



ISF NEWS

October 2011

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

Promoting Maritime Treaty Ratification

ICS and ISF have produced a new campaign brochure to reiterate the importance of maritime treaty ratification. The brochure is intended to help national shipowners' associations lobby their governments to support the global regulatory system that the industry requires. It provides updated information on the progress of a variety of instruments adopted by IMO, ILO and other United Nations bodies, and highlights those in need of additional ratifications as a matter of priority such as the IMO Ballast Water Management Convention, the IMO Ship Recycling Convention and the ILO Maritime Labour Convention. The brochure is available free via ICS/ISF associations or from www.ics-shipping.org.



ICS Welcomes IMO Agreement on CO₂

ICS has greatly welcomed the adoption by IMO of a package of technical regulations to help the shipping industry further reduce its CO₂ emissions on a global basis. The agreement in July clearly demonstrates that IMO is eminently capable of regulating shipping's CO₂ emissions and that, with the full support of the industry, IMO is ahead of the curve and well placed to supplement this with the development of Market Based Measures for shipping. The ICS Board, which met in September, reiterated the preference of the majority of the industry for an environmental compensation fund, to which any contributions by ships would be primarily linked to fuel consumption, rather than via an emissions trading scheme.

Now that IMO has adopted binding regulations that will enter into force in 2013, ICS hopes that this will be sufficient to dissuade governments from pursuing detailed CO₂ rules for shipping at the UNFCCC or through regional requirements, for example by the EU. Such alternative measures would only be likely to apply to a proportion of the world fleet and would therefore deliver far smaller total emission reductions than global measures agreed through IMO. Such alternative measures would also fundamentally upset the global level playing field that the shipping industry needs to carry world trade efficiently. ICS national associations will be lobbying their governments hard on these points, and in support of IMO, in advance of the next United Nations Climate Change Conference, in Durban in December.

ICS EEDI Recommendation

As a signal of good faith and commitment to the uniform global implementation of the IMO agreement on CO₂, ICS strongly recommends that all ships of a type for which the IMO Energy Efficiency Design Index (EEDI) has already been agreed should be delivered by shipyards with an EEDI - regardless of any flag State waiver that might be available for a limited time. ICS has considered the theoretical right of flag states to issue waivers to shipowners taking delivery of new ships (as agreed by IMO for political reasons in order to allay concerns amongst developing nations). In September, however, the ICS Board concluded that no responsible shipowner would want to order a new ship that is covered by the new IMO regulation without an EEDI, since this would almost certainly impact on its ability to trade.

It must be stressed that this recommendation only concerns new ships, and only concerns the EEDI adopted for those ship types covered by the amendments to MARPOL Annex VI that were agreed by IMO in July. IMO has not yet agreed an EEDI for a number of ship types, including ro-ros and smaller vessels. Nor has IMO agreed that the EEDI should be applied to existing vessels, which is still a very contentious issue.

BMP4

In conjunction with the military and IMO, international industry organisations, including ICS, have updated 'Best Management Practices for Protection against Somalia Based Piracy' (BMP4). Experience has demonstrated that strict adherence to Best Management Practices remains the single most effective means of passive defence for ships operating in the high risk area. ICS continues to urge all companies and ships to comply with the guidance in BMP 4 to the fullest extent possible, with particular emphasis on registration with the military prior to every passage. Printed copies are available free of charge via ICS associations or as a download from www.ics-shipping.org.

New ICS Offices

ICS has moved to bright new offices at 38 St Mary Axe, in the Baltic Exchange in the City of London. Our new contact details can be found overleaf.

Korea Visit

In September, ICS Secretary General, Peter Hinchliffe, made the keynote speech at a major conference on sustainable shipping held in Busan, Korea, sharing the platform with the Chairmen of the Korean and Japanese classification societies.

Inerting on Chemical Tankers

ICS played an active part at the recent meeting of the IMO Fire Protection Sub Committee, where an important decision was made with respect to the proposed new mandatory requirement for the inerting of chemical tankers. The new carriage requirements will now only apply to existing ships over 8,000 dwt. This is consistent with the ICS position that application of inerting to sub-5000 dwt tankers could be problematic. Subject to confirmation of this decision by the Maritime Safety Committee, this development will be addressed in a new edition of the ICS Tanker Safety Guide (Chemicals) which ICS intends to finalise next year.

New Zealand Anti-trust Rules

ICS has submitted comments to the New Zealand Productivity Commission, which is reviewing its anti-trust immunity for liner shipping. ICS has urged the New Zealand government to consider the benefits of harmonised practices permitted in other parts of the world, especially in the Asia – Pacific region. ICS also emphasised that any changes should be consistent with the new APEC Guidelines on Competition in liner shipping, which were greatly welcomed by ICS when they were formally adopted by APEC economies in June.

Seafarer's Medical Guidelines

In September, ISF led employer representation at a joint IMO/ILO meeting in Geneva that finalised revised international guidelines on medical examinations for seafarers, taking into account the requirements of the ILO MLC and STCW 2010. Details are available from national associations.

International Accounting Standards

Following the comments submitted by ICS and its members to the International Accounting Standards Board (IASB), advising it not to include time charters under a revised definition of leases for accounting purposes, the IASB has announced that it is extending the consultation period before finalising its decision.

California Sulphur Requirements

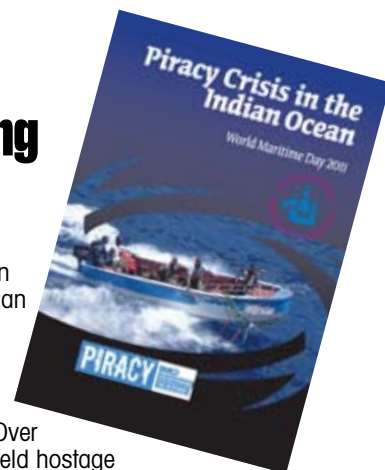
ICS has joined an industry *amicus curiae* brief to the US Supreme Court in support of the Pacific Merchant Shipping Association in its case against the California Air Resources Board and its application of low sulphur fuel requirements 24 nautical miles beyond the California coast. The industry believes that this unilateral requirement conflicts with federal jurisdiction and MARPOL Annex VI.

Ports and Climate Change

In September, ICS participated at a special meeting organised by the United Nations Committee on Trade and Development (UNCTAD) in Geneva, to explore how the world's sea ports might adapt to the threat of climate change, such as rising sea levels and more frequent severe weather. ICS suggested that funds for the adaptation of ports in developing nations to address the effects of climate change might be provided by a proposed IMO environmental compensation fund, which ICS supports in preference to emission trading schemes.

Piracy – IMO Orchestrating the Response

To mark the occasion of IMO World Maritime Day and this year's chosen theme of the piracy crisis in the Indian Ocean, ICS has produced a special brochure to reiterate the urgent need for governments to do more to protect merchant shipping from being attacked by Somali pirates. Over 3,000 seafarers have so far been held hostage for ransom, with up to 60 having lost their lives. Copies are available via national associations or www.ics-shipping.org.



OECD Shipbuilding Discussions

In Paris, at an OECD workshop on 'Green Growth in Shipbuilding', ICS recently made a presentation on 'Preparing for Implementation of the Hong Kong Convention on Ship-Recycling'.

International Shipping Conference

In London, in September, ICS and ISF held their first two day International Shipping Conference. The event - which is organised by the industry for the industry - was a success with excellent attendance and will be held again next year. Keynote speakers included the IMO Secretary-General, the ITF General Secretary and the EUNAVFOR Chief of Staff.

Maritime Cyprus

In early October, in the presence of the President of Cyprus, ICS Chairman, Spyros M Polemis shared a platform with the IMO Secretary-General to discuss the piracy crisis in the Indian Ocean at the important Maritime Cyprus Conference.

Facilitation of Shore Leave

ICS represented shipowners at the IMO Facilitation Committee in September and participated in its general review of the FAL Convention. ICS is resisting proposed revisions to the Convention suggested by immigration authorities on shore leave, and visa data submission requirements for passenger ships, which undermine the spirit of ILO Convention 185.

STOP PRESS

ISF Ratings Training Book

ICS is about to publish a new On Board Training Record Book for Deck Ratings which takes into account the 2010 amendments to STCW Convention, including additional competence standards for the new grade of Able Seafarer Deck.

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