

# Mauritius' Ocean Economy: assessing the potential for sustainable expansion

Mauritius, September 1-2, 2016



**WORLD BANK GROUP**

**Session 3: ENABLING THE SUSTAINABLE OCEAN ECONOMY**

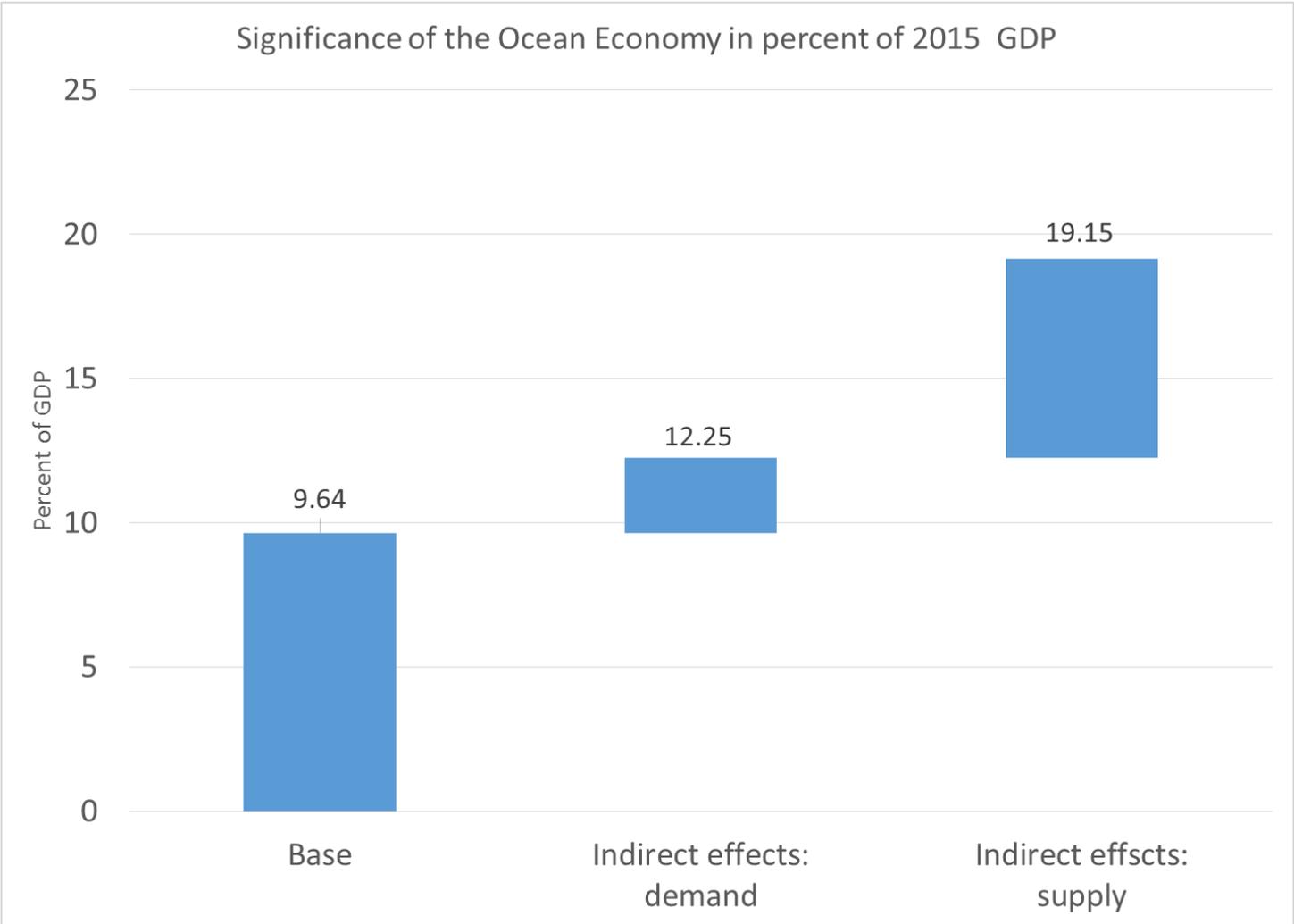
**Raffaello Cervigni, Lead Environmental Economist**

**Environment Global Practice, The World Bank**

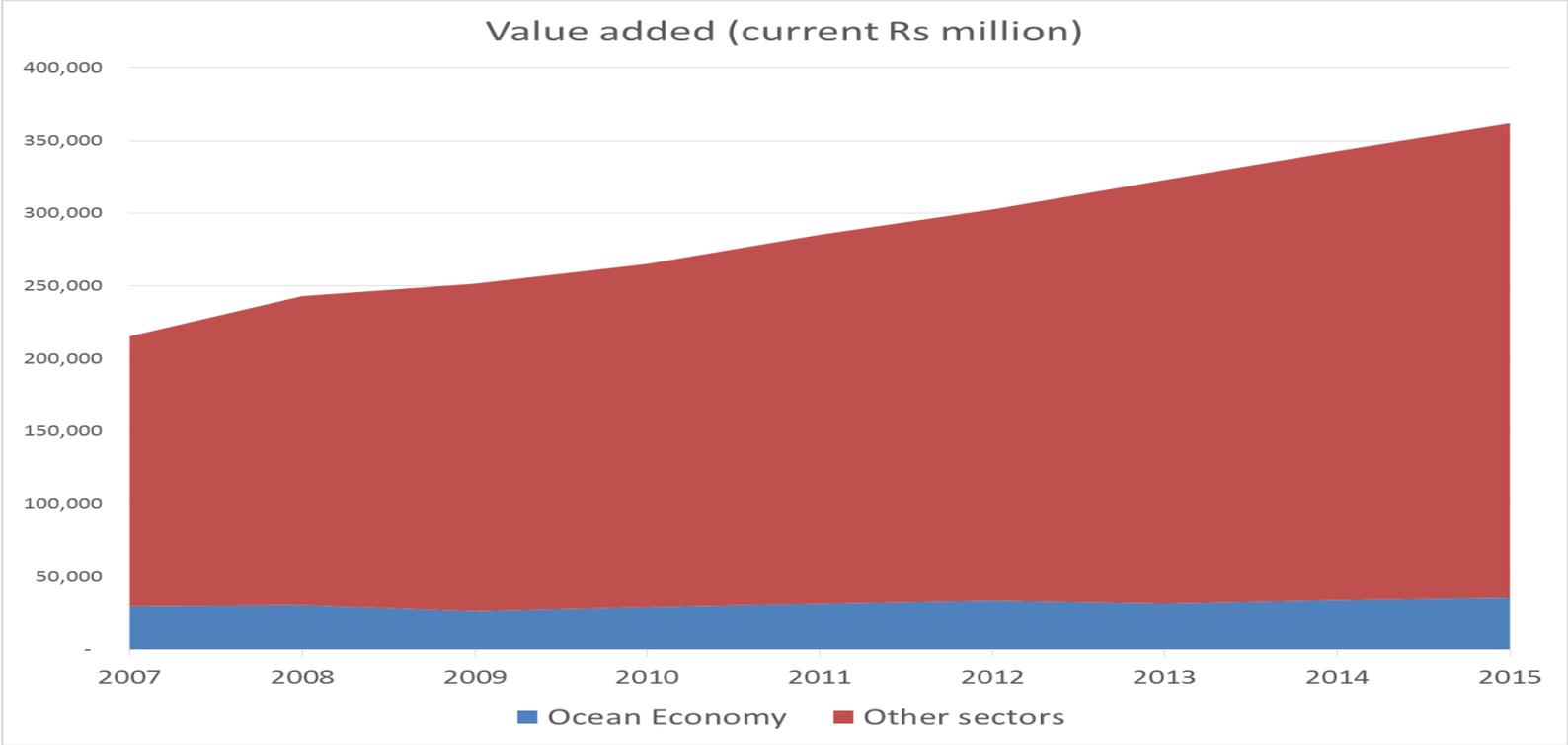
# Key messages

1. Ocean related activities are a more important component of the Mauritius economy than generally thought
2. The Ocean Economy (OE) holds an untapped potential in several sectors other than the traditional tourism activities, and can generate important benefits:
  - GDP Growth
  - Employment, poverty reduction
  - Carbon emission reduction, energy security
3. Tapping into the OE potential requires:
  - Sizeable investments
  - Careful management of environmental resources
  - Integrating climate change in project planning and design

# The role of the Ocean Economy: possibly larger than what national accounts indicate



# OE expansion potential: largely untapped so far



Source: Statistics Mauritius

# Key study questions on the OE

## 1. Making the best of the OE

- Top-down goal seeking: Investments needed to achieve defined growth targets (e.g. GDP, Jobs)
- Bottom-up: growth achievable for a given investment level

## 2. Making it happen

- Overall enabling context (e.g. international demand, global energy prices, etc.)
- Key policy/ institutional reforms

## 3. Making it last

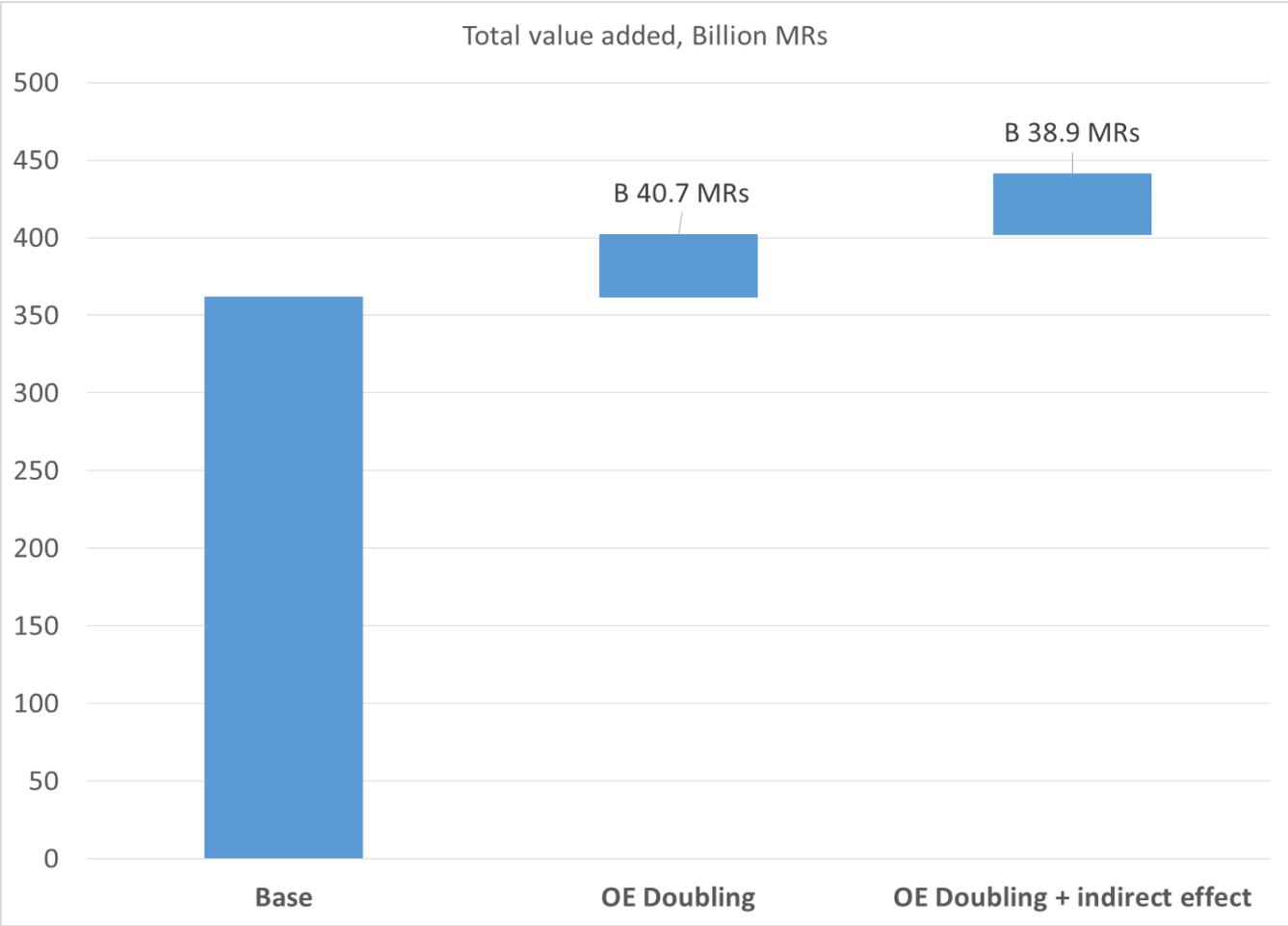
- Environmental sustainability
- Resilience to climate change

# Scope of expansion analysis

Sectors	Overall economic analysis	Deep dive
Fishing, Seafood Processing and Aquaculture	✓	✓
Energy		
Deep Ocean Water Applications (DOWA)	✓	✓
Marine Renewable Energies	✓	✓
Marine ICT	✓	✓
Seaport-related Activities	✓	
Marine Tourism and Leisure	✓	
Other Ocean economy activities		
Ocean Knowledge		
Seabed Exploration for Hydrocarbon & Minerals	✓	
Marine Finance	✓	
Marine Biotechnology	✓	
Ship Registration	✓	

# ASSESSING THE OE POTENTIAL

# Top-down assessment: doubling the size of the OE has important benefits for the rest of the economy...



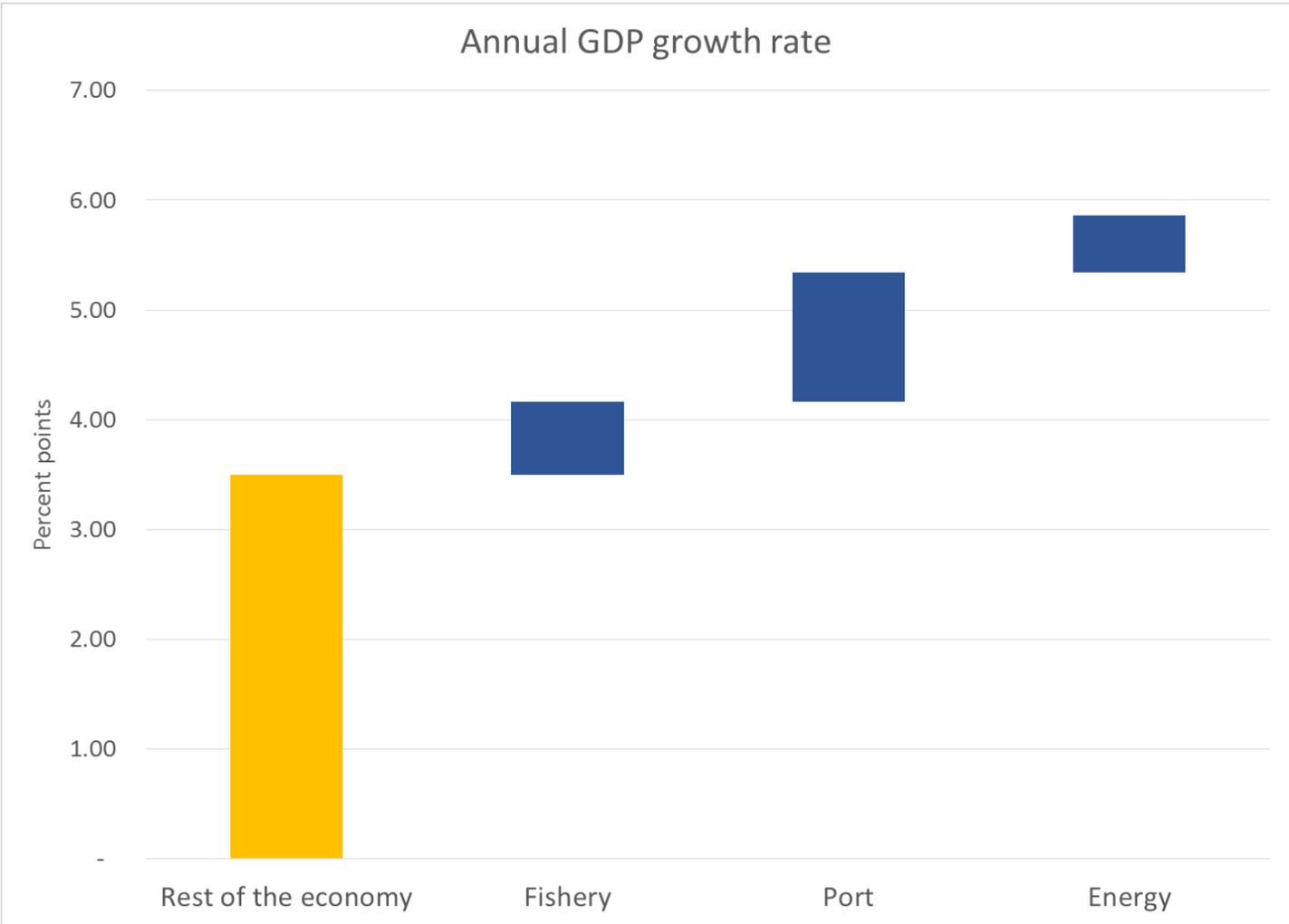
# ..but it also entails higher investment needs to conserve natural capital



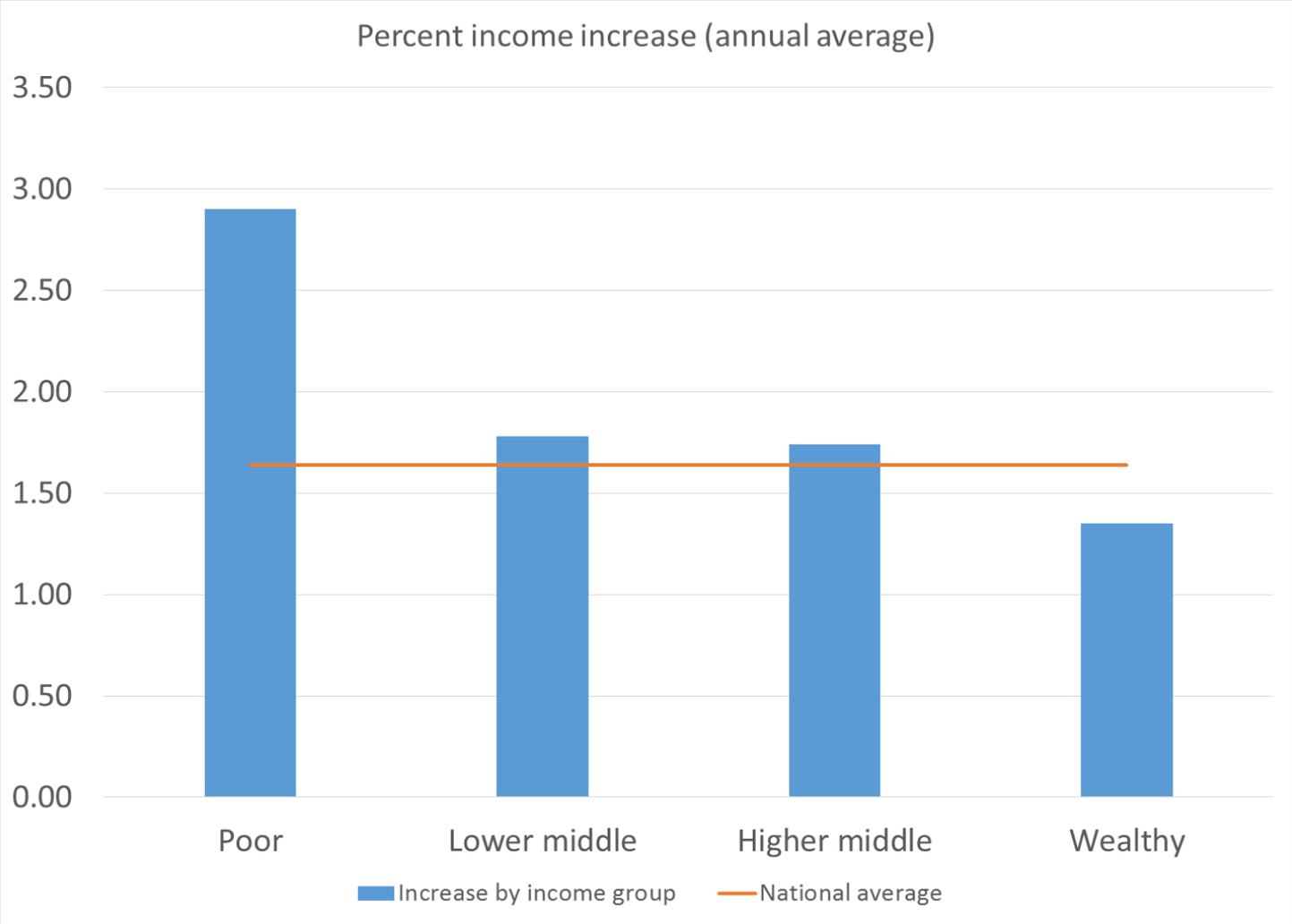
# Bottom-up assessment of the investment potential in the OE

Sector	Investment areas	US\$ Million
Fishery, Aquaculture	pristine lagoons, banks , aquaculture, seafood hubs (both institutional reforms and infrastructure).	265
Port	Container terminal gate complex, MCT Breakwater 2nd oil jetty at Fort George , Quay 1 Reconstruction, Quay A-D redevelopment, Cruise Terminal, Caudan Breakwater, Fort William breakwater and Fishing Quay	203
Energy	Offshore wind, wave energy, DOWA.	235
Total		703

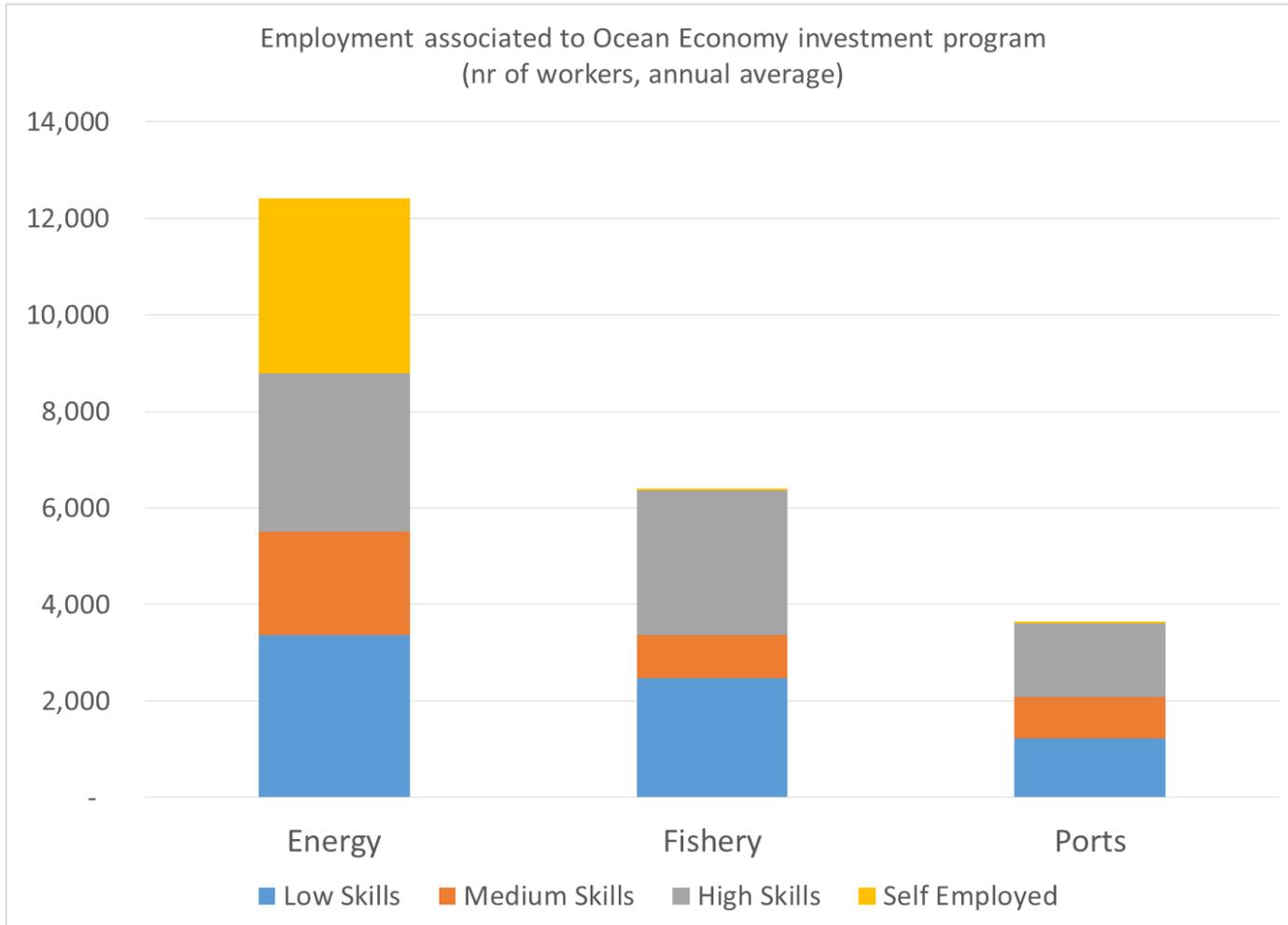
# Such a program of OE investment may boost growth by an additional 2.3% per year



# ...and can have important benefits for lower income groups...

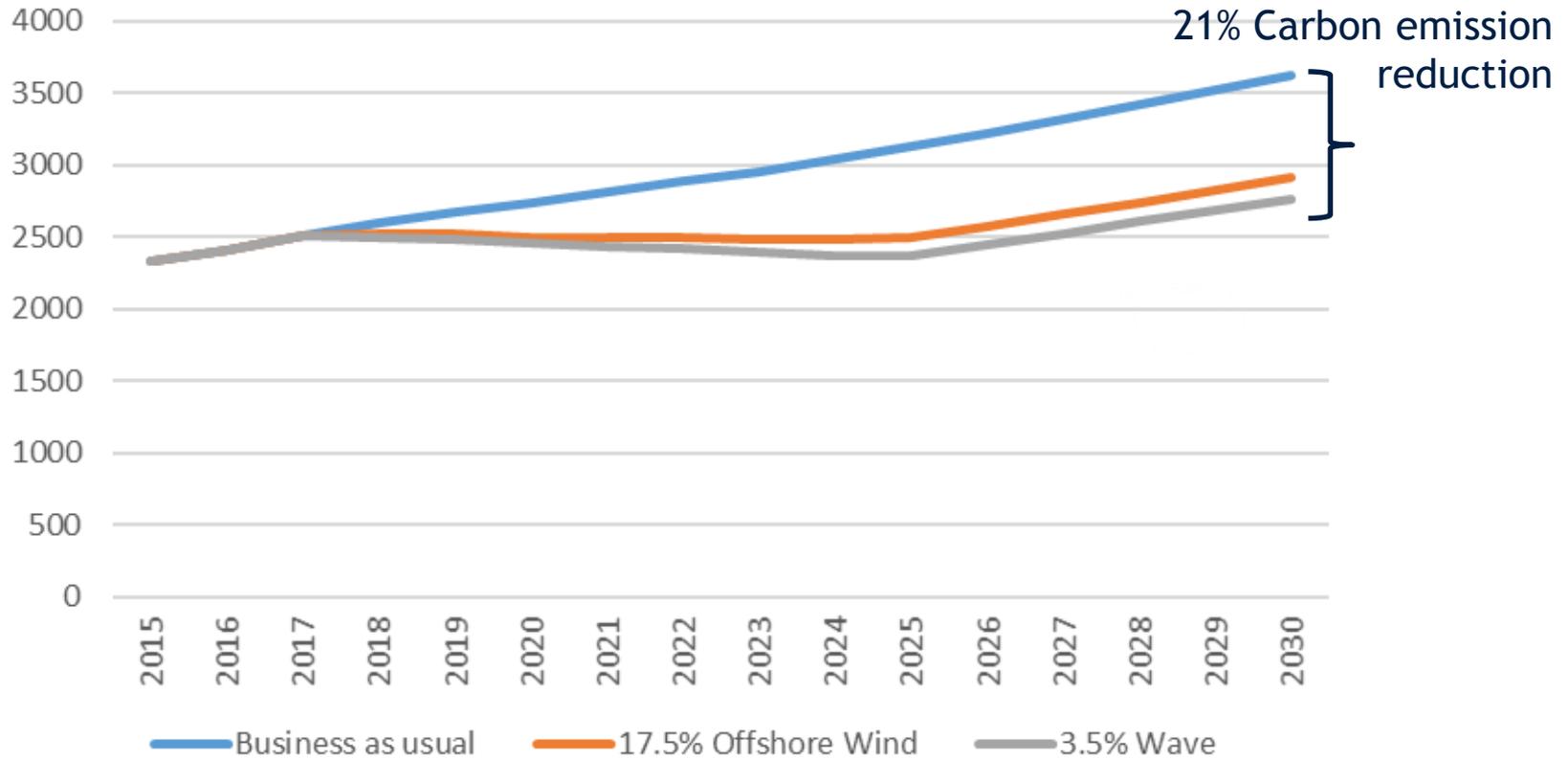


# ...for employment..



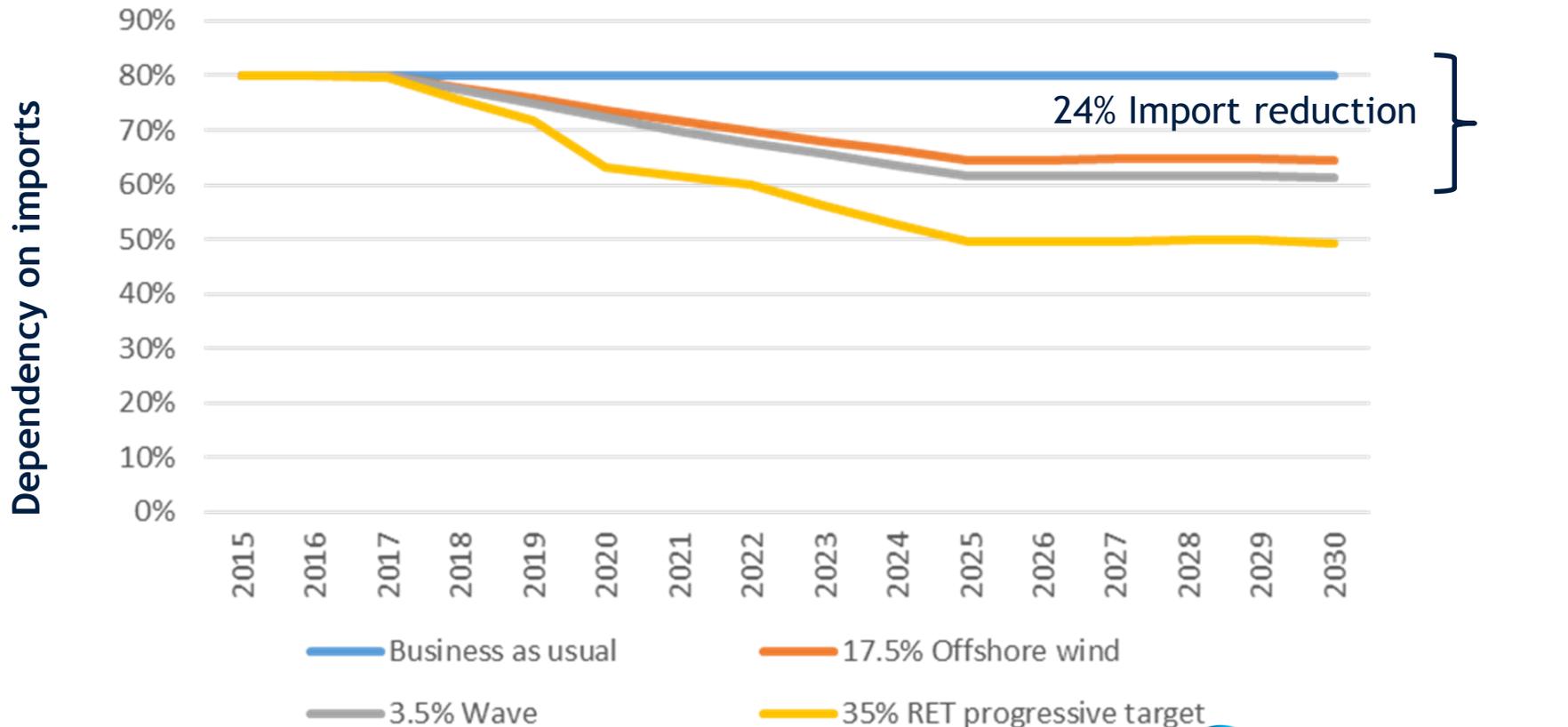
# ...for carbon emissions...

Carbon emissions from power sector (Tons CO<sub>2</sub>\_e/ year)



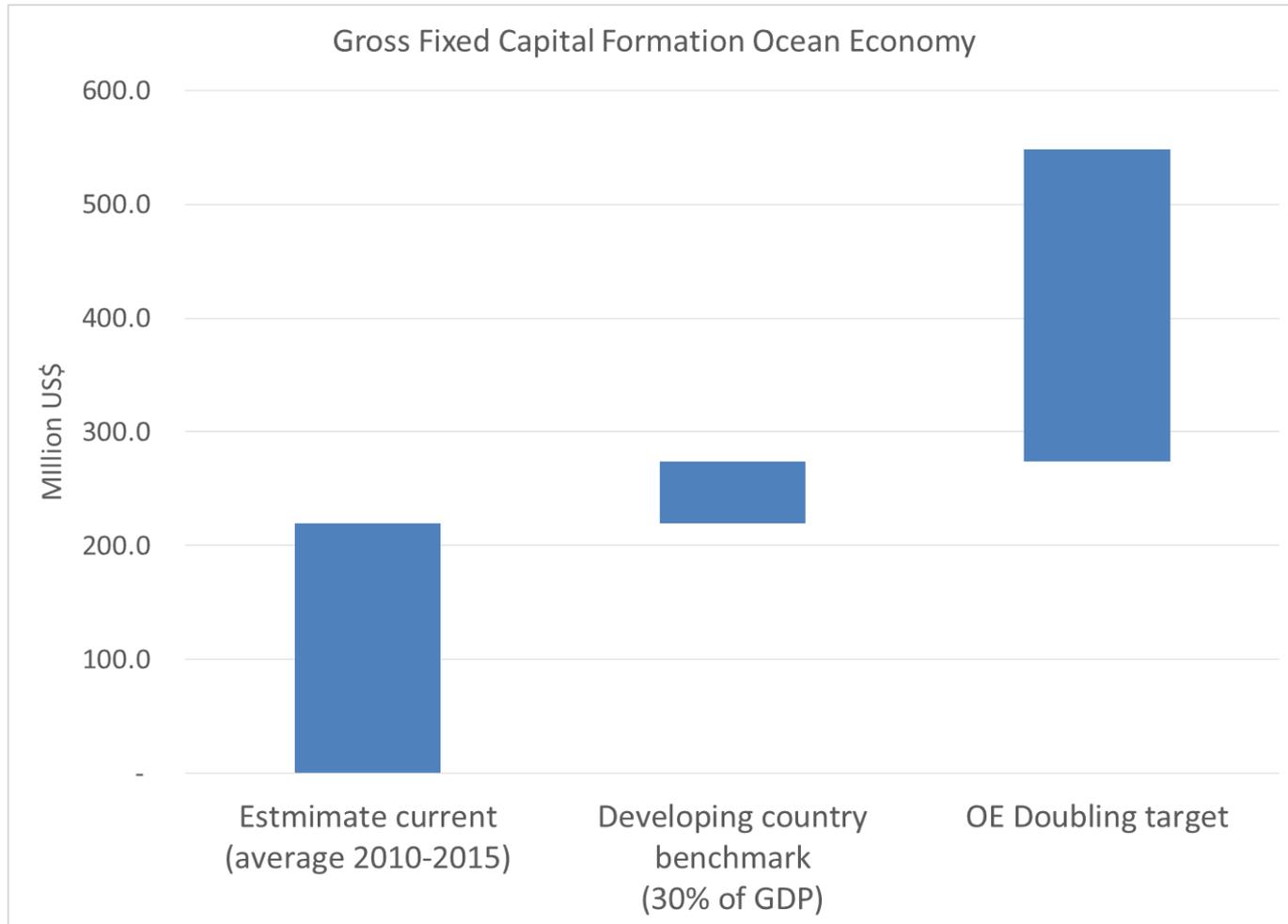
# ...and energy security

Reduction in import of electricity feedstock achievable through expansion of wind generation (up to 17.5% of total) and wave (up to 4% of the total)

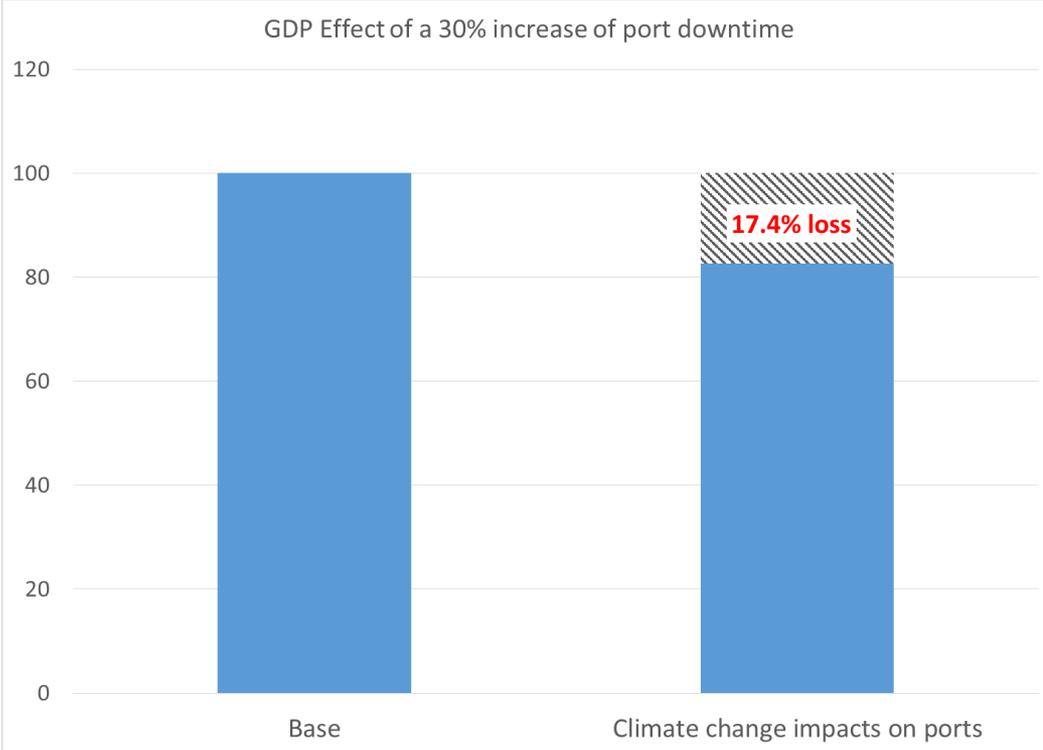
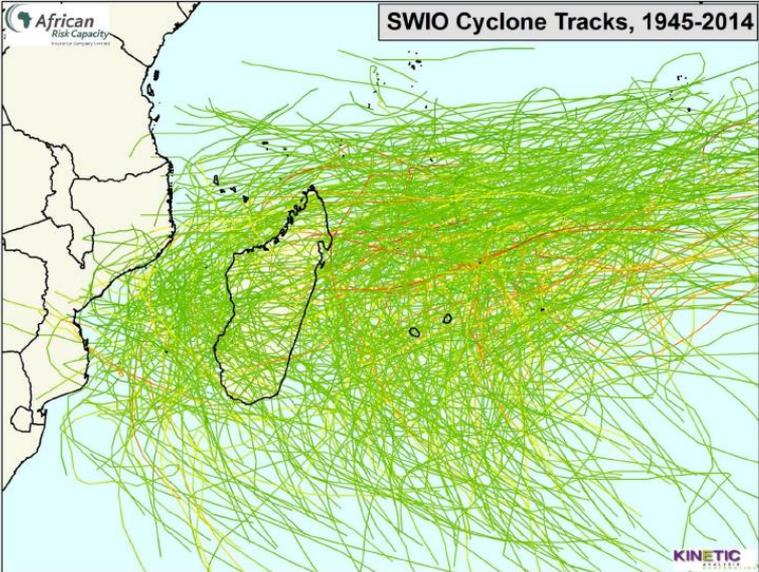


# MAKING IT HAPPEN, MAKING IT LAST

# A large boost of investment is needed



# Adding climate resilience to project design is key..

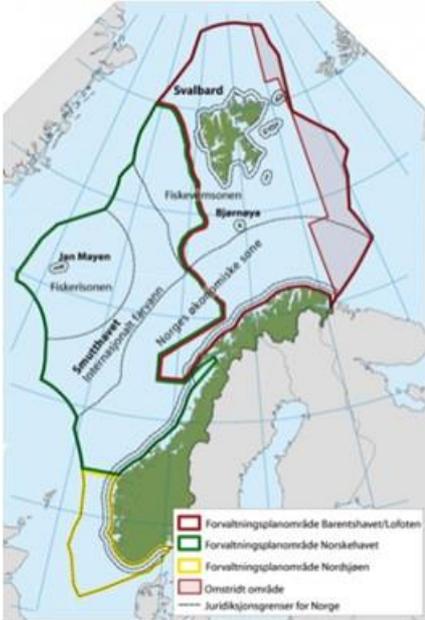


# ..and so is investing in the conservation of natural capital

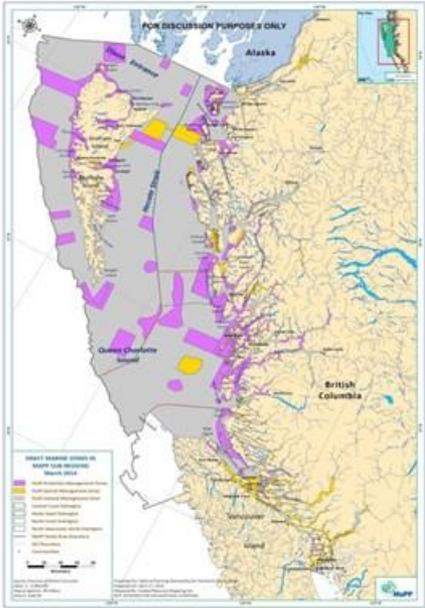
## Marine Spatial Planning: Global Examples of zoning design approach



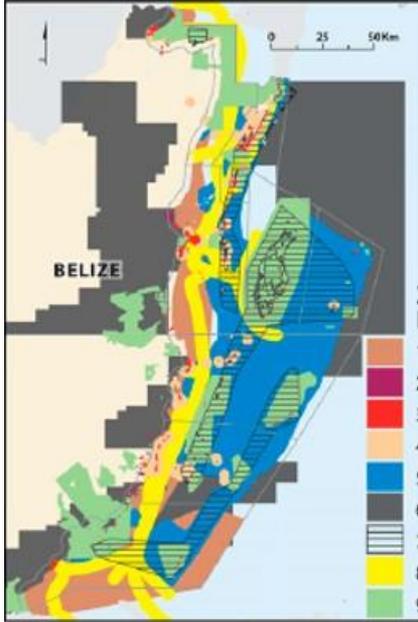
Netherlands (2005)



Norway (2009)



Canada (2015)

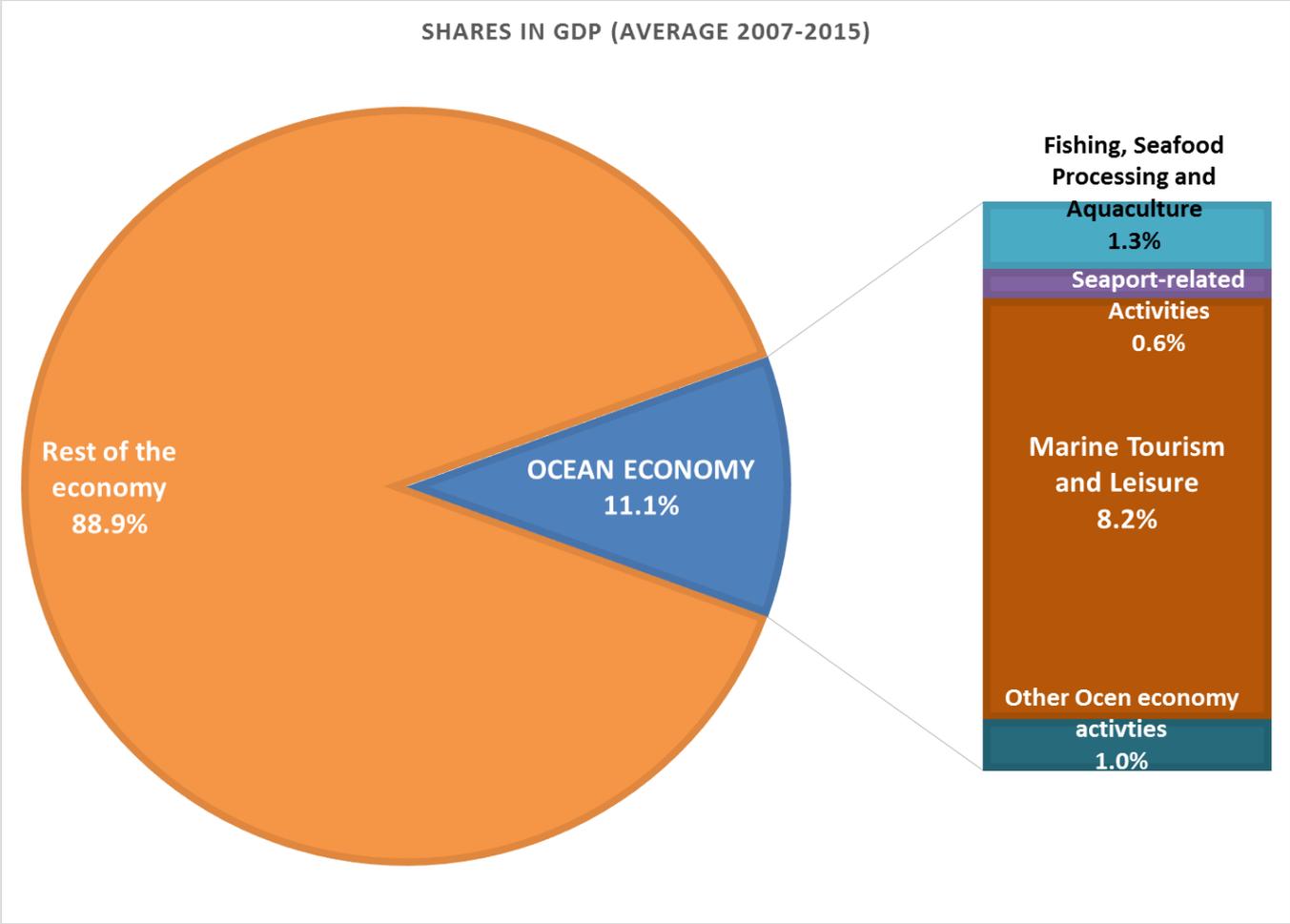


Belize (2016)

# Annex slides

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# The Ocean Economy already plays an important role..



# OE depends crucially on investment in natural capital conservation

