Comments of the

World Shipping Council

Before the
National Marine Fisheries Service

In the matter of

Notice of Intent to Prepare an Environmental Impact Statement on Right Whale Ship Strike Reduction Strategy

I.D. 060804F

July 22, 2005
I. Introduction

The World Shipping Council ("the Council" or "we") submits these comments in response to the Notice of Intent published in the Federal Register on June 22, 2005 (70 Fed.Reg. 36121 et seq.). By that Notice, the National Marine Fisheries Service (NMFS) solicited comments on its plans to prepare an Environmental Impact Statement (EIS) to analyze the potential impact of implementing the operational measures in the agency’s Right Whale Ship Strike Reduction Strategy ("Strategy").

The Council appreciates the continuing opportunity to provide comments to NMFS on the development of an appropriate and effective strategy for reducing North Atlantic right whale mortality from ship strikes. The Council, a non-profit association of over forty international ocean carriers, was established to address public policy issues of interest and importance to the international liner shipping industry. The Council’s members include the full spectrum of ocean common carriers, from large global operators to trade-specific niche carriers, offering container, roll-on roll-off, car carrier and other international transportation services (See Appendix A for member list). They carry roughly 93% of the United States’ imports and exports transported by the international liner shipping industry, or roughly $500 billion worth of America’s foreign commerce each year. International liner shipping provides regular, scheduled services connecting U.S. exporters and importers with virtually every country in the world.

We support NMFS’s efforts to enhance right whale recovery by developing a strategy to address, among other things, the issue of ship strikes to North Atlantic right whales. The Council respectfully offers the comments below with the goal of reducing right whale mortality while ensuring the continued, efficient flow of maritime commerce to and from America’s East Coast ports.

II. General Comments

The Council provided comments on November 15, 2004 in response to the NMFS Advance Notice of Proposed Rulemaking for Right Whale Ship Strike Reduction. In those comments we expressed our appreciation to NMFS for its efforts to engage the maritime industry in a constructive dialogue to develop a meaningful and effective strategy for reducing ship strikes of North Atlantic right whales. Since then, the Council has participated in additional meetings on this important issue and has been selected to participate with government agencies on the steering committee of the Northeast Implementation Team (NEIT) for the recovery plan. We again thank the NMFS for its continuing outreach to our industry.

In our November comments, we emphasized the need for consistency and predictability in the development of regulations to address the problem of right whale ship strikes. The liner shipping industry operates “strings” of vessels, mostly containerships, on regular day-of-the-week schedules to a fixed range of ports in the U.S. and abroad. A typical transatlantic liner service will involve four or five vessels calling at three or four ports on each side of the Atlantic. Together, such a string of vessels can
provide each port with service on the same day of each week. Each vessel’s schedule is tightly controlled to assure that vessels arrive and depart from each port on the appointed day and hour. A delay to one vessel can impact not only that vessel’s schedule, but also the schedules of other vessels in the string. Such delays can affect thousands of U.S. importers and exporters, many of whom use “just in time” supply chain management that demands predictable, reliable liner vessel service.

The Council has reviewed the recently published draft Environmental Assessment (EA) and the accompanying Economic Analysis for the Strategy. Although we will make some specific comments on the EA below, and look forward to expanding on those points as the EIS is prepared, we would like to make an overriding observation. The draft EA notes that current measures to reduce ship strikes have been ineffective and that new measures are needed. It also states that such measures should be implemented “without imposing undue economic burdens on the shipping industry.” In our view, such measures also require solid science to show that the measures adopted will indeed be effective in reducing ship strikes. Thus, not only should the economic impact of any protective measures be more properly understood, the measures adopted must have their intended effect of protecting whales from ship strikes. We will continue to work with NMFS on this common objective.

III. Comments on the Draft Environmental Assessment

The Council concurs with the NMFS conclusion that the proposed measures will have sufficient impact as to require an Environmental Impact Statement (EIS). We and our members welcome the opportunity to work with NMFS and its contractors to expand the scope of the new EIS and to update some information contained in the draft EA.

Specifically:

- Vessel operating costs in the EA are based on 2002 estimates; 2005 costs are considerably higher. For example, containership charter rates have increased by more than 200 percent and fuel costs are approximately 70 percent higher today than they were in 2002.

- Cost estimates in the EA for speed reduction measures are based purely on time/distance/speed conversions in the restricted zones and do not take into account additional costs such as extra fuel burned at sea to maintain schedules.

- The EA section on “Indirect Considerations” recognizes the possibility of speed reduction measures causing diversion of vessels to alternative ports or the need to skip scheduled port calls to maintain schedules. The latter scenario could be necessary for vessels making multiple East Coast port calls. Costs associated with bypassing scheduled ports are considerable and need to be examined in the EIS.
• The EA makes several assumptions regarding the likelihood of reduced ship strikes at slower speed (12 knots). While we have no data to disprove this assumption, we do not believe that the data we have seen supports it. The EA states: “Hydrodynamic studies are being contemplated to further determine the effects of such forces on whales at different speeds.” We strongly support such a study. Speed reduction measures in the Mid Atlantic are potentially the most costly for liner operators, and it is critical to determine if they would be effective in reducing ship strikes.

• The EA contains very little information about the role of Naval and Coast Guard vessels in efforts to reduce right whale ship strikes. The EA contains only a brief summary of the Section 7 consultations between NMFS and the Navy that are required by the Endangered Species Act. According to the NMFS’s “Large Whale Ship Strike Database (2004)”, 24 percent of recorded ship strikes on the East Coast from 1975-2002 have been by Navy and Coast Guard vessels -- a disproportionate percentage, particularly when viewed in relation to the far greater number of commercial vessels calling at East Coast ports. The credibility and effectiveness of the proposed reduction strategy is at risk if these vessels are exempt from NMFS measures. The EIS should contain a full review of this issue.

• The NMFS “Recovery Plan for the North Atlantic Right Whale” contains an extensive list of projects, studies and new technologies that are or should be explored during the rulemaking process. The Council and our members welcome the opportunity to work with NMFS to determine which of these will be useful in developing an effective recovery plan and the EIS should consider their potential impact.

IV. Comments on Proposed Alternatives

In our November 15, 2004 comments, the Council supported a number of proposals contained in the ANPR.

Specifically, we supported:

• Completion of Port Access Route Studies (PARS) in the Northeast (NEUS) and Southeast (SEUS) whale habitats;

• Review of the feasibility of establishing an Area to be Avoided (ATBA) in the NEUS through the International Maritime Organization;

• Continued use of the Mandatory Ship Reporting System in the NEUS and SEUS; and
The concept of “dynamic area management” (DMA) in areas of known whale concentrations.

In its Notice of Intent, NMFS has described six possible courses of action it may pursue after completion of the rulemaking process and asked for views on these alternatives. Consistent with the positions stated above, the Council can, at this time, support Alternative 2 (use of DMA in conjunction with existing measures and programs as outlined in Alternative 1) and Alternative 4 (use of designated or mandatory routes). We cannot support the other alternatives that contain speed restrictions until such time as it has been clearly shown that they will be effective in reducing ship strikes.

V. Conclusion

The Council appreciates the opportunity to review the NMFS draft Environmental Assessment and to provide these comments. The liner shipping industry looks forward to working with NMFS to develop a strategy that will effectively reduce ship strikes on right whales while ensuring the continued, efficient flow of America’s maritime commerce. We believe that development of a comprehensive, accurate Environmental Impact Statement is an important and necessary step in that direction.
Appendix A

World Shipping Council Member Lines:

- APL
- A.P. Møller-Maersk Sealand *(including Safmarine and Torm Lines)*
- Atlantic Container Line *(ACL)*
- CP Ships Limited
- China Ocean Shipping Company *(COSCO)*
- China Shipping Group
- CMA-CGM Group
- Compania Sud-Americana de Vapores *(CSAV)*
- Crowley Maritime Corporation
- Dole Ocean Cargo Express
- Evergreen Marine Corporation *(including Lloyd Triestino and Hatsu Marine)*
- Great White Fleet
- Hamburg Sud *(including Alianca)*
- Hanjin Shipping Company *(including Senator Lines)*
- Hapag-Lloyd Container Line
- Höegh Autoliners, Inc. *(formerly HUAL North America, Inc.)*
- Hyundai Merchant Marine Company
- Kawasaki Kisen Kaisha Ltd. *(K Line)*
- Malaysia International Shipping Corporation *(MISC)*
- Mediterranean Shipping Company
- Mitsui O.S.K. Lines
- NYK Line
- Orient Overseas Container Line, Ltd. *(OOCL)*
- P&O Nedlloyd Limited *(including Farrell Lines)*
- Pacific International Lines, Ltd.
- United Arab Shipping Company
- Wan Hai Lines Ltd.
- Wallenius Wilhelmsen Lines
- Yangming Marine Transport Corporation
- Zim Integrated Shipping Services, Ltd.