

CREATING BUSINESSES AND JOBS WITH THE BLUE ECONOMY

ISSUE

The ocean faces a number of severe threats: climate change, overfishing, biodiversity loss and pollution — including the ubiquitous issue of ocean plastics, which are dumped in the ocean at an average rate of about 8 million tonnes a year. These threats have led to an acidifying and warming ocean; destruction of coastal reefs; deteriorating seagrass, kelp and mangrove ecosystems; and billions of dollars in damage attributable to marine debris. According to APEC's most recent report, the damage to industries in the Asia Pacific region's marine economy alone could be US\$216 billion by 2050. Creating a Blue Economy is a transformational opportunity towards economic recovery to preserve our ocean for future generations while also protecting our environment, accelerating economic growth, creating jobs, and fighting poverty and food scarcity.

DEFINITION

Canada has the longest coastline in the world, the 4th largest ocean territory and its lakes and rivers make up a fifth of the world's surface freshwater. These natural, aquatic resources are the backbone of many Canadian communities and provincial territories.

Furthermore, the Organisation for Economic Co-operation and Development (OECD), estimates the value of the world's ocean economy (the blue economy) will reach \$300bn by 2030¹ and, some sources state, this could provide 350 million jobs worldwide.²

Embracing the blue economy in Canada looks set to help create employment and contribute to the economy. In addition, the whole concept of the blue economy is centred on preserving the oceans' resources to ensure that they're around for a long time to come.

While there is no single definition of the blue economy, what's clear is that it relates to improving the sustainability of the economic activities involving the world's ocean. BY focusing on this blue economy, it's hoped that the longevity of fishing, tourism, and energy sources from the ocean is increased. If successful, the blue economy looks set to provide economic and social benefits, while reducing its impact on climate change.

BACKGROUND

Canadians depend on our oceans for leisure, sustenance, and their livelihood. Our ocean sectors contribute approximately \$31.7 billion annually in gross domestic product and account for close to 300,000 jobs.

Canada is embarking on consultation on a Blue Economy Strategy. Ocean-related businesses, Indigenous people, local and provincial governments, economic development organizations, environmental groups and others are invited to submit ideas to Fisheries and Oceans Canada to inform the development of the strategy. In British Columbia, primary ocean sectors include marine shipping, recreation and tourism,

¹ <https://coveocean.com/news/2019-12-12/canada-takes-a-global-lead-in-the-blue-economy>

² <https://thecommonwealth.org/blue-economy>

aquaculture, commercial fishing, Indigenous fisheries and traditional livelihoods, and fish and seafood production, as well as a growing ocean technology sector.

To date, there have been a number of investments in the Blue Economy, particularly relating to plastics innovation and solutions. However, given the ocean covers more than 70% of the surface of our planet, the potential for the Blue Economy remains largely untapped. For example, while over a trillion dollars in green bonds has been generated for land applications, very few blue bonds with a focus on the ocean economy have been released. For the Blue Economy to succeed and for innovation to thrive, a diverse and varied financing approach is needed.

Under Canada's leadership, on June 9, 2018, France, Germany, Italy, the United Kingdom, and the European Union adopted the Ocean Plastics Charter to demonstrate their commitment to take concrete and ambitious action to eradicate plastic pollution. The charter has since been endorsed by 26 governments and 69 businesses and organizations.³

Some ideas for a Blue Economy Ecosystem:

1. Support a robust ecosystem, including accelerators — and, specifically, establish a Canadian accelerator. Showcase and celebrate small-scale examples of success. These could include shoreline restoration projects in the Great Lakes as well as sea grass restoration programs managed by hotels in collaboration with diving certifications.
2. Canada can provide nation-wide leadership by promoting ocean literacy. The Canadian Ocean Literacy Coalition is advancing a national strategy on this topic.
3. There's an opportunity to incorporate oceans into municipal bonds focused on the impacts of climate change (e.g., shorelines and large-scale infrastructure), and to connect marine ecosystem services to related initiatives (e.g., Municipal Natural Assets Initiative).
4. Priorities for further investment include convening key nations interested in ocean restoration, ocean-based R&D, and studying the impacts of tidal energy generation on fish and sea life.
5. Canada can provide support for bi-lateral or multi-lateral projects and international agreements on preserving the ocean and important habitats (sea grass, kelp beds, coastal areas, and sustainable environment for marine life).
6. Create Ocean innovation accelerators: There are several centres in North America and around the world where research and investment are starting to be directed to oceans (e.g., Maritime Blue in Washington State and the Marine Supercluster in Atlantic Canada). These are a critical part of the Blue Economy ecosystem, and can support education on the Blue Economy as well as research and development and commercialization efforts relating to ocean technologies.

Government should adopt the above enabling policies and enact legislation that support the Blue Economy that sends important signals to the market. These signals underpin capital flowing to Blue Economy financial mechanisms.

³ <https://www.globeseries.com/wp-content/uploads/2021/01/scaling-up-the-blue-economy.pdf>

THE CHAMBER RECOMMENDS

That the Federal Government in coordination with the Provincial and Territorial Governments:

1. Adopt enabling policies and enact legislation that support the Blue Economy and sends important signals to the market.
2. Create a Blue Investments working group, including participation of the business community, that focuses on creating new investment opportunities will support a coordinated effort to diversify products (bonds, equities and other investment products) and strategies.

Submitted by the Surrey Board of Trade