

News from the International Chamber of Shipping (ICS) and the International Shipping Federation (ISF)

New CO₂ website

ICS has launched a new website - www.shippingandco2.org - to explain industry efforts to deliver a significant reduction in shipping's CO₂ emissions, in the run up to the UNFCCC Climate Change Conference, in Copenhagen in December.

The website explains that shipping is already by far the most carbon efficient mode of commercial transport, but is committed to further reductions at least as ambitious as whatever is agreed for the world as whole. However, shipping is an inherently international industry which depends on a global regulatory framework to operate efficiently. About 65% of ships use Kyoto 'non Annex 1' flags, so to avoid 'carbon leakage' meaningful reductions by shipping will be best achieved if the UN Conference gives IMO a clear mandate to develop detailed measures for the sector.

The entire new website contains information about progress already made at IMO, including energy efficiency design indexing for new ships, the development of Ship Energy Efficiency Management Plans for all ships, potential Market Based Instruments (see below), and other resources relevant to shipping and CO₂ reduction.

Cargo Liability Rules

In September, the ICS Secretary General attended the signing ceremony in Rotterdam for the new UN Convention on the Carriage of Goods (Wholly or Partly) by Sea. The 'Rotterdam Rules' will replace outmoded cargo liability regimes such as the Hamburg and Hague/Visby Rules and reflect modern 'door to door' services involving other modes of transport in addition to the sea-leg, and 'just in time' delivery practices. Principally of relevance to containership operators, the Rules will in some circumstances also apply in other trades.

The new cargo liability regime is being strongly promoted by ICS to avoid the risk of a proliferation of regional regulations. The status quo is not an alternative since the United States has already signalled that it intends to apply the new regime, with the full support of US shippers. It is therefore very disappointing that the European Commission is proceeding with a regional EU cargo liability regime that may undermine the Rotterdam Rules and global uniformity.

Flag State Performance Table

On behalf of the Round Table of international shipping associations, ICS/ISF have published the latest 'Shipping Industry Flag State Performance Table', which is updated on an annual basis and summarises factual information derived from the public domain. The intention is to provide a general appreciation of a flag's performance and to encourage shipping companies to examine whether a flag has substance before using it. The table can be downloaded at www.marisec.org/flag-performance

EU Sulphur Limits in Ports

In Lisbon in October, ICS attended a meeting organised by the European Maritime Safety Agency (EMSA) to discuss safety concerns regarding an EU Directive which, from January 2010, will require all ships in EU ports to burn fuel with a sulphur content of less than 0.1%. Safety concerns are specific to boilers and relate to problems experienced when switching to the required low sulphur fuel.

ISF Conference 25 November

The 2009 ISF Manning and Training Conference will be held in London on 25 November. The event will be chaired by Mark Brownrigg, Director General of the UK Chamber of Shipping with a keynote speech by Michael Everard, President of the Institute of Marine Engineers. The programme will cover the IMO review of the STCW Convention, an account by a victim of piracy, implementation of the ILO Maritime Labour Convention, recruitment and retention, and issues arising from the economic downturn. The attendance fee includes lunch and an evening reception. For the programme and registration see www.marisec.org/isfconference

Piracy

ICS and ISF use every opportunity to express the industry's appreciation for the determination shown by naval forces providing protection to merchant ships that continue to be attacked by pirates off Somalia and in the Indian Ocean. But while the current levels of military protection must be sustained - or better still increased - there is a danger that the current arrangements may become 'institutionalised'. The ICS Executive Committee, which met in September, has concluded that some serious new strategic thinking is needed if governments are to suppress piracy in the near future. While the industry supports efforts to establish a stable government in Somalia, this could well take years if not decades. The situation prevailing now, where the lives of seafarers are threatened on a daily basis (brought into sharp relief by the recent hijacking of the Chinese bulk carrier *De Xin Hai*), and where pirates are able to operate more or less with impunity, cannot be allowed to continue.

Malacca Straits

In October, ICS attended a meeting in Singapore of the Cooperative Mechanism on the Straits of Malacca which oversees safe navigation and environmental protection in the busy international seaway. The Aids to Navigation Fund has received fresh contributions from governments and industry and a 10 year maintenance plan is now in place. Other issues discussed included emergency towing arrangements, the Marine Electronic Highway project, hydrographic monitoring and the problem of indiscriminate anchoring.

EU Maritime Strategy

The shipping industry has broadly welcomed the EU Maritime Strategy to 2018, published in January. However, ICS and ISF have recently produced some comments, from the international perspective, to be taken into account as EU Member States consider the implementation of the Strategy - see www.marisec.org/submissions

Container Ship Safety

At the end of September, ICS led industry representation at the IMO Sub-Committee on Dangerous Goods, Solid Cargoes and Containers which considered amendments to guidance on container securing contained in CSS Code. It was agreed that a minimum dimension of 750mm for lashing positions should apply to new builds after 1 January 2015, although existing container ships will not be required to undergo major modification. The Sub-Committee also considered the ICS/WSC publication 'Safe Transport of Containers by Sea - Guidance on Best Practices', and agreed to recommend that it be carried on board all container ships.

US Ballast Water Rules

The United States has recently published proposed rules on ballast water management that will be applicable to foreign ships calling at US ports. Disturbingly, the proposals are at variance to the IMO Ballast Water Management Convention and contain a 'kill standard' for unwanted marine organisms 1,000 times higher than that agreed by scientific experts at IMO. ICS is currently preparing comments.

ICS DVD film

The popular ICS DVD film - International Shipping Life Blood of World Trade - has been updated to include more recent statistics. English language DVD copies of the film are now available, free of charge, via ICS national associations. The video can also be viewed on YouTube and via the Marisec website - see www.marisec.org/film

World Maritime Day

In mid October, the ICS/ISF Secretary General attended the 'alternative' IMO World Maritime Day celebrations in New York, the theme being 'Climate Change - A Challenge for IMO Too'.

CO₂ Market Based Instruments

Market Based Instruments (MBI) are expected to form part of the package for reducing shipping's CO₂ emissions that IMO will finalise during 2010. ICS is committed to developing a consensus about possible MBI, to present a common international industry position with governments during the complex negotiations in the months ahead at IMO and UNFCCC.

This is an extremely complicated task given the wide range of national perspectives, differences of approach between large and small companies, and the extent to which individual companies perceive the impact of various options on their own commercial operations. The task of ICS, however, is to represent the best interests of the international industry as a whole.

It has never been the intention of ICS to seek to reach agreement on a single preferred MBI. But real progress has been made by ICS members towards a consensus on the essential characteristics of any MBI, i.e. that it should be 'flag neutral' in its effect, simple to administer and provide overall environmental benefit. Above all, any MBI for shipping must be acceptable to all IMO Member States, including those that are non-Annex I nations under the existing Kyoto Protocol.

Many ICS member associations have expressed a preference for one form of MBI or another. But there are actually remarkable similarities between those proposals based on a fuel levy and those based on some form of emission trading. ICS will continue to pursue its role as an 'honest broker', providing considered comment, from a global industry perspective, on implications of proposals that may be made by governments, both in terms of their impact on shipping and of their likely environmental benefit.

STCW Convention Review

In September, ISF represented employers at an important IMO meeting which took forward the review of Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW), prior to a diplomatic Conference in Manila next year which will adopt final amendments. Some progress was made on issues including training in ice-covered waters, standards for Electro Technical Officers and Ratings and tanker training - taking forward the recommendations of the ICS-led industry working group on preventing explosions. ISF also made an important submission on seafarers' work hours, which are also being considered as part of the STCW review. The European Commission is seeking to persuade IMO to remove the operational flexibility that currently allows seafarers, when a ship is in port, to rest for less than 10 hours a day, provided compensatory rest is provided.

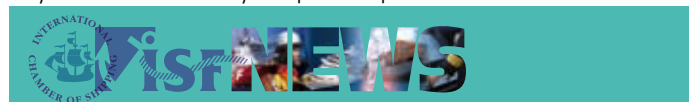
LLMC Limits

ICS represented shipowners at the IMO Legal Committee in October which, in response to a request by Australia, agreed that consideration of increases to the limitation amounts under the Limitation of Liability for Maritime Claims (LLMC) Convention should be added to the IMO work programme due to concern about current liability limits being breached by bunker spills. However, historic P&I Club data suggests that only a very small proportion of bunker spill claims have actually exceeded LLMC limits.

Centenaries

ICS/ISF are delighted to congratulate the Belgian Shipowners' Association and the Norwegian Shipowners' Association, which have both recently celebrated their 100th anniversaries.

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Published by Maritime International Secretariat Services Ltd (Marisec)
12 Carthusian Street, London EC1M 6EZ

Tel +44 20 7417 8844 www.marisec.org

ICS/ISF News contact simon.bennett@marisec.org