

## Blue Economy – Concept, Dimension, and Advantages Brought to the Dobrudjan Area

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### Abstract

*In the context of the new theories on future development, taking into account the limited resources used so far for economic development, the blue economy is an acceptable alternative. The blue economy, along with another option that has drawn attention as a possibility for economic development, i.e. the green economy, are alternatives to previous developments which wasted resources difficult to renew or not at all renewable. The resources held by the world's seas and oceans are considered by specialists to be components of social capital, which will contribute to obtaining healthier products respecting the principles of sustainable development which is a sine qua non condition of future development. At EU level there is a strategy for "blue growth". The European Commission publishes a report every year highlighting the economic performance based on the oceans and the coastal environment. The aim of the paper is to establish the place that Romania occupies in the blue economy, through the tourism practiced on the Black Sea coast and in the Danube Delta.*

**Key words:** blue economy, development, Black Sea, indicators - the case of Romania

**J.E.L. classification:** O10, Q57

### 1. Introduction

The future of economic development can no longer be based solely on the resources used by the old development models, the so-called "red economy". The principles of sustainable development are landmarks which must be taken into account in order to evolve and develop successfully. The older approach to the green economy has proven viable, although not necessarily efficient. Alternatives have yet to be found to regulate subunitary return on investments considered large. A brief definition given to the blue economy is the superior capitalization of the resources contained by the seas and oceans of the world. Specialists researching the new economy believe that marine resources will provide substitutes for the depletable or difficult to regenerate resources which formed the basis of the previous development.

Over 70% of the Earth's surface is covered with water, representing a support for a considerable volume of economic activities, as well as an impressive natural potential. However, the exploitation of the resources of the blue economy must be in balance with the capacity of the oceans and the observance of the principles of sustainable development.

The European Commission publishes a report every year highlighting the economic performances based on the oceans and the coastal environment. The "EU Blue Economy Report 2020" publishes a turnover of €750 billion in 2018, and the number of people employed in this sector exceeds 5 million, which represents an increase of 11.6% compared to the previous year.

The blue economy report publishes data on the following six sectors: "(i) Extraction and marketing of living marine resources (i.e. living marine resources); (ii) Marine extraction of minerals, oil and gas (non-living marine resources); (iii) Shipping; (iv) Ports, storage and

construction of water projects (port activities); (v) Shipbuilding and repair; (vi) Coastal tourism” (EC, 2020: <https://prod5.assets-cdn.io/event/3769/assets/8442090163-fc038d4d6f.pdf>).

Romania enters the blue economy also in the statistics at EU level through the area along the Black Sea and the Danube Delta.

## 2. Literature review

The Belgian businessman Gunter Pauli is considered the father of the Blue Economy concept (Pauli, 2010). The resources of the world's seas and oceans, Pauli believes, are assimilated into the social capital and contribute to the production of healthy products which can result from other products' waste (the famous coffee example) and stimulate entrepreneurship.

Keen et al. (2018) present their own conception materialized in a necessary conceptual framework and the evaluation of the blue economy management. The EU Blue Economy Report 2020 delimitates the scope of the Blue Economy as being sector and inter-sector economic activities based on or related to oceans, seas and marine coasts. The states of the world show interest in manifesting themselves in the new type of economy, an interest emphasized in publications which contain indicators related to this.

The Indonesian government has published "The National Document of the Indonesian Ocean Policy", a document which regulates the policy related to conducting business in the maritime environment.

In order to make the activities carried out within the Blue Economy more transparent, the Dutch Ministry of Infrastructure and Environment publishes an annual report.

The Scottish Government also publishes a report with statistics regarding the evolution of the Blue Economy in terms of employment within this economy, turnover and value added.

## 3. Research methodology

This paper uses a descriptive and exploratory research method. Cause-effect relationships have been presented and explained, with the presentation of solid statistical data and, as an inductive nature, the different interconnection relationships with direct and indirect involvement factors have been pursued.

For data collection, studies and reports published by various national and international institutions, bodies and organizations have been analyzed, in order to obtain a comprehensive description of the addressed issues (both qualitatively and quantitatively).

## 4. Analysis of blue economy indicators - the case of Romania

At EU level, there is a Framework Directive on its Marine Strategy in force since 2008. The Union calls for the Member States to develop their own strategy for integrated land, water and living resources management.

Below, the latest indicators published at EU level are emphasized; they assess the blue economy. The level of these indicators has been increasing in each annual report published in the previous years.

Table no. 1. EU Blue Economy established sectors, main indicators, 2018

Turnover	750 billion euro
Gross value added	218 billion euro
Gross profit	94 billion euro
Employment	5 million euro

Source: Eurostat (SBS), DCF and Commission Services.

The figure below is a forecast of the European Commission regarding the evolution of the blue economy indicators for the period 2019-2021.

Figure no.1. GDP annual growth, real terms, breakdown by member state 2019-2021



Source: Eurostat, AMECO and Commission Services

As can be seen in Figure no.1, the Commission's forecasts for 2020 provide a picture of a contracting economy, followed by an estimated 6.3% growth for 2021. The impact of the pandemic is different for each state, the commission's forecasts taking into account the economic structure of each country and the ability to respond through adapted policies.

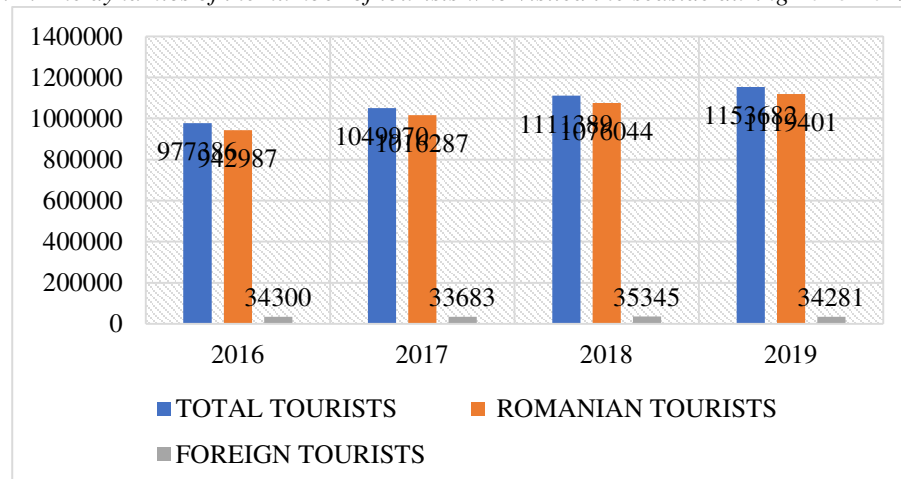
The blue economy includes all the economic activities related to the oceans, seas and coastal areas and comprises sectors such as fishing, shipbuilding and "coastal" tourism, as well as blue biotechnology and renewable energy production on the coast.

The EU's "blue growth" strategy identifies coastal and delta tourism as a potential vector for economic, sustainable and inclusive growth.

The following analysis takes into account, in the case of Romania, the tourism carried out on the Black Sea coast, as well as the one in the Danube Delta.

The Black Sea coastline is an infrastructure which has much to offer, from wild beaches, luxurious beaches and ancient remains stretching along a 275 km area. The Black Sea resorts stretch from the Danube Delta in the North to the Bulgarian Black Sea coast in the South. The resorts of the Romanian coast are: Mamaia, Eforie, Mangalia, Costinesti, Vama Veche, Neptun. This area provides opportunities for rest and heliomarine therapy; balneotherapy; seaside tours; sport fishing; tourism for children and adolescents; mesothermal water therapy in Mangalia; water sports.

Figure no. 2. The dynamics of the number of tourists who visited the seaside during 2016-2019

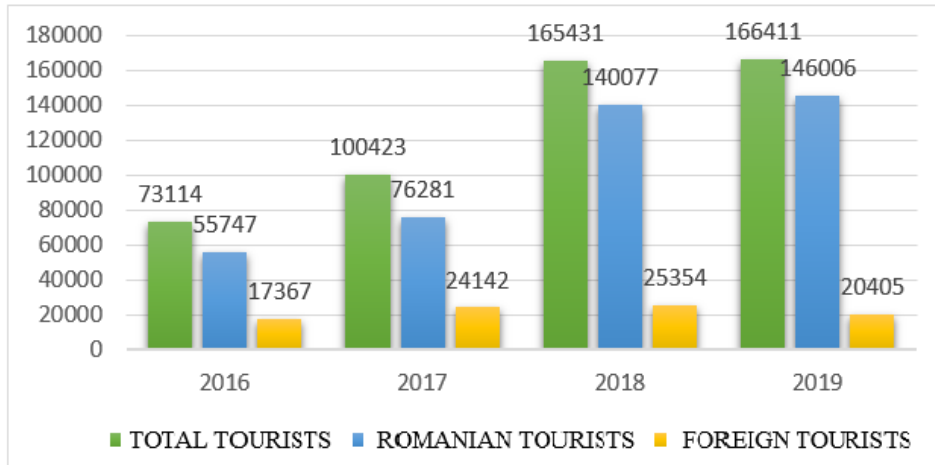


Source: INS, CONSTANȚA County Directorate of Statistics, a material available online at <https://constanta.insse.ro/>, accessed on May 22, 2020

Figure no.2 emphasizes that the total number of tourists visiting the Black Sea coast is increasing, the arrivals of Romanian tourists are steadily increasing from year to year, and the number of foreign tourists varies, i.e. in 2017 it decreases compared to 2016, it increases in 2018 and decreases in 2019.

The Danube Delta stretches over 4,152 km<sup>2</sup> of swamps, lakes, islands and sandbanks, including the largest area of reed beds, offering visitors landscapes of stunning natural beauty and extraordinary opportunities for bird watching and wildlife discovery. The Danube Delta can provide a lot of tourist offers: motor boat, hydro bus or boat rides on the Delta canals and inland lakes, gastronomic programs with fishing specialties; fishing and hunting programs.

Figure no.3. Total tourist arrivals in the Danube Delta, for the 2016-2019 period



Source: Statistical Yearbook of Romania, a material available online at: [https://insse.ro/cms/sites/default/files/field/publicatii/anuarul\\_statistic\\_al\\_romaniei\\_carte\\_ro\\_1.pdf](https://insse.ro/cms/sites/default/files/field/publicatii/anuarul_statistic_al_romaniei_carte_ro_1.pdf), accessed on April 29, 2020.

Figure no.3 highlights that the total number of tourists visiting the Danube Delta in 2019 was 987,271 lower than the total number of arrivals on the Coast. Likewise, the total number of tourists and the number of Romanian tourists change from one year to another, and the number of foreign tourists registers an increase until 2018 and decreases in 2019.

## 5. Conclusions

The blue economy is an integral part of sustainable development and ecological growth. The Romanian blue economy is defined by the services and the rest of the related activities using the coastal resources of the Black Sea and the Danube Delta. By supporting the development of these areas, Romania can contribute to a sustainable economic growth as proposed by the EU in its blue growth strategy. The blue economy provides a growth which takes into account the future generations, benefiting today from the economic performance of activities based on the marine environment.

The blue economy is generating an increasing number from one year to another in terms of the number of people employed, most of them in coastal tourism. Romania is also maintaining a growth trend in terms of jobs in coastal tourism and the Danube Delta.

The figures presented confirm the growth trend of the blue economy in the EU, including in our country.

In addition to tourism development activities in coastal and seaside areas, Romania can participate more in the development of the blue economy through the sea-oriented information and science sectors which play an increasingly powerful role in stimulating the development of the new economy.

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