



ASIAN SHIPOWNERS' FORUM

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PRESS RELEASE

Asian Shipowners express impatience, anger and frustration at the ever-increasing number of attacks on ships and seafarers by Somali pirates.

“Somali Piracy and ship hijackings have become rampant since the collapse of Somalia’s central government more than 20 years ago. It is now time to take effective action and eradicate piracy” declared **Mr. Johnson W. Sutjipto**, Chairman of the 20th ASF.

The Forum expressed grave concern that the waters off the coast of Somalia have grown increasingly treacherous as hijackings, kidnappings and extortion have proliferated over the past several years, forcing some shipowners to employ armed guards to ensure the safety of their ships and crews.

“It is essential, however”, added **Mr. Robert A. Ho**, the acting Chairman of the Ship Insurance and Liability Committee, “that the various liabilities, potentially incurred through the carriage of private armed guards on a ship in an attempt to protect its seafarers, are defined. These liabilities should not fall on the master of the ship or the owner, who may have no other option but to consider the employment of armed guards because Governments are unable or unwilling to provide the appropriate security.”

“Pirates were once confined to the waters of the Gulf of Aden and off the Horn of Africa, but with each success, they have grown ever more daring and extended their area of operation. It is high time for all governments,

the United Nations and the International Maritime Organisation to come together and put an end to these criminal activities! We cannot tolerate nor allow this to continue any longer,” said **Mr. S. S. Teo**, Chairman of the Safe Navigation and Environment Committee.

Mr. Yasumi Kudo, Chairman of the Shipping Economics Review Committee emphasised that, “Pirates have apparently concluded that the rewards of hijackings far outweigh the risk of capture and punishment. The cost of organised piracy to global trade, estimated to be 7 to 12 billion US dollars per annum¹, is simply unsustainable.”

It is reported² that at 23 May 2011, 26 ships and 522 seafarers were being held hostage off the coast of Somalia, some for extremely lengthy periods. **Mr. Li Shanmin**, Chairman of the Seafarers Committee, remarked “In recent months there has been an escalation in violence including the murder and torture of seafarers. The psychological impact on seafarers and their families, due to seafarers travelling through the high risk area, is not something to be taken lightly.”

ASF wholeheartedly agreed to participate in the SaveOurSeafarers (SOS) Campaign, which is aimed at raising public awareness of the piracy problem with the overall objective of increasing governments’ willingness to eradicate piracy.

The ASF furthermore is concerned about the lack of respect for seafarers shown by some governments. This lack of respect manifests itself in both the unfair treatment given to seafarers following a maritime accident, particularly if it involves the environment, as well as the difficulties that seafarers face in trying to obtain shore leave in many parts of the world.

“It is clear”, said **Mr. Ho**, “that seafarers are being judged before trial by the environmental or economic damage that has been caused. Normal and internationally accepted standards are that the seafarer should be presumed innocent before being proven guilty and criminal sanctions should only be used in case of proven gross negligence, deliberate acts or intent.”

Mr. Li added, “Seafarers are now being denied shore leave, and are unable to join or leave ships, in many parts of the world due to overly complex and impossible visa requirements.” One example discussed by the Forum was the Schengen Borders Code and the Visa Code of the

European Union, which, despite clear guidelines issued by the Commission, are not being implemented consistently in a manner that facilitates the movement of seafarers: the essential global workers.

On another note, Asian shipowners, as major players in the global shipping industry, recognise the important role they can play in promoting safer and more environmentally sound ship recycling.

Mr. Bronson Hsieh, Chairman of the Ship Recycling Committee, remarked, “Guidelines for the implementation of the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships 2009 are now being developed by the IMO Marine Environment Protection Committee (MEPC).” He added, “Five countries, France, Netherlands, Italy, Saint Kitts and Nevis, and Turkey, have signed the Convention as of March 2011, therefore the governments of major ship recycling countries should start considering ratification of the Convention.”

Mr. Kudo added his view that “Carriers continue to experience rising bunker costs in the Trans-Pacific container trade in difficult market conditions. The failure of carriers to adequately recover costs in this trade should be of concern to the entire trading community. Over time, this situation could impact the ability of carriers to make the continued investments needed to carry ever growing trade volumes.”

With regards to the proposed changes to accounting standards on leases under International Financial Reporting Standards (IFRS), the Forum made its position clear that time-charter contracts should not be accounted as leases.

Deepest sympathies were expressed by ASF Delegates for victims of the Great East Japan Earthquake and Tsunami. With regards to the radiation emissions from the Fukushima Nuclear Power Plant, **Mr. Koji Miyahara**, the President of the Japanese Shipowners’ Association, emphasised “We request parties concerned not to take any action based on groundless rumours, but on complete and rational assessment of official and accurate information released by such authorities as the Japanese government and the IMO, in order to minimize the disruption to the restoration work in Japan and ensure smooth operations in our shipping industry”.

Mr. Noel Hart, Chairman of Australian Shipowners Association, has been elected as the Chairman of the 21st ASF. **Mr. S. Hajara**, President of Indian National Shipowners' Association, has been elected as the Vice-Chairman of the 21st ASF. Their terms of office shall begin from 25 May 2011 until the next ASF Annual General Meeting in 2012.

1. *'The Economic Cost of Piracy', Oceans Beyond Piracy.*
2. *ICC IMB Piracy Reporting Centre.*

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For further information, please contact Yuichi Sonoda, Secretary General of the Asian Shipowners' Forum, at the contact address shown in the header. Please also visit ASF's website www.asianshipowners.org.

Notes

The Asian Shipowners' Forum (ASF) is a voluntary organisation of shipowner associations and its aim is to promote the interests of the Asian shipping industry. It is estimated that the ASF represents about 50% of the world's cargo carrying fleet.

The ASF consists of the following 8 members:

Australian Shipowners Association	(ASA)
China Shipowners' Association	(CSA)
Federation of ASEAN Shipowners' Associations*	(FASA)
Hong Kong Shipowners Association	(HKSOA)
Indian National Shipowners' Association	(INSA)
Japanese Shipowners' Association	(JSA)
Korea Shipowners' Association	(KSA)
National Association of Chinese Shipowners	(NACS)

*FASA is composed of:

Filipino Shipowners' Association	(FASA-FSA)
Indonesian National Shipowners' Association	(FASA-INSA)
Malaysian Shipowners' Association	(FASA-MASA)
Myanmar Five Star Line	(FASA-MFSL)
Singapore Shipping Association	(FASA-SSA)
Thai Shipowners' Association	(FASA-TSA)
Vietnam Shipowners' Association	(FASA-VSA)

Between the ASF AGMs, the ongoing work is carried out by the five Standing Committees;

Seafarers Committee	(SC)
Shipping Economics Review Committee	(SERC)
Ship Insurance and Liability Committee	(SILC)
Safe Navigation and Environment Committee	(SNEC)
Ship Recycling Committee	(SRC)
