

# Ocean Policy

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## Intro

Good morning. My name is Richard McCreary and I'm here today representing Halter Marine as its Group President.

Halter Marine has, in almost 50 years, delivered over 2,700 marine vessels. As the United States largest producer of small to medium sized ships and other marine vessels Halter has a vested interest in a sound and robust Ocean Policy.

Many of our key products relate to Ocean Policy, this commission and its charter. We are a recognized leading producer of:

- Marine transportation vessels serving the offshore oil and gas industry.
- Oceanographic, hydrographic and fisheries research vessels.
- Oil spill response vessels.
- Maritime security and patrol vessels.
- Environmentally friendly or "Green" vessels.

We feel, the development of a comprehensive National Ocean Policy will require a special emphasis on the transportation needs of those working in this environment. The U.S Gulf Coast has thousands of people employed in the Gulf and they'll need ships to transport and sustain them in this environment.

### **Oceanographic Research Vessels**

We will need oceanographic research vessels to expand man's knowledge of the marine environment. The vessels will be highly specialized yet capable of multi-mission operations. The UNOLS AGOR-23 and the U.S. Navy's T-AGS 60 class vessels are prime examples of the multi-purpose, multi-mission vessels that are needed. Presently NOAA has 9 vessels dedicated to environmental assessment, mapping and charting and Oceanographic research. These vessels average 25 years old<sup>1</sup>.

The oceans are a major source of food for the world – and we have done ourselves damage by over fishing the oceans. We need a practical understanding of the oceans ecosystems to enhance the chances of maintaining both an economically and ecologically sustainable fish harvest.

To do this will require additional fishery research vessels. These are sophisticated, expensive vessels that cannot be justified by local state governments and must be supported by a National Oceans Policy. Vessels such as NOAA's Fishery Research Vessel's<sup>2</sup> currently under construction are critical to our understanding the impact that today's ocean policies are having – so we know how they may need to change in light of the additional data such research vessels supply. The current fleet is old – physically and technologically. In FY 2001, NOAA had 9 vessels dedicated to fisheries research – these vessels have an average age of over 31 years<sup>3</sup>.

### **Fast Patrol Craft**

At first glance, the thought of fast patrol vessels used as a deterrent and for interdiction seems outside the scope of a National Ocean Policy; however there are those who, because of political or religious agendas, seek to destroy economic activities and in so doing can have a devastating impact on the ocean's ecosystem.

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<sup>1</sup> NOAA Fleet Status in FY 2001.

<sup>2</sup> Currently under construction at Halter Marine, Inc.

<sup>3</sup> NOAA Fleet Status in FY 2001.

We witnessed the environmental damage during “Operation Desert Storm” where the sands were turned into pools of oil by extremists who sought to destroy the oilfields of Kuwait. The same threat exists for coastal rigs. In this age where terrorist have increased their activities, the protection of our coast ecosystem through the use of interdiction vessels, patrol vessels and other high-speed emergency response vessels has become critical.

This same type of destruction of oil platforms would wreck havoc on the ecosystem within the Gulf of Mexico, or anywhere such platforms exist. In February of this year the number of offshore rigs drilling in the Gulf of Mexico was 201<sup>4</sup> – additionally there are oil production platforms in the Gulf that may well exceed 1,000 and every one of them a vulnerable target. The use of high-speed surveillance and patrol craft within these waters provides a deterrent and protects not only the economic interests of the United States, but the very waters surrounding our coasts.

The United States wisely had Oil Spill Response Vessels built after the “M/V Alaska Valdez” incident showed us weaknesses in our ability to respond to a large oil spill – however – the number of Oil Spill Response

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<sup>4</sup> Gulf of Mexico Newsletter. Volume 16, Number 20. February 25, 2002.

Vessels is far too low to adequately protect over 80,000 miles of U.S. coastline. This is an additional need for transportation equipment that a well developed National Ocean Policy could address.

We know that the US Coast Guard has been in a state of high alert since September 11<sup>th</sup> protecting our ports and harbors – they have done an excellent job; however, we need to support this expanded mission with the resources to accomplish the task mandated. An increase in the air and sea capabilities of the US Coast Guard and perhaps even for the Office of Homeland Security are in order and should be part of the total consideration as we develop a National Ocean Policy.

As part of our homeland security we should begin looking into our use of imported oil. The U.S. doesn't have a comprehensive energy policy. It's well known that the United States is dependent on imported oil. There will need to be vessels capable of exploration and drilling for the natural resources contained under the world's oceans.

## **Green Ships**

The final point I would like to make today is that the vessels – so necessary for any National Ocean Policy – must themselves support the efforts to protect the oceans ecosystems.

The development of so-called “green ships” has only just beginning. Some very good basic steps have already been taken under the Oil Pollution Act of 1990 regulations. These regulations call for vessels involved in the carriage of oil cargos capable of causing pollution to have a double hull. This protects the oceans from the vessels contents. We have seen over and again how old, out of date ships flying flags of convenience have caused untold damage to the world’s oceans – so much so that the UAE (United Arab Emirates) has banned certain of these flags from both their territorial waters and their Economic Zone (up to 200 nautical miles). These types of vessels should receive additional scrutiny under a National Oil Policy.

The Oil Pollution Act of 1990 mandates double hulls for oil cargos yet leaves a major gap when it come to the carriage of chemical cargos. Oil can be a serious pollutant - however, we seemed to have overlooked the damage that a major chemical spill could have on the oceans ecosystem. The

National Ocean Policy should address the need for tighter regulations in the area of chemical transportations and look into requirements similar to the Oil Pollution Act of 1990.

The ocean **IS** a hostile environment for man – and our need to understand it, protect it, and use it will require special equipment before we can venture into its depths.

### **Specific Action Steps**

The transportation equipment needed is expensive. There's no way around the fact. Our National Ocean Policy needs to recognize this, for without the marine equipment to support an ocean policy such a policy becomes only words on paper.

Consideration should be given to making the financial burden easier to bear. The expansion of Marad Title XI policies could be one place to start. In addition the promotion of the design of “Green Ships” through tax incentives as well as the provision of incentives for vessel owners & operators who build and maintain “green ships” should be considered.

Other ships, such as oceanographic and fisheries research vessels, will probably never be built by the private sector – yet these vessels are critical to any ocean policy and the funding for such vessels needs to be a high priority as this group moves forward.

## **Conclusion**

In conclusion, the oceans are critical for the sustaining of life on this planet. Yet there are far too few resources dedicated to this critical area. We need to understand our environment and how man's activities affect the ocean's ecosystem. The study of our planets' oceans is largely been left in the hands of a very few countries and universities – with the resulting gain in knowledge available only to a limited few. This leads to ignorance of how man's activities affect one of our most valuable resources – the oceans. A National Ocean Policy is the first step in a larger effort – that effort being to establish an International Ocean Policy as we begin to understand the global implications of ocean use.

I want to thank sponsoring agency for the opportunity to present these brief points.