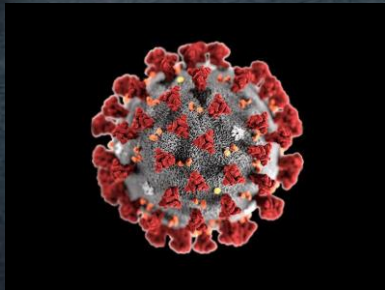


MARINE DELIVERS

Our Great Lakes–St. Lawrence Trade
Gateway Opportunity During COVID-19



CHAMBER OF
MARINE COMMERCE
CHAMBRE DE
COMMERCE MARITIME

Today's Agenda

Briefing to CILTNA Outlook Conference, November 10, 2020

1. Who We Are and Mandate
2. Marine Delivers Benefits
3. Impact of COVID-19
4. The Trade Gateway Opportunity and Challenges
5. Policy and Innovation Path Forward
6. Marine Economic Recovery



Who We Are and Mandate

Revitalized Industry Representation

- **Key shipowners**
- **Cargo shippers**
Steel industry, agriculture, construction, salt, fertilizer, re-supply and mining sectors
- **Ports**
- **Marine service providers**
Terminals, stevedores and the Seaway, maritime law, insurance, chandleries and related companies

UNIQUE NORTH
AMERICAN, BI-NATIONAL
INDUSTRY
ASSOCIATION:
130 MARINE INDUSTRY
SERVICE PROVIDERS
+ CUSTOMERS

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Safe, Efficient and Environmentally Smart

Who We Are and Mandate (cont'd)

Revitalized Industry Representation

- **Combined resources of merged associations** to promote strong and competitive marine industry
- **Mandate to advocate for:** “safe, sustainable, harmonized and competitive policy and regulation that recognizes the marine transportation system’s significant advantages in the Great Lakes, St. Lawrence, Coastal and Arctic regions”

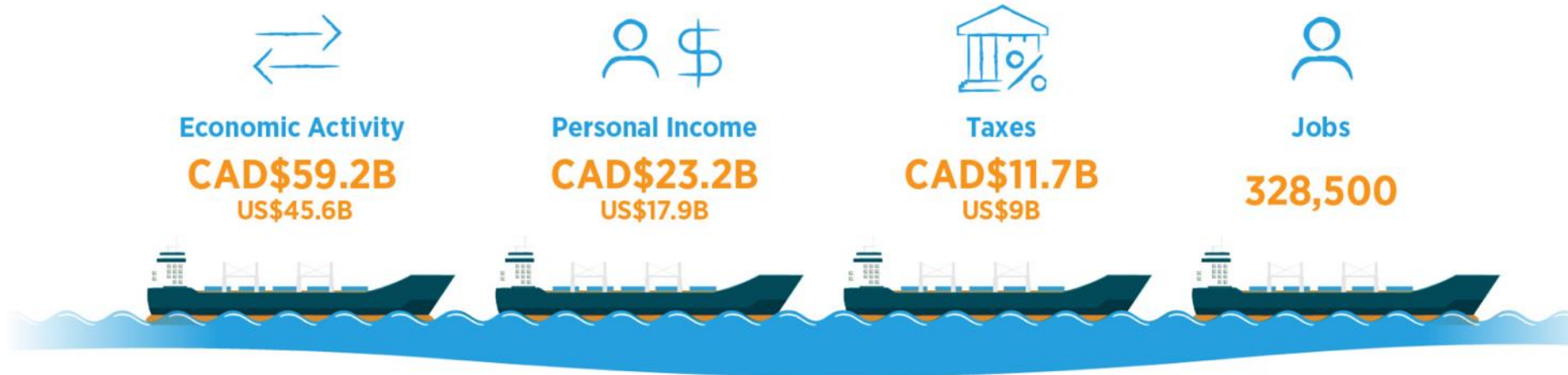


“We will pursue shared regulatory outcomes that are business-friendly, reduce cost...”

Prime Minister Trudeau, Feb. 13, 2017

Marine Delivers Economic Benefits

Bi-national Great Lakes-St. Lawrence Shipping Contributes ...



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Marine Delivers Efficiency Benefits

Enormous Ship-Carrying Capacity



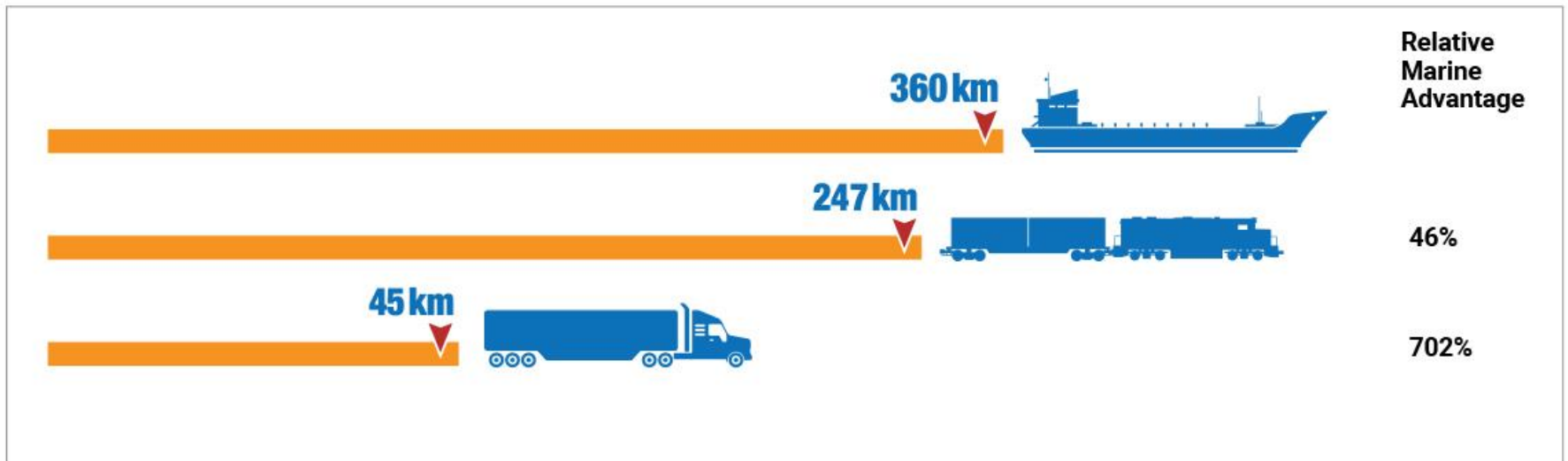
Ships are able to carry vast amount of cargo in a single trip

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Marine Delivers Sustainability

Most Energy Efficient Mode



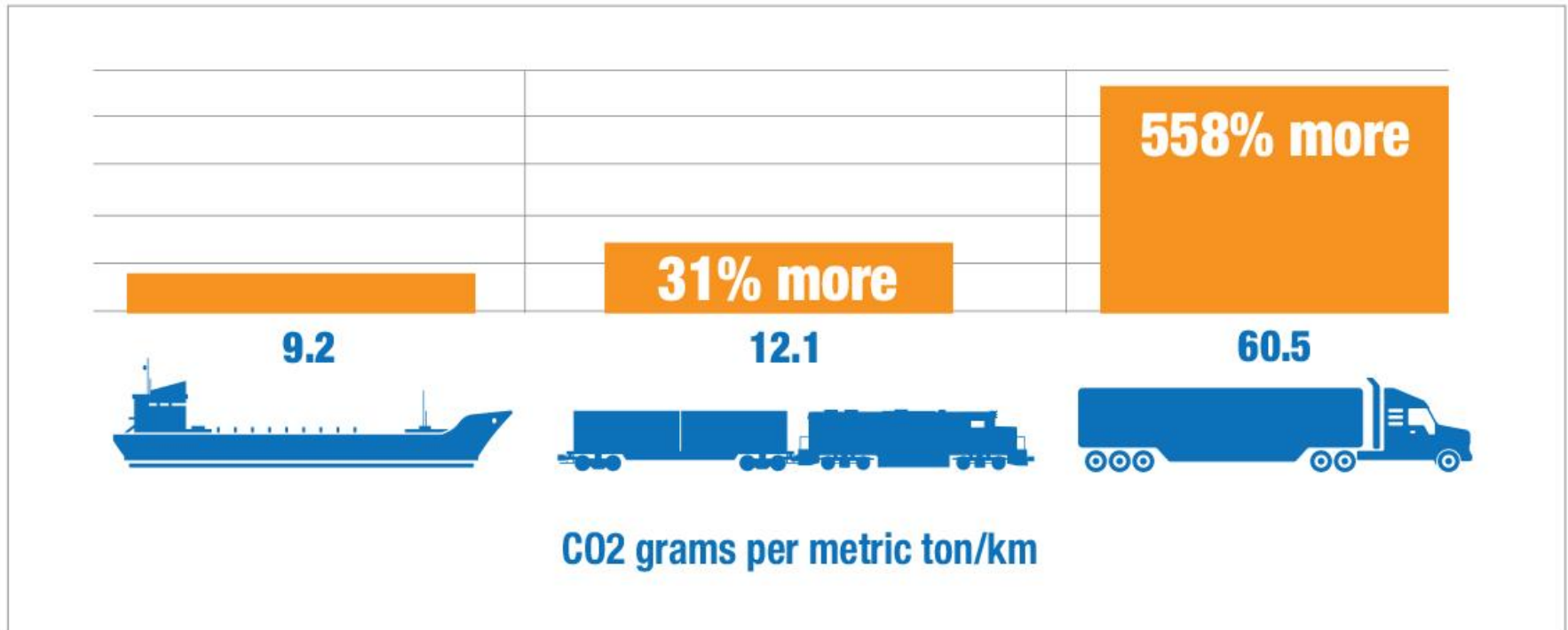
Carrying 1 tonne of cargo on one liter of fuel

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Marine Delivers Carbon Reductions

Smallest Carbon Footprint



Impact of COVID-19

Strategy this year has been straightforward



- Focus on most critical aspects
 - People
 - Essential Service Operations
 - Markets
- Securing crew mobility – CMC's *"Trusted Partners"*
- Ensure marine is considered essential within Canada and cross-border – essential service designation
- Monitor and report on economic developments in timely fashion – markets have taken a hit

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Marine Trusted Partnership



The Trade Gateway Opportunity

Capacity to Grow

- Years of success with the Made-in-Canada model of rapid inland and coastal shipping
- Industry was recovering pre-COVID; “high water crisis” also a limiting factor
- **Great Lakes – St. Lawrence System** is a strategic asset with tremendous capacity to grow. **Safest**, most **environmentally smart** means of transporting goods
- Incredibly fortunate to have a 3,700 km. long marine highway cutting through interior of two countries
- Ability to move goods and people on inland rivers is gold standard in places like Europe



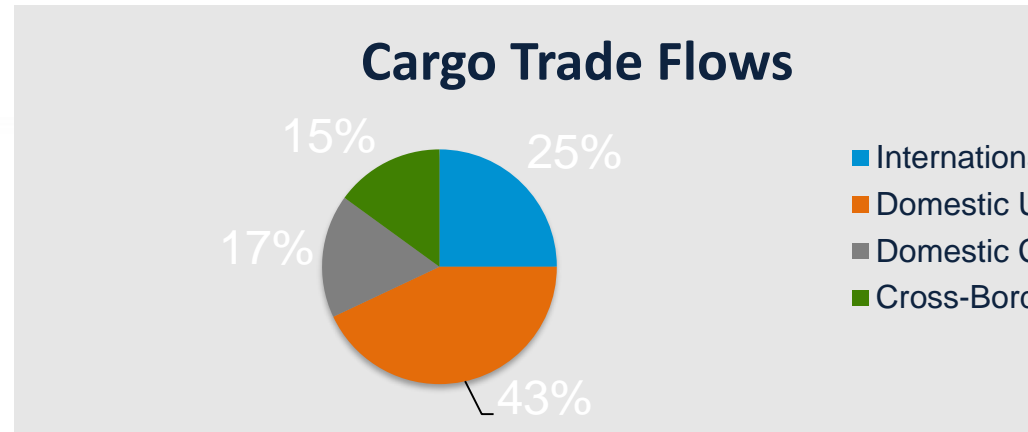
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The Trade Gateway Opportunity (cont'd)

Bi-national Trade Gateway Flows are Multi-Directional

- 381 Million m/t cargo handled on entire waterway



- More than half of the US / Canada border trade happens here

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Policy and Innovation

Path Forward in a Post-COVID World

- Long term goal for Canada is GDP growth; good middle class jobs for Canadians and wealth creation to sustain high standard living
- Government needs to create a policy and regulatory environment that supports growth
- Business must provide real productivity improvement, particularly relative to U.S.
- Productivity growth will depend on improved competitiveness and innovation:
 - People
 - Digitization and other processes
 - Equipment
 - R & D

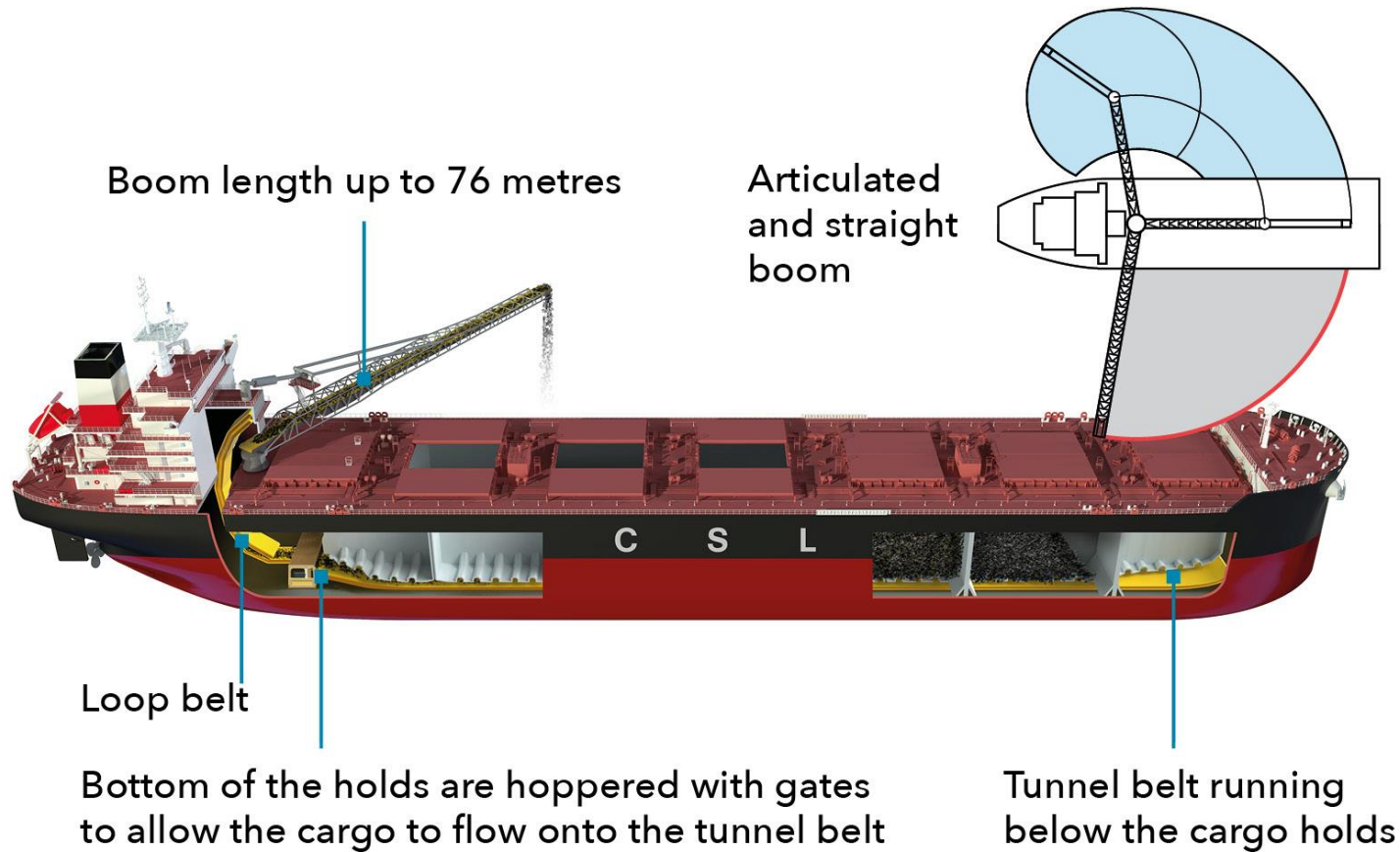
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Marine Delivers Innovation: \$2B + in Canadian Eco-Ships



Exporting Self-Unloader Technology



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Policy and Innovation (cont'd)

Path Forward in a Post-COVID World

- Marine shipping is in position to address many of today's related transportation challenges
 - Safe
 - Cost effective
 - Environmentally smart and
 - Innovative
- The GLSLS is North America's green transportation corridor and is using innovation to enhance its position and stay competitive to support this key trade corridor

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Marine Economic Recovery

Marine Shipping: Setting A Course for Canada's Economic Recovery

The Chamber of Marine Commerce and its members have played a vital role in Canada throughout the COVID-19 pandemic, ensuring that the marine supply chain is still moving goods within Canada, to the United States, and to international markets.

Our work as an essential industry has ensured that grains are being used to make bread, pastas, and other foods to feed Canadians, that municipal supplies have enough salt for next winter, and that aggregates and other construction materials are transported to build critical infrastructure during this time.

As we look to the longer term, and to how we can make sure that Canada can recover in a better position than it was before, we propose a series of measures that could be taken to improve the safety and efficiency of marine transportation and at the same time create jobs, boost our trade potential and protect the environment.

1 Investing in Innovations and Improvements that Reduce Pollutant Air Emissions and GHGs from Vessels, including Alternative Fuels and Propulsion in Marine Transport

The Government of Canada has announced its intention to support efforts that develop marine infrastructure and convert ships from burning heavy oil and diesel toward more environmentally-conscious fuels, like liquefied natural gas (LNG).

Some vessels among the CMC member fleet are already using alternate fuels, such as LNG, to power their ships, and others are exploring the potential use of biofuels to power their vessels. These efforts need more investigation to see if they are feasible to use long term. Ultimately, alternative propulsion systems that have zero carbon emissions are needed in order to meet long-term goals. With no such systems available for large commercial vessels, more research and development is needed.

In the interim, some vessels are already using new technologies to reduce pollutant emissions, including exhaust gas scrubbers. These systems have the potential to also reduce black carbon and other criteria air contaminant (CAC) emissions.

- We call on R&D investments and government support for alternative fuel and new propulsion technologies testing by shipowners and their partners to study the efficacy and environmental efficiency of alternative fuels in marine transport.

This will increase the adoption of these technologies on Canadian ships.

- We call on the government to provide funding to shipowners for projects that reduce or avoid GHG or CAC emissions. This could include introducing or upgrading to new technologies or equipment, implementing more energy efficient operating practices or procedures, or substituting fossil fuels with less carbon intensive alternative fuels.



CHAMBER OF
MARINE COMMERCE
www.MarineDelivers.com

  @MarineDelivers

Thank you!

Bruce R. Burrows

President and CEO
Chamber of Marine Commerce
300 Sparks Street (Podium Building)
Suite 340
Ottawa, Canada, K1R 7S3
613-233-8779 x 1
bburrows@cmc-ccm.com

