

NIGERIA's BLUE ECONOMY: ECONOMIC AND ENVIRONMENTAL SUSTAINABILITY

By

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Abstract

Our marine environment is vital to our survival as it is fragile. Its protection and preservation cannot be overemphasized. The exploration of the marine environment is key to the existence of the global economy which is why its sustainable usage is important. This is what blue economy entails. Every coastal country has blue economy potentials and Nigeria is one of them. This paper therefore discussed doctrinally, Nigeria's blue economy potentials, the challenges and prospects around an economic and environmentally sustainable blue economy for Nigeria. Although the potentials were revealed, it was also revealed that the blue economy sector is faced with serious challenges such as the lack of adequate funding, working policy framework, among others., that need to be tackled urgently. Recommendations were provided to that effect, primarily focusing on political will, creating and implementing a working blue economy framework, implementing existing legal and institutional framework, enhancing marine environmental protection and managing the countries resources among others in order to fully enjoy the benefits that lie therein.

1.0 Introduction

The Earth is 75 percent covered with water according to scientists and according to the United Nations, our oceans are vital to human existence and life on earth.¹ Global life, tourism, food, energy and others are significantly supported by oceans and marine existence. This underscores how crucial it is to protect it while harnessing its resources for development or growth of the economy and is thus what blue economy entails. The UN Sustainable Development Goal (SDG) 14 gives a concise understanding of what it means.² The Goal is about conserving and sustainably using the oceans, seas and marine resources. It accordingly comprises a lot of aspects which include shipping, fisheries and aquaculture, marine tourism and renewable energy, among others.

Globally, the blue economy is valued at \$2.5 trillion yearly,³ supporting millions of jobs and livelihood.⁴ These figures indicate the fundamental role the blue economy plays in global trade and commerce. Various coastal countries are beginning to see the need to invest in the blue economy especially in the area of job creation and food security⁵ and Nigeria is not left out.

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¹ UN, Sustainable Development Goals, Goal 14: Conserve and sustainably use the oceans, seas and marine resources. <<https://www.un.org/sustainabledevelopment/oceans>> Accessed 22 November 2024

² Ibid.

³ United Nations Environmental Programme, 'Sustainable Blue Economy'. <<https://www.unep.org/topics/ocean-seas-and-coasts/ecosystem-based-approaches/sustainable-blue-economy#>> Accessed 22 November 2024

⁴ Ibid.

⁵ World Bank, 'Blue Food and Blue Jobs are transforming livelihoods', (World Bank 14 November 2024) <<https://www.worldbank.org/en/news/feature/2024/11/14/blue-food-and-blue-jobs-are-transforming-livelihoods>> Accessed 22 November 2024

Nigeria has a lot of maritime potential which shall be seen more in this paper. An extensive coastline, with numerous resources embedded gives the nation an advantage in what one may call an easy access towards a thriving blue economy. In order to fully harness Nigeria's marine potentials while protecting the marine environment which is what Sustainable Blue Economy is all about, President Bola Ahmed Tinubu's administration established the Federal Ministry of Marine and Blue Economy to tap into the opportunities in the blue economy. Although still in its infant stages, this ministry was created in line with global environmental goals to bring about the sustainable utilization of ocean resources to achieve economic growth, bringing about improved livelihoods, job creation while preserving the life of marine and coastal ecosystems.⁶ President Bola Tinubu created the Ministry to harness the potential of the ocean economy, promote sustainable use of marine resources for economic growth and tap into the opportunities in the blue economy valued at \$1.5 trillion yearly.⁷

The sector's potential, encompassing diverse components such as maritime transport and logistics, offshore renewable energy, fishing, aquaculture, marine tourism and recreation, seabed mining, coastal development and construction, ocean-based manufacturing and processing as well as marine biotechnology, have been stymied by the lack of a structured approach. Other potentials include; coastal protection, waste disposal, port transport and related services, shipbuilding and ship repairs, deep sea mining, coastal protection and development, among others.⁸

It is thus clear that Nigeria's blue economy holds enormous potentials. Challenges such as lack of a defined national blue economy policy, among others, however, hinder the nation from tapping into these potentials and this research seeks to identify what those challenges are with a view to providing solutions which if applied will contribute immensely towards making economic and environmental sustainability of Nigeria's blue economy a reality.

2.0 Definition of Concepts

a. Blue Economy

The UN recognizes blue economy as "a strategy towards supporting economic growth that is sustainable through oceans-related sectors and activities, while improving human well-being and social equity and preserving the environment."⁹ According to the United Nations Economic Commission for Africa, blue

⁶ John Osadolor, "Explainer: Blue economy and what it means for Nigerians", August, 2023. Available at: <https://www.businessday.ng/features/article/explainer-blue-economy-and-what-it-means-for-nigerians/>. Accessed 23 November 2024.

⁷ Tom Okunomo, 'Nigeria's Blue Economy prospects, opportunities and challenges' (Punch Newspapers 20th October 2023) <<https://punchng.com/nigerias-blue-economy-prospects-opportunities-and-challenges/>> Accessed 23 November 2024

⁸ Khadijah O. Yusuff and Elizabeth O. Ibidapo-Obe, 'Blue Economy in Nigeria: Focus Areas, Potentials and Challenges' (2024) 5 (1) *International Journal of Women in Technical Education and Employment* 161-169, 161-162. <<https://fpiwitedjournal.federalpolyilaro.edu.ng/administrator/docs/6429748.pdf>> Accessed 23 November 2024

⁹ United Nations, 'Exploring the Potential of the Blue Economy'. <<https://www.un.org/en/desa/exploring-potential-blue-economy#>> Accessed 23 November 2024

economy describes the sustainable use and conservation of aquatic resources in both marine and freshwater environments.¹⁰

b. Environmental Sustainability

Environmental sustainability is a concept which entails “the meeting of services and resources of present and future generations without affecting the health of the ecosystems that provide them.”¹¹ It is further defined as “a condition of balance, resilience, and interconnectedness that allows human society to satisfy its needs while neither exceeding the capacity of its supporting ecosystems to continue to regenerate the services necessary to meet those needs nor by our actions diminishing biological diversity.”¹² Environmental sustainability seeks to sustain global life-support systems in-definitely.¹³

c. Economic Sustainability

Economic sustainability is connected to environmental sustainability as it seeks to preserve natural resources important for the growth of the economy to create long-term economic development without endangering where these resources emanate from. Economic sustainability focuses on that portion of the natural resource base that provides physical inputs, both renewable (e.g. forests) and exhaustible (e.g. minerals), into the production process.¹⁴ Economic sustainability can therefore be understood as facilitating economic development without damaging or depleting natural resources.¹⁵ It creates a balance between environmental responsibility and economic growth.

3.0 Existing Legal and Institutional Framework On Nigeria’s Blue Economy

Nigeria’s blue economy is its maritime economy. Laws and regulations exist that govern Nigeria’s maritime sector and as related and by extension, its blue economy. Institutions saddled with the responsibility of implementing these laws exist. These laws and institutions are discussed below:

a. Legal Framework

Laws primarily relevant to Nigeria’s blue economy includes the nation’s 1999 Constitution (as amended), the Merchant Shipping Act 2007 and Regulations enacted thereunder, the Nigerian Maritime Administration and Safety Agency Act 2007, the Coastal and Inland Shipping (Cabotage) Act 2003 and the Nigerian Ports Authority Act 1999. These laws provide for the administration of Nigeria’s maritime sector and aspects such as domestic and international shipping, shipping activities and all the inner workings of the sector thereof and the management, conservation and protection marine resources and marine ecosystems from destruction and pollution.

¹⁰ <<https://unece.org/eastern-africa/blue-economy#>> Accessed 23 November 2024

¹¹ <<https://www.sciencedirect.com/topics/agricultural-and-biological-sciences/environmental-sustainability#definition>> Accessed 23 November 2024

¹² John Morelli, ‘Environmental Sustainability: A Definition for Environmental Professionals’, (2011) 1 (1) *Journal of Environmental Sustainability* 1-9 5

¹³ Robert Goodland, ‘The Concept of Environmental Sustainability (1995) 26 *Annual Review of Ecology and Systematics* 1-24, 6.

¹⁴ Ibid

¹⁵ Bruce Rowse, ‘What Is Economic Sustainability?’ <<https://sustainabilityeducationacademy.com/economic-sustainability-defined>> Accessed 23 November 2024

b. Institutional Framework

Institutions (MDAs) exist that are responsible for the control and management of the sector. The primary regulatory institution is the Ministry of Marine and Blue Economy which was recently created as this paper earlier noted. It exists under the Federal Ministry of Transportation which is the Ministry that oversees all transportation sectors in the country and is therefore not only limited to the marine sector.

Other important maritime agencies that exist are established under the aforementioned framework with duties and responsibilities which boil down to running the maritime sector optimally and protecting marine resources and marine ecosystems from destruction and pollution. These institutions include the Nigerian Maritime Administration and Safety Agency (NIMASA) established under the NIMASA Act 2007¹⁶ and the Nigerian Ports Authority (NPA) established under the NPA Act 2003.¹⁷

4.0 Economic and Environmental Sustainability of Nigeria's Blue Economy

The Blue economy, both globally and in Nigeria, seeks to facilitate economic growth and the improvement of livelihoods while at the same time ensuring environmental sustainability of the oceans and coastal areas.¹⁸ This paper has revealed that Nigeria's blue economy has the potential to drive economic growth, reduce poverty, and promote sustainable development. The blue economy encompasses the sustainable use of ocean resources for economic growth, including fisheries, tourism, and renewable energy.

A. Economic Sustainability of Nigeria's Blue Economy:

Nigeria's blue/marine economy has the potential to contribute immensely to the country's domestic and international economic outlook, create lots jobs, improve livelihood and standards of living especially of indigenes in the coastal regions thereby stimulating not only economic growth but national development. The maritime industry, already currently generates revenue for the nation through economic activities such as shipping/marine transportation/trade,¹⁹ offshore oil and gas explorations and port operations.²⁰ Additionally, the blue economy can help reduce poverty by providing livelihood opportunities for coastal communities. Food security can also end hunger.

Particular areas of economic importance to Nigeria in the maritime sector currently includes shipping, offshore oil and gas resources and fisheries. Nigeria's coastline extends about 853km giving the country a large offshore advantage. The country has an Exclusive Economic Zone (EEZ) of 200NM²¹ and its Continental Shelf (CS) extends beyond 200NM to about 220NM.²² These give Nigeria a huge maritime

¹⁶ Section 3 NIMASA Act 2007

¹⁷ Section 1 NPA Act 2003

¹⁸ World Bank and United Nations Department of Economic and Social Affairs, 'The Potential of the Blue Economy: Increasing Long-Term Benefits of the Sustainable Use of Marine Resources for Small Island Developing States and Coastal Least Developed Countries' 2017, vi

¹⁹ Buhari Chima Momoh, 'An Analysis of Nigerian Seaborne Trade (Dry Bulk) and the Demand for Transport', *International Affairs and Global Strategy*, Vol. 15, 2013

²⁰ Adaku Onyenucheya, 'Delayed Policy Implementation and Future of Nigeria's Blue Economy' (Guardian Newspapers 13 November 2024) <<https://guardian.ng/business-services/maritime/delayed-policy-implementation-and-future-of-nigerias-blue-economy>> Accessed 24th November 2024

²¹ <<https://www.marineregions.org/gazetteer.php?p=details&id=8474>> Accessed 23 November 2024

²² Amaka Anagor-Ewuzie, 'Nigeria's Continental Shelf Expansion by UN grants access to Underwater Wealth' (Business Day Newspapers 19th December 2023)

advantage. The Niger Delta region of the country which is bothered by the coastline to the South, creeks, mangroves and rain forests to the hinterlands are rich in oil and gas resources and is home to varieties of marine life which feed the region and the nation as a whole. With all these potentials, it is quite surprising that the nation is not benefitting optimally from the wealth that lies therein even though significant benefits of these resources are noted.

Since economic sustainability of the blue economy is geared towards conserving natural resources important for the growth of the economy to create long-term economic development without endangering where these resources emanate from, it is clear the Nigeria needs to do a lot more in securing its resources if it wants them to continue being of benefit to the nation economically. It is no secret that Nigeria's maritime natural resources which are essential to the nations economy especially oil and gas are not being harnessed as expected to due sabotages, oil theft and other vices thereby shortening the country's economic prospects.²³ Its maritime environment and regions are not entirely safe to do business contributing to the low oil and gas yield which in turn affects energy outputs that once again affect the economy.

Maritime tourism, which is another aspect of the blue economy, is also not explored as should be and maritime shipping in Nigeria is not without its challenges²⁴ notwithstanding the past administration's strides in improving the shipping sector. It cannot therefore be overemphasized that Nigeria's performance regarding the blue/marine economy sector is quite underwhelming.

B. Environmental Sustainability of Nigeria's Blue Economy:

Nigeria's inland and coastal maritime environment is home to lots of plant and animal species. But this marine environment is very susceptible to environmental damage. As was earlier defined, environmental sustainability, not just of the blue economy but generally entails balance. In other words, while human activities persist, the environment must be protected. Harnessing the blue economy means that the marine environment will not be exploited for economic gain in a manner that negatively effects, endangers, pollutes or destroys it. Current realities unfortunately seem to differ from this concept. The negative effects the exploration of resources especially in the Niger Delta region has caused to the marine environment and adjacent onshore environment leading to extensive pollution and destroying the livelihood of indigenous communities and villages is extensive.²⁵

Beyond pollution, another issue that threatens the survival of the marine ecosystem in a bid to develop is urban expansion. Urban expansion into marine regions and coastal areas threaten the marine environment especially marine wildlife, gives rise to invasive species and where there is urban expansion without strict planning, the marine environment can be at risk from waste pollution as is the case in coastal cities in

²³ Ime Ben and Jim Baird 'A Review of the Nigeria Petroleum and the Insight in Oil Pollution Management: Sustainability Appraisal' (2021) 3 (12) *International Journal of Innovation Scientific Research and Review* 2141-2147.

²⁴ Chidi Lloyd, et al., 'Maritime Transportation and the Nigerian Economy: Matters Arising', (2020) *Commonwealth Law Bulletin* 1-21, 6-11 <<https://doi.org/10.1080/03050718.2019.1708426>> Accessed 23 November 2024

²⁵ Etuk Etiese Akpan, 'Environmental Consequences of Oil Spills on Marine Habitats and the Mitigating Measures-The Niger Delta Perspective' (2022) 10 *Journal of Geoscience and Environment Protection* 191-203, 191-192. <<https://doi.org/10.4236/gep.2022.106012>> Accessed 23 November 2024

Nigeria such as Lagos and Port Harcourt.²⁶ In this regard, environmental sustainability of Nigeria's blue economy requires that the marine environment is taken into due consideration in the planning and execution of infrastructural/urban development. Fishing practices, especially of protected species which are not in line with prescribed regulatory framework are also something the government must look and take action to curb because over fishing, illegal fishing or hunting of protected wildlife can be dangerous to the marine ecosystem.²⁷ Sustainable practices in order to protect marine plant and animal life and the secure the natural order of the ecosystem is essential and need to be put in place if environmental sustainability must be achieved.

In all, through the application of practices such as responsible fishing, eco-tourism, renewable energy usage, sustainable urban planning and waste management, as well as sustainable resource exploitation, environmental sustainability can be achieved.

5.0 Challenges

Nigeria's blue economy goals are ambitious but challenges exist which can hinder the nation from achieving these goals set.

a. Lack of a working Blue Economy Policy

Perhaps one of the most disappointing realities of the Nigerian blue economy sector is the lack of a working blue economy policy.²⁸ It has been over a year now since the Ministry of Blue Economy was created and although there are goals on paper and in principle, the delayed reveal of an actual working policy for the ministry and the sector is a serious challenge that will impede the achievement of an economically and environmentally sustainable blue economy for the country.

b. Limited Funding

Limited funding is a serious challenge that the Ministry of Blue Economy is faced with currently. The exploration of this sector requires adequate funding but it appears the Ministry is not getting it. It was reported that only about N19 billion was allocated to the Ministry in the 2024 Appropriation Act which is low when compared to the N80.7 billion allocated to the Transportation Ministry.²⁹ It is thus obvious to state that without adequate funding, investments in the blue economy cannot go far.

c. Lack of Protection of Maritime resources and regions

Nigeria's maritime environment and regions are not well protected. Despite existing extensive legal and institutional framework protecting the marine environment in Nigeria, it is unfortunate to state that the environment is not well preserved. Marine protected regions are sparse in a nation that has a vast maritime region. From lack of management of maritime resources, to over exploitation of fisheries, to marine

²⁶ Iliya Bauch Danladi, 'Vulnerability of the Nigerian Coast: An Insight into Sea Level Rise owing to Climate Change and Anthropogenic Activities, (2017) 134 *Journal of African Earth Sciences* 493-503

²⁷ Otekenari David Elisha, 'Niger Delta is rich in resources, but environmental destruction is pushing people into Poverty' (The Conversation 30th October 2023) <<https://theconversation.com/niger-delta-is-rich-in-resources-but-environmental-destruction-is-pushing-people-into-poverty-214598>> Accessed 24 November 2024

²⁸ Onyenucheya, (n.20)

²⁹ Ibid.

pollution, Nigeria's maritime ecosystem is severely under-protected and without optimal protection, benefits cannot accrue.

d. Environmental Pollution

Environmental pollution on its own is a serious challenge that hinders the country from accessing its blue economy potentials. Apart from the widespread oil pollution that exists in the Niger Delta region that is home to a variety of marine ecosystem, pollution from industrial and domestic waste similarly threaten marine life. Plastic waste as well as waste associated with maritime shipping additionally batter our inland water and coastal environments polluting it.³⁰ The existence of such extent of pollution kills fisheries which serve as a great source of food for coastal and marine dependent communities. This in turn affects the maritime economy that the nation seeks to boost.

e. Suboptimal implementation of existing legal and institutional framework

At the end of the day, everything comes down to suboptimal implementation of existing legal and institutional framework governing the blue economy in Nigeria. Nigeria's blue economy exists under the umbrella of its maritime sector. The many challenges faced show firstly, that there seems to be a lack of political will to bring about desired outcomes in the sector and secondly, that there is a gross under implementation of laws and regulations aimed at providing marine environmental protection while securing the countries maritime shipping economy.

A thriving economically and environmentally sustainable blue economy cannot exist without strict and wide implementation of existing legal and institutional framework.

6.0 Conclusion

Our global marine environment keeps the planet alive and allows life on it to thrive. Human activities thereon are proven to negatively impact the environment. The absence of sustainable practices brings more harm than good to the marine environment. So, in order to benefit economically from the resources that the marine environment provides, it is essential to ensure that the marine ecosystem is protected. The prospects blue economy holds is thus enormous as this paper has concisely explained. For Nigeria, its coastal region gives it an opportunity to tap therefrom. The challenges as aforementioned that persist in Nigeria's blue/marine economy sector, however, show that the nation is not doing well enough to achieve the goals it seeks in the sector as this paper has revealed.

In the words of the former International Maritime Organization (IMO) Secretary General, Mr. Kitack Lim, "the health and state of our oceans and its resources is critical to our future."³¹ If benefits must accrue from

³⁰ J. A. Akankali and E. I. Elenwo, 'Sources of Marine Pollution on Nigeria's Coastal Resources: An Overview', *Open Journal of Marine Science*, Vol. 5, No. 2, 2015. Available at: <https://infinitypress.info/index.php/jsds/article/download/1099/503>. Accessed 24 November 2024. Also, Amaka Anagbor-Ewuzie, 'Expert seeks Solution to Plastic Waste, Vessel Pollution on Nigeria's Water', Business Day, September 20, 2023. Available at: <https://businessday.ng/maritime/article/experts-seek-solution-to-plastic-waste-vessel-pollution-on-nigerias-water/>. Accessed 24 November 2024

³¹ IMO, 'Sustainable Blue Economy Conference, Nairobi, Kenya - Statement, Plenary Session' (26th November 2018) <<https://www.imo.org/en/MediaCentre/SecretaryGeneral/Pages/Sustainable-Blue-Economy-Conference,-Nairobi,-Kenya---statement,-plenary-session.aspx>> 24 November 2024

Nigeria's blue economy towards its economic growth, the marine environment must be optimally protected in this pursuit and this paper recommends how that can be done.

7.0 Recommendations

To end the challenges Nigeria faces, hindering it from accessing the pathways to achieving optimal economic and environmental sustainability of Nigeria's blue economy, the following recommendations should be implemented.

- a. Hasten up policy creation and implementation
- b. Strengthen existing legal and institutional framework
- c. Allocate adequate funding
- d. Partnership with local and international stakeholders in the maritime/blue economy industry
- e. Eliminate marine pollution and unsustainable maritime practices
- f. Establish more marine protected areas to conserve marine biodiversity
- g. Invest in renewable energy sources to drastically reduce dependence on fossil fuel exploitation which has affected marine environment

By implementing these recommendations, Nigeria can ensure that its blue economy is both economically and environmentally sustainable, bringing about growth, eliminating poverty, hunger and promoting sustainable development.