Business and Biodiversity on a Blue Planet :

The World Ocean Council and Corporate Ocean Responsibility

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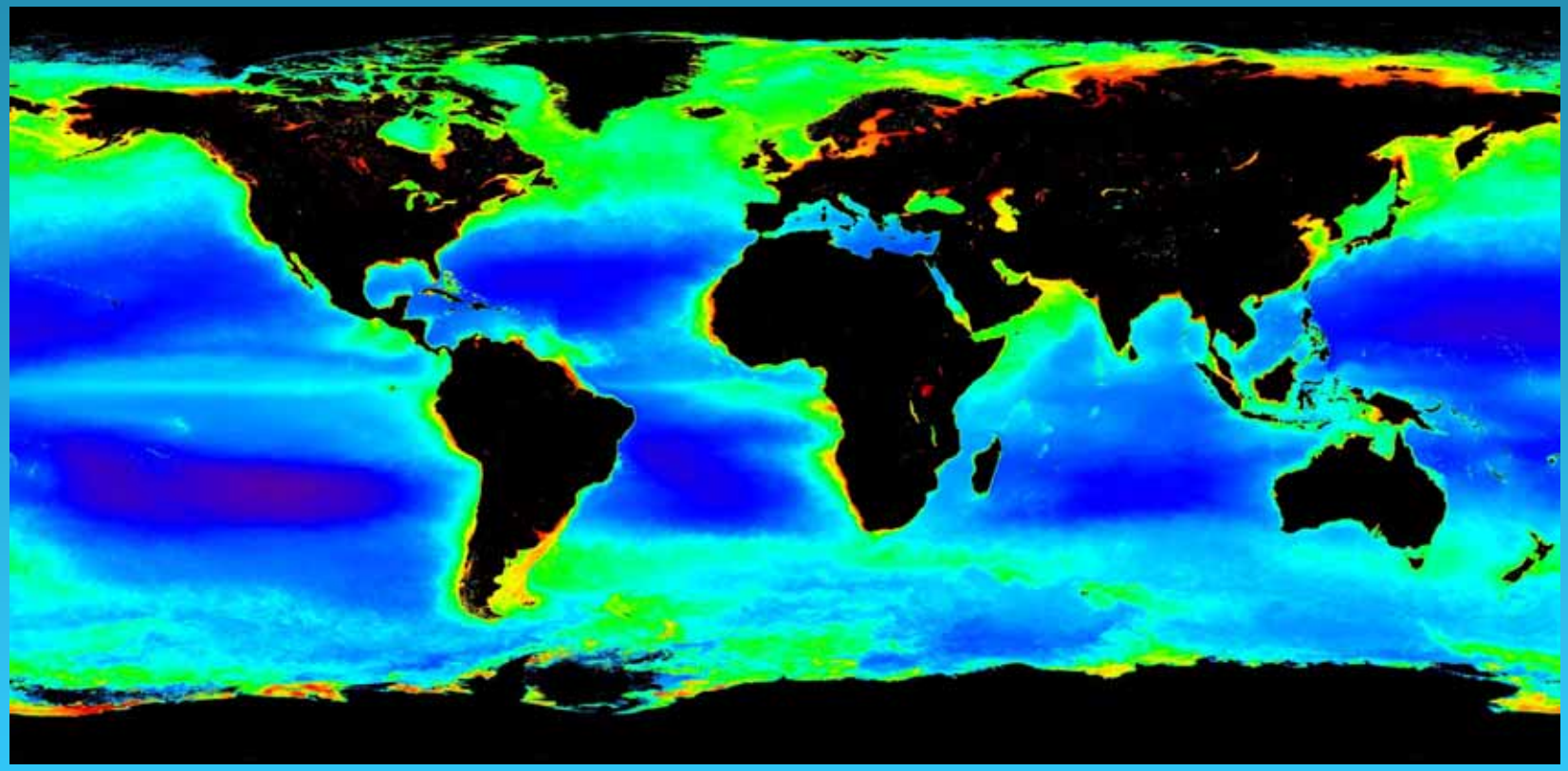
The international business alliance for "Corporate Ocean Responsibility"

Global Ocean



- Oceans cover 72% of earth's surface (360 million sq km)
- 64% falls in areas beyond the limits of national jurisdiction
- Economic goods and services estimated USD 6-21 trillion

Industry Ocean Use

- Fisheries
- Aquaculture
- Oil and gas
- Shipping
- Ports
- Tourism
- Mining / Dredging
- Submarine cables
- Offshore renewables
- Ocean carbon sequestration

Who is the Ocean Business Community?

1: Direct Ocean Users

Industries that depend on the ocean for the extraction or production of goods (living, non-living, energy) and the provision of services (transport, tourism, etc.)

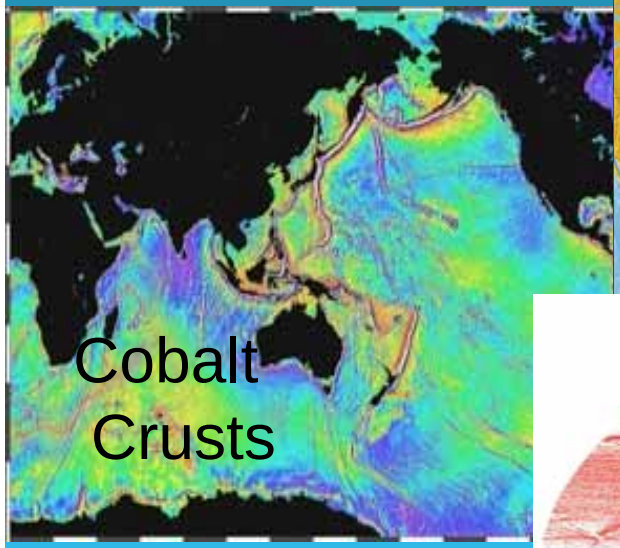
2: Ocean User Support Industries

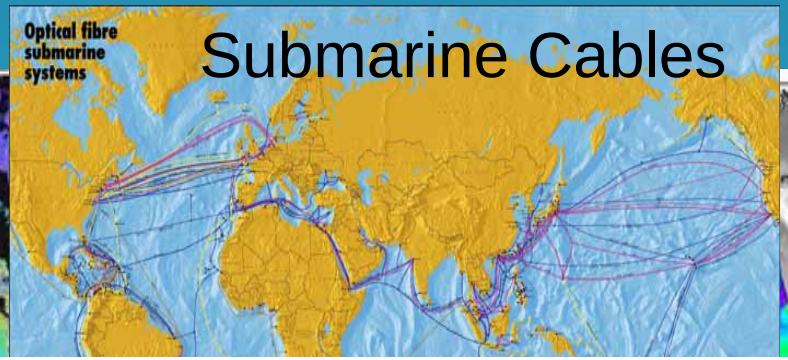
Industries that depend on direct users for their existence (e.g. shipbuilders) or drive the need for ocean industry (e.g. extractors, manufacturers, retailers that transport materials or products by sea)

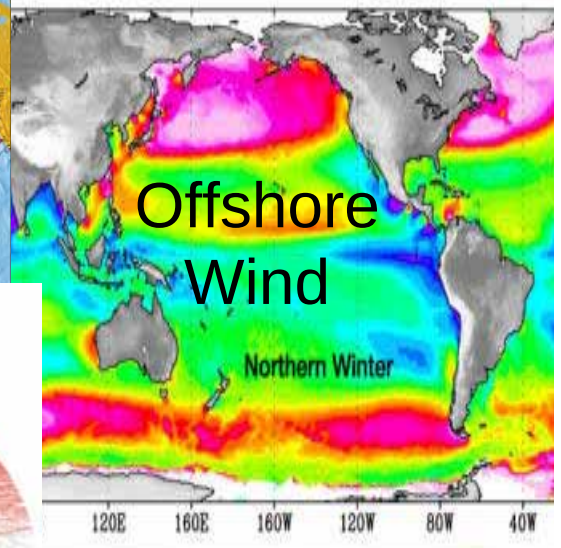
3: Ocean Use "Infrastructure" Providers

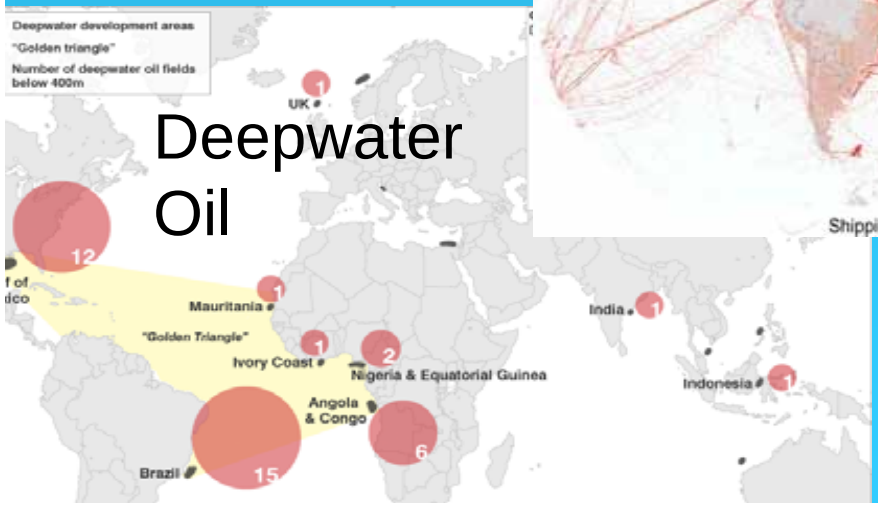
Financial, insurance, legal and other services that enable ocean industries to operate

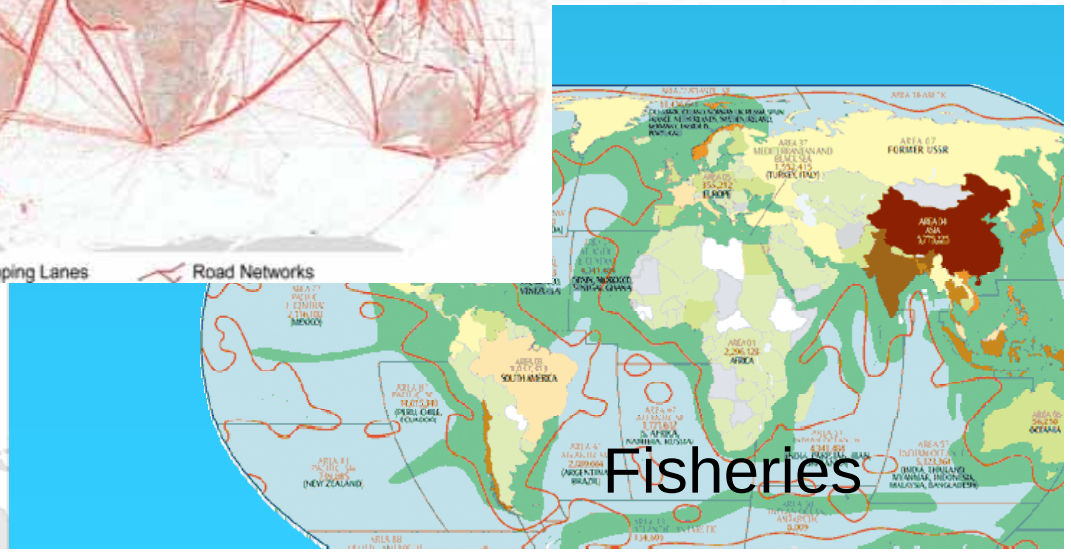
Global Ocean Industries



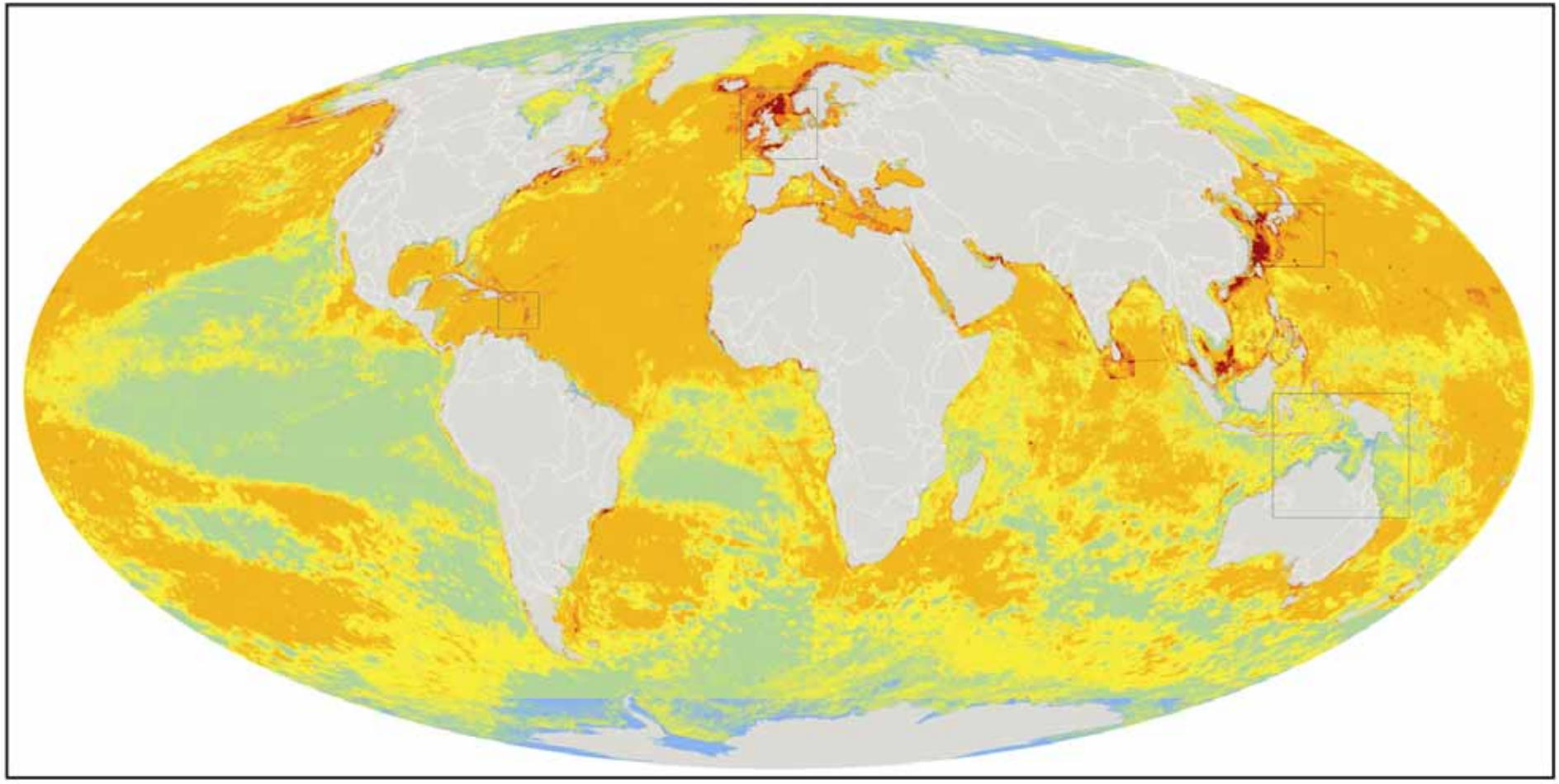








Impacts to Marine Biodiversity



Ocean Business and Biodiversity Challenge

- The ocean is an interconnected global ecosystem that supports a wide range of uses.
- Sustaining ocean biodiversity requires responsible use and stewardship of marine ecosystems by all users.
- The best efforts by a single company, or an entire industry sector, are not enough to secure the future health and productivity of the ocean.
- Responsible ocean industries have the most to gain from developing solutions to marine sustainability challenges - and the most to lose by not doing so.

Ocean Business & Biodiversity Challenge (2)

- Industry requires access and the social license to operate in marine areas and use resources.
- There are potential business benefits to ocean business community leadership and collaboration in protecting marine biodiversity.
- Synergies and economies of scale are being missed due to lack of ocean business community interaction and coordination.
- Until the formation of WOC there had been no structure and process for international, cross-sectoral leadership and collaboration on ocean stewardship.

What is the World Ocean Council ?

International, Cross-Sectoral *Business* Leadership Alliance

•Bringing ocean industries together, e.g. shipping, oil/gas, fisheries, aquaculture, tourism, offshore renewables, etc.

•Catalyzing leadership and collaboration in addressing ocean sustainability - *"Corporate Ocean Responsibility*"

Goal A healthy and productive global ocean and its sustainable use, development and stewardship by a responsible *ocean business community*

Creating business value for responsible companies

•Access and social license for responsible ocean use
•Synergies and economies of scale in addressing issues
•Stability and predictability in ocean operations

World Ocean Council: Members

AP Moller-Maersk
Det Norske Veritas (DNV)
Lloyds Register
TORM USA
Heidmar, Inc.
Almi Tankers S.A.
RightShip
Int'l Chamber of Shipping (ICS)
Cruise Line International Ass'n (CLIA)
Marine Offshore Group
EPJ Consulting
Blank Rome
Beveridge & Diamond, P.C.
Holman Fenwick Willan LLP
Nautilus Minerals
Energias de Portugal Renewables
ExxonMobil
Shell
BP
Total
Transocean
PanGeo Subsea
Sinclair Knight Merz
Athens Group
Battelle Memorial Institute
Golder Associates
TierraMar
Twin Dolphins
JASCO
Global Trust Certification
BirdsEye-Igloo
Rio Tinto

(as of Dec 2011)

WOC Business Case

- Reduced risks due to better tracking and participation in policy and decision making processes
- Reduced risks through improved understanding of issues and relationships with stakeholders
- Economic benefits of collaboration in science, R & D and developing solutions to cross-cutting issues
- Competitive advantage of proactively addressing environmental impacts
- Sharing of pre-competitive best practices in marine environmental responsibility
- Reduced conflicts among ocean industries
- Reduced conflicts with other ocean users
- Improved implementation, credibility, and recognition of industry actions on ocean sustainability

Ocean Business & Biodiversity Priorities

1. Ocean Governance and Policy

- Convention on Biological Diversity (CBD), high seas

2. Marine Spatial Planning (MSP)

3. Operational Biodiversity Impact Issues

- Marine Invasive Species
- Marine Mammal Interactions
- Sound and Marine Life
- Water Pollution/Waste Discharges

4. Ocean Science and Understanding

- Data from Ships/Platforms of Opportunity

5. Regional Ocean Business Councils

- Arctic, Mediterranean, Baltic, Arabian Gulf

Governance and Policy

- CBD as marine conservation policy-making for EEZs and Areas Beyond National Jurisdiction (ABNJs)
- COP 7 and 8 developed targets for conservation of at least 10% of each of the world's marine / coastal ecoregions
- COP 9 and 10 approved and advanced work on marine Ecologically / Biologically Significant Areas (EBSAs)

Ecologically / Biologically Significant Areas

- 2007: Expert Workshop on Ecological Criteria and Biogeographic Classification for Marine Areas
  - ***No ocean industry involvement***
- 2008: COP 9 adopted scientific criteria for identifying EBSAs and scientific guidance for selecting MPA network
  - ***No ocean industry involvement***
- 2009: Expert Workshop: Scientific/Technical Guidance on Biogeographic Classification/Identification of ABNJs
  - ***WOC is only ocean industry presence***
- 2010: COP 10 decision to accelerate identification and protection of EBSAs in high seas
  - ***WOC is only ocean industry presence***
- 2011-12: CBD regional workshops to facilitate the identifying EBSAs using CBD scientific criteria
  - ***Industry ?***

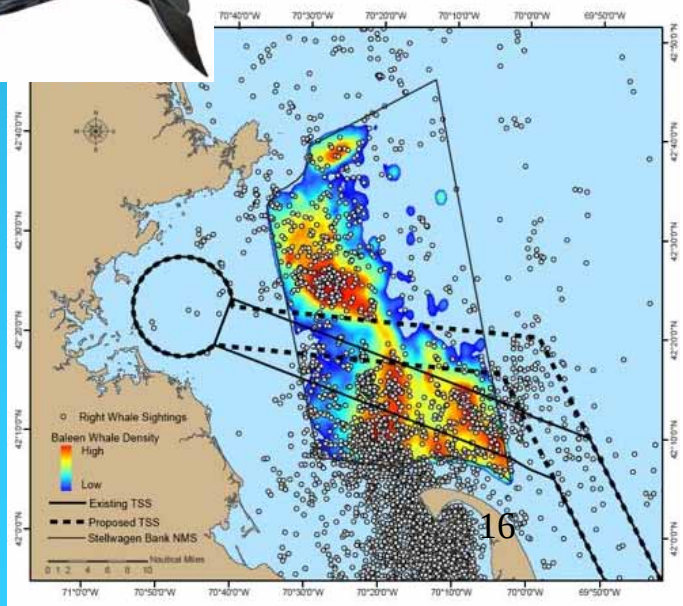
Operational Impacts on Marine Biodiversity

- **Water Pollution/Waste Discharge**
  - Produced water and other discharges
  - Solid waste
  - Port reception facilities
- **Marine Invasive Species**
  - Ballast water
  - Hull biofouling
- **Sound and Marine Life**
  - Marine mammals
  - Other marine life behavior and life cycle
- **Marine Mammal Interactions**
  - Ship strikes

Marine Mammal Interactions

Ship Strikes

- Marine mammal issues will increasingly affect marine activities, especially shipping
- Addressing ship strikes will lead to changes in logistics and operations



Ocean Science and Understanding

Ensure a wide range of industry vessels and platforms are:

- Providing routine, sustained, standardized information on the ocean and atmosphere
- Contributing to describing the status, trends and variability of oceanographic and atmospheric conditions
- Improving the understanding, modeling and forecasting of oceanic ecosystems, resources, weather, climate variability and climate change

Establish a program to:

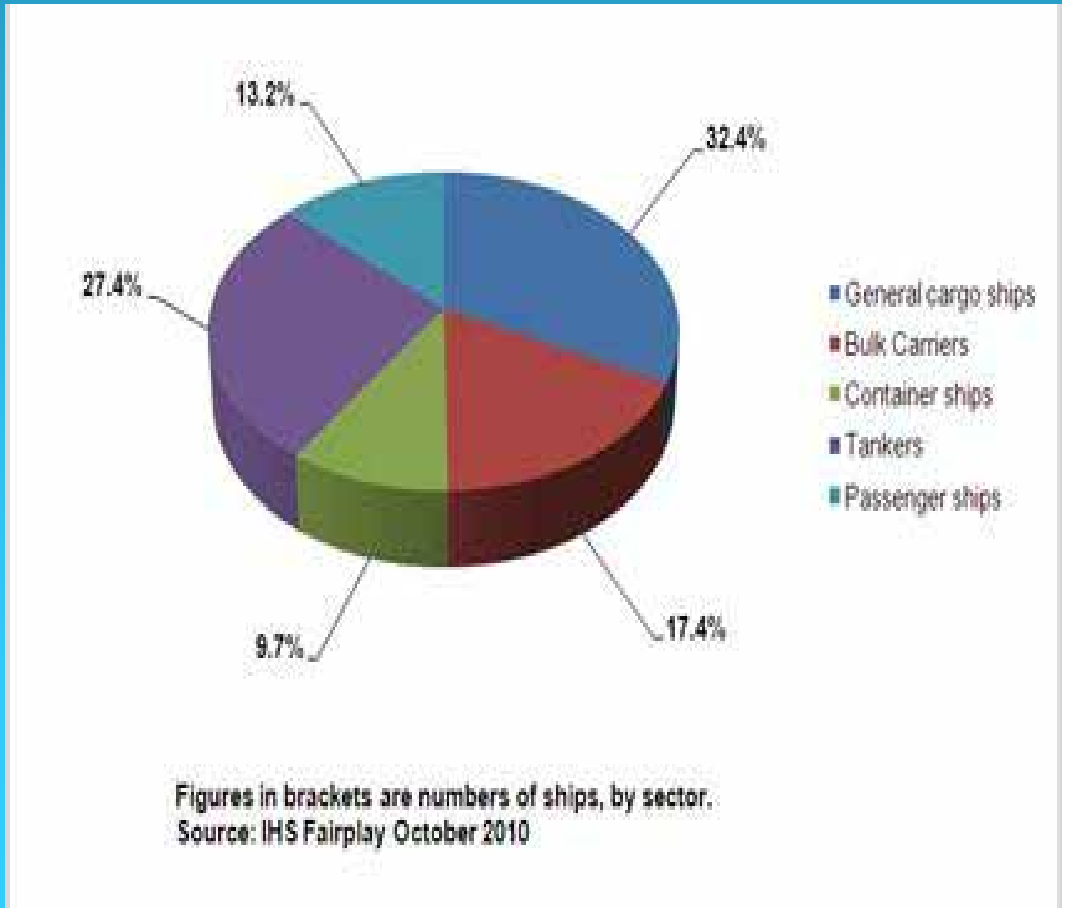
- Expand the number of vessels and platforms that collect standardized ocean, weather and climate data
- Improve the coordination and efficiency of data sharing and input to national/international systems
- Build on “ships/platforms of opportunity” programs

Opportunities of Ships

Number of ships - by total and trade
as of October 2010

Bulk Carriers: 8,687
Container ships: 4,831
Tankers: 13,175
Passenger ships: 6,597

TOTAL: 50,054

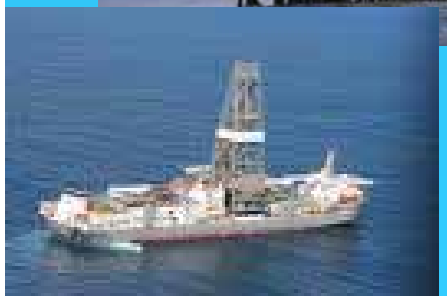


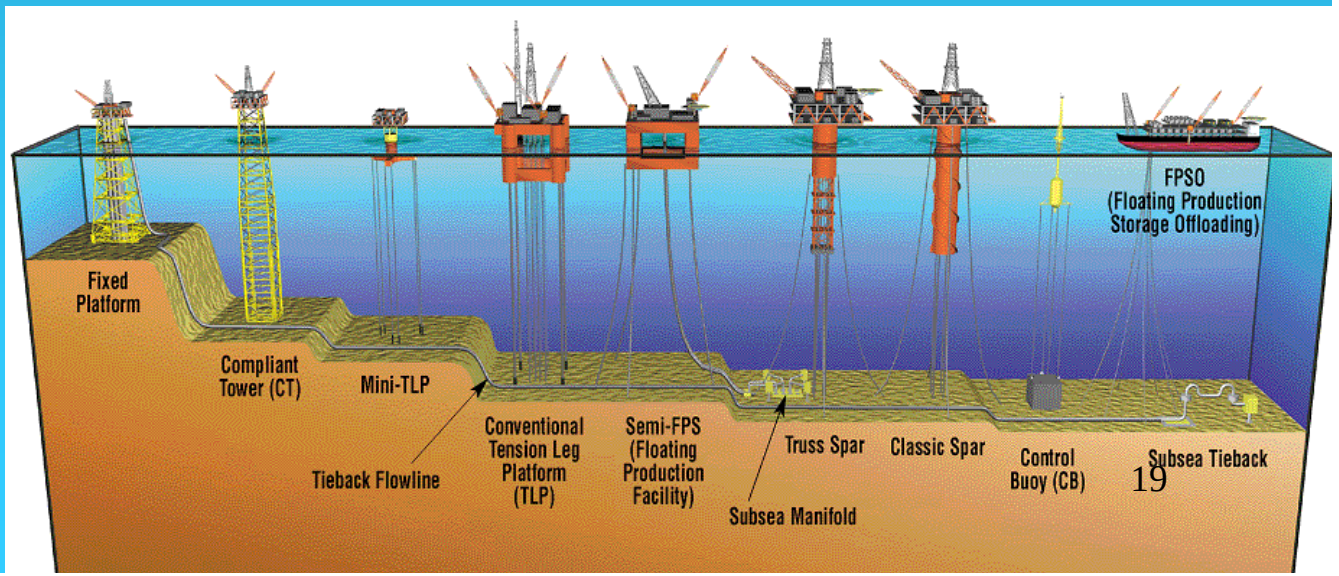
Figures in brackets are numbers of ships, by sector.
Source: IHS Fairplay October 2010

Opportunities of Platforms

Number of oil/gas wells and rigs

Wells drilled in Gulf of Mexico: ~ 40,000
Deepwater wells drilled internationally: ~ 14000
Number of rigs internationally: ~ 8,000
US rigs/platforms: ~ 3,500; including 79 deepwater wells





Other Ship and Platform Opportunities

Fisheries

Aquaculture

Offshore wind energy

Ferries

Wave/tidal energy

ROLE OF GOVERNMENTS

- Creating public-private partnerships to collaborate in developing solutions
  - R&D, science, risk assessment
  - Technology, best practices
- Creating enabling conditions for responsible companies
- Removing disincentives
- Facilitating collaboration
- Advancing international rule making where needed
  - E.g. International Maritime Organization (IMO)
    - Marine invasive species
    - Ballast Water Management Convention
    - Adopted in 2004, requires 30 ratifications with 35% of fleet tonnage
    - Needs 1 ratification to come in to force

Thank You

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WORLD OCEAN COUNCIL

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