



ICS STATEMENT OF PURPOSE, MEMBERSHIP CRITERIA AND OBLIGATIONS

As adopted by Executive Committee on 28 April 2010

As amended by the ICS Board on 13 October 2021 and further amended on 22 June 2022

ICS STATEMENT OF PURPOSE

ICS is the principal international trade association for the shipping industry, representing all sectors and trades and comprising national shipowner associations, through which structure it can uniquely and legitimately claim to speak for the significant majority of international shipping (the “Industry”).

The aim of ICS is to, *inter alia*:

- a. Present the agreed, unified view of the Industry to all relevant regulatory authorities; and
- b. To act as an advocate for the Industry on issues of maritime affairs, shipping policy and technical matters, including ship construction, operation, safety and management, and to develop best practice in the Industry.

To that end, ICS will:

1. **ENCOURAGE** high standards of operation and the provision of high quality and efficient shipping services.
2. **STRIVE** for a regulatory environment which embraces safe shipping operations, protection of the environment, maintenance of open markets and fair competition as well as adherence to internationally adopted standards and procedures.



3. **SUPPORT** such regulation of shipping at an international level and oppose unilateral and regional action by governments.
4. **PRESS** for recognition of the commercial requirements of shipping and of the need for operators who meet the required standards to secure a proper commercial return.
5. **REMAIN COMMITTED** to the promotion and updating of industry guidance on best operating practices.
6. **COOPERATE** with other organisations, both intergovernmental and non-governmental, in the pursuit of these objectives.
7. **PROMOTE** the industry's profile as a safe, clean, energy efficient, comprehensively regulated and responsible facilitator of global trade.
8. **ANTICIPATE** whenever possible and respond whenever appropriate to policies and actions which conflict with the above.

MEMBERSHIP CATEGORIES

- **Full Member National Associations**
- **Affiliate Member National Associations** as an entry route to full membership
- **Associate Members** comprising other shipowner associations, and shipping companies from countries where no national shipowners' association is currently a member

MEMBERSHIP CRITERIA AND OBLIGATIONS

1. Objective

ICS works for the benefit of shipowners worldwide, and all shipowners benefit from the work which ICS does on behalf of the industry whether they are members of ICS (through their national association) or not. ICS should therefore strive to have as broad a membership base as possible both to ensure that it is seen to represent the industry as a whole, and so that the shipowners who benefit from ICS work make the appropriate contribution to the work of ICS.

ICS promotes high and consistent standards in the industry (through influencing sound international regulation and application of best practice), and therefore this objective should be reflected in its criteria for membership.

ICS also promotes continuous improvement with regard to safety and protection of the environment and to the quality and efficiency of the services that the international shipping industry provides to world trade and thus to the improvement of standards of living for all people worldwide.

ICS should therefore aim to have as broad a constituency of national association members as possible, while at the same time using its influence to ensure the highest standards of the national flags of its national association members, and of the individual vessels operated by their members.



2. Full Membership: Criteria and Obligations for National Associations

Associations should:

- 2.1 Have their main category of membership comprising shipowning or operating entities that support the principles of free trade and free competition.
- 2.2 Be private sector organisations effectively controlled by their members and recognised nationally as the representative of the relevant shipping sector.
- 2.3 Have a secretariat which conducts the administration of their business.
- 2.4 Support the aims and objectives of ICS as set out in its 'Statement of Purpose' (see above).
- 2.5 Aim to participate actively in the work of ICS (or that part which is of direct relevance and/or interest to them) by commenting promptly on the circulars, position papers and other communications they receive from the ICS Secretariat.
- 2.6 Support the concept that members of ICS always strive to reach consensus on issues under discussion and that they are encouraged to participate in all debates within ICS with an open mind.
- 2.7 Recognise that ICS represents the full breadth of the shipping industry and thus it is the spokesman for all shipowners in the world in all international fora that impact on shipping, especially at IMO.
- 2.8 Endeavour to ensure that their shipowner/operator members operate their vessels in conformity with all international regulations as enforced by flag state and port state control and have appropriate liability insurance to meet all of their liabilities for their ships. Associations should also promote industry best practice among their members.
- 2.9 In pursuit of high standards of operation, aim to ensure that their national flags should not be on the target lists of regional port state control authorities. Members whose national flags are on those target lists should co-operate with their flag administration to encourage the necessary improvement in flag performance. ICS will seek to provide assistance to associations pursuing such aims.

Note: The general rule is that there will be one national association member from a country unless the Board decides to recommend that it would be in the best interests of ICS for there to be more than one national association member from a country. The rule enables ICS to fulfil one of its most important purposes, namely, to obtain consensus amongst its national association members and to present the clear, unified view of the international shipping industry to regulatory authorities. The rule is in recognition that it is not the purpose nor the role of ICS to try and obtain consensus at the national level. Notwithstanding this principal rule, in exceptional cases, for example, where there is more than one legal or administrative jurisdiction in a country and a national association representing each of the jurisdictions, the Board may agree to recommend more than one national association member from that country.

A second national association from the same country as a Full Member may apply for Associate Membership (see criteria for Associate membership category below).



3. Criteria and Obligations for Associate Membership

- 3.1 The general criteria for Associate Membership are set out in para 4 of the Articles of Association. Within those criteria, it is expected that Associate Members will normally fall into one of the stated general categories (though other organisations should not be excluded from consideration for Associate Membership):
- (a) Individual shipowners based in countries where ICS does not have a national association member;
 - (b) National associations of shipowners and other shipping interests who do not qualify for full membership (e.g. where they predominantly represent agents/local offices of overseas shipowners, or a particular specialised group of shipowners, or are from a country that is already represented by a Full Member). In countries where there is not already a national association in Full Membership, this category may include national associations of shipowners which aspire to apply for Full Membership but which are not currently in a position to do so, described as Affiliate Member National Associations (see paragraph 4).
 - (c) Regional associations, or international associations who represent specific industry sectors, and who thereby can add value to the work of ICS.
- 3.2 Associate Members are expected to meet the general criteria and obligations as for Full Members except where specific criteria/obligations are set out for Associate Members.
- 3.3 Associate Members are not eligible to be elected to sit on the Board of Directors.
- 3.4 Associate Members are welcome to participate in the work of all other ICS committees and panels as observers, but will only routinely receive circulars for those committees and panels to which they nominate a representative and commit to active participation (which does not necessarily have to be by personal attendance, recognising the difficulties for some associations to attend meetings).
- 3.5 Where an Associate Member (other than an international association) represents shipping interests in the same country as a Full Member, it is expected that consultation will take place between the Associate and Full Member before any action is taken by the Associate Member within that country on issues raised by ICS for action by national associations.
- 3.6 Where an Associate Member is an international association which develops its own positions on issues on which ICS is actively engaged, or which fall within ICS's general remit, then it is expected that the Associate Member will share transparently in the development and outcome of its own position (in the same way that the Associate Member has access to the development and outcome of ICS's positions) and seek to give advance notice of any public statement of any such position. However, while this is intended to promote open dialogue between the associations and ICS on their respective positions, it does not preclude such an Associate Member from arriving at a position which may be different from that of ICS in respect of its specific sectoral interests.



4. Criteria and Obligations for Affiliate Member National Associations

- 4.1 As set out in paragraph 3.1(b), Affiliate Member National Associations are those which aspire to apply for Full Membership but which are not currently in a position to do so.
- 4.2 In accordance with the Articles of Association (Article 8A), national associations may not become Affiliate Member National Associations in countries where there is already a Full Member or an Associate Member (including Affiliate Member National Associations).
- 4.3 Affiliate Member National Associations are subject to the same obligations and entitlements as other Associate Members as set out in paragraph 3. So far as possible, the Secretariat will endeavour to respond to all requests for assistance and information promptly, but Affiliate Member National Associations shall not be entitled to receive the same level of service as Full Members.
- 4.4 National associations which are already in Full Membership are not eligible to join as Affiliate Member National Associations.
- 4.5 National associations which have previously been in Full Membership are not normally eligible to join as Affiliate Member National Associations. Notwithstanding this principal rule, in exceptional cases, the Board may agree to recommend that such an association can be admitted as an Affiliate Member National Association.
- 4.6 Affiliate Member National Associations should be committed to eventually seeking to apply for Full Membership, and their membership as Affiliate Member National Associations shall be subject to review by the Board at least once every three years.
- 4.7 Affiliate Member National associations have no automatic entitlement to Full Membership and when they decide to apply for Full Membership, this will be subject to the approval of the Board as set out in the Articles of Association.
- 4.8 In addition to the benefits set out in paragraph 3, Affiliate Member National Associations may be invited to attend as observers at meetings of the Board of Directors and at the AGM but with no right to speak or vote.
- 4.9 Affiliate Member National Associations with a declared tonnage of less than one million (1,000,000) gross tonnage should normally be charged a minimum flat fee of £2,000 per annum. The fees applicable to other Affiliate Member National Associations shall be negotiated on a case by case basis and approved by the Board.