FICCI
Federation of Indian Chambers of Commerce and Industry

BLUE ECONOMY

Global Best Practices and Opportunities for Indian Industry



Business Report

August 2020

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What is Blue Economy?

Blue Economy encompasses a wide range of economic activities pertaining to sustainable development of resources and assets in the oceans, related rivers, water bodies and coastal regions – in a manner that ensures equity, inclusion, innovation and modern technology.



The paradigm of Blue Economy, which is a multi-dimensional concept, has a direct bearing on the contemporary discourse concerning geo-economics and the imperative to increase productivity of oceanic and other water resources, Sustainable Development Goals, and the challenge of ensuring maritime security against traditional and non-traditional threats.

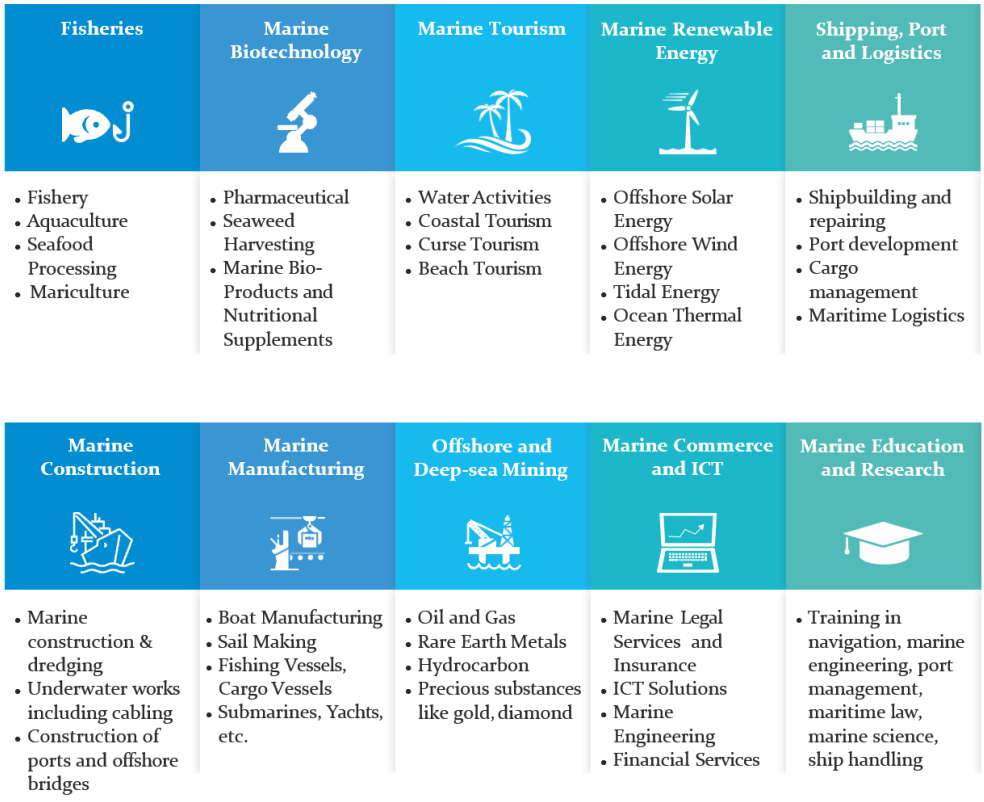


The concept of Blue Economy has opened up a new horizon for economic development of countries through the use of ocean and marine resources, both at the national and international level.

In the popular perception, the ocean/marine economy has been equated with the fishing sector, but the coverage of Blue Economy is well beyond fisheries. It encompasses the entire economy of a littoral country, covering all economic activities including agriculture, mining, construction, manufacturing and services sector.

Development of Blue Economy depends on the evolution of the established and emerging sectors and ocean-based industries and activities. Broadly, established ocean activities include fisheries, shipping, port and maritime logistics, marine costal tourism and leisure, conventional minerals exploration and production, and marine construction activities.

Emerging sectors encompass renewable ocean energy including offshore wind, tidal and wave energy; offshore extraction of oil and gas in deep-sea and other extreme locations; seabed mining for metals and minerals; marine aquaculture; marine biotechnology; ocean monitoring, control and surveillance and education and research. Emerging sectors are characterized by the use of cutting-edge science and technology in their operations.



India's Vision for
Blue Economy

India has a long coastline of 7,500 km (including island territories) and its engagement with Blue Economy has been a foremost foreign policy priority. As a developing nation, increasingly conscious of its oceanic destiny, dimensions and economic potential, India has been especially interested in shaping and leading the international discourse and policy-making on the Blue Economy. The Indian Government stands committed to promoting the Blue Economy.



"To me the Blue chakra or the wheel in India's National Flag represents the potential of Blue Revolution or the Ocean Economy. That is how central the ocean economy is to us."

Shri Narendra Modi,
Prime Minister of India
(Mauritius, March 12, 2015)

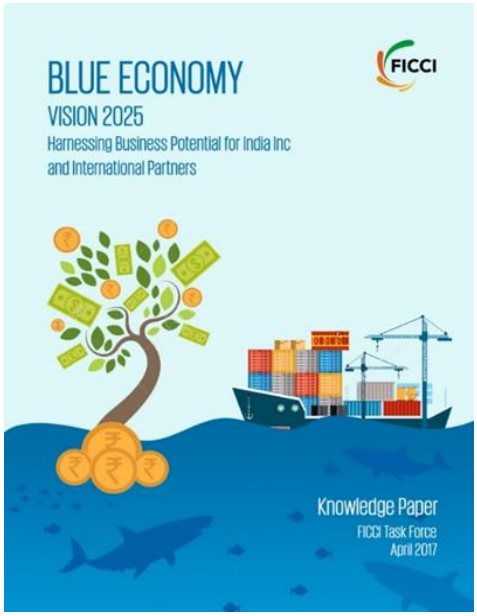
"We must focus upon developing our maritime resources and Blue Economy. We should empower our fishermen community. Our country will have to boost its export. Let us make every effort to reach the global market."

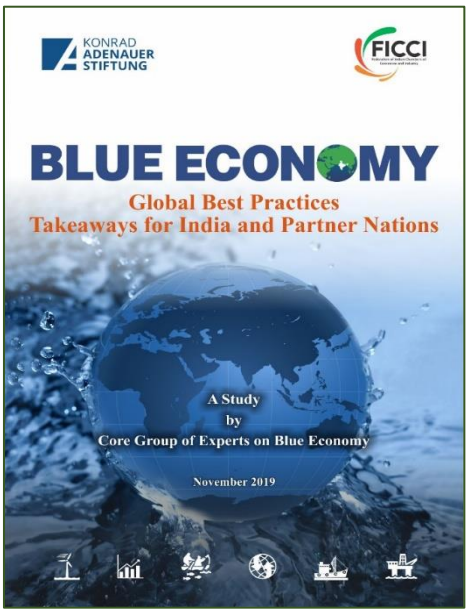
Shri Narendra Modi,
Prime Minister of India
(Independence Day Speech,
August 15 , 2019)

FICCI's Role in Blue Economy



The Federation of Indian Chambers of Commerce and Industry (FICCI), India's national industry association, constituted a Taskforce, comprising eminent academicians and experts on Blue Economy in 2016. The first Knowledge Paper entitled "Blue Economy: Vision 2025 – Harnessing Business Potential for India Inc and International Partners," was published in April 2017, as a result of extensive study and research on Blue Economy[1]y.





[1] http://www.ficci.in/desk-study-page.asp?spid=20896&deskid=54535

FICCI in 2018-2019, institutionalised partnership with Konrad Adenauer Stiftung (KAS) to identify global best practices and to highlight connect with India's coastal states, in the second report titled "Blue Economy: Global Best Practices, Takeaways for India and Partner Nations". This FICCI-KAS study identifies the business opportunities available in Blue Economy in order to enhance interaction between mature and emerging sectors. This study further highlights the takeaways for Indian industry as well as instances for public-private partnerships[2].



FICCI Recommendations Repository on Blue Economy

Blue Economy Vision 2025 - Harnessing Business Potential for India Inc and International Partners

The study highlights the need for a balanced approach, combining imperatives for growth and sustainability the value of Public-Private Partnership and deploying technology for optimal development of Blue Economic opportunities for India Inc. and its international partners. For this study, FICCI conducted stakeholder consultations in 3 coastal states-West Bengal, Maharashtra, and Tamil Nadu.

[2] http://www.ficci.in/desk-study-page.asp?spid=23166&deskid=54530

Select Global Best Practices

Country/Organisation	Best Practices
The World Bank	WBG has embedded its development agenda in three basic goals of green (sustainable harnessing of global natural resources), clean (addresses cause of pollution and contamination) and resilient world (global societies' response to climate change).
Organisation for Economic Co-operation and Development (OECD)	It promotes ocean economy through science, technology, R&D, manufacturing, infrastructural design, consultation and decision-making processes and institutional co-operation.
Indian Ocean Rim Association (IORA)	It has identified 8 priority areas of cooperation: Fisheries and Aquaculture, Renewable Ocean Energy, Sea, Ports and Shipping, Seabed Exploration and Minerals, Marine Biotechnology, Research and Development, Tourism, Ocean Knowledge Clusters and SIDS and LDCs.
United States of America	The US has set up the National Ocean Economics Program (NOEP) which measures key economic indicators of the coastal and the ocean economy.
Norway	Norway invests in ocean research, education, and strengthened collaboration across industries, which is noteworthy.
European Union	The European Union (EU) has the 'Blue Growth' strategy, which has five sectors - aquaculture, coastal tourism, marine biotechnology, ocean energy and seabed mining - as having high potential for sustainable growth and job creation. These can be harnessed through marine knowledge, marine spatial planning and integrated maritime surveillance. The EU's Blue Economy is estimated to have an annual output of about € 500 billion and accounts for nearly 5.4 million jobs.

Country/Organisation	Best Practices
Association of Southeast Asian Nations (ASEAN)	ASEAN has many dimensions of cooperation under the Blue Economy: maritime connectivity, renewable energy, maritime resources conservation and coastal management, focusing on the application of the assessment model based on Economic, Environmental and Society's Sustainability. In ASEAN's growth strategy, the concept of Blue Economy is gaining importance as alternative models of sustainable development that puts the oceans and the maritime at its centre.
Portugal	Portugal has a sea-based economy, worth nearly Euro 5 billion, which comprises of fishing, sea tourism and the ports industry and maritime services. The coastal tourism has grown significantly and contributes nearly 75 % of all jobs in the Blue Economy and 78% of all profits. In Portugal, ocean economy represents around 3.1% of Gross Value Added and 3.6% of employment of the whole Portuguese economy which employs about 60,000 entities.
Germany	The German Government announced the 'Maritime Agenda 2025', which identifies nine 'fields of action' within the national industrial policy. Germany also has regulations for Maritime Spatial Planning of the territorial waters and the Exclusive Economic Zone as well as Spatial Plans for the EEZ.
China	China has the Five-Year Development Plan for National Marine Economy; comprehensive marine administration systems and sophisticated accounting system for the Blue Economy.
Australia	In Australia, the major ocean industries are: Fisheries and Seafood; Refining of Petroleum from Offshore sources; Shipbuilding; Shipping; Marine Tourism. Australia has the third largest Exclusive Economic Zone (EEZ). It has been focusing on innovation and sustainable offshore industries through research programs relating to offshore engineering and technology, seafood and marine, offshore renewable energy system, environment and ecosystems, and sustainable offshore development.

The Federation of Indian Chambers of Commerce and Industry (FICCI)

Established in 1927, FICCI is the largest and oldest apex business organization in India. Its history is closely interwoven with India's struggle for independence, its industrialization, and its emergence as one of the most rapidly growing global economies.

A non-government, not-for-profit organization, FICCI is the voice of India's business and industry. From influencing policy to encouraging debate, engaging with policy makers and civil society, FICCI articulates the views and concerns of industry. It serves its members from the Indian private and public corporate sectors and multinational companies, drawing its strength from diverse regional chambers of commerce and industry across states, reaching out to over 2,50,000 companies.

FICCI provides a platform for networking and consensus building within and across sectors and is the first port of call for Indian industry, policy makers and the international business community.

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