

InfoBrief Blue Economy

December 2018



The low hanging fruits to offer youth blue economy jobs

Blue Economy Conference

Having had an opportunity to host the conference on the blue economy last month, which exposed the country to global experts, Kenyans must have learnt a few lessons to help the country to cement its maritime sector and pluck the low hanging fruits.

The Youth Congress hosted a youth and blue economy conference at the United Nations prior to the main conference and it emerged that focused consideration is not given to youth and people living along the shores and lakes on how they can benefit from water resources.

Activity supported by the
Canada Fund for Local Initiatives

Activité réalisée avec l'appui du
Fonds canadien d'initiatives locales

Canada 

Harnessing the blue economy

The workforce in Kenya maritime industry, just as in many other developing nations is aging, and there is need for the government to take immediate measures that can offer youth jobs to avert a future crisis.

And there are plenty of opportunities that only need the government interventions. One such area is on seafaring. Kenya attained Whitelist recognition by the International Maritime Organisation (IMO) in 2009 after the the gazettelement of the Merchant Shipping regulations.

This gave effect to the domestication of the International Convention on Standards of Training, Watch-keeping and Certification of seafarers that gave Kenya green light to train seafarers who can compete globally.

Several years later, Kenya seafarers have not been able to reap benefits of this significant milestone to secure decent jobs in foreign going ships due to a number of factors that needs to be fixed according to Mr Andrew Mwangura, a Mombasa based maritime consultant.

First is lack of sea-based training that they are supposed to get to qualify for jobs as officers on board the foreign ships. This is attributed to the fact that Kenya does not own ships and there is shortage of qualified personnel to offer the training. Private shipping lines operating in Kenya do not accommodate Kenyan seafarers, according to Mwangura.

"There is great need to revive the National Shipping Line. This will not only enhance the training of our seafarers but will create jobs for the unemployed youth," Mwangura said.

According to Mwangura, Kenya does not need to buy ships. They can use bareboat charter model, an arrangement for the chartering or hiring of a ship or boat, whereby no crew or provisions are included as part of the agreement; instead, the people who rent the vessel from the owner are responsible for taking care of such things.

"The ships can be tailor made for the bulk cargo. We can use them to transport titanium, coal and iron ore for export. We can also use the ships to bring in oil and clinker from abroad, which would significantly reduce the transport cost," Mwangura said.

The government's plan to establish wage standard for seafarers in a bid to address rising exploitation of seamen working in foreign vessels should be fast-tracked.

Recently, Shipping and Maritime Affairs Principal Secretary Nancy Karigithu said that the department is working with the Ministry of Labour to establish a wage standard council and wage regulation for minimum wages for Kenyan seafarers, although no time-lines were given.

As a result of poor training, the seafarers who are able to secure jobs have complained of poor wages.

"You will find, for instance, that an Indonesian able seaman working with a Kenyan aboard the same ship will be paid \$1,500 (Sh150,000) a month while a Kenyan doing the same task gets \$300 (30,000)," said Mohammed Kassim, a local seamen said recently when the country celebrated annual day of the Seafarers.

Fishing opportunities

We have neglected the marine fishing for many years which would offer thousands of jobs. According to the United Nations Food and Agricultural Organisation (FAO), Kenya can catch up to 300,000 tonnes of fish from the Indian Ocean sustainably every year, which is about 30 times the current catch.

In East Africa, Tanzania caught 61,304 tonnes, which was more than six times Kenya's catch of 8,496 tonnes in 2015, while Somalia, with its perennial political problems managed to land 29,800 tonnes of sea fish.

Although freshwater fish currently make up 93 per cent of Kenya's total catch, recent years have seen

declines in the amount of fish landed, partly due to the overfishing of some species. For example, from 2012 to 2016, Kenya's freshwater catch fell 18 per cent, from 145,150 tonnes to 119,550 tonnes.

One of the main challenges facing the fishing industry in Kenya is lack of fishing gears that can exploit resources in the deep seas. According to Mwangura, the government has over the years turned a blind eye on the many resources that can be exploited from the sea.

"For instance, one cannot understand why the fisheries department has over the years been located in Nairobi. There is need to relocate it to Mombasa and

devolve other units to areas in the country with fishing activities," Mwangura said, adding that maritime industry ought to be managed by experts in the industry.

The country, according to Mwangura, has 141 gazetted fish landing sites along the Kenya coast but 36 of

them having been taken for other uses such as illegal construction of beach hotels. Lack of serious focus on marine fishing has left Kenya's territorial waters exposed to illegal fishing. In 2014, President Kenyatta said that Kenya loses Sh10 billion from illegal fishing in its exclusive economic zone.

Investing in ship building

Another area that can yield quick gain is on ship building. Demand for watercraft vessels has grown significantly in the past years in the East African region, with most buyers importing them from abroad mainly because they do not understand the immense value of sourcing them locally. There is also the challenge of lack of good policy support and un-favourable tax regime that make it uncompetitive to buy these vessels from the country.

Private sector has created enough dry docking and ship building facilities. For instance, in 2016, Southern Engineering Co. Ltd (SECO) manufactured a vessels measuring 42 metres by 15 metres, powered by four engines, Mv Albert 1, for Uganda at a cost of \$3 million (Sh310 million). The vessel had a capacity of 250 passengers and 20 vehicles.

Despite this huge potential, Kenya contracts foreign firms to make its ferries because they offer competitive prices, thanks to supportive policies back home.

With local assembly, experts say it is easier to provide after sales management at the Kenya's dry dock. Local assembly will also create the growth of the needed technology, create a human resource of technical support and create more jobs with huge economic spill over. Most importantly, it will do the country great pride by positioning Kenya in the global map of ship building.

In 2016, Kenya contacted a Turkish firm to deliver two ferries in Mombasa at a cost of Sh1.3 billion. But local industrialists were pushing for locally made ships. In order to encourage shipbuilding and growth of the industry in the country, a rule requiring foreign firms to partner with local companies should be introduced in all the tenders that are floated.



Unlocking economic value for youth

"As attention turns to the Blue Economy, we must ensure that youth are not left behind. Youth must be supported to participate and access opportunities in the blue economy" UN-Habitat, Executive Director, Ms. Maimunah Mohd Sharif said.

"Youth are key to the success of sustainable Blue Economy. When you have youth & women that are employed the ripple effect is far reaching. We need to tap into the innovative potential of youth and support their innovative ideas. We need to encourage communities next to oceans to build youth skills for better engagement in the blue economy". High Commissioner of Canada, Lisa Stadelbauer

Youth are innovative and adopt to new technology very fast thus their inclusion towards sustainable Blue Economy will create platform for them to utilize their creativity.

According to Elizabeth Murimi, the first female maritime pilot in Kenya, one of the crucial steps towards making the youth aware of the blue economy is to align the education system with maritime industry needs. The subject should be introduced in primary and secondary education.

As outlined in the youth declaration released at the Blue Economy conference, there is need to change the image of the Blue Economy industry and maritime profession to make it attractive for the youth who constitute 70 percent of the population worldwide.

About The Youth Congress

The Youth Congress (TYC) is a youth serving Non-Governmental Organisation (NGO) providing young people in Kenya with a platform to articulate their issues, explore opportunities for youth participation and leadership to effectively address their interests and concerns and engage young people in social, economic and political development. The organization has four main programmes:

1. Research, Policy & Advocacy

The programme aims to realise meaningful participation of youth in policy-making and implementation. Its expected outputs are: improved knowledge on existing policies and their effect on the youth; one stop information centre on the state of the youth in Kenya; coordinated advocacy initiatives on youth issues; and increased youth participation in policy making and advocacy.

2. Youth & Leadership

The programme aims to realise meaningful youth participation in leadership and governance processes, and to build next generation of youth leaders with vision and values. Its expected outputs are: youth in leadership positions and processes; increased awareness and capacity of youth to engage in leadership and governance processes; and youth actively promoting ethical leadership.

3. Youth Entrepreneurship, Talent & Innovation.

The programme aims to realise an empowered youth population benefiting from available opportunities and utilizing their skills and talents for economic development. Its expected outputs are: young people equipped with entrepreneurial skills; young people linked to financial opportunities and markets; talent realization and utilization by the youth; and partnerships and alliances built to advance youth economic development.

4. Institutional Development

The programme aims to realise an effectively governed and managed organization with adequate resources to deliver its programmes. Its expected outputs are: adequate resources for smooth and effective implementation of activities; a staff complement that is competent, passionate, determined and responsive to youth values and agenda; functional partnerships and networks; and inclusive, participatory and gender responsive programmes, policies and strategies.

Contacts us:

Engyo Plaza 4th Floor
Kariobangi North- off Kamunde Road
P.O. Box 44427-00100, Nairobi, Kenya
Tel: +254 799 863696/+254 770 254 864
Email: info@theyouthcongress.org
www.theyouthcongress.org