

TRADE AND ENVIRONMENT REVIEW 2023:

Building a sustainable and resilient ocean economy
beyond 2030

KEY FINDINGS



UNITED NATIONS
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What is the sustainable ocean economy ('blue economy')?

“...encompasses all industries that sustainably utilize and contribute to the conservation of ocean, seas and coastal resources for human benefit in a manner that maintains all ocean resources over time.”

(UNCTAD, 2020)



Ocean economy sectors

GOODS



A Marine fisheries



B Aquaculture and hatcheries ^a



C Seafood processing



D Sea minerals



E Ships, port equipment and parts thereof



F High-technology and other manufactures not elsewhere classified (NEC)

SERVICES



G Marine and coastal tourism



H Trade in fisheries services



I Maritime transport and related services ^b



J Port services, related infrastructure services and logistical services



K Coastal and marine environmental services



L Marine research and development and related services

ENERGY



M Ocean energy and renewable energy ^c

^a Production only.

^b Excludes services specific to trade in fisheries that are not related to transport.

^c E.g., offshore wind energy, tidal/wave power, etc.



KEY MESSAGE 1: Sizing up the global ocean economy – the rise of ocean-based goods

- Export value of ocean -based goods and services (2020): \$1.3 trillion (6 ± % global trade [\$23 trillion])
- 150 million direct jobs

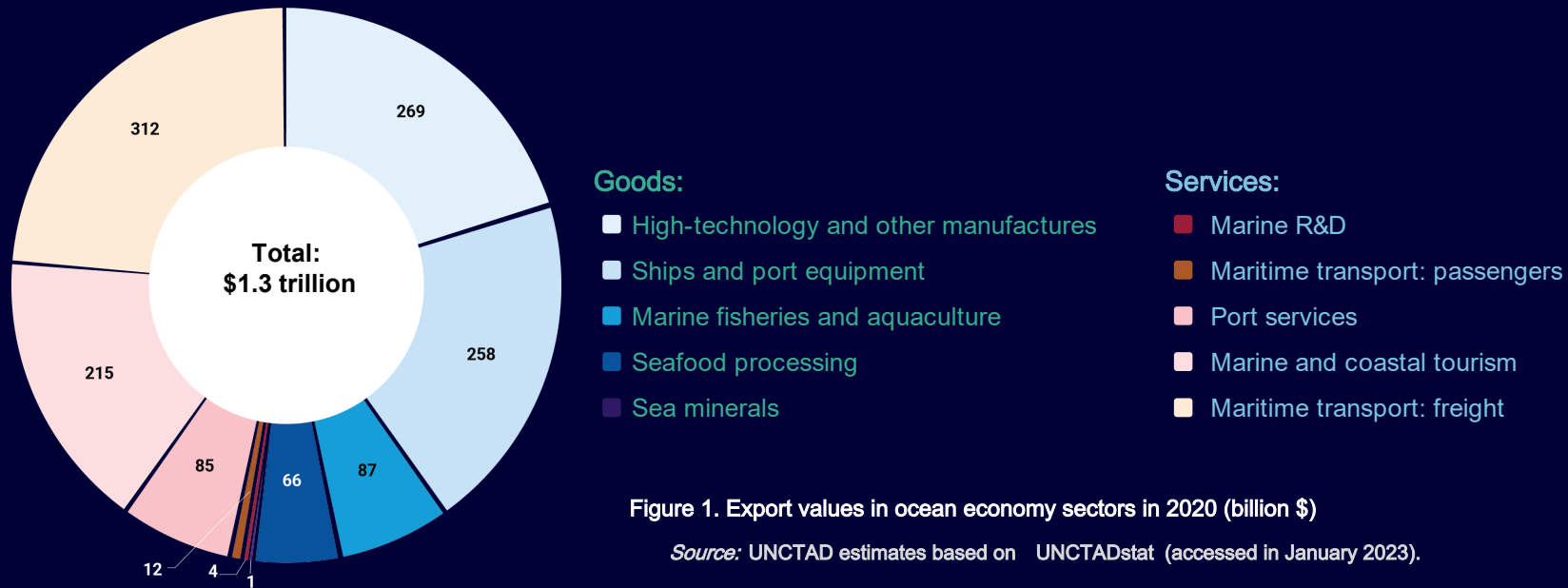


Figure 1. Export values in ocean economy sectors in 2020 (billion \$)

Source: UNCTAD estimates based on UNCTADstat (accessed in January 2023).

- Ocean-based goods vs Ocean -based services
 - ↶ Maritime transport, High-technology manufactures and Ships and port equipment
 - ↷ Exports of Marine and coastal tourism services
- Europe, Asia and the Americas are the leading ocean economy exporters

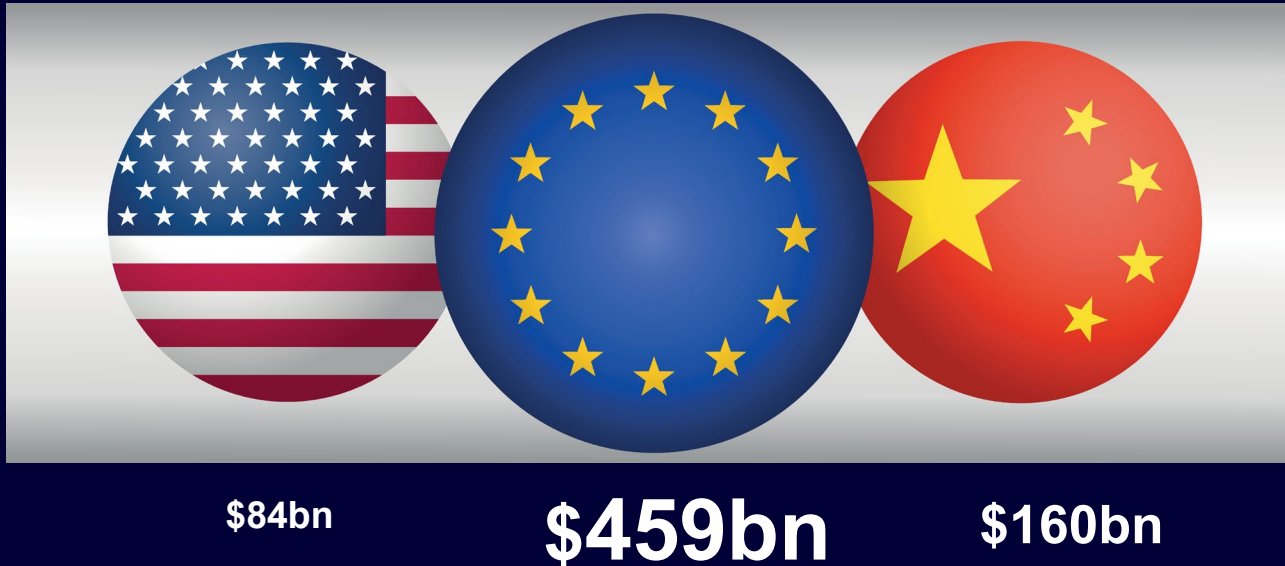
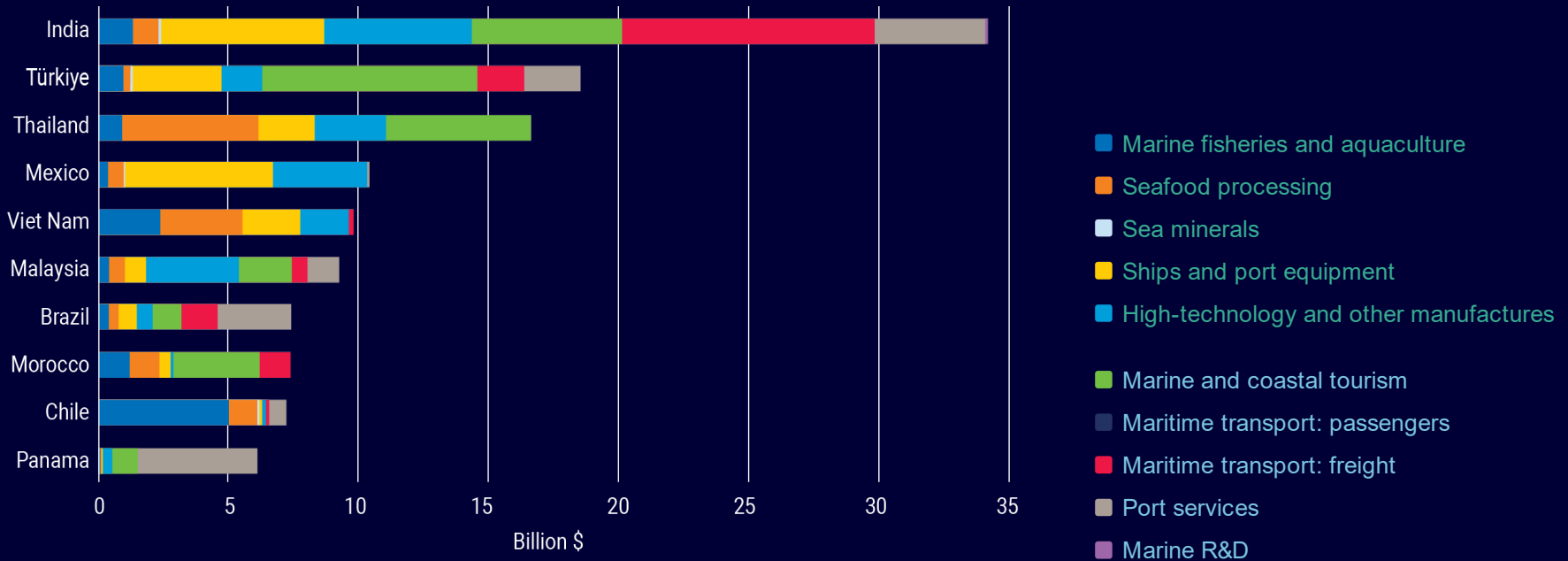


Figure 2. Top 3 ocean economy exporters, 2020 (Billions of dollars)

Source: UNCTAD estimates based on UNCTADstat (accessed in January 2023).

• Diversification of ocean exports can provide opportunities for growth and resilience



Top 10 developing countries as ocean economy exporters, excluding China (2020)

Source: UNCTAD estimates based on UNCTADstat (accessed in January 2023).

These values remain below pre-pandemic estimate levels, but growth has been strong and trade in ocean-based goods is expected to continue to recover despite multiple subsequent and overlapping global crises.

KEY MESSAGE 2: The interconnectedness of global crises laid bare the extreme divergence of the ocean economy sectors

- Polycrisis : Resilience vs vulnerability of ocean economy sectors
- COVID-19 impacted ocean -based services much more negatively than ocean -based goods
- Top performers during the peak of the pandemic in 2020: Seafood processing and Marine high -technology manufactures

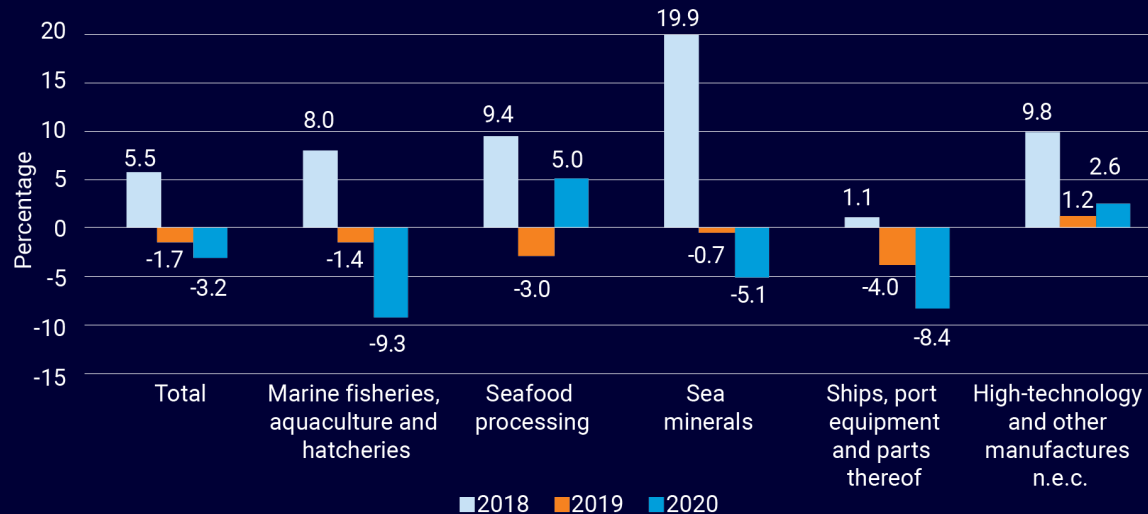


Figure 4. Growth rate of ocean -based goods (2018–2020)

Source: UNCTAD calculations based on UNCTADstat (accessed in January 2023).

Vulnerable but resilient:

1. Maritime transport sector and related services: 4% (2020) – 40% (2021)
2. Port services, related infrastructure services and logistical services: slumped to -4% (2020) – 25% (2021)

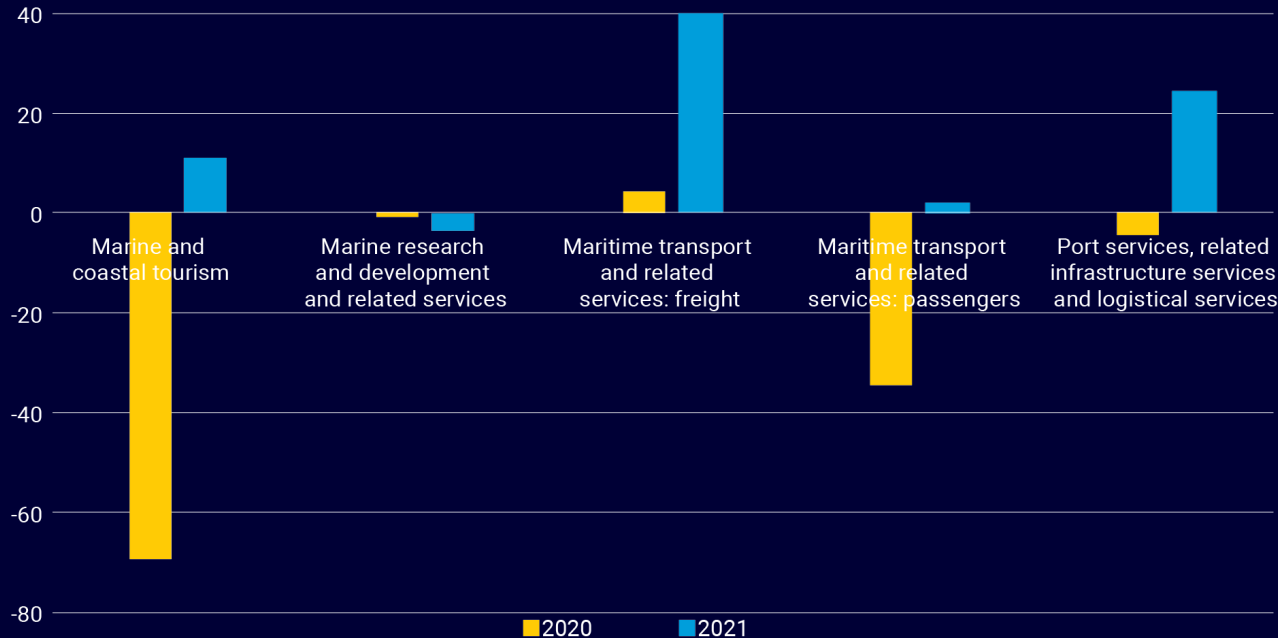


Figure 5. Growth rate of total world exports in ocean services sectors (2020 –2021)

Source: UNCTAD analysis based on UNCTADstat (accessed in January 2023).

KEY MESSAGE 3: Emerging ocean economy sectors - the next normal

Two growing sectors: Seaweed and plastics substitutes

1. Seaweed

- Production has more than tripled in volume and in value over the last two decades
- Recognised for their low environmental impact ecosystem services beyond the provision of food, feed and livelihoods
- Aquaculture: 2nd largest sector (in volume) and a potential provider of significant employment opportunities for coastal communities, especially for women and youth

Further research is needed to ensure that its farming is responsible and sustainable

Table 1. Production volume and value of the main farmed algae types

Farmed seaweeds	2000		2010		2020	
	Tons	\$1 000	Tons	\$1 000	Tons	\$1 000
Brown seaweeds	8 556 930	3 119 865	11 149 248	4 979 815	16 841 615	7 894 912
Green seaweeds	33 891	58 456	26 924	24 322	23 605	30 329
Others (mainly microalgae)	32 503	35 385	102 489	77 823	89 095	132 668
Red seaweeds	1 972 236	1 385 339	8 895 657	3 778 570	18 123 262	8 482 722
Total seaweeds	10 595 560	4 546 436	20 174 317	8 860 531	35 077 578	16 540 631

Source: FAO (2022a).

2. Plastics substitutes

Sustainable natural materials such as algae, bamboo, banana plants, agricultural wastes and sand that could be used to substitute plastic products.

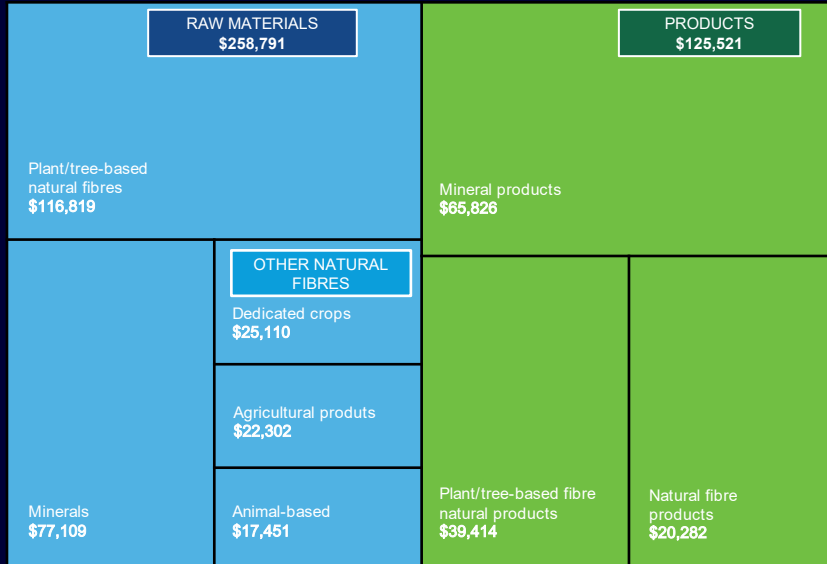


Figure 6. Trade in plastics substitutes - what's the added value?

Source: UNCTAD analysis based on UN Comtrade (2023)

a. Huge market potential for growth

2020 alone, global exports of plastic substitutes reached \$388 billion, of which two thirds are raw materials and one third are finished products

4 billion of potential substitutes for abandoned, lost or otherwise discarded fishing gear (ALDFG) were traded in 2020

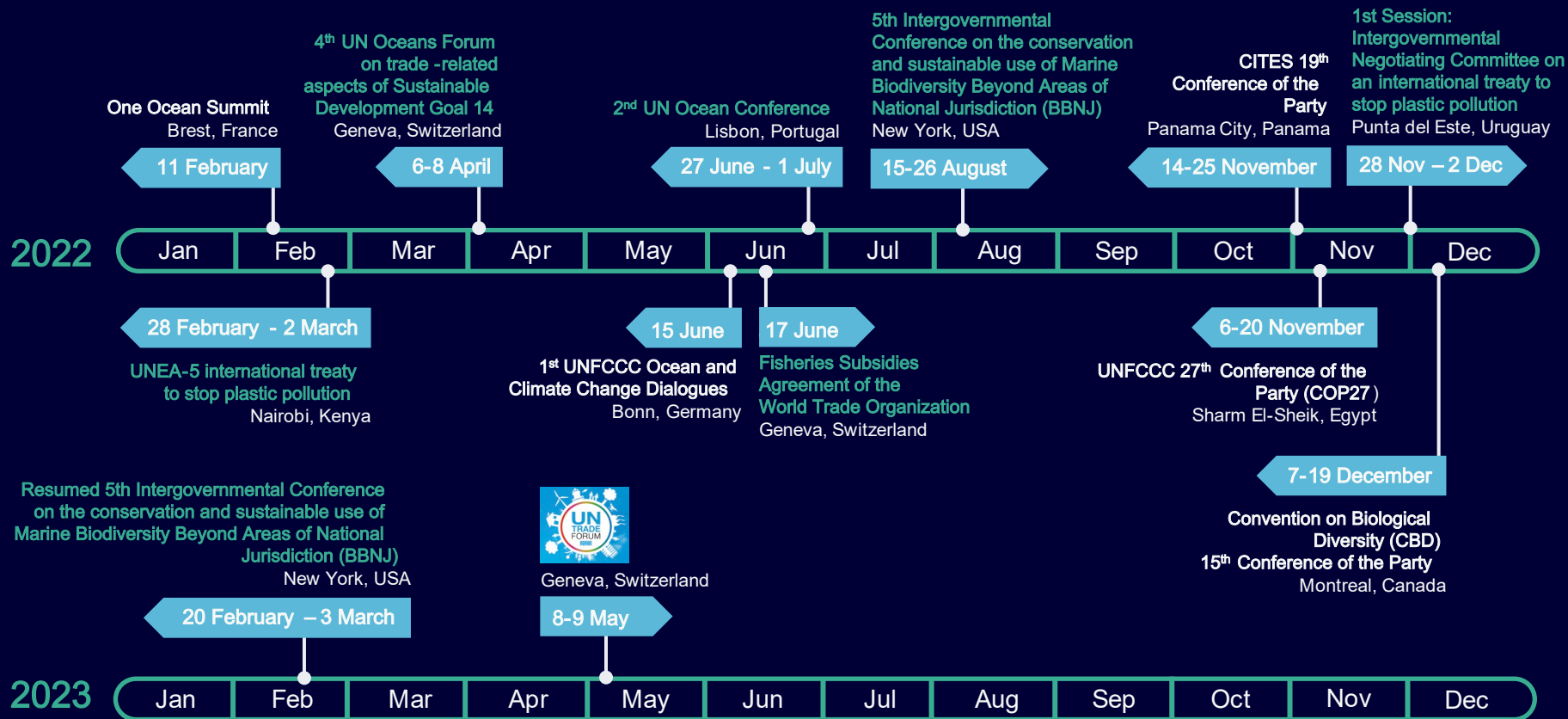
b. Plastics substitutes are also materials which are most abundant in developing countries

Traditional knowledge
Technology + investment

c. Plastic substitutes have the potential to cut global plastic waste by around 17% by 2040

d. Further R&D and adoption are needed to support a more circular economy and develop new industrial capacities and employment in developing countries

The ocean 'super year': A timeline



HIGHLIGHT: The Fisheries Subsidies Reform

Key facts **The Fisheries Subsidies Agreement of the WTO**

17 June 2022 (Adopted) | Entry into force: Acceptance of 2/3 of WTO Members (109) | Terminated 4 years after it enters into force if left without agreed comprehensive disciplines ('sunset clause')

In 2020, the top three countries that provided the highest level of public support to the fisheries sector are China, Japan, and the United States of America

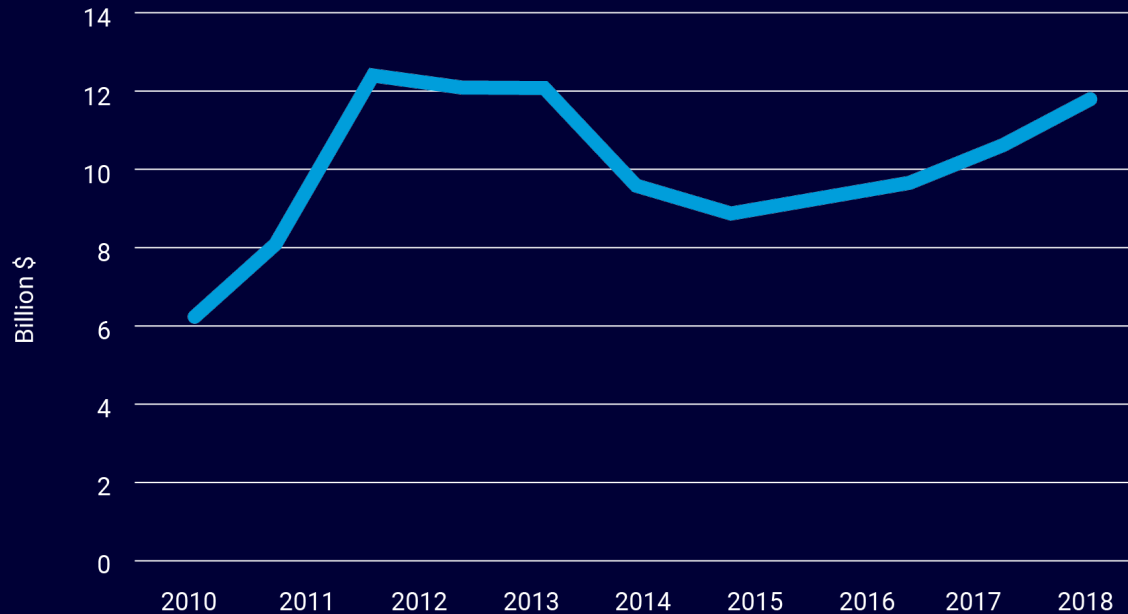


Figure 9. Fisheries support estimate for selected OECD Members and other selected countries (2010–2018)

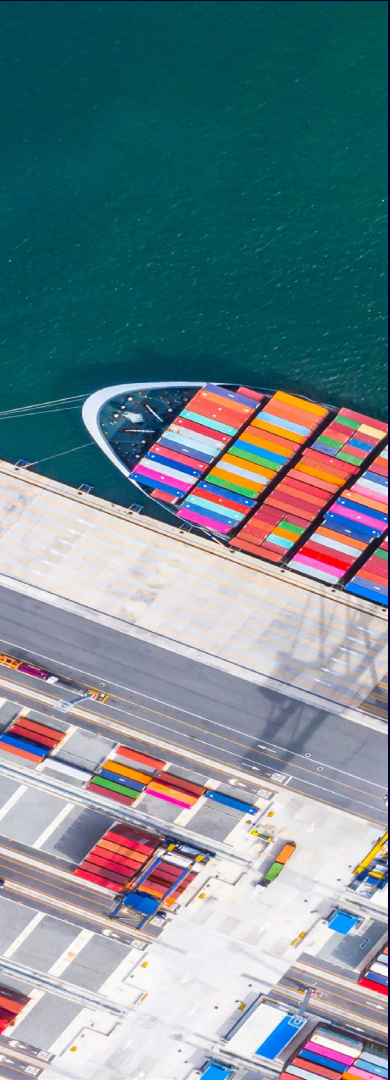
KEY MESSAGE 5: Towards a Blue Deal – A high impact initiative for SDG 14

- SDG 14 is the least funded out of all SDGs: ODA to ocean economy only represented a \$2.9 billion in 2019, less 2% of the total (OECD and FAO, 2021).
- There is an investment gap for 177 billion to be able to comply with SDG 14.
- Fill regulatory gaps and strengthen governance: countries should ratify/accept without delays the WTO Fisheries Subsidies Agreement and adopt the BBNJ (High Seas) Treaty.
- Implement key priorities for ocean cooperation that were adopted at the 2nd UN Ocean Conference and at 4th ocean Forum synchronically (more than 50 recommendations and actions and more than 2100 voluntary commitments).



A high impact initiative for SDG 14

- Improve efficiency and alignment of ocean policies across multiple sectors for more sustainable and resilient supply chains .
- Develop closer and shorter value chains (intra and inter regional) and promote economic diversification connectivity, and , the right mix of energy security measures as essential elements for resilience by 2030 and beyond .
- Boost R&D in emerging ocean economy sectors that can scale up the prevention and reduction of marine pollution of all kinds, reduce emissions and decrease our dependence on unsustainable materials and practices .





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