



ISF



May 2010

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

Potential US Ban on Pirate Ransoms

There is widespread frustration about the unhelpful US Presidential Order (of 13 April) on security in Somalia, which suggests that those involved in the payment of ransoms to release ships' crews could be subject to criminal sanctions. In liaison with the US State Department, and in co-operation with the London insurance market, ICS has sought clarity on the precise meaning of what appears to be a deliberately confusing Order (detailed information is available via national shipowners' associations). The primary concern is humanitarian: what

else is a shipowner meant to do if his seafarers are taken hostage by ruthless Somali pirates who threaten their lives? ICS and ISF are concerned that the US does not appreciate the potentially life threatening impact of the Order on the lives of over 250 seafarers currently being held captive, as well as the truly serious implications for world trade, especially if shipowners are unable to operate in the Indian Ocean due to the concerns that shipping companies and their insurers run the risk of being prosecuted by the US Department of Justice.

STOP PRESS

ICS is very concerned by new legislation being rushed through the United States Congress, in response to the Gulf of Mexico oil well disaster, which could drastically increase pollution liabilities of ships (as well as for the offshore oil industry), potentially making them uninsurable.

Reducing CO₂ Emissions

At their Annual Meeting in Singapore, ICS national associations reiterated their firm commitment to helping IMO deliver a 'bankable' package to reduce the global shipping industry's CO₂ emissions, before the next major United Nations Climate Change Conference in Mexico in December 2010. ICS is confident that governments at IMO will finalise regulations on technical and operational measures to reduce emissions, for mandatory application to ships on a global basis, and that shipping can deliver truly meaningful CO₂ emission reductions. Cutting fuel consumption is enlightened self interest.

An agreement at IMO on so called Market Based Measures is proving more of a challenge, but ICS will continue to provide constructive input on the implications of the various options that have so far been proposed. Whatever is agreed, MBMs must be demonstrated to deliver genuine and direct environmental benefit, rather than simply being used as a source of revenue for governments, or to compensate for lack of progress in other industry sectors. Shipping is already the most carbon efficient form of transport, but it is not a 'cash cow'. Any MBMs adopted must also be applied equally to all ships, regardless of flag, in order to avoid significant market distortions.

ICS recognises that governments such as China and India do not wish to prejudice their positions in the wider UN Climate Change negotiations, but it is important that they can find a means of reconciling the UNFCCC principle of Common but Differentiated Responsibility with the IMO principle of global rules for global shipping.

Inter-industry petition - www.endpiracypetition.org

ICS, ISF and the International Transport Workers' Federation (ITF), together with a wide range of other international shipping organisations, have launched an 'e-petition' in order to highlight concerns about piracy off Somalia – see www.endpiracypetition.org. Everyone in the industry is requested to circulate this web address, as widely as possible, encouraging registration. Shipping companies are requested to circulate the website address to their staff, encouraging them to forward the details to other colleagues in the industry.

New Annual Review

ICS and ISF have published their comprehensive Annual Review of regulatory and policy developments affecting shipowners, including the wide range of issues being discussed at IMO and ILO, on which ICS and ISF - and their member national shipowners' associations - represent the considered and authoritative views of the global shipping industry.

Copies can be obtained free of charge via national associations or via www.marisec.org/annualreview2010



New ICS and ISF Website

ICS and ISF have redesigned their website – www.marisec.org – in order to make the large amount of information it contains, including free downloadable resources, more readily accessible.



Rotterdam Rules

ICS has greatly welcomed the clear recommendation by the European Parliament that EU Member States should move speedily to sign, ratify and implement the UN Rotterdam Rules, which will replace existing cargo liability regimes such as the Hamburg and Hague/Visby Rules. ICS is actively promoting the new regime to avoid the risk of a proliferation of regional cargo liability regulations. However, early ratification of the UNCITRAL Convention by major trading nations, such as the EU Member States, will almost certainly give this process critical momentum.

New HNS Protocol

ICS has welcomed the adoption of a Protocol to the 1996 Hazardous and Noxious Substances (HNS) Convention, which was signed by 70 States following a Diplomatic Conference in April, at which ICS led shipowner representation.

ICS has campaigned for many years for the entry into force of the HNS Convention, which will establish an international compensation regime for HNS damage, filling one of the last remaining gaps in maritime coverage. The Protocol should address the obstacles that were preventing ratification of the Convention, including the practical difficulties of reporting imports of packaged goods to the Fund. To achieve this aim, ICS has agreed that shipowners' liability in incidents involving dangerous packaged goods will be increased, as part of a compromise involving an equitable sharing of compensation costs between shipowner and cargo interests. ICS will now be campaigning to ensure that the HNS Convention will now enter into force as soon as possible.

Year of the Seafarer

ISF President, Spyros M Polemis, spoke on behalf of the industry at a special seminar at IMO headquarters, on the global shortage of seafarers, organised as part of the IMO 'Year of the Seafarer' by the Nippon Foundation and the Japanese International Transport Institute.

Safe Container Packing

In May, in Geneva, at the International Labour Organization, ICS/ISF attended a tripartite forum, involving workers' representatives and governments, on safety in the supply chain in relation to the packing of containers. There was general support for the initiative taken by ICS and the World Shipping Council last year with regard to guidance material they issued in the absence of international legislation that can be enforced on shore – see

www.marisec.org/containers.html

ICS/ISF Elections

At the end of April, ICS and ISF held their annual meeting in Singapore, at the invitation of the Singapore Shipping Association. Mr Spyros M Polemis (Greece) was re-elected as Chairman of ICS and President of ISF. The meetings also elected Mr Trygve Seglem (Norway) and Mr Frank Leonhardt (Germany) as ICS Vice Chairmen for 2010/11, and Captain Dirk Fry (Cyprus) and Mr Carlos Salinas (Philippines) as ISF Vice Presidents.

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Ship Recycling

In May, in Geneva, ICS attended a meeting of the Basle Convention on the movement of transboundary waste, to reiterate the shipping industry's position that redundant ships are not covered by this Convention, but stressing the industry's commitment to the IMO Convention on Ship Recycling adopted in Hong Kong last year – see www.marisec.org/recycling.html

Virtual Navigation

In Cape Town, ICS participated at the Annual Conference of the International Association of Light House Authorities and Aids to Navigation (IALA). ICS is very pleased that IALA has confirmed its position that Virtual Aids to Navigation should not be seen as a cheap means of providing statutory services. 'V AtoN' should be treated a complement rather than a replacement to physical aids to navigation.

STCW Rest Hours

ISF members, who will be leading employer representation at the Diplomatic Conference on the revision of the IMO STCW Convention governing seafarers' competence standards (in Manila in June 2010) are unhappy about the draft STCW text on seafarers' rest hour regulations which would remove the flexibility contained in the current Convention (and similar ILO requirements) and which could have very serious consequences for safe operations without having any impact on fatigue. In the few weeks remaining before the STCW Conference it is vital that governments can be persuaded to understand ship operators' concerns.

ILO Maritime Labour Convention

The ILO Maritime Labour Convention is expected to enter into force within a year or so. However, there is serious concern about the differing interpretations being given to the MLC requirements by some classification societies which are at variance to what has been agreed at ILO. It is also important that regional port state control authorities develop inspection guidance consistent with what ILO has already agreed. To assist this process, in Dublin in May, ISF participated (as part of the ILO delegation) at the meeting of the Paris MOU Port State Control Committee.