STATUS OF THE BLUE ECONOMY IN CROATIA

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Setting the context: What is the difference between the maritime economy and the blue economy?

- The **maritime economy** is defined as those economic activities that directly or indirectly take place in the sea, use outputs from the sea, and put goods and services into the marine activities.

- What is the difference between the **maritime economy** and the **blue economy**?
The Ocean Economy in 2030
Setting the context: Definitions

- **The World Bank**: sustainable use of ocean resources for economic growth, improved livelihoods, and jobs while preserving the health of ocean ecosystem

- **European Commission**: all economic activities related to oceans, seas and coasts (...) covers a wide range of interlinked established and emerging sectors

- **United Nations**: an economy that comprises a range of economic sectors and related policies that together determine whether the use of ocean resources is sustainable

- **The Economist**: sustainable ocean economy emerges when economic activity is in balance with the long-term capacity of ocean ecosystems to support this activity and remain resilient and healthy
Strategic framework for the Blue Economy in Croatia: Does it exist?

- Coastal and marine resources are the basis for the coastal and maritime economy: around 10% of the national employment and GVA
- International initiatives: EU, UNEP/MAP, EUSAIR
- National strategic context:
  - National Development Strategy (development direction 3, but no respective strategic objective)
  - National Plan for Reconstruction and Resilience
  - National Marine Environment and Coastal Area Management Strategy
  - Spatial Development Strategy
  - National Climate Change Adaptation Strategy
  - Maritime Strategy (expired in 2020)
  - Tourism Strategy (expired in 2020); Sustainable Tourism Development Strategy (to be prepared)

- However, no specific strategy for development of the Blue Economy
Evolution of the Blue Economy: Employment
Evolution of the Blue Economy: Gross Value Added

GVA of Blue Economy as % of National GVA

GVA2009 (million Euros)

GVA2018 (million Euros)
Is Croatia’s tourism “blue” and sustainable?

According to the EC Economic Directorate, in 2016, tourism contributed to almost 20 percent of the country’s GDP and is more than 35 percent of its export revenues. According to the World Economic Forum’s Travel and Trade Competitiveness Index, which ranks 136 countries along four broad parameters, Croatia ranked 32nd in terms of its tourism performance.
Coastal spatial development in Split-Dalmatia County
Threats to the Blue Economy

- Climate change
- Marine litter
- Overurbanization
- Water pollution
- Destruction of marine ecosystems
- Marine resource overexploitation
Some conclusions on the status of the Blue Economy in Croatia

- Croatia has abundant marine and coastal resources that have been the basis for the growth of coastal and marine economic sectors
- It is questionable how sustainable that economy is and is it really “blue” and “sustainable”
- Strategic context is there but needs some fleshing up and focusing to make Blue Economy more visible
- Capacity to use tools exists in the country but needs strengthening
- Awareness that Blue Economy is an opportunity needs to be strengthened
Business-as-usual scenario

- GVA and employment growth continue to progress along the same trajectory
- Low rate of economic growth, particularly if based on tourism, which is susceptible to external shocks, such as COVID-19
- No major policy changes
- No abrupt technological or environmental developments
- Continued depletion of most important coastal resources that might threaten sustainable tourism development model in the long term
- Socio-economic impacts are serious as a result of declining population rates and concentration in coastal settlements coupled with the depopulation of islands
- Impacts of faster than expected climate change if no adaptation measures are being taken
- Low rates of technological innovation
Blue Economy scenario

- High economic growth
- Low environmental degradation
- Development of resource-efficient technologies
- Digital economy
- Strategic framework focused on development of the Blue Economy, including right incentives to support it
- Balanced coastal spatial development
- Rational utilisation of coastal and marine resources secure long-term development of the Blue Economy
- Sustainable tourism
- Organic seafood production
- Biotechnology
- Use of management tools: MSP, ICZM, vulnerability assessment, etc.
Instruments: Marine Spatial Planning for the Blue Economy

- It can promote multi-uses as well as identify sites for new and emerging uses
- Through the ecosystem-based approach, key principles such as sustainability and equity can be achieved in the process
- MSP can be used as a tool for increasing investor confidence by introducing transparency and predictability
- MSP can be a catalyst for investment in innovation and developing blue technologies
- Transboundary MSP can foster collaboration across borders for regional development
MSP in Croatia

- National Plan for the Epicontinental Belt
- ICZM plans in Coastal Counties: Šibenik-Knin; Split-Dalmatia; Dubrovnik-Neretva
Thank you!