



# **LETTER FROM THE CHAIR – ANNUAL REPORT 2019**

Herewith we present the Annual Report for the Stichting Deep Sea Conservation Coalition (DSCC), covering the period from 1 January 2019 to 31 December 2019. The content has been prepared in accordance with Part 9 of the Dutch Civil Code.

Since its establishment in 2004, the DSCC has focused on two overarching goals:

- To substantially reduce the greatest threats to life in the deep sea; and
- To safeguard the long-term health, integrity and resilience of deep-sea ecosystems.

We work to raise awareness, prompt debate, and secure international agreements and regulations to protect deep-sea ecosystems and biodiversity, and in so doing, set important precedents for wider ocean conservation.

# **1. Fisheries**

In 2019, the DSCC continued its work to ensure that deep-sea fisheries are brought into effective management regimes and deep-sea habitats are protected. The work focused on three main areas:

- Stronger measures to protect deep-sea ecosystems and sustainably manage deep-sea fisheries on the high seas to implement the United Nations General Assembly (UNGA) resolutions committing nations to protect the deep sea from damage caused by bottom fisheries on the high seas through target regional fisheries management organizations (RFMOs) and fishing nations active in the Atlantic, Pacific and Indian Oceans;
- 2. Working with the UN and other international bodies to review, reinforce and strengthen international processes for the protection of the deep sea;
- 3. Effective implementation of the European Union (EU) deep-sea fisheries regulation.



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#### **Regional Fisheries Management Organizations**

The DSCC sends policy, legal and scientific experts to relevant RFMO meetings to advocate for better regulations and effective action to protect deep-sea ecosystems from the harmful impacts of fishing. This work is vital to ensuring that the protection measures agreed to by all countries are carried out on the water. In 2019, progress included:

- The Northwest Atlantic Fisheries Organization (NAFO) succeeded in closing the last remaining seamount bottom trawl fishery within its regulatory area. After several years of debate, the fishery for alphonsino on the Corner Rise seamount chain was closed - although only following the near extirpation of the species. NAFO also agreed to avoid scientific bottom trawl surveys in areas closed to commercial fishing; improvements in catch-data reporting protocols; and long-overdue measures to ensure that bycatch of deep-sea corals, sponges and other vulnerable species can be formally recorded. Protocols for recording bycatch of Greenland shark were also improved.
- The North East Atlantic Fisheries Commission (NEAFC) conducted a five year review of its bottom fisheries regulations and adopted a number of measures that the DSCC has advocated in recent years. These include publicizing lists of vessels authorized to deep-sea fish on the high seas and more effective measures to monitor vessels in real time for compliance with the fishing area closures established to protect deep-sea ecosystems. Since the mid-2000s, NEAFC has progressively closed areas to bottom fishing. As of end-2019 it has designated some 90% of seamounts on the Mid-Atlantic Ridge at fishable depths as formally or provisionally closed to bottom fishing to protect vulnerable marine ecosystems (VMEs). The DSCC called for the closure of all remaining seamounts to bottom trawling. NEAFC failed to close the orange roughy fishery, but did agree to extend prohibitions on directed fishing for deep-sea sharks and rays.
- The South Indian Ocean Fisheries Agreement (SIOFA) discussed proposals on the protection of VMEs, sharks and toothfish fishing in the southern parts of the Indian Ocean adjoining the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR) convention area in the Southern Ocean. A measure prohibiting targeted fishing on certain deep-sea sharks was agreed, and the contentious issue of toothfish fishing near CCAMLR was resolved by a limited total allowable catch (TAC) for relevant areas, to ensure that biologically sustainable catch levels will not be exceeded. However, SIOFA lags far behind all other RFMOs in establishing measures to protect deep-sea ecosystems from the harmful impacts of fishing. SIOFA has closed less than 3% of the seamounts and other areas at fishable depths to bottom trawl fishing on the high seas in the South Indian Ocean.



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- In July 2019 the DSCC attended 5<sup>th</sup> Annual Session of the North Pacific Fisheries
  Commission (NPFC), where we contributed to advancing the program of scientific work adopted by the 2018 Annual Meeting. We collaborated with lead scientists of two expeditions to the Emperor Seamount chain where bottom fishing takes place, providing advice on what to look for and how to input the expedition findings into the deliberations of the Scientific Committee in 2020. We also consulted with scientists regarding proposals for area closures, the listing of sponges as VME indicator species, and a proposal from Japan to 'delist' Alcyonacea, a key habitat forming coral species associated with seamounts in the region. The scientists confirmed that deleting this from the list of recognized VME indicator species under the NPFC regulations would mean that there would no longer be a legal obligation to protect areas where these corals occur on the seamounts in the region. No new area closures were proposed but Japan's proposal to delist Alcyonacea was also not adopted.
- At the South Pacific Regional Fisheries Management Organisation (SPRFMO) New Zealand continues to present a major challenge to our goal of protecting seamounts from bottom trawling. During the Annual Meeting in January 2019, we sought to prevent the adoption of a weak regulation proposed by New Zealand with support from Australia. It went through in the end, but several particularly egregious elements of the proposal were prevented from being adopted and we helped ensure that the regulation i) would be reviewed by the Scientific Committee in October 2019 and again in 2020, ii) have the possibility for further review and modification by the Commission in February 2020, and iii) be scheduled for a full review in 2021. Subsequent work by Australian scientists presented to the Scientific Committee meeting in October indicated flaws in the modeling done by New Zealand and for the first time provided scientific estimates of the extensive damage bottom trawling was likely to be causing to deep-water corals and other habitat forming deep-sea species on seamounts in the Southwest Pacific.

The alliance of New Zealand-based non-governmental organizations (NGOs) convened by the DSCC continued its public campaign to pressure the government to phase out deep-water bottom trawling by New Zealand vessels (one of a handful of countries that still allows its fishing vessels to deepwater trawl on the high seas). In November, for example, the DSCC joined Greenpeace to demonstrate the shocking scale of destruction caused by bottom trawl fishing by covering the lawn of New Zealand's parliament with colourful corals, in a show of what is being lost. Last year alone, up to 3,000 tonnes of coral was likely decimated by New Zealand's bottom trawl fleet.



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### **United Nations General Assembly and related fora**

In 2019 the DSCC continued to engage in relevant UN processes to support the implementation of the UNGA resolutions by fishing States and RFMOs as part of its ongoing oversight of the implementation of the resolutions. In 2020 the UNGA had planned to conduct its fifth review of the implementation of its resolutions on deep-sea fisheries in areas beyond national jurisdiction (ABNJ) adopted in 2004, 2006, 2009, 2011, and 2016. Toward this end, the DSCC synthesized information compiled since 2016 to inform advocacy at the UN during the upcoming review. As in previous UNGA review years, the DSCC will publish an independent global assessment of actions taken by States and target RFMOs to manage deep-sea fisheries in the high seas consistent with their commitments to implement the relevant UNGA resolutions and their commitments and obligations under international law and the Sustainable Development Goals (SDGs).

#### **European Union**

A starting point in pushing for implementation of the EU's 2016 deep-sea fisheries regulation has been that Member States prohibit bottom trawling below 800 meters in EU waters. This is required under the regulation to be phased in by no later than January 2018. To this end, we put in several formal requests to the European Commission and had meetings with Commission officials to ascertain whether this has been done. The answers received thus far have been, in effect, that they are 'not sure'.

We engaged with the International Council for the Exploration of the Seas (ICES) to prod the body toward becoming more proactive and precautionary in its scientific advice on deep-sea areas and ecosystems in need of protection from bottom fisheries in EU waters. No areas where deep-sea VMEs are known or likely to occur had been identified by ICES in the past few years despite a request for the information by the European Commission under the new regulation. In late 2019, ICES finally provided a set of areas that qualify as known or likely VMEs and thus candidate sites for closure to bottom fisheries. This is an issue to be dealt with in 2020.

In addition, ICES advises the EU on the status of fish stocks and provides recommendations for setting TACs and quotas, including for deep-sea species. For several years the DSCC has challenged the fact that ICES advises fishing on, and the EU sets TACs for, endangered deep-sea species. In late 2019, ICES finally acknowledged that roundnose grenadier - the target species in one of the largest deep-sea trawl fisheries in EU waters and in the international waters of the northeast Atlantic – is classified by IUCN as 'endangered'. However, this has yet to translate into more precautionary advice from ICES with regard to setting TACs and quotas, which the EU will do in 2020. We are calling, as we have in the past, for a prohibition on fishing for this species.





# 2. Deep Seabed Mining

### **Call for a moratorium**

In 2019 the DSCC Steering Group approved <u>a new position statement</u> calling for moratorium on: i) deep seabed mining, ii) the adoption of seabed mining regulations for exploitation, and iii) the issuing of exploitation and new exploration contracts, unless and until a set of conditions (summarized in our position statement) has been met. It provides a useful basis for Coalition organizations to develop their own positions and messaging on this issue and ensures a common understanding and minimum standard across our diverse membership. The launch of the statement was accompanied by <u>a press release</u>.

Last year saw a surge in the number of groups and individuals calling for a pause or moratorium on deep seabed mining. In January, Peter Thomson, Special Envoy of the UN Secretary-General for the Ocean (and former President of both the Assembly and the Council of the ISA) <u>made a</u> <u>statement</u> at the World Economic Forum in Davos positing a 'precautionary pause' on deep seabed mining until at least the conclusion of the UN Decade of Ocean Science in 2030.

In May, the EU's Long Distance (Fishing) Fleet Advisory Council (LDAC) adopted a resolution advising the European Commission and EU Member States to support a moratorium on deep-sea mining in international waters. Established by the EU to advise it on international fisheries issues, LDAC consists of fishing companies and fleets that represent a large portion of the EU's high seas and distant water fishing fleets, including some that operate in areas where the ISA has issued exploration contracts, as well as trade unions, environmental organizations and other non-industry stakeholders. LDAC is concerned that deep-sea mining would impact fisheries, cause biodiversity loss and perpetuate the wasteful use of natural resources. It considers that continued support for the development of the deep-sea mining sector would contradict global political commitments embodied in SDG 14 to conserve and protect the marine environment. We issued a <u>press release</u> that was picked up by regional and global media outlets in several languages and had good Twitter coverage.

At a meeting of the Pacific Islands Forum in August, the Prime Minister of Fiji called for a moratorium on deep-sea mining in national waters until the conclusion of the UN Decade of Ocean Science in 2030. The country's fisheries minister, Semi Koroilavesau, noted that this is "to allow the oceans to regenerate". The Prime Ministers of Vanuatu and Papua New Guinea supported the call, as did civil society organizations from Pacific Islands.

Also in August, we participated in the development and submission of Resolution 69: Protection of deep-ocean ecosystems and biodiversity through a moratorium on seabed mining, for debate at





IUCN's World Conservation Congress. The Congress was scheduled to take place in June 2020 but has been postponed to early 2021. The resolution was accepted and is <u>available online</u>.

### **International Seabed Authority**

One focus of our work in 2019 was advocacy for effective implementation of the ISA's existing environmental regulations for exploration activities, incorporating strong environmental provisions in the drafting of the exploitation regulations, and institutional reform of the ISA. The DSCC participated in the Annual Meetings of the ISA Council in February and July 2019 and the meeting of the Assembly in July. We intervened frequently on key items of interest to the Coalition in the draft exploitation regulations and other issues. This included advocating for:

- 1. Regional environmental management plans (REMPs) to be binding and in place and requiring detailed understanding of the species in ecosystems in the regions concerned prior to consideration of issuing any exploitation licenses;
- 2. Strong environmental obligations, including provisions to prevent the loss of biodiversity and the degradation of marine ecosystems, and independent scientific and public review of environmental impact assessments (EIAs), environmental impacts and any adjustments to the regulations as needed; and
- 3. Making contracts and meetings of the Legal and Technical Commission (LTC) public and making crucial reforms including establishing a Scientific or Environmental Committee of the ISA.

For the February ISA Council meeting the DSCC prepared interventions on key elements of the draft mining regulations. At the Ad Hoc Working Group on Financial Matters we emphasized the importance of an accurate valuation of deep-sea ecosystem services and damage to biodiversity. There we questioned a 1% royalty payment figure earmarked for the environment and noted the need for the ISA's Liability Fund to be fully funded before any mining begins.

In May the DSCC attended a workshop co-hosted by the ISA, the UK and South Africa on the "Development of Standards and Guidelines for the mining code". There we made a presentation emphasizing the lack of scientific and technical knowledge as a reason to slow the push to mine.

At the July meeting of the Assembly, the DSCC called for i) the strengthening of draft benchmarks and indicators for measuring the performance of the ISA as part of the implementation of the ISA's Five Year 'Strategic Plan' in regard to transparency, and ii) in drafting the regulations, States through the ISA to ensure 'effective protection for the marine environment' as required under the United Nations Convention on the Law of the Sea (UNCLOS). The DSCC <u>interventions</u> and work with States during the negotiations resulted in improvements to the benchmarks adopted by the Assembly.



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The DSCC maintained <u>an active presence on social media</u> during the meeting, which helped spread awareness about the threat of deep seabed mining. This was amplified by the release of the report <u>In Deep Water: The Emerging Threat of Deep Sea Mining</u> by DSCC member Greenpeace in early July, calling for a moratorium on deep seabed mining. Greenpeace fielded a delegation at the meeting which made an intervention on the same day that Greenpeace ship the Esperanza arrived in Kingston. Local activists staged a protest outside the ISA meeting venue demanding protection of the seabed from mining. The Deep Sea Mining Campaign, another DSCC member organization, also released a report in July, entitled <u>Why the Rush: Seabed Mining in the Pacific Ocean</u>. This report garnered further media attention and focused on the threats posed by deep seabed mining and the companies behind the push to develop the industry.

The July meeting marked the 25th anniversary of the ISA. To commemorate, the DSCC delivered <u>a</u> <u>special intervention</u> along with <u>a film</u> featuring the DSCC's Chair of the Board, Dr. Lance Morgan. Both emphasize the profound changes in our understanding of the fragility and diversity of deep-sea ecosystems since 1994, concern over planetary loss of biodiversity, including in the deep-sea, the importance of the ISA focusing on promoting research to better understand the species and ecosystems of the deep ocean and their role in regulating planetary ecological systems, and a moratorium on deep-sea mining until a much better understanding of deep-sea species and ecosystems and the potential impacts of mining is acquired and assessed. The intervention and film called on State Parties to firmly take responsibility for the decisions that the ISA will make.

In October <u>we submitted extensive comments</u> on the latest draft of the ISA exploitation regulations issued in May 2019. DSCC together with several member organizations also participated in the Responsible Business Alliance/Responsible Minerals Initiative Conference to discuss concerns over deep-sea mining with companies in the tech, automotive and battery manufacturing sectors.

In November the DSCC participated in a workshop involving scientists, government officials, NGOs, legal experts and others co-convened by the governments of Germany and the Netherlands on developing REMPs. In addition to reiterating our position that REMPs be mandatory and in place before any exploitation licenses be issued, the DSCC argued that the starting point for developing a REMP should not be how much should be set aside and protected but rather how much biodiversity, ecosystem, and ecosystem service loss should be permitted, if at all, by the ISA in the first place. We argued that the development of an REMP should require a full knowledge of the species and ecosystems in the region and a prior agreement on how much, if any, biodiversity loss (including extinctions) should be permitted, as well as whether limits on loss can be established, monitored and enforced.



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Throughout the year, we engaged with a number of governments either directly in capitals or at and around meetings of the ISA and the UNGA global high seas treaty negotiations. As part of our national program of work, we continued to engage with and help create a debate on transparency and the conduct and review of EIAs related to mining activities within the Belgian and German governments. These should serve as precedents for these issues and a broader debate about seabed mining at the ISA and in other fora.

### **3. Ocean Governance**

The DSCC attended the third UN Intergovernmental Conference (IGC) on the conservation and sustainable use of marine biodiversity in ABNJ, in August. We urged States in plenary and at side events to recognize that the UNGA resolutions on deep-sea fisheries adopted over the past 15 years are a major commitment to protecting biodiversity in ABNJ and that full implementation was critical to the legitimacy of the IGC process. We also used the IGC process to encourage the many States that are not members of the RFMOs that manage deep-sea fisheries on the high seas to participate in the UNGA review of deep-sea fishing in 2020 and hold the RFMOs and the deep-sea fishing nations accountable to their previous UNGA commitments.

We held side meetings focused on raising the alarm about the risks of deep seabed mining and the non-transparent, biased processes at the ISA. We also maintained our call on States to recognize and reconcile the contradiction between their efforts to negotiate a new treaty (instrument) under the Law of the Sea Convention at the UN to conserve biodiversity in ABNJ while they simultaneously negotiate a new instrument under UNCLOS at the ISA – in this case the mining regulations which will open large areas in the international areas of the ocean to deep-sea mining – which scientists have warned will lead to loss of biodiversity in ABNJ.

## 4. Outreach

The DSCC continues to increase its visibility as an expert voice and authority on threats to deepsea biodiversity. By year end, the DSCC had nearly 4,400 followers on Twitter, having gained roughly 287,800 tweet impressions on 246 original tweets posted in 2019. The DSCC also created an Instagram account (@deep\_sea\_conserve) in June and began to build a following on the platform. Our <u>website</u> remains an authoritative source for news, publications and calls to action for the global community of those interested in deep-sea health.



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Across its campaign areas, the DSCC has continued to develop and share communications materials and undertake legacy and social media work to raise awareness about the vulnerability of the deep ocean. Several traditional news media articles have helped convey our message to policy makers, scientists and others, reinforcing the need to better protect the ecosystems and extraordinary biodiversity of the deep sea. Media hits include:

- The future of deep seabed mining 25 Feb 2019 Chinadialogue Ocean
- <u>The Perils of Mining the Deep</u> Mar 2019 DSCC: Matthew Gianni and Sian Owen, on the Economist World Ocean Initiative website
- China Dives into Deep-Sea Mining 29 Mar 2019 Maritime Executive
- Forces joined in battle against bottom trawling 21 May 2019 New Zealand Herald
- <u>Fisheries and environmental organisations issue joint call for moratorium on #DeepSeaMining</u> –
  29 May 2019 EU Reporter
- <u>Call for freeze on deep-sea mining</u> 6 Jun 2019 Dredging and Port Construction
- Seabed mining foes press UN to weigh climate impacts 16 Jul 2019 Scientific American
- Call for moratorium on ocean floor mining 17 Jul 2019 Radio NZ
- <u>Cette nouvelle menace qui pèse sur les oceans</u> 27 Jul 2019 Les Echos
- <u>Alerta en los océanos: Expertos plantean ocho medidas urgentes para evitar una catástrofe</u> <u>ecológica</u> – 28 Jul 2019 – diarioUchile
- <u>New UN high-seas treaty must close gaps in biodiversity governance</u> 29 Aug 2019 Science Daily
- <u>Verhandlungen zum Weltozeanabkommen: Rohstoffrausch in der Tiefsee</u> 31 Aug 2019 Der Spiegel
- <u>50 NGOs call on EU leaders to protect the ocean</u> 25 Sept 2019 Open Access Government
- <u>Proposed deep-sea mining zone harbours previously unknown species</u> 17 Oct 2019 The Scientist
- Podcast: Is the ocean floor worth sacrificing? 8 Nov 2019 Chinadialogue Ocean
- <u>Podcast: The damaging failure of seabed mining in Papua New Guinea</u> 15 Nov 2019 Chinadialogue Ocean
- Podcast: Rich pickings on the abyssal plain? 22 Nov 2019 Chinadialogue Ocean
- Mining sets its sights on the deep seabed 28 Nov 2019 Watershed Sentinel
- <u>Podcast: Is the UN body in charge of our ocean floor capable of protecting it?</u> 29 Nov 2019 Chinadialogue Ocean
- <u>Tiefseebergbau im Pazifik; Wettrennen um die letzten Rohstoffe</u> 11 Dec 2019 German Public Radio



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In February we participated in a panel at the Economist World Ocean summit entitled "<u>Race to the bottom—the outlook for deep-sea mining</u>". Other panelists included the Secretary General of the ISA and the chief scientist for a prospective deep-seabed mining company. In June the DSCC hosted a breakout session on deep seabed mining at a high level event on the high seas hosted by the Blue Marine Foundation. Also in June, the DSCC launched a <u>Change.Org petition</u> as part of our New Zealand-focused campaign, which called on the New Zealand government to end bottom-trawling on seamounts and has garnered close to 20,000 signatures, in addition to those run by local partner organizations.

The DSCC wrote a <u>public response</u> to a troubling 60 Minutes segment on deep seabed mining in November that contained a number of factual inaccuracies and biased messages.

### **5. Accounts and Operations**

#### Governance

The Stichting DSCC Board of Directors comprises:

- Chair Lance Morgan
- Secretary Sebastian Losada
- Treasurer Susanna Fuller

To support the Board, a coordination team works with a Steering Group that consists of Earthworks, the Marine Conservation Institute, the Natural Resources Defense Council, The Pew Charitable Trusts, Seas At Risk and WWF, along with four expert advisors. We have developed a formidable international team of scientists, policy and communication experts, lawyers and political activists who, on behalf of the deep sea, have established a strong reputation and profile at the UN and in other fora. The DSCC has an affiliate foundation in New Zealand whose Board of Directors is identical to the *Stichting*.

The Coalition is made up of more than 80 non-governmental organizations (NGOs), including environmental organizations, fishers organizations and law and policy institutes, committed to protecting the deep sea. Our website contains a <u>list of DSCC members</u> and information on each one.





#### **Financial report 2019**

The DSCC's work is made possible through the generous support of foundations and member organizations. The DSCC does not receive any funding from governments or corporations, nor does it have any paid staff. In 2019, the DSCC received in-kind support from many of our member organizations and financial support from Arcadia - a charitable fund of Lisbet Rausing and Peter Baldwin, the Benioff Ocean Initiative, the J.M. Kaplan Fund, The Overbrook Foundation, Synchronicity Earth, the Charles T. & Marion M. Thompson Foundation, and The Waterloo Foundation.

The 2019 annual accounts for the funds held in the Netherlands, represented in Figure 1 below, were drawn up by Weller Tax and Accounting according to generally accepted accounting principles in the Netherlands, and were audited by Boonzaijer & Merkus Accountants & Adviseurs.

Balance sheet As of 31 December 2019 (in euros)		Statement of Operations Year end 31 December 2019 (in euros)	
ASSETS		PROJECT REVENUE	
Current		Fisheries EU	10,000
Cash & Cash equivalents	240,070	Fisheries International	120,184
Receivables	-	Seabed Mining	144,193
Prepaids	135	Total Project Revenue	374,377
Total Assets		PROJECT EXPENSES	
LIABILITIES		Administration	20,802
Short term		Advocacy	190,033
Payables	2,193	Communication	64,667
Accruals	-	Coordination	98,875
Deferred project revenue	238,012	Science	-
Total Liabilities	240,205	Total Project expenses	374,377

Figure 1. Annual Accounts, Deep Sea Conservation Coalition – Netherlands holdings





Additionally, the grant funding received from two of our donors, represented in Figure 2 below, is administered by DSCC member organization the Marine Conservation Institute, according to generally accepted accounting principles in the United States of America.

Figure 2. Annual Accounts, Deep Sea Conservation Coalition – US holdings

Balance sheet As of 31 December 2019	US dollars	Euros
Advocacy	64,501.76	57,406.57
Coordination & Administration	8,302.06	7,388.83
Travel	3,116.10	2,773.33
Deferred project revenue	19,080.08	16,981.27
Total	95,000.00	84,550

31 December 2019: €0.89 = US\$1.00

Sincerely,

Jance Musen

Lance Morgan, PhD Chair of the Board of Directors Deep Sea Conservation Coalition