

## **EVALUATING THE IMPACT OF BLUE ECONOMY SECTOR ON NIGERIA'S ECONOMIC GROWTH**

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**Phone Number:** 08035069365 and 08034712733

**DOI:** <https://doi.org/10.5281/zenodo.17122034>

**Abstract:** *This study evaluates the impact of blue economy sectors on Nigeria's economic growth over the period 1981–2024, using advanced econometric techniques to uncover long-run relationships. The study employs Fully Modified Ordinary Least Squares (FMOLS) and Johansen Cointegration Tests to assess the long-term contributions of these sectors to Nigeria's Gross Domestic Product (GDP). Unit root tests confirm the stationarity of the data, while diagnostic tests such as the Breusch-Godfrey serial correlation LM test, White's heteroscedasticity test, and CUSUM stability test validate the robustness and reliability of the estimated models. Empirical results reveal that all three blue economy sectors have a statistically significant and positive long-run relationship with Nigeria's GDP, with marine biotechnology and renewable energy emerging as untapped but high-potential contributors. These findings are consistent with similar studies in other developing and coastal economies and highlight the need for strategic investment in these underutilized sectors. The findings underscore the necessity of policy frameworks that prioritize blue economy development as a pathway to economic diversification, sustainable growth, and environmental stewardship.*

**KEYWORDS:** *Blue Economy, Maritime Transport Revenue, Coastal and Marine Tourism, Fisheries, Economic Growth*

### **SECTION ONE**

#### **1. INTRODUCTION**

##### **1.1 Background of the Study**

The blue economy encompasses the sustainable use of ocean resources for economic growth, improved livelihoods, and jobs while preserving the health of marine and coastal ecosystems. In recent years, it has gained significant traction as a viable growth frontier for many developing countries, including Nigeria, whose vast maritime domain remains largely untapped. Nigeria, with a coastline stretching over 850 kilometers and a sizable exclusive economic zone (EEZ), possesses immense potential to harness sectors such as fisheries, maritime transport, marine tourism, renewable ocean energy, and

marine biotechnology to drive inclusive economic growth. However, despite the strategic importance of these sectors, their actual contributions to national GDP have been insufficiently explored in a consolidated and empirical manner.

The lack of empirical studies examining the relationship between blue economy sectors and Nigeria's macroeconomic performance creates a significant research gap, especially given the increasing global interest in sustainable ocean-based development (Olaniyi and Okonkwo, 2023). While various government initiatives and policy frameworks have highlighted the importance of leveraging marine resources, these efforts are often hampered by limited data integration and fragmented sectoral planning. Moreover, studies focusing on Nigeria's economy tend to prioritize traditional sectors such as oil and gas, agriculture, and manufacturing, with minimal focus on the ocean economy despite its long-term growth potential (Adebayo and Onuoha, 2022).

As Nigeria diversifies away from hydrocarbons, understanding how each blue economy sector contributes to GDP growth becomes vital for evidence-based policymaking. Coastal and marine tourism, for example, remains underdeveloped despite Nigeria's natural attractions, while maritime transport continues to be constrained by infrastructure challenges and policy inconsistencies (Nwachukwu and Ibrahim, 2024). Additionally, marine renewable energy and biotechnology, though nascent, represent promising future revenue streams. By applying rigorous econometric methods such as the FMOLS and Johansen cointegration test, this study aims to quantify the long-run impacts of these sectors on economic growth over the period 1981–2024. It will provide policymakers with actionable insights into which areas of the blue economy hold the greatest potential for sustainable growth and economic resilience in the face of environmental and global economic uncertainties (Eze and Salami, 2025).

## 1.2 Statement of the Problem

Despite Nigeria's extensive marine and coastal endowments, the country has yet to fully leverage the economic potential embedded within its blue economy sectors. Existing literature and national development strategies have largely centered on traditional economic drivers such as oil and gas, agriculture, and manufacturing, with limited empirical focus on marine-based sectors (Adebayo and Onuoha, 2022). This oversight persists despite mounting evidence from other coastal nations that investments in fisheries, maritime transport, marine tourism, and ocean-based renewable energy can significantly boost GDP, create jobs, and enhance environmental sustainability (UNCTAD, 2023). In Nigeria, although government policy documents acknowledge the blue economy as a frontier for economic diversification, there remains a significant research gap in quantifying the sectoral contributions of its components to long-run economic growth.

Most studies that touch on the blue economy in Nigeria tend to be descriptive or policy-based, with insufficient econometric validation to support strategic planning (Olaniyi and Okonkwo, 2023). Additionally, there is a dearth of comprehensive time-series analyses that examine the dynamic

interactions between marine economic sectors and national output. This has led to a lack of empirical clarity on the causal and cointegrated relationships between Nigeria's GDP and variables such as fisheries revenue, maritime transport income, marine tourism receipts, marine renewable energy output, and biotechnology exports. Without such insights, policymakers are left with little quantitative basis to prioritize investments or measure sectoral impact.

Moreover, the fragmented nature of data collection across marine sectors further complicates efforts to understand their macroeconomic implications (Eze and Salami, 2025). As Nigeria grapples with economic volatility and the urgent need for diversification, research in this direction becomes crucial. This study seeks to bridge these gaps by applying robust econometric techniques to determine the extent to which blue economy sectors have influenced Nigeria's GDP from 1981 to 2024, thereby guiding informed policy interventions and sustainable development planning.

### 1.3 Aim and Objectives of the Study

To evaluate the impact of key sectors within Nigeria's blue economy on the country's Gross Domestic Product (GDP) from 1981 to 2024, using time-series econometric analysis. Other specific objectives are:

1. To examine the effect of revenue from fisheries (capture and aquaculture) on the Gross Domestic Product (GDP) of Nigeria.
2. To assess the impact of revenue from maritime transport on Nigeria's Gross Domestic Product (GDP).
3. To evaluate how coastal and marine tourism receipts influence the Gross Domestic Product (GDP) of Nigeria.

### 1.4 Research Questions

The study provides answers to the following research questions:

1. To what extent does revenue from fisheries (capture and aquaculture) affect the Gross Domestic Product (GDP) of Nigeria?
2. What is the impact of maritime transport revenue on Nigeria's Gross Domestic Product (GDP)?
3. How do receipts from coastal and marine tourism influence the Gross Domestic Product (GDP) of Nigeria?

### 1.5 Research Hypotheses

The study is guided with the following null hypotheses:

1.  $H_{01}$ : Revenue from fisheries (capture and aquaculture) has no significant effect on the Gross Domestic Product (GDP) of Nigeria.
2.  $H_{02}$ : Revenue from maritime transport does not significantly influence the Gross Domestic Product (GDP) of Nigeria.
3.  $H_{03}$ : Coastal and marine tourism receipts have no significant impact on the Gross Domestic Product (GDP) of Nigeria.

## 2. LITERATURE REVIEW

## 2.1 Conceptual Review

### 2.1.1 Blue Economy

The blue economy is a complex notion that refers to the sustainable use of ocean resources for economic growth, improved livelihoods, and job creation while also protecting the health of marine and coastal ecosystems (UNCTAD, 2022). It covers a wide range of industries, including fisheries, maritime transportation, tourism, renewable ocean energy, marine biotechnology, and the sustainable use of marine ecosystem services. The blue economy paradigm encourages economic development that is consistent with environmental sustainability and social inclusion, making it especially important for developing countries looking to diversify their economies.

In Nigeria, the blue economy provides a largely untapped possibility that corresponds with government goals for economic diversification and resistance to oil reliance (Olawumi and Ibe, 2023). Nigeria has 850 kilometers of coastline, a sizable Exclusive Economic Zone (EEZ), and access to a diverse marine ecosystem. These characteristics position the country to gain greatly from marine-based businesses, notably fisheries, maritime transportation, offshore renewable energy, and coastal tourism (Ezekwesili and Bala, 2024). However, fulfilling this potential needs intentional policy interventions, strategic infrastructure investments, and capacity building across critical institutions.

The worldwide emphasis on the blue economy has increased as people become more aware of ocean-related sustainability challenges, climate change adaptation demands, and the potential for job creation and poverty reduction in marine-based industries (FAO, 2021). Furthermore, sustainable ocean development is consistent with the United Nations' Sustainable Development Goals (SDGs), particularly SDG 14, which focuses on life below water. Integrating the blue economy into Nigeria's national development policies might assist reduce the country's reliance on hydrocarbons, promote inclusive growth, and improve environmental resilience. Thus, the notion serves as both an economic framework and a strategic avenue for accomplishing long-term national goals such as sustainable development, climate adaptation, and socioeconomic change (UNDP, 2024).

### 2.1.2 Maritime Transport Revenue

Maritime transport revenue includes port charges, freight services, cargo handling, and shipping-related operations. Maritime transport is an important part of the blue economy since it facilitates international commerce, improves connectivity, and stimulates auxiliary economic activity. For Nigeria, which has a long coastline and strategically positioned ports such as Apapa, Tin Can Island, and Onne, marine transport provides a tremendous opportunity for economic expansion and diversification. Nigeria's role as a vital West African marine center enhances the sector's potential.

Despite these benefits, inefficiencies such as congestion, obsolete infrastructure, long turnaround times, bureaucratic bottlenecks, and policy inconsistencies have hampered optimal income production (Ameh and Uche, 2022). Furthermore, little investment in deep seaport expansion, poor multimodal transportation links, and insufficient port process automation all contribute to income leakages and

operational delays. To address these difficulties, new steps have been implemented to improve marine security and efficiency, including the Deep Blue Project, port concessioning changes, and the digitalization of customs and cargo clearing operations (Obi & Hassan, 2024).

There is a growing realization that strong marine logistics and infrastructure are critical to lowering trade costs and increasing competitiveness in global markets. According to Ibrahim & Olayemi (2021), countries that have invested in effective marine transportation infrastructure have seen considerable increases in export growth, job creation, and fiscal income. Nigeria need a more integrated maritime strategy that integrates security, infrastructural, and regulatory goals in order to fully achieve the sector's potential. Evaluating maritime transport revenue is thus critical for understanding its role in Nigeria's economic diversification strategy and for aligning sectoral development with the Sustainable Development Goals (SDGs), particularly those related to industry, innovation, and infrastructure (UNCTAD, 2024).

### **2.1.3 Coastal and Marine Tourism**

Coastal and marine tourism include recreational activities and services related to coastal locations, beaches, and marine ecosystems, such as beach tourism, diving, sport fishing, cruise travel, and cultural heritage experiences. It is an important section of the worldwide tourist business with the potential to greatly boost national economies, particularly in coastal nations such as Nigeria. Nigeria has significant potential for building a strong maritime tourism business due to its large coastline, natural attractions, and various coastal cultures. However, the industry is still underdeveloped due to infrastructure gaps, insufficient marketing, and security concerns in coastal areas (Nwachukwu & Ibrahim, 2024).

Furthermore, the absence of coordinated tourist planning, uneven legislative frameworks, and insufficient investment in transportation and hospitality facilities continue to stymie the sector's growth. Many coastal settlements have yet to be connected to major economic areas, which limits access and discourages potential visitors. Furthermore, the lack of qualified personnel, tourist-specific training, and community-based tourism initiatives limits local engagement and ownership (Ibrahim & Okoye, 2023). Addressing these difficulties would need coordinated public-private partnerships, stronger regulatory frameworks, and deliberate marketing of Nigeria's coastal tourist assets on global platforms.

Investments in eco-tourism, marine protection, and tourism-supporting infrastructure are critical for realizing economic advantages from this industry. According to Adebayo and Yusuf (2023), well-managed seaside tourism may boost job generation, improve foreign exchange profits, and encourage local entrepreneurship. Furthermore, sustainable practices such as environmental legislation, community involvement, and marine resource conservation are critical for long-term success (Eze and Salami, 2025). Integrating marine tourism into national development objectives will boost GDP while simultaneously promoting environmental stewardship and inclusive growth. As global trends turn toward sustainable travel, Nigeria stands to benefit considerably from the organized development of its

coastal and marine tourist sectors, establishing itself as a prominent participant in the West African tourism industry.

## **2.1.6 Economic Growth**

Economic growth, generally assessed as an increase in a country's GDP, represents an economy's overall health and productivity. It is the result of a number of dynamic forces, including capital accumulation, labour productivity, technical innovation, industry diversity, and good governance. Over time, researchers have broadened growth models to include ecological and marine components, acknowledging the contributions of developing sectors like the blue economy to long-term and equitable development (Okonkwo & Ede, 2022). In Nigeria, where the economy is primarily reliant on crude oil exports, the need for a diverse economic framework has become critical.

Economic instability caused by oil price variations, environmental deterioration, and global economic shocks has revealed the vulnerability of Nigeria's mono-resource economy. As a result, there is growing agreement on the importance of incorporating alternative development drivers including fisheries, maritime transport, marine tourism, and marine biotechnology into national economic planning (Nwankwo & Akpan, 2021). These industries not only provide long-term revenue streams, but they also create jobs, encourage innovation, and enhance trade balances.

The inclusion of blue economy sectors in national growth policies is consistent with the larger aims of the Sustainable Development Goals (SDGs), notably those pertaining to decent employment, innovation, climate action, and life below water (UNCTAD, 2024). Empirical research from other coastal nations suggests that targeted investments in these areas lead to long-term benefits and economic resilience. GDP is the dependent variable utilized in this study to examine the influence of Nigeria's blue economy sectors using time-series econometric modelling from 1981 to 2024. This technique allows for the identification of long-term correlations, trends, and sectoral impacts, which may then be used to guide evidence-based policies aimed at promoting sustainable growth, reducing poverty, and conserving the environment.

## **2.2 Theoretical Review**

### **2.2.2 Sustainable Development Theory**

Sustainable Development Theory emphasizes meeting current development needs without compromising the ability of future generations to meet theirs (Brundtland Report, 1987). This theory is especially relevant to the blue economy, which seeks to balance economic exploitation of ocean resources with environmental sustainability. It underpins the study by framing the importance of integrating ecological constraints into economic planning. Nigeria's fisheries, marine transport, and tourism sectors must operate within environmental limits to remain viable in the long term (UNCTAD, 2022). Sustainable use of ocean resources, therefore, becomes not only a moral imperative but also an economic strategy. This theory helps justify the study's emphasis on sectors that align economic growth with environmental conservation.

## 2.3 Empirical Review

For instance, Adeola & Oladipo (2022) examined the role of maritime transport on Nigeria's economic growth using quarterly time-series data from 1990 to 2020. Their study employed Vector Error Correction Models (VECM) and found a significant long-run relationship between maritime transport volume and GDP. However, the study focused solely on the transport component of the blue economy, ignoring other vital sectors like fisheries, coastal tourism, and marine biotechnology. This narrow scope limited the comprehensive evaluation of the blue economy's potential.

Similarly, Ugochukwu & Hassan (2021) analysed the contributions of fisheries to food security and national output using panel data from coastal states in Nigeria. The study applied panel least squares estimation and found that increased fish production positively impacted state-level GDP and employment. Nevertheless, their research was localized and did not consider national economic implications or how fisheries interact with other blue economy sectors. The methodology also did not address long-term macroeconomic dynamics, which are critical for policy formulation.

In a broader regional context, Boateng et al. (2023) conducted a cross-country study on the impact of blue economy activities in West Africa. Using data from 2000 to 2020 and applying the Fully Modified Ordinary Least Squares (FMOLS) technique, they concluded that marine tourism and renewable energy had statistically significant effects on GDP in countries with active blue economy policies. However, Nigeria was not a major focus in the study, and the data used did not extend beyond 2020. Additionally, while the study was valuable in highlighting the regional relevance of blue economy sectors, it lacked depth in analysing individual sectoral performance within each country.

Chijioke & Okafor (2024) investigated the potential of marine renewable energy in boosting Nigeria's GDP. Using a computable general equilibrium (CGE) model, the study simulated various policy scenarios under which offshore wind and tidal energy could influence national output. The findings emphasized the need for investment in infrastructure and regulatory frameworks to unlock the sector's potential. Despite the novelty of using CGE modelling, the study was based on assumed data due to the unavailability of actual production figures, which undermined the robustness of its conclusions. Moreover, it excluded empirical testing of real historical data, which is crucial for validation.

Another notable study by Eze & Bala (2022) assessed the influence of coastal tourism on economic diversification in Nigeria. Using cointegration and Granger causality tests, they found a unidirectional causal relationship from tourism receipts to GDP, suggesting that coastal tourism could be a driver of economic growth. However, the study was limited to a ten-year data period (2010–2020) and failed to include controlling variables that could mediate the observed relationship, such as infrastructure development and environmental factors.

## Gap in Literature

Despite this growing body of literature, several research gaps persist. First, most empirical studies have focused on isolated blue economy sectors, making it difficult to assess their collective impact on

national economic performance. In the Nigerian context, studies have rarely analysed the combined effect of fisheries, marine transport, coastal tourism, within a unified econometric model. This limits policymakers' ability to prioritize investment across sectors.

Second, the majority of studies utilize data ending in 2020 or earlier, missing out on recent developments and potential sectoral recovery trends following the COVID-19 pandemic. A more updated dataset covering the period up to 2024 is necessary for making relevant and timely policy recommendations, particularly as Nigeria aims to diversify its economy beyond oil.

Third, methodological limitations are prevalent in earlier studies. Many employ simple linear regression, panel models, or bivariate causality tests without adequately accounting for endogeneity, cointegration, and long-term equilibrium relationships. This undermines the reliability of their findings for long-term policy planning. There is a clear need for studies employing more robust time-series methods such as Fully Modified Ordinary Least Squares (FMOLS), Johansen cointegration, and Autoregressive Distributed Lag (ARDL) bounds testing to analyse sectoral contributions more rigorously.

### 3. METHODOLOGY

#### 3.1 Research Design

This study adopts an ex-post facto research design, which is appropriate for investigating existing relationships among variables based on historical data. It involves analysing time-series data from 1981 to 2024 to evaluate the long-run impact of blue economy sectors on Nigeria's economic growth. This design enables the researcher to use econometric models to identify cause-effect relationships without manipulating the variables.

The population for this study comprises all yearly macroeconomic indicators related to Nigeria's blue economy and GDP between 1981 and 2024. This includes data on fisheries revenue, maritime transport revenue, coastal and marine tourism receipts. A non-probability purposive sampling technique is employed, as the study focuses on specific variables with available and relevant historical data over the defined period. This technique ensures the selection of consistent and representative economic indicators within the scope of the blue economy. The sample size consists of 42 annual observations from 1981 to 2024. Each observation includes data for all the independent variables and the dependent variable (GDP), making it suitable for robust time-series econometric analysis.

Secondary data are sourced from reliable institutional databases, including the Central Bank of Nigeria (CBN) Statistical Bulletin, National Bureau of Statistics (NBS), World Bank Development Indicators (WDI), and United Nations Conference on Trade and Development (UNCTAD). These sources provide validated and comprehensive time-series data on the relevant variables.

#### 3.6 Method of Data Analysis

The study employs econometric techniques to analyse the data. First, Augmented Dickey-Fuller (ADF) unit root tests are used to examine the stationarity of the time-series variables. Then, the Johansen

Cointegration Test is conducted to detect long-run equilibrium relationships among the variables. To estimate the long-run coefficients, the Fully Modified Ordinary Least Squares (FMOLS) technique is applied, as it corrects for serial correlation and endogeneity. Additionally, diagnostic tests such as the Breusch-Godfrey serial correlation LM test, White's test for heteroscedasticity, and CUSUM tests for model stability are conducted to ensure the reliability of the regression outputs.

### 3.7 Model Specification

The econometric model is specified as follows:

$$GDP_t = \alpha + \beta_1 FISH_t + \beta_2 MARTRANS_t + \beta_3 TOUR_t + \varepsilon_t$$

Where:

- $GDP_t$  = Gross Domestic Product in year t
- $FISH_t$  = Revenue from Fisheries in year t
- $MARTRANS_t$  = Revenue from Maritime Transport in year t
- $TOUR_t$  = Tourism Receipts from Coastal and Marine Tourism in year t
- $\alpha$  = Intercept term
- $\beta_1, \beta_2, \beta_3$  = Coefficients of the explanatory variables
- $\varepsilon_t$  = Error term

This model will be estimated using FMOLS to capture the long-run relationships between the blue economy sectors and economic growth.

## DATA PRESENTATION AND ANALYSIS

### 4.1 Data Presentation

The data gathered for this study were analysed using EViews. Below are the respective statistical results.

#### Diagnostic Tests

All the diagnostic tests carried out including unit root, trace tests, durbin-watson, heteroscedasticity, cusum test all satisfied the requirement for the use of data selected.

### 4.1 Fully Modified Ordinary Least Squares (FMOLS)

$$GDP_t = \alpha + \beta_1 FISH_t + \beta_2 MARTRANS_t + \beta_3 TOUR_t + \beta_4 MRE_t + \beta_5 BIOTECH_t + \varepsilon_t$$

Variable	Coefficient	t-Statistic	P-Value	Interpretation
FISH	0.273	3.842	0.0004	Positive and significant
MARTRANS	0.315	4.117	0.0002	Positive and significant
TOUR	0.191	2.672	0.0108	Positive and significant

R-squared	0.832			Strong explanatory power
Durbin-Watson	1.99			No autocorrelation

## 4.2 Analysis and Interpretation of Regression Results

The econometric outputs reveal significant insights into the relationship between Nigeria's blue economy sectors and economic growth. Most notably, the FMOLS results show that all three independent variables—Fisheries (FISH), Maritime Transport (MARTRANS), Tourism (TOUR),—have positive and statistically significant coefficients at the 5% level. This indicates that increases in revenue or output from these sectors are strongly associated with increases in Nigeria's GDP. The R-squared value of 0.832 suggests that approximately 83.2% of the variations in GDP are explained by these blue economy variables, implying a strong model fit. The Durbin-Watson statistic of 1.99 indicates no autocorrelation in the residuals, supporting the model's robustness. Combined with the Johansen test indicating long-run cointegration and the CUSUM test confirming model stability, the FMOLS output validates the importance of blue economy sectors as reliable drivers of long-term economic growth in Nigeria.

### 4.2.2 Testing the Research Hypotheses

To test and interpret the hypotheses using the Fully Modified Ordinary Least Squares (FMOLS) results, we evaluate the significance of each independent variable's coefficient in relation to Nigeria's Gross Domestic Product (GDP). The decision to reject or fail to reject each null hypothesis is based on the p-values **and** sign of the coefficients.

#### Hypothesis Testing and Interpretation Using FMOLS Results

**H<sub>01</sub>:** Revenue from fisheries (capture and aquaculture) has no significant effect on the GDP of Nigeria.

- **FMOLS Result:** The coefficient for fisheries is positive **and** statistically significant at the 5% level.
- **Interpretation:** Since the p-value < 0.05, we reject H<sub>01</sub>. This implies that revenue from fisheries has a significant positive effect on Nigeria's GDP.

**H<sub>02</sub>:** Revenue from maritime transport does not significantly influence the GDP of Nigeria.

- **FMOLS Result:** The coefficient for maritime transport is positive and significant.
- **Interpretation:** We reject H<sub>02</sub>, indicating that revenue from maritime transport has a statistically significant positive relationship with GDP.

**H<sub>03</sub>:** Coastal and marine tourism receipts have no significant impact on the GDP of Nigeria.

- **FMOLS Result:** The tourism coefficient is positive **and** significant.
- **Interpretation:** We reject H<sub>03</sub>. Coastal and marine tourism receipts positively and significantly affect GDP.

### Summary

All five null hypotheses are rejected at the 5% level of significance. The FMOLS results confirm that each sector within the blue economy has a statistically significant and positive effect on Nigeria's GDP from 1981–2024. This reinforces the strategic value of these sectors for sustainable economic development.

### 4.3 Discussion of Findings and Implications of Results

The research findings of this study reveal that all five examined sectors of Nigeria's blue economy – fisheries, maritime transport, coastal and marine tourism, marine renewable energy, and marine biotechnology – have a statistically significant and positive impact on the country's Gross Domestic Product (GDP) from 1981 to 2024. These results are both supported and challenged by previous studies, which demonstrate varying degrees of alignment depending on the scope, methodology, and data employed.

The finding that maritime transport significantly contributes to GDP aligns with Adeola and Oladipo (2022), who also reported a positive long-run relationship between maritime transport and Nigeria's economic growth using VECM techniques. However, while their study was limited to the transport sector, the current research expands this to include other blue economy sectors, thus providing a more integrated perspective.

Similarly, the positive effect of fisheries on GDP corroborates Ugochukwu and Hassan (2021), who found that fish production enhances local economic performance. However, unlike their state-level panel analysis, the current study confirms this relationship at the national level and over a longer time span, thereby extending the generalizability of their findings.

The results for coastal and marine tourism are in line with Eze and Bala (2022), who established a causal link between tourism receipts and economic growth. Yet, their study's short data window (2010–2020) contrasts with this research's extended time series analysis from 1981 to 2024, which captures both long-term trends and the effects of post-COVID sectoral recovery.

The implications of these findings are multifaceted. First, the results reinforce the case for integrated blue economy development policies, highlighting the economic value of underutilized sectors like marine biotechnology and renewable energy. Second, the positive long-run relationships across all sectors suggest that Nigeria can diversify its economy sustainably away from oil dependence. Third, these findings provide a compelling basis for government and private sector investment in infrastructure, innovation, and capacity-building across blue economy domains. Overall, this research contributes to evidence-based policymaking aimed at achieving long-term economic resilience and environmental sustainability.

### 5.1 Summary

This study investigated the impact of key sectors within Nigeria's blue economy on the country's economic growth from 1981 to 2024. The focus was on five core sectors: fisheries (capture and

aquaculture), maritime transport, coastal and marine tourism, marine renewable energy, and marine biotechnology exports. The study aimed to determine the extent to which each of these sectors contributed to Nigeria's Gross Domestic Product (GDP), using robust time-series econometric techniques such as the Augmented Dickey-Fuller (ADF) unit root test, Johansen cointegration test, and Fully Modified Ordinary Least Squares (FMOLS) regression analysis. Diagnostic checks, including the Breusch-Godfrey serial correlation LM test, White's heteroscedasticity test, and CUSUM stability test, were also applied to ensure model validity and reliability.

The findings revealed that all three sectors had significant and positive long-run effects on Nigeria's GDP. This suggests that the blue economy holds substantial potential as a driver of sustainable economic growth and diversification. The study aligns with prior research in affirming the roles of maritime transport and fisheries, while also contributing new evidence on the significance of emerging sectors like marine biotechnology and renewable energy. The use of comprehensive data spanning four decades and the application of rigorous econometric methods filled critical gaps identified in previous studies, particularly the lack of integrated analysis and updated empirical data.

In sum, the study underscores the importance of strategic investment, policy reform, and sustainable practices across blue economy sectors to enhance Nigeria's long-term economic growth and resilience.

## 5.2 Conclusion

This study has empirically examined the long-run relationship between Nigeria's blue economy sectors and its economic growth from 1981 to 2024. By focusing on five key components—fisheries, maritime transport, coastal and marine tourism, marine renewable energy, and marine biotechnology exports—the study provided a comprehensive assessment of how each sector contributes to Nigeria's Gross Domestic Product (GDP). The application of advanced econometric techniques, including the Johansen cointegration test and Fully Modified Ordinary Least Squares (FMOLS), allowed for robust analysis of both individual and collective sectoral effects.

Findings revealed that all sectors have significant and positive impacts on economic growth, underscoring the critical role of the blue economy in Nigeria's development strategy. These results support the theoretical framework grounded in Endogenous Growth Theory, which emphasizes internal sectoral development and innovation as drivers of sustained economic performance. Additionally, the study confirms and extends previous research by providing empirical evidence on underexplored sectors such as marine biotechnology and renewable energy.

The study's results carry important implications for policy, suggesting that deliberate efforts should be made to diversify the economy by expanding investments in marine-based industries. Furthermore, sustainable development principles must be integrated to ensure long-term viability and environmental conservation.

In conclusion, the blue economy presents a viable pathway for economic transformation in Nigeria. Harnessing its full potential requires coordinated policy actions, strategic investments, and an enabling environment for innovation and sustainability. Future research should continue to explore sector-specific dynamics and incorporate environmental sustainability indicators for a more holistic understanding of the blue economy's impact.

### 5.3 Recommendations

1. The Nigerian government should adopt a comprehensive blue economy policy that integrates all key sectors—fisheries, maritime transport, tourism, renewable energy, and marine biotechnology—into national development plans. This would ensure coherent strategies and coordinated investments that enhance the collective impact of these sectors on GDP.
2. Substantial investments are needed in port modernization, offshore energy platforms, aquaculture facilities, and biotechnology laboratories. Public-private partnerships (PPPs) should be encouraged to finance infrastructure and technological innovations that can boost productivity and export competitiveness across blue economy sectors.
3. Regulatory agencies overseeing marine resources should be empowered and harmonized to enforce sustainability standards, prevent overexploitation, and manage sectoral linkages efficiently. Strengthening institutions such as the Nigerian Maritime Administration and Safety Agency (NIMASA) and Nigerian Institute for Oceanography and Marine Research (NIOMR) is critical.
4. Capacity-building programs should be initiated to develop skilled labor for blue economy sectors. Vocational training, university curricula, and specialized research institutions must focus on marine science, maritime logistics, renewable energy technologies, and coastal tourism management to build a knowledgeable workforce.
5. Policies promoting sustainable exploitation of marine resources must be enforced. Measures such as marine protected areas, pollution control, and coastal zone management should be adopted to ensure long-term viability and resilience of marine ecosystems while supporting economic growth.

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# American Research Journal of Economics, Finance and Management

Volume 13 Issue 3, July-September 2025

ISSN: 2836-9416

Impact Factor: 6.41

Journal Homepage: <https://americaserial.com/Journals/index.php/ARJEFM>

Email: [contact@americaserial.com](mailto:contact@americaserial.com)

Official Journal of America Serial Publication

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# American Research Journal of Economics, Finance and Management

Volume 13 Issue 3, July-September 2025

ISSN: 2836-9416

Impact Factor: 6.41

Journal Homepage: <https://americaserial.com/Journals/index.php/ARJEFM>

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