



Supporting Marine Environmental Protection in an Evolving Landscape

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Overview

1. Provide an update on TC's modernization and review efforts
2. Elaborate on the departmental international engagements related to marine environmental protection
3. Discuss social license to operate and its paradigm shift



MODERNIZATION AND REVIEW EFFORTS



Transportation Modernization Act

- Transportation Modernization Act received Royal Assent
 - Critical milestone to improving Canada's transportation system in **better serving Canadians** for decades to come
- The Act is a first legislative step to deliver on early measures of TC' *Transportation 2030: A Strategic Plan for the Future of Transportation in Canada*
- Proposed measures would better position Canada's transportation system to capitalize on global opportunities, enable a high-performing economy, and meet the **needs and service expectations of Canadians**
- Key areas of focus include:
 - **The Traveller**
 - **Safer Transportation**
 - Trade Corridors to Global Markets



Pilotage Act Review

- The Government of Canada committed to reviewing the *Pilotage Act* to modernize the legislative and regulatory framework for pilotage services
- The Review has examined issues under the following themes:
 - Governance
 - **Safety**
 - **Labour**
 - Tariffs and Fees
 - Economic considerations of pilotage
- The final report was submitted to the Minister on April 30th, 2018



St. Lawrence Seaway Review

- Launched in July 2017, the St. Lawrence Seaway Review is examining the prospects and opportunities for:
 - increased economic and commercial development
 - the waterway's competitiveness and **sustainability**
 - the Seaway's governance structure
- The review's approach is evidence-driven, supported by engagement with stakeholders, including:
 - St. Lawrence Seaway Management Corporation (SLSMC), provincial and municipal governments, **Indigenous communities**, the private sector (including shippers and the shipping industry), major associations, the U.S. government



Ports Modernization Review

- Minister launched Review on March 12, 2018
 - Evolving operating landscape for ports – drivers of change bring new challenges and opportunities
 - Review to ensure our ports continue to be well positioned to innovate and compete
- Review will examine changing landscape under five streams:
 - Innovation and trade Logistics
 - Partnering with **Indigenous peoples**
 - **Sustainability** and port communities
 - Port **safety and security**
 - Port governance
- The review's approach is evidence-driven, supported by engagement with stakeholders, including:
 - Canada Port Authorities, Marine industry, provinces, territories and municipalities, trading community, **Indigenous peoples**, academia



Wrecked, Abandoned, Or Hazardous Vessels Act

- On October 30, 2017, Bill C-64, known as the *Wrecked, Abandoned or Hazardous Vessels Act*, was introduced.
 - Establishes clear federal roles and responsibilities
 - Applies to small and large vessels, foreign and domestic, in waters under Canadian jurisdiction, including all coasts, out to 200 nautical miles, as well as inland lakes and rivers
 - Provides a strong tool to hold vessel **owners responsible** and improve the quality and **environmental sustainability** of Canadian waters and coastlines
 - Enhances federal powers to remove these vessels at the **owners' expense**, removing the burden from coastal communities
- Currently at a second reading in the Senate



Supporting Technological Evolution

- Increasing interest in the implementation of digital technologies in the marine sector (automation, artificial intelligence, blockchain, internet of things, big data)
- Impacts of digital technologies have the potential to create efficiencies, cost savings, and **safety and security benefits**
- TC is working actively with IMO to assess how to modify the international regulatory framework to facilitate the operation of autonomous vessels
- TC is conducting a similar exercise of domestic legislation and regulations
 - On September 12 and 13, 2018, the Department hosted a Maritime Autonomous Surface Ships (MASS) workshop with private stakeholders, government agencies, academia, **unions** and other interested parties
 - The main objective was to gather crucial feedback to help Canada develop a future legislative and regulatory frameworks for MASS on the domestic, transborder, and transoceanic fronts



INTERNATIONAL ENGAGEMENTS IN MARINE ENVIRONMENTAL PROTECTION



International Maritime Organization

Ballast Water

- The IMO *International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004* entered into force on September 8, 2017
- Transport Canada is working closely with industry and U.S. counterparts in developing amendments to the ballast water regulations that will bring the Convention into force in Canada
- The Objectives are to:
 - Satisfy Canada's international obligations
 - Reduce the **risk to the environment**
 - Mitigate, to the extent feasible, technical uncertainty
 - Align to the extent possible with the U.S.
 - Reflect economic fairness



International Maritime Organization

Polar Code

- IMO adopted the mandatory International Code for Ships Operating in Polar Waters (Polar Code) for ships operating in Arctic and Antarctic waters
- Came into force on January 1, 2017
 - Protects ships and **people aboard** by setting out mandatory standards for the design, construction, equipment, operational, training and **environmental protection**
 - Applies to ships operating in the waters surrounding the two poles



World Maritime University

- Membre of the Board of Governors
 - Founding member of the Global Ocean Institute
 - Dedicated to ocean research and to our collective understanding of this vital resource and how to best-manage it in a sustainable manner
 - Allocated a \$500K the next four years to support research and enable the recruitment and involvement of **female scientists to support gender equity** in oceans research
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- Under Canada's presidency, addressing marine environmental issues and better **environmental protection** is a key objective, especially in relations to plastic debris



SOCIAL LICENSE TO OPERATE



Operational Paradigm Shift

- Increased expectation from public and private organizations to serve a social purpose
 - Deliver financial performance and returns to shareholders; and
 - Demonstrate positive contribution to society
- Need for holistic consider for all stakeholders
 - Shareholders
 - Employees
 - Customers
 - Communities/areas of operation
- BCE Inc. v. 1976 Debentureholders

“[t]he corporation and shareholders are entitled to maximize profit and share value, to be sure, but not by treating individual stakeholders unfairly”; and “the duty of the directors to act in the best interests of the corporation comprehends a duty to treat individual stakeholders affected by corporate actions fairly and equitably”



Canada' Ocean Protection Plan

- 1.5 Billion initiative over five years was announced by the Government of Canada in November 2016 to:
 - Build a world-leading **marine safety system and responsible shipping**
 - Strengthen the **environmental stewardship** of Canada's Coasts
 - Offer new possibilities for Canadian **Indigenous and coastal communities**

Protecting North Atlantic right whales

- Transport Canada is concerned about the **deaths of endangered North Atlantic right whales** in the Gulf of St. Lawrence
- Actions were taken to minimize risks (temporary speed restriction: maximum of 10 knots in the western Gulf of St. Lawrence when whales are in the region)

Relationship with Indigenous peoples

- The Government of Canada is committed to achieving reconciliation with Indigenous peoples through a renewed, nation-to-nation, government-to-government, and Inuit-Crown relationship
- The relationship is based on the **recognition of rights, respect, co-operation, and partnership** as the foundation for transformative change



Questions

