



## **Ministerial Statement**

**By**

**Honourable Premier and Minister of National Security**

**Bermuda's Exclusive Economic Zone and Its Future**

**June 6, 2014**

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1. Thank you Mr. Speaker and good morning honourable colleagues. Mr. Speaker, I rise this morning to provide this house and the listening public with an update on the work done and the Government's current position on the future of Bermuda's Exclusive Economic Zone.
2. Mr. Speaker, as many would be aware, in 1996 the United Nations Convention on the Law of the Sea granted Bermuda special rights for the Exploration, Management, Conservation and Use of both living and non-living resources within our EEZ .... which is some 180 THOUSAND square miles in size. Mr. Speaker ..... just to be clear.... we are talking about our EEZ stretching some 200 miles from the lighthouse in all directions. The Newly Restored Gibbs Hill Lighthouse, I hasten to add Mr. Speaker.

3. The question of what to do with our EEZ was one of the outstanding items when this administration assumed office some 17 months ago. This administration is acutely aware of the work done by local and overseas advocacy groups as well as the consistent and "enthusiastic" encouragement of several of my Ministerial Colleagues to adopt a particular position on the future of this asset. I am also aware that members on that side have also been "encouraged" to adopt a particular position.
4. Mr. Speaker, many in this House would be familiar with the push to adopt the Blue Halo initiative. In fact it was mentioned in our 2012 election platform as an initiative worth supporting. And, as this government examined and learned more about this question, it was former Minister, the Honourable Sylvan Richards, in his wisdom and with the support of his Cabinet Colleagues, who decided to engage the Bermuda public in shaping the future policy position on the management of our EEZ. In fact, people outside of Bermuda were also invited to weigh in on the question as many have strong commercial, cultural and historical ties to Bermuda and its EEZ.
5. So, under the leadership of Former Minister Richards, the Sustainable Development Department (SD Department) was authorised, to conduct a public consultation on this issue as this multi-faceted matter is well aligned with its mandate.
6. And at that time, ... the dominant proposal for the future of our EEZ, advocated the establishment of a large, no-take marine reserve in our

offshore waters; Mr. Speaker, ... No-Take means .... no exploring or mining of the sea bed, no fishing, no harvesting of any kind .... No Economic Activity in our EEZ.

7. This particular proposal was the subject of major advocacy by the Pew Charitable Trusts, which hired local consultants and mounted a marketing campaign for the 'Bermuda Blue Halo.' This administration is aware that some years ago, the former administration began talks and eventually established a relationship with Pew, ... so this matter has been on the table for a while.
8. Nonetheless, Mr. Speaker, as the consultation got underway, it involved a number of intentional steps designed to reach the broadest possible number of local stakeholders and canvass their views. These steps included a direct mail-out to 2,500 randomly selected households ..... maybe one or two members of the house were included!!..... There was also an on-line survey, and social media posts, concentrated print, broadcast and web advertising ..... The SO Department delivered secondary school workshops, promoted a one hour interactive televised debate, produced a 30-minute TV documentary and hosted a large town hall styled Community Conversation. As a result, this process generated deep input from the general public and targeted stakeholders leading to the expression of a range of distinct interests from inside and outside of Bermuda.
9. Mr. Speaker, it is clear that there is material support for establishing a marine reserve ..... and there is also strong support for more

information that projects and quantifies the economic potential of the known proposals ..... information that will strengthen the anticipated financial and social/employment benefits.

10. Interest in our EEZ covers the full gamut.. ..from "protect and preserve" as much as possible to "fully explore" the commercial value of living and non-living resources in the EEZ. Both positions and those in between speak to major financial benefits accruing to the Bermuda economy including direct foreign investment and local stimulus.
11. Mr. Speaker, notwithstanding the differences, there is good consensus on the need for a carefully measured approach to a solution ..... a made-in-Bermuda approach on what to do with our EEZ.
12. Planning for the future of our EEZ is probably one of the most complex opportunities that the Government and people of Bermuda have ever been presented with. This huge, multi-level asset, of almost 186,000 sq. miles, is larger than the countries of Paraguay, Morocco or Germany and the states of California or Montana. This complex .... somewhat unknown asset is viewed by some as offering several and separate economic opportunities. It is also viewed as an opportunity with illustrious and financially rewarding global promotion for Bermuda along with social and environmental benefits.

13. However, this first phase of consultation did not include the level of rigour now understandably being requested. Mr. Speaker, based on what we now know, with the range of views regarding the way forward for our EEZ, the level of confidence with this current knowledge, and the current data gap, this Government believes that it is premature to establish a firm or definitive position on the future of the EEZ at this time. The forecasted benefits require a more in-depth and reliable level of due diligence to arrive at a point where benefits, risks and costs can be reasonably quantified and a sustainable position can be taken.
  
14. As members will know, .... Bermuda has a long and impressive record of marine and terrestrial conservation and has both partnered with and led small island jurisdictions over the decades on a number of important issues. The current regulatory framework already includes significant protections and permissions over the EEZ. In addition, Mr. Speaker ..... we fully recognise and appreciate that Sunday, June 8th is 'World Oceans Day' and in that vein, it should be acknowledged that Bermuda's environmental stewardship has attracted global recognition and our leadership with respect to Ocean Conservation was appropriately demonstrated recently when we hosted the multi-national signing of the 'Hamilton Declaration' regarding the protection of the Sargasso Sea. And members would recall that this administration was careful to ensure that the management and administration of our EEZ was not included in the Hamilton Declaration ..... as there is more work to be done on our EEZ.

15. So Mr. speaker ..... the decision on the most appropriate way forward for this asset should reflect a solid understanding of the impact on key economic indicators such as the potential for attracting direct foreign investment; enabling local investment and economic stimulus; spawning local entrepreneurship; creating jobs for Bermudians; contributing to our GDP; diversifying our economic base and model; strengthening our international profile; and increasing our global competitiveness.
16. Mr. Speaker, ALL of the current proposals project major social and economic benefits.
17. It has been suggested that Bermuda, should it establish a large no-take marine reserve in our offshore waters, could become the 'Davos of Ocean Health' whereby massive international attention could result in increased ocean science work and research being done here with ocean-focused conferences and additional convention business emerging. Our commercial Fishing Industry believes Bermuda's offshore waters represent the future of local fishing, with capacity for growth and to diversify the economy. Then there is the view that billions of dollars of valuable minerals are waiting to be sourced and extracted from our sea bed. At this stage the supporting data is too weak to provide the basis for sound long-term decision.
18. Mr. Speaker, this Government was elected to lead and move this country forward, and on this major issue .... it is our belief that current economic projections are not strong enough and thus the evidence

base for future decisions on any of the current proposals does not currently exist. An appropriate economic analysis of each will be the next step and the outcome of that work will likely form the basis of the second phase of stakeholder consultation.

19. It may be that all, .... none .... or a combination of these options will be the most beneficial to Bermuda's long-term welfare. Nonetheless, without a quantitative economic profile of each, we have decided that no long-term decisions should be made about this asset.

Mr. Speaker, this One Bermuda Alliance administration contends that this opportunity is of such significance that perceptions of biased and unreliable information, shallow due diligence and subjective assertions ought not to be relied upon to make such an important decision.

20. Based on major takeaways from the first phase of public consultation, it is clear that a full economic analysis of the current options be undertaken and it is our intention to ensure that an independent feasibility study to assess, forecast and quantify the potential economic activity within our EEZ be carried out. This assessment will project the future economic potential that our EEZ represents and will provide the Government and people of Bermuda with the information required for an advanced level of consultation towards an informed decision on the future of this vast national asset. However, given the level of interest and participation in this consultation, the full report on

the outcome of the consultation will be made available to the public in the coming weeks.

21. Mr. Speaker, before I take my seat, and with your permission, I'd like to recognise the work done on this project by the three-person team at the SD Department as well as two young Bermudian women who have volunteered their time at the SD Department and have been valuable contributors to the outcome of this work. Mr. Speaker, I speak of Ms. Lori Lee who is a participant in the Community Driven Development Programme and Ms. Claudie Richardson, a recent graduate from our Bermuda College ..... these are two volunteers to whom we are most grateful.

Thank You Mr. Speaker.