



International Chamber  
of Shipping  
1921 - 1996

# International Chamber of Shipping

## A Commemorative Publication

75 Years Representing the  
International Shipping Industry

# 1921-1996



Carthusian Court  
12 Carthusian Street  
London EC1M 6EB

Telephone: +44 171 417 8844  
Fax: +44 171 417 8877

The International Chamber of Shipping is the shipping industry's principal international organisation.

Established in 1921 and assuming its current title in 1948, its members comprise national shipowners' associations and shipping companies together representing half of the world's tonnage.

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40 BOWLING GREEN LANE

LONDON, EC1R 0NE

TEL: +44 (0)171 278 0333

FAX: +44 (0)171 837 6135

## ON BEHALF OF

INTERNATIONAL CHAMBER OF  
SHIPPING

CARTHUSIAN COURT

12 CARTHUSIAN STREET

LONDON, EC1M 6EB

TEL: +44 (0)171 417 8844

FAX: +44 (0)171 417 8877



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**PUBLISHER**  
**CHARLES GREGORIOU**

**ICS EDITORIAL TEAM**  
**CHRIS HORROCKS**  
**SIMON BENNETT**  
**JEREMY AYRE**  
**SHANTEL COSTEN**

**EDITOR**  
**MARK HARRINGTON**

**PRODUCTION MANAGER**  
**MARIANNE GRIFFITHS**

**PRODUCTION**  
**AURIOL DE STACPOOLE**  
**MEG LAWRENCE**  
**HELEN TIPPER**  
**PETER HALL**

**TYPESETTING & COLOUR**  
**REPRODUCTION**  
**FASTPOINT COLOUR GRAPHICS,**  
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# A WORD FROM THE CHAIRMAN



It is with great pleasure that I introduce this special publication commemorating the 75th anniversary of the International Chamber of Shipping (ICS). Since its formation in 1921, ICS has acted as the principal international trade association for shipowners, representing the interests of ship operators worldwide at the international level, not least at the International Maritime Organization (IMO), the specialist United Nations agency with responsibility for maritime safety and pollution prevention.

ICS was the first non-governmental organisation to be granted consultative status at IMO (then called IMCO) in 1961 and since then has been a dedicated contributor to IMO discussions. It is therefore especially fitting that not only has the current IMO Secretary General, Mr William O'Neil, contributed to this publication, but so has one of his predecessors, Sir Colin Goad.

The unique, comprehensive influence of ICS on international maritime policy making derives in no small part from its national shipowners' association membership. This allows ICS to develop constructive consensus from national as distinct from individual shipping company viewpoints, and to present a cohesive international industry opinion in the course of debate with maritime policy-makers. The membership of ICS currently comprises 42 shipowners' associations from 37 countries, many of which are active in the day-to-day work of ICS through its structure of committees and expert panels. This structure is vital to the work of ICS and ensures that all sectors of the industry are effectively served and properly represented.

Over the years ICS has developed close relationships with a range of maritime organisations and institutions, both governmental and non-governmental. It has established a strong professional reputation as the shipping industry's spokesman on many operational, legal and commercial issues and has become the focal point for the co-ordination of the industry's views on such matters.

Looking ahead, the industry must as always expect, an uncertain business environment. Some problems seem to be endemic, and it should perhaps be no surprise that many of the issues with which ICS is currently preoccupied are very similar to those discussed by industry delegates to the first International Shipping Conference in 1921. Prominent today, as it was 75 years ago, is the objective of ICS that shipping, which is inherently international, should be subject to an international legislative regime that is the product of reason rather than emotion, and is applied uniformly throughout the globe. The alternative is a confusion of differing national rules and regulations, to the detriment of maritime safety and commercial efficiency alike.

However, real progress has been made, and the occasion of this 75th anniversary gives me the opportunity to thank all those individuals and organisations whose help and good intent have been so important to the success of ICS in its contribution to international maritime decision making.

"Profit with Safety" is the concept that I have personally advocated during my tenure as ICS Chairman. It is also a theme that has consistently underwritten the activities of ICS since its formation 75 years ago and will, I am sure, be the key to promoting a safe and efficient shipping industry for many years to come.

A handwritten signature in black ink, appearing to read 'Juan H. Kelly'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Juan H. Kelly, CBE  
Chairman

# A CALL FOR FURTHER ACTION

## International Maritime Organization



*William O'Neil, Secretary General  
International Maritime Organization*

When IMO met for the first time in 1959 it had an important mandate - to improve the safety of international shipping. Since then its responsibilities have grown to include such matters as the prevention of marine pollution from ships, the development of measures dealing with liability and compensation, reducing red tape and many others.

In dealing with these matters IMO is dependent on the expertise of those who attend its meetings. These include the delegates of the

153 countries that are now Members of IMO but they also include the representatives of 95 intergovernmental organisations who regularly attend our meetings. Among them are the representatives of the International Chamber of Shipping, which has had consultative status with IMO since 1961.

ICS has a very important role within the IMO forum. Whatever decisions are made by IMO are almost always bound to have an impact on the shipowners who form the ICS membership. This means that ICS has to make sure that the shipowners' views are always heard and taken into account. But at the same time, virtually no organisation is in a better position to make the IMO view known to the industry.

Over the years ICS has combined both roles with skill and enthusiasm and has become one of the most valued members

of the IMO forum. But I would not wish this message to be seen simply as a tribute - I would prefer to use it as an opportunity to call for further action.

For although a great deal has been achieved during the last 36 years, shipping safety is still a major concern and

in practice nobody has a more direct responsibility for shipping safety than the people who own the ships - including the members of ICS. Most of them do an excellent job and are rightly proud of their high standards. But there is no doubt that standards do vary and that

some owners care more about safety than others.

This attitude needs to be changed. I believe that we need to make safety and the protection of the environment part of the culture of shipping. They must be made priorities, not afterthoughts.

That depends very

much on people and their determination and sense of commitment. IMO has recently provided some extra tools in the shape of the International Safety Management (ISM) Code, the revised International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW) and other initiatives. But they need to be implemented.

Managers have to be trained in using the ISM Code. Seafarers have to be trained to meet the strict new standards of the revised STCW Convention. I believe that nobody is more aware of the importance of quality than the members of ICS. I also believe that no one is in a better position to ensure it. ICS has done a great deal in its first 75 years - but the next decade or so could be even more challenging for ICS than all it has achieved so far. ■



*International Maritime Organization Headquarters*

the oceans are far from clean - and much of that pollution comes from ships. Thirty years ago observers could have said that this was due to the lack of international laws regulating shipping, but that is no longer the case. IMO has adopted more than 40 different treaties and most of them are in force. Some now cover more than 98% of world shipping - yet accidents still happen. If the laws exist, then the reason can only be that they are not being properly enforced.

IMO is fully aware of this and for many years has been emphasising the importance of implementing the measures which have been adopted under its auspices. This is legally the responsibility of governments, who undertake to make IMO measures part of their own national law when they accept them.

But although this is the legal position,

# 75 YEARS OF SERVING THE INDUSTRY

## Plus Ça Change...



*Chris Horrocks, Secretary General,  
International Chamber of Shipping*

Seventy-five years is perhaps no great age: little more than the Biblical life-span of three score years and ten, and insignificant in terms of the history of international maritime commerce.

But seventy-five years is a respectable enough achievement for an international trade association, and if nothing else it provides an excuse to look at events past, present and future, and to reflect on where we have come from and where we may be going.

Shipping in 1996 is very different from the industry I joined in 1969. At that time the industry was buoyant, a ship's nationality was identified by the flag it flew and the origin of its seafarers, the first oil crisis was still four years away and the future seemed rosy. Today much has changed. For many ships there is only a tenuous connection between the country of ownership, the country of management, the country of registration and the nationality of the seafarers. The structure of shipping has changed - a reflection of the international nature of the

membership of ICS have learned this harsh fact only too clearly over the years, and ICS too has had to become more

Rules, sub-division of passenger vessels, life-saving appliances, taxation of shipping in foreign ports, safety of life at sea,

*“Yet in a sea of change there is a surprising degree of constancy”*

professional, more efficient and more attuned to its members' needs.

Yet in a sea of change there is a surprising degree of constancy. Whatever upheavals there may have been in shipping, the object of the merchant fleet remains to carry goods and passengers safely and economically. The pressures on the industry may vary in intensity from year to year, but as its representative voice the objectives of ICS remain essentially the same: to protect and promote its members' interests and, to that end, to encourage the right balance between a proper degree of regulation and control and the freedom to operate without unnecessary restriction.

collision regulations, oil discharge and clean bills of lading. After reading some of the interventions one wonders if anything has happened at all during those seventy-five years.

Even the first delegates lists have a comfortable air of familiarity about them. A Danish delegation including one A.P. Møller Esq.; a Hudig and a Van Ommeren among the Netherlands' representatives; the Italian delegation led by Professore Francesco Berlingieri; a Norwegian team containing the names Westfal-Larsen, Brøvig, Fearnley and Klaveness; Dan Broström and Gunnar Carlsson leading the Swedish delegation; and a full cricket team of Knights of the Realm on the UK delegation.

Would they have recognised the ICS of today? I think they would, just as today we recognise the sentiments of Mr. Dirk Hudig who, speaking at the closing dinner of the 1926 meeting, received loud applause for his remarks about the value of international co-operation in shipping.

For it is that, ultimately, which provides the *raison d'être* for ICS, and which explains the continuing commitment of its members after 75 years. And it is that which makes me confident that ICS - or something very like it - will still have a comparable role to play 75 years from now. ■

*“Even the first delegates lists have a comfortable air of familiarity about them”*

industry in a world in which trade barriers have fallen and market forces dominate.

A trade association has to adapt to change if it is to survive. The national shipowners' associations which form the

It is fascinating to reflect upon the early meetings of ICS in the 1920s and to look at the issues that brought people across the world, by ship of course, to spend several days of discussion in London: maritime liens and mortgages, the Hague

# ICS Past and Present

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## A Historical Overview

**T**he International Chamber of Shipping (ICS) is the international trade association for shipowners, representing the collective views of the international shipping industry from different backgrounds, nations, sectors and trades. ICS, the world's principal shipowner organisation, embraces more than half the world's merchant fleet.

ICS was founded in 1921 as the International Shipping Conference. Following the Great War, the world embarked on a new course of international co-operation; 1919 witnessed the foundation of the League of Nations, the idealistic predecessor of the United Nations, and there was a new recognition - albeit soon to be aborted - that solutions to differences over national economic policy had to be found without recourse to military force.

Today, in many developed countries at least, shipping is perhaps no longer predominant in the public consciousness. However, in the 1920s shipping was still universally viewed as a vital and integral part of any expanding economy.

Possession of a large national fleet represented control of the seaways, and control of the seaways meant control of international trade. Indeed, one of President Wilson's famous Ten Points, which formed the basis of the 1919 peace negotiations, was that the vessels of all nations should be entitled to freedom of the high seas. It was certainly no coincidence that the United Kingdom, which was still the most powerful nation on earth, was in possession of the world's largest merchant shipping fleet.

It was in this atmosphere that ICS was

founded. Shipowners, by coming together in such an organisation, recognised that an association of this kind was necessary given the growth in the tendency towards a co-operative approach, both in the national and international arenas. It was felt that an international body, fully representative of shipowners, and able to count on the assistance of technical experts, should be assembled - not only to give expression to the views of the industry on matters of international law and procedure, but also to deal with the many technical questions involving ship construction, safety and management which lay outside the spheres of strictly legal considerations and ordinary commercial practice.

There were of course other international bodies in existence at that time to provide a service to the industry. The Comité Maritime International (CMI) and the International Law Association had provided the means for discussion and settlement internationally of many maritime questions. The Baltic & White Sea Conference, in due course to become BIMCO, was already established in Copenhagen. But these fora did not provide the worldwide consultative function between shipowner and shipowner that international shipping interests were already demanding.

There had been some international consultation between shipowners before the First World War, noticeably that which led to the "Convention of London", dealing with a variety of subjects which had resulted from the Titanic disaster in 1912. By 1921, this Convention needed revision and so it was not surprising that several of its provisions found their way on to the

agenda of the first meeting of the International Shipping Conference. This was held in November 1921 at the Hotel Victoria in London. The meeting proved constructive in that it laid down broad principles regarding such questions as subdivision, life-saving appliances, wireless and carriage of deck cargoes. It also established a good atmosphere between the shipowners of the nations represented (14 in all), which was illustrated by the steady progress through an agenda which included many controversial topics.

In the years following its establishment, the responsibilities of the International Shipping Conference grew. It was represented at a number of international conferences called by governments, at the League of Nations' Conference on the Maritime Ports Convention and at the World Economic Conferences of 1927 and 1933.

Activities were suspended during the Second World War, but the Conference was reconvened in 1947. This first post-war meeting was primarily concerned with the re-establishment of the organisation and in that regard, for the first time in its history, it laid down definite rules of membership which excluded shipping under any flag which was owned or effectively operated by governments opposed to free enterprise. In 1948 it was decided that the organisation should change its name to the International Chamber of Shipping, the reason being that in some quarters the functions of the Conference were being confused and associated with those of the major liner conferences.

Up to this date there had been no regular meetings of the organisation. Meetings were called as and when

required. With the growth of governmental interest in industry generally, and in shipping particularly, the need for regular meetings became apparent. It was also desirable to lay down a Constitution and this was done in 1950 when ICS was defined as a 'voluntary association of national organisations founded on the basis of private enterprise and representing shipowners in various countries'. Twenty years later the Constitution was amended to reflect changing circumstances, and 'private enterprise' gave way to 'free enterprise'.

Today, the membership of ICS comprises national shipowners' associations from 32 countries, and the organisation is serviced by an international secretariat based in London. The fact that ICS consists of national shipowners' associations makes it pre-eminent amongst the industry's organisations and facilitates the formulation of an international consensus from national rather than individual company viewpoints. This arguably gives ICS an advantage in that its views are more likely, so far as it is possible, to be genuinely representative of the industry as a whole rather than of simply the more influential operators.

As the membership of ICS has grown, it has expanded from being a body representing the interests of the traditional maritime countries alone to a much more broadly-based organisation, comprising representatives from a number of developing nations. Indeed, the current membership of ICS reflects modern patterns of ship ownership and flag registration, with most national associations now embracing foreign as well as national flag tonnage. Yet the Articles of ICS, substantially recast when it became a limited company in 1989, still contain a free enterprise criterion among the conditions for membership. Thus, the companies that form the national associations that wish to belong to ICS must be committed to operating their vessels on a normal commercial basis. So, for many years, relations with the former Soviet Union were on 'an arms length' basis, its representatives participating in the work of

ICS committees with co-opted status. With the recent monumental changes that have occurred in the former Eastern Bloc, membership has expanded to include shipowner associations from the Russian Federation and Croatia, and ICS membership is predicted to broaden further in the years to come.

The *raison d'être* of ICS today has to be seen in the context of modern inter-governmental mechanisms for developing international maritime regulations and the foundation of the International Maritime Organization (IMO), the United Nations agency for the protection of the safety of life at sea and protection of the marine environment, in 1959. ICS was the first non-governmental organisation to be granted observer status at IMO (then IMCO) in 1961, and for the past 35 years ICS has continued to be recognised as the principal representative of international shipowners at IMO debates.

The main function of ICS is to represent the industry's views to inter-governmental organisations, national governments and other organisations that impact upon shipping, as appropriate, and to provide a forum in which the different national and sectoral views of shipowners can be reconciled and formulated into policies which can be communicated and represented effectively. At one level, ICS has to strive for agreement among owners from many different countries with, perhaps, strongly different views. At another, it may have to reconcile a conflict between different sectors - a proposed industry position that is in the interests of containership operators may be detrimental to the interests of the general cargo ships. Similarly, the shipping arms of the oil majors may not always see eye to eye with the independent oil tanker operators. Such differences of view need to be moulded into a consensus if a coherent industry position is to be adopted which will have any impact on those responsible for framing maritime regulations. ICS, through its structure of committees, comprising association and shipping company

experts, is uniquely in a position to produce such a consensus, and reconcile different views with impartiality and objectivity.

Today, ICS is heavily involved in a wide variety of areas. The focus of ICS activity continues to be heavily influenced by the IMO work programme, from legal questions to port state control, from oil tanker design to survey requirements, from the safety of ro-ro ferries to bulk carrier operations.

ICS is also active in other inter-governmental fora: the World Customs Organisation, the International Telecommunication Union, the United Nations Conference on Trade and Development, the International Organisation for Standardisation (ISO) and the like.

However, the role of ICS is not merely to react to new maritime legislation. ICS also has an essential role in encouraging improvements to the quality of ship operations and raising the standard of safety and environmental performance. For example, ICS has been engaged in discussions with the classification societies and the insurance market about means of discriminating in favour of quality tonnage.

ICS remains committed to the principle of maritime regulation being formulated at an international level, specifically at IMO, with which ICS has now enjoyed a constructive relationship stretching over 35 years. Shipping is by nature international: the regulations that apply to a ship when it sails from Buenos Aires must apply equally when it arrives in Brisbane. The alternative to an international system of shipping legislation would be a chaotic web of local rules and regulations that would result in commercial distortions and mass economic inefficiencies.

A sound, well-considered regulatory environment in which well-run ships can operate efficiently and safely remains the goal of the International Chamber of Shipping in 1996 as much as it was for the International Shipping Conference in 1921. It is an objective worth fighting for. ■

# LOOKING TO THE FUTURE

## The age of uncertainty

Any prudent soothsayer scatters his predictions with a plethora of caveats and qualifications. Who 10 years ago could have foreseen the dismantling of the Berlin Wall, the possibility of even more serious shipping recession or the advent of OPA 90, all of which have had profound implications for shipping during the early 1990s.

If anything, the task of prediction is even harder now than it was 10 years ago. Historians of the third millennium will label the mid 1990s the 'age of uncertainty'. This description is perhaps equally appropriate to the shipping industry today, as current political and economic uncertainties are inextricably linked with the industry's fortunes. However, it is important that the shipping industry is sufficiently robust to withstand the inevitable market fluctuations that will confront it.

Given that the carriage of goods by sea is a pillar of world trade, the industry's future prosperity is clearly dependent on the continuing recovery from near global recession, which in some areas remains somewhat patchy. In addition, significant doubts remain about the prospects for sustained and healthy trade to China and Russia, the boom economies of South East Asia may yet overheat and large parts of the Third World are in a state of crisis or near collapse.

Amid this uncertainty, one very positive development is the establishment of the new World Trade Organization following the protracted conclusion two years ago of the General Agreement on Tariffs and Trade (GATT). Much will depend on

trade relations between the US and Japan - and there is still a real danger of the world dividing into protectionist trading blocs. Disturbingly, the simultaneous conclusion of the new General Agreement on Trade and Services (GATS) may yet allow governments to continue to protect industries such as shipping which would otherwise be unable to compete in open markets.

There are other causes for concern about the future. The world already has a sufficiently large fleet (indeed, in some sectors it is oversupplied), and sufficient ship building capacity, yet there are worrying plans for speculative expansion, particularly in South Korea.

Shipping still barely meets its operating costs, which continue to rise steadily. Bulk carriers currently earn on average perhaps only 65% of the pure costs of newly built vessels. In the tanker sector, the situation is even worse, with Aframax and Suezmax tankers and VLCCs only earning 50% of newbuilding costs on average.

Yet, incredibly, the number of banks operating in the ship finance sector has almost doubled in the last three years. Despite a lack of borrowers with convincing projects, a huge amount of credit appears to be available. Any future prosperity, therefore, may well be overclouded by investors repeating the mistakes of the past two decades and failing to recognise that no matter how low the price of a newbuilding, extra tonnage is nothing but a drain on resources if there is no demand for it.

But not all is doom and gloom. Assuming that the millennium is not

heralded by some prophesied apocalypse, first-class operators should have no difficulty in continuing to attract level-headed investors. What is clear, however, is that there is going to be much greater emphasis on quality operations. Those who hitherto have run substandard ships are going to find it harder to survive as they are confronted by a new wave of tougher regulations.

Compliance by shipping companies with the IMO International Safety Management (ISM) Code may not be the universal panacea that some suppose and questions remain as to whether it will be interpreted uniformly. But it should at least have some impact on sorting out the sheep from the goats.

Whilst the more exotic flag states may continue to renege on their responsibilities, quality operators may choose to become more selective in the choice of flag they fly from the stern, as classification societies and underwriters continue to tighten up their act. At the same time, regionally co-ordinated port state control inspection - based on the effective European model - is proliferating in Asia and Latin America and may well span the globe by the start of the new century. As a result, it should be increasingly difficult for poor quality shipowners to continue to trade on the principal trade routes.

Shipowners are generally practical people and rarely given to philosophical speculation. However, although nothing is absolutely true, 'the age of uncertainty' is certainly an interesting time for those committed to quality ship operation. ■

# THE FIRST MEETING OF SHIPPING CONFERENCE



[Extract from the official report of the first meeting of ICS, then the International Shipping Conference].

*"The First International Shipping Conference called by the Chamber of Shipping of the United Kingdom was held in London at the Hotel Victoria, Northumberland Avenue, under the Presidency of Sir Owen Philipps, G.C.M.G., M.P. (President of the Chamber), on 23rd, 24th and 25th November, 1921.*

*The Conference was attended by representatives of fourteen maritime countries, a full list of whose names is given below. A Banquet was given on 23rd November by the Chamber to the Foreign Delegates. A Reception and a visit to the Experimental Station at Teddington were arranged by the courtesy of Lloyd's Register of Shipping.*

*The proceedings throughout were significant of the good will and accord which exist between shipowners in every country when brought together to find a common solution for the many difficult problems which confront the industry. The very great measure of co-operation which was secured may be regarded as a most hopeful sign for the future of the industry, and the decisions of the Conference, when put into effect, will materially benefit, not only the shipowners, but the general communities of the world."*

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BELGIUM  
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**J. Parker Kirlin, Esq.**

*American Steamship Owners'  
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*President, International Mercantile  
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**Russell H. Loines, Esq.**

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*Australian Steamship Owners'  
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**D.Y. Syme, Jr., Esq.**

*Managing Director, Melbourne  
Steamship Co.*

## BELGIUM

*Union des Armateurs Belges*

# F THE INTERNATIONAL CONFERENCE 1921



## **L. Dens, Esq., C.B.E.**

*President, Union des Armateurs Belges;  
Managing Director, Belgian S.S. Co.  
"Ocean," Antwerp*

## **A. De Bosschere, Esq.**

*Secretary, Union des Armateurs Belges*

## **L. Jacobs Havenith, Esq.**

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## **Col. William I. Gear**

*Robert Reford Co. Ltd., Member,  
Executive Council, Shipping Federation  
of Canada*

## **DENMARK**

*Baltic & White Sea Conference*

## **Chr. Sass, Esq.**

*Vice-President, Baltic & White Sea  
Conference; Chairman, Documentary  
Council; Chairman, Danish Steamship  
Owners' Association*

## **J.F. Myhre, Esq.**

*Manager, Baltic & White Sea  
Conference*

*Dansk Dampskibsrederiforening*

## **J.A. Koerbing, Esq.**

*Technical Director, United Steamship Co.*

## **E. Maegaard, Esq.**

*Managing Director, Danish Steamship  
Owners' Association*

## **A.P. Moeller, Esq.**

*Shipowner*

## **Allan Olsen, Esq.**

*Naval Architect*

## **FRANCE**

*Comité Central des Armateurs de  
France*

## **Paul De Rousiers, Esq.**

*General Secretary, Comité Central des  
Armateurs de France*

## **Capt. Jouteau**

*Representative, French Sailing Ship  
Section*

## **GERMANY**

*Zentralverein Deutscher Rheder  
Syndikus Doctor Juris Paul Ehlers  
General Manager, Zentralverein  
Deutscher Rheder*

## **Syndikus Ernst von Ahlefeldt**

*Secretary, Bremer Rhederverein  
Wirtschaftsausschuss der Deutschen  
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## **Korvettenkapitän A.D.**

## **Doctor Juris Leisler Kiep**

*General Manager, Wirtschaftsausschuss*

*der Deutschen Rhederei*

## **HOLLAND**

*Nederlandsche Reedersvereniging*

## **Dr. H.J. Knottenbelt**

*President, Nederlandsche  
Reedersvereniging*

## **Dirk Hudig, Esq.**

*Manager, Royal Dutch Steamship Co.;  
Royal West Indian Mail, Amsterdam;  
President, Netherlands Marconi  
Organisation "Radio-Holland"*

## **Dr. P.H.W.F. Tellegen**

*Representing Secretary, Nederlandsche  
Reedersvereniging*

## **ITALY**

*Federazione Armatori Italiani*

*Commendatore Professore*

*Francesco Berlingieri*

*Commendatore Venceslao Carrara*

*President du Conseil Administration de  
la "Trasatlantica Italiana"*

*Advocat Angelo Natini*

*Assistant Manager, Navigazione  
Generale Italiana*

*Dottor Mario Radice*

*Secretary, La Veloce*

*Marchese Renzo de la Penne*

*General Manager, Lloyd Sabaudo. Also*

*represents Federazione Armatori Liberi Italiani and Società Armatori Riuniti.*  
**Advocat A. Cosulich**  
*Venezia Julia*

#### JAPAN

*Shipowners' Association of Japan*  
**N. Ohtani, Esq.**  
*Chief Representative, Shipowners' Association of Japan; London Manager, Nippon Yusen Kaisha*  
**S. Hori, Esq.**  
*Representative of Osaka Shosen Kaisha*  
**Capt. G. Okuyama**  
*Superintendent, Kokusai Kisen Kaisen Kaisha, Kawasaki Kisen Kaisha & Kawasaki Dockyard Co.*  
**K. Seko, Esq.**  
*Director and Manager of Mitsui & Co.*  
**S. Takahata, Esq.**  
*Manager, Suzuki & Co.; Teikoku Kisen Kaisha; Director of Koksai Kisen Kaisha*  
**M. Tanaka, Esq.**  
*Manager, Yamashita Kisen Kaisha*  
**W. L. Sparschuh, Esq. and**  
**W. Yohoyama, Esq.**  
*Suzuki & Co.*  
**S. Tsukurumichi, Esq.**  
**D. McLeod, Esq.**  
*Donald McLeod & Co.*  
**F. Sanders, Esq. F.I.C.S.**  
*Donald McLeod & Co.*

#### NORWAY

*Norges Rederforbund*  
**Gustav Henriksen, Esq.**  
*President, Norges Rederforbund; Director, Norwegian America Line*  
**H. Westfal-Larsen, Esq.**  
*Vice-President, Norges Rederforbund; Shipowner*  
- **Falck, Esq.**  
*Chairman, Sailing Ship Division of Norges Rederforbund*  
**Th. Brovig, Esq.**  
*Sailing Ship Division of Norges Rederforbund*  
**Dr. Sc. J. Bruhn**  
*Director, Norwegian Veritas*  
**Sir Thos. Fearnley, Jr., K.B.E.**  
*Shipowner*  
**Adolph Halvorsen, Esq.**  
*Shipowner*  
**W. Klaveness, Esq. C.B.E.**  
*Director, Norges Rederforbund*  
**Kr. Lehmkuhl, Esq.**  
*Director, Bergenske Steamship Comp.*  
**Commander Chr. Meyer, R.N.**  
*Adviser, Norges Rederforbund*  
*Nordisk Skibsrederforening*

**Otto Thoresen, Esq.**  
*Chairman, Nordisk Skibsrederforening*  
**J. Jantzen, Esq.**  
*Managing Director, Nordisk Skibsrederforening*  
*Assuranceforeningen Skuld*  
**Direktor Sir Anton Poulsson, K.B.E.**

#### SPAIN

*Asociacion de Navieros de Bilbao*  
**Alejandro de la Sota E Izaguirre**  
*Messrs. Sota & Aznar*  
**Alfred Norton, Esq.**  
*Messrs. Sota & Aznar*

#### SWEDEN

*Sveriges Redareforening*  
**Dan Broström, Esq.**  
*President, Sveriges Redareforening*  
**Gunnar Carlsson, Esq.**  
*Vice-President, Sveriges Redareforening; Shipowner*  
**Commodore Hans Ericson**  
**Erik Leman, Esq.**  
*Solicitor*  
**Captain O.A. Nordborg**  
*Managing Director, Sveriges Redareforening*  
*Sveriges Segelfartygsforening*  
**Paul L. Nilsson, Esq.**  
*Representing Swedish Sailing Shipowners*

#### GREAT BRITAIN

*Chamber of Shipping;*  
**Sir Owen Philipps, G.C.M.G., M.P.**  
*President, Chamber of Shipping*  
**Sir Frederick Lewis, Bart**  
*Vice-President, Chamber of Shipping*  
**Sir William Noble, Bart**  
*Ex-President*  
**Sir Alan Anderson, K.B.E.**  
**Sir Kenneth Anderson, Bart,**  
**K.C.M.G.**  
*Past-President*  
**Walter J. Chambers, Esq.**  
**John Denholm, Esq.**  
**R. I. Dodsworth, Esq. O.B.E.**  
**J. W. Eason, Esq.**  
**Sir Ernest Glover, Bart**  
*Chairman of Documentary Committee*  
**L. C. Harris, Esq.**  
**Captain H. B. Hooper, R.I.M.**  
**H. R. Miller, Esq.**  
**A. Pears, Esq.**  
**L. Peskett, Esq.**  
**J. A. Potter, Esq., C.B.E.**  
**Daniel Radcliffe, Esq.**  
**Sir William Raeburn, M.P.**  
*Past-President*  
**J. Herbert Scrutton, Esq.**  
*Past Vice-President*

**Sir Arthur Sutherland, Bart, K.B.E.**  
**Captain P. W. Tait**  
**Percy F. Turner, Esq.**  
**Sir William Turner, K.B.E.**  
*Vice-Chairman, Documentary Committee*  
**Sir James Warrack, K.B.E.**  
*Past-President*

#### OTHER MEMBERS OF COUNCIL OF CHAMBER OF SHIPPING WERE INVITED

*Liverpool Steam Ship Owners' Association*  
**David Jones, Esq. J.P.**  
*Chairman*  
**A. D. Mearns, Esq.**  
*Vice-Chairman*  
**Sir Norman Hill, Bart**  
*Secretary*  
**Capt. G. W. Barr**  
**A. W. Bibby, Esq.**  
**J. R. Hobhouse, Esq.**  
**L. Peskett, Esq.**  
**Col. W. H. Stott**  
*West of England Steamship Owners' Protection and Indemnity Association*  
**Sir Shadforth Watts**  
*Past-President, Chamber of Shipping*  
**Sir J. Bowring Wimble, K.B.E.**  
**Herbert Holman, Esq.**  
**D. Radcliffe, Esq.**  
**Kenneth A. Bilbrough, Esq.**  
*North of England Protecting and Indemnity Association*  
**J. Stanley Todd, Esq.**  
*Britannia Steamship Insurance Association Ltd*  
**Arthur Serena, Esq.**  
**Archibald Maclean, Esq.**  
**Robert D. Riley, Esq.**  
**William Riley, Esq.**  
*British Sailing Ship Owners' Association*  
**J. W. Eason, Esq.**  
*Clyde Steamship Owners' Association*  
**S. Crawford Hogarth, Esq.**  
**Walter Patterson, Esq.**  
*Glasgow Shipowners' Association*  
**Major A. Laird MacConnell, D.S.O.**  
*Clyde Sailing Ship Owners' Association Ltd*  
**James A. Young, Esq.**  
*British Steamship Short Trades Association*  
**R. Temperley, Esq.**  
**H.M. Cleminson, Esq.,**  
*General Manager, Chamber of Shipping*  
**P. Maurice Hill, Esq.,**  
*Assistant General Manager, Chamber of Shipping*

# REPORT OF THE INTERNATIONAL SHIPPING CONFERENCE HELD AT HOTEL VICTORIA, NORTHUMBERLAND AVENUE, LONDON, 23RD, 24TH AND 25TH NOVEMBER 1921 [Extract]

**SIR OWEN PHILIPPS, G.C.M.G.,  
M.P., PRESIDENT**

**FIRST DAY - Wednesday 23rd  
November**

## **OPENING OF THE CONFERENCE**

The delegates were received by the President Sir Owen Philipps, G.C.M.G., M.P., in the ante-room adjoining the Conference Hall.

### *OPENING SPEECH BY THE PRESIDENT.*

#### *WELCOME TO FOREIGN DELEGATES.*

#### *ADOPTION OF PROGRAMME.*

**THE CHAIRMAN:** Gentlemen, as President of the Chamber of Shipping of the United Kingdom, it gives me very great pleasure to welcome you gentlemen, who represent the shipowners of some fourteen maritime countries of the world, to this International Shipping Conference.

Many of you have come thousands of miles in order to take part in this Conference, and it is particularly gratifying to see so many distinguished shipowners and representatives of shipowners here today in response to the invitation of the Chamber of Shipping.

This is the first Conference of its kind that has ever been held. The proposal that a Conference should be held did not emanate originally from British shipowners, but when the first suggestion was

made we found ourselves too fully occupied to take any practical steps in the matter, apart from the fact that a Conference could not have been arranged which would have been completely representative of the shipowners of the world. Fortunately, the difficulties in the way of holding a Conference have now been surmounted, and we have with us today representatives of fourteen of the maritime countries of the world.

A Conference such as this has become inevitable. In recent years, and more especially during the last few years, as a result of the war, there has been a growing tendency towards co-operative organisation, not only nationally but internationally. It is evident in the actual conduct of shipping business, as well as in other great industries which have the world as their sphere of activity, whilst the growth and strength of the organisation of Labour, both national and international, has been particularly noticeable.

Nations, like individuals, have shown a greater tendency to co-operate to mutual advantage. Prior to the war the maritime countries of the world prepared the draft Maritime Convention of 1914, commonly known as the Convention of London, some of the provisions of which will occupy, perhaps, the most important part of our programme. We have seen the League of Nations established with the International Labour Office as one of its branches. And, at the present day, there is sitting at Washington what may

prove to be an epoch-making Conference of Nations.

Hardly any international conference, whether of nations, commercial men or representatives of Labour, is ever held which does not, either directly or indirectly, deal with questions in which we are all interested - shipping.

The shipping industry has hitherto been in the forefront in organising, and we shipowners cannot lag behind. For dealing with Labour questions, an international organisation of shipowners is already in existence in the International Shipping Federation, but apart from this there has hitherto been no attempt to organise an international body of shipowners, except in regard to particular trades - I refer particularly to the great Liner Conferences and the Baltic and White Sea Conference.

As an industry our great Protection Indemnity and Defence Clubs, Local Shipowners' Associations and National and Special Associations of Shipowners give us an advantage possessed by no other section of the commercial community and render international organisation a comparatively simple matter.

In a body such as the International Chamber of Commerce there is no very direct link between the representatives who attend international conferences and the individual merchants and manufacturers.

With the Delegates to this Conference today there is a connection with almost every individual shipowner throughout the whole world.

In the absence of any such international organisation we have been - and I hope will still be - indebted especially to two bodies, namely, the International Law Association and the Comité Maritime International, for providing the means of discussion whereby many maritime questions have in fact been settled internationally.

Thus, the International Law Association arranged and propounded the famous York-Antwerp Rules now in general adoption, and has recently framed the Hague Rules of 1921, and produced a report on Deck Cargoes, both of which subjects are included in our Agenda.

The Comité Maritime International has been responsible for framing several valuable draft maritime conventions. The Draft Convention on Salvage and Collisions which they evolved has already received international assent, whilst their Conventions on Limitation of Liability and Mortgages and Liens (which are also on the Agenda of the Conference) have already received consideration at the hands of one Diplomatic Conference, and there is every reason to hope they will be accorded international sanction if we do our part in pressing our respective Governments to give them early consideration.

These two distinguished international bodies consist primarily of eminent lawyers to whose voluntary labours we are deeply indebted. They are also composed of representatives of underwriters, merchants and others, and are quite independent of any particular trade interest. They can, therefore, perform a function which no purely trade organisation such as this Conference can perform.

But, nevertheless, these two bodies, good as they are, cannot take the place of an International Conference like this. There are many subjects which, as practical shipowners, we must consider for ourselves among ourselves.

We must always be ready to consider among ourselves propositions emanating from such bodies as these and from merchant organisations affecting the conduct of our business, and we will always, I hope, be prepared to consider proposals and suggestions advanced by other bodies - especially Government - which would prescribe or seek to have

prescribed the manner in which we should build, equip, manage and run our ships, or would impose other conditions gravely affecting the conduct of our great industry.

At no time in the history of the world's trade has it been more important to observe that, in providing the sea-carrying services of the world, we should be guided not only by considerations of safety and efficiency, but also by considerations of economy which appeal to us all at the present time.

Each consideration is fundamental, and if we lose sight of any one of these objects we shall fail to achieve the others.

With regard to the programme before you, I will not, at this stage, attempt anything but a brief review of the various matters which we will have to deal in the course of this three days' Conference. From their very nature, these matters are very complex and technical, but none the less of great importance to everyone connected with the great industry of shipping.

In 1914 the Convention of London, which dealt with a great variety of subjects, was hurriedly prepared and made as a result of the terrible shock which the whole world sustained from the "Titanic" disaster.

The Convention has not been ratified, and its provisions demand reconsideration in the light of seven years' reflection and experience, and no less with regard to the changed economic conditions of the world.

We have, therefore, felt that it was incumbent upon us, in calling this Conference, to include in the Agenda some of the most important provisions of that Convention, namely, the Subdivision of Passenger Vessels, Life-Saving Appliances and Wireless.

I have already referred to matters emanating from the International Law Association and the Comité Maritime International, namely, the Limitation of Shipowners' Liability and Maritime Liens, the Hague Rules and Deck Cargoes. These subjects have been placed upon the Agenda, as well as two others, namely, Documentary Agreements and Load Line.

These, I think you will agree, are very important and pressing matters, calling for international consideration by

shipowners. If we are to make progress, it will be necessary to deal with each subject as broadly and as briefly as possible, having regard to the time at our disposal.

The position of the shipping trade presents very interesting problems as to the remedies applicable in practice to the existing unsatisfactory state of affairs in the industry.

What, for instance, should be done with the present superabundance of vessels, whose number far exceeds anything that is likely to be required by the world within the next few years. This is a matter of more than local interest.

A very large number of the older vessels afloat, as well as some of the inferior new ones built more or less for emergency purposes during the war, ought, in my opinion, to be broken up. The serviceable material of which they are composed should be made use of for other purposes.

The principal difficulty that stands in the way of this being carried out, in many cases, is the fact that the cost of labour for breaking up a vessel often nearly equals the value of the material; but this is a matter which I hope will right itself in the not distant future.

If the Governments and peoples of the great countries represented at this Conference today resolve to do away with even one half of the present artificial restrictions on trade and commerce there is no doubt there would be employment for a greater number of steamers than there is at present, and this would at once result in employment being given to an enormous number of men who are at present waiting for work.

Unfortunately, one of the aftermaths of the Great War and the war period is that a very large number of people in all countries appear to think there is no necessity to work anything like so hard as they did in days gone by, and this is one of the after-war myths that must be cleared away before general prosperity and good times can return.

In conclusion, on behalf of the Chamber of Shipping of the United Kingdom and of all British shipowners I give you the warmest welcome to this great city, which, if not the greatest, is certainly one of the largest and most important ports in the world, besides being the capital of the British Empire. ■

# REMINISCENCES

## Post-war Chairmen of ICS

<b>1947-49 Sir Joseph Maclay</b>	<b>1977-80 Mr Harry Beazley</b>
<b>1949-63 Sir Colin Anderson</b>	<b>1980-82 Lord Inverforth</b>
<b>1963-68 Sir Errington Keville</b>	<b>1982-87 Sir Adrian Swire</b>
<b>1968-71 Sir Frederic Harmer</b>	<b>1987-92 Sir Brian Shaw</b>
<b>1971-77 Mr Dennis Martin-Jenkins</b>	<b>1992- Mr Juan Kelly</b>

## SHIPPING AND THE FIRST OIL CRISIS



*Harry Beazley*  
*Chairman, ICS, 1977-80*

It is a sobering thought that I succeeded Dennis Martin-Jenkins as Chairman of ICS almost 20 years ago, and that I first became closely acquainted with the organisation when I was elected to the Executive Committee as long ago as 1971.

The early 1970s were heady times for shipping. With the Suez Canal closed from 1967-1975 and oil still a cheap commodity, the VLCC market shot into the stratosphere and the new Japanese shipyards had order books full for three years or more.

Then came the first oil crisis in, as I recall, October 1973, and almost overnight shipping suffered a blow from which it has never really recovered - or so it seems to me, observing from the comfort of retirement.

I suppose my own period as Chairman of ICS coincided with the very worst of the tonnage crisis, with millions of tons of tankers and bulk carriers laid up in every available sheltered water from the Norwegian fjords to Eleusis Bay.

As I write I have a cutting in front of me from *Lloyd's List*, recording the call from the ICS Annual General Meeting in 1979 that there must be no further escalation of the shipbuilding subsidy race which a dearth of new orders had provoked.

I am quoted as saying:

"We see increasing competition in offering financial incentives to attract orders which will only increase the tonnage surplus".

At the same meeting we discussed the perennial issues of maritime safety and pollution prevention. I can just hear myself saying the words attributed to me in the press report:

"Ratifying conventions is one thing, enforcing them is another. We are determined that sub-standard ships must be eliminated and we recognise the vital part which inspection in port can play in this regard".

I imagine that these are sentiments which my successors would still find all too familiar today.

It was the safety issues which I remember as the most compelling during the time of my chairmanship. We had a Tanker Committee, chaired by George King of BP, which was heavily involved in the industry's discussions after the grounding of the

"Amoco Cadiz" in 1978; we had a group which had prepared the enormously complex Tanker Safety Guide for chemical tankers; a panel of experts was battling with the intricacies of radio-communications and a new global safety system. Despite the economic hardships of the time, the demand for industry expertise was as intense as ever, and I have an enduring recollection of the commitment to this work willingly given by so many professionals.

Yet strangely, the fondest memories I have of my ICS years are personal rather than substantive - the people I worked with, the spirit of co-operation which our discussions promoted, even the dinners in splendid City livery halls. Above all I am conscious of the unique part played in the affairs of ICS by the secretariat headed by Chris Horrocks, who made life so much easier for the Chairman. I hope that other ICS Chairmen 75 years from now will be able to look back on their time in office with an equal degree of satisfaction.

I wish ICS every possible success in the future. ■

## AN APPALLING PERIOD FOR SHIPPING



*Sir Adrian Swire*  
*Chairman, ICS, 1982-87*

I had the privilege of being Chairman of ICS from 1982 to 1987, years which were extraordinarily difficult for the shipping industry. Indeed I had almost forgotten just how bad they were until I re-read my Chairman's reports: "a depression deeper, longer-lasting and with more far-reaching consequences for the structure of international merchant shipping than anything modern history can relate"; "unremitting financial pressures, and constant news of shipping companies in trouble"; "a picture of unrelieved gloom" - and so on. It is an indication of how shell-shocked we all were during these years that, in 1985, I stated that it was a source of "satisfaction" (sic) that tonnage in lay-up had now reduced down to 62 million tons deadweight!

Against this background, my constant message internally was that ICS had to quantify and demonstrate in hard cash terms the benefit to the worldwide shipowning community of its efforts on

their behalf, in for example, checking the wilder excesses (and ensuing costs) of international bureaucracy and in helping minimise the various worldwide imposts levied on the shipping industry. I was in fact myself increasingly and genuinely impressed by the cost-effectiveness of ICS, with its excellent secretariat under Chris Horrocks and with its relatively small budget. This made argument from the Chair that much more credible (I hope!) when faced by impassioned pleas from every member shipowner association that its own budget was being ruthlessly cut and ICS likewise must reduce expenditure. But ICS provided then, and it still does, remarkably good value for money.

A recurrent concern during my period of office was the remorseless onslaught against unarmed merchant ships in the Gulf as a result of the war between Iran and Iraq. In 1986 alone there were 54 recorded strikes against ships, and the war by then had been going on for seven years. We did what we could to urge the UN Security Council to bring pressure to bear and, as Chairman of ICS, I paid an official visit to the Secretary General of the UN to make a formal protest and to press for some form of UN intervention. The UN were, however, relatively powerless, and the attacks against unarmed vessels, mainly tankers, continued until the war ended. It was an outrage.

I wish ICS the very best for the future. ■

## FIVE YEARS OF CHANGE



*Sir Brian Shaw*  
*Chairman, ICS, 1987-92*

I suppose a lot happens in the world in any five year period and 1987-92 was certainly no exception. In the Middle East, such an important area for shipping, we saw the end of the Iran/Iraq war and then the Gulf war following the Iraqi invasion of Kuwait. We marvelled at the break up of the old Soviet Union and, in our own maritime world, we were rocked by the loss of the *Herald of Free Enterprise*, the *Exxon Valdez* disaster and the *Scandinavian Star* fire.

During my years as Chairman, the shipping industry was beginning to struggle to its feet after a distinctly bleak period starting with the first oil crisis in 1973. However, the spate of tragedies at sea, coupled with growing concerns for protecting the environment, produced a steadily tougher regulatory climate.

All this emphasised the need for international shipping organisations to try to pull together and speak to governments, mainly through IMO, with a common voice. Efforts were made during my time to avoid duplication of effort between various maritime bodies but this has never been easy, although we did achieve an amalgamation between the ICS and ISF secretariats.

It is difficult to forget the frustration one felt at developments like the US Oil Pollution Act of 1990 (OPA 90) but, happily, the strongest recollections I have are of working with a very large number of splendid people from the many nations forming the ICS membership. Not only did I meet many friends at our annual meetings, but I also had the opportunity to visit member associations in their own countries, including Australia, Greece, India, Japan, Pakistan, Sweden, and the United States. I also went to Hong Kong and Panama.

One of my pleasantest memories is closer to home and that is the

pleasure of working for five years with the indefatigable Secretary General of ICS, Chris Horrocks. No international shipping organisation, and no Chairman, was ever better served. ■

## BACKWARDS AND FORWARDS



*Sir Colin Goad*  
*Secretary General, IMO*  
*1968-73*

*Vice Chairman, ICS, 1982-84*

My acquaintance with the shipping industry spans nearly 50 years. Those were the days. When the now legendary Andersons of P&O (Colin and Donald) came to the British Ministry of War Transport they were shown the red carpet not the red light! I must too have known many of the ICS luminaries in 1957-60 when we were all preparing for the International Conference on the Safety of Life at Sea, but it was after 1963, when I joined IMO (then IMCO) as Deputy Secretary General, that I got to know the unforgettable Bill Graham, Chris Horrocks' predecessor. The growth and achievements of ICS owe a deal to both and so when, in 1974, I retired from being Secretary General of IMO and the Liberian Shipowners asked me a little later to represent them in ICS I was among friends. I well recall my first attendance at a committee under the chairmanship of the redoubtable George King of BP. You got a chance to speak once but not twice. In due course the Liberian Shipowners were elected to the Executive Committee of ICS where I represented them, eventually serving as Vice Chairman of ICS from 1980 to 1982.

Fifty years on, if I were asked to give in short compass an overall impression of ICS, I would respond with two words: quiet efficiency - such as marked the work on the explosions on the *Berge Istra* and *Berge Vanga*, the continuing work on tanker safety in ISGOTT, the objective examination of the results of double hulls and the lobbying, not always alas successful, on Capitol Hill. ICS does a lot with little noise. Many (I was one) deplore the so numerous bodies, international and otherwise, which treat of shipping problems; but in the alphabet soup, as it has come to be called, ICS is a sizeable chunk of meat. Much of its success must be attributed to its Chairmen, of whom I served five - Dennis Martin-Jenkins, Harry Beazley, Roy Inverforth, Adrian Swire and Brian Shaw.

Looking back without looking forward makes dull reading. What of the future tasks of ICS? I remember a lecturer at Cambridge saying: "The importance of the medieval priest was that he kept the parish full". The importance of ICS is that likewise it stands ready to serve the whole industry, being uniquely constituted as the international representative body of free enterprise shipowners. If I may venture a personal and politically incorrect view, I would assert that one of the main tasks of ICS must be an effort to moderate the complexity and volume of control and regulation now being brought to bear on the shipping industry, often by instant experts. Regulation upon regulation, law upon law, inspection upon inspection. In the long run we shall have no casualties and no spills, but as Keynes remarked, in the long run we shall all be dead. I may claim I think to have done my little bit for what C. P. Srivastava called Safe, Clean, Seas, but I do sometimes wonder about the end of the road. ■

# RELATIONS WITH OTHER ORGANISATIONS

ICS has consultative status with a number of inter-governmental bodies - it has particularly close ties with the International Maritime Organization (IMO) which stretch back to this body's inception in 1959. ICS also works with other United Nations' bodies including the United Nations Conference on Trade and Development (UNCTAD), the International Telecommunication Union (ITU), the Economic Commission for Europe (ECE), the World Meteorological Organization (WMO) and the World Customs Organization (WCO).

At industry level, ICS has close ties with the whole range of organisations representing different maritime interests - shipping, ports, pilotage, the oil industry and the like. In the following articles, a cross section of inter-governmental and industry organisations reflect upon their relationship with ICS and the issues confronting shipping at the present time.



## WORLD MARITIME UNIVERSITY

*Professor Danny Waters,  
Rector, 1990-96*

In an industry that is truly global, organisations like the International Chamber of Shipping are key players. ICS - along with its associated body, the International Shipping Federation (ISF) - makes a vital contribution in the commercial arena and, beyond this, makes a major input into the fields of maritime safety and pollution prevention. It is hardly surprising then, that ICS and the World Maritime University have been closely linked since the University was founded in 1983. Both are international and internationalist by nature, and both have a vested interest in a thriving, effective and environment-friendly maritime industry.

The regulation of shipping is now based almost entirely on the International Maritime Organization's international conventions. In both the development and implementation of these international treaties, ICS and ISF have a vital role. Their input to, for example, the International Ship Management Code and the revision of the 1978 STCW Convention has been significant - indeed, the initial proposal for the revision of STCW came from ISF - and their excellent publications ensure effective dissemination of the objectives and requirements of the codes and conventions.

Implementation of conventions has been the focus of attention in recent years, and the role of education and training in implementation has been brought to the forefront. Indeed, it has been said that IMO's single most important implementation initiative was the establishment of WMU. The

University was established as the premier international maritime institution to train senior specialist personnel, particularly from developing countries. Through the transfer of knowledge and technology, WMU's mission is to make a tangible contribution to the achievement of IMO's fundamental objective of promoting safe, efficient and environmentally sustainable marine transportation. Offering only postgraduate courses to a small, carefully chosen number of students, WMU has become recognised as a centre of excellence for advanced maritime education and training. Many of our 1,052 graduates from 124 countries now play key roles in the maritime industry, and participate in international debate through bodies such as ICS.

The University would not have been able to achieve this position without the support of a great many countries, organisations and individuals, and ICS has been one of its longest-standing supporters. The involvement has, however, gone beyond the purely institutional level; the Secretary General of ICS, Chris Horrocks, has served as an active member of the University's Board of Governors since the University's inception. Additionally, in its technology transfer programme, the University relies heavily on the input of visiting professors from a range of institutions and backgrounds, who bring into the classroom the most current developments from the world outside. Chris Horrocks has again made a contribution of immense value in this role for many years.

On the occasion of the International Chamber of Shipping's 75th anniversary, it therefore gives me great pleasure to have this opportunity to express the gratitude of the Governors, staff, graduates and students of the University to ICS for its much-valued contribution to our work, and to wish the Chamber and its members continued success in its own endeavours. ■



## THE WORLD CUSTOMS ORGANIZATION (WCO)

*J. W. Shaver,  
Secretary General*

**T**he World Customs Organization (WCO), founded nearly 50 years ago in Brussels as the Customs Co-operation Council, is a long-standing partner of the International Chamber of Shipping in promoting the facilitation of maritime trade. The WCO represents 139 member states whose Customs administrations play a key role in the efficiency of ICS members.

The World Customs Organization is an independent inter-governmental body with worldwide membership whose mission is to enhance the effectiveness and efficiency of Customs administrations. The WCO and its Customs members focus on compliance with trade regulations, on protection of society and on revenue collection, thereby contributing to the economic and social well-being of nations.

In order to fulfil this mission the WCO:

- Establishes, maintains and promotes international instruments for the harmonisation and uniform application of simplified and effective Customs systems and procedures which govern the movement of commodities, people and conveyances across Customs frontiers;
- Reinforces members' efforts to secure compliance with their legislation by endeavouring to maximise the level and effectiveness of the members' co-operation with each other and with international agencies in order to combat Customs and other trans-border offences;
- Assists members in their efforts to meet the challenges of the modern business environment and adapt to changing circumstances by fostering human resource development, improvements in the management and working methods of Customs administrations and the sharing of best practices.

With the successful conclusion of the Uruguay Round of GATT and the dawn of a new millennium, the WCO is poised to continue its efforts in conjunction with ICS, other international trade organisations, economic unions and WCO members to simplify and harmonise Customs processes worldwide.

As declared at the 1994 UN International Symposium on Trade Efficiency, the WCO co-ordinates, assists and encourages Customs administrations to pursue a broad range of initiatives, such as:

- Strategic planning with both governmental and non-governmental interested parties;
- Review and simplification of current practices and procedures, including the International Kyoto Convention;
- Harmonisation of Customs processes and procedures between nations;
- Maximum use of information technology in all processes and electronic exchange of data transactions;

- Pre-arrival processing of commercial transactions and release of goods with minimum information requirements;
- Development and use of automated cargo selectivity to identify high-risk shipments and expedite low-risk ones;
- Co-ordinated clearance of conveyances and goods with all national agencies;
- Increased information sharing of tariffs, process requirements and trade statistics;
- Increased co-operation with trade operators;
- Improved integrity and professional standards.

On 5 December 1985 the International Chamber of Shipping and the WCO signed a Memorandum of Understanding with the aim of increasing their co-operation against drug trafficking. This Memorandum has already borne fruit, and in the future the WCO and ICS will endeavour to develop and increase this co-operation at the international level regarding other forms of crime.

The World Customs Organization salutes the International Chamber of Shipping on its 75th anniversary and looks forward to many more years of useful co-operation between the WCO and ICS. ■



## INTERNATIONAL MOBILE SATELLITE ORGANISATION (INMARSAT)

*Peter Goldsmith,  
Marketing Manager, Merchant Shipping*

**I**NMARSAT is delighted to be offered the opportunity to congratulate the International Chamber of Shipping on the occasion of its successful completion of 75 years of service to the shipping industry.

When ICS was formed in 1921, maritime communications were in their infancy and few, if any, would have predicted the advancements that we have seen since that time. It was not until the 1970s that the idea of using satellites for communicating with ships really began to take shape, and ICS was instrumental in the formation and establishment of INMARSAT by IMO in 1979.

Since 1982 when full global operation began, the provision of Safety and Distress services has been a key element, just as it is today. As we see the implementation of the Global Maritime Distress and Safety System (GMDSS) gradually taking shape, these services will continue to be at the forefront of the range of services that INMARSAT provides to the maritime community.

With over 50,000 terminals now using the INMARSAT satellites, more than two thirds are maritime, and there are many who believe that these will continue to be the majority. As an example, maritime INMARSAT C terminals are currently being fitted at the rate of 350 every month and most are part of a GMDSS installation.

However, Safety and Distress is not the only issue that concerns ICS, nor is it the only use for an INMARSAT terminal. Satellite communications are increasingly used for a variety of ship operation and management functions, and, with the introduction of

the ISM Code, we will see a dramatic increase in the use of computer-based applications, which are becoming commonplace. We are now seeing the emergence of satellite communications for route planning and electronic mail. The future is likely to bring automatic updating of electronic charts, distance learning and many other uses for the INMARSAT terminal on board.

1996 will see the introduction of two key elements in the plans of INMARSAT to support these requirements of ship owners. Firstly, we are beginning to see the installation of the new INMARSAT B terminals that will succeed, and gradually replace, the original INMARSAT A system from the 1970s. With all the functionality of the A terminals, they offer the benefit of significantly lower call charges because of the higher efficiencies offered by the use of digital techniques. Secondly, April 1996 sees the launch of the first of four of the next generation of satellites with greatly increased capacity, functionality and flexibility to provide ships at sea with all their communication requirements for the foreseeable future.

We wish ICS and all its members a second successful 75 years. ■



## SUEZ CANAL AUTHORITY

*Mohamed Ezzat Adel,  
Immediate Past Chairman  
and Managing Director*

**A**s the Suez Canal Authority (SCA) always gives top priority to its clients and their representatives, and gets in touch with them from time to time to dis-

cuss issues of mutual interest, it has been proved beyond doubt that ICS has always been a very reliable business associate to the Suez Canal Authority. The joint periodical meetings, held in London and in Egypt, have always been so rewarding, helping us to investigate fully important issues to the mutual benefit of the shipping industry and the SCA.

In the course of this fruitful co-operation, major issues of concern have been discussed and duly investigated with the help of ICS:

- Long Haul Rebates;
- Separation zones in the Gulf of Suez;
- Future Suez Canal development projects;
- Limit times and surcharge on late arrivals;
- Suez Canal toll details;
- Sub-standard ships and penalties on successive breakdowns;
- Comments made by shipping companies on false invoices.

With ICS duly involved, discussions of these issues have generated favourable conclusions to the satisfaction of shipowners on the one hand and the SCA management on the other.

As the Suez Canal moves into the 21st century and the SCA targets further development in the service of world seaborne trade, this partnership acquires new dimensions and the vital role of go-between played by ICS becomes quite indispensable to the day-to-day operation of the Suez Canal.

Like graduations and birthdays, anniversaries are a rite of passage. Anniversaries symbolise growth, change and maturity and are often a time for reflection on the past. But as



ULCC U.S.T. Pacific transiting Suez Canal

ICS celebrates its 75th anniversary, we should not dwell too much on the past. Instead, we should focus on the future, for it is the future that holds our destiny. As our institutions grow older, let us not linger on the passing of time but, together, celebrate the unfolding of the future. ■



## PANAMA CANAL COMMISSION

*Gilberto Guardia F.,  
Administrator*

I am pleased to join with shipping representatives from throughout the world to celebrate the 75th anniversary of the International Chamber of Shipping. The Panama Canal, for more than four score years, and ICS, for three quarters of a century, have established a tradition of quality service to the international maritime community.

The Panama Canal and ICS have a very close and productive working relationship. We share many of the same interests and many of the same concerns. Perhaps most salient is our dual pursuit of maritime safety and environmental protection. At the Panama Canal we strictly adhere to safety and environmental requirements that are consistent with, or exceed, world standards in every area. Over 14,000 vessels of all types and sizes safely transit the Panama Canal each year, transporting over 190 million tons of cargo to ports throughout the world. This outstanding operational record and the natural beauty that surrounds the waterway throughout its 51 miles provide clear testimonial to the suc-

cess of our programmes. Our job has been made much easier by the yeomanly efforts of ICS to improve vessel safety and to modernise the world fleet.

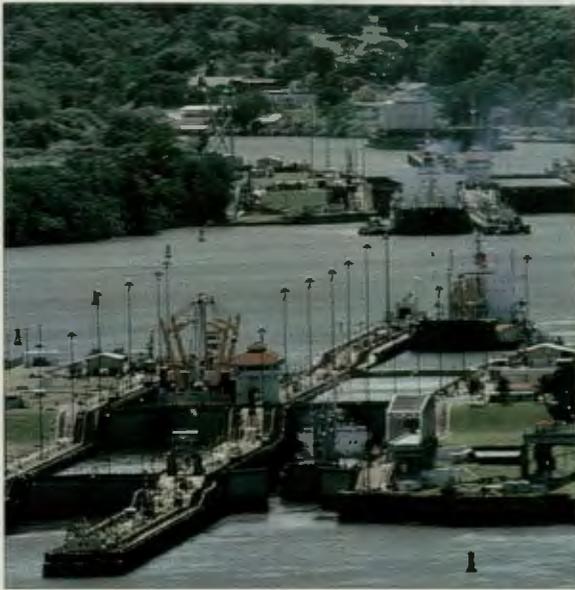
In recent years, we have particularly applauded the ICS focus on quality in shipping operations and its efforts to increase the recognition that people, rather than hardware, are ultimately responsible for the safety and efficiency of shipping. At the Panama Canal, we are spending tens of millions of dollars annually to modernise and improve the physical elements of the waterway; nevertheless, we never forget that the Canal's most important asset is, and will remain, its dedicated and highly-skilled employees. As we prepare for the transition of the Canal from US to Panamanian stewardship on 31 December 1999, both governments fully recognise that the most critical element of this effort is to ensure that the Canal's skilled and experienced workforce is retained into the 21st century.

In addition to the many important general maritime interests we share with ICS, the Panama Canal has also benefited from our close working relationship over the years on many specific topics. While examples abound, I have personally witnessed, during my six years as the waterway's Administrator, the value of our open exchange of views on many important Canal issues, including the Transit Reservation System, the Gaillard Cut Widening and Straightening Programme, and the implementation of our new Vessel Tonnage Measurement System which is compatible with the 1969 International Tonnage Convention. Regarding the tonnage measurement system at the Canal, ICS input contributed immensely to a virtually seamless implementation of that new system on 1 October 1994.

Accordingly, on behalf of the nearly 9,000 employees of



the Panama Canal, I wish ICS sincere and hearty congratulations on 75 years of excellent service to the international maritime community. We wish ICS further success as it pursues the many important issues still facing maritime shipping and we look forward to continuing our co-operative and mutually beneficial relationship well into the next century. ■



## CHARTS FOR INTERNATIONAL SHIPPING

*Rear Admiral Christian Andreasen, President, International Hydrographic Bureau*

The availability of nautical charts for international shipping is as much taken for granted as the daily newspaper is to the man in the street. It is only their lack of availability or suitability that makes us take note.

During the XIIth International Conference in 1982 the International Chamber of Shipping, the Intergovernmental Maritime Consultative Organization (IMCO) and the International Hydrographic Organization (IHO) became involved in a discussion on how best to develop a worldwide folio of charts for international shipping. IMCO had proposed the formulation of an IHO standard list of world charts and publications which was already published by national authorities and with an effective worldwide distribution and correction system. This position was supported by ICS but was opposed by IHO on the grounds that it was already in the process of developing a unique international chart series. This series had been proposed earlier by the Netherlands and France and consisted of a unique system of charts at small, medium and large scales, that would be compiled according to tight international specifications. Individual charts of the series would be

compiled by national hydrographic offices (HOs) which volunteered for the task. Other HOs were then free to copy these compilations to develop their own folios.

After much dedicated effort and in spite of certain technical and financial difficulties, the scheme is now in place and work is continuing to produce the charts. At the last report in 1994, 80 small scale and 352 medium and large scale charts, of a total worldwide folio of approximately 1500 charts, had been published. The development of the worldwide scheme has been achieved through 13 regional structures. Concentration of effort and consequent availability of international charts has been in Northern European waters but there are indications that growth of the system can be expected soon in the Indian Ocean and East Asian waters.

It is now a question of whether the international paper chart system will be eclipsed by the international digital chart system. In 1986 IMO and IHO formed a Harmonizing Group on the Electronic Chart Display & Information System (ECDIS), to develop Performance Standards (PS) for electronic charts. In November 1995 these Performance Standards, having passed through the various committee stages of IMO, were adopted by the Assembly. However, not yet available, and presenting a major future task for IHO, is the development of a worldwide digital chart database and associated updating service. In developing the PS, ICS has once again been able to provide advice on the charting needs of international shipping. IHO has worked through two internal committees, one looking into technical matters and the other the administrative, financial and legal issues. Much work has already been accomplished in developing data standards and the actual development of digital data has started. As with the international paper chart, the concentration of effort has been in Northern Europe and East Asia, with the addition of a strong initiative being taken by Canada.

There is much speculation concerning when digital chart data in the required IHO S57 data exchange standard will be available, but it may be predicted that in 1997 data will be available in several key regions of shipping concentration and that by the turn of the century the worldwide database of digital data will have developed sufficiently to cover major shipping routes.

Once again it can be seen that on this 75th anniversary of both ICS and IHO, international co-operation is leading to improved services to international shipping. ■

## INTERNATIONAL GROUP OF P&I CLUBS

*John Riley, Chairman*

Much has been written and said in recent years about ship safety and rightly so. Public outrage at polluted coast lines and the deaths of seafarers and passengers is both justified and under-

standable. Maritime casualties make good headlines, as do stories of maltreated crew or stowaways, and it is easy to see why all shipowners are tarred with the same brush. The P&I Clubs are constantly confronted with accidents which could have been prevented. This could cause us to become cynical about the shipping industry as a whole. We are, however, in the privileged position of meeting and working with a wide spectrum of shipowners, and the diversity is immense. The membership of the P&I Clubs ranges from the largest multinational companies to small privately owned operators and their resources, not only in financial terms, vary enormously. For every shipowner who cuts corners there are hundreds who are trying to operate their ships responsibly.

All shipowners face the same basic hazards and challenges, which have confronted seafarers for centuries, and time has shown that these are best met by those who run a tight ship. While this phrase might appear to conflict with policies directed towards alcohol control, a tight ship implies discipline, training and pride in the ship in which you are sailing. Some might say that this is a romantic and out-dated ideal which has no place in a world of rapid technological and social change, and that company loyalty cannot be expected or relied upon and good practice is evidenced by properly documented operating procedures. Those few who take that attitude have led the industry into disrepute. It is no surprise that all shipowners are now having to count the cost of regulation which has become a huge burden, particularly when non-compliance may lead to criminal proceedings.

This is one of the many areas in which ICS has done much valuable work. ICS understands the problems that shipowners face in interpreting and complying with the deluge of regulations. Above all, its advice is practical and recognises that the industry needs to be profitable if it is to meet the demands for safety placed upon it by the public. There are many international organisations representing parts of the shipping industry, but ICS plays a pivotal role in being able to speak for the industry as a whole. The expertise and practical knowledge of ICS and its specialist sub-committees are widely acknowledged as is evidenced by the reception given to its excellent guidelines on the ISM Code. ICS, through its Environmental Code, has also highlighted the positive aspects of the industry's performance - a valuable counterweight to the public's poor perception of shipping. Through its work at IMO, ICS has argued for uniform regulation on a global, rather than a regional basis, a view which is strongly supported by the International Group. Its forthright warnings about the dangers of politicising shipping matters are welcomed by all who wish to see a harmonised approach to the raising of standards in the industry.

World attention is focused on the shipping industry and the role performed by ICS has never been more valuable to the most diverse and international of all industries. The International Group congratulates ICS on its 75 years of service to shipping and wishes it success and growing influence in the years ahead. ■



## INTERNATIONAL ASSOCIATION OF CLASSIFICATION SOCIETIES

*James Bell,  
Permanent Secretary*

**N**o one shipping industry organisation can determine the course of international shipping. There are numerous groups involved in what has, increasingly, become a complex web of interacting relations concerning the regulation of one of the world's most competitive industries.

There would be chaos without co-operation within the industry and ICS is at the forefront of this vital process. Within the "circle of involvement" of the shipping world ICS has an overall view and as it represents the world's shipowners it has a very strong voice which is used with vigour but also with responsibility.

IACS and ICS have very similar objectives in maintaining and improving safety at sea and working towards the protection of the marine environment. This similar outlook is reflected most clearly at IMO where both IACS and ICS are non-governmental observers vitally interested and involved in the development and process of international regulatory affairs. Both organisations serve the shipowner and both make a very significant contribution to IMO.

The current agenda, covering as it does safety of bulk carriers and ro-ro passenger ferries, is high profile but there are numerous other areas where the two organisations have common cause. One of the most important issues is certification of the International Safety Management (ISM) Code, due to come into force initially for approximately 25,000 ships in July 1998. IACS is particularly keen to ensure that this notable advance in maritime safety is consistently and uniformly implemented and recognises that shipowners and those who offer certification services must work together to make the ISM Code a success.

Other areas where ICS and IACS have common interests include Europe, Port State Control and the availability of information. Technical subjects also lead to regular exchanges of view. These matters draw the organisations together and the geographical proximity of location of the secretariats aids this process.

IACS congratulates ICS on its 75th anniversary and looks forward to working closely together in the future. ■



## INTERNATIONAL TANKER OWNERS' POLLUTION FEDERATION (ITOPF)

*Dr Ian White,  
Managing Director*

**S**eventy five years of dedicated service to the world's shipping industry is an outstanding achievement and one that deserves the highest praise. In comparison to

the International Chamber of Shipping, the International Tanker Owners' Pollution Federation (ITOPF) is a mere youngster, having come into existence in 1968 as a consequence of the *Torrey Canyon* accident off the south-west coast of the United Kingdom in March of the previous year.

Among other things, the *Torrey Canyon* demonstrated the inadequacy of oil spill compensation arrangements and the capability of governments and companies to respond effectively to major marine oil spills. Both areas became the focus of ITOPF's activities.

Compensation issues were addressed through the coming into effect, in 1969, of the Tanker Owners' Voluntary Agreement concerning Liability for Oil Pollution (TOVALOP). This agreement, in common with the oil cargo owners' supplementary CRISTAL Contract, was designed as an interim arrangement, pending the widespread applicability of the 1969 Civil Liability Convention and 1971 Fund Convention. This transition to IMO legal regimes took longer than originally envisaged. However, it was recently determined that the relevance of both of these voluntary industry compensation agreements had now declined to such an extent that they should be allowed to expire when their present terms end in 1997. The coming into force of the 1992 Protocols to the Civil Liability and Fund Conventions in May 1996 lent further stimulus to the decision.

While the administration of TOVALOP was ITOPF's principal function in the early days, the organisation's technical services have become increasingly important since the mid-1970s. Priority has always been given to responding to oil spills from tankers - more specifically advising on technically justified and cost-effective ("reasonable") clean-up measures, with the aim of minimising damage to the environment and sensitive resources, investigating the impact of spills on such resources and assessing the technical merit of subsequent claims for compensation. The fact that this work is undertaken not only on behalf of ITOPF's tanker owner members and their P&I insurers, but also on behalf of intergovernmental and cargo interests, including the International Oil Pollution Compensation Fund, means that all of those who are ultimately required to pay compensation benefit directly from the service, as does the community at large.

Although ITOPF's small team of technical advisers are at all times prepared to respond at a moment's notice to oil spills anywhere in the world, the organisation is much more than the tanker industry's "fire department" since it is also called upon to play an important informative, advisory and educational role. Over the years assistance has been given to many countries, ports, shipowners and other organisations in the preparation of oil spill contingency plans, and attention has been given to the provision of training programmes and relevant technical information. With observer status at IMO, ITOPF also actively represents the tanker industry on a wide range of oil pollution related issues of general import. In this regard ITOPF has benefited greatly from close co-operation and collaboration with ICS, particularly in the areas of oil spill compensation (including Natural Resource Damage Assessment), vessel response planning requirements and other measures designed to enhance the level of preparedness of shipowners and governments to respond effectively to the

maritime industry's single greatest liability risk - oil pollution. Because of their non-profit making status, both organisations are able to act above and apart from commercial interest, offering sound and respected voices in national and international fora to the burgeoning legislative and regulatory activity concerning oil spill prevention and response.

The International Tanker Owners' Pollution Federation salutes the outstanding achievements of ICS over the past 75 years and looks forward to continuing close co-operation on matters of mutual interest. ■



## PORTS AND SHIPPING

*Hiroshi Kusaka,  
Secretary General,  
International Association of  
Ports and Harbors (IAPH)*

Ships navigate international waters in accordance with numerous international conventions, treaties or agreements recognised by intergovernmental institutions. When ships come into territorial waters, they are required to observe national laws, regulations and practice. When these are not updated or made compatible with certain levels or parameters acceptable for ships and cargo in the context of business standards observed by the international business community, extra difficulties and expenses result.

On the other hand, the many changes in the international political scene have given added momentum to moves to tackle barriers to cross-border business through deregulation and liberalisation of trade practices. Furthermore, the rules serving free and fair competition have been considerably strengthened, creating newcomers and more competitors across the board. The gradual rise of the recognition of global responsibility for sustainable development has led to increasingly onerous constraints and costs in order to keep nature sustainable for the future.

This trend has been reflected in the fields of shipping and world trade and in the activities of port industries. In the fields of international shipping, intermodalism has been greatly enhanced and advanced by the introduction of many technological innovations, with added emphasis on information technology. In many senses, the advancement of intermodalism has worked to expand the conventional definition of shipping to include operators of intermodal networks. Manufacturers, traders and consumers have also become highly aware of matters related to intermodal transport. Since the popularisation of containerisation, the roles played by ports and terminals have become more mechanised, automated, capital-intensive and commercialised. The trend towards systemisation and standardisation is well advanced.

To alleviate the burdens for all concerned, many things have been standardised on a global basis. Recently, the quality of service has become a priority area for standardisation.

It is my personal conviction that, for the mutual prosperity of all parties involved in international shipping and trade, the

relationship between ships and ports has to be enhanced more and more by highlighting the need to improve the interface between the two. Ports need ships, but ships need ports; in short, this is a case of absolute interdependency.

Last but not least, on behalf of the entire membership of the IAPH - which observed its 40th anniversary last year - and the world port community, I would like to present my heartfelt congratulations and express my profound respects to ICS and its members on the occasion of its 75th anniversary. The International Chamber of Shipping has achieved great things over the years and I wish it continued success in the future. ■



## EFFECTIVE RESPONSE TO HUMAN ERROR

*Captain Roger Clipsham,  
Secretary General,  
International Federation of  
Ship Masters' Associations (IFSMA)*

**S**hips in the 10-14 year age bracket seem to experience the highest incidence of human error. This may reflect manning pressures on ships designed to run with larger crews than is now the practice or accumulated lack of maintenance prior to the third Special Survey. Why do skilled professionals persistently make flawed decisions which are at odds with all their training, experience and better judgment?

There is evidence that well informed and properly trained personnel can be over confident, careless or even reckless in responding to commercial pressures. There are temperamental factors such as fatigue, discomfort, boredom, anger and stress which make people more prone to mistakes than might otherwise be the case. Personal pride, prejudice, doubt, complacency and confusion can, on occasion, lead to a failure to seek necessary advice, guidance or assistance with consequential disaster.

Language problems frequently contribute to human error and are particularly significant during pilotage operations. Not only may the pilot and master have difficulty understanding one another, but the potential for misunderstandings between officers and crew is ever present in mixed nationality ships and the consequences are inevitably more serious where there is little or no margin for error as in berthing or bunkering operations.

All these factors need to be taken into account in developing effective risk management techniques both onboard ship and ashore. While human error cannot be totally eradicated, there can be no doubt that well designed working environments, sound operational procedures, thorough training and on-the-job familiarisation, together with high standards of professionalism, motivation and constant vigilance will do much to lessen its frequency.

Many of the claims attributed to mechanical and structural failure have their real cause in lack of maintenance and proper care for the fabric and equipment onboard ships, which is itself attributable to human failing. This failing may also occur at the design stage, at the construction stage

or at the repair stage. However, it must not be assumed that the human error is one for which culpability must automatically be attributable, as a significant number of claims arise from an error of judgment made by a responsible and careful individual.

A change in attitude to responsibility and to sound management techniques is now required. Management errors have been found to include preoccupation with minor technical problems, failure to delegate tasks and to assign responsibilities, failure to set priorities, inadequate monitoring, failure to use available data, failure to communicate intent and plans, and failure to detect or challenge deviations from standard operating procedures.

In the 75th anniversary year of ICS, shipping is becoming increasingly competitive, which means more functions are carried out by fewer people in shorter time periods, while IMO and other regulatory organisations are laying down ever tighter and more stringent rules in which to operate. It is perhaps appropriate at this time that we should remind ourselves yet again that safety must take precedence over commercial considerations.

As a non-governmental organisation with consultative status at IMO, IFSMA has much appreciated the co-operation and collaboration of several prominent and energetic non-governmental organisations on the back benches of IMO. Notable among these are ICS, ISF, and the International Confederation of Free Trade Unions (ICFTU), with all of whom IFSMA has jointly co-sponsored a number of papers representing a united industry view. This highly effective practice will undoubtedly continue unabated in the years to come. ■



## SALVORS SEEK CLOSER LINKS WITH THE INTERNATIONAL SHIPPING COMMUNITY

*J. Arnold Witte Snr.,  
President, International Salvage Union*

**T**he shipping industry's safety record continues to improve and there is every reason to expect further progress over the next decade, as a result of compliance with new requirements, more training, the widespread adoption of modern safety management systems, stringent class inspections and port state controls.

However, accidents will doubtless continue to happen, as a result of the natural perils of ocean transportation and the impossibility of eradicating human error. When things do go wrong and ships get into difficulties, members of the International Salvage Union (ISU) are geared to mobilise their equipment and personnel and offer assistance.

For some years, ISU policies have emphasised the need for a closer relationship with the international shipping community and insurers. Changes in attitude and the construction of new links between service providers and users take time. It is not a straightforward process and, along the way, it is all too easy to focus on differences of opinion, while neglecting the

many real achievements of recent years.

These achievements are substantial and include:

- The development of the ISU as a truly international body serving the world maritime community.
- The development and application of standard contracts for towage and other services.
- The introduction of salvage subcontracts which encourage salvors to work together when performing difficult and complex salvage operations.
- The establishment of the Salvage Liaison Group, a permanent joint industry forum for the discussion of issues relating to the improvement of salvage services.
- The entry into force of the 1989 Salvage Convention.
- The early introduction, via LOF 1990, of the Convention's Article 14 Special Compensation regime, to encourage salvors to respond to pollution threats even in the most adverse circumstances. While Article 14 is not without problems, there can be no doubt that it is a highly positive step forward, in that it recognises the salvor's major contribution to pollution defence and provides a safety net not previously available.
- An increase in government-sponsored salvage schemes, to protect vulnerable and sensitive coastlines. For the most part, salvors no longer have the financial resources to maintain tugs on station and these governmental schemes, the latest involving the UK, the Netherlands and Germany, help to bridge some of the gaps in cover which have arisen during the salvage industry's long years of decline.
- The continuing improvement of pollution prevention services, including new rapid response procedures.



The Swedish tanker Ek Cloud grounded outside Gothenburg in bad weather in February 1995. ISU salvors obtained a Lloyd's Open Form (LOF) contract, removed over 6,000 tonnes of heavy oil and refloated the tanker within 48 hours of the incident

Major casualties and large spills are rare events. Nevertheless, public and political intolerance of major maritime accidents and large-scale environmental damage continues to grow. It follows that ISU salvors, shipowners and insurers have a common interest in ensuring that salvage and spill prevention expertise is on hand whenever an emergency or pollution threat arises.



A collision with a laden tanker 250 miles north of Madeira cost the bulk carrier Ya Mawlaya her bow. ISU salvors became involved some time after the collision, but managed to re-deliver the vessel in Malta

Looking ahead, there is considerable scope for further improvement of salvage services. Such progress can be achieved through:

- Firm support for the use of standard forms of contract for towage and wreck removal services.
- Joint industry action to improve the effectiveness of the LOF contract, with particular emphasis on the injection of greater certainty into the Article 14 regime (geographic application).
- Joint talks between the ISU and other organisations, including the P&I Clubs, to explore opportunities for containing and controlling accident events and reducing still further the number of significant spills.

As ICS celebrates its 75th year, the millennium moves into closer view. There are no grounds for assuming environmental protection will receive less priority in the 21st century. The International Salvage Union will therefore continue to work to improve its pollution defence capability.

In today's world, the separation of pollution from salvage, either practically or legally, has become difficult at best, and at times impossible. ISU will share its environmental protection expertise, enter into closer co-operation with shipowners and, at the same time, raise awareness of salvors' capabilities in the context of major claims prevention. ■



The Russian general cargo vessel Pioner Onegi developed a severe list in the Western Scheldt. The casualty was pushed onto a sandbank to prevent it capsizing. A successful salvage operation was performed by ISU salvors

## THE BALTIC EXCHANGE - VENERABLE INSTITUTION TO AN INTERNATIONAL MARKET

*Jim Buckley,  
Chief Executive*

For hundreds of years the wealth of the City of London has had a firm base in shipping and its many related activities. Foreign trade has always been key to Britain as merchant adventurers have sought out new markets and new products. Those products needed ships to carry them and so the fast, reliable and economical matching of ships and cargoes has always been of paramount importance to world trade. Bringing together shipowners and merchants, the Baltic Exchange has served the international shipping community for over 250 years.

When the market was born in the mid-eighteenth century, tallow, shipped from the Baltic seaboard, was the major trade. Commodity dealers negotiated carriage with shipowners whom they routinely met in "The Virginia and Baltick", a London coffee house re-named to reflect the prevailing trading route of the day. Nowadays, more diverse cargoes dominate: grain, iron ore, coal, bauxite, and phosphate rock head the list with others such as wood, sugar, minerals, fertilisers and agricultural products included. The important wet cargoes include crude oil together with its derivatives, as well as chemicals and gas. These are the world's raw materials: fuels

for industry and food for people. The marketplace has also progressed, from a venerable institution reflecting much that was inherent in the Empire and the former dominance of British shipping, to state-of-the-art electronic information transfer and an international market centred on the City. But throughout this time, the essential function of the Trading Floor as a meeting place where a market can be made has remained central.



*Members meet to conduct their business on the Trading Floor*



*The new Exchange in St. Mary Axe*

Today, several hundred members congregate at the Exchange during the week to assess trends, sniff out market changes and maintain that vital face-to-face contact so important in a technical age. High standards and ethics remain an essential and integral part of the modern, self-regulated, Exchange and are reflected in its motto "Our Word Our Bond". That ethos will continue so long as people come together to transact their business in an atmosphere of trust, with the interests of their clients at the forefront of their minds.

The Baltic market provides a network for members to arrange international transport of bulk cargoes by sea and specialist freight by air. Commodity dealers and other cargo interests are brought together with shipowners through shipbrokers. Ships are bought and sold and the Exchange is also home to some aircraft chartering.

Membership of the Exchange is truly international with over 650 companies representing 42 nationalities. Around 1550 men and women are eligible to trade on the Floor, having been individually elected to do so. Baltic members are ready to strike a deal to move world trade 24 hours a day. They handle the largest proportion of the world's bulk cargo movements and a Baltic member has probably had a hand in the majority of cargo deals that happen on a daily basis anywhere in the world, finding the best terms for their clients.

Remarkably, the members of this relatively small Exchange generate 5.5% of the City's invisible earnings from services, a significant part of the UK balance of trade. As a measure of the costs of the flow of trade, the Baltic compiles a daily index

of freight rates - the Baltic Freight Index - which is published and forms the basis of a freight futures contract. It is a barometer of international dry bulk ocean rates.

To preserve and foster that unique City of London way of trading, where deals worth millions are struck by word of mouth, space to talk business over a meal or a drink is vital. Such facilities are provided at the Exchange together with a well stocked library and a range of private meeting rooms. Its central position in St Mary Axe allows ready contact with the allied maritime infrastructure of London, thereby maintaining a strong and vibrant focus for the international shipping market. Links with all related shipping bodies are actively encouraged and those with ICS were forged during its inception 75 years ago. This bond was strengthened in adversity in April 1992 when both organisations fell victim to the IRA bomb.

The new Exchange, now resident in smaller, modern premises, is enjoying a renaissance since widening its doors to offer business membership to the many associated maritime interests from both at home and overseas. In this way it is enhancing its role as an international Exchange with the highest trading standards while broadening its appeal to the world bulk shipping community.

While there is trade to be serviced and ships available to carry it, there will always be a role for the shipbroker and the Baltic Exchange. A great and assured future for the multiplicity of trading on one of the world's oldest exchanges, and one which preserves that fast disappearing human touch with face-to-face negotiations, lies in the heart of maritime London. ■



## BIMCO AND ICS - 75 YEARS OF CO- OPERATION

*Fridtjof Lorentzen,  
President, BIMCO*

**T**he 75th anniversary of the International Chamber of Shipping also marks 75 years of co-operation between ICS and BIMCO.

Among the participants in the International Shipping Conference held in London in 1921, which led to the creation of ICS, was The Baltic and White Sea Conference, as BIMCO was called at that time. The 1921 Conference had an extensive agenda, including documentary matters, an area of particular interest to The Baltic and White Sea Conference.

The International Shipping Conference became the International Chamber of Shipping, while The Baltic and White Sea Conference later became The Baltic and International Maritime Council. Co-operation between the two organisations has continued on a multitude of issues of relevance to international shipping. Today BIMCO is represented in the Maritime Law Committee of ICS, and ICS participates in the meetings of BIMCO's Documentary Committee.

International shipping is subjected to a plethora of regulatory and legislative interference. The shipping industry must

therefore seek to influence the decision-making process by making representations of its considered opinions on the issues at hand. ICS and BIMCO, as well as other representative bodies, have made considerable efforts to co-ordinate the industry's response to proposed national and international legislation, thus strengthening the industry's impact.

The industry response to the Notice of Proposed Rule Making (NPRM) on Structural and Operational Measures to Reduce Oil Spills from Existing Tank Vessels without Double Hulls was co-ordinated under the auspices of ICS in the Joint Industry Working Group, with active participation by, among others, BIMCO. As will be common knowledge by all involved in US tanker trades, the NPRM was eventually adjusted in line with the recommendations put forward by the Joint Industry Working Group.

BIMCO and ICS have jointly prepared a survey of the availability and costs of shore-based reception facilities for liquid and solid waste. Building on a study of reception facilities in relation to Marpol Annex I prepared by ICS in the early 1980s, BIMCO, with the assistance of its members around the world, was able to make an extensive documented survey. The BIMCO survey indicates that adequate reception facilities are still lacking in many ports, and where available, costs are often prohibitive. The survey has been submitted to the Marine Environment Protection Committee of IMO for debate in 1996.

BIMCO congratulates the International Chamber of Shipping on its 75th anniversary, expressing the hope that the excellent co-operation and the close ties which exist between our organisations will be maintained to ensure that the views of the industry will be heard and listened to, wherever and whenever regulatory initiatives are undertaken and developed. ■



## COUNCIL OF EUROPEAN & JAPANESE NATIONAL SHIPOWNERS' ASSOCIATIONS

*Morten Werring, Chairman*

**I**t gives me great pleasure, as Chairman of CENSA, to congratulate the International Chamber of Shipping on its 75th anniversary. Today it flourishes, its growing membership and the range of issues it addresses confirming its continued importance to the international maritime community.

We in CENSA value the close working relationship which exists between our two organisations, each with their own responsibilities but also fully aware of our greater effectiveness when we can jointly contribute our skills and knowledge to promoting the interests of our industry.

As we approach the next millennium - and ICS's centenary - we see continued growth in trade and the opening of markets. There is a fundamental change in the political culture of the 'closed' economies so that I am confident we shall be able to welcome many more shipowners to our organisations, who will share our beliefs in free markets and the establishment and implementation of internationally agreed standards.

Unquestionably the structural collapse of the centrally

planned economies in central and eastern Europe and the former Soviet Union has been the most significant political event of recent years. Reform programmes initiated in order to facilitate the transition towards a market economy will, however, take time to come to fruition.

The so called Dynamic Asian Economies and China, in particular, have been less affected by the political changes that have been so marked in eastern Europe and the former Soviet Union. China has chosen a gradualist route to market reform but, significantly with respect to world trade, has followed an open door economic policy.

The growth of the Asian economies - and therefore their importance for shipping - is exemplified by their booming demand for raw materials such as coal, ore and oil, and the rapid growth in intra-Asian seaborne containerised trade which has been one of the few consistently positive trends in world liner shipping.

Latin American countries have been subject more to internal political change towards democratic governments than external change. In addition to a pronounced move towards privatisation, other changes in economic policy including monetary and fiscal austerity, encouragement of inward investment and trade liberalisation are in evidence. Recovery and growth prospects are therefore encouraging.

In OECD countries political change has been reflected in the retreat from public ownership which has been echoed in Latin America as it has in other developing countries and eastern Europe. Some idea of the immensity of the change has been given in a recent report which estimates that public sector companies, including shipping, worth more than US\$30 billion have been privatised in 50 countries since 1985 and this trend is expected to accelerate.

The new era will therefore be both stimulating and challenging. The International Chamber of Shipping will continue to play a major role on behalf of shipowners. We wish it every success. ■

## IMPA AND ICS: PARTNERS ENSURING SAFETY AND ENVIRONMENTAL PROTECTION

*Norman F. Matthews,  
Secretary General, International  
Maritime Pilots' Association (IMPA)*

The International Maritime Pilots' Association (IMPA) was established in 1970 on the initiative of Edgar Eden who was formerly Secretary General of the United Kingdom Pilots' Association. Mr Eden went on to become the first Secretary General of IMPA, finally retiring at the end of 1995.

There were two principal reasons for establishing IMPA. First, it would provide a forum wherein pilots from all around the world could share their professional expertise in dealing with technical problems affecting the efficient and safe movement of vessels. The second reason was to ensure that the views of pilots were properly represented at the Inter-



*Pilot transfer by helicopter*

Governmental Maritime Consultative Organization (IMCO), now the International Maritime Organization (IMO). Consultative status with IMO was achieved in 1973.

From an early stage, strong links were forged between IMPA and ICS as they had a number of common goals, the most important being the safe and efficient movement of ships on the waterways of the world.

This co-operation between IMPA and ICS has led to a number of co-ordinated enterprises. The International Maritime Pilots' Association was extremely concerned about the poor arrangements on many ships for the safe embarkation and disembarkation of pilots. After much discussion at IMO and elsewhere, IMPA developed a poster, approved by IMO, illustrating the appropriate equipment and procedures to be used. The poster was printed early in 1995 and, thanks to the good offices of ICS, the poster has been widely distributed and now appears on the bridge of nearly all vessels.

In the autumn of 1990, IMPA and ICS co-sponsored a very successful seminar held at ICS Headquarters on the subject of helicopter transfer for pilots. Helicopter transfer is increasingly being adopted and it was necessary to bring to the attention of all concerned the proper procedures to be employed in the interests of safety.

During recent years IMPA has actively participated in the work of the ICS Radio and Nautical Sub-Committee. In particular, there has been close co-operation between the two organisations on matters such as bridge information display and developments in the field of VTS. The revision of the very important ICS Bridge Procedures Guide has been welcomed by

IMPA and the Association has provided considerable input to this publication.

The International Chamber of Shipping is now celebrating 75 years of existence and can look back on its outstanding achievements in the fields of safety of life and property at sea and the protection of the marine environment.

No doubt ICS will continue to serve the shipping industry in the future as well as it has in the past. The International Maritime Pilots' Association offers its congratulations on these achievements and looks forward to continuing its close co-operation with ICS in the future. ■



## ICS OVER 35 YEARS - SOME PERSONAL REFLECTIONS

*Bruce Farthing,  
Consultant Director, Intercargo*

**M**y first contact with the International Chamber of Shipping was in the autumn of 1959. I had recently joined the Chamber of Shipping of the UK as a lawyer and was told by Harold Gorick, the Chamber's Director and Secretary General of ICS, that I was to be Secretary of a new Committee to rationalise shipping documents and shipping documentation. "As a lawyer" he said "you know all about Bills of Lading". What he did not say was that the work was nothing to do with clauses, only size and format at a time when all liner companies proudly had their own house styles, some large, some small, but all different and peculiar to them. This work later developed towards rationalising other shipping documents - cargo manifests, crew lists, passenger lists and many other customs requirements. Through this, I had my first experience of working in an international context where national sensibilities and politics (with a small 'p') were never far below the surface, although the work was essentially practical and technical.

The International Chamber of Shipping of those days was quite different from the ICS of today. There was no UNCTAD, and IMCO (later IMO) was only just beginning. There were no CENSAs, ECSAs, Intertankos, Intercargos, OCIMFs - to name but a few. Sir Colin Anderson (of Orient Line/P&O) had been Chairman since 1949 and was to go on



A 26,300 dwt bulk carrier built for Poland in Pendik, Turkey

for 14 years in all when he was made Hon. President, a position never since filled. British leadership was accepted - and welcomed. The Director of the UK Chamber was Secretary General of ICS (as well as Secretary of numerous other bodies) and there was a strong link with the International Chamber of Commerce, where he was also Rapporteur of the Sea Transport Commission. Shipping policy - particularly 'flag discrimination' - was the staple diet of Annual Meetings and 'bad cases' of discrimination by developing countries were solemnly castigated through formal resolutions. But as time went on India abstained and formally dissociated itself from the ritual of condemning developing countries for endeavouring to help themselves by limited protectionism.

Therein lay the genesis of the shift in emphasis of ICS in the early 1970s under the chairmanship of Sir Frederic Harmer (also of P&O) towards technical, safety, pollution avoidance, and legal issues. But there were other factors:

- the growth of new 'policy' bodies, notably CENSA and CAACE (the predecessor of ECSA) and others;
- the US problem of unilateral regulation of liner conferences (which provided a dilemma for the US constituents);
- the work of UNCTAD's shipping committee (another divisive policy issue);
- the establishment by IMCO (IMO) of its Maritime Safety Committee (with a plethora of Sub-Committees), its work in pollution avoidance and - following *Torrey Canyon* - the establishment of its Legal Committee.

It is interesting to reflect that in its early days IMCO (IMO) was only 'consultative' and had just 30, later rising to some 40 nations, in membership. It met in smallish offices in Chancery Lane, later in Piccadilly and the meetings of the Assemblies had to find suitable accommodation elsewhere. It so happens that I was attending an early Assembly of IMCO in Church House, Westminster (normally used by the Synod of the Church of England) when ICS was admitted into consultative status. It fell to me to express the appreciation of ICS. This had to be done through the only microphone, 'on the floor' since the days of a microphone for each delegation were far off.

The 1970s thus saw a new Constitution for ICS, a distancing from policy issues of an economic or commercial nature and a concentration on IMO issues, although not to the exclusion of others such as relations with the Suez and Panama Canal authorities. It also saw the emergence, perhaps the re-emergence, of pressures - notably from Norway and Liberia - for ICS to disengage itself from the UK Chamber of Shipping and to set itself up with its own staff and even premises. Pressures later grew for some rationalisation of the functions of ICS and ISF.

The result is that today the ICS/ISF are staffed by Marisec, and although still in the Chamber of Shipping building, are divorced from it while naturally recognising the UK as a powerful constituent. They remain, however, the centre of a family of associations of shipowners, either through national constituents or individual membership. The past has seen some rivalry between the - it seems ever increasing - number of international shipping bodies. Today this is largely over. Intercargo from its specialist standpoint is happy and proud

to work with ICS on its anniversary and looks to a continuation of co-operation for the benefit of the whole shipping community. ■

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## INTERTANKO

*Dagfinn Lunde,  
Managing Director*

**C**ongratulations! Running a shipping association for 75 years is a most respectable achievement! The only way that can be achieved is to be adaptable, which ICS has proved to be.

Intertanko and ICS co-operate well on a number of issues. The collective efforts and strength of the two organisations have proved to be important to the industry in relation to many important issues. There is of course a certain difference of approach in the way the two organisations choose to deal with the different matters of concern to the respective memberships. The reason can be found in the following basic differences between ICS and Intertanko:

- ICS is a federation of national shipowners' associations, while Intertanko has direct membership of independent tanker companies.
- ICS covers all types of shipping, while Intertanko specialises in serving the independently owned tanker industry.



Some 1,500 million tons of oil are carried by sea each year

These differences are to a large extent reflected in the way we work and the issues we raise. The International Chamber of Shipping traditionally addresses issues of general application to all types of shipping while Intertanko addresses issues related to tanker shipping. Intertanko is very appreciative of its good co-operation with ICS and its secretariat in matters concerning our membership. The involvement and support of ICS has been extremely valuable in the past few years when issues of fundamental importance to the tanker industry have been discussed.

The co-operation between our two associations can be seen in the form of joint proposals or submissions, in supporting each others' statements, in participating in each others' committee work and not least in the open and frank dialogue between the members of the two professional secretariats on a whole range of issues. Both organisations endeavour to avoid duplication of work, and our members benefit from the clear understanding on how work is divided between the various organisations representing the shipping industry.

The fact that each organisation can concentrate on issues relating to its particular membership and aims allows Intertanko to address a wider range of issues effectively and utilise the resources made available to us in the most cost-effective way.

Intertanko's stated objectives are to promote a free and competitive tanker market and to work for safety at sea and the protection of the marine environment. These objectives, fully supported by ICS, form the basis for a continued good co-operation between our two associations.

We would like to take this opportunity to congratulate ICS on its 75th anniversary and to express hope that our co-operation will continue in the same positive manner as in the past, to the best interest of our members. ■

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## ISMA AND ITS CODE OF SHIPMANAGEMENT STANDARDS

*Olav Eek Thorstensen,  
President, International Ship Managers'  
Association*

**U**nlike ICS, the International Ship Managers' Association (ISMA) may not have 75 years under its belt, but it has come a long way in a short time. A constant point of interest when the ISMA name is mentioned is how the ISMA Code compares with ISO 9002.

In order to understand the differences between the ISMA Code of Shipmanagement Standards and the ISO 9000 series one has to understand how each evolved and why. ISMA evolved from the group of five major shipmanagement companies that decided in the late 1980s to develop a quality management code for shipping. The companies realised that such was the growing public concern about safety and the environment that if voluntary action was not taken then the shipping industry as a whole would be subject to even more legislation. The ISMA Code, while being a voluntary code, became a requirement for those shipmanagement companies wishing to become members of ISMA.

ISO 9000 is presently the most widely recognised series of quality standards throughout the world with no specific requirements for any particular branch of business. It has been implemented by thousands of companies. ISO 9000 series was originally designed for the needs of manufacturing companies. More recently it has been adopted by service companies, particularly in logistics and transportation. The ISO series is far less specific than the ISMA Code, leaving room for each individual company to design and set its own level of quality, which is checked by auditors. The objective of the ISO standards is to allow organisations to create quality systems that will enable them to deliver a consistent product or service at a self defined level of quality.

A cursory comparison shows that the ISMA Code is the most comprehensive of the quality systems available. It covers areas largely untouched by the other standards, extending beyond safety to include accounting, marketing, business ethics and insurance. This shows that the ISMA Code is by far the most definitive standard. The detail it provides throughout its 60 pages leaves less room for individual interpretation than is the case with ISO.

The ISMA Code is the Rolls-Royce among all the current codes for two reasons. Firstly, it covers all areas of ship-management, not only safety and environmental matters; and it was written by shipmanagers who knew exactly what was necessary in a code intended to describe the highest standard of operation. Secondly, the audit system performed by three classification societies acting together under a joint policy guarantees a uniform and level approach worldwide. This excludes any possible bias between the owner and any single classification society. The Audit Body confirms that certification under the ISMA Code not only covers but exceeds all the requirements of the ISM Code, becoming mandatory in 1998, and it incorporates the ISO 9002 quality standard.

The ISMA Code requires that the audits are performed by three classification societies with one representative being nominated as the lead auditor. The lead auditor is deliberately selected by random rotation and from the classification society with whom the company being audited has the least number of vessels in class.

The ISMA certificate of compliance is awarded only after the audit report has been reviewed by the audit body. This comprises the three representatives of the classification societies involved. In this way ISMA has created a system of audit which is as neutral and as fair as possible. The ISMA Code remains a tribute to those five companies whose foresight developed it.

Whatever standard is selected the same basic principles apply. These are the need for a clearly defined management system that encompasses both shipboard and office-based activities and which enables all staff to implement documented operational procedures effectively. The ISMA Code of Shipmanagement Standards sets the standard at the highest level.

In congratulating ICS on 75 years of service to shipping, I express the hope that in years to come ISMA will also be seen to have played its part in raising the standards of shipping operations. ■



## OIL COMPANIES INTERNATIONAL MARINE FORUM

*Gerhard E. Kurz, Chairman*

**O**n behalf of the Oil Companies International Marine Forum (OCIMF), I am proud to salute and congratulate the International Chamber of Shipping on the occasion of its 75th anniversary.

Just a few months ago, OCIMF celebrated its 25th anniversary. For more than a quarter of a century, ICS and OCIMF have worked in unison in pursuit of the primary goals of improving safety at sea and protecting the environment.

OCIMF's commitment to safer seas and the prevention of pollution from oil tankers and terminals has been closely harmonised with the long established ICS tradition of encouraging governments to pursue sensible and practical international rule making.

Both our organisations have been actively contributing to the development of global regulations that have remained effective over the years as they have been drafted on the premise of good seamanship and best industry practice.

The International Safety Guide for Oil Tankers and Terminals (ISGOTT), first published in 1976, is a shining example of the impressive results of such positive co-operation. By promulgating in one single publication the expertise of leading tanker and terminal operators, industry was provided the opportunity to draw on sound practical recommendations for the safe transportation of crude oil and petroleum products. Its value has also been acknowledged by governments who refer to ISGOTT when legislating measures to achieve much needed uniformity in international safety standards.



*Crude oil carrier Mobil Petrel*

As recommended by its sponsoring organisations, a copy of ISGOTT can now be found on board nearly all existing tankers. It is also widely used by oil terminal operators as it provides the best advice available on operational procedures and the shared responsibility for port operations. I am convinced that the 4th edition, which fully takes into account the latest changes in current practices and double hull regulations, will quickly become another success.

The recent OCIMF Ship Inspection Report programme (SIRE), actively supported by all responsible tanker operators, is similarly gaining recognition within industry and governments alike. I am confident that it will prove to be another milestone in the continued effort to achieve cleaner seas and safer tanker operations. It is important that we encourage owners of good standing who demonstrate their commitment to quality by taking corrective actions before mishap occurs. I trust that SIRE will play a constructive role in ensuring fair competitiveness among all responsible owners.

We in OCIMF believe that co-operation between industry organisations is vital to ensure effectiveness when presenting our views to the public, governments and IMO.

We look forward to maintaining and strengthening our relationship over the coming years and wish ICS and their members continued success in their valuable and necessary work. ■



## SOCIETY OF INTERNATIONAL GAS TANKER & TERMINAL OPERATORS

### *Alain Vaudolon, General Manager*

**T**he Society of International Gas Tanker & Terminal Operators (SIGTTO) can lay no claim to have been influential in the formation of ICS. However, ICS was much involved in the early development of SIGTTO.

One of the first letters ever to have been received by SIGTTO, in January 1980, was from ICS recording a decision taken by their Tanker Committee to "co-operate closely with SIGTTO". That close co-operation took immediate effect, with ICS being offered "Observership on all relevant Technical Committees" which included the central General Purposes Committee (GPC). This role was accepted by ICS and it attended SIGTTO's first GPC Meeting held in London on 12 May 1980.

Over the intervening years, these decisions have never been

reversed and the relationship has prospered. As a consequence, the SIGTTO membership has benefited from the support and assistance that has been extended by ICS. During its early existence, SIGTTO members expressed hopes that a degree of synergy would develop between the two organisations. Aspects of relevance to gas shipping, especially those concerned with gas trading and the related ship/shore interfaces would be dealt with by SIGTTO, while ICS would continue to represent shipowners on general shipping matters. From the outset, SIGTTO recognised the long and excellent track record of ICS on gas matters and that the two groups could and should co-exist; it was a case for building not bulldozing.

It would be true to say that these hopes have been realised - particularly in two areas of activity. There has been much co-operation with regard to technical and procedural literature. This co-operation has extended beyond making available each other's publications. It involves joint discussions during the drafting stages of various documents. Two items which spring to mind are the new edition of the ICS Tanker Safety Guide (Liquefied Gas) which has recently been published, and the ICS/ISF Guidelines on the Application of the IMO International Safety Management (ISM) Code. These two publications exemplify a process that has been in operation for some 15 years.

In addition to assisting the industry through the written word, both organisations work together as non-governmental observers within the IMO framework. Much encouragement and active support has been received by SIGTTO on a number of issues which it has progressed through the various committee stages. The long campaign to amend the loading limits for pressurised gas tankers received active input during the crucial stages. Support for the views of SIGTTO's membership concerning the current discussions on the proposed HNS Convention has also been expressed by ICS.

The foregoing illustrates the very considerable contribution made by ICS to SIGTTO, an organisation which has existed for 15 years and one which has benefited greatly from the 75 years of effective and efficient service to the shipping industry traditionally offered by ICS.

Looking to the future, SIGTTO is confident in the knowledge that it will continue to receive the help and support from ICS that has been so professionally provided in the past. This anniversary is the ideal opportunity to wish ICS many more years of constructive operations. ■



LNG carrier Northwest Sanderling

# THE MEMBERS OF ICS

## National Shipowners' Associations

The extent of the influence of ICS on international maritime regulatory discussions is directly linked to the degree of dedication and assistance provided by its members - national shipowners' associations.

While ICS makes direct representations to the relevant intergovernmental fora, the national associations are the driving force behind the formulation of ICS policy and play an essential part in briefing their governments. In turn, the reports, advice and consolidated views of the ICS membership are relayed back to shipping companies by their national shipowners' associations.

The International Chamber of Shipping may be the spokesman for the industry on a range of maritime matters, but it is an empty shell without its members.

The following articles have been contributed by a cross section of the ICS membership and address some of their principal concerns, past and present, nationally and internationally.

The first selection of articles has been prepared by the founder members of ICS (or their successors), who participated at the first meeting of the International Shipping Conference in 1921.



### THE AUSTRALIAN SHIPOWNERS ASSOCIATION

*Lachlan Payne,  
Chief Executive*

Australia is far removed from the headquarters of ICS and ISF and Australian shipowners have found the close liaison with the international organisations extremely beneficial as a means of being aware of, and more lately, actively contributing to international shipping policy formulation.

The Australian Shipowners Association (ASA) is the national shipowners' organisation in Australia with 21 members ranging from giant resource, manufacturing and exploration companies

such as BHP and CSR, operating fleets of both Australian flag and foreign flag vessels, through all the oil majors as well as one and two ship operators such as Brambles and Coastal Express Line in a variety of trades on the Australian coast and internationally.

A major member of ASA is ASP Ship Management which manages a large fleet of vessels both within Australia and internationally for a wide range of clients, many of whom are members of the Association in their own right.

The ASA was created in response to a need for an organisation which would be truly representative of Australian shipping interests and act as a focal point of contact with the Australian shipping industry for governments, the community generally, the trade union movement and other sectors of the economy.

The Chairman of the Association is Mr John Hurlstone, former Chief Executive Officer of Ampol Petroleum and current Chairman of the National Road Transport Commission.



*BHP Transport's Iron Shortland*

### NATIONAL ISSUES

The Association is in close contact with the Australian Government in relation to shipping industry policy issues. Establishing an internationally competitive Australian shipping industry is a primary policy goal, and negotiation with unions is a key means of establishing continuing labour market reforms in the shipping industry.

The Australian Shipowners Association led in the achievement of a major policy development which gave rise to legislation establishing a fiscal regime for shipping which brings Australia's international shipping industry closer to arrangements available in other countries.

Waterfront and stevedoring reform are issues which are high on the ASA agenda: the efficiency of the land-sea interface is crucial in the development of shipping investment opportunities in a country with large volumes of cargo moving great distances, as is the case in Australia.

#### INTERNATIONAL ISSUES

A major initiative being promoted jointly by ASA and its members is the development of improved Bridge Resource Management Techniques. Seminars utilising the services of expert consultants in this important safety-related area have been run by ASA.

The management of research into the carriage of micro-organisms in ballast water is an issue which has captured a great deal of attention. Reconciling a practical scientific and social outcome with a pragmatic approach to the funding of research where the shipping industry cannot avoid the public gaze has been a major concern.

Australia has been watched by many interests as the debate over cargo liability regimes has unfolded. The Australian Shipowners Association has been instrumental in providing input into what has become a sensible resolution of this problem at a bureaucratic level: the possibility of Australia leading a movement toward the Hamburg Rules appears to have been averted. ■

### UNION DES ARMATEURS BELGES/ BELGISCHE REDERSVERENIGING

*Nicolas Saverys, President*

The climate in which ships have to operate today is becoming extremely complex not only as a result of geopolitical and economic developments throughout the world, but also because of growing environmental concerns. In addition, the ever continuing globalisation process of the world economy, which increases the movement of capital and

information across national boundaries, will not leave untouched the role of the ocean going shipping industry.

If we want to secure an effective and prosperous development of shipping - which is primarily an international activity - a global approach and the adoption of rules that will be applied uniformly on a worldwide basis are essential.

During recent years shipping has increasingly experienced the intervention of state authorities which has often led to the adoption of unilateral or regional measures. This has not only led to legal confusion and undermined the global statutory framework, but has neglected the fundamentally international character of shipping.

It is therefore of utmost importance that the respective international maritime organisations should be strengthened and consolidate their position in order to ensure that rules and regulations set uniform and global standards that are applied on an international basis. In this respect, the International Chamber of Shipping has a vital role to play.

Merchant marine will always remain an internationally oriented industry stretching far beyond national frontiers. This also means that any fleet must be able to cope with worldwide competition.

The international crisis which has seriously harmed the world fleet over recent years has also forced Belgian shipowners to bring the structure of their costs into balance. As no domestic solutions could be found at that time, nearly the entire Belgian fleet has been transferred to other registers to realise a decrease of costs in order to remain competitive and survive.

However, with increasing international competition even the Belgian-Luxembourg alternative is no longer sustainable. It is my sincere hope that it will be possible for us to find a solution to remain competitive and that the added value created by the Belgian merchant marine and its maritime interests will not be lost in future to the maritime industrial activity of our country.

#### ORIGIN AND ORGANISATION

The Belgian Shipowners' Association was founded in 1909. Before this date the shipowners were members of



M.V. Kemira Gas owned by Exmar N.V.



S.S. Leopoldville, built 1904

the Antwerp Maritime Association.

In 1912 the Administration of Maritime Affairs was founded, at the request of the Belgian Shipowners' Association, through which the governmental services concerning the merchant marine were centralised in one department.

Conscious of the need to co-ordinate at international level, the Belgian Shipowners' Association, right from the beginning, formed part of the International Shipping Conference, which became in 1948 the International Chamber of Shipping.

There are close links between the Belgian Shipowners' Association and the Administration of Maritime Affairs, the Marine Inspection and the Shipping Commissioners. Active co-operation in the national field is also given to the Administration for social security of seamen, the Pool for Seamen and the port organisations.

As a player in an internationally oriented industry, the Association is represented in the International Chamber of Shipping (ICS), the International Shipping Federation (ISF) and the European Community Shipowners' Associations (ECSA) among others.

The objects of the association are to co-ordinate the views of Belgian shipowners in respect of the study, development and defence of their professional interests. Its principal aim is to promote initiatives, bring about reforms and pursue legal interests regarding the expansion and welfare of the Belgian merchant fleet and its maritime interests.

Nearly all Belgian shipowners are members of the Association.

In view of the transfer of ships to the Grand Duchy of Luxembourg, the Luxembourg shipowners founded the Luxembourg Shipowners' Association early in 1991.

The operation of the Association is based on the instructions of the General Meeting and the Board of Directors. In order to take advantage of developments within the merchant marine as quickly as possible, ad hoc committees and work groups are established. ■



**CANADIAN SHIPOWNERS' ASSOCIATION/  
ASSOCIATION DES  
ARMATEURS CANADIENS**

*T. Norman Hall, President*

**T**he Canadian Shipowners' Association (CSA) was founded in 1903 with the general objective to promote an economic and competitive marine transportation industry.

In keeping with this general objective, the CSA supports a national policy conducive to the development and maintenance

of the Canadian flag merchant fleet in the inland, coastal and Arctic waters of Canada and fosters the growth of a Canadian flag deep-sea merchant fleet. The Association consists of 12 member companies operating a fleet of 104 vessels engaged primarily in the domestic and Great Lakes trade with the United States, the St. Lawrence Seaway, east coast of Canada and the USA and the Arctic communities. The fleet is primarily involved in the bulk trade of grain, iron ore and coal with regular bulkers and self-unloaders. Major companies belonging to the Association are Algoma Central Corporation, Canada Steamship Lines and Upper Lakes Shipping.

Over the last two years the Canadian government has embarked on an extensive programme to reduce government spending in order to control the increasing deficit. Transportation, which is vital to the economy of this country, was not spared and after guiding the federal government's retreat from much of the rail and air sector, the Transport Minister outlined a sweeping overhaul of the National Marine Policy in December 1995.

This policy will lead to the introduction of a new Canada Marine Act in the spring of 1996 designed to consolidate and modernise the marine regulatory regime, cut red tape and allow for faster business decisions. The implementation of this legislation is anticipated for the summer of 1996.

At the time of writing, the known elements of this policy and legislation were as follows:

- Canada's public ports system is to be transferred to financially self-sufficient Canada Port Authorities, community organisations, provincial or municipal authorities and private interests.
- The Great Lakes - St. Lawrence Seaway system will be commercialised through the establishment of a new, not-for-profit corporation.
- Ferry services will be commercialised.
- Pilotage services in Canadian waters will be modernised.
- The future role of the Department of Transport will focus on safety and security standards.



*The City of Toronto, an early great lakes vessel operated by Canada Steamship Lines*



The MV Capt. Henry Jackman, a Great Lakes size vessel operated by Algoma Central Marine

The Association and its members were very supportive of the Minister of Transport's willingness to face reality and get on with making the government services more efficient and more consumer conscious. It is left to be seen whether or not all these measures will be implemented and whether they will lead to a safe, efficient, affordable and integrated marine system that meets the need of Canadians and the marine transportation sector as we move into the 21st century.

In April 1995, responsibility for the Canadian Coast Guard was transferred from the Department of Transport to the Department of Fisheries and Oceans. In October 1995, the Minister issued a discussion document proposing that shippers, importers, carriers, cruise ships, ferries and ports all pay a marine service fee to cover part of the cost of running the Coast Guard, at \$394 million, of which \$181 million is related to commercial shipping. The department wants to collect \$20 million in 1996, \$40 million in 1997/98 and \$60 million a year thereafter.

At the outset the CSA took a very proactive position on the proposal and urged the department to reduce the cost of running the Coast Guard first by eliminating or reducing services the industry does not want or need, such as VTS, redundant nav aids and an icebreaking service which is unduly expensive. Although we were somewhat successful in getting this position accepted, it is still expected that some form of marine service fee will be imposed in 1996. Because of the domestic nature of the Canadian fleet, the Association is not overly preoccupied with international issues and IMO regulatory developments even though there is a tendency by the Canadian regulatory authorities to attempt to apply IMO standards to the domestic fleet, which is considered generally unacceptable to this Association.

There are, however, a number of long-standing trans-boundary issues with various United States administrations that impact negatively on CSA members. These include the regulatory provisions of the now infamous OPA 90 and the

potential elimination of the reciprocity agreement with respect to the use of longshoremen on Canadian ships in US ports, particularly on self-unloaders. ■



**THE DANISH SHIPOWNERS' ASSOCIATION (DANMARKS REDERIFORENING)**

*Peter Bjerregaard,  
Managing Director*

Shipping has a long tradition in Denmark, and the Danish Shipowners' Association is among the oldest in Europe. Since its establishment in 1884 the tasks of the Association have gradually been developing, and the Danish Shipowners' Association has long been both an employer and a trade organisation. The work of the Association involves a



A Maersk Supertanker

broad range of activities such as shipping policy, financial and taxation matters, safety and environmental matters, collective bargaining agreements both nationally and internationally, recruitment of cadets and training. These tasks necessitate a close co-operation with government, parliament and the authorities as well as international organisations.

The Danish Association today represents all major Danish shipping companies and accounts for about five million grt Danish flag vessels. Close co-operation with ferry owners and smaller shipowners is about to be established.

All Danish ships, ferries apart, are employed in international traffic. The Danish Shipowners' Association is a founder member of ICS. Operating internationally means that rules and regulations should, as far as possible, be internationally founded. The work of ICS is therefore extremely important. Recently, the EU has shown an increased activity in such matters, but the Danish shipowners think it imperative for ICS and IMO to be in the forefront of international safety and legal matters.

Over the years the competitiveness of Danish shipping companies has probably been the key question for the Association. Traditionally classed as a high cost country, Danish shipowners have constantly striven to reduce manning using modern technology in both equipment and design. The international freight market and the recent strength of the dollar have nevertheless put Danish manning costs under renewed pressure.

Danish shipowners believe that the answer to the problems which have forced some companies to shift national ratings and junior officers to third world employment can partly be found in optimising the organisation on board vessels. Such optimisation, thereby reducing the number of crew members on board, can be achieved by better training and education. Other components of a possible solution are reductions in the costs of training and of employing junior officers. This also implies that Danish shipowners should, in future, orientate themselves towards those ships that reflect technological development in general.

The Danish Shipowners' Association generally recognises the work of IMO, but regards the recent development in IMO to stop the sole-look-out concept as worrying. The Association has supported the trend in IMO to shift the focus from technical solutions towards a greater emphasis on the human element, but it has concerns as to how this can be achieved. It is disappointing to see developed industrial countries leading the resistance against technical development, which to our best belief holds the future for many developed and high cost countries' shipping. The present tendency to treat the technical system in isolation from the operator is unfortunate and misleading.

Lack of implementation more than lack of regulation is at the root of safety problems, and we recognise the important task of ICS, and its sister organisations, to balance future legislation by taking account of the whole system, with the right blend of technical solutions within the ultimate human operated system.

Discussions in IMO and other international organisations should, however, also be guided by the fact that safety problems must be seen in perspective and that the vast majority of the world's ships are well operated and well maintained, serv-

ing the global community faultlessly. Similarly, the Danish Shipowners' Association would like to see an increase in both quality and cost awareness. This would, in turn, be of benefit to all ICS members of all nationalities. ■



## COMITÉ CENTRAL DES ARMATEURS DE FRANCE

*Edouard Berlet,  
General Director*

The Comité Central des Armateurs de France (CCAF) brings together all French shipowners operating on cargo and passenger routes. Mooring, towage and pilotage companies also belong to the association, which was inaugurated in 1903 and has been continuously active since then.

The French fleet totals 310 ships, of which 210 are French flagged and a further 100 under French financial control. A total of 90 companies are members of CCAF. The Chairman is currently Philippe Poirier d'Angé d'Orsay, the General Manager of Louis Dreyfus.

A selection of shipowners, known as the "Bureau", formulates the guidelines of CCAF. The composition of the present Bureau is as follows:

- Yves BARRAQUAND: Chairman of Delmas
- Vincent BOLLORE: Chairman of Bollore Group
- Claude BOQUIN: Louis Dreyfus and Cie
- Giles BOUTHILLIER: Chairman of CNN
- Mare CHEVALLIER: Chairman of Navale Française
- Philippe d'ORSAY: General Manager of Louis Dreyfus and Cie
- Alexis GOURVENNEC: Chairman of Brittany Ferries
- Philippe PONTENT: Chairman of CGM
- Jacques SAADE: Chairman of CMA
- Jean-Louis SAULNIER: Vice Chairman of CGM
- Francis VALLAT: Chairman of VOTK
- Georges WESSELS: CNN

For the last two years CCAF has been promoting effective decisions, at governmental level, to improve the competitiveness of the French fleet and attract investment for fleet



renewal. This action led the French government, in 1993, to reduce by 50% the social costs paid by shipowners whenever employing French seafarers.

In 1994, the government took a new step to favour employment of young officers. The opening of the French second register (the Kerguelen Register) to all ships operating in international traffic has also contributed to better competitiveness.

A further decision is expected early in 1996 to boost fleet renewal, whether directed at new or second-hand ships, through investment tax incentives granted to both companies and individuals.

These various measures should succeed in improving the competitiveness of the French shipping industry. A new drive can then be initiated to attract both capital and men.

Internationally the major objectives are, in our opinion, to develop and ensure:

- Free access to cargo, and free flow of shipping.
- Fair competition between all shipowners operating worldwide.
- Safety at sea.

The World Trade Organization (WTO), International Maritime Organization (IMO) and Organisation for Economic Co-operation and Development (OECD), together with other major organisations are all working towards these objectives. It is absolutely essential to maintain the capacity of IMO to work at international level in order to avoid all regional agreements, which could result in establishing divergent regulations. Such a situation would be highly damaging owing to the intrinsically international nature of

shipping activity.

The European Union can be instrumental in backing European fleets, developing sound and fair competition and improving safety. The positive decisions which have been made during the last five years on safety matters clearly emphasise this role. However, to avoid increasing the financial and regulatory burden for European shipowners, EU action has to remain consistent with the different policies of international bodies.

Another priority concern of our members, leading to CCAF action at international level, is improvements in training and levels of employment in the context of the officer shortage.

As for the ro-ro ferry sector we think it needs a specific approach at European level. To ensure safety and European employment, a common code of conduct should prevail among shipowners engaged in this activity. ■



**GERMAN SHIPOWNERS' ASSOCIATION (VERBAND DEUTSCHER REEDER)**

*Peter Th. Hansen,  
President*

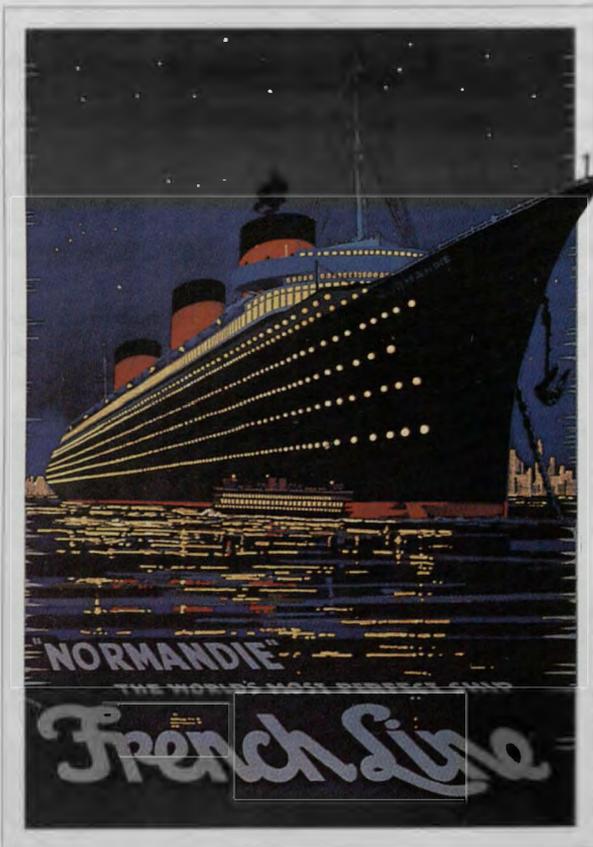
The German Shipowners' Association (Verband Deutscher Reeder - VDR) was founded in 1907 in Berlin, under the name Zentralverband Deutscher Rheder, but has always been domiciled in Hamburg, Germany's main port and shipping centre. The Association was formed in response to the newly established trade unions for seamen which made it necessary to have a similar organisation on the employers' part.

After World War II, VDR resumed its activities (in 1945) and became a member of ICS in January 1953; VDR had previously been a member of the forerunner to ICS, the International Shipping Conference.

On 1 January 1995 the members of the German Coastal Shipowners' Association (Verband Deutscher Küstenschiffseigner - VDK), originally founded in 1896, joined VDR so that now there is one Association with about 300 members representing German shipping. Dr Bernd Kröger serves as Chief Executive Officer.

The German fleet comprises 782 ships totaling some 5.4 million gt. German shipping is concentrated in worldwide container shipping, ro-ro ferries, specialised tankers and European coastal shipping; the vast range of modern German containerships is occupied in the global charter markets. The total investment in newbuildings in 1995 amounted to DM4 billion.

Turning to national issues, VDR co-operates closely with the German Ministry of Transport in its efforts to improve the competitive framework of Germany's merchant fleet and to strengthen the position of the German shipping sector in highly competitive European and global markets. In this connection, particular attention is devoted to enhancing the productivity and efficiency of shipping services, to internal fiscal policy, to the implications of the EU maritime policy and - having in mind the growing integration of international



Compagnie Générale Transatlantique's passenger vessel Normandie by H. Omer, 1935

labour markets - to high flexibility in the field of crewing and labour conditions.

VDR fully appreciates the work done by ICS in the framework of IMO's activities. German shipowners do clearly support high standards of safety and protection of the environment. In this area, an integrated approach is required which combines technical safety, environmental aspects, qualified personnel, and competitiveness in global markets. The ISM Code and the new STCW Convention are considered to be steps in the right direction as they will contribute to high operational standards. It is very important that all measures imposed by governments are internationally harmonised and implemented. Maritime safety should under no circumstances be misused as a floodgate for economic protectionism or as an instrument to close sectoral markets. Recent developments in the field of safety standards for ro-ro ferries are therefore noted with great concern. For maritime transportation operating in global markets, international standards covering safety and environmental protection are indispensable. This also applies to the development of new rules covering liability for and insurance of damage, including pollution damage from the transport of oil and dangerous goods. Maritime insurance markets are equally international. Their capacity can be most effectively used and the competitiveness of international shipping will be least affected if liability and insurance are governed by internationally harmonised rules.

The work done by ICS in these fields is, therefore, fully supported by the German shipping industry. ■



## JAPANESE SHIPOWNERS' ASSOCIATION

*Isao Shintani,  
President*

**T**he Japanese Shipowners' Association (JSA) congratulates the International Chamber of Shipping on the occasion of its 75th anniversary.



In 1921 representatives from the predecessor organisation of the present JSA attended the initial meeting of the International Shipping Conference (later to become ICS) and in the 1920s and 1930s played a full part in the International Chamber's activities. After a pause, the present JSA re-established its membership in 1957. Reorganised in its current form in 1947, JSA today represents some 150 companies with a combined owned tonnage of around 13 million gt.



One of JSA's purposes is to contribute to the sound development of the Japanese shipping industry, but its function is by no means limited to national issues and it acts as the shipowners' representative in contributing towards worldwide improvements in, for example, maritime safety, seafarers' conditions, pollution control and ship management.

One of the important national issues in which JSA is involved is the pending establishment of a Japanese international ship system, similar to the registers adopted by European countries. The introduction of the system was proposed by a study group in conjunction with the Ministry of Transport in the spring of 1995 with a view to halting the decrease in numbers of national flag ships and seafarers. Following on from that, the proposals about the system were considered by the Japanese Government but only part of the taxation measures, such as the reduction in fixed asset tax on ships, has been adopted to date. Nevertheless, the other measures remain on the agenda for further discussion.

The Japanese Shipowners' Association values the contribution of ICS towards the discussion of international issues and will continue to support its activities in the future. Topical subjects of particular interest to JSA members include the implementation of the ISM Code, the latest amendments to MARPOL Annex 2 and SOLAS, and bulk carrier safety. The forthcoming diplomatic conference to consider the adoption of the HNS Convention and 1996 LLMC will provide further opportunities to demonstrate the importance of ICS. ■



## ROYAL ASSOCIATION OF NETHERLANDS SHIPOWNERS

*A. Korteland,  
Chairman*

**T**he Royal Association of Netherlands Shipowners (RANS) represents approximately 90% of Dutch shipowners. Its membership, comprising a wide range of shipping and related companies, numbers in excess of 200. Globally, the fleet under Dutch control commands a strong position especially in container and reefer vessels, product and chemical tankers, livestock carriers and, last but not least, towing and salvage.

In November 1992 a merger between the Royal Netherlands Shipowners' Association, representing deep sea interests, and the Association of Netherlands Shipowners, consisting of short sea operators, resulted in the formation of the present association.

The Royal Association of Netherlands Shipowners aims to protect its members' interests individually and collectively, at national and international levels, both publicly and privately. The participation in more than one hundred panels is proof of this.

In September 1993, RANS initiated talks with the Dutch government on general shipping policy. At that time it was felt that earning capacity and employment in the sector was under serious threat if drastic preventive measures were not taken. Not only were a number of shipowners in the process of flagging out to a cheaper register, but some were even considering moving their office and statutory seat abroad.

As a result of this, in the spring of 1995 the Dutch government launched a comprehensive plan to improve the shipping climate generally and weed out the most negative aspects of the current situation. Its main points were:

- More flexible arrangements for crew composition.
- Fewer nationality requirements in manning.
- Aligning the national safety rules to the international level.
- Fiscal measures to reduce wage costs and tax on profits.

The aim of these measures is to increase the level of shipping activities in the Netherlands. As a first step, the fiscal measures came into effect on 1 January 1996. When all measures are



passed we are confident that the Dutch shipping sector's competitiveness should receive a substantial boost.

Shipowners attach great importance to the possibility of information exchange and debate on technical, insurance and legal matters in the international field. It is the view of RANS that ICS is well suited to this task. A clear and uniform vision is paramount in order to be effective when negotiating with other international bodies. Thus RANS is an active participant in many ICS committees. We see ICS as an institution that can effectively represent our national views: ICS has the expertise and credibility necessary to be taken seriously.

The Royal Association of Netherlands Shipowners therefore extends the warmest congratulations to the International Chamber of Shipping on the occasion of its 75th anniversary. We are looking forward to a continuation of our excellent relationship in the future. ■



## NORWEGIAN SHIPOWNERS' ASSOCIATION

*Rolf Sæther,  
Director General*

**T**he Norwegian Shipowners' Association (NSA) has been a member of ICS since its establishment. It actively participates in all committees and other ICS bodies where its representatives have held a number of offices over the years. The Association puts the highest possible emphasis on the development of universally applicable rules and regulations and considers ICS, an international forum for industry co-operation and consultation, to be the principal instrument to this end. The Association values the high professional standards of the ICS staff with whom it enjoys the best possible relations, professionally as well as personally. The Association is pleased to note that ICS is perceived as an effective and trustworthy advocate for the industry, by governments, media and others whose confidence in the organisation is significant.

The Norwegian Shipowners' Association was established in 1909 and currently has 175 members which own and operate one of the largest merchant fleets in the world, as well as



Norwegian Shipowners' Association headquarters, Oslo, Norway  
credit: Knuf Vadseth

a substantial number of vessels servicing the offshore petroleum industry. The Norwegian maritime community includes a large network of maritime services, including brokers (some of whom are members of NSA), Det Norske Veritas, shipbuilders, ship equipment producers and a range of educational and research institutions.

Norwegian shipping companies are predominantly engaged in cross-trading. Their activities include practically all types of trades and vessels, with particular emphasis on dry and wet bulk shipping, and special trades such as cars, chemicals and LPG, as well as offshore related activities. The members make use of a large number of registries, the largest one being the Norwegian International Ship (NIS) registry that was established in 1987.

The Norwegian Shipowners' Association enjoys wide support from the shipping community in Norway involved in deep sea trading (owners engaged exclusively in coastal shipping have separate associations). It is active in a large number of areas of work, nationally as well as internationally. It is a major producer of statistics and economic analyses of the industry it represents. NSA is also an employers' federation as well as a trade association: it therefore has responsibility for negotiating wages and other terms of employment for its members' sea going personnel.

The Norwegian Shipowners' Association currently has a staff of approximately 75. The NSA President is Per R Sacvik who was elected for a two-year period from 1 January 1996.

The predominant current issue at national level is a white paper on the maritime industries of Norway, due to be considered by the National Assembly before the summer recess. The paper will address a number of issues, most importantly a possible reform of the tax regime applicable to shipping. Other important issues include recruitment and training of sea going personnel, as well as the national implementation of international rules and regulations pertaining to safety at sea.

The international agenda includes a host of issues, such as effective implementation of the ISM Code and of the revised SOLAS convention. Key words for other ICS related issues where the NSA has dedicated time and resources are the US Oil Pollution Act (OPA 90) and other maritime legislation in general such as the international oil pollution conventions, the negotiations concerning an HNS convention, elimination of shipbuilding subsidies and combating barriers to trade at large. The Association is also spending increasing amounts of resources on the monitoring of EU maritime policies.

On the manning side, the NSA has established its own training institute for Filipino seafarers in Manila. In the aftermath of the establishment of the Norwegian International Ship registry, the Association has also entered into a large number of wage agreements with seafaring unions in Asia, Europe and the Americas. ■



## SWEDISH SHIPOWNERS' ASSOCIATION

*Buster Hultman,  
President*

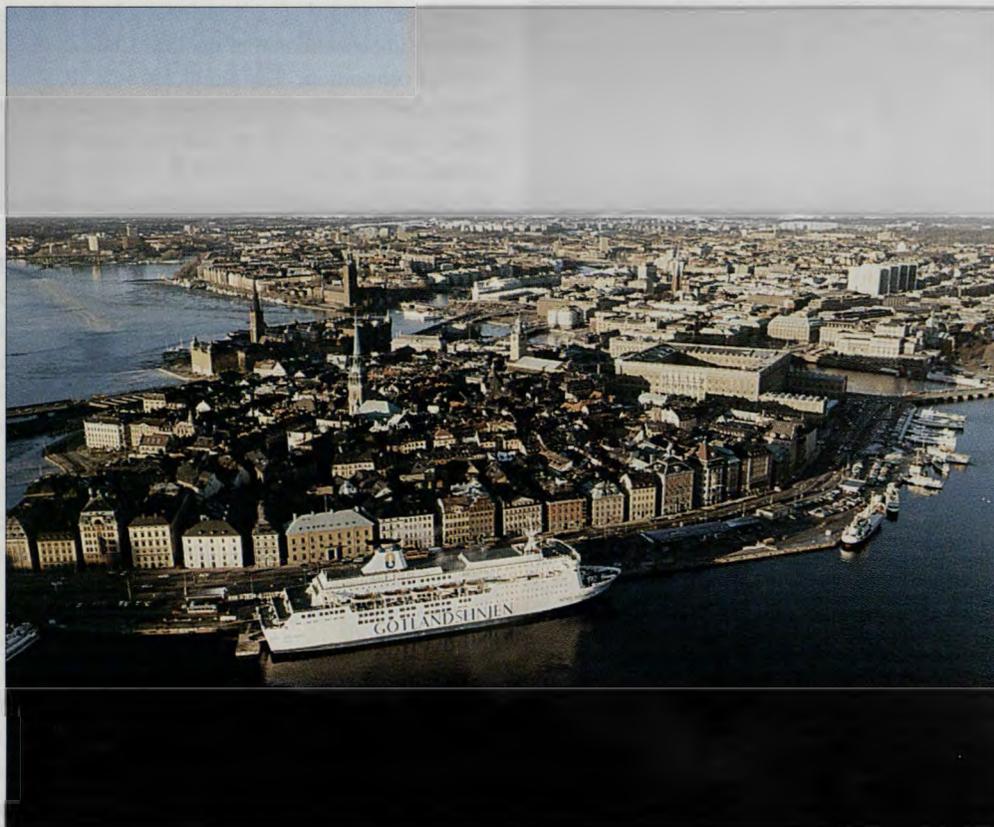
Recovery is the word that best describes the situation for Swedish shipping at the beginning of 1996. 1995 saw the beginning of a trend affecting the Swedish-flagged merchant navy which intensified towards the end of the year. It is principally the fleet of small and medium sized vessels employed in short-sea shipping which is expanding, mainly as a result of registration to the Swedish flag and purchases of second-hand vessels from abroad. This trend is benefiting from the currency situation, but it has also been boosted by union pressure on the shipping companies to repatriate their vessels.

During the autumn, a number of different signals from the parliamentary commission on shipping and shipping policy stimulated interest in the Swedish flag. These signals raised hopes that legislation governing long-term prerequisites for the Swedish shipping industry, something which has been demanded for many years, would be enacted in 1996.

Market conditions, and the situation as regards costs still make it impossible for the large tanker and bulk-carrier tonnage to operate under the Swedish flag. These shipping companies are forced to run their business at the lower costs available internationally. The alternative to maintaining a cap on costs in this way is to withdraw completely from this type of shipping. Under such conditions, it is natural that tonnage renewal and growth in these sectors of shipping sector are taking place abroad.

The term "flagged out" is sometimes used to describe the Swedish controlled, international tonnage. It should, however, be noted that most of this tonnage has for many years been built for Swedish shipping companies' foreign affiliates. This means that these vessels have never been Swedish and nor will they - judging by all the signs visible today.

The report presented by the parliamentary commission on shipping and shipping policy is attracting considerable interest. Clear indications were given during the commission's



work of its positive attitude towards shipping and its understanding of the great value to the country of a competitive merchant navy.

The commission's terms of reference reinforced the shipping industry's belief in the future since they instructed the commission to clarify Swedish shipping's competitive requirements and to analyse how (not whether) Swedish shipping can be developed.

The Swedish competitive situation can be described by using an 8,000 ton tanker employed in short-sea shipping as an example. The relationship between wage costs according to ITF's standard agreements and the cost of Swedish agreements, less the amount of state aid, is such that the ITF total would have to be increased by about 40% in order to achieve competitive neutrality.

Even if Swedish aid takes the form of compensation for social security contributions, the difference in this comparison is primarily a result of just these contributions. The difference in costs between the ITF standard agreements and the Swedish agreements is about SEK 2 million after the Swedish aid has been subtracted.

In other comparisons, for example, with ITF's total crew cost agreement, the result as far as Sweden is concerned is even more unfavourable. Generally speaking, the ships in international competition are operated at a cost level which makes operation under the Swedish flag impossible. This is particularly true of the heavy bulk and tanker markets. Today, Swedish shipping's interests in large bulk carriers and tankers are concentrated on foreign vessels either owned or long-term chartered abroad.

In 1995, the ferry shipping industry was hard hit by the after-effects of the *Estonia* catastrophe. Traffic in the Baltic

was particularly affected by a decline in the market after the tragedy. Here, passenger volumes have been maintained at the expense of costly market adjustments, although the previously comprehensive and profitable conference business has yet to be regained.

The figures show, as expected, that passenger volumes for traffic passing in the vicinity of the site of the disaster have decreased. On the other hand, cargo traffic has not been affected to the same extent.

Ferry traffic has also been negatively affected by the weak Swedish Kroner. However, the Swedish economy seems to be recovering more rapidly than any of the analysts forecast and the SEK exchange rate will probably rise and result in increased Swedish cross-border purchasing power.

Many analysts in the industry are talking increasingly about a probable trend towards ferry traffic with a growing proportion of cargo and passenger transportation, but with cruise-generated travelling probably diminishing in importance. This trend could be reinforced if the tax-free system is banned. According to an EU decision, this trade will be banned from 1 July 1999, but in Sweden, as well as internationally, intensive efforts are being made to have this decision overturned. Banning the tax-free system could also change traffic patterns with respect to non-EU countries, such as the Baltic States and Norway, while existing services could have their costs increased and/or be forced to discontinue traffic.

The debate about the specific safety-enhancing measures that should be taken with regard to ship design and equipment has been intense in the aftermath of the *Estonia* catastrophe. There has been considerable impatience as well as strong public opinion. The general public has shown limited understanding, both for the need for time to find the best

solutions and not to draw premature, and possibly harmful, conclusions and for the fact that ferry shipping is an international business requiring broad, international solutions.

During 1995 it emerged that, in an international context, different players supported different demands on safety and regulations for safety-enhancing measures. Some regions are more in favour of taking the necessary measures than others. The Nordic countries are one such region and here there are keen advocates of regional regulations. During 1996, the picture may become clearer and regulations may be introduced on either a regional or a broader international basis. ■



## UK CHAMBER OF SHIPPING

*Admiral Sir Nicholas Hunt,  
Director-General*

**T**he Chamber of Shipping is proud to have played a major role in the work of ICS ever since it was one of the founder members of the International Shipping Conference in 1921. It is particularly honoured that British shipowners have so often been elected as ICS Chairmen.

The Chamber of Shipping was founded in 1878 to represent shipowners' interests to the British Government. In 1975, the Chamber merged with the British Shipping Federation to become the General Council of British Shipping (GCBS). The Federation was founded in 1890 as an employers' organisation, to negotiate with the Trade Unions and organise the Merchant Navy Establishment, a

seafarers' supply organisation. Among its principal achievements was the provision of essential manpower to the Allied Merchant Fleets throughout World War I and World War II. The GCBS continued as a trade and employers' association until 1990, when it reverted to the old name of the Chamber of Shipping.

The UK Chamber today has 120 members who collectively own or manage 18 million tons of ships, comprising a great variety of flags, trading in every area of the world. Members include P&O, Andrew Weir, Cunard, Blue Star Line, Bibbys, Denholm Ship Management, World-Wide Shipping and Maersk (UK) as well as the oil majors such as Shell, BP and Petroleum Shipping of Esso.

The principal national issue with which the UK Chamber is engaged concerns the ability of British shipping companies to compete against countries whose governments provide much greater fiscal and employment help to their shipowners. To this end, the UK Chamber has made major efforts in recent years to sell the importance of the British shipping industry to Ministers, politicians, opinion formers and the general public and to remind the British nation of its maritime roots and dependence on shipping for 95% of its international trade.

Coming from within the European Union, the UK Chamber necessarily also has to give much attention to developments from Brussels. Recent major issues have included the legality of liner consortia, the liberalisation of European cabotage trade restriction and the development of a practical Working Time Directive for Maritime Transport.

An issue which is important in the domestic, European and international arenas has been that of the safety of ro-ro passenger vessels. UK Chamber members are deeply involved as



LPG / Ammonia carrier Cheshire

they control the largest ro-ro passenger fleet in the world.

The overriding concern of UK Chamber members is to ensure quality in maritime operations, including management, the physical structure of the ship, operational safety and crewing standards. Both nationally and internationally through ICS, UK Chamber members have contributed to the development of the International Safety Management Code. The Chamber's Environmental Code of 1990 has formed the basis for both the ICS Environment Code and part of IMO's ISM Code. In 1992 the UK Chamber accepted an invitation by the UK Government to draw up a Routing Code for British waters following the grounding of the tanker "Braer". This Code was later largely incorporated in IMO's Routing Recommendations.

The UK Chamber was also deeply involved in the development of the new IMO Convention on Standards of Training, Certification and Watchkeeping (STCW), with a staff member acting as one of the specially appointed IMO consultants.

The UK Chamber strongly supports effective measures of port state control, as an all too necessary supplement to effective flag state action to ensure that sub-standard competition is driven from the world's oceans.

The UK Chamber of Shipping is pleased to congratulate ICS on the occasion of its 75th anniversary and looks forward to continuing its participation in the invaluable work of ICS. ■



## THE AMERICAN INSTITUTE OF MERCHANT SHIPPING

*Ernest J. Cornado,  
President*

**T**he American Institute of Merchant Shipping (AIMS) is a national trade association representing 23 US flag carriers which own or operate approxi-

mately 11 million deadweight tons of tankers, dry bulk carriers, containerships, and other oceangoing vessels engaged in the domestic and international trades of the United States. AIMS represents a majority of US flag tanker and liner tonnage and has been a member of ICS for 26 years.

The American Institute of Merchant Shipping represents the interests of the US merchant shipping industry in the many areas which affect the promotion, ownership and operation of US flag vessels. Since its formation in 1969, AIMS and its member companies have remained dedicated to the maintenance of the highest standards of ship management, operating safety, and protection of the marine environment.

It is well known that the US maritime industry is undergoing major, basic changes and that parts of the US flag fleet have been subject to increasing operational stresses. The factors contributing to the decline of the US flag fleet include the overwhelming regulatory requirements of the Oil Pollution Act of 1990 (OPA 90) and the significantly higher operating costs US operators must pay over their foreign competitors.

Consequently, the significant changes occurring in the US maritime industry have triggered a review of our association's structure and mission. The members of AIMS have been working on a proposal to restructure AIMS into a new organisation which will reflect the needs of our increasingly global maritime industry as it enters a new century. The new organisation will debut in 1996.

Throughout its tenure as the US maritime industry's leading voice, AIMS has consistently sought to actively address the many national and international issues affecting our membership. One of the most significant national issues which has greatly affected the international maritime community is OPA 90, and the regulations promulgated under it. The AIMS staff continues to strive to influence the crafting of legislation and regulations that will better enable our members to meet these new requirements. For example, AIMS continues to press for reasonable and fair natural resource damage assessment regulations. The American Institute of Merchant Shipping has also been a key partici-



An American-owned oil tanker

part in the effort to create national legislation to reduce the economic burden on US flag vessels by streamlining and eliminating costly and duplicative regulatory requirements.

In the international arena, AIMS represents the US maritime community through its participation in the International Maritime Organization (IMO). Both the President and the Vice-President of AIMS have become respected advocates of US maritime interests within the international community through their involvement in the Maritime Safety Committee (MSC), the Marine Environment Protection Committee (MEPC) and the Legal Committee. The American Institute of Merchant Shipping also participates in a myriad of international maritime activities through ICS and ISF. In particular, AIMS has been an active voice in the revision of the Convention on Standards of Training, Certification and Watchkeeping (STCW), the development of the International Safety Management (ISM) Code, as well as the development of a convention to ensure compensation for damage in connection with the carriage of hazardous and noxious substances by sea.

Finally, through press releases, information requests from the media, governmental agencies, Congress, international entities, business concerns, and the general public, along with the annual production of our widely read *Maritime Highlights*, AIMS continues to focus attention on the importance and effectiveness of the US maritime industry. As we move into a new era of shipping, the maritime industry, through its new organisation, will be poised to address the many challenges that lie ahead. ■



## CYPRUS SHIPPING COUNCIL

*Klaus E. Oldendorff,*  
*President*

**T**he Cyprus Shipping Council (CSC) was established in January 1989 by 17 founding Members, for the main purpose of:

“promoting the interests of Cyprus Shipping and furthering the reputation of the Cyprus flag, whilst promoting and protecting the interests of its Members both nationally and internationally”

as the Memorandum of Association expressly states.

In the meantime, the membership of the Council has grown to 108 members, among which we have some of the best names in the shipping industry worldwide. Our Executive Committee is a fair cross-section of our membership with Hermann Eden of Marlow Navigation Co. Ltd., Dirk Fry of Columbia Shipmanagement Ltd., Juergen Hahn of Stichling Hahn Hilbrich (Average Adjusters) Ltd., Jan Lissow of Interorient Navigation Co. Ltd., Costakis Loizou of Louis Cruise Lines, Hermann Messner of V Ships (Cyprus) Ltd., and myself as President, serving my third term in that capacity. Zenon Katsourides, who is our Vice



President, was elected last year to the Board of Directors of BIMCO with Dirk Fry as his substitute.

The Cyprus Shipping Council joined ICS in 1993, having previously been elected a Member of ISF in 1990. The Council participates in most ICS/ISF Committees. I was elected Vice-President of ISF in 1994.

In our tireless endeavours to constantly improve the shipping infrastructure of Cyprus, and through our active participation in various joint committees with the Cyprus Maritime Administration, we have recently been quite successful in passing through the Cyprus Parliament a Bill providing for an additional number of marine surveyors to be employed at the Cyprus Department of Merchant Shipping. These extra personnel are urgently needed for the Department to fulfil its international obligations as the fourth largest registry in the world.

Similarly, we have been instrumental in the preparation, and subsequent approval by Parliament, of a system for the employment of independent surveyors by the Cyprus Government, who will be carrying out inspections on its behalf on Cyprus flag vessels at all the major ports worldwide, ensuring that the safety and operational conditions of the Cyprus fleet comply with internationally accepted standards.

Last year Cyprus ratified ILO Convention No.147, the Merchant Shipping (Minimum Standards) Convention, which is one of the major pieces of international legislation that traditional maritime nations have ratified. Once again, the Council worked hard over many years to provide the Shipping Administration with practical assistance.

Turning to the international forum, we have been actively following all the major developments such as the latest amendments to the STCW Convention, the drafting of the guidelines for the forthcoming implementation of the ISM Code, and lately, the new maritime regulations on bulk carrier and ferry safety.

On behalf of all the members of the Cyprus Shipping Council, I would like to congratulate and assure ICS of our commitment to its aims and objectives, and pledge our support for the highly commendable work of ICS. ■



## THE FINNISH SHIPOWNERS' ASSOCIATION

*Per Forsskåhl,  
Managing Director*

**T**he Finnish Shipowners' Association, founded in 1932, has been a member of ICS for almost its entire existence. In the very first years of its activity the Association was mainly engaged in trade negotiations with the seafarer unions concluding the first collective agreements embracing, initially, some 10 shipping companies. The membership of the Association grew very fast and the activities were enlarged to include an overall responsibility for protecting the interests of member companies. Very soon the Association embraced all shipping companies (shipowners) operating in international trades and situated on mainland Finland. The owners on the Aland islands very soon founded an association of their own with which the Finnish Association has always had, and still has, a very close and good relationship.

At its peak, the membership was as high as some 60 companies, but during the 1970s and 1980s the membership diminished due to mergers, discontinuation of the companies and flagging out of vessels. Today the membership comprises nine companies, but still covers all major operators in international trades. The fleet comprises many types of ships such as tankers, chemical tankers, ro-ro vessels and passenger-car ferries. The three biggest members are Neste Oy, Finnlines

Ltd and Silja Line Oy. The newly elected chairman of the Association for 1996 and 1997 is Mr Erkki Grönqvist, Executive Vice President of Neste Oy.

Finland, being a high cost country with exceptionally high taxation on wages, had to develop some form of so-called parallel register in the early 1990s to avoid extensive flagging out of cargo vessels. Almost all Finnish flag cargo vessels operating in international trades to and from Finnish ports, some 110 in number, are today included on this register. Passenger and car ferries are not eligible for the register. The crew costs of the ships in the parallel register are reduced to a continental European level by the government repaying the taxes for the crew wages and some part of the social security costs. By this scheme wages are brought down some 30%.

This scheme has been working fairly well, although there is one weakness. The government support, 106 million Fmk for the year 1996, has to be included in the state budget every year. As the Finnish government for some years now has been in considerable financial difficulties, with a large national debt, and is eagerly looking for possibilities to cut costs, the Association has had a hard job convincing the Cabinet of the need to keep up support of Finnish seafarers and the Finnish flag fleet.

Taxation of shipping companies, and especially depreciation of vessels and funding of tax free reserves for future purchases of ships, are also matters that the membership and the Association have been engaged in during the last year, so far without any great success.

At the beginning of 1995, Finland became a member of the EU. In response to a request by Finland, the following joint declaration on safeguarding Finland's transport links was included in the Final Act of Finland's Accession Treaty:



"The Contracting Parties, recognizing that for Finland sea routes are especially important due to geographical location, and particularly difficult to secure due to climatic conditions, agree that due attention is given to the maintenance and development of the Finnish maritime links with the rest of the Union in relevant Union initiatives, inter alia in connection with the development of the trans-European networks in Northern Europe."

The implementation of this declaration will be of great interest in the Finnish shipping industry.

During the first year of EU membership matters relating to the ferry business have received special attention. The decision to cease duty-free sales in intra-EU trades from the summer of 1999 lies like the sword of Damocles over the Finnish ferry industry. A very large part of the income of the ferries comes from duty free sales and consumption onboard. If this income were to be lost the declaration quoted above would lose its meaning. As the ferries today carry 70% of the passengers to and from EU and 20% of the cargo calculated on its value, the elimination of duty free would be a very severe blow to Finnish passenger traffic and commerce as a whole. Instead of bringing Finland closer to the other members of the Union the distance to the continent would grow in time and cost as the services of the ferries would diminish and prices would go up. The Finnish Shipowners' Association, together with ICS and other international organisations, is doing its utmost to preserve the duty free sales or at least get a long extension.

Ferry safety has been and will for some time be much to the forefront of concern. The confidence of ferry passengers has to be restored. Even though much was achieved at the IMO SOLAS Conference in November 1995 for the purpose of enhancing the reputation of the ferries, the customers were not pleased with the result. The stability of the ferries has to be further improved. The satisfactory solution seems to lie somewhere between SOLAS 90 and the recommendations put forward by the IMO Panel of Experts. The Finnish Shipowners' Association is looking for a compromise which achieves the largest support.

The modernisation or upgrading of the STCW Convention last year was a great achievement which has to



be taken care of in the years to come. In this work ICS and its sister organisation ISF have a central role to play. The new convention leaves room for national implementation. Guidance is needed to attain the maximum degree of uniformity. At national level all possibilities of development have to be studied carefully.

During the years, the activities of ICS have widened just as they have for the member associations. New members have joined the organisation. We hope this development will continue and confirm the position of ICS as the leading shipowners' organisation in the world. We wish the International Chamber of Shipping all the best for the future. ■



## UNION OF GREEK SHIPOWNERS

*John G. Goumas,  
President*

**T**aking the opportunity of the 75th anniversary of ICS, I would like, in my capacity as President of the Union of Greek Shipowners (UGS) and on behalf of its Board of Directors, to reiterate that we have always substantially supported, in more ways than one, the role of ICS. We wish ICS every success in accomplishing the difficult task of going through a new phase and facing important challenges.

The Union of Greek Shipowners, representing the vast majority of vessels under the Greek flag, over 95% in terms of tonnage, was established 80 years ago in 1916.

The Greek flag fleet ranks third internationally with 6.36% of the world fleet by tonnage and is the largest in the EU, representing approximately 52.47% of the total EU tonnage. This strength, from a small country without significant national cargoes or capital markets of a magnitude necessary to sustain a fleet of this size, shows that the secret of Greek success lies in our accumulated know-how and experience, in our policies and beliefs. The history of the shipping sector in Greece, taking as a starting point the period after the World War II, has shown that Greek shipowners and operators have the virtue of adaptability with respect to the needs and dictates of every period and are, therefore, flexible enough to face the industry's highly unpredictable cyclical nature.

Another major contributor to our success has been the Greek seafarer. Against the background of an international problem of lack of qualified and competent seafarers the Greek Government, in co-operation with the shipowners' organisations, continues its campaign to attract youngsters to the



*The George Lyras passing Sydney Opera House*

seaman's profession and is promoting the modernisation of existing public nautical schools in accordance with the new maritime technology.

Moreover, the development of the Port of Piraeus as an international, modern shipping and financial centre has been among the highest priorities of the UGS.

Let me now briefly turn to our main shipping policy objectives.

Greek shipowners' interests are engaged mainly in the tramp, but also in the liner sector. Greek vessels operate in the international arena as cross-traders, carrying cargoes in strict adherence to the laws of supply and demand. The philosophy of Greek shipping has been, is, and will always be, based on liberalisation, free and fair competition, no flag discrimination, no unilateral cargo reservation, no bilateral agreements on cargo sharing and no subsidies of any kind. We support open markets, free access to them and transparency of operations on a worldwide basis. "Markets are like parachutes, they function only when they are open" said Helmut Schmidt, and we fully share his view.

Regarding the important issues of maritime safety and protection of the marine environment, Greek shipowners support all efforts to reduce accidents and improve the safe operation of ships. We must not forget that over the years maritime transport has proved to be the most cost-effective and environmentally friendly mode of transport for the benefit of world consumers and deserves the support and appreciation of lawmakers at national and international levels.

However, due to the international character of shipping activity its problems must be approached internationally and uniformly. For this reason, it has become imperative, now more

than ever, to strengthen and consolidate the role of the international maritime organisations, so that they are able to face the many new challenges successfully. Hence, the important role played by ICS in this connection, which is most appreciated.

The Union of Greek Shipowners, in its role as the international representative of the Greek shipping community, has stepped up its efforts to promote these principles and to participate and contribute positively to any debates taking place in the various international shipping fora as well as in the European Union and the United States.

Shipping heads towards the 21st century in the midst of an extremely complex global scene. Knowing the resilience of the sector, which has managed to survive through consecutive crises, I am convinced that it will continue its upward progress and development to the benefit of world prosperity. ■



*The Board Room of the Union of Greek Shipowners*

## HELLENIC CHAMBER OF SHIPPING

*Constantine Comminos,  
Immediate Past President*

The Hellenic Chamber of Shipping was established in 1936 when it became apparent that the Greek shipping industry lacked an organisation to co-ordinate the actions of the various sectors of the national merchant fleet and offer reliable advice to the government. Its membership comprises all ships flying the Greek flag (the national ship registration law contains a condition for compulsory Chamber membership). Thus, a great variety of shipping issues fall into the Chamber's scope of responsibilities as official adviser to the Greek Administration and contributor to the shaping of national shipping policy. These issues range from routine management questions concerning small professional yachts, to more complex safety or environmental problems of large tankers. Significant assistance to the work of the Hellenic Chamber is given by 10 permanent committees comprising owners and industry experts, each specialising in particular subjects, which report to the Executive Committee.

The Hellenic Chamber of Shipping was admitted to membership of ICS in 1983, a development with beneficial effect to its ability to follow and participate more actively in international shipping affairs.

Among the current issues of concern to the Hellenic Chamber is the declining competitiveness of the national shipbuilding and repair sector, and in particular the effect this may have on the Perama ship repair zone. Being located close to Piraeus ship management offices and having a reputation for quality repair and conversion work with the wide use of subcontractors, Perama has for years served the needs of domestic owners in an efficient and economic way. Nevertheless, lack of investment in infrastructure and equipment improvement on the one hand, and a steep rise in labour costs on the other, have diminished the competitive advantage of Perama and driven many of its traditional customers to the yards of neighbouring countries.

The Chamber has been striving to revitalise this important Greek merchant fleet ship repair base through documented proposals and constant pressure on the authorities to take and implement the appropriate steps. We believe that our efforts will soon produce the desired results and that there will be no loss of valuable experience and expertise that the country's yards have acquired over the years. Despite its problems, the Greek shipbuilding and repair industry remains one of the most important in South-Eastern Europe, and it is in the interest of the European Union not to let it decline further.

On the international front, the implementation of the International Safety Management (ISM) Code of IMO is an issue causing some apprehension to many members. Piraeus is the base of several hundred small and medium-sized ship operators who will have to modify and adapt their long-standing and successful management systems to suit the requirements of the Code. The Chamber is assisting these companies through practical advice to prepare themselves for ISM Code certification according to the guidelines of IMO, and of the Greek administration. ■



## ICELANDIC SHIPOWNERS' ASSOCIATION

*Birgir O. Haraldsson,  
Chairman*

On the occasion of the 75th anniversary of the International Chamber of Shipping it is a particular pleasure for the Icelandic Shipowners' Association (ISA) to pay tribute to the invaluable contribution that ICS renders to its members. Membership of ICS offers small associations such as the ISA the opportunity to follow closely, and be informed about, international developments in shipping through ICS attendance at meetings of international organisations, the concise reports it produces thereafter and its representations to individual administrations and authorities.

The Icelandic Shipowners' Association was founded in 1983 by seven local shipping companies involved in interna-



tional trades. The membership has remained constant through the years, but the fleet entered in the Association has steadily decreased in numbers. The principal members of ISA are the leading Icelandic liner companies - the Icelandic Steamship Co. Ltd. (Eimskip) and Samskip Ltd. - that jointly own or operate over 60% of the Association's fleet. As elsewhere, the aim of the ISA is to promote and protect the interests of its membership and to represent the local shipping companies in their dealings with the authorities. A very important aspect of the activities of ISA is to keep its membership informed of relevant international developments in shipping and it is in this context that ISA's membership in ICS is extremely beneficial.





The Icelandic Shipowners' Association exists in the shadow of its much larger sister organisation, the Icelandic Fishing Vessel Association, which represents one of the world's principal fishing fleets. However, merchant shipping is of crucial importance to the Icelandic economy, due to the geographical isolation of the country and the exceptionally high per capita volume and value of international trade. To demonstrate Iceland's dependency on the seas, seaborne trade to and from the country is equivalent to 12 tons for each Icelander and, in addition thereto, the annual catch in Icelandic waters is equivalent to 4 - 6 tons of fish per capita. Iceland recognises full freedom to provide merchant shipping services, irrespective of vessel registry and crew nationality, and has therefore suffered a steady erosion of its national tonnage and shipping activities in the face of competition from vessels of flags of convenience and open registers.

Thus the primary issue facing the ISA, both nationally and internationally, is a satisfactory means whereby both national tonnage and competitive shipping services can be maintained simultaneously. ■



## INSA - THE REPRESENTATIVE BODY OF INDIAN SHIPPING

*Deepak Chowgule,  
President*

**T**he Indian National Shipowners' Association (INSA) was founded in December 1929, soon after formation of the pioneering venture of Scindia Steam Navigation Company, essentially to give a thrust to the efforts of the pioneers to progressively achieve self-reliance in national shipping as part of the overall national efforts towards economic independence along with political independence. Since then, more particularly since 1947 after the nation gained political independence, INSA has become the shipping industry's collective forum to promote development of national shipping commensurate with national needs and to secure its fullest possible participation in the carriage of the country's coastal, offshore and overseas trades. In pursuance of these objectives, INSA has been engaged in concerted action to achieve the goal of the maximum possible self-reliance in all aspects of the country's maritime activities.

Since its inception, INSA has been vigorously campaigning on behalf of national shipping, highlighting its importance as the lifeline of the nation in peace and emergent times, a vital

sector in the nation's economy, an effective instrument of export promotion and an export industry in its own right. The potential of the shipping industry to create opportunities for the establishment of industries in allied sectors such as shipbuilding and ship repairing, as well as to generate employment opportunities for a large number of skilled and unskilled personnel and develop indigenous talent at management level, has been clearly understood. These objectives and the measures required to achieve them were incorporated in the national shipping policy frame embodied in the Policy Resolution of the Government of India of 1947 based on the recommendations of the Post-War Reconstruction Policy Committee on Shipping.

Over the years, INSA has broadened its functions and the area of its activities has expanded in line with the progressive growth of Indian shipping. The national fleet, which stood at 192,000 grt at independence on 15 August 1947, has been diversified over the years and reached an all time high of 7 million grt (11.6 million dwt) on 1 January 1996, achieving the 8th Five Year Plan target (1992-97) ahead of the Plan period. The Indian shipping industry today comprises a versatile modern and technically superior fleet with an average age of around 14 years as against the world average of 18 years. The expansion of Indian tonnage during the 8th Plan period has been assisted by the interplay of various factors which include liberalisation of acquisition procedures, improvement in the foreign exchange position of the country - which has enabled shipping companies to raise foreign currency loans for ship acquisition at competitive cost - and general improvement in the freight markets.

The government has been pursuing a policy of progressive development of the national fleet strength through successive five year national economic development plan programmes with the objective of eventually achieving 50% participation of national ships in dry bulk trades, 40% in liner trades and 100% in oil and coastal trades. The 8th Plan target was fixed to achieve 45% participation of national ships in the country's overseas trades. However, during 1993-94, the share of Indian ships stood at 33.6% in the country's overseas trades. Sector-wise, the percentage share was 20% in dry bulk, 60.6% in petroleum and other liquids and 8.8% in general cargo trades.

There is substantial potential for growth of Indian shipping in view of the on-going economic reforms pursued by the government since 1991, the projected increase in the country's export/import trade and the possibility of additional opportunities upon India's signing of the GATT agreement and becoming a member of the World Trade Organisation. The need for re-enunciation of a national shipping policy approach in line with the requirements of the new economic reforms and liberalisation policies of government assumes significance in this context. The industry is in dialogue with the government directly as well as through the statutory advisory body of the National Shipping Board and other fora to recognise the strategic role of shipping in the country's trade and economy and to evolve appropriate policy measures to encourage: modernisation and growth of the national fleet by way of fiscal and monetary incentives; optimisation of operational viability in the deployment of the national fleet in national and interna-



Chris Horrocks, ICS Secretary General, inspecting cadets at T.S. Jawahar, Bombay, in February 1993

tional trading; improvement of human resource development; improvement of support infrastructure areas like ports, multi-modal transport infrastructure and ship repairs; and the revitalisation of coastal shipping as part of the strategy for the development of trade and the country's economy.

Presently, membership of INSA comprises 29 Indian shipping companies, including public and private sector companies, owning and operating between them over 90% of Indian tonnage. The current Board of Directors comprises 13 members with Mr B. L. Mehta as Vice President.

The Indian National Shipowners' Association enjoys the status as representative spokesman for national shipping and is recognised as such at national and international level. The Association has the privilege of consultative status with the country's administration in respect of all important issues relating to the industry. The association enjoys excellent rapport with the national administration, port and shippers' organisations and is represented on most of the government and non-governmental and related maritime agencies. The Association's effective strength rests on the representative character of its membership, working in close co-operation to arrive at consensus decisions. It has maintained cordial industrial relations with the seaman's and floating staff officers' unions despite stresses and strains arising at times. Its harmonious relations with the unions have enabled the Association to conclude mutually acceptable industry agreements concerning the terms and conditions of employment of seamen/officers.

As the industry forum, with its long experience, INSA strives to disseminate information to help evolve public opinion about on-going developments in the industry in India and abroad, publicising industry views on its various problems through its monthly journal *Indian Shipping*, which has entered its 48th year of publication. The *Annual Review* and periodical issues of *INSA Information and Statistical Bulletins* continue to provide

members and others with information and statistical data pertaining to national and international shipping. Regular liaison is also maintained with the public media to project the views of the industry on various issues and problems.

The Indian National Shipowners' Association fully recognises and strives to impress the international character of shipping operations and is keeping up its close association with the international line of thought. The association actively participates through its representatives, as well as in liaison with the government, in most of the major international inter-governmental fora' like IMO, ILO and UNCTAD to advance the cause of world shipping as a leading spokesman of national shipping and of developing countries in particular. It was very soon after its establishment that INSA was elected a member of the International Chamber of Shipping, and also of the International Shipping Federation. It is also now a member of Intertanko and the International Support Vessel Owners' Association (ISOA).

Cargo sharing and phasing out of FOC registries have been subjects of debate at international level where INSA representatives actively participate. The developed nations have generally accepted, through UN and UNCTAD, resolutions on the need to encourage the participation of developing countries in the movement of their own international trades. They continue however to advocate the efficiency of open market forces as the best means to achieve this end. Insofar as liner shipping is concerned, with the adoption of the UN Convention on a Code of Conduct for Liner Conferences, regulations exist in the Conference system to enforce mutual negotiations between shippers and shipowners in Conference matters, entitling national shipping lines at the two ends of the trade and participation by outsiders to a 40:40:20 formula. In India, the proposal for providing cargo support to Indian lines in terms of the Code of Conduct for

Liner Conferences is presently being promoted through a voluntary modified cargo support scheme adopted by the government with INSA acting as the lead agency.

On the international front, a major subject on which India has its own views is the concept of an international minimum wage for seamen as contained in the ILO Recommendation No.109. The Indian National Shipowners' Association, as the representative of Indian Shipowners in the ILO Joint Maritime Commission, has been voicing in clear terms that such a concept is illogical and impractical in the context of widely differing standards of living and wage levels in different countries, not to speak of manning differences on ships. It is India's view, fully supported by INSA and accepted by the International Shipping Federation (ISF), that the national wage structure for national seamen should be nationally negotiated, having due regard to economic conditions in the country of domicile of the seamen. Otherwise, it distorts the entire wage structure of related industries and instigates artificial inflation of costs in developing countries in shipping as well as in other allied industries with a snow-balling effect, thus adversely affecting the operation and development of the industries. It is strange that shipping is the only industry for which such an international pay norm is being sought to be superimposed time and again.

Another issue of grave concern to the Indian shipping industry relates to manpower development needs, accentuated by the ISM Code adopted by IMO, which will come into effect in a phased manner from July 1998, and the recent revision of the STCW Convention, which calls for upgrading of our national certification standards which will very soon come under scrutiny by the IMO. Our national administration has taken these issues seriously and necessary consultations have been initiated with the industry to ensure full compliance with the international standards and efficient and safe operation of our ships. The Association's endeavours are fully geared at national and international levels to the formulation of policies relating to international conventions, treaties and codes relating to safety, marine environmental protection, flag state implementation, oil pollution preparedness and so on, under the auspices of IMO and other such international organisations. The Association is conscious of the industry's responsibility to strive continually towards improving safety and ensuring a cleaner environment and co-operates with the administration in every possible way in these endeavours. The growing international concern with matters relating to safety and the environment has led to stricter control procedures at all international ports. Indian shipowners have been taking due note of the deficiencies for which Indian ships are being targeted for priority inspection under port state control regimes and they are taking all necessary actions to ensure full compliance with the international norms concerning seaworthiness and safety of ships at sea.

Through the agency of the Merchant Marine Education and Research Trust (MMERT), INSA continues to participate actively with foreign shipowners and their manning agencies in India in a joint scheme to assist and co-ordinate the provision of facilities for training merchant navy officers and ratings at various training institutions. An objective of the scheme is to bring about agreement with the foreign

shipowners to make their own arrangements for recruitment and training of officers/ratings to meet their manning requirements, so that the problem of manning shortages being faced by Indian shipping companies due to the constant drift away to foreign flag employment will be eased. This expectation has not been fulfilled and the drift continues unabated. The association is apprehensive that it will accentuate with the increase in worldwide demand for highly competent and trained officers following the implementation of the revised STCW Convention and the ISM Code.

Over the years, INSA has established a rich tradition of working on the basis of mutual consultations, persuasion and consensus at all levels and with mature experience and dynamic leadership. The Association is confident of serving the cause of national shipping, in its efforts to meet the new challenges ahead and the cause of international marine transportation in general, to provide an efficient and competitive support service to international trade. ■



## THE ISRAEL SHIPOWNERS' ASSOCIATION

*RADM (Ret) Shlomo Erell,  
I.N., President*

**T**he Israel Shipowners' Association was formed in 1976 with the following objectives:

- To provide an organised representation of the national shipping industry's needs before governmental and legislative bodies.
- To establish a common policy on labour issues and conduct collective bargaining with the seafarers' unions on an industry level.
- To follow trends and conduct comparative studies of shipping policies in the major maritime countries and advise the government on matters of international policy.

This last objective has been greatly enhanced by joining ICS and being able to benefit from the vast expertise concentrated in this organisation.

Originally there were nine founding members, the two leading ones, Zim Navigation and Transasiatic Oil being partly



SS Yamsuf, 13,000 dwt, built 1939,  
1st ship of "El-Yam Ships" Ltd, Haifa



Zim America 3040 TEU, maiden voyage, Hong Kong, 1990

government owned. It is interesting to note that these two members had an ulterior motive of placing a buffer between them and the "Establishment", enabling them to make purely business decisions. The smaller, private shipowners were naturally very much interested in being able to influence decisions in matters common to the entire industry.

Israeli maritime laws have been quite conservative about compulsory registration of vessels owned by Israeli nationals and compulsory manning by national crews. On the other hand, they have been rather liberal about discipline and control of labour disputes.

One of the early tests of the Association was a general strike which turned into a lock-out by the owners, lasting for several weeks and culminating in a total revision of collective agreements, ensuring, inter-alia, industrial peace which has lasted, with minor disruptions, for some 16 years to date.

The Association has only been moderately successful with legislation, obtaining some tax allowance for seafarers, accelerated depreciation and occasional relaxation of national crewing rules on an individual basis and only with the unions' approval.

Membership has since been reduced to four companies, namely:

- Zim Navigation- prominent liner operator.
- Ofer Shipping - general cargo and management.
- El-Yam - bulkers and oil tankers.
- Gadot-Yam - chemical carriers and traders.

Transasiatic, which had been operating a fleet of tankers serving the Eilat - Askelon Oil Pipeline, closed down as a result of the revolution in Iran. Some other owners merged with Zim and Ofer and others have flagged out.

In general, the cost of operation under Israeli flag is still prohibitive, and except for the large container ships, most

other tonnage is either chartered or permitted to sail with mixed crews. The industry is facing fierce competition, particularly in the foreign trade of Israel, where it carries only about 20% of the tonnage. About 65% of all revenues are derived from cross trading.

It is therefore natural that on international issues the association upholds the principle of free trading under all flags and supports all measures of control against unfair competition by substandard ships and incompetent crews. The association would also support all IMO regulatory measures aimed at raising the standard of training of certified personnel and increasing safety of navigation while reducing the size of ships' complements.

The Association's broad policies are outlined by the Council of the Managing Directors of the respective members, one of whom is elected as Chairman. The only permanent staff consists of the President and a Secretary. Much of the routine work is carried out with the help of Ad-Hoc Committees representing the individual members. ■

## ICS AT SEVENTY FIVE & LSC AT TWENTY TWO

*Jeremy M. S. Smith,  
General Secretary, Liberian Shipowners'  
Council*

**T**here will be many in this industry whose connections with ICS go back much further than do mine, but few who both worked in its secretariat and then for one of its members. One who does come to mind is Mike



*Stolt-Nielsen parcel tanker, 31,379 dwt, built in 1979*

Squires who worked for the UK Chamber and then joined the secretariat. It is also worth recalling that Michael Grey of Lloyd's List once provided the organisation with some real writing. I mention this only as I was nearly sacked because I could not.

When I came ashore in 1967, "flag of convenience" was a dirty phrase but these flags did not represent any real threat to the established shipowner. Today, almost all shipowners use the open registers and far too many of the traditional registers are mere shadows of their former selves. Sad? Of course it is, but it reflects the reality of the marketplace. It also reflects the realisation that sea transport is only a cog, albeit a vital one, in a global marketplace and that it must be not only efficient but low cost.

The Liberian Shipowners' Council was established in 1974, initially to provide Liberian owners with a voice at ILO. It quickly became clear that there was a role for its members in all of shipping's fora, particularly ICS. The Liberian Shipowners' Council is not an organisation devoted to the concept of promotion of open registers or even the Liberian flag. We do, however, promote the idea that if an owner's national flag is unsuitable for whatever reason, it is vital that a responsible option is always available. Our members view the Liberian register as the best option and a model of how a flag should be run - tough on quality and safety but efficient and responsive to an owner's business requirements. They are proud that, of all the major open registers, Liberia is the only one not on the MOU or USCG port state control 'hit lists'.

From the LSC's perspective, ICS has always represented a quality investment and still does, even more so today than in the past. The International Chamber of Shipping provides us with an industry voice which reflects the highest levels of professionalism and covers a vast array of shipowner concerns.

The issues for ICS over the last 75 years have been the need to maintain high standards in a world where returns on invest-

ment have rarely been sufficient to justify the effort. I believe these will still be the issues that will drive ICS and its members over the next 75 years, but in the shorter term there will be a greater need to concentrate on the people-end of the business. More and more seafarers are coming from the third world and the industry has to ensure that quality is not sacrificed in favour of cost savings. This is the challenge of the future and it is a challenge that we are sure ICS, as well as ISF, will meet. We look forward to being a part of ICS's next 75 years. ■



## THE NEW ZEALAND SHIPPING FEDERATION

*James Bryant, President,  
New Zealand Shipping  
Federation*

The New Zealand Shipping Federation applauds, and is proud to be part of, this publication marking the 75th anniversary of ICS, an organisation with which we have a long-standing association.

Although the activities of our nine member companies are generally confined to trans-Tasman and New Zealand coastal shipping, we are anxious to remain abreast of what is happening on the international shipping scene, particularly with respect to environmental issues. In addition to information provided via circulars, we maintain contact with ICS through the Australian Shipowners Association, which represents us at ICS meetings, and through various forms of telecommunication, technology having become increasingly helpful to us in securing rapid responses from ICS on specific issues, complete with comments from other members worldwide.



*Spirit of Progress belongs to Pacifica Shipping (1985) Limited. Pacifica operate four ro-ro vessels between the ports of Lyttelton, Wellington, Auckland, Nelson and Onehunga*

Our Federation was formed in 1907. Our current members, who meet every two months as the Federation's Council, include major New Zealand shipowners such as Coastal Tankers Ltd, Pacifica Shipping Ltd, South Pacific Shipping, Union Shipping New Zealand Ltd and the operators of the inter-island rail/vehicular/passenger ferry service, Trans Rail.

The Federation's original objectives to watch over, protect and promote the interests of members remain basically the same today. The replacement of the long-established "pool" system of engaging seafarers in 1992 with direct company employment means we no longer participate in industrial relations matters. Indeed, our Federation and the maritime unions nowadays work very closely together to ensure promotion of the New Zealand shipping industry - a far cry from the history of conflict between shipping employers and maritime unions, blackened by a 151 day violent waterfront strike in 1951, which remains New Zealand's most infamous industrial protest.

Today, the Federation sees its primary role as advocacy of maritime-related legislation compatible with that in existence and/or being introduced internationally, especially legislation on environmental matters. We are pleased to report that the New Zealand Government is currently planning marine protection rules that will enable New Zealand to accede to the MARPOL 73/78 Convention.

The government is also reviewing other marine legislation and regulations - including safety matters - to ensure consist-

ency with enhancements to both New Zealand and international environmental law. Our Federation has extensive input into such reviews including, for example, a government-appointed group currently investigating the extent of the threat of ballast water to New Zealand waterways and how to address any such threat.

The Federation is also promoting changes to the tax regime to allow New Zealand-based shipping companies to enjoy the same tax provisions as those applying to their overseas competitors.

The major recent development for the New Zealand shipping industry was the lifting of cabotage on the New Zealand coast from February 1995, opening it to free-market competition. So far, however, the open coast has had a minimal impact on the volumes of freight carried by our members.

Ironically, the number of New Zealand-operated ships has increased - though this is due to the significant growth in the New Zealand economy rather than any increased focus on coastal trade as a result of the coast becoming open. This growth has continued since the start of the 1990s, to the point where it is now considered sustainable - and shipowners have in the past 12 months or so been showing the extent of their confidence by making very substantial investment in additional tonnage.

The New Zealand shipping industry finds itself in extremely good heart in this ICS anniversary year, and looks forward to this continuing. ■



A collision in the Istanbul Strait, 13 March, 1994



## THE TURKISH SHIPPING INDUSTRY TODAY

*Cengiz Kaptanoğlu, Chairman of the Executive Committee, Turkish Chamber of Shipping*

**T**urkish owners today are part of a dynamic shipping community which continues to gain strength.

The size of the Turkish fleet has now surpassed the 10 million dwt mark, and there is an enthusiasm to develop the shipping industry even further, which is marked by initiatives such as setting up a new maritime training college, a new vessel traffic system for the Bosphorus, the establishment of the Turkish Maritime

Education Foundation (TUDEV), and the formation of the Turkish Marine Environment Protection Association (TURMEPA) to fight pollution. Several Turkish shipowners are now trying to modernise their fleets and some newer ones are placing the emphasis on purchasing younger vessels.

Shipbuilding activity in Türkiye today represents a comprehensive industry encompassing ship construction, ship repair and maintenance, marine equipment manufacture and ship scrapping. It is one of the country's traditional industries dating back to the early 13th century.

Moves to create the Ministry of Merchant Marine are now well advanced in Türkiye and all the major commercial maritime activities are to be included under the new ministry.

Istanbul and Marmara, Aegean, Mediterranean and Black Sea Regions Chamber of Shipping, the Turkish Chamber of



Shipping for short, is an important professional organisation of the Turkish merchant marine sector, with its main headquarters in Istanbul and branch offices in Izmir, Iskenderun, Antalya, Izmit, Gemlik, Tekirdag, Bandirma, Canakkale, Samsun, Trabzon, Bodrum, Rize and Marmaris, liaison offices in Ankara and Mersin and agents in Karadeniz Ereğlisi, Zonguldak, Bartın, Amasra, Inebolu, Hopa, Giresun, Ordu and Sinop. It was first established as the Istanbul Chamber of Shipping in August 1982 and gradually enlarged to cover the sea of Marmara and the Aegean, Mediterranean and Black Sea coasts. At the end of 1995, its membership totalled 2719.

The most important aim of the Turkish Chamber of Shipping is to strive to develop shipping in accordance with national transportation and shipping policy and public interest.

The Association publishes various books of studies on shipping and relevant subjects and also a bi-monthly shipping magazine called *Deniz Ticareti* (The Turkish Shipping World).

The Turkish Chamber of Shipping first became a member of the International Chamber of Shipping in 1984 and has, ever since, had the pleasure of benefiting from its valuable contributions. We extend our warm congratulations to the International Chamber of Shipping on the occasion of its 75th anniversary, wishing it all the best for its further expansion and the continuance of its precious contributions to world shipping. ■



## AUSTRALIAN CHAMBER OF SHIPPING (ASSOCIATE MEMBER)

*Gregory A. Bondar,  
Executive Director*

**S**hips move 97% of world trade and, as such, marine transportation is the single most important international industry and a vital ingredient for the world's continued prosperity.

The future direction of the Australian Chamber lies in the fact that shipping is an international activity - carrying the world's 4.3 billion tonnes of seaborne trade economically, efficiently and safely. Given the international climate in which shipping operates, the Chamber is well poised to consolidate its role as an important shipping industry body in Australia.

With its wide-cross section of members and associate members, the Chamber tries to reflect the views of all shipping operating into, and out of, Australia. In this regard, I envisage some challenges and opportunities for the Chamber in the year ahead, some of which include:

- the shipping industry speaking with a united voice;
- the formation of a united Australian Transport Forum with representatives from all modes of transport charged with the role of advising and/or lobbying governments;
- better and continued co-operation between industry and government; and

- a stronger alliance between the various sectors of the maritime and shipping industry resulting in commercial and strategic benefits.

Issues which the Chamber will strive to address, to the satisfaction of its members and the industry, include:

- Ballast water becoming a community service obligation of governments;
- The repeal of the Stevedoring Industry Levy and the return of over-collected funds to shipping;
- The elimination of cabotage for passenger (cruise) shipping;
- The elimination or reduction of the fuel excise on passenger (cruise) ship bunkers;
- A total review of the illegitimate Trans-Tasman Accord;
- The reinstatement of Sections 45D and 45E into the Trade Practices Act;
- The elimination of the number of unacceptable delays and stoppages on the waterfront; and
- forging closer links with individual port corporations with a view to eliminating impediments to trade, such as wharfage on empty containers.

There is so much for the Chamber to do. Progress depends heavily upon the continued support of the members, the expertise of the various Chamber committees and the dedicated commitment of the Chamber's Councillors. The last 30 years in the Chamber's history have been filled with both achievements and disappointments.

I believe industry needs to set a straight and narrow course for 1996 focusing on those issues which will deliver both 'profit' and 'safety' to all shipping. ■



## INTERNATIONAL COUNCIL OF CRUISE LINES (ASSOCIATE MEMBER)

*Cynthia Colenda,  
President*

**O**n behalf of our 23 member lines serving the North American cruise market, the International Council of Cruise Lines (ICCL) works in partnership with ICS on a wide variety of issues. As a member of its Marine Committee and Passenger Ship Panel, ICCL provides input on those areas of mutual interest to our respective memberships. Issues topping the 1995 agenda ranged from ship design and operations (including accessibility for disabled and elderly passengers) to the STCW and SOLAS amendments and marine environmental protection, among others.

Originally founded back in 1968 as the International Committee of Passenger Lines (ICPL), ICCL is a non-profit trade association which represents the cruise line industry in the regulatory, legislative and international policy process. While the Association changed its name to ICCL in 1990, the fundamental objectives set forth by its founding members have remained the same. The association's mission is to participate in the development of international shipping regulations and to foster the continued growth of the passenger cruise line industry.

The membership of ICCL operates 86 vessels accounting for over 90% of the worldwide, overnight, deep-sea passenger cruise line industry. This capacity consists of over 89,000 lower berths and more than 33 million cruise days annually. Micky Arison, Chairman & CEO of Carnival Corporation, currently serves as Chairman of ICCL.

The International Council of Cruise Lines plays an important role as a non-governmental consultative organization to the International Maritime Organization (IMO). Recent IMO related activities include participation in the development of amendments to the SOLAS convention. The new SOLAS amendments call for unprecedented safety improvements on passenger vessels to be phased in by 2010. These amendments apply to both new and existing ships. Our industry participated in the development of these changes, which require passenger vessels to upgrade fire protection and lifesaving equipment, and install low-level lighting, smoke detectors and automatic sprinkler systems. The cruise industry is constantly striving to improve safety procedures. Our

excellent safety record attests to the importance the industry places on the safety of its passengers.

Key among the US representatives to IMO is the US Coast Guard. Member lines of ICCL have a long-standing, ongoing partnership with the Coast Guard which, through its comprehensive Control Verification Program, monitors the safety of all vessels that embark passengers from US ports.

In addition, ICCL works in concert with various other US regulatory agencies to ensure a safe and healthy cruise ship environment. Some of the agencies which oversee the industry's domestic operations include the Center for Disease Control (CDC), which conducts regular sanitation inspections, US Customs and Immigration, which assists with passenger screening and processing, and the Department of Agriculture, which inspects vessels for waste disposal.

The International Council of Cruise Lines looks forward to working with ICS in the coming years to ensure the responsible growth and continued success of the international shipping industry. ■



# THE ICS COMMITTEES

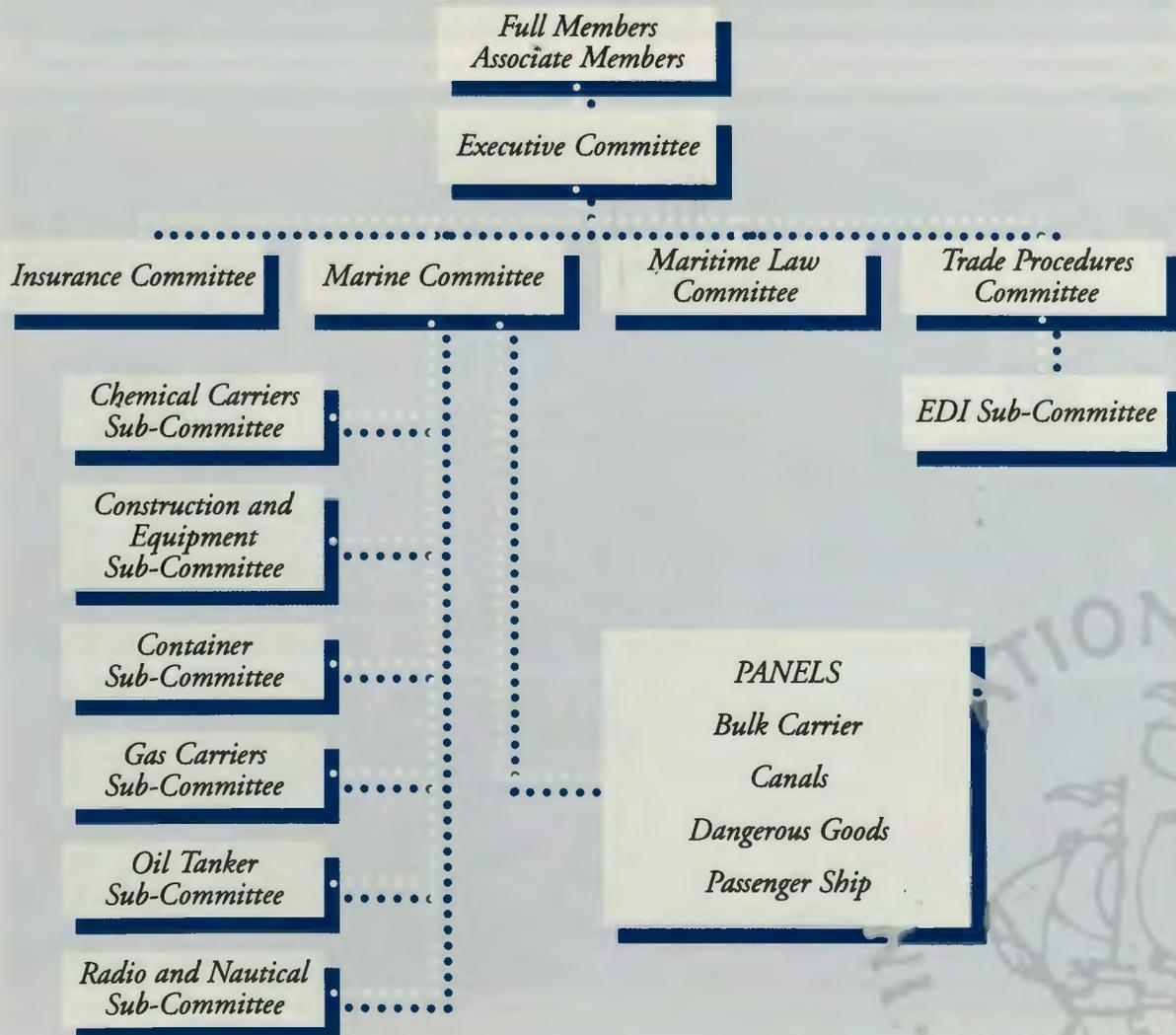
## Expert guidance and debate on shipping issues

The work of ICS is progressed mainly by committees, which are open to participation by all ICS members and through which views are expressed and expert guidance sought. A primary concern of ICS has always been with ship safety and this is reflected in its committee work. Other aspects of shipping operations are however fully covered by a variety of ICS committees which currently deal with the following subjects: containers and multi-modal transport; facilitation of trade procedures and documentation; marine insurance; marine pollution; maritime law; marine safety, including navigation, communications, ship construction and fire protection; oil tankers, chemical and gas carriers; and the Panama and Suez Canals.

Other problems are dealt with by temporary committees as occasion demands. For example, at the time of writing a special working group has been established to consider issues relating to the IMO International Safety Management (ISM) Code.

Decisions made by these committees are filtered back to governments through the national shipowners' associations and also submitted direct to inter-governmental organisations with which ICS has contact. The following articles have been prepared by the various ICS Committee Chairmen and reflect upon the issues with which they and their Committees have been involved.

### Organisational Structure





## BACK TO THE FUTURE

*J. A. D. Hunter,  
Chairman, Marine Committee*

**H**ow did it all begin? In 1921, 14 countries met at the first International Shipping Conference convened at the Hotel Victoria in London. It is interesting to note that in that year 33% of the world's gross tonnage was registered in the UK and 23% in the United States. The two next largest fleets were France and Japan, each having 6% of the world's fleet. It was recognised that if a nation's shipping industry was to be in a position to render the fullest assistance to its own country and to the world as a whole, without at the same time abandoning its own interest, then an international body fully representative of shipowners should be assembled. This body, able to count upon the assistance of technical experts, would not only give expression to the views of the industry on matters of international law or procedures, but also deal with the many technical questions involving ship construction, safety and management which were outside the scope of legal discussion and normal commercial practice.

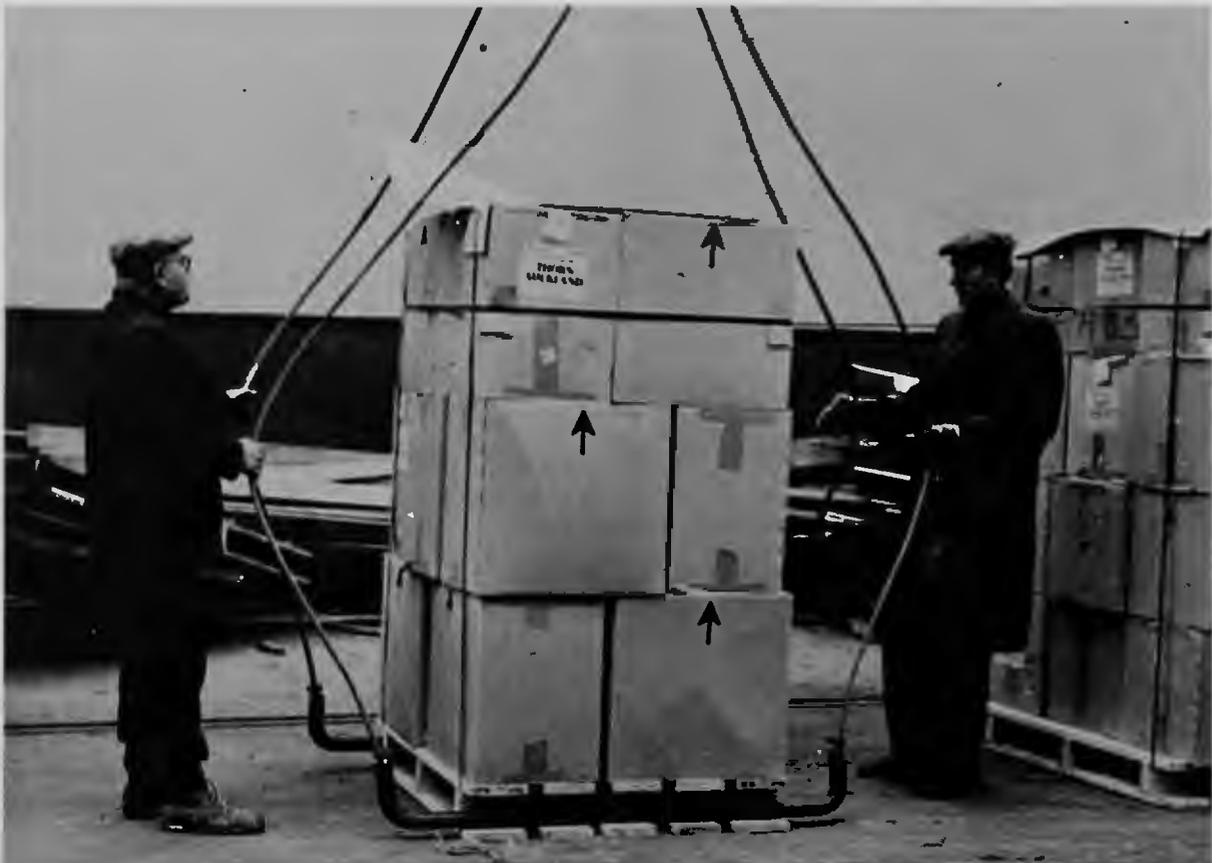
Following the *Titanic* disaster the maritime countries of the world had hurriedly prepared a draft maritime convention in 1914, commonly known as the "Convention of London". By 1921, seven years' reflection and experience, coupled with changed economic conditions, demanded reconsideration of

the Convention, including some of its more important provisions, such as those dealing with the sub-division of passenger vessels, life saving appliances and radio. These subjects therefore figured prominently on the agenda of the industry's first international meeting.

The 1921 conference marked a real step forward to promote the worldwide interests of the shipping industry. The system of membership differed materially from that of the commercial conferences in existence at the time in that only national shipowners' associations, and not individual companies, could be admitted. The meeting was therefore able to look to national industry leaders for comment, giving weight to the conclusions and recommendations put forward. Some 100 delegates discussed and reached a large measure of agreement on a number of subjects which the previous lack of proper international consultation had made of urgent importance. The official report of the meeting states that "the proceedings throughout were significant of the good will and accord which exists between shipowners in every country when brought together to find a common solution for the many difficult problems which confront the industry".

In the succeeding years, a great deal more was achieved. One of the main preoccupations at that time was to ensure that governments agreed upon a reasonable standard with regard to wireless equipment, the type of vessel on which it was to be carried, and a uniform practice as to exemptions from the established standards.

The need for an automatic device to receive emergency calls and for the adoption of a universal emergency call best suited for wireless use was also advocated. In other areas, rules and



*Cargo Handling in the 1950s*

regulations concerning freeboard, the carriage of timber as deck cargo, load lines and sub-division, were the subject of proposals from industry committees.

The fourth International Shipping Conference in 1928 marked a significant milestone when consideration was given to proposals which had been made to reconvene the Diplomatic Conference on Safety of Life at Sea in order to revise the Convention of 1914. The industry's technical committee met in advance of the 1928 Conference and presented to it a series of reports on sub-division, lifeboats and life saving appliances, and ideas - formulated for the first time - on collision regulations, including important proposals to reduce shipping casualties by the adoption of a uniform international practice governing helm orders. These reports were subsequently put at the disposal of the Diplomatic Conference and formed the basis for the resultant 1929 Convention.

World conflict caused an unavoidable interruption to internationally organised efforts and it was not until the mid-1940s that the next major event took place. A conference was convened by the industry to consider its attitude towards the Inter-governmental Maritime Consultative Organization (IMCO), recommended by the United Maritime Consultative Council at Washington in 1946. With previous experience of the difficulty of dealing with the ever increasing number of international organisations, the International Shipping Conference gave only a luke-warm welcome to IMCO. It felt that no real case had been established for a standing inter-governmental organisation to deal with shipping matters, and it welcomed and emphasised the definite exclusion from IMCO's functions of all matters suitable for settlement through the normal processes of international shipping business. The Conference considered this principle essential to the efficient conduct of maritime commerce.

In March 1948 it was decided to change the name of the International Shipping Conference to the International Chamber of Shipping. A first meeting of the ICS Technical Committee - the forerunner of today's Marine Committee - was convened in 1948 to co-ordinate policy in preparation for the International Conference on Safety of Life at Sea which opened in London on 23 April for the purpose of revising the 1929 Convention. Delegates to the Conference were reminded that it was more than a quarter of a century since the then International Shipping Conference had taken the initiative of preparing recommendations for safety requirements which had been submitted for the consideration of interested governments. Although it had taken the best part of seven years to work out these proposals, and it was 19 years since the Safety Convention had last been revised, it was suggested that the Convention had stood the test of time because the ICS of the day had done its job so thoroughly.

By the time IMCO - or IMO as it later became - was formed in 1958, several important conventions had been developed. In addition to the 1948 SOLAS Convention, the 1954 International Convention for the Prevention of Pollution of the Sea by Oil, and treaties dealing with load lines and the prevention of collisions at sea, had also been adopted. Today there are more than 20 international instruments applicable to maritime safety and pollution

prevention, and there is a marked difference in the pace of developing and amending regulations. Taking the 1974 SOLAS Convention as an example, the Convention has been amended 24 times during the past 18 years and there is little indication of any let-up in this trend.

The situation in the industry itself is also very different today compared to 75 years ago. Although ICS has continued to be supported by national shipowners' associations, the structure of the world's fleet is very different from that of 1921. ICS has had to adapt to keep in step with significant changes both with regard to ship ownership and also technological development. Traditional attitudes have also had to change. For example, in 1955 the ICS Standing Committee "considered and regretted the enormous tonnage of ships registered under the 'convenient' flags of Panama, Liberia, Honduras and Costa Rica." It felt that this development was not in the true interest of the traditional maritime nations nor, indeed, of any country with genuine maritime aspirations.

Just as the shipping industry itself has changed, governments too have also had to adapt. This has been especially evident in the international rule-making arena of IMO. Whereas in the past the industry was looked-to to provide the initiative in setting sound technical standards, that role has gradually been eroded as governments have responded in more recent times to political and public demands for them to act by developing new and more detailed regulations.

The role of the ICS Marine Committee and its technical sub-committees is as important today as it was in the first days of the organisation 75 years ago. The issues currently being debated, such as passenger ship and bulk carrier safety, the implementation of management standards, and the wide area of environmental legislation, make it essential that the industry should continue to collaborate in examining the proposals being put forward, and respond responsibly and professionally. ■



## STRIVING FOR INTERNATIONAL UNIFORMITY OF MARITIME LAW

*Dr Bernd Kröger,*

*Chairman, Maritime Law Committee*

From its early days one of the major preoccupations of ICS has been international maritime law. Even at its first meeting in 1921, the agenda included an item on The Unification of Maritime Law. The subjects discussed under this heading were Limitation of Shipowners' Liability and Maritime Liens, and Affreightment and Bills of Lading - Hague Rules 1921.

Over the years ICS has actively participated in numerous Diplomatic Conferences at which important international maritime instruments have been agreed. The Maritime Law Committee assisted in the development of ICS positions in respect of the landmark Civil Liability for Oil Pollution Damage Convention in 1969 and the IOPC Fund

Convention in 1971. The Committee also briefed the ICS representatives that attended the Diplomatic Conferences which adopted the 1976 Convention on Limitation of Liability for Maritime Claims, the 1989 Salvage Convention and more recently the 1993 Maritime Liens and Mortgages Convention.

The two principal items which have occupied the Committee in recent years are the liability aspects of the United States Oil Pollution Act 1990 (OPA 90) and the draft IMO International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS Convention).

OPA 90 is an example of precisely the type of regulation which the Maritime Law Committee strives to prevent. The Committee is keen to promote international uniformity of maritime law because regional and national initiatives run the risk of creating inconsistent restrictions on shipping in international trade.

Of late the Committee has been particularly concerned with the intense debates which have been generated by the implementation of OPA 90, not least the discussions regarding Certificates of Financial Responsibility (COFRs) and Natural Resource Damage Assessment. The Committee has been instrumental in preparing ICS submissions to the respective US authorities at all stages of both rulemaking processes.

Although the urgency surrounding COFRs has subsided the Committee maintains a watching brief on this subject, recognising that the industry remains concerned about the more fundamental problems of lack of adequate insurance cover and potentially unlimited liability.

The draft HNS Convention will be considered by a Diplomatic Conference in April/May this year. The Committee has devoted considerable time to the formulation of an ICS position in respect of the draft Convention. Shipowners support an international Convention and are hopeful that it will be adopted by the Conference. One of the basic principles on which the draft is based is that responsibility for compensation of HNS incidents should be shared between ship and cargo. The fundamental importance of an active HNS Fund, financed by cargo interests, will be stressed at the Conference.

In future, the shipping industry will have to respond to a growing globalisation of its activities, a continuing move towards lower-cost countries, ever more efficient use of worldwide communications and information systems and a more widespread move towards paperless documentation. There will be political demands to develop new and legally-binding instruments on flag state responsibilities. Pressure for ship safety and environmental protection will increase, as will the regional influence of trading blocs like the European Union on international trade and shipping. All these developments will create new conflicts of jurisdiction and new legal challenges for the international shipping industry.

The ICS Maritime Law Committee must be prepared to face these challenges. Its continuing task will be to avoid unnecessary additional costs for the industry, to create a

harmonised international legal framework and to promote legal certainty for tomorrow's rationalised and modern maritime transport industry. ■



## CONSULTATION IN THE INSURANCE MARKET HELPS TO ACHIEVE JOINT OBJECTIVES

*Matheos T. Los,*

*Chairman, Insurance Committee*

The principal purpose of the Insurance Committee is to promote effective communication with Underwriters, notably the London market. It meets according to need, usually once a year. In addition, informal meetings between Committee representatives and London underwriters are held approximately twice a year. The possibility of meetings between Committee representatives and representatives of other insurance markets is being considered.

The ICS Insurance Committee was formed 20 years ago. At that time, it was perceived by a number of shipowners that the Underwriter/Owner relationship had changed considerably in the preceding quarter century: not only was the style different, but the advent of much more significant corporate involvement had eliminated many of the 'personalities' on both sides of the spectrum and created a very different working environment.

Little by little, Underwriters had sought to bring their policies "up to date" as they saw it by placing greater restrictions on the terms of cover: more significantly, although the Underwriter/Broker/Owner relationship was still regarded as fundamental, and to be respected and preserved, it was realised that in shipping, as in other spheres of business and commerce, these artificial barriers were no longer justified nor sustainable in an age where open and direct debate was much more common.

Furthermore, as an increasing number of changes were introduced by Underwriters to the standard Lloyd's policies, shipowners felt an ever increasing sense of frustration at the manner in which changes to the terms of cover offered by the London market were being introduced. Whereas in other markets (the Norwegian market is a good example) interested parties are consulted prior to the introduction of new terms, the London market had developed the habit of presenting new terms as a *fait accompli*. ICS has been known to receive notification of new terms the day before their introduction.

Unfortunately, our most recent exchange with the London market would indicate that underwriters remain reluctant to liaise directly with shipowners and prefer to maintain the traditional channel of communication via brokers and, most recently, by a hand picked group of brokers. I am of course referring to the recent significant revision of the standard clauses for hull cover which produced the new Institute Time Clauses (Hulls) 1/11/95.

The manner in which the revision of the clauses was

conducted upset shipowners throughout the world. While ICS and other industry organisations had discovered, largely through chance, that a revision was under way in time to make a rapidly collected submission to the Joint Hull Committee, the response from underwriters amounted to much less than what could be termed a consultation process.

Following the very clear representations that ensued from various quarters of the industry that this could no longer be regarded as an acceptable means of introducing fundamental changes to the hull insurance market, it is hoped that some good will come from this most recent debacle. Underwriters were left in no doubt about their clients' desire for meaningful consultation and most recently they have provided ICS with drafts of Institute ancillary clauses and solicited our comment. We must build on this, for the underlying fact remains that shipowners and underwriters share the same objective of eliminating unsafe sub-standard ships. It is therefore in the common interest for underwriters to consult with their clients in a way that can achieve this joint objective. ■



## ENSURING THE FREE MOVEMENT OF SAFE SHIPS, PERSONNEL AND CARGO

*Ken Merchant, Chairman,  
Trade Procedures Committee*

Two developments have had a major impact on the trade procedures arena - the introduction of containerisation in the 1960s, which meant that cargo could be moved more efficiently and, some years later, the introduction of Electronic Data Interchange (EDI), which enabled information on the cargo to keep pace with it.

It is only 30 years or so since one British shipowner was heard to remark that: "Some of the younger people in the industry seem to think that the design of all Bills of Lading can be harmonised". The industry has come a long way in that time. Once upon a time, information on the cargo had to be laboriously copied from one



document to another. Today's information handling systems, using international standards in data content, document design and communications protocol enable vast amounts of information to be sent efficiently around the world.

The work of standards development in the field of EDI has been both labour intensive and at times frustrating. However, the results of this work, in which the shipping industry has played a major role, are now beginning to bear some fruit and hopefully bring a good return on the investment in time and money made over the past eight years or so.

Recognising the problems faced in seeking to implement national policies in respect of the movement of controlled goods, especially drugs, ICS has been consistent in promoting co-operation between shipowners and customs authorities, believing this to be the best way of ensuring unhindered movement for "innocent" goods which make up the vast majority of consignments.

Many problems remain in the so-called trade procedures arena, not least with the involvement of the banking industry in the international trade transaction, a parallel to the negotiability aspect of Bills of Lading in electronic data transfer and the tendency for information requirements to continually increase as the provision of such information becomes easier through the use of EDI. These are the areas to be addressed in the future. Nevertheless, ICS and its members have played a full part in improving traditional international trade procedures.

Over the past few years ICS has made representations to the appropriate military bodies in respect of the paperwork and procedures required of merchant ships by naval forces imposing maritime embargoes. Pressure from the industry, among others, precipitated the movement of the Aqaba inspection operation ashore, reducing

the delays and complications involved in imposing the UN embargo against Iraq. Together with the military authorities responsible for the imposition of the UN trade and arms embargoes against the states of the former Yugoslavia, a set of guidelines was agreed which are to be taken into account in any future operations of this nature.

An early achievement in this ICS anniversary year has been the development of proposals, together with the UK Government, to establish responsibilities for the handling of stowaways. As a result, guidelines have been agreed by IMO which will make it more likely that stowaways discovered on board can be discharged at the first port of call. This is a first step in addressing a long-standing problem for the shipping industry.

Trade procedures can encompass any areas where "red tape" and official processes impact upon the movement of the ship, its personnel and its cargo. ICS will continue to be a full participant in the debate to break down unnecessary hindrances to the maritime transport of passengers and goods. ■



## CHEMICAL TANKER SHIPPING

*Timo Korhonen,  
Chairman, Chemical Carriers  
Sub-Committee*

**I**n 1921 no one had heard of such a thing as a chemical tanker. Indeed, more than 30 years later the 1954 Oil Pollution Convention and its 1969 amendments, did



*The chemical tanker Liselotte Essberger*

not directly address the control of pollution from chemical tankers. However, work on drafting the first IMO Chemical Code did begin in January 1968 at the first session of the IMO Sub-Committee on Ship Design and Equipment, although it was not until 1971 when the phrase "noxious substances other than oil" appeared in a resolution adopted by the 7th Assembly. The resolution included a policy statement calling for the complete elimination of intentional pollution of the sea by oil and noxious substances other than oil and the minimisation of accidental spills by the end of the decade.

Thus, it was the 1971 Assembly - a mere 25 years ago - which was responsible for accelerating studies into chemical tanker operations, standard practices regarding overboard discharges, and the physical, chemical and aquatic toxicological properties of chemicals transported by sea. One agency, the Group of Experts on the Scientific Aspects of Marine Pollution (GESAMP) of the United Nations was called upon to assist in the development of a hazard evaluation system that later became the basis of MARPOL Annex II adopted in 1973 at an international Conference. It took only 18 months from the date IMO received its instructions to include noxious liquid substances on the agenda for the 1973 Marine Pollution Conference to the point where preparatory work was completed and the Conference documents distributed to governments. It was an extremely hectic period and one which relied on huge international co-operation and research being undertaken in a number of countries, notably the Netherlands, Norway, the UK and the United States. In the same period the chemical manufacturing and chemical tanker industries were called upon to provide assistance and information aimed at ensuring that the regulations being developed would be practical to implement.

A lot was learnt in the early days about chemical tankers and their trades and although no one should be critical after the event, the enthusiasm to develop the MARPOL provisions may have been responsible for the rush to adopt requirements which some 12 years later were found to be impractical to apply. The result was a major revision of the MARPOL Annex II provisions which eventually entered into force in 1987. It is also perhaps worth noting that the provisions in Annex II were developed according to entirely different principles from those adopted in the rules applicable to oils in Annex I of the MARPOL Convention.

The attention to the need to control pollution paralleled the development of the IMO Chemical Code which itself progressed rapidly from being a recommendation to becoming mandatory under the SOLAS and MARPOL Conventions. To monitor the work in IMO, ICS established a Chemical Carriers Sub-Committee which quickly became the industry forum responsible for co-ordinating views on the safety and pollution aspects of the carriage of chemicals. The Sub-Committee also took on the task of producing the Tanker Safety Guide (Chemicals), an operational guide intended to complement the regulations agreed in IMO. More recent years have seen a coming together in some respects between the safety requirements applicable to oil and chemical tankers. There are obvious

similarities between the trades which mean that it is sensible, so far as possible, to ensure that certain construction and design features of ships carrying liquids in bulk take into account the expected progression of regulations in the future.

The past 25 years have seen the development of a trade which has produced highly sophisticated ships requiring the very best operational standards. This has happened concurrently with the introduction of complex rules and regulations directed at protecting the safety of ships' personnel and the environment. It is extremely important that future developments should not discourage the adoption of improved standards which will evolve naturally as indeed the trade itself has in the past. As has been said: "if you think safety is expensive, try having an accident".

There are proposals currently under discussion concerning the revision of MARPOL Annexes I and II. The IMO Marine Environment Protection Committee has wisely given instructions to its technical sub-committee responsible for the transport of liquids in bulk, to approach the revisions of the annexes with a view to ensuring that inconsistencies are removed and the provisions harmonised. It is important that the industry should recognise the opportunity presented by the revision to encourage the setting of a practical strategy for the future development of pollution prevention objectives into the next century.

The ICS Chemical Carriers Sub-Committee will continue its efforts in the area of chemical tanker safety and pollution prevention and will be closely involved in monitoring the discussions in IMO. Industry input to the IMO discussions will be essential to their success. The target for completing the task is the year 2000 and beyond. It would be interesting to know how the chemical tanker trades will look when ICS reaches its centenary, 25 years from now. ■



## REGULATIONS CONTINUE TO FLOW

*Walter Welch, MBE,  
Chairman, Construction and  
Equipment Sub-Committee*

Perhaps the most commonly quoted statistic in the marine industry is that "at least 80% of casualties are caused by human error". The recent revision of the STCW Convention, the development of the International Safety Management Code, the extension of port state control inspections to cover operational procedures and the multiplicity of guidance notes and emergency manuals to be found on every ship's bridge, represent a natural reaction to the need to reduce the possibility of human error.

It is, however, well recognised in the IMO forum that, since all of us engaged in the marine industry are "only human", human error will never be completely eliminated.

It is most unlikely, therefore, that the industry will ever see any significant reduction in the seemingly continuous

flow of new regulations and requirements from IMO, relating to improvements in the design, construction and equipment of ships and intended to prevent, or minimise the consequences of, a marine casualty. Let it be said immediately that the international industry, working through ICS, is very pleased to be able to work with governments in IMO committees and working groups, toward the common goals of improved safety and protection of the marine environment.

Leaving aside the current upgrading of fire protection standards for new and existing passenger ships, and the recent SOLAS Conference which introduced radical new safety standards covering all aspects of the safety of roll-on/roll-off passenger ships, the Construction and Equipment Sub-Committee has its usual full agenda for 1996 and beyond.

Topics currently under discussion include such diverse subjects as the safety aspects of ballast water exchange at sea - including the development of ballast water management plans and proposals for the mandatory carriage of hull stress monitoring equipment, redundancy of machinery installations (including steering gear), implementation of the requirements for cargo securing manuals, and the need for water level alarms in cargo holds.

Topics currently being developed which will have an impact on the industry in the longer-term include proposals for the harmonisation of damage stability provisions in various IMO instruments. This long overdue exercise is intended to bring into line the damage survival calculations for dry cargo ships, passenger ships, tankers, chemical and gas carriers, and others, with a common cal-

ulation procedure based upon probability theory. Although having a high priority, the complexity of this subject makes it unlikely that rapid progress will be made.

Other long-term topics include the proposed comprehensive revision of the fire protection regulations for all ships covered by the SOLAS Convention, based upon a functional approach and taking account of formal safety assessment techniques yet to be developed. Looking even further ahead, the current work on revision of the technical regulations of the 1966 Load Line Convention is not scheduled for completion and adoption until the year 2000, but it is important that the international industry is involved in the essential development work. ■

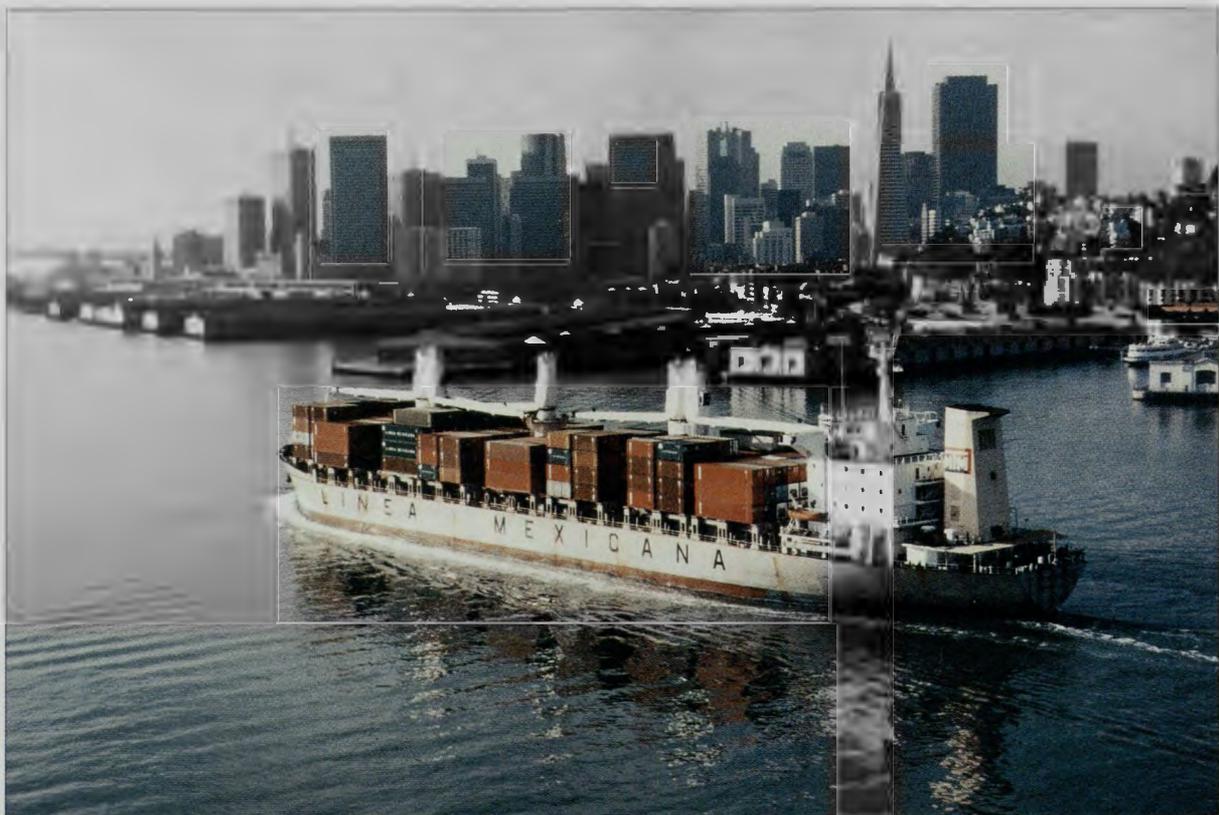


## CONTAINER INSPECTION, REPAIR AND INTERCHANGE

*Dirk Drijvers, Chairman,  
Container Sub-Committee*

**L**iner shipping as an industry is today unthinkable without mentioning the word container, but we tend to forget that containers, as we know them, have been around for barely 30 years. This explains why the Container Sub-Committee is one of the youngest branches of the healthy tree which is the International Chamber of Shipping.

Apart from being a very useful forum for the interchange of



Linea Mexicana container ship

experience in the new field of containerisation between members, the Sub-Committee became the established means for representing the technical interests of containership operators in those early days.

The contacts between container lines led, in 1981, to container imbalance agreements, whereby shipping lines interchanged boxes to reduce empty moves and save both ship capacity and costs. The use of container interchange agreements is still expanding today.

As the industry developed, container repair costs started to escalate, partly due to cosmetic repairs, and the Sub-Committee produced Container Inspection Criteria in 1987 which led to savings for shipping lines by eliminating unnecessary repairs.

For many years the Sub-Committee has been the focus for discussions between shipping lines and the Institute of International Container Lessors (IICL), which represents the interests of container lessors. In 1991, this led to an agreement on common container inspection criteria for use throughout the world. Called IICL4 (Revised), their introduction has led to further significant savings on box repairs for members as well as easing the interchange process. It succeeded the Container Inspection Criteria of 1987.

The Sub-Committee has been, and still is, working on other projects. Apart from developing in conjunction with IICL, criteria for container cleaning (1994), it is now working with IICL to look at the total container interchange process. The aim is to streamline it, especially using modern Electronic Data Interchange (EDI) techniques. The objective is to control the operation and give members the ability to audit the process, get value for money and offer a quality service to customers. At the same time, the whole concept of container inspection and repair would change. This still suffers from an atmosphere heavily influenced by mistrust.

ICS enjoys observer status at ISO TC104, which sets technical container standards. Here, it has the opportunity to influence the debate on all matters affecting container standards, as it also does through national ICS associations working with their national standards authorities.

The intermodal industry has now expanded to a situation where 9,000,000 containers (TEUs) are in free circulation around the globe, being carried in ever larger vessels, the latest having a capacity of 6000 TEU. The Sub-Committee aims to enjoy healthy relations with the many players in the container industry, with a view simultaneously to reducing costs to members and maintaining the safety and integrity of equipment. ■



## EDI: A BUSINESS TOOL

*Alex A. de Lijster,  
Chairman,  
EDI Sub-Committee*

**E**lectronic Data Interchange (EDI), the tool for facilitating the electronic transfer of information between computer applications, is now a central

feature of the international shipping business. Despite this, it is still too often wrongly viewed as the exclusive preserve of information technology specialists. Throughout the 10 or so years of involvement in its development, ICS has recognised the potential of EDI as a tool, a "business solution" for handling vital information efficiently and expeditiously, and has treated the subject within the mainstream trade procedures context where it naturally belongs.

The genesis of EDI can be seen in the monumental changes in the liner shipping business which began 20 or so years ago. The advent of containerisation brought very significant reductions in vessel turn-around times and therefore in the overall transit times of the goods. It also brought a six-fold increase in the number of paper documents to be processed for each ship, outstripping the ability of traditional handling methods to cope. A new way had to be found for ensuring that information and documentation flows were able to keep pace with the cargo to which they related.

It was recognised that the solution lay in avoiding entering the same information on the same kind of documents in successive ports. There were great potential savings in entering all the information once only and then transmitting it electronically to locations where it would subsequently be needed, thereby avoiding the time-consuming and labour-intensive process of re-keying it all repeatedly. In the early days, lines relied on magnetic tapes, couriered from one port to the next taking information from one mainframe computer to another. The natural next step was to provide a direct link between the two, and thus EDI was born.

The EDI Sub-Committee was established in 1987, under the aegis of the Trade Procedures Committee. The watchword from that moment forwards has been "standardisation". The advent of EDI brought a huge opportunity for standardising requirements for and presentation of information in the whole range of individual functions that together make up the trading process. The task of standardising paper documents, each uniquely designed to meet the specific needs of its users, is laborious indeed. The inception of a new practice, EDI, offered a new way to look at the information needs and therefore the chance to begin with a clean slate.

ICS invested a great deal of time and effort in the development within the UN of EDIFACT (EDI for Administration, Commerce and Transport) - now the undisputed global standard for EDI. Messages (the EDI equivalent of paper documents) specifically designed to meet the needs of the shipping industry, like bookings and shipping instructions, were some of the very first deliverables of the UN/EDIFACT process.

Among the most important subsequent achievements was the worldwide acceptance of a standard message for exchanging container stowage information (the Bayplan) between lines and terminals - a clear example of EDI's added value, especially for those who remember the effort required to handle this information manually. Other functions now covered by EDI include customs declara-

tions, inbound manifests, container load and discharge instructions and reports, status reports, terminal/depot gate in and out moves, and container maintenance and repair. EDI's track record of performance has even led to legislation mandating the use of EDI in certain ports for the management and control of the storage and transport of dangerous goods, to ensure that pertinent information is available quickly whenever required.

Naturally, there will need to be some adaptation or amendment of legislation before EDI messages can replace certain paper documents. Some countries' differing official requirements for information on import customs manifests, for example, present obstacles to the implementation of a standard EDI message internationally. Nonetheless, there is now an established core of standard shipping messages and it can be confidently forecast that EDI usage will increase substantially in the next few years. This will be especially so as multimodal transport services and integrated logistics progressively displace more traditional port to port shipments.

From a development point of view, although further new messages are in the pipeline, attention is now focused on producing standard implementation guidelines for these messages. These guidelines are addressed to software houses to ensure that the purity of the standard messages is not lost by individual quirks of the various software packages into which they are incorporated.

Looking back therefore, the role of ICS in pioneering standardisation in EDI can be seen as a clear success. Standard messages are fully developed and are now in everyday use within the shipping industry. In short, EDI has matured from a development project into a tool for supporting business by enabling it to function more efficiently. It has now taken its place in the armoury of business solutions with which to tackle the simplification of procedures and the facilitation of trade. ■

## GAS CARRIERS: SOPHISTICATED SHIPS WITH AN ENVIABLE SAFETY RECORD

*Ulf Tweita,  
Chairman, Gas Carriers Sub-Committee*

**T**he first sizeable commercial transport by sea of liquefied gas used big, fully pressurised bottles, placed vertically on the inner bottom of a converted cargo liner, the "Natalie O Warren", in 1947. No special requirements for that type of tonnage existed in any class rules. Common sense and sound engineering practice were used, together with cryogenic expertise in producing the storage tanks and associated equipment. The demands for seaborne transportation of LPG over the next years grew to such an extent that in 1962 the first purpose built fully refrigerated gas carrier was built.

In the 1960s classification societies began developing guidelines concerning the safety of these vessels, with emphasis on the quality of steel used for the cargo containment systems. It was important to achieve the necessary ductility of the steel at low temperatures, and to establish a secondary barrier capable of containing the cargo in the event of a tank fracturing.

The work of establishing a worldwide standard for the building of gas carriers did not really start until the Code for Chemical Carriers had been adopted by IMO in 1972, after which a tremendous effort was made to complete a similar Code for gas carriers.

It was then that the ICS Gas Carriers Sub-Committee was established under the Chairmanship of Mr Keith Fleming, and it came to play an important part in the development of the IMO Code. Each chapter of the document was debated in the smallest detail. Although ICS, as an observer at IMO, was able to make representations, the sub-committee's major influence was through its members being able to transmit the same industry-wide signals to all their administrations represented on working groups in IMO. This period must have been one of the most interesting and active times during the sub-committee's existence.

As the work with the IMO Gas Code progressed, ICS also undertook to produce a gas carrier manual which would make recommendations on the safe operational and cargo handling routines for the carriage of liquefied gas by sea. For several members this manual caused much more work than the IMO Code. I remember with pleasure the interesting and productive discussions this task created, with many keen and enthusiastic participants. The ICS Chemical Guide provided the basis for the Gas Guide, so we had a good start, and as a result the original document needed little amendment. The results proved to be good, and the ICS Tanker Safety Guide (Liquefied Gas) set a benchmark standard that became a universal carriage requirement.

But even so, time has passed and more experience has been gained in an advancing technology. The sub-committee therefore renewed its involvement and at the end of last year the first revision of the guide was published. The publication is intended to be a valuable aid for seafarers, and it is likely to be found on every gas carrier.

The safety record of gas carriers today is excellent, due in large part to strict rules and regulations, well educated and trained crews, and observance of the 'Safety First' principle. Through the ICS Gas Carriers Sub-Committee the industry has been able to influence the work of IMO to achieve practical rules reflecting best industry practice. In addition, valuable information has been shared between ICS and other important participating institutions like OCIMF and SIGTTO. Nevertheless, ICS has up to now been the main voice speaking for the broadest interests of the shipping industry and hopefully this will also be the case in the future. The industry needs a forum where common problems can be discussed and solved. I have been proud to follow Mr Fleming as the chairman of the Gas Carriers Sub-Committee since 1984. ■



## TANKER OPERATORS NEED REGULATORY STABILITY

*Pierre Lange, Chairman, Oil  
Tanker Sub-Committee*

**T**he ICS Oil Tanker Sub-Committee meets the need for an international forum to review proposed and gradual changes in the trade, actively helping to formulate and present an industry position. Undoubtedly the most significant recent change has been the advent of OPA 90 in the US and MARPOL Annex I/13F elsewhere, both requiring double hulls on oil tankers.

What is needed now is a lengthy period of stability on the legislative front to permit assimilation of the new regulatory requirements and their implications, both to

gain experience and to permit analysis of the best way forward.

Nonetheless, other changes may be imminent. Forty years or so ago the tanker trade split into two, and then into three, as chemical carriers and then liquefied gas carriers developed their own specialities. It is perhaps natural that two of them, at least, are now coming closer together again. The need for double hulls on oil tankers has encouraged review of the desirability of having separate annexes in MARPOL for oil and chemicals, and the Oil Tanker Sub-Committee is working ever more closely with the Chemical Carrier Sub-Committee.

ICS is also greatly involved with the safety of ships. Unsafe practices must be detected early and corrected, and an effective way of achieving this is promulgation of the best industry practices to help crews. Many oil trade bodies and associations are now publishing advice and information, but undoubtedly the best known and highest



Crude oil carrier Matco Thames

regarded is the International Safety Guide for Oil Tankers and Terminals. ISGOTT remains the definitive textbook about safety in handling crude oil and petroleum products on tankers and terminals, and the Sub-Committee has been involved in the present revision to produce the 4th edition.

The ICS Oil Tanker Sub-Committee continues a strong tradition of helping the shipping industry to help itself. ■



## NAVIGATION AND RADIOCOMMUNICATION: A TIME OF TECHNOLOGICAL CHANGE

*Capt. Zenon Sdougos, Chairman, Radio  
and Nautical Sub-Committee*

**T**he 75th anniversary of ICS takes place at a time when the ancient science (and art) of navigation and the modern science of radiocommunication

are both feeling the influence of great technological change.

For the first 50 years of the organisation's existence there was very little difference from one year to the next, or even from one decade to the next, in the way that mariners went about their work. Ship design slowly evolved and there was of course technical change during this period - radar, the gyrocompass and the auto pilot, for example. But it took time before these became standard fittings aboard ship.

By contrast, the last 20 years have seen significant and rapid advances in technology, especially electronic engineering. Automated communication and position-fixing systems, including the use of satellites, are already a reality, and, very soon, electronic charts may become as common a sight as the paper chart is today.

Another significant development, of a different kind, was the establishment of IMO as the world's premier organisation with responsibility for maritime safety and the prevention of marine pollution. Membership of IMO has provided governments with the means to use technological developments to encourage - and in some cases enforce - better navigational discipline and more onerous

safety precautions. Vessel traffic systems with shore-based control, surveillance and identification transponders, mandatory ship reporting - all these are now viable concepts and a feature of life at sea.

These developments have resulted in a considerable increase in legislative and administrative controls, and in a gradual extension of instrumentation and equipment which is presumed to be helpful. Shipowners accept the progress of technology and recognise the concerns of administrations. However, they feel entitled to ask that the obligatory introduction of novel equipment is based on sound experience and cost-effectiveness and that the master's authority over the day-to-day operation of the ship is not eroded. The work of the ICS Radio and Nautical Sub-Committee focuses on these objectives and closely follows the work of IMO on navigation, radio-communications, search and rescue, and life-saving appliances.

In 1977, ICS published its Bridge Procedures Guide in recognition of the changes that had taken place in the design of ships' bridges and more sophisticated bridge equipment, and of the increasing number of very large, speedier vessels and those of special design. The purpose of the Guide is to provide advice to masters and officers on safe operating practices and encourage the use of sound bridge procedures at all times. The Guide was revised in 1990 and is currently undergoing a second revision in order to take account of contemporary developments and the lessons learnt from recent shipping accidents.

What is clear is that the pace of technological change shows no sign of slackening, and that the Radio and Nautical Sub-Committee will have a full agenda for as far as the eye can see. ■

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## ENHANCING THE SAFETY OF BULK CARRIERS

*Dimitris Fafalios,  
Chairman,  
Bulk Carrier Panel*

**D**ry bulk shipping has recently attracted public attention because of the rise in the incidence of bulk carrier losses in the early 1990s.

A lack of technical understanding and a growing awareness that bulk carriers were suffering some structural failures resulted in high-level, high-speed international activity to improve bulk carrier safety. A number of proposals were developed by different organisations, often without appropriate research or due regard to their practicality and indeed effectiveness in enhancing safety. Compromising improvements by inconsistent implementation of imprecise requirements is clearly counterproductive to safety.

With this in mind it has been decided within ICS that shipowners must strengthen their role in promoting

effective, practical rules and recommendations aimed at enhancing the safety of bulk carriers. The ICS Bulk Carrier Panel recognises that there is a clear need for more information, education and detailed technical investigation into the likely causes of accidents to this type of ship. Such steps are a necessary part of a programme to enhance safety.

The bulk carrier sector is a significant component of the international shipping industry and its make up is extremely diverse. There are many small companies operating bulk carriers and ships are employed in a variety of trades. The types, sizes, age and operation of ships differ markedly, as do the relationship between charterers and owners.

As a consequence, misconceptions can easily arise. Dry bulk shipping is essentially unglamorous and generally little known. Low tech and low cost are the epithets commonly associated with it. But dry bulk shipping is an economical, environmentally friendly, reliable and safe form of transport.

Prevention of avoidable accidents and incidents requires a total quality approach implemented by professional operators. To achieve quality with economic service requires well trained, experienced and motivated personnel operating well maintained ships and supported by efficient and properly managed offices.

The Bulk Carrier Panel acknowledges that levels of safety can always be improved. Structural deficiencies have been identified as the prime cause of bulk carrier accidents and this issue is receiving close attention. Unfortunately, the analysis techniques and knowledge base are currently inadequate to provide all the answers on the complex bulk carrier structure. The Panel has therefore strongly promoted close co-operation between industry organisations to ensure that unified and effective measures are developed to address the problems, and this is increasingly being achieved.

As part of the move towards improved levels of safety for bulk carriers an enhanced safety programme of inspections has been developed, a ship/shore safety check list for the loading and unloading of dry bulk carriers prepared, a code of practice developed for the safe operation of dry bulk carriers and guidelines on repairs drafted. Detailed investigations are also now taking place on the adequacy of current bulk carrier designs. Preliminary reports have indicated that hull damage, ship structural safety, corrosion margins and overloading are all factors in need of further attention. Furthermore, the role of the human element in the design, construction, operation and inspection of bulk carriers is under increased scrutiny.

To address such issues effectively requires a commitment from those closely involved in the day-to-day operation of bulk carriers, and the Bulk Carrier Panel provides commitment on behalf of ICS. Only experience can ensure that balanced and informed solutions can be developed on the various problems currently being discussed. ■



*Nordström & Thulin's 140,000 ton bulk carrier M/S Nord Sea*



*Meeting between Suez Canal Authority (left) and ICS, Egypt 1992*



## CO-OPERATION WITH THE CANALS

*Capt. Stephen Bligh,  
Chairman, Canals Panel*

Over the years ICS has maintained close contact with both the Panama Canal Commission (PCC) and the Suez Canal Authority (SCA), providing a focal point for contact and discussion with the international shipping industry on matters of mutual interest. Links with the SCA were established in the years following the nationalisation of the Suez Canal in 1956, while ICS delegations of shipowners began visiting the Panama Canal in the 1970s.

The Panama and Suez Canals are vital trade arteries and the wellbeing of the shipping industry is inextricably linked to their efficient management and operation.

For example, the closure of the Suez Canal in 1967 was perhaps the trigger to the general shipping recession experienced during the following two decades. The closure of the Canal

meant that VLCCs represented a significant economy of scale at a time when shipbuilding capacity was expanding. When the Canal reopened in 1975, the effect - in combination with the oil crisis - was to drastically reduce the demand for tanker tonnage which had a knock on effect resulting in surplus tonnage in virtually every shipping sector. More recently, the Panama Canal was threatened with closure following the military intervention of the United States against the regime of General Noriega. In the event, thanks to the efficiency of the Commission's workforce, Canal operations were only suspended for a few days.

Currently, major developments are taking place in Egypt and Panama of potentially major significance to the shipping industry. The SCA has completed a feasibility study on the possibility of widening and deepening the Canal to accommodate transit by VLCCs of up to 250,000 dwt fully laden, drawing 67 or 68 feet. At present this ambitious project has been postponed, because of the poor state of the international freight market, although it could still be initiated if there is a commercial upturn. ICS has been concerned that the possibility of accommodating larger vessels and the consequent

reduction in the demand for tanker tonnage (because it would no longer be necessary for fully laden vessels to take the Cape route) could severely exacerbate the problems of the tanker industry. ICS has therefore been discouraging the SCA, although it is recognised that any decision that is ultimately taken will be based on what is in the best interest of Egypt since the Canal is one of its principal foreign currency earners.

The Panama Canal Commission is already undertaking a major structural improvement programme in the form of the Gaillard Cut widening project. This will facilitate two-way traffic through the Canal and thus meet projected increases in traffic growth at the time of the scheduled completion date, which has recently been moved forward to 2005. Of perhaps greater significance, however, will be the transfer of responsibility for the operation of the Canal from the United States to Panama in 1999. The Commission is working hard to ensure a "seamless transfer" and the Panamanian Government has made assurances that it has no intention of significant toll increases after 2000. The value of the Canal depends, above all, on its reputation as an efficient service provider to the international community, because of the indirect benefits this brings to Panama's primary role as a financial and maritime service centre. Hopefully, this will continue to be recognised.

One potential advantage of the transfer of control to Panama could be the opportunity to introduce a greater degree of commercial flexibility than hitherto (the Canal is currently effectively operated as a non-profit making US government agency). Although the operation of the Suez Canal has profit maximisation as its primary goal, one advantage to shipping is the greater flexibility this affords to its toll structure, which takes account of the differing economic circumstances of vessels of different type, size and trade.

Whatever happens, the next few years should prove extremely interesting to the ICS Canals Panel. In the meantime, ICS will endeavour to continue its enjoyment of the close relationship with the SCA and PCC, in order to help ensure that the efficient and effective operation of these important international waterways continues into the next century. ■



### THE CARRIAGE OF DANGEROUS GOODS

*Capt. Karsten Rolfs, Chairman,  
Dangerous Goods Panel*

The primary role of the Dangerous Goods Panel has been to track and contribute to the activities of the IMO Sub-Committee on the Carriage of Dangerous Goods (CDG), which until recently had the responsibility for the maintenance of the International Maritime Dangerous Goods Code (IMDG) which is currently in its 27th revision. The work of the Dangerous Goods Panel has been targeted at ensuring that any changes in the IMDG Code are workable and contribute to maritime safety.

Of particular interest have been the requirements for packing, stowing and segregating dangerous goods as the primary transport mode has changed from break-bulk ships to large fully cellular container vessels. In 1992 Annex III of MARPOL 73/78 came into force. This covered reporting requirements for marine pollutants in packaged form and the Panel was again concerned with ensuring that the application of the Annex was practical.

In its work, the Panel considers the many aspects of the Carriage of Dangerous Goods (CDG), whether in packaged form in containers or in vehicles on ro-ro ferries. The Panel has always actively participated in the work of CDG, collaborating with BIMCO and the European Council of Chemical Industry Associations (CEFIC) in preparing a revised Dangerous Goods Declaration in 1990. The Panel has also considered the problems of bulk dangerous goods, which include commodities such as coal.

While the Dangerous Goods Panel has primarily addressed itself to the work at IMO in the CDG forum, it has also examined significant national rulings which could affect the marine transport of dangerous goods. Indeed, increasingly, Panel members have been concerned with regional regulations and their impact on trade. This has included the training of land-based personnel associated with the shipment of dangerous goods by sea and registration of land carriers.

With effect from 1996, the CDG Sub-Committee is being amalgamated with the Sub-Committee on Containers and Cargoes into a combined Sub-Committee on Dangerous Goods, Solid Cargoes and Containers. The Dangerous Goods Panel will continue to participate in the IMO's dangerous goods activities in their new form. ■



### THE CHALLENGE OF PASSENGER SHIP SAFETY

*Captain Jean-Raymond  
Thomas, Chairman,  
Passenger Ship Panel*

If ICS has reached the venerable age of 75 at which respect and wisdom are attained (is this the Grandfather Clause of yore?) one must admit that the Passenger Ship Panel is the merest youth, as it is only six years old.

However, even if it is still growing, the panel is already tested and ready to take on another challenge. Because there is a challenge! The Panel was born during a crisis - the flood of proposed legislation in the aftermath of the *Herald of Free Enterprise* and *Scandinavian Star* tragedies. Under the control of Anders Flising of Sweden and with John Joyce as Secretary, it showed that it could make a valuable input to the emotive and often wide ranging, but nonetheless necessary, debate which followed these two disasters.

Today, on the eve of the next millennium, the public and their political representatives demand quick responses to the concerns expressed, preferably in the form of visible changes

to ships. It is not easy to appear co-operative if, however tactfully, you tell other people that they are proposing senseless reforms. There is the additional need to be aware that if the reforms are costly, critics will claim that shipowners risk their passengers' lives for commercial gain. This is the challenge of the Passenger Ship Panel: to navigate safely between discretion - but not to the point of staying silent in the face of harebrained ideas - and a robust defence of the industry without riding over genuine concerns of the public.

Then came the loss of the *Estonia*, and once again Pandora's box was opened to let all the devils out. This time we have a new one, like a fire hose under pressure but without a man in control: a Panel of Experts instructed to take a lateral view of the safety issues of ro-ro car ferries instead of the traditional vertical way of working within IMO. Not surprisingly, many lines were crossed and actions muddled. The Panel of Experts is now disbanded, and that particular genie is back in the bottle, but as in the legend Pandora's box cannot be closed. There is reason to fear encouragement for the creation of new Panels of Experts for other ship types.

At the same time as the IMO Panel of Experts was created, I was invited to replace Anders Flising as Chairman of the ICS Passenger Ship Panel. It is always a rich experience to be

in command, and with Alec Bilney at the helm, the steering is firm and smooth.

The Panel members are mainly naval architects and marine superintendents, but also include engineers and executives, all of whom make valuable contributions to the work of the Panel, and in turn to the quality of the input ICS makes in industry-wide bodies. Most members are actively involved in the management of passenger ship companies, coping on a day-by-day basis with all the details of designing and financing new passenger ships, modifying existing ships, training the crews, overseeing effective maintenance, and above all ensuring consistent, safe operations of their fleet by inculcating a quality and safety culture in the entire company. Members come from north and south, east and west, from cruise vessels and car ferries; they are an eclectic group and it works.

Having the responsibility of Chairman has encouraged me to wonder about the future role of the Panel. It must continue to be a fireman dealing with the aftermath of an accident, but it has also a splendid potential for initiating proposals to help improve the regulations we work by, to maintain safety first while recognising the need for practicality. Let's think about that. ■



*Brittany Ferries Val de Loire*

# THE ICS SECRETARIAT

Since 1990 the ICS staff have been provided by an entity called Maritime International Secretariat Services Limited (Marisec), a company established and jointly owned by ICS and its sister organisation, the International Shipping Federation (ISF), to provide secretariat services for the two organisations.

In addition to staffing ICS and ISF which have a high degree of common membership, Marisec also services other international shipping organisations. These include the International Ship Managers' Association (ISMA), whose members include most of the leading ship management companies; the International Maritime Employers' Committee (IMEC), a body of maritime employers which co-ordinates and conducts locally-based pay negotiations in countries such as India and the Philippines; and the International Support Vessel Owners' Association (ISOA) which comprises individual companies operating supply vessels in the international offshore oil industry.



*Back Row (left to right) Capt. Rod Shaw, Miss Kim Heard, Ms Linda Howlett, Mr Jeremy Ayre, Mr Michael Pearson, Mr Alec Bilney, Mr Simon Bennett, Miss Shantel Costen, Mrs Helen May, Miss Penny Jagger.  
Front Row Mr Roderick Morriss (Secretary, ISMA), Mr Chris Horrocks, Mr Juan H. Kelly (Chairman), Capt. John Joyce, Mr Engel de Boer.*

## *ICS SECRETARIAT*

MR CHRIS HORROCKS  
Secretary General

CAPTAIN JOHN JOYCE  
Marine Manager

MR SIMON BENNETT  
Executive Officer

MISS PENNY JAGGER  
Executive Secretary

MS. LINDA HOWLETT  
Legal Advisor

MR ENGEL DE BOER  
Marine Assistant

MRS HELEN MAY  
Secretary

MR. ALEC BILNEY  
Marine Advisor

MR MICHAEL PEARSON  
Marine Assistant (to March 1996)

MISS KIM HEARD  
Secretary

CAPTAIN ROD SHAW  
Marine Advisor

MR JEREMY AYRE  
Administrative Assistant

MISS SHANTEL COSTEN  
Secretary

# THE ICS HEADQUARTERS

**In April 1992, a terrorist bomb demolished the St. Mary Axe headquarters of the then General Council of British Shipping (GCBS), in which ICS had its offices. After three months in temporary accommodation, Marisec - which provides secretariat services to ICS - moved with the GCBS into new offices at 2/5 Minories for what became a two year stay. Then in July 1994, Marisec accepted an offer from the UK Chamber of Shipping - as the GCBS had by then been renamed - to take up a tenancy in its new headquarters at Carthusian Court, on the north-western edge of the City of London.**

**Marisec shares the third floor of the building with the Council of European and Japanese Shipowners' Associations (CENSA), and is able to make use of the excellent meeting facilities that the building affords. The transition from temporary accommodation was finally completed when Her Majesty Queen Elizabeth II formally opened the new offices on 25 October 1994 and met staff of the UK Chamber and ICS in their new surroundings.**



*Carthusian Court - headquarters of the International Chamber of Shipping*



*Her Majesty Queen Elizabeth II being presented to Mr. and Mrs. Chris Horrocks by Mr. A. B. Marshall, President of the UK Chamber of Shipping*

*The damage to the St. Mary Axe office and surrounding buildings*



*Her Majesty Queen Elizabeth II unveiling the commemorative plaque to celebrate the opening of Carthusian Court on 25 October 1994*

*The Director General of the UK Chamber of Shipping in the aftermath of the IRA bomb that demolished the St Mary Axe office.*



# MEMBERS OF THE INTERNATIONAL CHAMBER OF SHIPPING

## *EXECUTIVE COMMITTEE 1995/96*

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Mr. Juan H. Kelly, CBE

### VICE-CHAIRMEN

Mr. Manfred A. Busker, Netherlands  
Mr. Jacob Stolt-Nielsen Jr., Liberia

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Mr. Christer Olsson, Sweden  
Mr. Rolf Westfal-Larsen, Norway  
Mr. Tsuguji Yamaguchi, Japan

## *FULL MEMBERS*

### **Australia**

Australian Shipowners Association  
Level 1, 40 Beach Street  
Port Melbourne, Victoria 3207  
Tel: + 613 9646 0755  
Fax: + 613 9646 2256

### **Belgium**

Union des Armateurs Belges  
Lijnwaadmarkt 9, B-2000  
Antwerp  
Tel: + 32 32 32 7232  
Fax: + 32 32 25 2836

### **Canada**

Canadian Shipowners' Association  
Suite 705, 350 Sparks Street  
Ottawa, Ontario, K1R 7S8  
Tel: + 1 613 232 3539  
Fax: + 1 613 232 6211

### **Chile**

Asociación Nacional de Armadores  
Blanco 869, 3º Piso, Valparaíso  
Tel: + 56 32 212057  
Fax: + 56 32 21207

### **Colombia**

Flota Mercante Grancolombiana  
Carrera 13, No.27-75  
AA 4482, Bogotá DE  
Tel: + 57 12 86 2035  
Fax: + 57 12 86 2420

### **Croatia**

Mare Nostrum  
Croatian Shipowners' Association  
Avenija Vukovar 72,  
41 000 Zagreb  
Tel: + 38 41 61 0718  
Fax: + 38 41 61 4942

### **Cyprus**

Cyprus Shipping Council  
PO Box 6607, Limassol  
Tel: + 357 5 360 717  
Fax: + 357 5 358 642

### **Denmark**

Danmarks Rederiforening  
33 Amaliegade, 1256  
Copenhagen K  
Tel: + 45 33 11 4088  
Fax: + 45 33 11 6210

### **Finland**

Finnish Shipowners' Association  
PO Box 155, Satamakatu 4  
00160 Helsinki 16  
Tel: + 35 82 3430  
Fax: + 35 82 2520

### **Ålands Redarförening**

Ålandsciägen 31  
SF-22100 Mariehamn  
Tel: + 35 8281 3430  
Fax: + 35 8282 2520

### **France**

Comité Central des  
Armateurs de France  
47 Rue de Monceau  
75008 Paris  
Tel: + 33 1 45 620306  
Fax: + 33 1 45 620208

### **Germany**

Verband Deutscher Reeder  
Esplanade 6, Postfach 305580  
20317 Hamburg 36  
Tel: + 49 40 35 0970  
Fax: + 49 40 35 097211

### **Greece**

Union of Greek Shipowners  
85 Akti Miaouli, Piraeus  
Tel: + 30 1 429 1159  
Fax: + 30 1 429 1166

### **Hellenic Chamber of Shipping**

65 Akti Miaouli,  
185 36 Piraeus  
Tel: + 30 1 42 93827  
Fax: + 30 1 42 93831

### **Iceland**

Icelandic Shipowners' Association  
P.O. Box 814,  
121 Reykjavik  
Tel: + 3541 683100  
Fax: + 354 568 3075

**India**

Indian National Shipowners' Association  
22 Maker Tower, 2nd Floor  
Cuffe Parade, Bombay 400 005  
Tel: + 91 22 11268  
Fax: + 91 22 2182104

**Ireland**

Irish Chamber of Shipping  
c/o Brian Kerr Shipping  
5 Clanwilliam Square  
Grand Canal Quay  
Dublin 2  
Tel: + 353 1 661 8211  
Fax: + 353 1 661 8270

**Israel**

Israel Shipowners' Association  
POB 33220, 3100 Haifa  
Tel: + 972 4 8677382  
Fax: + 972 4 8677383

**Italy**

Confederazione Italiana Armatori  
(CONFITARMA)  
Piazza S.S. Apostoli 66  
00187 Rome  
Tel: + 396 699 1261  
Fax: + 396 678 9473

Societa Finanziaria Marittima  
(FINMARE)  
7 Piazza Dante,  
16121 Genoa  
Tel: + 3910 53 651  
Fax: + 3910 53 65273

**Japan**

Japanese Shipowners' Association  
Kaiun Bldg, No 6-4  
2-Chome, Hirakawa-cho  
Chiyoda-ku,  
Tokyo  
Tel: + 813 3262 7171  
Fax: + 813 3262 4760

**Kuwait**

Kuwait Oil Tanker Co.  
P.O. Box 810, Safat  
Tel: + 965 245 5455  
Fax: + 965 244 5693

**Liberia**

Liberian Shipowners' Council  
Room 2656, The Graybar Building  
420 Lexington Avenue  
New York 10470  
Tel: + 1 212 867 8145  
Fax: + 1 212 949 2437

**Luxembourg**

Luxembourg Shipowners' Association  
Rue des Capucins 10  
L-1313 Luxembourg  
Tel: + 352 466 490  
Fax: + 352 455 489

**Mexico**

Transportacion Maritima Mexicana  
Calle de la Cuspide 4755  
CP 14010, Col Parques del  
Pedregal, Deleg. Tlalpan, DF  
Tel: + 525 606 0444  
Fax: + 525 629 8899

**Netherlands**

Royal Association of  
Netherlands Shipowners  
Postbus 2442, 3000 CK Rotterdam  
Tel: + 31 10 414 6001  
Fax: + 31 10 233 0081

**New Zealand**

New Zealand Shipping Federation  
P.O. Box 10739  
132 The Terrace, Wellington  
Tel: + 644 499 6222  
Fax: + 644 499 6225

**Norway**

Norges Rederiforbund  
Rådhusgaten 25  
P.O. Box 1452 Vika, N-0116 Oslo  
Tel: + 47 22 41 6080  
Fax: + 47 22 41 5021

**Pakistan**

Pakistan National Shipping Corporation  
PNSC Building  
Moulvi Tamizuddin Khan Road  
Karachi  
Tel: + 9221 561 1080  
Fax: + 9221 561 0802

**Russia**

Union of Russian Shipowners  
1/4 Ul. Rozhdestvenka  
Mocow 103759  
Tel: + 007 095 926 9011  
Fax: + 007 095 926 9128

**Spain**

Asociación de Navieros Españoles  
Santa Maria Magdalena 20-1aC  
28016 Madrid  
Tel: + 341 345 9001  
Fax: + 341 345 9209

**Sweden**

Sveriges Redareförening  
P.O. Box 53046, S-400  
14 Gothenburg  
Tel: + 46 31 107 1500  
Fax: + 46 31 130126

**Switzerland**

Association des Armateurs Suisses  
Case Postale 14,  
CH-1002 Lausanne  
Tel: + 41 21 31 82210  
Fax: + 41 21 31 82279

**Turkey**

Chamber of Shipping  
Meclisi Mebusan Caddesi  
No 22, 80154 Salipazari,  
Istanbul  
Tel: + 90 212 252 0130  
Fax: + 90 212 293 7935

**United Kingdom**

The Chamber of Shipping  
Carthusian Court,  
12 Carthusian Street  
London EC1M 6EB  
Tel: + 44 171 417 8400  
Fax: + 44 171 626 8135

**United States of America**

American Institute of Merchant Shipping  
1000 16th Street NW,  
Suite 511  
Washington DC 20036-5705  
Tel: + 1 202 775 4399  
Fax: + 1 202 659 3795

**ASSOCIATE MEMBERS**

Abu Dhabi National Tanker  
Company (ADNATCO)  
PO Box 2977 Adu Dhabi, UAE  
Tel: + 971 2 233 800  
Fax: + 971 2 322 940

Australian Chamber of Shipping  
PO Box Q67,  
Queen Victoria Building  
Sydney, NSW 2000, Australia  
Tel: + 61 2 261 3339  
Fax: + 61 2 261 3337

Cámara Maritima de Panama  
Edificio Templo Masónico  
Apartado 5036, Cristóbal  
Republic de Panama  
Tel: + 507 45 2874  
Fax: + 507 41 1004

International Council of Cruise Lines  
1211 Connecticut Avenue, NW  
Suite 800, Washington DC 20036, USA  
Tel: + 1 202 296 8463  
Fax: + 1 202 296 1676

Jordan National Shipping Lines  
Company Limited  
PO Box 5406, Amman, Jordan  
Tel: + 962 666 6214  
Fax: + 962 666 5119

Nihon Kaiun Limited  
Room 1801, Wheelock House  
20 Pedder Street,  
Central Hong Kong  
Tel: + 852 2523 8938  
Fax: + 852 2810 9207

