

**Restore the Seas!
Endangered Fish, Reefs and Coasts: A Call for Action**

Testimony

by

**The Honorable William K. Reilly
Chairman of the Board
World Wildlife Fund**

**Before
the
U.S. Commission on Ocean Policy**

**Boston, Massachusetts
July 23, 2002**

Mr. Chairman, members of the Commission, it is a privilege to appear before you today and a pleasure to renew old friendships as we work together on something as important as the task before you, charting the future course for U.S. policy for the oceans. Healthy, viable, productive oceans and the resources they yield are essential to the future of this planet, indeed to the future well-being of our nation.

I am appearing here as Chairman of the Board of World Wildlife Fund, the largest international conservation organization. We have more than one million members in the United States. Some earn their living from ocean resources. Some enjoy visiting the coasts or ocean-related leisure activities, such as fishing and boating. Some are engaged in scientific research. The health of the oceans matters to our members. We are united in our common, deep concern about the future of the oceans and the consequences for people everywhere.

Although my focus will be on the contribution that conservation can make, I want at the outset to note that the fate of the earth's oceans is inextricably tied to other U.S. strategic interests, including economic prosperity and national security.

The oceans provide a source of employment and income for millions worldwide. The situation here in New England's groundfish fishery shows that when the sustainable management of marine resources are ignored the long-term interests of coastal communities suffer. The very economic engine upon which so many people depend is undermined. Similar stories are unfolding along the West Coast, where the rockfish fishery is threatened, and in other critically important fisheries around the world. The lesson here is one that conservation has underscored over and over again: managing marine resources sustainably, not just for use today but over time, maximizes economic return, strengthening local communities and our national economy.

The biological health of our oceans is also essential to international security, and to U.S. interests at home and abroad. For generations, the oceans have served as a first line of defense against foreign enemies. They still play a critical role.

The security issues extend beyond our coastlines, of course. As we look abroad, as ocean resources are depleted, we have seen that competition between countries or sectors intensifies and can trigger confrontations, including violent ones. The recent incident at the maritime boundary between North and South Korea—triggered by a disagreement over access to fishing grounds—is a case in point, and underlines the strong U.S. interest in peaceful resolution of maritime disputes around the world.

Similarly, the well-being of some of our country's most important allies will be determined in part by how successful they are in conserving ocean wildlife. The Philippines, for example, is located at the heart of the world's most biologically important coral region. Corals and the remarkable diversity of ocean life they support are an essential element in the Philippine economy. Yet, as I will discuss shortly, these critical coral communities are disintegrating, part of a global collapse of coral ecosystems. Left unchecked, this coral crisis can only have a further destabilizing impact on coastal nations in the tropics, nations that are already in some cases politically and economically fragile. It is worth recalling, too, that a majority of the globe's coral reefs are located in the Muslim world, in the waters of states that have become a key focus of U.S. attention, including Indonesia.

Ultimately, our policies concerning the oceans will help shape nearly every aspect of American life. As consumers, as employers, as citizens, we all depend on oceans and their resources. The sea's bounty ranges from the ubiquitous fish fillet sandwich to limulus amebocyte lysate (LAL), a compound derived from the blood of horseshoe crabs used to test all injectible drug products and medical devices for the presence of endotoxin—a bacterium that can be fatal to humans.

If we use the sea wisely, the benefits it provides can increase over time. I am now in the water business, chief executive of Aqua International Partners, a private equity investment fund dedicated to the water sector. Of special interest to me is the likelihood that coastal populations around the world will increasingly turn to the oceans as a source of drinking water. The costs of desalination are dropping and soon this technology, especially when coupled with power production nearby, will be able to

provide a cost-effective source of drinking water for millions, reducing pressures on already scarce surface and groundwater supplies. Most desalination capacity is now in the Mid East. Israel, experiencing a serious drought, is now looking to make significant investments in the technology. In the Caribbean, desalinated water remains a requisite for tourism development, a mainstay of local economies. And we are seeing growing attention here in the States. Tampa just built the largest plant in the United States. More places around the country are beginning to consider building desalination facilities.

Perhaps most important, though, healthy oceans and coasts help anchor our sense of place as Americans and nourish our lives. Who can imagine Alaska without salmon—or New England without cod? Or Miami without its famed beaches? And who would choose to forego the endless fascination of churning waves or the spiritual connection that many of us feel as we contemplate these vast bodies of water and the life within, indeed the very source where life on earth was born?

Unfortunately, the threats facing ocean wildlife and ecosystems have never been greater. Virtually everywhere we look, ocean resources are imperiled. Of the world's fisheries, 70% are either overfished or fully exploited. Human activities threaten nearly 90% of Southeast Asia's coral reefs, jeopardizing their biological and economic values to the local people.

No doubt you have heard these same figures, and will hear them again, from others who are appearing before you. My intent today, however, is not to recite the gloomy statistics, but to discuss with you some steps that might be taken to address these problems. I want to focus on a handful of ideas that we at WWF think are most

important. A common thread that runs through all of these proposals is that they seek not only to protect life in the sea but also to advance the well-being of those whose livelihoods depend on the ocean, and our national interest as well.

Conserving the Most Biologically Important Marine Areas

In addressing the threats I have cited, it makes sense to begin with the most pressing problems and the places that are most important. We should focus first on the habitats that are most critical to life in the sea, and the marine areas that house the greatest biological wealth. At the global scale, WWF has worked with leading scientists around the world to identify a set of ecosystems that are most important to life on earth. In the marine realm, these biological priorities include the Bering Sea, home to America's richest fisheries, the Sulu-Sulawesi Seas, at the center of the oceans' most biologically diverse region, and the Galapagos archipelago, a unique and highly productive marine system. The map I've brought depicts these priority places. I urge you to consider it as a guide as you develop your own priorities.

Further, as you deliberate over the best approaches for conserving key ocean resources, I ask you to keep the following broad themes in mind:

- **Use networks of protected areas to conserve the oceans' web of life.** Marine protected areas are well established as the most effective tool for safeguarding marine biological diversity. The problem is that existing protected areas are too few, too dispersed, and, frankly, too small to provide large-scale conservation benefits. At present less than 1% of the world's oceans and coasts are under any form of effective

management or protection. We in the United States fare no better in this regard than many other countries around the world.

I hope that you will consider a recommendation to address this shortcoming. Protected areas not only provide refuge for threatened marine life. They can serve as havens for the replenishment of fish populations, and as cornerstones for regional tourism. Properly designed protected areas can provide a wide range of benefits to those with a stake in the health of the oceans, and can play a role in addressing conflicts between competing ocean users. Recent scientific studies from Florida and the Caribbean demonstrate that protected areas can play an important role in the rebound of fisheries. Linked together in networks, they can serve as the centerpiece for initiatives to conserve large-scale seascapes—like the one our own country has started in the Florida Keys.

I appreciate that establishing new protected areas can spark controversy. That controversy can best be addressed through the establishment of processes that ensure the participation of all interests and seek to build consensus. WWF's recent experience in places like the Dry Tortugas suggests that consensus building can work. In the Dry Tortugas we worked with fishermen and other stakeholders to create the largest fully-protected marine reserve in the United States. Our experience there and our review of the latest science convinces us that well-designed protected areas can help secure the long-term objectives of all parties.

■ **Focus on the tropical oceans.** The threats to ocean life are arguably most serious in the tropics, home to most of the world's marine biological diversity. Ocean and

near-coastal resources such as corals, seagrass beds, and mangrove forests—the nurseries for critically important fisheries and the sources of protein, income, and livelihoods for coastal communities throughout the developing world—are being systematically degraded. Overall, nearly 40% of the world’s inhabitants—more than two billion people—live within 60 miles or so of the sea. Almost half a billion, or 8% of the total global population, live within about 60 miles of tropical marine ecosystems. These coastal populations are growing rapidly. Although coral reefs occupy less than one quarter of one percent of the marine environment, they contribute about a fourth of the total fish catch, feeding as many as one billion people in Asia alone. Sustainably managing tropical marine resources and protecting tropical marine biological diversity is a great challenge, and ultimately critical to our national interest.

As you develop your agenda, I hope that you will pay special attention to marine conservation needs in the tropics. In particular, I ask you to highlight the importance of U.S. leadership in global coral conservation efforts and voice even stronger support for the International Coral Reef Initiative. This initiative is a voluntary partnership involving a wide variety of players, governments, nongovernmental groups and others, to focus attention on the alarming decline of these resources and the actions needed to protect and manage them sustainably.

■ **Improving oceans governance.** I understand that your charge includes a review of the current structure for ocean governance, and that you have received recommendations for agency reorganization and reform. This is a set of issues in which we have a deep interest. William Eichbaum, vice president at WWF, served as

Chairman of the National Research Council's Committee on Marine Area Governance and Management. Several years ago, the Committee published a study that considered a range of ideas for improving the stewardship of marine areas. We hope that you will carefully consider the Committee's recommendations as you move ahead in your deliberations.

In particular, we ask you to consider the Committee's recommendations for the establishment of marine zoning regimes, particularly in the near shore environment. Zoning can be a useful management tool for dealing with conflicting activities. In addition, we hope that you will take into account the Committee's call for the establishment of a marine governance system, coordinated by a National Marine Council, with operational support from a system of regional councils.

All of us who have served in government understand the limitations of the existing structures for making coherent policy across a multitude of agencies with different missions, different resources, answering to different committees of the Congress. Though creating a department of the oceans may seem on the surface to address the concern by pulling all of the pieces together, I do not see this as a viable option. The major overhaul the Administration and the Congress are currently considering for homeland security will be all-consuming over the next few years. Moreover, it is hard to envision a structure that effectively combines military and civilian agencies, without undermining those agencies' principal functions. But there is a need to develop some new structure that enables these agencies of government to talk to one another more frequently and more effectively than they now do about the

range of ocean issues. An interagency council could serve this purpose, perhaps with leadership from someone well positioned in the White House.

Develop and Apply Better Principles for Fisheries Management

Given their social and economic importance, it is surprising to me that there are so few fisheries management success stories. For every example of effective management—such as Atlantic striped bass or Alaska salmon—there are several cases of mismanagement, overfishing, and depletion. There is no single formula or solution to this problem. Wise fisheries management requires a combination of political will, prudent thinking, adherence to scientific advice, and a focus on what makes sense over the long term rather than what is merely expedient today. Although there is no one-size-fits-all prescription for sound fisheries management, some overarching themes should be considered as the Commission develops a vision for sustainable fishing.

■ **Recognizing the benefits of precautionary management.** Fishery managers must chart a course that balances the need to recognize short-term returns with the need to protect the capacity of the resource to produce fish well into the future. In too many instances they have chosen to maximize the former, and put the long-term potential of the fisheries they manage at risk. What can be gained from more conservative management of fish populations? More jobs, higher catches, healthier oceans. The United Nations Food and Agriculture Organization has projected that fish catches could increase significantly in the future if overfishing is reined in now.

The United States has acknowledged the value of this approach to fishing, and has seen the principle adopted in international fishing agreements to which we are a party. But this important principle is seldom adhered to in practice. The Commission could make a lasting contribution to the conservation of fisheries and the oceans more generally by incorporating this principle as a priority in its vision for the future of U.S. oceans policy, and by proposing mechanisms for applying this principle in day-to-day management decisions. Members of the Commission have experience in this area, and I hope you will draw on it.

■ **Addressing the impacts of fishing on the environment.** I'm confident that many of the individuals and organizations appearing before you have noted the importance of reducing fishing's harmful effects on ocean species and ecosystems. Fishing's unintended consequences include an estimated 20 million tons of bycatch a year, and in some cases the destruction of habitats that serve as cornerstones of marine productivity and biological diversity. This morning I appeared at a press conference where some of the world's leading marine scientists called for a major new initiative to reduce cetacean bycatch. This bycatch is by far the most important threat to populations of dolphins and other cetaceans.

Since I am here today representing a conservation organization, it should come as no surprise that I am highlighting this issue. Yet reducing bycatch, and mitigating fishing's other impacts on the environment makes business sense as well. In many cases bycatch consists of commercially valuable fish species, caught before they have reached marketable size. A good example of this problem can be found in the Gulf of

Mexico, where bycatch in shrimp fisheries has played a major role in undermining red snapper populations.

Fortunately, there are steps we can take to improve this situation. There are plenty of good examples of fishermen and managers working together to solve bycatch problems. In the eastern Pacific tuna fishery, for example, the bycatch of dolphins dropped by more than 98% through a concerted effort by fishermen and regional governments. If we set priorities for fisheries where bycatch poses a major problem and work aggressively to solve it, we can achieve similar results elsewhere.

As I will discuss in a moment, one of the most important steps we can take to reduce bycatch and other environmental impacts of fishing is to address the problem of fishing fleet overcapacity. Besides making fishing unprofitable, overcapacity magnifies the environmental problems associated with fishing by increasing fishing's impact, on habitat, for example.

■ **Making international fisheries management a bigger priority.** Our interests at home are affected in many ways by fishing that takes place far from our shores. Much of the fish that we consume in the United States is caught elsewhere. Many of the jobs in our seafood sector depend on the productivity of fisheries located on the other side of the globe. The United States itself is a key participant in some international fisheries. For example, nearly all of the tuna caught by the U.S. fleet comes from the western Pacific Ocean.

Moreover, foreign fishing has a direct impact on some of our most important fish populations. One need look no farther than Alaska. The pollock, salmon, and other

species caught there make up roughly one half the U.S. fish catch. Yet many of these important fish populations are shared with Russia, and illegal fishing in the Russian waters of the Bering Sea poses a significant threat to the continued viability of these fisheries.

Unfortunately, the current international fisheries management regimes fall short of what's needed. Nearly all international fisheries management bodies are deeply flawed. Acquiescence to overfishing is the rule rather than the exception. Recently, the United States has played an increasingly constructive role in trying to address these problems. We need to do more. We need to recognize that we have a clear and present interest in the continued health of important fisheries around the world, and we need to use our stature and our influence to press for the changes that will better ensure their long-term productivity.

Creating a Hospitable Economic Environment for Ocean Conservation

Conservation policies are most likely to succeed if they are reinforced by and compatible with economic policies. From the perspective of an individual user of the ocean—a fisherman, for example—conservation policies are most likely to be embraced if they are in synch with the economic signals that shape commercial behavior.

Today, though, economic incentives are more often than not inconsistent with the stated objectives of current ocean policy. This lack of harmony is most pronounced in the fisheries sector, where economic incentives encourage the expansion of fishing fleets that are already too large, and stimulate a race for fish that

is neither biologically sound nor economically prudent. Two issues deserve special attention.

First, this Commission should encourage the development of measures to address the problem of fishing fleet overcapacity. Overcapacity is a root cause of the collapse of New England's cod population, and is at the heart of the crises in the Pacific rockfish and Alaska crab fisheries. Where overcapacity exists, fishermen must fish harder and spend more to catch fewer fish. What's more, they earn less. Overcapacity also exacerbates the environmental problems associated with fishing, stimulating excess fishing effort that increases habitat destruction and the bycatch of marine life. Reducing the size of fleets to more reasonable levels is perhaps the single most important step that can be taken to improve the long-term viability of fisheries and protect biological diversity while advancing the economic interests of fishermen.

It should be noted that past attempts to reduce fishing capacity have more often than not failed. Here in New England, for example, despite millions that have been spent to buy back fishing vessels, fleet overcapacity is as big a problem today as it ever was. What is needed is a stepped-up effort aimed at the fisheries where bloated fleets are the biggest problem. This effort must couple federal assistance for individuals and communities with measures that assure industry financial participation in downsizing initiatives. It must incorporate restrictions designed to prevent the regrowth of fleets to sizes that are not compatible with sustainable management of the fisheries. Finally, it should make use of transferable fishing rights and other market-based tools designed to encourage more rational, more sustainable levels of fishing effort.

Secondly, the Commission should consider the problems associated with current government subsidies to the fishing sector, and support the elimination of both domestic and foreign subsidies that contribute to unsustainable fishing. Government subsidies today account for nearly 20% of revenues to the fishing industry worldwide. This massive level of support—estimated at \$15 to 20 billion per year—is widely seen as promoting excess fishing capacity and encouraging overfishing. Current subsidies have significant links to the problems of poverty and underdevelopment, since they often have disproportionate impacts on developing countries where subsidized fleets from developed countries compete with fledgling local industries. The subsidies have helped underwrite cycles of mismanagement that have ultimately left thousands of fishermen unemployed. And they are widely thought to cause significant distortions in international markets for fish products.

In 1997, WWF began an international campaign to eliminate government subsidies that drive overfishing. A critical goal of that campaign has been to achieve binding and effective new rules under the World Trade Organization to discipline fishing subsidies. Last November, in an important step, trade ministers meeting in Doha, Qatar, agreed to include negotiations on fishing subsidies in the new round of WTO talks. The Doha round presents a unique and timely opportunity to reduce and reform harmful fishing subsidies with a profound impact on the economics of the world's fisheries. The WTO talks about fishing subsidies open a new field of play for activists and policymakers. For the first time, a piece of the multilateral trading system is to be explicitly focused on the sustainability of a vital natural resource.

We encourage you to follow these developments. They present an important opportunity for reconciling conservation policy and economic policy. This initiative enjoys support from conservationists and leaders in the American seafood industry. By encouraging continued U.S. leadership on this issue, you can help address the problem of overfishing and create a more level playing field for those in the seafood business.

Conclusion

I started my talk by flagging what I see as the crucial link between the health of the oceans and the well-being of our planet, our country, and people everywhere. The fate of the oceans depends on many issues that may not typically be thought of as within the purview of oceans policy. But they are. Of necessity, then, you will be dealing with broad-ranging questions about the economy, national security, the survival of endangered species, the well-being of coastal communities, energy, climate change, and so on. It is a tall order and a tall agenda, and one today that is as crucial to our survival as any such endeavor that has come before it. A generation ago, a commission on U.S. ocean policy conceived of NOAA, the National Oceanographic and Atmospheric Administration, one of the premier federal scientific agencies involved in climate research, overseeing protection for marine mammals, and more. Their proposals were right for the time. You are poised to deliver an equally timely and important report and a set of recommendations suitable to the needs of our day.

Everywhere we look the oceans are imperiled. We must right this. We must restore and assure the continuing productivity of the seas. We must protect and

restore endangered fisheries, reefs, and coasts. We must mobilize people and institutions to do this. And so, if you will, please consider my testimony a call for action.

Thank you.