

ICS launches DVD film



Tony Mason takes the helm

Tony Mason has become the new Secretary General of ICS and ISF, succeeding Chris Horrocks who retired at the beginning of October.

Tony was a senior Director at P&O Containers and has had previous high level experience of international policy issues as a board member of the European Liner Affairs Association and the US-based World Shipping Council.

ICS has produced a short DVD film - *International Shipping: Life Blood of World Trade* - to explain the importance of shipping to the health of the world economy, and to convey the message that shipping is safe, clean and comprehensively regulated. The film also stresses the vital need for global regulation for a global industry.

The film is being distributed free of charge via national associations, but copies can also be obtained direct from ICS. The DVD also contains versions dubbed into French, Spanish, Arabic, Chinese and Japanese.

In addition to being used with captive audiences of policy makers, the film can be used as a tool at exhibitions and in careers talks to young people.



Not got a copy?
Contact your
national shipowners'
association or ICS

ISF Guide to ILO Convention



ISF has published a comprehensive guide to the obligations that ship operators must meet to ensure compliance with the new ILO Maritime Labour Convention (ILO MLC). ISF was responsible for negotiating the new ILO 'super convention' on behalf of employers in Geneva earlier this year.

It is important that employers become acquainted with their new responsibilities as soon as possible, so that they are prepared when the new ILO Convention enters into force and can avoid misunderstandings

with Port State Control authorities.

Although the majority of employers should have no major difficulties with the new requirements, which for the most part are consistent with the existing ISF Guidelines on Good Employment Practice, it will be especially important for them to be aware of the new Flag State certification procedures which the ILO Convention introduces, and the need to maintain a Declaration of Maritime Labour Compliance.

ISF is campaigning, together with trade union partners, for the

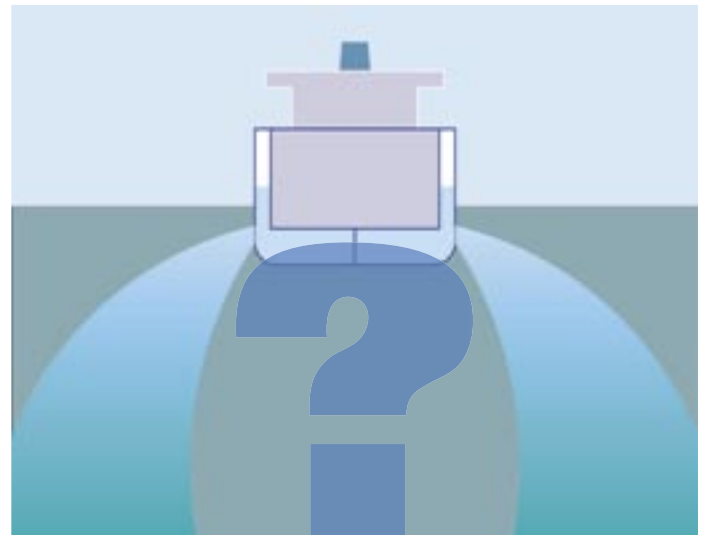
new Convention to be ratified as soon as possible so that there is a worldwide regime which provides clear and consistent employment standards, for the benefit of both shipowners and seafarers. Publication of the new Guide should demonstrate ISF's continuing commitment to this important process.

ILO Maritime Labour Convention 2006 - A Guide for the Shipping Industry (80 pages) is now available from Marisec Publications, and leading maritime booksellers around the world, for UK £30 including worldwide airmail postage.

Panama Canal result

ICS has welcomed the historic referendum result, in October, in which the Panamanian people, by a definitive margin of 4 to 1, approved the expansion of the Panama Canal to accommodate larger ships.

The project is almost certainly necessary, but at an estimated US\$5 billion will be expensive. Moreover, it will be funded by the shipping industry through increases in Canal tolls. ICS is urging the Panama Canal Authority (PCA) to ensure that there is adequate consultation with the industry, including ICS members, regarding the scale and adequate phase-in arrangements for the anticipated toll increases. It will also be important to ensure that the proposed surcharges are fully transparent and recognise the needs of all ship types and trades.



Ballast water uncertainty

Safety and security in Malacca Straits

ICS represented the industry at an important IMO meeting on safety, security and environmental protection in the Malacca and Singapore Straits held in Kuala Lumpur in September. The meeting concentrated on building on the littoral states' success in dealing with piracy, navigational issues and the need to promote further international collaboration for safety and environmental protection

including the development of the Marine Electronic Highway (MEH).

Among other things, it was agreed that littoral states, user states and the shipping industry would co-operate in developing a mechanism for voluntary funding of safety measures but, contrary to some press reports, there is no suggestion that individual ships should be charged for transiting the Straits.



ICS is very disappointed that the IMO Marine Environment Protection Committee, which met in October, was unable to agree to its request that the introduction of new ballast water treatment standards should be delayed for new ships. Under the terms of the IMO Ballast Water Management (BWM) Convention, new ships are required to be fitted with new treatment equipment by 2009. Although there is sympathy from many governments for ICS's position, at the request of IMO's legal department a decision has been delayed until July 2007.

This represents a serious problem for shipowners placing orders now for delivery in 2009 because of the lack of proven technology which meets IMO standards and uncertainty over whether the Convention will actually be in force given the current low number of government ratifications.

ICS continues to campaign for the early ratification of the BWM Convention, which for existing ships will make ballast water exchange at sea mandatory.

In the absence of the entry into force of a global regime, there is a threat of proliferating national regulations at variance with the IMO Convention, and the danger of chaos as shipowners struggle to comply with conflicting requirements at different ends of a voyage.

Briefly . . .

ICS/ISF Chairman/President meets IMO and EU maritime heads

During the summer, ICS/ISF Chairman/President, Spyros Polemis, had meetings with the IMO Secretary-General, Efthimios Mitropoulos, and EU Vice President and Transport Commissioner, Jacques Barrot, in order to emphasise the importance which the industry attaches to the preservation of a global regulatory system.

Shipping facts website



On behalf of the Round Table of international shipping associations, ICS has redesigned the well received website - www.shippingfacts.com - intended to provide basic information about the shipping industry for the benefit of non-expert policy makers, researchers and journalists who may require an immediate understanding of the issues. In the interests of promoting the profile of the industry, and ensuring a high listing on internet search engines, as many shipping companies as possible are encouraged to add a link to the shipping facts website from their own company websites.

EU policy review

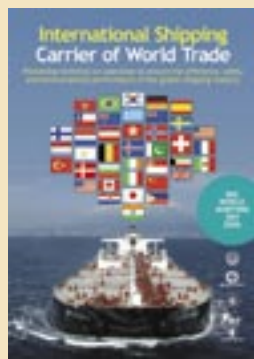
In November, ICS and ISF submitted detailed comments to the European Commission on its wide ranging EU Maritime Policy Review as set out in its 'Green Paper'. While the Commission's recognition of the importance of a competitive shipping industry is welcome, ICS and ISF have highlighted industry concerns about the Commission's ambitions with regard to increasing influence at IMO and revision of the UN Law



of the Sea which could have strategic implications for freedom of navigation. Recent comments by Commission officials concerning the development of a Common European Maritime Space may also be a possible concern.

IMO World Maritime Day

ICS and ISF, in co-operation with the Round Table of international shipping associations, used the occasion of IMO World Maritime Day to update the promotional brochure 'International Shipping - Carrier of World Trade', linking it to IMO's chosen theme of Technical Co-operation. Copies are available via national maritime administrations or can be downloaded from www.marisec.org/worldtradeflyer.pdf



Ship recycling

ICS continues to lead shipowner representation on the development of a new IMO Convention on ship recycling, intended to improve working conditions in recycling yards. ICS agrees that many areas of the existing IMO Code, which was largely based on Guidelines developed by the shipping industry, should be made mandatory. However, what will be most important is the establishment of a system of approved recycling yards, demonstrating which facilities meet acceptable safety standards, to which reference can be made when negotiating the disposal of ships. Further progress on the new Convention was made by IMO in October, and ICS is keen that the final text will be adopted by 2008.

IACS Common Structural Rules

The development by IACS of Common Structural Rules (CSRs), particularly those for the construction of bulk carriers, was the cause of much controversy. However, now that the new rules have been implemented for new buildings, ICS has commenced a dialogue with IACS on how the CSRs might be improved, and how rules for tankers and bulk carriers might be harmonised. A meeting between ICS and IACS, in October, considered various issues raised by ICS members, including corrosion margins and welding requirements. The meeting also discussed the system put into place by IACS, which appears to be robust, to respond to feedback about the CSRs from shipowners throughout a ship's life.

IMO Maritime Safety Committee, Istanbul



Because of the refurbishment of the IMO headquarters in London, the next IMO Maritime Safety Committee in December will be held in Istanbul, although full ICS/ISF representation will be maintained. The meeting will progress the development of goal based standards for ship construction; arrangements for the introduction of long range tracking of ships; standards for ballast tank coatings; work to address the prevention of explosions on tankers; and the development of possible amendments to the ISM Code, taking account of the work of the IMO Group of Experts which has been chaired by ICS.

EU competition rules

The recent decision by the European Commission to abolish liner conferences in all container trades to Europe, as from October 2008, has been widely publicised. However, non-liner shipping companies trading to Europe also need to be aware that, for the first time and with immediate effect, they are now exposed to the full enforcement powers of the EU competition authorities. Until the Commission issues Guidelines to non-liner trades, there remains some uncertainty as to the legal status of practices such as shipping pools. Shipping companies should refer to national associations for advice.

Shipbuilding discussions

The ICS Chairman, Spyros Polemis, led an ICS delegation attending the latest round of tripartite discussions on shipbuilding issues between shipowners' representatives, shipyards and classification societies, held in Japan in September. The meeting advanced discussion about improving technical feedback from shipowners to shipyards, throughout a ship's life, beyond the relatively short warranty period that shipyards currently provide after a ship is delivered, as well as concepts such as providing ships with a "green passport" to help facilitate their eventual safe disposal by recycling yards. The meeting also continued the dialogue about the implications of classification societies acting principally on behalf of the shipyard rather than the shipowner during construction, as is the situation at present.

Fair treatment of seafarers

ISF and ICS are very pleased that the IMO Legal Committee, which

met in Paris in October, accepted industry arguments that proposed amendments to the recently adopted IMO/ILO Guidelines on the Fair Treatment of Seafarers, to be applied by investigation authorities following maritime casualties, should be rejected. The Guidelines should help prevent any repeat of instances, such as the 'Prestige' and 'Tasman Spirit' cases, of seafarers being held in custody without access to due legal process.

Bulk cargoes

In September, ICS represented the industry at the IMO Sub Committee on Dangerous Goods, Solid Cargoes and Containers. It was agreed that amendments to the Bulk Cargoes (BC) Code, to be finalised next year, should be voluntarily implemented from 2008, becoming mandatory in 2012.

Meeting with Cyprus President

In October, ICS/ISF Chairman/President, Spyros Polemis, and ICS/ISF Secretary General, Tony Mason, met with the President of Cyprus, Mr Tassos Papadopoulos, to discuss the important role that Cyprus plays in international maritime regulatory discussions, both at IMO and within the EU Council of Ministers. Mr Polemis also met with members of the Cyprus Shipping Council which is an active member of ICS and ISF.



Defending liner conferences in Japan

ICS has made a submission to the Japanese Fair Trade Commission questioning its recommendation that the current block exemption from Japanese competition rules should be removed for container shipping conferences. Notwithstanding



the declared ambition of the European Commission to persuade the rest of the world to follow its recent decision to prohibit conferences in trades to Europe, the policy of ICS is to continue defending the Conference system, consistent with the recent decisions by Australia and Singapore to permit them to continue in the interests of maintaining regular and reliable services.

New ICS Member

The European Dredging Association (EuDA) has become an ICS Associate Member.

A fond farewell

Chris Horrocks has said farewell, for the moment, to friends and colleagues throughout the international industry following his retirement from a career at ICS/ISF spanning 37 years: 28 years as ICS Secretary General, and ISF Secretary General since 1990, when the two organisations combined under a common secretariat.

The official transfer of the helm to his successor, Tony Mason, took place at a special reception at Trinity House on Chris's final day in London on 29 September. His staff marked his departure by struggling to think of a country that Chris has not visited during his dedicated service as an ambassador for the industry, and contributing towards a visit to the Faroe Islands!



Sulphur emissions

ICS will be representing all sectors and trades of the shipping industry at an important IMO meeting, in Oslo in November, which will take forward the review of MARPOL Annex VI concerning the prevention of atmospheric pollution by ships. One of the more complex issues is sulphur emissions.

The current Annex VI recognises sulphur as a regional rather than a global problem, and takes account of this through the establishment of two sulphur emission control areas (SECAs) within the global sulphur cap of 4.5%. At present, only the Baltic SECA is in force, with the North Sea becoming effective in mid 2007. Applications for additional SECAs are anticipated on a worldwide basis in the near future.

ICS believes that the SECA concept is a reasonable solution that not only addresses local vulnerability but also recognises that the available supply of low sulphur fuel is ultimately limited by the sulphur content of the crude oil base stock and the environmental cost/benefit of removing sulphur at the refinery. This is not only a question of investment in refineries but also of the energy required to remove sulphur which may increase amounts of emissions (notably carbon dioxide) to the detriment of the global environment.

The operation of ships under a requirement to carry various types of fuel is not without its problems, but ICS believes that the SECA approach is a pragmatic one. In the event there are calls for a lower SECA cap, it will be important that all SECAs should have the same cap, in order to minimise the number of different fuels to be carried on board.

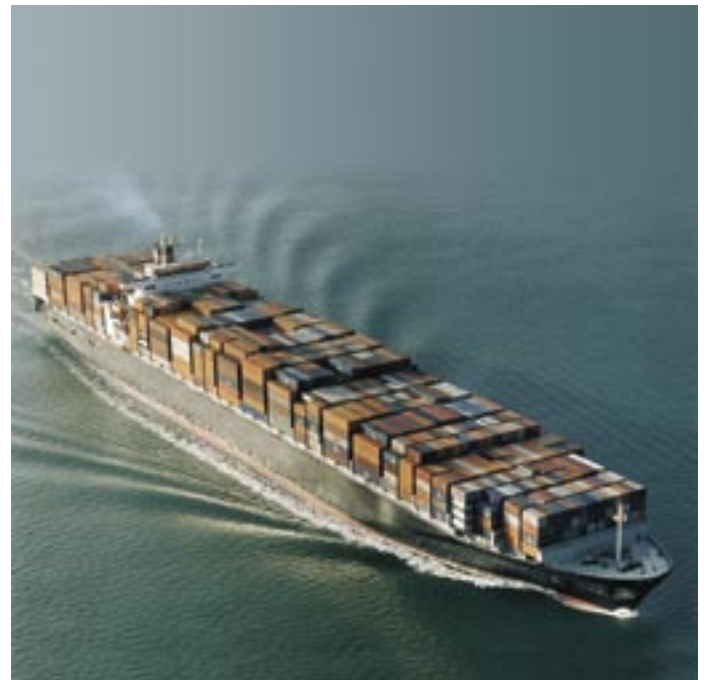
Whatever is finally decided, it will be important for IMO to satisfy itself that any new fuels required will be available globally, and that the solutions agreed deliver net environmental benefit and are not just a short term political fix.

Lifeboat safety

ICS has submitted a paper to the IMO Maritime Safety Committee, which meets in Istanbul in December, suggesting the need for a further review of IMO guidance to flag states intended to reduce the number of lifeboat accidents.

ICS fully supports the objectives of recently introduced procedures, and the need for inspection and maintenance of lifeboats to be undertaken by qualified personnel. However, requirements for servicing to be undertaken by personnel certified by the manufacturer are proving very difficult for shipowners to comply with. Local manufacturers' representatives are often difficult to identify, and in some cases may no longer trade. Meanwhile, organisations with an exemplary history of inspecting and maintaining lifeboats are now ineligible to attend many ships.

ICS has therefore made some detailed suggestions for the amendment of IMO guidance concerning the qualifications of those authorised to conduct lifeboat servicing.



New ISF brochure

ISF has produced a new brochure explaining its function as the principal international employers' organisation for shipowners and its role as an ILO 'social partner'. See www.marisec.org/isf



Marisec



12 Carthusian Street
London EC1M 6EZ
Tel +44 20 7417 8844
Fax +44 20 7417 8877

E-mail post@marisec.org

Marisec contact
Simon Bennett

International Chamber of Shipping
Chairman Spyros M Polemis
Secretary General Tony Mason
Secretary Simon Bennett

International Shipping Federation
President Spyros M Polemis
Secretary General Tony Mason
Secretary Natalie Wiseman