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Shanghai

Press Release

32nd ASA AGM 16 May 2023

***Hosted by China Shipowners' Association (CSA)
Shanghai, China***

"Asia, Greener / Safer Shipping"

Asian Shipowners' Association (ASA) held its 32nd Annual General Meeting on 16 May 2023 in Shanghai. The meeting was hosted by the China Shipowners' Association (CSA) and attended by more than 230 representatives from ASA Ordinary/Associate members. The theme of the meeting was "Asia, Greener / Safer Shipping" and the focus of the meeting was on many aspects of the challenges and constraints including safety at sea, manpower at sea and decarbonisation at sea.

Seafarers should be fairly treated

ASA said that unfair treatment of seafarers, which can take many forms and be for many reasons, has a severe impact on seafarers' physical and mental well-being and a damaging effect on the image of the shipping industry and its ability to attract and retain qualified seafarers. Unfair treatment of seafarers often takes place when seafarers are detained on suspicion of committing maritime crimes. An on-going example is Captain Yu Yihai's prolonged imprisonment without trial in Honduras, which is contrary to the principles of conducting trials as expeditiously as possible or releasing the detained person on bail as laid down in relevant international treaties. ASA has noted the joint efforts of ILO/IMO to develop dedicated guidelines on the fair treatment of seafarers detained on suspicion of committing maritime crimes, and welcomes the early adoption of the guidelines and, in particular, urges the Honduran administration to have Captain Yu Yihai's case to be handled fairly and expeditiously in accordance with the provisions on fair treatment of seafarers, contained in MLC 2006 and the UN Convention on the Law of the Sea (UNCLOS) 1982.

After nearly 20 years of effort, the United Nations concludes historic maritime biodiversity Treaty

On March 3rd, 2023, the 5th United Nations Intergovernmental Conference finally reached an agreement on the text for a major new maritime biodiversity treaty. ASA heartily welcomes this historic achievement: nearly 200 nation-states took part in discussions which spanned nearly two decades. The shipping industry has taken an active part in the discussions since 2016 to ensure that the nation-states understand the role of the International Maritime Organization (IMO) as the global regulator for shipping. ASA is thus pleased that an agreement has been reached that High Seas industries will be regulated through this new treaty with the treaty recognizing international shipping's concerns and the central role of IMO. The agreement should also enhance coordination between UN agencies and other global regulators, promoting a holistic approach to the protection of marine biodiversity and ecosystems in maritime areas beyond national jurisdictions.

Governments urged to take action in the face of increasing reports of armed robbery

During the recent 40th Interim Meeting of the ASA Safe Navigation & Environment Committee (SNEC) held in Singapore on 2 May 2023, the urgency and significance of ensuring safe navigation and addressing the reduction of greenhouse gas (GHG) emissions were strongly emphasized. ASA expressed its concerns regarding the escalating number of reported incidents of piracy and armed robberies in the Straits of Malacca and Singapore during the first quarter of 2023. ASA urged immediate action and called upon the three littoral governments of Indonesia, Malaysia and Singapore to intensify their patrols and enforce stringent measures to combat piracy and armed robberies. Such intervention is necessary to safeguard the safe passage of ships transiting, anchoring, or engaging in trade within the Straits. In addition to addressing maritime security in the Gulf of Guinea, ASA deliberated on other pressing matters pertaining to safe navigation, environmental pressure, and a global approach towards regulating GHG reduction measures to decarbonise the shipping industry. Ms. Caroline Yang, Chair of ASA SNEC, reiterated that ASA's longstanding position is to support a consistent and predictable framework for regulating GHG emissions. This ensures that all shipping sectors can comply with uniform standards as they navigate through different jurisdictions, avoiding excessive administrative burdens and confusion within the industry. The urgency to act swiftly and decisively in both safe navigation and combatting GHG emissions is paramount in safeguarding the marine environment and securing a sustainable future for the shipping industry.

Impacts on the Stability of the Global Supply Chain

ASA expressed its concern over adverse impacts on the stability of the global supply chain due to drastic increases in the tolls of the Panama and Suez Canals, effective in January 2023, without ensuring enough transparency. Under such circumstances, it is necessary to continue to urge both canals to ensure safe and smooth transits of vessels as well as stable management, including tolls, through regular dialogues covering such topics as green transits and stable supplies of alternative fuels. ASA therefore agreed that it was essential to deepen mutual understanding among stakeholders, including international associations, for taking any harmonised approach to address common issues more effectively. In the meantime, in light of the fruitful outcomes from the first trial of the joint session between ASA SPC and ASA SNEC on 2nd May, ASA agreed to explore any further collaboration among the five standing committees to take up such issues as shipping decarbonisation and training for young talents to meet the requirements for next-generation vessels.

The Hong Kong Convention (HKC)

ASA reaffirmed the need for the early entry into force of the HKC as well as for the urgent expansion of Green Yards in multiple countries to respond to an expected surge of ship recycling demand in the coming years. For these sakes, the recognition that the year 2023 should especially be crucial was shared by ASA, in accordance with the treaty requirements. In order to achieve the goal, ASA confirmed that Bangladesh and China have been holding the key and that ASA should concentrate our primary effort on securing the earliest ratification by Bangladesh. It was then affirmed that every ASA member association would encourage concerned governments to support Bangladesh in every aspect wherever possible. ASA would also encourage respective member shipping companies of ASA members to use HKC SoC (Statements of Compliance) yards and those aiming to acquire certification. ASA would continue to speak out on our arguments.

At the 32nd ASA AGM, Mr Wellington Koo, Chairman of The Hong Kong Shipowners Association (HKSOA) was appointed as the 33rd ASA Chairman.

Mr Haji Awang, Chairman of the Federation of ASEAN Shipowners' Associations (FASA) was also appointed as the Vice-Chairman of ASA.

The next ASA AGM will be held in Hong Kong in May 2024

Based on the outcome of the meeting, Mr Zhang Shouguo, CSA Executive Vice Chairman, on behalf of Mr Xu Lirong, ASA Chairman, announced the adoption at the meeting of the following **ASA Initiative 2023**, calling for the healthy development of the Asian shipping industry.

ASA Initiative 2023

The shipping industry is the backbone of global trade and the global economy, facilitating the movement of goods and commodities around the world. According to the International Chamber of Shipping (ICS), the international maritime transportation industry is responsible for the transportation of around 90% of commodities produced from world trade activities. Without shipping, international trade as we know it today would not be possible. The shipping industry also directly provides over 1.5 million jobs worldwide.

In addition to economic growth and job creation, shipping also has a positive impact on the standard of living around the world. By facilitating the movement of goods and commodities, shipping helps to ensure that people have access to the products and resources they need to live and thrive, as well as the benefits of trade and commerce are more evenly spread.

However, the global shipping industry is facing increasing pressure to cut the pollution created by the world's merchant fleet and to engineer a carbon-neutral shipping industry in future. Recognizing the need for climate action, the International Maritime Organization (IMO) has mandated emission reductions of 50% for all vessels by 2050, while the European Union (EU) is taking stricter unilateral measures. This is a tremendous challenge to the shipping industry.

Today, piracy and armed robbery continue to pose a threat to ships and seafarers in high-risk waters and ports. The military conflict between Russia and Ukraine is having a significant impact on the safety and security of some seafarers. A shortage of STCW certified officers has been predicted in the near future. While the introduction of smart ships will make the shipping industry safer, more competitive and sustainable, it will also bring about challenges to the shipping industry in almost all aspects.

As an important global shipping organization controlling and operating around 50% of the world's cargo carrying fleet, ASA is and will be impacted by those challenges. In order to maintain a healthy development of the shipping industry in Asia, Asian shipowners and other stakeholders in the world must take coordinated measures.

In this context, ASA calls on all the stakeholders in the shipping industry to:

- 1. support the emission reduction measures negotiated multilaterally in the IMO instead of any unilateral policies on the shipping industry;*

2. *work together to maintain the security and stability of the international shipping corridors by combating piracy and armed robbery and improving the transit efficiency and service level of the international canals;*
3. *pay more attention to the development of high-quality seafarers to cope with the predicted shortage in the foreseeable future; and*
4. *take measures to reduce the impact of international conflicts on maritime transport.*

Only by concerted actions taken by stakeholders of the shipping industry, can we cope with the challenges ahead and continue to play a vital role in ensuring the operation of international trade as ever before.

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Editor's Note:

The Asian Shipowners' Association (ASA) is a voluntary organization of the shipowner associations of Australia, China, Chinese Taipei, Hong Kong, Japan, Korea and the Federation of ASEAN Shipowners' Associations comprising shipping associations of ASEAN countries.

The aims of the ASA are to promote the interests of Asian shipowners.

Between annual ASA meetings, the ongoing work is carried out by five Standing Committees:

Seafarers Committee (SC)

Ship Insurance and Liability Committee (SILC)

Safe Navigation and Environment Committee (SNEC)

Shipping Policy Committee (SPC)

Ship Recycling Committee (SRC).

It has been estimated that ASA shipowners and managers control and operate around 50% of the world's cargo carrying fleet.
