Circular economy: it will make the economy more circular by renewing the standards for fishing gear design, for ship recycling and for the decommissioning of offshore platforms
- Biodiversity: developing green infrastructure in coastal areas will help preserve biodiversity and landscapes, while benefiting tourism and the coastal economy
- Climate adaptation: Adaptation activities, such as developing green infrastructure in coastal areas and protecting coastlines from the risk of erosion and flooding will help preserve biodiversity and landscapes, while benefiting tourism and the coastal economy.

- Sustainable Food: Sustainable food requires responsible fishing to bring stocks to sustainable levels, sustainable aquaculture and new sources of food and feed, for instance from algae production. New marketing standards will give consumers a transparent choice of sustainable seafood. E.g Proteins from sustainable aquaculture and algae have a much smaller carbon footprint than land-based animal proteins” (European Commission, 2019).

Click on [this link](#) to the brief to read more about EU’s Sustainable Blue Economy.

Additional Examples of Blue Economies:

- [Australia’s blue economy set to boost coronavirus recovery](#)
- [Kenya’s Mikoko Pamoja Project - a mangrove restoration project based on a blue economic model](#)
- [Seaweed farming in British Columbia](#)

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