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OCEANA CANADA'S RECOMMENDATIONS FOR A BLUE ECONOMY STRATEGY



The ocean connects us, sustains us and inspires us. For a very long time, it has provided trade routes for people and products, ideas and cultures, explorers and adventurers all over the world. The ocean has fed us, molded our societies and our communities, driven our economies and shaped our nations. It has inspired awe and fear, admiration and romance, exploration and adventure and so much more. Its capacity to continue to do so now and into the future faces great challenges: Climate change is altering and impairing natural physical and biological ocean processes. Contaminants and plastics pollution continues to degrade ocean health. Overfishing, past and present, has devastated communities and put food security at risk.

Meeting these challenges and making the shift to a sustainable, restorative and enduring Blue Economy Strategy is critical to Canada's ecological, economic and social well-being. A Blue Economy Strategy that addresses these challenges could set Canada on a path to ocean abundance, supporting thriving coastal communities and industries. Conversely, a strategy that prioritizes increasing our industrial footprint on our ocean spaces would hasten the decline in the health of the ocean and all who rely upon them.

We know Canadians care deeply about our oceans and the creatures that live in them – and not just the charismatic whales or rare corals found in the deep. Recent Abacus Data polling commissioned by Oceana Canada found that 81 per cent of Canadians believe that the government of Canada has a responsibility to protect Canada's oceans and marine life.

Canada's Blue Economy Strategy will be successful if:

1. Wild fish are a central focus by:

- Rebuilding depleted fish stocks by passing strong and rigorous regulations to support the rebuilding provisions of the amended *Fisheries Act*;
- Negotiating innovative rules that embrace indigenous knowledge, practices and rights; and
- Implementing existing Fisheries and Oceans Canada (DFO) policies, including the Fishery Monitoring Policy.

2. Marine habitat and species are protected by:

- Meeting Canada's commitment to protecting 30 per cent of our ocean by 2030, including developing new ways of managing protected areas in partnership with Indigenous Peoples; and
- Protecting our most endangered marine life from industrial threats, notably North Atlantic Right Whales.

3. Canada demonstrates leadership on global issues affecting our oceans by:

- Establishing a boat-to-plate traceability to end human rights abuses, overfishing and lost revenue associated with illegal, unreported and Unregulated (IUU) fishing, reduce seafood fraud and mislabelling and secure markets for Canadian products;

- Stopping the fatal flow of plastics into the ocean, including through a strong ban on unnecessary single-use plastic and regulations to reduce the production of products from virgin resins;
- Contributing to a low-carbon future by supporting responsible renewable energy and placing a moratorium on new hydrocarbon development; and
- Supporting a global moratorium on seabed mining.

These priorities can only be met if they are consistently, adequately and sustainably funded over the long term and supported by transparent, evidence-based decision-making. A Blue Economy Strategy provides the opportunity to return Canada to a position of global leadership on ocean science.

1. WILD FISH SHOULD BE A CENTRAL FOCUS

Since time immemorial, fishing has been a life-sustaining activity for Indigenous groups in all of Canada's ocean spaces and must feature prominently in modern-day reconciliation discussions in all coastal areas. Fisheries brought Europeans to North America, and the fishing industry established the social, economic and non-Indigenous settlement patterns that persist to this day. A fishing industry based on healthy and abundant fish populations is a vital part of the present and must feature centrally in any future view of our ocean economy.

The need to rebuild Canada's fish populations has never been greater. The biomass of Canada's marine fish populations has declined by 55 per cent since 1970. In 2017, the first year Oceana Canada published our annual *Fishery Audit*, there were 67 stocks (34.5 per cent) in the healthy zone and 26 stocks (16 per cent) in the critical zone. By 2020, the number of stocks in the healthy zone had dropped to 52 (26.8 per cent) and those in the critical zone had jumped to 33 (17.0 per cent).

Well-managed wild fisheries are important for Canadians

Today, wild fisheries support the largest job, income and revenue-generating sector within Canada's ocean-based economy. When depleted populations are left to languish, Canadians miss out on the economic and social benefits of healthy fisheries.

As Canada looks to recover the economy post-COVID-19, rebuilding fish populations to healthy levels should be a central focus of any oceans-based plan to add revenue and jobs to coastal communities. In the United States, the *Magnuson-Stevens Act* has some of the most stringent and effective legislative requirements to stop overfishing and rebuild fisheries. It was created in 1996 and strengthened in 2006. By 2010, the U.S. had made significant progress toward rebuilding fish populations, and 28 rebuilt stocks generated 54 per cent more revenue compared to when they were overfished. As of 2019, the U.S. has successfully rebuilt 47 stocks, resulting in more resilient ecosystems and greater economic opportunities for the fishing industry.

In Canada, a failure of draft regulations to clearly define targets and timelines for rebuilding depleted stocks means that we will miss out on the economic benefits of rebuilding. A report by the New Economics Foundation found that in the European Union and neighbouring waters, “[Past] overfishing made the fishing industry economically vulnerable and caused coastal communities to crumble” and that, “Instead of rebuilding stocks, the industry has become heavily subsidized by the taxpayer.”

Reversing these trends will require the following strategic actions under the blue economy banner:

Rebuild depleted wild fish

- The government’s posture on fisheries rebuilding has been good on policy but short on legally binding frameworks. Amendments to the *Fisheries Act* supporting sustainable fisheries management for stocks identified under regulation were passed in 2019, but the draft regulations introduced under *Canada Gazette 1* are insufficient to ensure rebuilding takes place. In particular, the regulations do not require that rebuilding plans set a target of returning stocks into the healthy zone and provide no guidance or requirements on timelines. Rapid action to list all major stocks in regulations flowing from section 6 of the *Act* and to develop and implement rebuilding plans must be a part of the Blue Economy Strategy.
- This is not simply a matter of advocating for good fisheries management for its own sake. Oceana Canada’s economic analysis of six depleted stocks clearly demonstrated that once rebuilt, they could support catches up to 18 times greater than current levels. Harvest levels of this nature will bring higher incomes and better job security, not only to fishers but also to the many onshore activities of central importance to many coastal towns and villages.
- Rebuilding wild fish is a low-carbon way for Canada to contribute to feeding a growing global population. Almost 800 million people are already living in hunger. According to the United Nations, the world’s population will increase by 33 per cent by 2050 – meaning 2.4 billion more people to feed. The potential for healthy wild fish to help meet this demand is immense: Estimates suggest that a fully restored ocean could provide a healthy seafood meal, every day, for more than a billion people.

Negotiate innovative rules that embrace Indigenous knowledge, practices and rights

- Oceana Canada recognizes that this is a very deep and complex issue. Federal and provincial governments, working with First Nations, Inuit and Métis governments and organizations, have made considerable progress over the years to advance a range of cooperative approaches to fisheries management. However, as events on the water and in the courts in recent years have demonstrated, it is clear that much work remains to be done. It is equally clear that simply tweaking existing fisheries management systems to address First Nations priorities on a case-by-case basis will not yield long-term solutions. Moreover, work on this front cannot be an afterthought, to be contemplated once all the core work of fisheries management is completed. It is core work and must be a central part of any blue economy strategy.

Implement existing DFO policies, including the Fishery Monitoring Policy

- Strong stock population and harvest-level data is vital to sustainability. The absence of a national fishery monitoring policy has led to inconsistent monitoring and reporting activities, concerns about fisheries management data, a shortage of national performance goals and limited ability to assess cumulative effects of individual fisheries or the impact of climate change. For example, DFO accounts for all sources of fishing mortality, such as bycatch, in only about 20 per cent of stocks.
- The DFO Fishery Monitoring Policy approved in 2019 has the potential to directly address these gaps, and Oceana Canada strongly supported and applauded its approval.
- The Policy has yet to be fully implemented in any fishery. Implementation was referenced in DFO's 2021-22 Sustainable Fisheries Framework work plan, which Oceana Canada viewed as encouraging first step. However, the brief reference only includes a few stocks, and none will be completed this year. More comprehensive implementation is vital to better align monitoring requirements with risk levels posed to targeted fish populations and related ecosystems, as well as for broader fisheries enforcement and compliance.

2. PROTECTING MARINE HABITAT AND SPECIES

None of the measures proposed above will succeed if the ecological health and integrity our ocean spaces continues to decline. More generally, Canada has a substantial obligation to do its share in protecting the global commons that is the ocean. The strategy for effective protection of marine ecosystem health is not complicated; we need to protect specific areas of particular importance, prevent irreversible and cumulative impacts to these systems and halt the flow of pollution into the ocean. The measures outlined below should be important component of a blue economy strategy in this regard.

Finishing the job: Protecting 30 per cent of Canada's marine waters by 2030

- Oceana Canada applauds the government's commitments to substantial expansions in Canada's Marine Protected Area (MPA) coverage by 2025 and again by 2030. Canada has already made great gains toward these targets in recent years and there are promising signs that additional areas will be added to the tally in the near future. Achieving our national MPA targets must, therefore, be a central plank in the blue economy strategy platform.
- Whenever possible, protected area management plans should be co-developed with Indigenous communities and DFO's existing Precautionary Approach standards.

Protect North Atlantic right whales and Canada's fisheries

- The threats to North Atlantic right whales from entanglements in fishing gear and ship strikes also threaten access to U.S. markets for the lucrative snow crab and lobster fisheries due to bycatch rules under the U.S. Marine Mammal Protection Act. In recent years, the government has put in place various temporary measures to protect North Atlantic Right Whales frequenting the Gulf of St. Lawrence and has assigned temporary funding to support enhanced research and monitoring activities to support these measures. But protecting this species cannot be treated as an annual crisis to which short-term responses are made repeatedly. A credible blue economy strategy needs to feature more enduring

investments and long-term actions that give rise to more strategic and ultimately effective measures to protect this critically endangered whale.

- The Canadian government's work with industry to develop "ropeless" gear is an example of an innovation that, when scaled for the full market, will allow Canadian fisheries access to U.S. markets and a technology that can be exported to other markets.

3. DEMONSTRATE CANADIAN LEADERSHIP ON GLOBAL ISSUES AFFECTING OUR OCEANS

Establish a boat-to-plate traceability system

- The ability to trace fish from its point of origin through the processing, transportation and retailing chain on to our plates is of substantial importance to ensuring that fish we eat is really what the label says it is and that it has been legally caught under an appropriate fisheries management regime. The EU, the U.S. and Japan, among other nations, have all moved aggressively to establish such systems in recent years. The Prime Minister's mandate letters to the Ministers of Health, Agriculture and Fisheries and Oceans instructed them to collaborate (under the Minister of Health's lead) to establish such a system for Canada. To date, however, progress has been limited at best and there are no signs that such a system will be in place in Canada any time soon. Fortunately, global best practices exist, and Canada does not need to reinvent the wheel but rather build a framework that is interoperable with existing traceability systems.
- Oceana Canada worked with fisheries economists at the University of British Columbia to research Canada's contribution to and losses from IUU fishing around the world. They found that Canada is losing millions of dollars each year because of our opaque seafood supply chains. Canadians are spending up to \$160 million a year on seafood caught through illegal fishing and Canada is losing up to \$93.8 million CAD in tax revenue each year due to the illicit trade of seafood products.
- Traceability has significant potential benefits for Canadian sellers, especially as a way for small-scale fishers to distinguish their products in the marketplace by increasing the transparency of their brand. Failing to establish a uniform, regulation-based traceability standard is also placing Canadian fisheries at significant risk of meeting a growing regulatory burden of complying with multiple, piecemeal traceability systems.

Stop the fatal flow of plastics into the ocean

- As important as protected areas are, it is also vital that we maintain and enhance the ecological health of all marine ecosystems. Central to efforts in this regard is to halt the flow of the tonnes of plastics that enter the ocean each year in Canada. The government's Science Assessment of Plastic Pollution clearly documents the pervasive, negative impacts of microplastic and microplastic pollution in all environments, including marine ecosystems. Internationally, the Oceans Plastics Charter – to which Canada is a signatory – makes the same case at the global scale. Canada must do its part to reduce the fatal flow of plastics into the ocean. The government's recent effort to lay the groundwork for a ban on certain plastics in Canada is a positive but far too modest first step. The list of items banned must be expanded beyond the six currently being considered. If the listing of plastic manufactured items is struck down by the courts, the government must move quickly to

either introduce amendments to its current CEPA modernization Bill or bring forward stand-alone legislative and regulatory mechanisms for to properly implement a ban and other regulations to limit plastic production. More generally, it is essential that a broad and comprehensive strategy for halting – not simply reducing – the flow of plastic pollution into our oceans be an important plank in Canada’s Blue Economy Strategy.

Protect our oceans and contribute to a low-carbon future

- Climate change poses risks to the ocean and to life on this planet. The vast ocean acts as a powerful carbon sink, absorbing about one-third of carbon dioxide emissions. Climate-changing gases from offshore oil and other fossil fuels are changing ocean chemistry, saturating the oceans with carbon dioxide and making them increasingly acidic. Acidification is already leading to the degradation of coral reefs and negatively impacting some commercially important fisheries, like shellfish. As Canada has committed to a transition to a net-zero carbon economy, it must look to clean energy sources – particularly for energy that comes from the ocean, such as wind, tidal and wave – to reduce climate-changing gases and the impact of ocean acidification and climate change on our seas.
- Canada has committed to a transition to net-zero carbon economy. In this context, there is no rationale for accepting the ecological risks associated with expanding hydrocarbon production in Canada’s oceans. Canada’s Blue Economy Strategy should, therefore, place a moratorium on all new marine oil and gas exploration and production and retire all hydrocarbon.

Support a global moratorium on seabed mining

- Finally, Oceana Canada does not support any inclusion of deep-sea mineral exploration or mining in a blue economy strategy. The ecological risks of such activities are simply too high and cannot be contemplated in any strategy that places sustainable wild fisheries and healthy marine ecosystems at the top of the priority list.

Commit to robust and transparent research to inform all blue economy decision-making

- A successful Blue Economy Strategy must be heavily informed by comprehensive science-based evidence. To support effective decision-making, ocean science must feature the “Four R’s of effective science” – it must be rigorous, reliable, relevant and resource efficient. We know more about the surface of the moon than the floor of the ocean, and we quite simply need a much more robust evidence base for blue economy decision-making than we have today. This science must be characterized by far greater transparency than we see at present. “Blackbox” decision-making generally generates suspicion and skepticism, not trust and confidence. Renovating Canada’s ocean science foundation to support the initiatives described above and to position the Blue Economy Strategy for success will require the key strategic actions outlined below.

Solidifying the DFO science program

- DFO was once considered a world leader in ocean research and monitoring. The St. Andrews Biological Station was among the first of its kind globally, the Bedford Institute of Technology is world-renowned, and the Pacific Biological Station was widely seen as a

centre of research excellence for the Pacific coast. In the late 1990s and early 2000s, DFO underwent major reductions and its global positioning and domestic effectiveness atrophied as a result. Budget 2016 investments in DFO's science program restored it to late-1990s levels. These investments must be deepened and made permanent if they are to form a science knowledge foundation for a Blue Economy Strategy.

Conclusion

The government has an opportunity to play a stronger leadership role in Canada's oceans community. Canada's Blue Economy Strategy will only be successful if goes beyond being a paper exercise. Enduring success will require strong federal leadership – in the form of commitments backed by action - that inspires and supports the collective action needed to achieve ocean sustainability in the years to come.

Canada is one of the most marine-rich nations on Earth. Our ocean economy currently provides 300,000 jobs and contributes almost \$32 billion to our gross domestic product, and seafood is the largest contributor within the sector. With more than seven million Canadians living in coastal communities, the health of the oceans is crucial for all who rely on them for food, jobs, cultural traditions, recreation and so much more.

There are several priorities that are fundamental to ocean health, human well-being and economic growth that must be the pillars of a blue economy strategy. For any such strategy to be successful abundant, healthy wild fish stocks must be at its core. The government has an exceptional opportunity to realize this by passing strong and rigorous regulations to support the rebuilding provisions in the amended *Fisheries Act*. This can also be actualized by implementing existing DFO policies, such as the Fishery Monitoring Policy, and continuing to fulfill commitments on protecting ocean habitat. And by seeking more permanent solutions to protecting critically endangered North Atlantic right whales and securing a future for the lucrative trap-based fisheries in Atlantic Canada.

The government must look to negotiate innovative new rules that embrace indigenous knowledge, practices and rights.

And finally, the government can demonstrate leadership on important global issues by establishing a boat-to-plate traceability system to end human rights abuses associated with IUU fishing, seafood fraud and mislabelling and securing markets for Canadian products, halting the flow of plastics into the ocean, supporting responsible renewable energy and placing a moratorium on new hydrocarbon development.

A blue economy based on these priorities can ensure Canada regains its place as a leading ocean nation for decades to come, while supporting coastal communities, industries and contributing to global ocean health. Oceana Canada is ready to support and assist in implementing such a strategy in any way we can.

About Oceana Canada

Oceana Canada was established as an independent charity in 2015 and is part of the largest international advocacy group dedicated solely to ocean conservation. Oceana Canada has successfully campaigned to end the shark fin trade, make rebuilding depleted fish populations the law, improve the way fisheries are managed and protect marine habitat. We work with civil society, academics, fishers, Indigenous Peoples and the federal government to return Canada's formerly vibrant oceans to health and abundance. By restoring Canada's oceans, we can strengthen our communities, reap greater economic and nutritional benefits and protect our future.