



CONCEPT PAPER FOR THE MARITIME TRANSPORT SIDE EVENT

1.0 Name of the side event: Maritime Transport

1.1 Date: 26th November 2018

1.1.1 Venue: Aberdares Hall, KICC

1.2 Time: 4.30pm (1630hrs) - 6.30pm (1830hrs)

1.3 Organizers: Maritime transport stakeholders: State Department of Shipping & Maritime, Kenya Maritime Authority (KMA), Kenya Ports Authority (KPA), African Ship owners Association-Kenya(ASA), Kenya National Shipping Line(KNSL), Kenya Ferry Services(KFS), Trade Mark East Africa (TMEA), Kenya Trade Network Agency(KENTRADE), Port Management Association of Eastern and Southern Africa (PMAESA), Intergovernmental Standing Committee on Shipping(ISCOS), Maritime Technology Cooperation Centre (MTCC).

1.4 Focus on Key sub-themes:

The maritime transport side event will integrate the over-arching theme of the conference “*Blue economy and the 2030 Agenda for sustainable development*” and the following sub-thematic areas of the conference:

- i. Smart Shipping, Ports, Transportation and Global Connectivity
- ii. Maritime Transport in Employment, Job creation, Poverty eradication and the Blue economy
- iii. Maritime safety, Security and Regulatory enforcement

1.5 Relevant participants

The invited stakeholders are composed of maritime transport industry players at national, regional and global levels. These include but are not limited to:

- i. Heads of Maritime Administrations
- ii. Port Authorities
- iii. Representatives from regional and international maritime and shipping organizations
- iv. Senior Ministry representatives responsible for Policy and Oversight
- v. Heads of relevant regulatory institutions
- vi. Heads of institutions involved in cargo intervention and inspection
- vii. Logistics service providers
- viii. Representatives of Development Agencies
- ix. Representatives of shippers
- x. Representatives of Trade Associations
- xi. Existing and potential investors in the sector
- xii. Representatives of marine environment protection institutions
- xiii. Ship building and repair yards
- xiv. Maritime education and training institutions

1.6 Expected number of participants: 150

1.7 Expected outcome of the Maritime Transport Side Event

It is expected that the Maritime Transport Side event will provide the platform for learning and exchanging ideas, sharing knowledge, experience and investment opportunities on among other topical issues:

- i. Measures on improving performance, productivity and efficiency of maritime transport services
- ii. Trends on realization of effective port performance and management
- iii. Strategic partnerships and collaborations on improving performance of the sector
- iv. Resource mobilization for investment opportunities in the maritime transport sector such as the viability of establishing a maritime cluster development fund and how it works
- v. Regulatory and oversight strategies and challenges for improved performance of the maritime sector
- vi. Research and Development initiatives in the maritime sector and implementation of research findings for improved development and growth of the sector

- vii. Maritime Education and Training – Status, potential opportunities and requirements for development of globally competitive human resource
- viii. Cabotage opportunities

2.0 The Concept Note

2.1 Smart Shipping, Ports, Transportation and Global Connectivity

Maritime industry has shaped the world history and continues to contribute to the growth of international trade. An estimated 80 per cent of global trade by volume and over 70 per cent by value are seaborne. Distribution of goods sustains the modern world as we know it today and this would be impossible without shipping services. Shipping affects everyone no matter where you may be in the world for if you look around you, you will see something that has either been or will be transported by sea as raw materials or finished goods.

The world seaborne trade continues to grow and sustains the growth of economies of both coastal and hinterland States. The overall transportation costs however, vary greatly from 4 percent of the value of goods in some regions of the world to almost 30 percent in other places. Variations arise from the different logistical challenges, inter-agency coordination, physical infrastructure, regulatory environment and use of technology in cargo clearance.

The maritime transport sector is a multi billion industry in which for Kenya alone, an estimated 3 billion US Dollars is paid annually for shipping services. A country's involvement in the provision of shipping services must of necessity be a key strategic objective in the Blue Economy space for wider consultation. A country's involvement is determined by the existing structures for human resource development, supporting investment policies and regulatory environment that promote orderly growth and participation in the sector.

Equally important is the enhanced collaboration among lawmakers, security agencies, industry operators and academia to reflect on the state of maritime security, safety, prevention of marine pollution and regulatory frameworks. They need to think critically about measures needed to address the associated challenges in the short and long term. Conversations in this context will be around technology, legal frameworks and enforcement capacity to address existing and emerging maritime security threats, safety and governance issues the sector needs for rapid growth.

In the side event, discussions will focus mainly around cost reduction measures in the transport logistics chain, enhancement of investment opportunities in shipping services, infrastructural development in the sector, inter-agency coordination for improve cargo clearance efficiency, partnerships collaboration in the provision of maritime transport services and leveraging on technology for enhanced service delivery. Of further attention will be discussions on environmental and social corporate responsibility and accountability measures in the sector.

It will also be important to deliberate on how transportation potential of inland waters can be developed to enhance hinterland connectivity. Incentives needed to strike a balance in the use of fossil fuels and renewable energy to drive the transport sector and the role of Maritime Transport Coordination Centers (MTTC) in this respect will also feature in the deliberations. Last but not least there will be discussions around measures needed to integrate women, youth and marginalized populations in the mainstream maritime transport sector and in particular the role of the Association of the Eastern and Southern African Women in the maritime sector (WOMESA).

2.2 Maritime Transport in Employment, Job creation, Poverty eradication and the Blue economy

Blue economy is gaining wider global recognition as a major source of employment opportunities and quite significant in eradicating poverty. Africa's blue economy for instance is massive and if well developed and managed, has the potential to be a major contributor to economic transformation and growth of the continent. With thirty eight coastal and island countries, the length of Africa's coastline inclusive of its islands is about 26,000 nautical miles. The continent has fifty-two (52) of its over one hundred port facilities handling international trade. Its share of global ships is 1.2 percent handling about 0.9% of the global gross tonnage.

Across many parts of the world, development of national, regional and global strategies to revamp Blue economy is on the increase. Africa for instance developed an Integrated Maritime Strategy, 2050 that bestows responsibility on member states to promote economic interactions with the maritime domain as a means of boosting growth opportunities and advancing sustainable use of Africa's water resources. In these initiatives establishment of an integrated governance framework for the Blue economy is seen as the most effective means for accommodating and resolving conflicts between the vast range of marine-related interests and values that originate from the past years of fragmented management approach.

In the side event, deliberations will be around how a multi-sectoral framework of all clusters can be set up for the realization of orderly planning, assessment, consultation, collective decision making, policy making and execution for the realization of the full benefits of Blue economy potential. It will also be possible to discuss how an integrated cluster concept will enable the maritime transport promote gender equality, full employment and decent work for all for facilitation of economic growth and eradication of poverty.

Another key area of deliberation in the event will be the development of effective and well structured management to enable coastal and lake-facing cities to increase their contribution to GDP growth by leveraging their superior advantage in such areas as tourism and culture while conserving coastal and aquatic ecosystems. The question of how can the aquatic invasive alien plants be turned into renewable energy alongside wind and tidal waves will be deliberated upon. Another area will be capacity building of small-scale fishers and entrepreneurs to adopt

sustainable practices including value addition in order to bring about new business opportunities and end hunger and malnutrition through securing food supplies, promoting good health and dietary practices.

2.3 Maritime safety, Security and Regulatory enforcement

Coastline, offshore and inland water systems are key pillars in the national socio-economic structure and investments in such places can only thrive if undertaken in a peaceful, safe and effectively regulated environment. A safe, secure and well regulated environment serves as the backbone of maritime trade, allows movement of goods, attracts capital investments, grows the sector and creates job opportunities. Mechanism for ensuring compliance with safety and security by regulations aligned to international standards is a prerequisite to harnessing of the Blue Economy.

In the side event discussions in this areas be on among other issues, the numerous perennial and in some cases, emerging security and safety related challenges posed by different threats such as terrorism, piracy, illegal fishing; customs evasion and illegal trade; weapons smuggling, illegal immigration; drugs smuggling; armed robbery against ships and seafarers; floating armories; cargo pilferage; sabotage against offshore installations such as cables, oil rigs, Mobile Offshore Drilling Units, and oil and gas pipelines; environmental pollution and dumping of toxic waste.

In this side event, some of the big questions to be answered are: ‘are the existing laws and regulations adequate? What security and safety framework would enhance compliance with the laws? Given the ever evolving safety and security challenges, what is the role of technology in security and safety and how can we continually keep pace with the changing technology particularly covering issues of maritime domain awareness?’

Considering the importance of safety, security and effective regulatory framework for the orderly growth of the sector, what concrete steps beyond conference conversations can be taken in securing the Blue Economy space? What is the role of the Navies, responsible MDAs and the judicial system in creating the needed conducive environment? What potential partnerships and cooperation would be needed to enhance the capacity to secure and provide a stable maritime environment? What is the future of creating a Coast Guard Service?

What are the latest measures in detection of threats and illegal activity (e.g. IUU fishing), and the appropriate response towards addressing their impacts in order to enhance health, safety and protection of maritime zones? What are the latest knowledge and skills in combating drug trafficking, responding to humanitarian disasters and addressing evolving political, legal, safety and security challenges in the sector?

What about Knowledge and ideas on evolving technology in the maritime sector such as clean and blue technology (including block chain and remote sensing) and measures needed to deal

with the security implications in ports and waters particularly in regards to addressing lack of awareness, intelligence collection, processing and exchange of information.