27 September 2016

PROPOSED MORATORIUM ON THE SHIPMENT OF CRUDE OIL

Dear Minister Garneau,

I am writing on behalf of the International Chamber of Shipping (ICS) which is the principal global trade association for shipowners representing over 80% of the world merchant fleet. ICS membership comprises national shipowners’ associations from 37 nations, and includes the Canadian Shipowners’ Association and the Chamber of Shipping of British Columbia.

ICS represents all sectors and trades of the shipping industry, including oil tanker operators, with the various intergovernmental bodies that impact on global shipping. In particular this includes the United Nations International Maritime Organization (IMO) and the Division of Ocean Affairs and the Law of Sea (DOALOS) at the United Nations in New York.

We understand that the Canadian Government has announced an intention to establish a moratorium on the shipment of crude oil in the waters of Northern British Columbia.

The global shipping industry fully recognises the importance of robust environmental protection measures, and is committed to the goal of zero pollution, consistent with the comprehensive global regulatory framework adopted by IMO in accordance with the United Nations Law of the Sea (UNCLOS), to which Canada of course is a State Party.

The environmental record of the shipping industry, especially the tanker sector, is impressive. On average, worldwide, there are fewer than two significant oil spills (over 700 tonnes) per year, compared to around 25 such incidents thirty years ago, despite a doubling of the amount of oil transported by sea.

Our primary concern in writing to you is to emphasise the great importance of Canada adhering to its obligations under UNCLOS, in particular the rights to freedom of navigation and ‘innocent passage’ through a Party’s territorial waters as enshrined in Articles 87 and 90.
We believe that a moratorium applicable to Canadian waters would be draconian step that could lead to serious concerns being raised by Canada's international trading partners. Such a measure would set an unwelcome precedent that might be emulated elsewhere, including by individual U.S States, with the potential to impact greatly on the efficiency of world trade as well as that of Canada.

We would therefore be very grateful if you could take full account of the comments submitted by the Canadian shipping industry, in particular the Chamber of Shipping of British Columbia, including the suggestion that the Government of Canada might consider alternative approaches to managing risks associated with coastal shipping. As suggested by the Canadian industry, such alternatives could include the establishment of marine transportation corridors to assist in the prevention of any risk of maritime incidents.

We hope these comments are useful, and would be happy to engage in further discussion about this important issue if that was felt to be helpful.

Yours sincerely

[Signature]

Peter Hinchliffe
Secretary General

Copy to:

Hon. Dominic LeBlanc, Minister of Fisheries and Oceans, Government of Canada

Hon. Chrystia Freeland, Minister of International Trade, Government of Canada

Hon. Catherine McKenna, Minister of Environment & Climate Change, Government of Canada

HE Mr Kitack Lim, Secretary-General, International Maritime Organization, London

Ms. Gabriele Goettsche-Wanli, Director, Division of Ocean Affairs and the Law of Sea (DOALOS), United Nations, New York

Mr Andrea Nordseth, Chairman, Consultative Shipping Group (CSG), C/O Danish Maritime Authority, Copenhagen