

## MARIPOLDATA Reading Group

### Ocean Privatizations

25.11.2020

**Guest Speaker: Prof. Dr. Achim Schlüter**, Department Head (Social Sciences) and Working Group Leader (Institutional and Behavioural Economics) at the Leibniz Centre for Tropical Marine Research and Professor for Social Systems and Ecological Economics at Jacobs University to present his article Broadening the perspective on ocean privatizations: an interdisciplinary social science enquiry (Schlüter et al., 2020).

#### Context:

Increasingly, the marine environment is subject to privatizations, including ocean space, marine resources, governance and knowledge (Schlüter et al.2020). Ocean privatization has often been coupled with judgement whether this is “good or bad” for a particular group of people, for biodiversity, for different stakeholders alike. It is often considered a form of maximizing benefits, of “ocean grabbing”, trying to own more of what used to be a public good. But it can also guard potential for the conservation and sustainable use of resources and nature, in cases where the regulation by public institutions has failed and private and other non-governmental actors get involved to safeguard such areas and resources.

We have provided this article by Prof. Achim Schlüter which goes beyond this judgement but rather provides an overview of different ocean domains, as well as criteria that allows us to study and understand ocean privatizations.

#### Readings for this session:

1. Blasiak, Jouffray, Wabnitz, Sundstrom, & Osterblom. (2018). Corporate control and global governance of 914 marine genetic resources. *Science Advances*, 4(6). doi:10.1126/sciadv.aar5237
2. Schlüter, A, Bavinck, M, Hadjimichael, M, Partelow, S, Said, A, and Ertör, I. "Broadening the Perspective on Ocean Privatizations: An Interdisciplinary Social Science Enquiry." *Ecology and Society* 25.3 (2020): *Ecology and Society*, 2020, Vol.25 (3). Web.

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Ina Tessnow- von Wysocki, December 2020



# 1. Who owns Marine Biodiversity?: Privatization of Marine Genetic Resources

**Reading 1. 1.** Corporate control and global governance of marine genetic resources (Blasiak et al. 2018)

## Overview:

The article by Blasiak et al. (2018) Corporate control and global governance of marine genetic resources describes the situation we are currently faced with, namely that almost half of all registered MGRs (47%) are owned by one single company alone.

Access and benefit sharing of MGRs that are found within areas of national jurisdiction are regulated under the Nagoya Protocol, but MGRs from ABNJ are not subject to any regulation as such.

The authors mention the ability of transnational corporations to monopolize markets – mention the example of the seafood industry, where some “keystone actors” have disproportionate influence of production volumes and revenues, on governance and institutions.

The marine biotechnology sector is expanding and expected to develop similarly to the fisheries sector: with a dominance by a small number of transnational corporations.

Blasiak and co-authors investigated the **number and types of marine species** included in patent claims (of which they identified the majority to be associated with microbial Species with over 73%), as well as **which actors** and **the time** of such claims.

## Who?

- 221 companies had registered 84% of all patents
- Public and private universities accounted for another 12%,
- governmental bodies, individuals, hospitals, and nonprofit research institutes registered the remaining 4%

**A single transnational corporation had registered 47% of all patent sequences:** BASF, the world’s largest chemical manufacturer, headquartered in Germany.

## Where?

When we look at the geographical distribution of the claimed patents:

Entities located or headquartered in three countries registered more than 74% of all patents associated with MGR sequences: Germany (49%), United States (13%), and Japan (12%).

Actors located or headquartered in 10 countries registered 98% of all patent sequences, and 165 countries were unrepresented.

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## When?

- Increase in claims for patents for marine biodiversity over time

The negotiations of the Nagoya Protocol could potentially have contributed to this increase with the fear of companies to share benefits after its adoption.

The authors emphasize the fact that “the potential for commercialization of the genetic diversity in the ocean currently rests in the hands of a few corporations and universities, primarily located or headquartered in the world’s most highly industrialized countries”.

For more equitable ocean stewardship, they argue that these keystone actors need to be identified.

## 2. BBNJ Science-Policy Interfaces

**Text 2:** *Broadening the perspective on ocean privatizations: an interdisciplinary social science enquiry (Schlüter et al., 2020).*

## 3. Discussion

### **Ocean privatization: It is “ocean grabbing”?**

Ocean privatization of marine space and resources have often been described as “ocean grabbing”. There has been much literature on Ocean grabbing as a mechanism of exclusion of other actors from certain spaces or resources in academic literature and throughout non-governmental organizations.<sup>1</sup> As mentioned earlier, as much there is opposition, there is as well support for ocean privatizations and every case differs in what is exploited or protected, who benefits, who is excluded and what implications such privatizations have on the circumstances of communities, marine species or future generations. Ocean grabbing as a term has certainly a negative connotation and is used when criticizing a certain privatization.

### **Governance by Private Actors**

In the past, where public governance has been weak or has failed completely to tackle a specific problem, private actors have stepped in to provide governance and regulations. The Marine Stewardship Council (MSC)<sup>2</sup> was named as a successful example of governance by a private actor to certify sustainable seafood entering the market.

In the light of the ongoing BBNJ negotiations, there are numerous further questions that we can ask. What would be implications of the privatization of MGRs in areas beyond national jurisdiction? Who would benefit and who would be excluded from such benefits?

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<sup>1</sup> As mentioned by one Reading Group member: Barbesgaard, Mads. "Blue Growth: Savior or Ocean Grabbing?" *The Journal of Peasant Studies* 45.1 (2017): 130-49. Web.

<sup>2</sup> <https://www.msc.org/de>

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Regarding Area-based management tools, including marine protected areas, we can observe the finance through private actors on the terrestrial level. How do we think about this issue in the case of ABMTs, including MPAs in areas beyond national jurisdiction? What are challenges and opportunities? And how can most effective conservation and sustainable use of the ocean be guaranteed?

### **Diversity of privatizations**

Overall, it can be named that there exists a multitude of ways to govern the marine environment, including private rights, collective and more exclusive rights. Every case of ocean privatization deserving a closer look into what criteria of privatization are in place and which implications such privatization has and will bring in the future, concerning different stakeholder, the environment and future generations to come.

### **Ideas for further research**

To build on this article, further research could also go into the direction of including geopolitical aspects that might be another motivation of stakeholders when it comes to governance and privatization.

The discussion included ideas about future research potential in continuation of the article by Schlüter et al. 2020. The framework, developed by the authors could be systematically applied to a large number of cases of ocean privatizations to identify the specific criteria in each case.