

Readout: International Shipping Industry Consultation: "Strengthening the Stewardship of a Biologically and Economically Important High Seas Area – The Sargasso Sea".

Introduction

As part of the ongoing [GEF-UNDP-UNESCO-IOC Sargasso Sea Project](#), a **shipping-industry focused consultation event was held at the London offices of BIMCO on the 5th of April 2024**. Facilitated by [NLA International Ltd](#), the consultation was attended by representatives from [BIMCO's](#) London & Copenhagen Offices, the [IMO](#), including from their [GloFouling Partnership Project](#), [Intertanko](#), [CLIA](#), [UNEP-WCMC](#), the [Sustainable Shipping Initiative](#), [IMarEST](#), and the [UK Chamber of Shipping](#). There were several background briefings from members of the Project Team, plus the [Sargasso Sea Commission](#) Secretariat and Duke University's [Marine Geospatial Ecology Lab](#). Although unable to attend this event, the [International Chamber of Shipping](#), the [World Shipping Council](#), [Intercargo](#) and the [International Cable Protection Committee](#), have all undertaken to be part of this Project going forward. It is anticipated that more members of the International Shipping Industry will wish to join the Project as it continues into the future.

Aim

The aim of this event was to introduce the Project to the International Shipping Community and, as key users of the Sargasso Sea, discuss Project intent whilst highlighting potential opportunities for mutually beneficial participation. By engaging with this key stakeholder community at this early stage, the Project hopes to stimulate discussion on its various elements. The voice of the International Shipping Community will be essential in helping to determine appropriate voluntary governance and stewardship measures for all users of the Sargasso Sea, helping to deliver a collaborative approach towards the sustainable stewardship of this unique, iconic and globally important high seas ecosystem.

Background

The Sargasso Sea contains inherent ecological value and is a haven for biodiversity as both habitat and migratory corridor. Keeping the Sargasso Sea healthy and sustainably productive chiefly hinges on the **balance between appropriate utilisation and conservation of its natural resources**. This will be achieved by effective collaboration between all actors within its area undertaking conservation, stewardship, or commercial industrial activities.

Stewardship falls primarily to the [Hamilton Declaration](#) signatories, who balance conservation with sustainable use. This Declaration is a non-binding convention, collaborating with signatory governments and commissioners, and international organisations to conserve the Sargasso Sea. The Hamilton declaration and Sargasso commissioners are a new paradigm for high seas governance, working for just over a decade so far.

To achieve this conservation a clear understanding of human impact is required, together with knowledge of the potential benefits resulting from sustainable management practices, all within a collaborative and fair stewardship environment. **High seas areas like the Sargasso Sea can seem to belong to no one, but their future state is inextricably linked to Earth's health tomorrow and the associated global benefits.**

The Project



The GEF-UNDP-UNESCO-IOC Sargasso Sea Project seeks to strengthen stewardship of the Sargasso Sea Geographical Area of Collaboration (GAC). This area was intentionally drawn to remove all EEZs; it is a purely high seas area. An ambition of the project is to create a coherent stewardship approach, and the designation of the Sargasso Sea GAC avoids fragmented governance. The importance of the Sargasso Sea ecosystem has been recognised within the [UN Biodiversity Beyond National Jurisdiction \(BBNJ\)](#) discussions as an area of significance, which is a premise for implementing conversation measures. **This is**

seen as a 'flagship' project for BBNJ and may set the benchmark for future high seas stewardship elsewhere.

The shipping industry, through the IMO, has been involved in the development of BBNJ from the beginning. IMO activity was key to building an awareness of the shipping industry, both in terms of its requirements and the existing mechanisms and conventions that shipping already apply to protect sensitive sea areas. **IMO engagement with the Sargasso Sea Project is highly desired and appreciated**; their continued participation will be crucial to developing and implementing appropriate stewardship and conservation measures.

Event Agenda

The morning included a Keynote address setting out IMO perspectives on the BBNJ Treaty & the Sargasso Sea, followed by a briefing on the Sargasso Sea Commission & The Hamilton Declaration. The Project was then introduced by the Project Chief Technical Adviser, which included an explanation of the 2 distinct phases of the Project; the SEDA and the SAP processes, and progress achieved to-date (detail below). A briefing on the role, methodology and importance of stakeholder engagement was followed by a briefing and discussion setting out BIMCO perspectives. In the afternoon, Data requirements, collection & sharing was discussed, and a further background briefing on Human Activity in Sargasso Sea was given by Duke University, MGEL. Possible voluntary mitigation measures and key stakeholders & their potential contributions were then discussed before the event was wrapped-up and next steps were set-out. **Each theme covered is précised below, together with some feedback and discussion from the attendees, and questions posed.**

The Socio-Ecosystem Diagnostic Analysis (SEDA) Process

The Project is currently undertaking its first phase – a Socio-Ecosystem Diagnostic Analysis (SEDA). This is built upon an established process used in and across EEZ boundaries – Transboundary Diagnostic Analysis (TDA)¹. The TDA process has been used extensively in EEZs and over 40 shared river basins and ground water systems worldwide, but never in the high seas. The SEDA is an evolution of this mature approach to account for the unique nature of an Area Beyond National Jurisdiction (ANBJ) – the Sargasso Sea.

The SEDA process seeks to capture both the importance of the Sargasso Sea as an ecosystem, and its importance from a social and economic perspective. This analysis is very wide reaching, but at its core is evidence collection and analysis, enabling an assessment of the environmental (physical, chemical and biological) and socio-economic status (across sectors, towards an ecosystem valuation) of the area. A key element of the SEDA is to consider connectivity within and beyond the ANBJ system boundary, necessary to understand the importance of the Sargasso Sea GAC to external oceanic systems as well as to jurisdictional coastal areas.

A key area of discussion was the level of detail with which connectivity is analysed, which is an important decision point for the scope of the Project's SEDA and enduring monitoring thereafter. There was the view that **a balance of focus is required between analysis of the primary high seas area, and its internal connectivity, and the inclusion of the areas and nations most environmentally and economically connected to it.** Decisions of stewardship measures for the Sargasso Sea may potentially have global socio-economic impacts on key sectors. The room felt that **it was important for the SEDA to provide an holistic perspective, enabling the Project to assess and balance local and global benefits and impacts.** As an example, marine shipping and transport representatives described the impacts rerouting measures could have on carbon intensity indicators, and on small ports that perhaps rely on the cruise industry.

It was also indicated that **there is an ambition to consider the evolution of the Blue Economy in the Sargasso Sea GAC, including future infrastructure and activities, and its prospective impacts and value.** Ecosystem valuation is a significant process within the SEDA and will inform how an efficient collaborative stewardship approach may be built.

¹ Transboundary diagnostic analysis (TDA) is a procedure intended to provide a means of identifying the proximal, intermediate and fundamental causes of environmental problems and threats in shared (multilateral) water bodies. (<https://www.sciencedirect.com/science/article/pii/S0964569111001487>)

Full consideration of these aspects of connectivity and Blue Economy evolution will multiply the complexity of the SEDA. However, reaching an approach that satisfactorily addresses these points could enhance the role of this Project, and the SEDA process developed by it, as a potential model for future BBNJ implementation.

Communications and stakeholder participation is a key aspect of the SEDA and is critically necessary for the Project. A primary challenge with established ocean protection measures, such as Particularly Sensitive Sea Areas (PSSAs)² and Marine Protected Areas (MPAs)³, discussed in more detail below, is enforcement and compliance. This challenge will be even greater in high seas areas, meaning that **participation and buy-in from the full stakeholder community is crucial.** A summary of key stakeholders will be included in the completed SEDA, including a detailed section on who the stakeholders are and their role going forward.

Developing the Strategic Action Programme (SAP)

Based on the evidence and findings from the SEDA a causal chain analysis will be carried out. This will inform socio-economic and ecosystem quality objectives and targets, and the monitoring indicators by which progress can be assessed – enabling better stewardship measures to be put in place for the Sargasso Sea GAC.

Up front it was recognised that **the science underpinning such an analysis is unevenly mature and unevenly distributed.** The industry view was that **there will be unknowns regarding the impacts of shipping on aspects of marine biodiversity.** For example, the subject of noise pollution was raised, whereby there are associations, but a definite causal link is hard to establish. It will be necessary to define the standard of evidence required to justify objectives and targets. Although adopting a Precautionary Approach⁴ has been the norm for many decades, in this case it may be overly cautious. **A weight-of-evidence approach**, taking a pragmatic view of where evidence and association is strongest, has been successfully used in other environmentally sensitive scenarios⁵. **It may provide the right balance as science and evidence is matured in the highest priority areas.**

The development of these objectives and targets needs to be aligned with the expectations of all stakeholders and will be captured in the negotiated document that is **the Strategic Action Programme (SAP).** **It will encompass the specific measures – negotiated and co-owned by the stakeholder community – to be applied in the Sargasso Sea by the Project.**

It was the view of the room that **the SAP should not only look at addressing problems identified by the SEDA, but also on realising opportunities that enhance the lasting environmental and socio-economic value of the Sargasso Sea GAC.** Often negotiated measures focus on risk and ‘fixing’ problems, but this new high seas context may allow an opportunity framing to be embedded in the SAP process, leveraging emerging Blue Economy thinking; risks can create not just threats, but also opportunities.

The Sargasso Sea Project is seen as a ‘flagship’ project for BBNJ. This underlines the importance of participation to ensure the SEDA and SAP processes are not only acceptable to shipping industry stakeholders, but actively include their perspective and knowledge. **What is demonstrated in the Project should be translatable and scalable to future BBNJ initiatives.** **Leadership** is being shown by the Sargasso Sea Commission, and it is the Project’s view that this **should be shared and co-owned by the stakeholder community, enabling all involved to take the lead in the development of voluntary measures.**

² Particularly Sensitive Sea Areas (<https://www.imo.org/en/OurWork/Environment/Pages/PSSAs.aspx>)

³ Marine Protected Areas ([https://www.iucn.org/resources/issues-brief/marine-protected-areas-and-climate-change#:~:text=Marine%20Protected%20Areas%20\(MPAs\)%20are,for%20long%2Dterm%20conservation%20aims](https://www.iucn.org/resources/issues-brief/marine-protected-areas-and-climate-change#:~:text=Marine%20Protected%20Areas%20(MPAs)%20are,for%20long%2Dterm%20conservation%20aims))

⁴ <https://unglobalcompact.org/what-is-gc/mission/principles/principle-7>

⁵ https://www.researchgate.net/publication/292139133_Large_Marine_Ecosystems_and_associated_new_approaches_to_regional_transboundary_and_high_seas_management

Data: requirements, collection & sharing

The provision of data is necessary for all elements of the Project, from understanding the ecosystem and socio-economic status of the Sargasso Sea GAC during the SEDA process, to enduring monitoring to support the implementation and maintenance of agreed measures. The necessary types of data are diverse, ranging from the physical, biological and chemical, to economic metrics and those representing the use and resilience of the ocean space.

Examples of key factors to monitor include ocean temperatures, salinity, acidification, current velocities, and the presence of local and migratory species. Furthermore, these data are required over a wide area and with appropriate temporal resolution; there is a 'Big Data'⁶ challenge to monitoring and governing the high seas. **The participation of both the Guardians⁷ and the Users⁸ of the sea space in data collection, sharing, analysis, and potentially co-financing, will be necessary to meet this challenge.** This is especially true since nation states do not have the same infrastructure and mechanisms to support this activity as they do within their EEZs.

Data: collection & ships of opportunity

This is an area where the shipping industry may be able to participate and contribute substantially. **There are already many ships of opportunity participating in ecosystem data collection.** This is often done on a deployment basis, where a vessel is the deployment mechanism for floats or other data collection systems but does not have to directly handle data collection and/or transmission. This is typically employed for oceanographic and meteorological data, but rarely for biological or human. It was reported **these activities have also been seen to benefit crews, relieving boredom during voyages and providing positive feedback.**

That said, **there were concerns about the trustworthiness of data collected through 'citizen science'.** The shipping industry would not want to collect data that might not meet the standards necessary for use; **improved automation in data collection** (whether mechanical or digital) **will reduce this risk.**

Currently data collection is often done on an individual basis with and for individual scientific institutions. Sometimes this results in duplicate data collection requests being made to the shipping industry by different organisations and groups. This **lack of consolidation increases friction and decreases data re-use, a single approach with centrally defined data priorities would make participation more feasible.**

Data: sharing

Modern vessels are equipped with considerable sensors to support their normal operations. These may provide data valuable to ecosystem monitoring and analysis; however, **challenges of data sensitivity and sharing must be addressed to make these available.**

Openly sharing data on environmental protection, safety and security is possible – the cruise liner industry actively does this already. Issues of data rivalry and competitive risk are mitigated through a trusted data partner; a legal entity that anonymises and collates data, subject to strict anti-trust and confidentiality rules. **A similar, unified, approach** has not been tested by the wider shipping industry but **may be necessary to achieve consistent data sharing in support of the Project, or future BBNJ activities.**

Beyond data collection, **this Project will also need to be supported by a data platform designed for long-term scientific monitoring,** able to support specific requirements of the SEDA, SAP and consequent implementation processes.

Overall, **data collection and sharing represents a natural opportunity for participation. But clarity is needed in key areas to enable this at scale.** Some of these are **technical,** such as defining mechanisms for data collection and transfer, responsibilities on data quality, and improving or making available automation tools.

⁶ <http://www.sargassoseacommission.org/our-work/workshops/nlai-big-data-report>

⁷ Guardians – those principally focused on the conservation of the Sargasso Sea, either directly or indirectly.

⁸ Users – those who realise direct or indirect commercial gain from legal exploitation of the natural resources within, or that pass through, the Sargasso Sea.

However, others require **strategic consideration**, such as the **burden** data collection requirements may place **on crews and crew training**, the **potential costs to ship owners**, and the potential for **legal issues** such as from regulatory barriers or privacy concerns.

Most importantly **there is a lack of clarity of the derived benefits**. Ocean observation undoubtedly benefits the shipping industry as well as others, but **these benefits need to be better articulated**. Opportunity for bi-directional data and knowledge exchange may form part of this, especially if shipping may contribute data to wider analysis that in turn helps the industry identify new operational models or mutually beneficial changes.

To address this **the project may benefit from a data and information management strategy**, capturing how data can and should be provided, how it is collected and managed, and strictly defining the nature of outputs derived from this data. This strategy may define the role and implementation of a trusted data sharing partner designed to enable industry-wide data sharing. A sophisticated approach is clearly required to overcome concerns of data rivalry and competitive value, but examples show this is not insurmountable and **there are achievable forms of data collection already underway**.

The Environmental, Social & Governance (ESG) lens

The activities of the Project, and the opportunities for participation, may also be viewed through an Environmental, Social & Governance (ESG) lens. ESG is a growing priority for the largest commercial shipping businesses⁹. **Participation in voluntary activities, such as platform of opportunity data collection, is a component of ESG responsibilities** and is recognised as such in emerging formal structures.

Although ESG is on the agenda and growing, it is inhibited by a lack of a quantitative framework. This is especially true since the cost of implementing ESG measures is often high. The appreciation of ESG also varies significantly between organisations. Currently ESG is purely voluntary, although this is changing for the EU¹⁰.

More generally, the points of view on the costs of shipping are evolving to consider environmental and ecosystem aspects as well as traditional economic metrics. This is a gradual change and is not one that shipping can make in isolation. These shifts in priorities and perspectives provide a new way to contextualise voluntary participation in the Project, and to assess the value this provides.

Developing and implementing measures

A main topic of discussion was the nature of measures that might be discussed during the SAP process and consequently implemented, including **whether these measures are likely to be novel or traditional, voluntary or mandatory, and how the costs of implementation might be borne**.

It was **important for the industry to understand what area-based management tools¹¹ might be considered appropriate for the Project**; whether they are likely to be established mechanisms such as PSSAs or MPAs, or something different, and what guidelines or regulations might be associated with them.

There was a view that **it is too early in the Project to specifically answer these questions**. Discussion of potential measures should form part of the SAP negotiation, which will require stakeholder participation. Before this, the causal analysis and supporting evidence must be established by the SEDA. Hence, the objective of the discussions in this consultation was to highlight pathways and foresee challenges, but it was **far too early to define effective, balanced, measures**.

An important principle to developing measures is to ensure they are incremental. Mandatory measures already exist that may address some of the identified threats, and there are other existing mechanisms that may be employed before new ones may need to be created. **New voluntary measures need only capture the additionalities not accounted for already**.

⁹ <https://www.zerocarbonshipping.com/publications/the-esg-playbook-for-shipping/>

¹⁰ https://ec.europa.eu/commission/presscorner/detail/en/qanda_23_4043

¹¹ https://www.highseasalliance.org/wp-content/uploads/2021/04/ABMTs-BRIEFING-2_-How-do-MPAs-and-other-ABMTs-differ_.pdf

The instruments of the IMO are internationally agreed and binding; they apply to all ships throughout their voyage (excepting domestic shipping) and are implemented through flag ports and coastal control. **New instruments may be needed to support and implement BBNJ measures, and the Project may help assess this.**

Particularly Sensitive Sea Areas

The most directly relevant instrument may be PSSAs, for which special requirements apply. When a PSSA is defined the protective measures that are needed to mitigate the area's sensitivities are also defined (e.g., vessel routing, operational discharges, accidental or intentional pollution, physical damage to marine habitats). Depending on the nature of the sensitivities revealed by the SEDA, this approach may be appropriate. **Currently there are no PSSAs on the high seas, nor has there ever been one.** However, PSSAs are not specifically limited to EEZs, so **creation of a high seas PSSA could be possible.**

A key benefit of using **PSSAs** is that they **are a familiar process to the shipping industry under the IMO.** The PSSA concept also provides clarity by the fact that ships are regulated by one body, providing the confidence that the industry needs to encourage compliance. **PSSA text** is also very carefully **constructed to establish the balance of interest between environmental protection and the needs of international shipping**, which must be a key property of any negotiated measures.

To establish a **PSSA**, it **must be proposed by IMO member states; the Project should consider how this might be achieved.** The critical piece to establishing a PSSA will be the causal link showing why shipping poses a threat against specific identified sensitivities. This must be strong enough to convince the 176 member states that the proposed measures would sufficiently mitigate these sensitivities.

Voluntary measures

Voluntary measures may also be necessary to address threats identified by the SEDA and are a possible outcome from the SAP process. **Voluntary measures are already an established approach in some areas, for example regarding vessel speeds to minimise whale strikes**, and informal monitoring and reporting approaches have been tied to these leading to open reporting and accountability. However, there is a view that current approaches can be improved. There is concern that there are too many voluntary measures and that they lack coherence across ocean areas. **Considering that this Project may inform BBNJ implementation, a view to coherence from the start may be beneficial, articulating voluntary measures that may be consistently replicated elsewhere if appropriate.**

There can be a real challenge to maintaining overview of voluntary measures and regional differences, so **the friction of voluntary compliance could beneficially be reduced.** This may be facilitated by a dedicated liaison role or function, similar to how a port agent can make environmental compliance easier but dedicated to the high seas – first perhaps for the Sargasso Sea GAC, and then expanded as required with BBNJ implementation.

There is also a legal consequence to accepting voluntary measures that must be considered, particularly if others do not. **Accepting voluntary measures may add costs to voyages**, there is precedence that the carrier is liable for these if its behaviour is inconsistent with other vessels in the same area. Being the exception in adopting voluntary measures may result in liability, this risk must be understood and appropriately mitigated. Industry could also anticipate that **measures that begin as voluntary might eventually become mandatory.** This will need careful consideration within the SAP negotiations.

The **cruise liner industry** raised a **specific concern about how rapidly any new measures might impact them.** They develop itineraries 2-3 years in advance, meaning that implemented measures would affect cruise liners earlier due to their planning requirements. Depending on the nature of measures to be discussed, this may need specific consideration and consultation.

Costs & Incentives

Irrespective of the form of measures **there will certainly be costs for implementation and monitoring**; this will affect all parties include the industries adopting the measures. For example, large rerouting measures prohibiting entry to parts of the high seas is likely to result in a clear commercial cost. This needs to be understood, and the associated costs must be allocated in an acceptable manner.

If the Project is **to encourage wide uptake of voluntary measures, incentives may be key**. This may also be an **important part of growing data collection and sharing**. As the Project moves forward, it will be important to envisage what incentives are appropriate to tie to voluntary measures, and how they could be sustainably enabled.

An alternative way to frame this may be in terms of future economic costs and risks. If ecosystem sensitivities go unaddressed, they may result in future measures that are far more costly than voluntary ones today. **A proactive approach, therefore, may minimise both cost and risk** whilst delivering significant environmental and social value.

The GLO partnership projects may also provide a valuable reference for implementation. The Global Industry Alliance (GIA)¹² public-private partnership initiative has focused on realising commercially feasible solutions to critical marine and maritime issues. This has taken a self-financing private sector approach, where participating organisations contribute a small quantity to the IMO secretariat to organise an industry alliance community of interest, to share solutions and understandings.

In sum, this **Consultation presented two avenues for implementing measures for the project to consider**. One is **regulatory** (e.g., PSSA) with requirements **enforcement and mandatory compliance**. The second is **voluntary**, likely **backed by incentivisation**, which needs to be investigated once the SEDA is concluded.

Conclusion & Next Steps

This consultation was the second of the Project – the first predominantly involved the Guardian community – but this was the first specifically focused on engaging key Users of the Sargasso Sea in discussions surrounding potential future voluntary or regulatory stewardship measures; there will be others.

The sense was that it was a good beginning, with a great deal of energy, positivity and curiosity in the room. In answer to a question **“What should the Project do to not upset the shipping industry?”** one participant simply responded: **“This - exactly what you are doing now!”**

But there is a long way to go, and many data to be gathered and analysed to develop a clearer understanding of how best to strengthen the Stewardship of this biologically and economically important high seas area. **The common heritage of mankind means that, far from the high seas being unowned, there is a shared ownership by humanity of the world’s oceans**. This underlines the **critical need for negotiation, compromise, and co-ownership in the development of measures, and a fair approach to implementation**.

The next consultation for the Project is hoped to be in mid-2024 with the Fishing Industry, another key user of the Sargasso Sea. Following this, possibly during the last quarter of 2024, the Project will seek to bring as many Project key stakeholders together as possible, both Guardians & Users, to broaden and deepen the Projects understanding of human activity in the Sargasso Sea and its potential impact on the unique and iconic ecosystem it is home to; **the Project will be grateful for your continued participation**.

¹² <https://www.glofouling.imo.org/gia>