

UNCTAD training workshop on the Blue Economy, fisheries sector development and meeting international standards for fisheries exports, 17 – 21 October 2022

Opening Statement by Mr Mussie Deleegn, A/Head of Productive Capacities and Sustainable Development Branch, Division for Africa, LDCs and Special Programmes, UNCTAD

Excellencies, Distinguished Ministers, Dear Participants, Ladies and Gentlemen,

At the outset, please allow me to express our sincere appreciation to the newly created Ministry of Fisheries and Marine Resources for its continued interest in the work of UNCTAD. Likewise, the Ministry of Industry and Commerce – the national coordinating entity of the EU-UNCTAD Programme for Angola- has been playing a critical role in effective coordination of UNCTAD’s engagements on the ground. It has been a distinct honour and privilege for us to have been closely working with MINDCOM and other Angolan institutions in supporting the country’s development efforts for several years.

This training and capacity building workshop would not have been possible without the financial support of the European Union. I would like to take this opportunity to sincerely thank the EU and its Delegation in Angola for its longstanding commitments and financial support in the framework of the EU-UNCTAD Programme: Train for Trade II.

Excellencies, Dear Participants, Ladies and Gentlemen,

The global economy is at the most challenging times in modern history. The confluences of global pandemic, environmental degradation, and climate change combined with weak socioeconomic landscapes in LDCs (such as Angola) caused havoc on their growth and development prospects. The cascade of crises has already wiped-out socioeconomic gains of several decades. Consequently, most of the weaker economies are less likely to meet the Sustainable Development Goals (SDGs) of the United Nations. Such unprecedented and complex development challenges reflect that “commodity-driven growth model” and overdependence on natural resources for development expose economies to systemic risks and structural vulnerability.

There is, therefore, an urgent need for new generation domestic and global policies as the growth paths thus far have failed to deliver promises of inclusive growth and sustainable development. In this context, immediate post-crises policies and strategies of developing countries such as Angola must focus on recovery and socioeconomic resilience-building. This calls for placing the fostering of economywide productive capacities and structural economic transformation at the centre of domestic policies and strategies. This is, critically important for Angola in view of the country’s eventual graduation from the United Nations category of the Least Developed Countries. What this means in the policy context is that Angola needs to sustainably tap all its natural resources including

fisheries and the wider blue economy for production transformation. Indeed, Angola must view its marine and freshwater resources as strategically important for economic diversification, jobs creation and poverty reduction, while maintaining environmental sustainability.

This workshop couldn't have been more timely and vital for Angola. It aims at seeking ways and means of harnessing the potential of the blue economy including the fishery sector for the country's socioeconomic transformation. Fully and effectively harnessing the potential of the blue economy requires, among other things, formulating and implementing sound policies as well as putting in place vibrant institutions to implement them. Making the blue economy one of the drivers of sustainable development also calls for adequate allocation of human, financial and technical resources to maximize dynamic socioeconomic gains while ensuring environmental sustainability.

UNCTAD's research and policy analysis work underscores that fisheries constitute a sector of considerable potential for socioeconomic development. Fish and fishery products are among the most important dynamic commodity products, particularly for the least developed countries (LDCs) such as Angola. However, despite its importance, the sector is often underdeveloped, and the bulk of fish exports consist of just a few products to a limited number of export destinations. Globally, fish is also one of the most traded food commodities. With the world's population forecast to reach 10 billion by 2050 and with improved income

levels, the demand for fish is projected to substantially increase. In addition to human consumption, industrial need for fishery resources is also projected to rise due to the growing demand for fish oil and animal feed. Such trends offer valuable opportunities for fisheries trade and production, particularly aquaculture. As you will hear from our Vietnamese experts present at this workshop, the share of aquaculture in total seafood exports of Vietnam is more than 80 %. Despite the pandemic Vietnam's earnings from seafood exports in 2021 stood at about 8.9 billion USD, up by 6 % year-on-year.

Excellencies, Dear Participants, Ladies and Gentlemen,

As with most coastal developing countries, Angola is endowed with significant potential in the blue economy, including the fisheries sector and aquaculture subsector. If sustainably developed and harnessed, the sector can have significant socioeconomic impacts on Angola. The sector's contribution is key to improve economic growth, ensure food security, expand employment, and export opportunities, as well as assist in environmental protection. In fact, until 2002, Angola's fisheries sector was the third most important economic pillar after oil and mining, although this has significantly decreased in recent years. As such, the sector contributed around 4.6 percent of the country's GDP in 2011 but only 2.1 percent in 2018.

The fisheries sector in Angola has many forms: industrial, semi-industrial, artisanal, and traditional. However, artisanal, and traditional fisheries constitute significant share in the total activities in the sector. Angola's fishery sector also suffers from a series of supply- and demand- side constraints. On the supply side, the main challenges include deficient transportation and storage facilities; poor energy infrastructure and high electricity costs; a lack of investment, finance and credit for small operators; overfishing and depletion of fish resources, and illegal, unregulated and unreported (IUU) fishing. On the demand side, the most pervasive problem is a lack of compliance with the food quality and safety standards of importing countries which are further compounded and reinforced by the supply-side challenges.

Angola's total fisheries production was estimated at about 380,000 tons in 2020 of which capture fisheries accounts for about 377,000 tons (99.5 percent). This amount is much lower than the total fishery production of 530,000 tons in 2017. Certainly, the shrinking output levels in recent years are due to the impacts of the pandemic and the resulting economywide lockdown. Despite the huge potential the country holds, the share of aquaculture in total fishery production of Angola is marginal at 0.5 percent. Angola needs to step up all efforts to develop its aquaculture sub-sector.

In the area of trade, Angola exports of fish were 43.4 million USD in 2019. This amount is the lowest when compared to the potential the

country holds and in relation to the export levels of some developing countries. For instance, landlocked Uganda exported fisheries worth of 177 million USD in 2019. Fisheries sector is the second largest export earner for Uganda after coffee. Similarly, the fishery exports of Mozambique (on average 70 million USD prior to Covid19), by far exceeds that of Angola. The top fishery and seafood exporting developing countries are in Africa. They are in Asia, namely, China, India, Vietnam, Indonesia, Thailand, Myanmar, and Bangladesh.

In terms of export markets, in 2019-2020, Angola's most significant export destinations for fisheries, were Spain, Portugal, Nigeria, Japan, the Democratic Republic of Congo, Namibia and "other neighbouring countries". However, Angola mostly exports products that are frozen on-board of fishing vessels with little or no value addition onshore – a situation that requires major investment in upgrading the sector's facilities and support structures to enable value addition and structural transformation. It is interesting that in comparison with other exported product categories, the share of Angola's fisheries exports to SADC and sub-Saharan Africa (SSA) is rather significant. About 10% of Angola's fisheries exports went to SADC countries and 30% to SSA in 2020. This trend highlights the sector's potential for promoting regional integration, trade and value addition. On the other hand, the country imported fish and fisheries products worth 88,6 million USD in 2019- with a trade deficit of about 45 million USD in that year alone.

Regarding jobs, marine fishery employs around 200,000 people, with another 82,000 employed in supporting activities. Further, in many coastal areas, around 50 per cent of the population relies directly or indirectly on fisheries for sustenance and livelihood. Inland fisheries employ approximately 20,000 people, of whom 8 per cent are women. Over 90 per cent of employment is in small-scale fishing. Women account for up to 80 per cent of people involved in post-harvest activities.

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In conclusion, we have every reason to believe that Angola can develop dynamic fisheries and aquaculture operations and effectively harness the potential of its blue economy. As a priority, it will be important for Angola to continue current efforts to address the key constraints to the fishery sector development. Sound and effective policies, programs and support interventions are necessary to develop dynamic and vibrant fishery sector. Key areas of focus can include improving fishery data and statistics for accurate assessment and sustainable management of stocks; strengthening control of illegal, unreported, and unregulated (IUU) fishing; enhancing capacities of fisheries research & development, management surveillance, and enforcement institutions. These should include using marine spatial planning as a tool to manage the blue economy. Further key areas for the action of policymakers of Angola relate to enhancing the role of aquaculture by developing a domestic fish feed industry; attracting sustainable investment to the sector; developing robust technical and

vocational training as well as higher education curricula; upgrading the transport infrastructure and cold chain facilities; and stepping up the current Sanitary and Phytosanitary measures and infrastructure. In this regard, it is also important to acknowledge the strong determination on the part of the Angolan Government to further enhance the contribution of the sector in the years ahead. As as part of the national development priorities, the Government of Angola has already formulated strategies to upgrade fisheries and aquaculture management systems. Indeed, the Government's long-term objective to diversify the Angolan economy and exports is essential and timely.

Thank you for your kind attention.