



## THE LAW OF THE SEA AND THE BLUE ECONOMY: OPPORTUNITIES FOR THE PRIVATE SECTOR

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### ABSTRACT

Oceans and seas are critical assets, providing numerous benefits in the form of food, employment, access to the international market, foreign exchange, culture and recreation. When properly managed, these assets can significantly enhance and sustainably contribute to the economic development, welfare and prosperity of a country. The blue economy calls for a sustainable and integrated management of these critical assets to drive economic growth while restoring, protecting and effectively harnessing ocean and coastal ecosystems. The law of the sea consists of customs, treatise, principles and rules by which public entities and governments interreact and maintain order and peaceful relations on the sea and the 1982 United Nations Convention on the Law of the Sea (UNCLOS) comprehensively covers every aspect of ocean governance and management and is the backbone for the development of a sustainable blue economy. The convention also makes elaborate provisions for private sector participation in the blue economy. The study follows a quantitative approach by analyzing existing literature and global, regional and national policy frameworks. Findings indicate that the blue economy seeks to reconcile sustainable ocean development with the legal structures of the UNCLOS, balancing economic growth with ecological preservation. To prevent the depletion of marine resources, UNCLOS imposes strict, binding legal obligations on all States to protect, reduce, and control pollution. The Study further indicates that the blue economy requires newer supplemental treaties to fill gaps regarding modern industries and the 2026 Convention on Biodiversity Beyond National Jurisdiction (BBNJ), extends UNCLOS to regulate the sharing of marine genetic resources, and the establishment of marine protected areas in the high sea. Moreover, the study indicates the need to align economic growth with marine conservation while positioning the private sector as key drivers of sustainable innovation and investment. Recommendations emphasize adopting ecosystem-based management under UNCLOS and leveraging private partnerships across all sectors of the blue economy.

**KEYWORDS:** Blue economy, law of the sea convention, private sector, maritime zones

### 1. INTRODUCTION

The global gross domestic product (GDP) is greatly enhanced by the massive ocean economy valued in trillions of dollars involving sectors such as fishing, shipping, offshore energy, marine biotechnology and marine bioprospecting.<sup>1</sup> The blue economy centers on the sustainable use of these sectors for economic growth, job creation and improved livelihoods.<sup>2</sup> UNCLOS provides the legal framework that balances these developments with environmental protection and

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<sup>1</sup> The OECD report *The Ocean Economy to 2050*, 31<sup>st</sup> March, 2025. Available at:

<[https://www.oecd.org/en/publications/2025/03/the-ocean-economy-to-2050\\_e3f6a132.html](https://www.oecd.org/en/publications/2025/03/the-ocean-economy-to-2050_e3f6a132.html)> Accessed 19th July, 2026.

<sup>2</sup> *ibid*.



preservation.<sup>3</sup> To appreciate how the blue economy operates, understanding the basic principles of the law of the sea is critical.

UNCLOS<sup>4</sup> outlines the rights and obligations of the States including those relating to navigation, living and non-living resources, protection and preservation of the marine environment, marine scientific research, and development and transfer of marine technology, in all maritime areas provided for in the Convention. It provides for the means of achieving legal certainty in several areas, including the generation of maritime zones. Regarding maritime zones, clearly defined and duly publicized limits of maritime zones are an essential basis for States to derive benefits from the oceans and their resources i.e., the blue economy. These limits provide certainty about the extent of the sovereignty or sovereign rights and jurisdiction of coastal States, thereby creating a fundamental pre-condition to attracting investments from exploitation and exploration activities.

Under UNCLOS, the following maritime zones are recognized, namely: internal waters, archipelagic waters; territorial sea; contiguous zone; exclusive economic zone (EEZ); continental shelf; the extended continental shelf; high seas and international seabed area (regarded as the epicenter of the blue economy).<sup>5</sup>

## 2. CONCEPTUAL CLARIFICATIONS

### 2.1 Archipelagic Waters

The concept of archipelagic waters is traceable to the negotiating history of UNCLOS. These waters are neither internal or territorial waters. At the 1958 Law of the Sea Conference, Indonesia and the Philippines spoke strongly in favour of a special regime for archipelagoes announcing that they “would enclose the whole of their archipelagoes by straight lines and treat the waters thus enclosed as internal waters.”<sup>6</sup> Opposition to a special regime for archipelagoes came from major maritime States who feared that such a regime would result in areas which had originally been high seas or territorial seas becoming internal waters thus leading to the loss of their navigational and commercial interests.<sup>7</sup>

To satisfy both interests, UNCLOS created a special regime for archipelagic States which permits straight archipelagic baselines to be drawn around the outermost islands of archipelagoes and equally created a new legal regime that accommodates the navigational interests of maritime States. Upon drawing an archipelagic baseline in accordance with Article 47 of UNCLOS, all waters enclosed by archipelagic States under Article 49 of UNCLOS, are termed archipelagic waters. The archipelagic State has sovereignty over these waters regardless of their depth or distance from the

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<sup>3</sup> United Nations Convention on the Law of the Sea, opened for signature on December 10, 1982, entered into force on November 16, 1994, United Nations Treaty Series, 1833, 396.

<sup>4</sup> *ibid.*

<sup>5</sup> A Kingsley Ekwere, *Treaties on the Law of the Sea* (Lagos: Princeton & Associates Publishing Co. Ltd., 2022) 69-104.

<sup>6</sup> Robin Churchill and Vaughan Lowe, *The law of the Sea* (3<sup>rd</sup> ed. Manchester Press 1992) 46.

<sup>7</sup> *ibid.*



coast and this sovereignty extends to the air space, seabed, subsoil as well as resources within them.<sup>8</sup>

## **2.2 Contiguous Zone**

The definition of contiguous zone is laid down in UNCLOS Article 33. The zone may not extend beyond 24 nautical miles from the territorial sea baseline. If a coastal State claims a contiguous zone, it may exercise the control necessary to:

- a. Prevent infringement of its customs, fiscal, immigration and sanitary laws and regulations within its territory or territorial sea;
- b. Punish infringement of the above laws and regulations committed within its territory or territorial sea.

The contiguous zone is comprised of international waters in which the ships including warships of all States enjoy high seas freedom of navigation. Although coastal State may exercise the controls stated above, it cannot otherwise interfere with international navigation in the contiguous state.

## **2.3 Exclusive Economic Zone**

Part V of UNCLOS lays down the rights and regulations of the EEZ. Each coastal State has right to claim an EEZ out to 200 nautical miles from the territorial sea baseline. The coastal State's jurisdiction and control over the EEZ are limited to matters concerning the exploration, exploitation, management, and conservation of the resources of those international waters. The coastal State may also exercise in the zone jurisdiction over the establishment and use of artificial islands, installations, and structures having economic purposes; over marine scientific research (with reasonable limitations); and over some aspects of marine environment protection. Accordingly, the coastal State cannot unduly restrict or impede the exercise of the freedom of navigation in the EEZ, since all the ships including warships enjoy the high seas freedoms of navigation and other internationally lawful uses of the sea.

## **2.4 Extended Continental Shelf**

Article 76(6) of UNCLOS, permits a State to extend its continental shelf to 350-nautical miles upon making a submission to that effect to the Commission on the Limits of the Continental Shelf ("CLCS") established pursuant to Annex II of UNCLOS. Pursuant to Article 76(6) of UNCLOS, Nigeria made submissions for extended continental shelf to the CLCS in May 2009 and October 2016.

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<sup>8</sup> UNCLOS, art 49 (1) and (2).



In December 2023, the United Nations approved the extension of Nigeria's continental shelf by 20 nautical miles. This means that Nigeria's continental shelf is now 220 nautical miles.<sup>9</sup>

The implication of the extension is that Nigeria can now explore and exploit the abundant carbon and marine resources believed to be present within the area and the country can redraw the map of its territory around the Gulf of Guinea.<sup>10</sup>

## 2.5 Internal Waters

These waters are defined in Article 8 of UNCLOS. They comprise of all waters which lie landward of the baseline from which the territorial sea and other maritime zones are measured. Internal waters form an integral of the territory of the coastal State. Thus, internal waters mostly comprise bays, estuaries, ports and waters enclosed by straight baselines. There is no right of passage, except where the establishment of straight baseline system has the effect of enclosing as internal waters, areas which had not previously been considered as such, and were used for international navigation. In such waters, a right of innocent passage is retained.<sup>11</sup> The coastal State enjoys full territorial sovereignty over its internal waters. Because entering internal waters is legally equivalent to entering the land territory of another State, that State's permission is required. To facilitate international maritime commerce, many States grant foreign merchant vessels standing permission to enter internal waters. By entering foreign ports and other internal waters, foreign ships put themselves within the territorial jurisdiction of coastal States. Accordingly, coastal States are entitled to enforce its laws against the ship and those on board, subject to the normal rules concerning sovereign and diplomatic immunities, which arises chiefly in case of warships.<sup>12</sup>

## 2.6 Territorial Sea

This is a band of water seaward of the territorial sea baseline with a maximum permitted breadth of 12 nautical miles as laid down in UNCLOS Article 3. The coastal State enjoys sovereignty over the territorial sea and it is under its control and jurisdiction. International law provides that ships of all States enjoy the right of innocent passage for the purpose of continuous and expeditious traversing of the territorial sea or for proceeding to or from internal waters. Innocent passage includes stopping and anchoring, but only insofar as incidental to ordinary navigation, or as rendered necessary by *force majeure* or by distress. Passage is innocent so long as it is not prejudicial to the peace, good order, or security of the coastal State. Activities considered prejudicial to the peace, good order, and security of the coastal State, and therefore inconsistent with innocent passage, are:

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<sup>9</sup> Federal Republic of Nigeria, Submission for Extended Continental Shelf Pursuant to Article 76 of UNCLOS 1982, Amended Executive Summary, October, 2016. Available at: <[https://www.un.org/depts/los/clcs\\_new/submissions\\_files/nga38\\_09/nga2016\\_executivesummary.pdf](https://www.un.org/depts/los/clcs_new/submissions_files/nga38_09/nga2016_executivesummary.pdf)> Accessed 19<sup>th</sup> July, 2026.

<sup>10</sup> *ibid*.

<sup>11</sup> UNCLOS, art 8(2).

<sup>12</sup> *ibid*.



- 1.) Any threat or use of force against the sovereignty, territorial integrity, or political independence of the coastal State;
- 2.) Any exercise or practice with weapon of any kind;
- 3.) The launching, landing or taking on board any military device;
- 4.) Intelligence collection activities detrimental to the security of the coastal State;
- 5.) Carrying out of research or survey activities;
- 6.) Any act aimed at interfering with any system of communication of the coastal State;
- 7.) Any act of propaganda aimed at affecting the defence or security of the coastal State;
- 8.) Loading or unloading of any commodity, currency or person contrary to the customs, fiscal, immigration or sanitary laws and regulations of the coastal State;
- 9.) Any act of wilful and serious pollution prohibited under UNCLOS;
- 10.) Any fishing activities (Since coastal States are competent to regulate fishing in their territorial sea, passage of foreign fishing vessels engaged in activities that are in violation of those laws or regulations is not innocent (UNCLOS art. 21 (1) (e). Example is illegal, unregulated, and unreported (IUU) fishing, and
- 11.) Any other activity not having a direct bearing on passage.

## 2.7 The Continental Shelf

The continental shelf of a coastal State comprises the seabed and subsoil of the submarine areas that extend beyond its territorial sea throughout the natural propagation of its land territory to the outer edge of the continental margin, or to a distance of 200 nautical miles from the baselines from which the breadth of the territorial sea is measured where the outer edge of the continental margin, or to a distance of 200 nautical miles from the baselines from which the breadth of the territorial sea is measured where the outer edge of the continental margin does not extend up to distance.<sup>13</sup>

Article 77 of UNCLOS details the rights of coastal States over the continental shelf to include sovereign rights for the purpose of exploring and exploiting its natural resources, as no other State may undertake these activities without the express consent of the coastal State. Moreover, the right of the coastal State over the continental shelf do not depend on occupation, effective or notional, or on any express proclamation. It needs to be emphasized that every coastal State is entitled to continental shelf, whether formally claimed or not. It is important to equally note that rights to the seabed and subsoil acquired through EEZ claims are still governed in accordance with the provisions in Part VI of UNCLOS relating to the continental shelf.

## 2.8 The Area

Beyond the limits of national jurisdiction, UNCLOS established a new zone, ‘the Area’ which is administered by the International Seabed Authority (ISA) based in Kingston, Jamaica on-behalf of State Parties and for the benefit of mankind.<sup>14</sup> In other words, the benefits of economic gains

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<sup>13</sup> UNCLOS, art 76(1)

<sup>14</sup> UNCLOS, art136 & 137.



from activities in the Area are for the benefit of all humanity. The exploration and exploitation of seabed minerals in the Area may only be carried under a contract with the ISA and subject to its rules, regulations and procedures. Contract may be issued to both public and private mining enterprises. It is important to note that at present, no African States are sponsoring any activities in the Area.<sup>15</sup> The sustainable use of non-living resources, including those in the sea floor and subsoil, is crucial in the development of a sustainable blue economy. A potential sector for the promotion of the blue economy is the deep ocean floor where trace elements and marine minerals are in abundance. The exploitation of materials such as polymetallic sulfide, polymetallic nodules, cobalt-rich ferromanganese crusts (for nickel, copper, zinc, gold, silver and other metals) as well as rare-earth elements, from the deep ocean floor are of economic interest especially as these elements are often high-grade ores and therefore very valuable.<sup>16</sup>

At present, deep-sea mining is regulated primarily under UNCLOS. Article 56 of UNCLOS grants countries the right to exploit resources within their own EEZs. However, these must adhere to environmental obligations also outlined in UNCLOS including article 192, which mandates the protection and preservation of the marine environment and article 194, which obligates efforts being made to prevent, reduce and control pollution of the marine environment.<sup>17</sup> It is clear from the above that UNCLOS contributes to the strengthening of peace, security, cooperation and friendly relations among all nations, as well as to the promotion of the economic and social advancement of all peoples of the world, and to the sustainable development of the oceans and seas.

The Agreement under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas Beyond National Jurisdiction<sup>18</sup> (BBNJ Agreement) While UNCLOS acts as the constitution of the oceans, balancing the freedom of States to use ocean spaces with a duty to protect the marine environment, the BBNJ or high seas treaty, is a new binding treaty under UNCLOS to protect plants and animals in international waters. It addresses four main issues, namely, marine genetic resources, including the fair and equitable sharing of benefit; adopt measures such as area-based management tools (ABMTs), including marine protected areas; environmental impact assessment (EIAs); and capacity building and the transfer of marine technology.<sup>19</sup> Under the BBNJ, the obligations for the private sector include strict compliance with access and benefit-sharing rules for marine genetic resources and mandatory EIAs for high seas activities.<sup>20</sup>

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<sup>15</sup>Empowering African States in Deep-Sea Governance: Building capacity for Inclusive Participation. International Seabed Authority. 27<sup>th</sup> February, 2026. Available at: <<https://isa.org.jm/news/empowering-african-states-in-deep-sea-governance-building-capacity-for-inclusive-participation>> Accessed 19<sup>th</sup> July, 2026.

<sup>16</sup> Economic Growth. Deepsea Mining: What You Need to Know. World Economic Forum. September 12, 2025. Available at: <<https://www.weforum.org/stories/economic-growth/deep-sea-mining-critical-minerals>> Accessed 19<sup>th</sup> July, 2026.

<sup>17</sup> UNCLOS, Part XII.

<sup>18</sup> Adopted on 19<sup>th</sup> June, 2023, entered into force on 17 January, 2026.

<sup>19</sup> *ibid.*

<sup>20</sup> *ibid.*



### 3. THE BLUE ECONOMY: CONCEPTUAL FRAMEWORK

In 1994, Gunter Pauli initiated the original blue economy concept which tackled issues surrounding the environment in new and sustainable ways.<sup>21</sup> The aim was to look for the best nature inspired technologies to shift society from scarcity to abundance. The initiative was to design an economic framework and business model that draws from whole systems in nature and shift businesses towards higher levels of competitiveness and sustainability, while generating jobs.<sup>22</sup>

In the years that followed, the concept was further amplified at the Rio+20 United Nations Conference on Sustainable Development, held in Rio de Janeiro in June 2012.<sup>23</sup> The concept has gained more recognition since then, and it is regarded as an alternative economic model for sustainable development that focuses on the ocean. At the United Nations (UN) level, the blue economy is recognized as the 14<sup>th</sup> Sustainable Development Goal titled “Life Below Water.” The goal is to conserve and sustainably use the oceans, seas, and marine resources for sustainable development.<sup>24</sup> The blue economy was further consolidated as a global agenda at the 2025 UN Ocean Conference held in Nice, France between 9 June-13 June, with the overarching theme “accelerating action and mobilizing all actors to conserve and sustainably use the ocean.” The aim of the conference was to support further urgent actions to conserve and sustainably use oceans, seas and marine resources for sustainable development and identify further ways and means to support the implementation of SDG 14.<sup>25</sup>

At the Continental level, harnessing ocean resources in a sustainable manner is the new frontier of African renaissance. To this end, the African Union (AU)<sup>26</sup> has designed an ambitious maritime strategy aimed at restoring ocean health, reinstating security at sea, and strengthening blue growth. In 2014, The AU adopted the 2050 Africa’s Integrated Maritime Strategy (2050 AIM Strategy) to coordinate the maritime policies of African Union members and African regional economic communities in strategic sectors such as protection of ocean space, transport, shipbuilding, energy and aquaculture. The 2050 AIM Strategy is developed as a tool to address Africa’s maritime challenges for sustainable development of competitiveness. The strategy aims to foster more wealth creation from Africa’s oceans, seas, and inland water ways by developing a thriving maritime economy and realizing the full potential of sea-baes activities in an environmentally sustainable manner. The above strategy was embedded in the Africa’s Agneda 2063 as a priority goal for Africa’s inclusive growth and sustainable development. In 2016, on signing the Lome Charter on

<sup>21</sup> Gunter Pauli *The Blue Economy: 10 Years, 100 Innovations, 100 million Jobs* (Paradigm Publications 2010).

<sup>22</sup> *ibid.*

<sup>23</sup> United Nations Conference on Sustainable Development, 20-22 June 2012, Rio de Janeiro, United Nations, Conferences, Environment and Sustainable Development. Available at: <<https://www.un.org/en/conferences/environment/rio2012>> Accessed 19<sup>th</sup> July, 2026. See also United Nations. *Outcome Document of the United Nations Conference on Sustainable Development, entitled “The Future We Want”* (2012).

<sup>24</sup> United Nations. *Transforming Our World: The 2030 Agenda for Sustainable Development* (2015).

<sup>25</sup> United Nations. *The United Nations Ocean Conference*, Nice France (2025).

<sup>26</sup> African Union, Agenda 2063: The Africa We Want, final edition (popular version) Available at <<https://www.google.com/search?q=African+Union+agenda+2963&oq=African+Union+agenda>> Accessed 19<sup>th</sup> July, 2026.



Maritime Security, Safety and Development,<sup>27</sup> AU members committed to reinforcing security at sea and embracing the blue economy. For Nigeria, the blue economy underscores Nigeria's commitment to harnessing the full potential of its marine resources responsibly, ensuring they remain a source of prosperity and resilience for the present and future generations.<sup>28</sup>

It follows that basic understanding and effective implementation of UNCLOS, the BBNJ as well as other relevant conventions, treaties and instruments, together with effective national, legal and institutional frameworks and the requisite national capacity for implementation are essential prerequisites for the success of the blue economy.

#### 4. BLUE ECONOMY AND OPPORTUNITIES FOR THE PRIVATE SECTOR

With oceans under increasing pressure from a range of anthropogenic threats, including climate change, the need for effective partnerships for ocean governance and protection has never been more pressing. The private sector has a key role to play in such partnerships.<sup>29</sup>

Given that the blue economy involves the sustainable use and management of ocean resources to promote economic development, enhance quality of life, and maintain integrity of ocean ecosystem, the private sector can help develop the blue economy in several ways.<sup>30</sup>

These include the following:

- *Investment*: The private sector can invest in sustainable ocean-related enterprises like eco-tourism, sustainable aquaculture, renewable energy, and other ocean-related projects.
- *Marine infrastructure development*: barges, hull repairs and maintenance, design and modular floating dockyard.
- *Ship building and marine architecture*: this component creates thousands of jobs and skills acquisition.
- *Innovation*: The blue economy can benefit from technical innovation and breakthroughs made by the private sector, such as improved marine biotechnology, marine spatial planning tools, and fishing techniques.
- *Capacity building*: The private sector can aid in the development of the abilities, skills and technical knowledge required to ensure sustainable ocean development, such as through funding marine biologists, fishermen, and coastal community training programs.

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<sup>27</sup> The Charter was adopted in Lome on 15 October 2016, by the African Union Extraordinary Summit of Heads of State and Governments on Maritime Security and Safety and Development in Africa.

<sup>28</sup> National Policy on Marine and Blue Economy (2023), 1.

<sup>29</sup> "With a growing blue economy and increasing use of ocean space for human activities, maintaining a productive and healthy ocean becomes more difficult.... In practice, enduring sustainability can be achieved only if best practices are applied in both the public and private sector and where productive partnerships between the two are encouraged and advanced." See Alex Benkenstein, "Encouragement of Private Sector in Regional Ocean Governance, 31<sup>st</sup> July, 2023. Available at: <[https://www.un.org/regularprocess/sites/www.un.org.regularprocess/files/10\\_private\\_sector\\_partnerships\\_sey\\_jul2023.pdf](https://www.un.org/regularprocess/sites/www.un.org.regularprocess/files/10_private_sector_partnerships_sey_jul2023.pdf)> Accessed 21st July, 2026.

<sup>30</sup> *ibid.*



- *Corporate Social Responsibility*: As part of its corporate social responsibility programs, players in the private sector businesses can support activities for ocean protection and implement sustainability practices.
- *Collaboration*: The private sector can collaborate with governmental bodies, non-governmental groups, and regional communities to help build sustainable ocean projects and initiatives. The public-private partnership (PPP) approach is inappropriate
- Maritime tourism and recreation
- Marine insurance
- Marine research, planning and development
- Marine biotechnology- pharmaceutical drugs, chemical products, etc.
- Marine security surveillance and patrolling network
- Marine agriculture and fisheries
- Marine research, recovery and rescue.<sup>31</sup>

It goes without saying that by investing in the above areas, the private sector can help the blue economy grow sustainably. Consequently, the private sector can enhance its participation by sharing of information, inclusion and utilization of best practice standards, the gathering and sharing of data, the supply of cash, and in-kind contributions of personnel and/or equipment.<sup>32</sup>

**Plain sailing for the private sector:** Below are easy pickings for the private sector in the blue economy:

#### *Sustainable fishing and aquaculture*

An essential part of international trade is in aquatic products and fishing and aquaculture provide a hub of business opportunities for the private sector.<sup>33</sup> In recent decades, the global trade in aquatic products has greatly increased and expanded across continents and geographic regions.<sup>34</sup> While consumers have experienced a significant expansion of their options for aquatic food beyond the species captured or raised in nearby aquatic habitats, producers have been able to access more far-flung markets. At the same time, the aggregate demand for traded aquatic food products has grown significantly due to income development, a growing middle class, and urbanization, particularly in low- and middle-income nations.<sup>35</sup>

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<sup>31</sup> (n 29).

<sup>32</sup> *ibid.*

<sup>33</sup> The World Bank. "A healthy ocean powers economies, nourishes over three billion people and supports millions of jobs." Fisheries, Aquaculture, and Ocean Economies, available at: <<https://www.worldbank.org/ext/en/topic/environment/fisheries-aquaculture-and-ocean-economies>> Accessed 21 July, 2026.

<sup>34</sup> The World Bank. *Harnessing the Waters: A Trillion-Dollar Investment Opportunity in Sustainable Aquaculture*, 1, 2025. Available at: <[https://documents1.worldbank.org/curated/en/099062325120031041/pdf/P175786-db3d7dea5971-4c3c-9f12-1cf892450594.pdf](https://documents1.worldbank.org/curated/en/099062325120031041/pdf/P175786db3d7dea5971-4c3c-9f12-1cf892450594.pdf)> Accessed 21<sup>st</sup> July, 2026.

<sup>35</sup> (n 39).



Aquatic product trade now involves numerous and interconnected actors in shipping, processing, wholesale, and retail, and is a significant contribution to global food security in terms of export revenue generation, employment, and value addition. Aquaculture is the fastest growing source of animal protein and occupies a favourable position to sustainably expand production to meet global demand. According to the World Bank and the World Wildlife Fund, by 2050, global aquaculture is forecast to increase by 64 million metric tons to reach 159 million tons.<sup>36</sup>

Despite this thriving business, reports have shown that approximately 90% of the world's marine fish stocks are fully exploited, overexploited or depleted. According to the United Nations Conference on Trade and Development<sup>37</sup> (UNCTAD), the shifting from wild-capture fishing to sustainable aquaculture is vital for global food security and economic stability. It champions the elimination of harmful subsidies and illegal, unreported and unregulated (IUU) fishing to restore ecosystems, sustainable aquaculture as well as enhancing level the playing field for fish farmers.<sup>38</sup>

These undertakings can ensure a viable blue economy and provide a wide range of opportunities for the private sector. The players in the sector can effectively invest resources in the blue economy since such investments have long term benefits.

#### *i.) Renewable marine energy*

The demand for renewable energy is expected to increase in exponentially in decades ahead. The concerns over energy security brought by Russia's -Ukraine war and well as the geo-political crisis in the Gulf of Hurmuz, have prompted nations to rely less on imported fossil fuels, whose prices have skyrocketed, and more on renewable energy sources like solar and wind. According to the International Energy Agency<sup>39</sup> (IEA), public funding is insufficient to drive the global transition to renewable energy. The private sector is expected to provide the bulk of the funding for renewable power generation, energy efficiency, and low-emissions funds. The IEA's World Energy Investment 2025 report,<sup>40</sup> indicates that the private sector and public entities are pouring in a record \$3.3 trillion into the global energy sector.<sup>41</sup>

<sup>36</sup> *ibid.*

<sup>37</sup> The United Nations Conference on Trade and Development (UNCTAD), is an Intergovernmental organization within the United Nations Secretariat which promotes the interests of developing countries in the governance of international trade, financial flows, and technology transfer. See Trade and Development Report, 2022. Available at: <<https://unctad.org/publication/trade-and-development-report-2022>>. Accessed 21<sup>st</sup> July, 2026.

<sup>38</sup> See 2022 UN Conference to Support the Implementation of Sustainable Development Goal 14, UNCTAD Contributions to UN SG Background note, available at: <<https://www.un.org/sites/un2.un.org/files/2020/02/unctad.pdf>>. Accessed 21, July 2026.

<sup>39</sup> International Energy Agency is an autonomous body established in 1974 within the framework of the Organization for Economic Cooperation and Development (OECD) to implement international energy programs. Available at: <<https://www.iea.org/reports/world-energy-investment-2025/executive-summary>>. Accessed 22<sup>nd</sup> July, 2026.

<sup>40</sup> World Energy Investment 2025. Executive Summary. Available at: <<https://www.iea.org/reports/world-energy-investment-2025/executive-summary>>. Accessed 22<sup>nd</sup> July, 2026.

<sup>41</sup> Scaling up Private Finance for Clean Energy in Emerging and Developing Economies, IEA-IFC report. Available at: <<https://iea.blob.core.windows.net/assets/a48fd497-d479-4d21-8d76->



Thus, to meet energy needs and achieve climate change mitigation goals, it may be possible to generate renewable energy from tides and waves, offshore wind turbines, underwater geothermal resources, and marine biomass. For the private sector, such renewable energy resources could help diversify its investment portfolios and opportunities.

For the private sector of developing economies which typically have low levels of marine infrastructure and high energy costs, this provides the opportunity to explore investment in marine technology. For instance, the utilization of algae as a source of biomass to produce energy, a non-food-based biofuel, can open a world of opportunities for the private sector in developing economies.

#### ii.) *Marine bioprocessing*

Water bodies such as the oceans and seas swarm with a wide variety of forms of life, including micro and macro-organisms.<sup>42</sup> These resources can be utilized in bioenergy, pharmaceutical and biochemical purposes.<sup>43</sup> Marine bioprospecting is the systematic search for interesting and unique genes, molecules, and organisms from the marine environment with features that could be useful to society and/or have potential for commercial development. Although biodiversity of the ocean presents important economic prospects due to the discovery of unique genetic resources, yet it is still mostly unexplored.<sup>44</sup> This opens the private sector to marine bio-prospecting opportunities. The future is bright for marine bioprospecting especially with advances in the medical and pharmaceutical fields. Thus, the private sector can generate huge value by investing into bioprospecting.<sup>45</sup>

#### iii.) *Maritime transport*

Maritime transport is the backbone of international trade.<sup>46</sup> To ensure accessibility to transport routes and sustainable flow of goods and services, most of the world's major cities and industries rely on maritime transport.<sup>47</sup> For developing countries, maritime transport is crucial since their

10619ce0a982/ScalingupPrivateFinanceforCleanEnergyinEmergingandDevelopingEconomies.pdf>. Accessed 22<sup>nd</sup> July, 2026.

<sup>42</sup> As a complex and interconnected ecosystem, the ocean features life forms ranging from microscopic single cell organisms to big whales that collective drive global nutrient. See, Danielle Hall, "Marine Microbes" OCEAN. Smithsonian. *National Museum of Natural History*. Available at: <<https://ocean.si.edu/ocean-life/microbes/marine-microbes>>. Accessed 22 July, 2026.

<sup>43</sup> Several marine organisms are sources of bioactive compounds. These active compounds have potential applications such as molecular tools, in agrochemical industries, fine chemicals and cosmetics. See, Tapas Paul, Saurav Kumar, P. S Shukla, Kundan Kumar and Abhilipsa Biswal, "Marine Bioprospecting: the route to treasure trove of bioresources for novel drug discovery". *Aquaculture*. Available at: <<https://aquaculturemag.com/2022/11/21/marine-bioprospecting-the-route-to-treasure-trove-of-bioresources-for-novel-drug-discovery>>. Accessed 22<sup>nd</sup> July, 2026.

<sup>44</sup> *ibid*.

<sup>45</sup> The bio trade initiative consists of economic and market research, training and capacity building, evaluation of strategies for biological resource conservation and development and private sector collaboration. See UNCTAD launches the bio trade initiative. Press Release. UN Trade and Development. Geneva 2007. Available at: <<https://unctad.org/press-material/unctad-launches-biotrade-initiative>>. Accessed 22<sup>nd</sup> July, 2026.

<sup>46</sup> K Ekwere, (n 6), 300.

<sup>47</sup> *ibid*.



socio-economic prospects are heavily reliant on their capacity to link with the rest of the world and access global markets.<sup>48</sup> However, due to certain inherent characteristics that thwart their sustainable development and growth, maritime transportation systems in underdeveloped nations are particularly vulnerable to shocks and eventualities.<sup>49</sup>

These challenges are even made more difficult by the interdependence between key economic sectors and transportation, as the debilitating effects of climate change on one of these sectors could ultimately cause result in the collapse of the other.<sup>50</sup> Therefore, it is crucial to increase the sustainability and resilience of the maritime transportation industry as well as the adaptability of and climate resilience of the maritime transportation industry as well as the adaptability and climate resilience of coastal transportation infrastructure, including ports.<sup>51</sup>

This opens a viable investment option for the public sector to explore. The private sector can invest in the marine transport sub-sector with special emphasis on shipping logistics.<sup>52</sup>

#### iv.) *Marine and coastal tourism*

Tourism is a strong driving force, social catalyst and unifier. It creates millions of jobs, enhance critical infrastructural development, foster cross-cultural exchange, environmental protection and conservation. Because of the growing interdependence of world economies, tourism has become a multi-billion-dollar sector, contributing immensely to the economic performance of tourist-attractive economies.<sup>53</sup> Marine and coastal tourism, however, is particularly susceptible to pollution, natural disasters, and climate change.<sup>54</sup> The main long-term threat to the tourism industry in many tourist-attractive countries, where most tourism infrastructure is located just above sea level, is that sea level is anticipated to continue to rise because of climate change.<sup>55</sup> The restoration and preservation of these ecosystems can be significantly be impacted by sustainable tourism,

<sup>48</sup> Maritime transport is critical for developing economies connecting local industries to international markets, enhancing imports of essential goods and serving as a driver for GDP growth and employment. See Shipping and Ports. World bank Group. Available at: <<https://www.worldbank.org/ext/en/topic/transport/shipping-and-ports>>. Accessed 23 July, 2026.

<sup>49</sup> Maritime transport in under-developed economies is highly susceptible to climatic and global shocks. Inadequate port infrastructure and over reliance on primary commodity export leaves these regions vulnerable for compounding supply change disruptions. See Review of Maritime Transport. UN Trade and Development, 2024. Available at <<https://unctad.org/publication/review-maritime-transport-2024>>. Accessed 23<sup>rd</sup> July, 2026.

<sup>50</sup> *ibid.*

<sup>51</sup> *ibid.*

<sup>52</sup> In Nigeria for instance, the private sector is the bedrock of the maritime industry as they are engaged in port operations, logistics, ship fleets and freight forwarding. See Private Sector Participation in the Maritime Industry: Challenges and Solutions. White Paper. Brackston. Available at: <<https://brickstone.africa/psp-in-the-nigeria-maritime-industry>>. Accessed 23<sup>rd</sup> July, 2026.

<sup>53</sup> Yasmine Yehia, "The importance of Tourism on Economies and Businesses". Global Edge. Available at: <<https://globaledge.msu.edu/blog/post/55748/the-importance-of-tourism-on-economies>> Accessed 23 July, 2026.

<sup>54</sup> Healthy coastal and marine ecosystems are vital for sustainable marine tourism. However, beaches degraded, with plastic waste, sewage discharge, sea-level rise and warming waters. These environmental damages devalue destinations causing serve to local economies. See Coastal and Marine Tourism Industry and its Impact on the Oceans: Analysis and Solutions. ONE OCEAN FOUNDATION. Available at: <<https://www.1ocean.org/news/coastal-and-marine-tourism-industry-and-its-impact-on-the-ocean-analysis-and-solutions>> Accessed 23 July, 2026.

<sup>55</sup> *ibid.*



including ecotourism.<sup>56</sup> The private sector has a role to play in the sustenance of the environment and this opens opportunities that are viable and profitable.<sup>57</sup> In addition to being incorporated into plans for managing the marine and coastal zones, the private sector can ensure that sustainable tourism be incorporated into the sustainable use of marine protected areas.

## 5. CONCLUSION

UNCLOS provides the legal framework that contributes to the strengthening of peace, security, cooperation, and friendly relations among all nations. Ocean governance is the foundation of rules, institutions, processes, and arrangements on which maritime and economic activities are undertaken. A predictable and stable governance framework is essential to the responsible use of ocean space and resources and ocean sustainable development.

Blue economy is relevant to all nations and can be applied on various scales from the local to the global. Achieving a blue economy is contingent on meaningful and effective engagement of a variety of sectors- from governments to civil society and the private sector. Engaging the private sector is key to promoting sustainable business practices and environmental responsibility.

## 6. RECOMMENDATIONS

### 1. Strengthen Environmental Impact Assessment (EIA) Compliance and Monitoring

Governments and regulatory authorities should ensure that all corporate activities within the blue economy sector are subjected to rigorous Environmental Impact Assessments in accordance with the provisions of the BBNJ Agreement and UNCLOS. Corporate entities engaged in fishing, maritime transport, offshore energy, tourism, and related activities should be required to conduct periodic environmental audits and adopt mitigation measures aimed at preventing adverse impacts on marine biodiversity.

### 2. Promote Marine Spatial Planning and Ecosystem-Based Management

Corporate stakeholders should integrate marine spatial planning and ecosystem-based management principles into their operational frameworks. This approach will facilitate the sustainable utilization of marine resources, reduce conflicts among ocean users, protect ecologically sensitive areas, and ensure that economic activities do not compromise the health and resilience of marine ecosystems.

<sup>56</sup> Sustainable Tourism: Overview, differences between sustainable tourism, green tourism, and ecotourism. ST4SD, 17<sup>th</sup> April, 2025. Available at: <<https://st4sd.vn/en/sustainable-tourism-overview-differences-between-sustainable-tourism-green-tourism-and-ecotourism>> Accessed 23<sup>rd</sup> July, 2026.

<sup>57</sup> Peter Schuhmann, Donova Campbell, Sergio Alvarez, Antonia Correia, Alan Fyall, Rafael Gonzalez-Quiros, Eliza Northrop and Adriana Ressurreicao, "Tourism", World Ocean Assessment. United Nations. Available at: <<https://woa.un.org/third-world-ocean-assessment/socioecological-systems/sustainable-and-inclusive-ocean-economy/chapter-4-tourism#:~:text=Coastal%20and%20ocean%20tourism%20involves,economy%20and%20the%20natural>> Accessed 23 July, 2026.



### **3. Enhance Public-Private Partnerships for Marine Conservation**

Governments should encourage collaboration between private sector actors, research institutions, and environmental organizations in implementing conservation initiatives under the BBNJ framework. Such partnerships can support the establishment and management of Area-Based Management Tools (ABMTs), including Marine Protected Areas (MPAs), while simultaneously promoting sustainable economic growth within the blue economy.

### **4. Facilitate Capacity Building and Marine Technology Transfer**

States and international organizations should develop mechanisms that enable private enterprises, particularly those in developing countries, to access marine scientific knowledge, technical expertise, and innovative technologies. Effective implementation of the technology transfers provisions of UNCLOS and the BBNJ Agreement will enhance compliance, improve environmental performance, and foster sustainable ocean-based industries.

### **5. Establish Equitable Benefit-Sharing Mechanisms for Marine Genetic Resources**

Regulatory frameworks should be developed to ensure transparent and fair benefit-sharing arrangements arising from the utilization of marine genetic resources. Corporate entities involved in marine biotechnology, pharmaceutical research, and related sectors should contribute to financial and non-financial benefit-sharing schemes that support marine conservation, scientific research, and sustainable development objectives, particularly for developing and least-developed countries.