

THE SIXTH ASIAN SHIPOWNERS FORUM

Hosted by : **FEDERATION OF ASEAN SHIPOWNERS' ASSOCIATIONS**

456 Alexandra Road #09-02 NOL Building Singapore 119962

Tel: 2783464 Tlx: RS 24021 ENSA Fax: (65) 2745079

Internet e-mail address: asa.mail@pacific.net.sg

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JOINT COMMUNIQUÉ

The 6th Annual General Meeting of the Asian Shipowners Forum (ASF), in short, the 6th ASF, was held in Singapore on 12 May 1997. It was officially opened by the Singapore Minister for Communications, Mr Mah Bow Tan. A total of 107 top executives of Asian shipowning companies representing more than 40 per cent of the world merchant fleet, attended the Meeting.

For the first time, the ASF also held a Joint Dialogue with six international shipping bodies which had expressed keen interest in the work of the ASF.

The ASF

The ASF consists of shipowners' associations from seven Asian regions including those from ASEAN (represented by Brunei, Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam), Australia, China, Hong Kong, Japan, Korea, Chinese Taipei. The aims of the ASF are to promote the interest of the Asian shipping industry, through mutual trust and cooperation among Asian shipowners.

Between ASF Annual General Meetings, the ASF's work is carried out by the five "S" Committees, namely:

- Stabilisation of Trade Committee
- Seamen Committee
- Scrapping Committee
- Safe Navigation Committee
- Ship Insurance Committee

At the 4th ASF held in 1995, a sixth Committee, namely the Standing Committee for the Creation of an ASF Permanent Office, was formed to examine the establishment of a Permanent Office for the ASF.

The FASA

The Meeting was hosted by the Federation of ASEAN Shipowners' Associations (FASA) which represents the following ASEAN shipowners' associations:

The Indonesian National Shipowners' Association (INSA)
The Filipino Shipowners' Association (FSA)
The Malaysian Shipowners' Association (MASA)
The Singapore National Shipping Association (SNSA)
The Thai Shipowners Association (TSA)
Sharikat Kejuruteraan Bumiputra Belait (SKBB) Sendirian Berhad and
Vietnam National Shipping Lines (VNSL).

The SNSA, which is the location of the permanent secretariat of FASA, organised the 6th ASF on behalf of FASA.

STABILISATION OF TRADE

The Stabilisation of Trade Committee held its 4th Interim Meeting in Taipei on 7 March 1997.

Mr Masaharu Ikuta, Chairman of the Stabilisation of Trade Committee, made a report.

THE COMMITTEE reaffirmed the importance of trade stabilisation in all the shipping sectors. The Committee also reconfirmed its call to all ASF members to share the responsibility for restoring the shipping industry's healthy earning power.

The Committee expressed serious concern over the current and continuing deterioration of freight rates in major container trades which renders international shipping business difficult to sustain. It therefore strongly urged all Asian shipping lines, particularly their Chief Executive Officers, to cooperate and work closely under fair market conditions in order to restore freight rates to realistic and economic levels so as to sustain themselves to support growing international trade.

The Committee showed concerns over possible changes of legal environment in some countries and recognised the vital need to do the utmost efforts to ensure a fair balance between shippers and carriers. The 6th ASF therefore appeals to all government agencies, shippers and other relevant bodies to ensure fair legal framework for the ocean shipping industry which is indispensable to sustain constant growth of world trade.

The 6TH ASF endorsed the words of the Committee's Chairman that "we, Asian shipping companies, ourselves should share the responsibility in an industry-wide effort to restore a sound and healthy business environment".

In view that various fora, such as IADA, are already effectively working for stabilisation of trade, the 6th ASF recommended that all liner shipping companies should come together on common ground, whether conferences or agreements, to share the responsibilities for the development of international trade.

The 6th ASF also recommended that senior representation of Asian shipping lines should be personally involved in such meetings to ensure fruitful discussion to attain stabilisation of trade.

SEAMEN

The Seamen Committee held its 2nd Interim Meeting in Shanghai on 30 October 1996. It was chaired by Mr Li Shanmin of the CSA. Delegates from 8 ASF countries attended the meeting, together with observers from Asian training academies, Port Authorities, Quality Assurance assessors and AMETIAP, the Association of Maritime Education and Training Institutions in Asia and Pacific. The meeting discussed the implementation of the STCW'95 Convention and the state of Seafarer supply in the region.

The Committee has been working with STCW 95 since early 1995, and has identified many ambiguities, most of which can only be resolved by Flag Administrations. The Committee, therefore, called upon Governments in the region to introduce as soon as possible unified and consistent guidelines on the interpretation and implementation of the revised Convention, in order to avoid possible confusion in interpretation caused by the ambiguities. The Committee recognised that early adoption of the Convention is in the interests of Employers and Seafarers, and member Associations have therefore been instrumental in organising a series of seminars and workshops in the region.

The Committee has developed close links with several Seafarer training establishments in the region, with the objective of helping them to standardise their training to the standards laid out in the Convention. In this regard, the 6th ASF supported the link now established by the Committee with AMETIAP.

The 6th ASF recognised that many developing countries encountered difficulties when implementing the Convention, and delegates called upon the developed countries in the region and the rest of the World to recognise the important contribution of the seafarers from the region and to offer their help and cooperation to those developing countries.

The 6th ASF agreed that there should be compatible national legislations in each contracting party in accordance with STCW '95 to recognise seafarers' certificates issued by other Government authorities who are included in the "White" list. The 6th ASF agreed to advise their respective Governments to take necessary steps to enact such legislation.

The Committee expressed their concern at the worldwide shortage of qualified seafarers. The 6th ASF noted that many training establishments in the region have already started to upgrade their facilities to assist in the recruitment and training of the right people. The 6th ASF also noted that the Committee was working on several projects, including the issues of Fatigue, the standardisation of Cadet Record Books, ILO issues, etc.

SCRAPPING

The Scrapping Committee is chaired by Mr C S Chen of NACS. Although the Committee did not hold any interim meeting prior to the 6th ASF, the Committee members were actively engaged in exchanging information on the scrapping industry. THE COMMITTEE presented a report on the Scrapping industry at the 6th ASF.

The 6th ASF resolved that there should be strong concerted efforts among shipowners to promote scrapping on a global basis to eliminate aged and sub-standard vessels which are deemed to be

undesirable for the marine environment. In this respect, an early interim meeting of the Committee will be held.

SAFE NAVIGATION

The Safe Navigation Committee is chaired by Mr Lua Cheng Eng of FASA. It held its 3rd Interim meeting on 2 December 1996 in Chiang Rai, Thailand. THE COMMITTEE reaffirmed its objective to promote safe navigation of ships trading internationally. The Committee presented its report to the 6th ASF for consideration.

Piracy

The 6TH ASF condemns all forms of attacks on ships whilst in passage or in port waters.

It noted with satisfaction that the incidence of piracy in Asian waters has diminished. The 6th ASF expressed satisfaction with "a significant improvement in the piracy situation in the so-called 'Hainan-Luzon-Hong Kong triangle (HLH)' and the South China Sea". However, concern was expressed over a corresponding rise in the number of petty thefts by unauthorized persons on board ship anchored in port waters. The 6th ASF urged all Governments and Port Authorities to take appropriate and immediate action to increase surveillance of enforcement agencies to protect ships trading or anchored in their ports' waters.

The 6th ASF supports the efforts against Piracy and noted the work by the International Maritime Bureau Regional Piracy Centre (RPC).

Port State Control

In the interest of crew safety and for the prevention of accidents at sea, THE 6TH ASF fully supports the concept of port State control. However, it reiterated that all port State control regimes should adopt a consistent and transparent criteria in targeting ships for inspection. They should not subject ships to unfair or discriminatory inspections. The 6th ASF further urges all port State control regimes to ensure that their inspectors are properly trained, qualified and competent to carry out their inspection duties. There should also be an electronic exchange of information among the port State control regimes to avoid any duplication or unnecessary inspections of the same ships.

Pilotage

The 6th ASF supported recent industry initiatives to encourage the consideration of Pilotage issues. The 6th ASF also supported the efforts being made to make Pilots accountable for their actions, but not liable, and urged the IMO to develop provisions covering the standardisation of training of pilots, as considered under STCW 95.

The 6th ASF agreed that the Safe Navigation Committee should evaluate and make recommendations on the following subjects : Shipmaster and Pilot relationship; Accountability of the Pilot; Passage planning; Training and Fitness of Pilots. |

Stowaways

Due to political or economic conditions in some countries, the incidence of stowaways on board ship has increased. In view of the problems these stowaways could create, which can jeopardise the safety of the crew and the ship, the 6TH ASF urges all Governments to follow the guidelines contained in the IMO circular FAL.2/cirs.43.

Bulk Carrier Safety

THE 6TH ASF noted that the International Association of Classification Societies' (IACS) had made proposals on certain Conditions of Class which are aimed at reducing risk and which seek to achieve greater safety in existing bulk carriers.

Whilst, in principle, supporting the IACS's efforts, the 6th ASF expressed concern at the rapidity with which such proposed measures have been introduced as Unified Requirement without adequate consultation with shipowners. This matter will be fully discussed at the next Interim Meeting.

SHIP INSURANCE

The 3rd Interim Meeting of the Ship Insurance Committee was held in Hong Kong on 2 September 1996. The Meeting was chaired by Mr George Chao of HKSOA, was attended by ASF delegates from 10 countries as well as Marine Insurance industry executives from 8 ASF countries. At the meeting, it was estimated that ASF members control tonnage estimated at over 40 % of the world fleet and pay premiums estimated at over USD 2 Billion in 1994 but, despite this massive presence on the insurance market, most of the ASF members are dependent on non-Asian insurance and reinsurance markets. The Committee agreed that further research would be undertaken for presentation to the 6th ASF.

P & I Clubs

The 6th ASF noted the level of Asian representation on the boards of most major international P & I clubs, but feels that a higher level of participation should be sought after. In order to make the Asian voice heard, delegates agreed that active participation on the Clubs' Boards or Committees was essential.

Hull & Machinery

The 6th ASF noted the research that had been done since the 5th ASF and congratulated the Committee on their detailed feasibility study. Delegates deliberated the results of the study and agreed that the Committee should continue with their research.

ASF PERMANENT OFFICE

The ASF has grown in stature and has become a recognised and strong voice in the global shipping industry. It can give valuable input to the formulation of international shipping legislation and

procedures. It was agreed in principle in Taipei at the 4th ASF on 15 May 1995 that a permanent office for the ASF should be set up. A Standing Committee for the Creation of an ASF Permanent Office was therefore formed.

The 1st Interim Meeting of the Committee was held in Hong Kong on 29 January 1996, and was chaired by Mr George Chao, Chairman of Hong Kong Shipowners' Association, who was concurrently the 5th ASF Chairman.

At the 5th ASF meeting held in Hong Kong on 13 May 1996, the FASA Chairman, Mr Sumate Tanthuwant, was requested to take over the Chairmanship of the Standing Committee as he would assume the 6th ASF Chairmanship. The Committee held its 2nd Interim Meeting in Chiang Rai, Thailand on 2 December 1996.

The Committee adopted a Position paper and a concept proposal for the ASF Permanent Office which had been prepared by FASA.

THE 6TH ASF reiterated its earlier decision to take a position only after the first round of ASF annual general meetings has been completed. The incoming 7th ASF Chairman, Australia, agreed to chair the Standing Committee on the Permanent Office. The matter will be discussed at the 7th ASF.

ASF LOGO

The 6th ASF also decided to adopt a permanent logo for the organisation. The features and characteristics of the ASF permanent logo are attached as Annex 1.

7TH ASF

Following the principle agreed at the 1st ASF meeting regarding the venue for the ASF Annual General Meetings, that the meetings shall be held and hosted on a rotation basis by the members from the North to South in geographical order, the 7th ASF shall be organised by the Australian Shipowners Association (ASA).

THE 6TH ASF accepted the proposal of the ASA to hold the 7th ASF meeting in Brisbane region on 25-26 May 1998, the exact location to be advised later on.
