

Understanding STCW 2010

ISF has produced a special brochure for seafarers explaining the implications of the 'Manila Amendments' to the STCW Convention.

The brochure, which is being distributed to seafarers via national shipowners' associations, has been issued to coincide with the first IMO 'Day of the Seafarer' which was dedicated by IMO governments in recognition of the unique contribution that seafarers make to international trade. 25 June marked the first anniversary of the adoption of STCW 2010, which will start to come into effect from January 2012. The new ISF brochure, entitled *Manila Amendments to the STCW Convention; A Quick Guide for Seafarers*, is an easy to follow overview, intended to explain the main impacts of the changes to the Convention to the seafarers this will affect.

The brochure is available to download free from www.marisec.org/resources.htm



ILO Minimum Wage

ISF members have agreed to a revision of the recommended International Labour Organization (ILO) minimum wage for Able Seafarers. Under the auspices of the ILO Joint Maritime Commission (JMC), employers' representatives, co-ordinated by ISF, have met with seafarers' representatives co-ordinated by the International Transport Workers' Federation (ITF) in Geneva. From 1 January 2012, the ILO minimum will increase to US\$ 555 a month basic wage from its current level of US\$ 545, increasing to US\$ 568 in January 2013 and US\$ 585 on 31 December 2013. However, the value of the ILO minimum is far greater when overtime and other benefits are also included.

New IMO Secretary-General

ICS greatly welcomes the election, by the IMO Council in June, of Mr Koji Sekimizu (Japan) as the new IMO Secretary-General, who will take up his post on 31 December when Mr Efthimios Mitropoulos (Greece) stands down. ICS already works closely with Mr Sekimizu in his capacity as Director of the Maritime Safety Committee, and values the continuity that is represented by his appointment and his commitment to IMO principles.

ICS/ISF Conference Book Now!

On 14 and 15 September in London, ICS and ISF will be holding a 2 day International Shipping Conference.

Keynote speakers include the IMO Secretary - General, the Commander of EUNAVFOR, the ITF General Secretary and Arctic explorer Pen Hadow. Topics include piracy, safety, emissions reduction, regulatory developments and manpower issues.

For the full programme and booking form see www.marisec.org/conference.pdf

CO₂ Measures - Every Vote Will Count

In July, ICS will be representing the global shipping industry at a crucial meeting of the IMO Marine Environment Protection Committee which will be voting on the adoption of a package of technical and operational measures to help shipping deliver meaningful CO₂ emissions reductions on a global basis.

Most importantly the proposed amendments to MARPOL Annex VI include the Energy Efficiency Design Index (EEDI) and the use of Ship Energy Efficiency Management Plans (SEEMP).

Every vote will count. Some developing countries - in ICS's view mistakenly - are concerned that a positive IMO decision on technical measures, that will apply to all ships equally, regardless of flag, might somehow prejudice their positions at the high level UN Climate Change negotiations. But any failure to agree at IMO will make discussions on the reduction of shipping's emissions far more difficult. As well as being bad for the environment, a 'no' vote will threaten the 'level playing

field' in international shipping with the risk of very serious market distortions.

Agreement at IMO will be vital to maintain the principle of global rules for a global industry, which cannot be guaranteed if emission reduction measures are left entirely to the high level climate change talks at UNFCCC, or if unilateral action is taken by the European Commission, which will be the likely result if agreement is not reached by governments at IMO next week.

A 'yes' vote on technical measures will also make the subsequent development, by IMO, of so called 'Market Based Measures' far more attainable. MBMs are expected to provide a means whereby shipping can make a significant financial contribution to environmental projects in developing countries - satisfying the UNFCCC principle of 'Common But Differentiated Responsibility', something which is important to developing countries.

Piracy Crisis

The piracy crisis in the Indian Ocean continues to worsen, with ships being attacked on a daily basis and hundreds of seafarers being held hostage for ransom by violent Somali pirates.

ICS national shipowners' associations have agreed that the military needs to be given a firm mandate to immobilise the hijacked vessels that are being used by the pirates as 'motherships' to attack other shipping throughout the Indian Ocean, in order to push back the incidence of attacks towards the Somali coast and away from international shipping lanes. The military could also provide better information to shipping about the location of the motherships.

ICS members are extremely critical of the lack of domestic legislation in many nations, including any offence of 'intent to commit piracy' which has led to the absurd situation that pirates who are captured by military forces are often released back to Somalia.

ICS has confirmed its decision that the use of private armed guards by shipping companies needs to be acknowledged. As a matter of urgency IMO must finalise guidance to flag states on this critical issue, since the only alternative facing many companies is to avoid the pirate danger area completely. Diverging ships will have serious geopolitical implications and greatly damage the economies in the region.

ICS Opposes Emissions Trading

ICS has decided that if Market Based Measures to reduce CO₂ emissions are developed by governments then the international industry has a definite preference for a mechanism that is levy/compensation fund-based rather than any emissions trading scheme.

ICS national associations have agreed that a levy-based system is the one that most shipping companies can live with in order to ensure a level playing field and the avoidance of serious market distortion. ICS believes that a levy-based system will be simpler to manage and more transparent. The shipping industry has an instinctive dislike of unnecessary complication which ICS believes will be the result of a system based on emissions trading. In particular, the incorporation of international shipping into the EU ETS is most definitely not suitable for international shipping and is strongly opposed by ICS.

Transport Ministers Conference

On behalf of the global shipping industry, ICS Board member, Michael Parker (who is also President of the UK Chamber of Shipping) addressed Transport Ministers from around the world at the OECD International Transport Forum, in Leipzig, Germany. ICS briefed Transport Ministers from Europe, the Americas and Asia on the seriousness of the Somali piracy crisis, the importance of IMO and global shipping regulation, and the priorities of shipping to be safe, clean and efficient.

Accounting Standards

ICS is liaising with the International Accounting Standards Board (IASB) about its proposals to overhaul international accounting rules. There is particular concern amongst shipping companies about the lack of precision in the proposals with regard to the definition of leases. This could give rise to an interpretation that 'time charters' and other contracts governing operational arrangements utilised by ship operating companies fall within the IASB definition. ICS believes that such arrangements should not be treated as financial leases for accounting purposes, since they are more in the nature of transportation service contracts.

Merger of ICS and ISF

National shipowners' associations have taken the important decision to integrate fully the ICS and ISF organisations so that they will be governed under a single Board. The new organisation is still called the International Chamber of Shipping, and the International Shipping Federation will be maintained as a separate identity for employment affairs issues. These changes will make ICS and its member national shipowners' associations even more effective as the representatives of the global shipping industry.

Ship Recycling

ICS has welcomed the decision by the European Commission to support ratification of the IMO Convention for the Safe and Environmentally Sound Recycling of Ships, rather than seek to make redundant ships comply with the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes, which ICS has always argued does not apply to ship recycling. Meanwhile, ICS continues to promote the industry *Guidelines on Transitional Measures for Shipowners Selling Ships for Re-cycling*. Thousands of copies have been distributed, which are specifically intended to help improve safety and environmental conditions in recycling yards in advance of the entry into force of the IMO Convention - see www.marisec.org/resources.htm

E Navigation

In July, ICS hosted a workshop on e-navigation issues. While welcoming the potential of e-navigation for improving navigational safety, ICS continues to emphasise the need for a 'user focused' approach, so that e-navigation is not driven solely by ideas from equipment manufacturers or the availability of new technology. ICS is currently engaged in detailed discussions at IMO about the implementation of its e-navigation strategy, including user needs and services, and the technical specifications of various shipboard devices.

Philippines Joins ICS

The Filipino Shipowners' Association (FSA), a long standing member of ISF, has become the latest national shipowners' association to become a full member of ICS.

ICS Meets with CSG

The Consultative Shipping Group (CSG) comprises the heads of maritime administrations from those major shipping nations that are committed to open markets, and provides a forum for the discussion of trade and policy issues. In June, ICS organised a policy seminar for CSG members in Brussels, in order to discuss market developments and reiterate the benefits of tonnage tax regimes.

Any of the items above may be reproduced provided mention is made of ICS/ISF.



Published by Maritime International Secretariat Services Ltd (Marisec)
12 Carthusian Street, London EC1M 6EZ Tel +44 20 7417 8844
E-mail post@marisec.org www.marisec.org
ICS/ISF News contact simon.bennett@marisec.org

Annual Review

ICS has published its *Annual Review 2011*, a concise but comprehensive analysis of current maritime developments. Copies can be obtained free of charge via national shipowners' associations, or downloaded from www.marisec.org



ICS Elections

At the ICS Annual Meeting, hosted by the German Shipowners' Association in Hamburg, Mr. Frank Leonhardt (Germany), Mr. Trygve Seglem (Norway), Captain Dirk Fry (Cyprus) and Mr. Gerardo Borremeo (Philippines) were elected as Vice-Chairmen of the new integrated ICS Board of Directors for 2011/2012. Mr. Spyros M. Polemis (Greece) continues to serve as Chairman of the new integrated ICS association.

Japan Anti Trust Rules

ICS has welcomed the decision by Japan to maintain its antitrust immunity system for carrier agreements, at least until 2015. In particular, Japan has concluded that the EU's repeal of its antitrust immunity for the liner industry has led to increased volatility of freight rates in European trades and a rise in surcharges levied.