

Introduction

Mr. Chairman and members of the Committee, thank you for the opportunity to testify today. I am David Sandalow, Executive Vice President of the World Wildlife Fund. WWF is the largest private conservation organization working internationally to protect wildlife and wildlife habitats. We currently sponsor conservation programs in more than 100 countries, thanks to the support of 1.2 million members in the United States and more than 5 million members worldwide.

WWF has a keen interest in the issue before this Committee. With offices and programs around the world, we have too often witnessed first hand the devastating effects of tanker spills on marine wildlife. WWF has a major presence in Spain, and is playing a significant role in the wake of the *Prestige* spill. WWF experts are helping train volunteers to clean oil-covered birds, advising authorities on wildlife rescue and treatment and coordinating volunteers cleaning beaches and rescuing animals.

The Cost of Inaction: Long Time No Sea

The sinking of the tanker *Prestige* less than two months ago reminded us once again of the grave risk posed by irresponsible shipping to the marine environment and coastal communities. As the tragedy in Galicia unfolded, Americans recalled the disastrous grounding of the *Exxon Valdez* thirteen years ago and the ecological nightmare that was its aftermath. These incidents are but two examples in a long line of accidents involving oil tankers. Their effect on the web of life in our oceans – and on the millions of people who derive their livelihoods from it – has been both incredibly destructive and long-lived. Remarkably, we seem to forget these biological and human impacts soon after each incident disappears from the front page. And their costs to nature and coastal economies are discounted each time we formulate policies to prevent future spills.

It is time for a more honest reckoning of the cumulative price we have paid for ignoring the problem of sub-standard shipping. As we weigh the need for new policies to prevent spills in the wake of the *Prestige* disaster, we must base our decisions on a full accounting of these costs. Too often the price tag of more effective regulation has been amplified while the biological effects of inaction, not to mention the hard economic costs of oil spills, have been given short shrift. Clearly there are real costs associated with more rigorous tanker inspection requirements and better vessel design standards; but they are more than outweighed by the price we have paid for adhering to the status quo. Some cases in point include:

- 550 miles of coastline (the entire Atlantic coast of Galicia) have been closed to fishing and shellfish gathering since the *Prestige* spill, affecting 90,000 people whose livelihood depends directly on these activities. Galicia accounts for 40% of the total Spanish fish catch (it is the foremost fishing region in all of Europe). Experts estimate economic and environmental recovery in the region will take at least a decade.

- Damages associated with the *Exxon Valdez* spill exceeded \$2 billion. The spill's environmental toll is still being felt today. Of the 28 species and resources studied since the spill, recovery objectives have only been met for seven.

Although the United States has taken important steps in the past to prevent similar disasters – most notably by passing the Oil Pollution Act of 1990 – we must do more. Single-hulled tankers still pose a direct threat to America's marine environment. Our most valuable ocean areas remain unprotected. In addition, we must recognize that America has a direct stake in the health of the global oceans. Our interests at home are affected in many ways by activities that take place far from our shores. Much of the fish that we consume in the United States is produced elsewhere. Many of the jobs in our seafood sector depend on the productivity of fisheries located on the opposite side of the globe. The prevention of oil spills in foreign waters is in keeping with our own national interests.

WWF supports a three-part prescription for preventing future disasters like the *Prestige* incident, and minimizing the impact of accidents that do occur. We must accelerate the removal of sub-standard tankers from ocean commerce, speeding up the timetable for phasing out single-hulled vessels to the extent practicable. We must insist on a system of real accountability for oil transport at sea, focussing on a more effective regime for tanker inspection and new mechanisms that ensure real flag state responsibility. Finally, we must take steps to protect our most valuable ocean areas by making them “off limits” to tanker traffic.

Eliminating the riskiest vessels

Present U.S. and international law calls for the phase-out of single-hulled tank vessels by 2015. This requirement is the centerpiece of the Oil Pollution Act of 1990, and the most significant shift in policy associated with the *Exxon Valdez* spill. Yet incidents like the *Prestige* sinking remind us that we are still at risk and that 2015 is a long way off.

Today, the majority of tankers carrying oil out of Valdez are still not double-hulled. As late as this summer, the average age of tankers in the Trans-Alaska pipeline trade between Valdez and the U.S. West Coast was 20.5 years. And outside of the United States, “garbage ships” like the *Prestige* transport oil through sensitive ocean areas every day.

Given the biological, economic and human costs of disasters like the *Prestige* spill, accelerating the elimination of single-hulled vessels is a good idea. Knowledgeable observers note that a quicker timetable is not unrealistic: an OECD report suggests that a phase-out in the next seven to nine years may be possible. The United States should carefully consider such advice and support the quickest possible removal of single-hulled tankers, both in our home waters and abroad.

Ensuring International Accountability

The current approach to setting international standards for shipping has tended to be reactive, ponderous and based on industry-driven compromises. Even where rules have been agreed on internationally, ensuring compliance has been a major problem. Enforcement of shipping

regulations relies largely on the actions of flag states. Many flag states take these responsibilities seriously but some – often referred to as flags of convenience (FOC) – profit from allowing foreign ship operators to register vessels in their nation’s name but fail to effectively oversee the ships that fly their flag. The FOC system turns ship registration into a business and creates a competitive advantage for states that allow sub-standard shipping practices. The *Prestige* spill was in large measure a product of this system.

Ultimately, the major weaknesses that exist in current accountability mechanisms can only be addressed through the fundamental reform of international law. In the best of worlds, this would involve revisiting the relevant provisions of the United Nations Convention on the Law of the Sea (UNCLOS) and the United Nations Convention on the Conditions for Registration of Ships. In the shorter term, expedited consideration of the proposals that have emerged since the *Prestige* incident for beefing up vessel inspections should be a priority – as should new measures to require that the details of ownership and management of ships be fully transparent. The *Prestige* story demonstrates that current arrangements make it very difficult to identify the real owners of vessels and hold them accountable.

Protecting Sensitive Ocean Areas from Future Spills

Even under an accelerated phase-out timetable, single hulled vessels will continue to pose a threat to marine biodiversity and coastal commerce for a decade. Moreover, although casualty data demonstrates the positive impact of double-hulled tankers in preventing pollution, they are not a complete panacea. So while WWF strongly supports a stepped-up effort to eliminate sub-standard vessels and strengthen inspection protocols and design standards, we also recognize that these initiatives can not prevent oil spills altogether – and may do little to eliminate spills in the short-term.

Accordingly, we urge the United States to play a leadership role in establishing a global network of “no go” zones where tanker traffic is prohibited. International Maritime Organization rules provide an important multilateral mechanism for the designation of such zones, known as Particularly Sensitive Sea Areas (PSSAs). PSSAs are areas of the ocean that need special protection because of their ecological or economic significance and their vulnerability to the harmful impacts of shipping activities. Within these areas shipping traffic can be more carefully regulated, or prohibited altogether. Coastal nations may petition the IMO to have important sea areas recognized as PSSAs – a process that assures designations will reflect national priorities as well as international interests in maritime commerce. Our nation should be more actively promoting the use of this important conservation tool by the IMO.

In our own waters, we should seek PSSA status for areas that are critical to the ocean web of life, or of special importance to commercial or recreational fishermen and others who rely on the sea. As a starting point, the United States should strongly consider petitioning the IMO for special protection of:

- Areas of recognized biological importance, such as our national marine sanctuaries, and

- Areas of special importance to the economy of coastal communities, including places designated as essential fish habitat under the Magnuson-Stevens Fishery Conservation and Management Act

Conclusion

In closing, Mr. Chairman and members of the Committee, WWF wishes to express our gratitude for your active interest on oil spills and protecting the marine environment from their impacts. We stand ready to assist the Committee in providing constructive solutions to this serious problem. I am happy to answer any questions you may have.