



THE 8TH ASIAN SHIPOWNERS' FORUM

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JOINT STATEMENT

The 8th Asian Shipowners' Forum (ASF) was held in Tokyo on 24 May 1999 with 85 representatives of Shipowners' Associations from 7 Asian regions.

The ASF is composed of the shipowners' associations of ASEAN (Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam), Australia, China, Hong Kong, Japan, Korea and Chinese Taipei.

The ASF meetings have been held each year and the chairmanship rotates geographically among members from north to south since its 1st meeting held in Tokyo in 1992 hosted by the Japanese Shipowners' Association (JSA). After the successful completion of the 1st rotation, the 8th meeting was held under the sponsorship of the JSA again.

The ASF, since its inauguration, has become widely recognized and well accepted among the world shipping community as the voice of Asian shipowners to the international circle. In these circumstances, it is expected that the ASF will continue to enhance its presence into the next century.

The 8th ASF discussed various issues of common interest of the Asian shipping industry as described below.

WTO 2000

The ASF noted that some countries/regions of the ASF members have applied for the WTO (World Trade Organization) membership. The ASF agreed to give its full support to these applications.

The ASF agreed that in the next round of the negotiations on the liberalization of trade in services which is to be resumed by the end of 1999 under the framework of the WTO, it is necessary to agree with the application of the principle of the GATS (General Agreement on Trade in Services) to the maritime transport sector in order to secure the basis for free and fair international shipping activities. The ASF supports the WTO negotiations on maritime transport services.

U.S. Harbour Services User Fee

In connection with the draft legislation to seek merchant vessel operators to share the cost of harbour dredging and the development, operation and maintenance of ports in the U.S., the ASF agreed that the proposal to shift such a huge cost on to shipping lines as a user fee should be firmly opposed by the world shipping industry, including the ASF, together with other affected industries.

The Panama Canal

The ASF noted that the Panama Canal will be handed over by the U.S. to Panama as from 31 December 1999. The ASF unanimously agreed it is essential that the management and operation of the Canal is kept reliable, especially in terms of safety, efficiency and cost competitiveness, due to the important role that the Panama Canal is playing in world sea-borne trade.

Stabilization of Trade

The Stabilization of Trade Committee (STC) held its 6th Interim Meeting in Shanghai on 15 March 1999.

The ASF endorsed the Note of Understanding adopted by the STC in Shanghai.

In the Note of Understanding, the STC reaffirmed its mission to promote the continuous and healthy development of the Asian Shipping Industry through a frank exchange of views. The STC is also designed to foster fair competition, mutual trust and cooperation among Asian carriers.

To attain this mission, the ASF agreed that one of the aspects which STC is going to deal with in the imminent future is to cultivate a public understanding on the need to establish a healthier financial base and self-supporting power for the shipping industry in order to continue to provide quality transportation services.

The ASF recognized that there would be a need to make further endeavour towards the stabilization of trade both in the liner and bulk/tanker trades. Specifically in the liner trades, the delegates considered it recommendable to encourage carriers to support the endeavours of various carrier forums of which they are members. In order to ensure safe and stable transportation, the delegates recognized the vital importance of making their best endeavour to let all the carriers strictly comply with the international regulations for safe navigation, and eliminate sub-standard vessels from the market.

With all the above in mind, the ASF strongly endorsed the STC in their ongoing efforts to share good understandings as much as possible on the various difficulties which the shipping industry has been facing with, and that they would cooperate with each other further in seeking stabilization of trade.

Seaman

The Seaman's Committee held its 4th interim meeting in Tokyo on 12 October 1998.

The ASF was pleased to note that, as required by Regulation 17 of STCW 95, all administrations of ASF members have submitted the initial reports to the IMO for inclusion on the "White List" except Chinese Taipei who will submit their report this year.

The ASF is deeply concerned about the reported possibility for a serious shortage of qualified officers and was encouraged to note that some member Associations are undertaking research projects to review effective means of recruitment and to maintain continuity of employment of seafarers. In view of the fact that Asia supplies the majority of seafarers to the ships worldwide, the ASF agreed that Asian countries should continue their work to ensure a healthy and stable supply of well trained officers to meet the requirements for safe and environmentally responsible shipping operations.

The ASF was also pleased to note that the Seaman's Committee had developed good working relationships with other regional and international organizations. The ASF agreed that the Committee should continue their work to maintain and further develop such proactive links in order to encourage the development of quality maritime education and training for seafarers in the Asia-Pacific region.

The ASF is extremely concerned about the uncertainty in the awards being made to seafarers in the tragic event of death or disability, and agreed that the Seaman's Committee should continue to work closely with the Ship Insurance Committee on this important issue.

In support of the statement made by the Seaman's Committee, the ASF confirmed that it is strongly opposed to the ITF's proposal to increase the TCC benchmark rate.

Scrapping

The Scrapping Committee held its 2nd Interim Meeting in Taipei on 1 March 1999.

The ASF recognized that the ship scrapping is an indispensable operation not only for the healthy cycle of the shipping business but also crucial for marine environmental protection and safe navigation. It was further recognized that the Asian and world shipping industry should consider appropriate measures to promote ship scrapping. The ASF would welcome further opportunities for dialogue with the ship scrapping industry so as to enhance greater mutual understanding and cooperation in achieving its objectives.

The ASF also noted the need to seek the possibility of a coordinated approach with related industries on the issue of working conditions in some ship scrapping facilities.

It was agreed that the Scrapping Committee should positively continue its work.

Safe Navigation

The 5th Interim Meeting of the ASF Safe Navigation Committee (SNC) was held in Singapore on 30 November 1998.

The ASF noted the Progress Report of the SNC. The ASF reaffirmed its position on the following issues:

- Piracy and Armed Robberies against Ships

The ASF expressed serious concerns on the increased incidence of piracy and armed robberies against ships around the world. It was also noted that there had been a number of ship hijacks in the Asian region. The ASF strongly urges the enforcement authorities of littoral states where armed robberies are highly prevalent to be transparent in their investigations. These authorities are also urged to jointly cooperate to heighten surveillance through increased patrols of their naval forces and marine police in their waters.

- Stowaways

The ASF also urges all governments to immediately adopt the IMO Guidelines on the Allocation of Responsibilities to seek the successful resolution of stowaway cases into their domestic rules and to establish proper procedures to facilitate shipowners in repatriating stowaways. The ASF also strongly urges all governments and port authorities to tighten their port security to prevent stowaways from having easy access to ships.

- Bulk Carrier Safety

The ASF fully supports the IMO in its effort to reduce bulk carrier casualties through the adoption of Chapter XII of the Safety of Life at Sea (SOLAS) Convention in 1997 and agreed that the SNC should continue to monitor the developments and progress of works at the IMO Maritime Safety Committee.

- ISM Code

The ASF fully supports the implementation of the ISM Code. Whilst noting that the Phase I of the Code had been successfully implemented on 1 July 1998 with a high achievement rate, the ASF however encouraged the shipping community whose ships fall under the Phase 2 to establish their safety system well ahead of the deadline on 1 July 2002.

The ASF further endorsed that all Port State Control inspections relating to the ISM Code should be consistent with the IMO Interim Guidelines.

- **Global Maritime Distress and Safety System (GMDSS)**

The ASF noted operational problems relating to the use of GMDSS equipment by ships' crew. The ASF supports the greater unification and standardisation of all GMDSS equipment by suppliers and manufacturers to facilitate easy understanding and usage by ships' crew. The shipping community is also urged to train their crew to be fully familiar with the equipment to avoid misuse.

- **Port State Control (PSC)**

The ASF continues to give its full support to the concept of the PSC. Whilst noting that more Port State Memoranda of Understanding are established, the ASF strongly urges all PSCs to conduct inspections uniformly and consistent with IMO Guidelines. There should also be an efficient exchange of information among the PSCs to avoid duplicated inspections and unnecessary delays to ships.

- **Marine Electronic Systems and Year 2000**

The Year 2000 problem is complicated by the lack of any standard method for testing, handling of the problem and assessing compliance. The ASF urged all shipowners to re-evaluate their shipboard procedures in order to be able to respond to systems failures. The ASF also urged all parties to follow IMO circular No. 2121 on The Year 2000 Code of Good Practices.

Ship Insurance

The 5th interim meeting of the Ship Insurance Committee (SIC) was held in Hong Kong on 8 March 1999.

The Committee briefed the ASF on the industry initiative to create a facility for hull insurance in the region. The ASF noted that the initiative met their essential requirements and duly gave their unanimous endorsement of the project. The ASF was pleased to note that the Consultant, together with the insurance industry participants to the project, would continue to promote and refine the project.

The ASF was pleased to note that the debate between the European Commission and the International Group of P&I Clubs had been resolved. The ASF was glad to note that its participation in the debate, together with other industry involvement, had led to such a satisfactory result.

The ASF expressed its grave concern that the growing movements in California towards an OPA 90 style solution to the threat of oil pollution by non-tank vessels. The ASF urged all governments to follow internationally agreed Conventions rather than adopting unique and unilateral legislation.

The Committee also briefed the ASF on the situation regarding uncertainty in the jurisdiction of, and the awards made for, seafarer claims for death and disability. The ASF noted that the Chairmen of the Seaman's Committee and the Ship Insurance Committee had jointly written a letter to the Government of the Philippines expressing their concern and asking for clarification. The ASF agreed that the Chairman of the 8th ASF, on behalf of all of the member Associations of the ASF, should send a further letter to the President of the Republic of the Philippines urging that early action should be taken on this issue.

ASF Permanent Office

The ASF noted that the current rotation system of chairmanship including its secretariat works well. It was therefore agreed to continue the present system for the time being.

The 9th ASF

In accordance with the current practice of rotating the venue for the ASF meetings, delegates accepted the proposal of the Korea Shipowners' Association to hold the 9th ASF in Korea in May 2000.
