International Chamber of Shipping Conference, Keynote address

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Keynote address

Kitack Lim, MO Secretary-General

Ladies and gentlemen,

First let me congratulate Mr. Poulsson on his recent election as Chairman of ICS. Mr. Poulsson, you are now the incumbent of one of the most influential yet challenging roles in global shipping. Congratulations! I wish you every success and look forward to many years of fruitful collaboration between us and our organizations.

Let me also thank you for making the importance of a universal regulatory regime for international shipping, developed by IMO, a central theme of your maiden speech. Needless to say, I totally agree with you. As you said in your opening remarks, how can you have a situation where different rules apply at each end of a ship’s voyage? It makes no sense.

I am greatly encouraged that ICS continues to be a strong supporter of IMO. As you said, the industry and the IMO Member States do not always agree; but that is no bad thing. No one should be able to say that we are in each other’s pockets.

Finding consensus from disagreement, through a process of discussion, is one of the great strengths of IMO. All our Member States have an equal say in the process. Large or small, developed or developing, at IMO, all have the same voice.

In this process, it is vital that IMO takes time to listen to its stakeholders, particularly those who are affected by our regulations or who are responsible for implementing them. Shipowners and ship operators are vital collaborators for IMO. We need to ensure that any challenges in implementation can be addressed before they turn into problems – and your input is vital in this respect.

Over several decades, there has been a steady downward trend in maritime casualties. This is a very good indication that, together, IMO and the industry have been successful in working towards our common objectives - that this vital industry is safe, environmentally sound, energy-efficient and secure.

Yet we continue to look for further improvements.

Some of the key areas that we are currently addressing, for example, include:

• reducing harmful emissions from ships;
• developing goal-based standards for vessel construction;
• passenger vessel safety – both the giant modern cruise ships of today and the domestic ferries;
• implementing the Ballast Water Management Convention;
• the application of the Polar Code, which becomes mandatory from the beginning of next year;
• the development of e-navigation, and
• the continuing efforts to address security, piracy and other maritime crime.

Let me talk about one or two of these issues in more detail.

As your programme for this event acknowledges, addressing global warming and climate change is one of today’s most urgent challenges - not just for shipping but for the whole world.

The collective will shown by global leaders during COP 21 in Paris last December and the subsequent signing ceremony in New York in April this year was very encouraging. And this has been reinforced by the recent announcements by the United States and China.

But, from shipping’s perspective, this is a particularly difficult challenge. Shipping is not a country, it is an industry. Finding an effective way to allocate emissions is not straightforward. Ships can move between different flags as easily as they can sail between different countries.

We have, of course, been actively tackling this matter from the technical and operational perspectives. As you know, in 2011, IMO adopted the Energy Efficiency Design Index (EEDI) and the Ship Energy Efficiency Management Plan (SEEMP) - the first-ever mandatory global regime for improving energy efficiency across an entire industry sector.

More recently, in April this year, IMO approved mandatory requirements for ships to record and report their fuel consumption. This is another significant achievement - the first in a three-step approach in which analysis of the data collected will provide the basis for informed decisions to be made on what, if any, further measures are needed.

Of course, none of this addresses growth in overall demand for shipping. Like any market-based activity, shipping will respond to the demands made of it.

Consumers easily forget that it is their consumption patterns which dictate world trade – what goods are shipped, how much is shipped, where it is shipped to, and at what cost – both economic and environmental.

This is a fundamental issue and it cannot be addressed by shipping alone.

With regard to ballast water, we will soon be entering the next chapter of a story which began when the Ballast Water Convention was adopted in 2004.

The entry-into-force criteria for the Convention are very close to being met and there is every likelihood that this will happen sooner rather than later. Already a huge amount has been done to allay concerns about issues like a lack of suitable equipment, or a lack of guidance for the uniform implementation of the Convention. And the so-called “road map” has been agreed to ensure that “early adopters” are not penalised once the Convention enters into force.

Once it is in force, and being properly implemented, this Convention will provide a strong response to what has long been recognized as one of the biggest threats to the marine environment.

Ladies and gentlemen, as Secretary-General of IMO, one of my key roles is to develop a vision and the associated strategies to support the decision-making process of the Organization’s Member States.
One thing is clear: with the regulatory framework for shipping now very comprehensive, we will see an increasing emphasis in the future on implementation and capacity building. These two go hand-in-hand, and are particularly important if developing countries are to participate fully in maritime activities.

Communication is one of the most valuable tools we have in this respect. By sharing our thoughts, our experiences, our problems and our successes – this is how we make progress.

And it's not just about telling – it's about listening, too. I want to listen to and learn from people who are affected in their daily lives by the work that IMO does; and that will help me, when I am speaking to the policymakers and decision-takers, to emphasize the real importance, to them and their constituents, of shipping and maritime activity.

I think this is something that we in shipping instinctively understand. But we also need quality data to back up what we know to be true.

To some extent, we are awash with data. We collect it through our Global Integrated Shipping Information System, or GISIS, and from many other sources, including reports and documents submitted to us by Member States, by the industry and by many other bodies and organizations.

But we need to analyse and utilise that data in a much better and more systematic way, and this will be one of my priorities as Secretary-General.

I strongly believe in decision-making based on detailed analysis of real data, and I will look to strengthen IMO's ability to support its Members States in that respect.

I am, for example, particularly interested in looking more closely at casualty information and ensuring we conduct proper analysis of the causes of accidents to help create better regulations, and possibly predict areas where action will need to be taken in the future.

Ladies and gentlemen, I have said many times that shipping and related maritime activities are essential components of future sustainable growth for the earth’s 7 billion-plus inhabitants. But the search for growth in this sector – blue growth – is a balancing act. The overall health of the seas and oceans themselves is clearly a cause for concern.

Collaboration within and across different sectors is vital. An integrated approach, with a long-term focus – that responds to the world’s resource, climate and environmental challenges – is essential. As a maritime community, we need to ensure that growth is coordinated and planned, with input from all relevant stakeholders, and that opportunities for synergy are identified and taken.

I believe that IMO is the place to integrate maritime policies on a global scale. Indeed, based on a far-reaching process to identify the trends, developments and challenges (or “TDCs”) facing the Organization and the maritime community, IMO is developing a new strategic framework for the 2018-2023 period.

IMO represents the collective views and decisions of its 171 Member governments; and they represent the billions of ordinary people, all over the world, whose prosperity, well-being and, in some cases, survival, depend on shipping.

So, an overarching objective for IMO is to ensure that these people can continue to enjoy the benefits of shipping - and in a manner that meets modern expectations about safety, environmental protection and so
I get a strong sense that shipowners understand that, and are generally supportive – even though their immediate priorities may, from time to time, be different from those of the Organization.

Your programme for today’s meeting covers some weighty and important issues and I will therefore take up no more of your time. I wish you a successful event and look forward to your conclusions being reflected in future debates at IMO.

As I said when standing for election as Secretary-General, I am keen that IMO, its Member States and the industry should embark on a voyage together: if we can do that, I think your industry can be well placed to emerge stronger from its current difficulties and effectively meet future global demand.

Thank you.