

CAPITAL LINK FORUM
OCTOBER 30, 2018 - HILTON ATHENS

Subject : Are Regulations Addressing the Real Problems in Shipping ?

Ladies and Gentlemen, Dear Friends,

My thanks to Mr. & Mrs. Bornozis for their kind invitation to talk today about the subject **“Are Regulations Addressing the Real Problems in Shipping ?”**

It is a pleasure and, certainly, an honor for me.

I will not subscribe to various conspiracy theories that the regulators are anti shipping etc. I believe that their intentions are genuinely good. The regulators though, being, one-way or another, politicians, have their ears tuned more to the public and the environmental bodies than the shipping sector.

I have repeatedly said that the problem of ocean –going shipping, to differentiate it from passenger shipping, is an industry consisting mostly of countries with light political weight than other industries. Therefore, the problems starts from there, we do not have their attention and support.

I take this opportunity to reply to criticism that our public image is not good because our public relations are inadequate. I share it up to a point ; the problem is that shipping makes the news only when accidents occur and, then by default, the image is not good.

To make the front page of non - shipping newspapers is almost impossible if we are not involved in an accident. The impressive contribution of shipping to the standards of living of our society is taken for granted and is not the subject of media coverage.

The two major conventions Marpol and Solas have made a tremendous impact for the improvement of ship operations and the safety of ships, crews, cargoes and the environment. There are many good, useful and practical regulations and, regrettably, some of them are not enforced.

As Intercargo we have been pressing IMO, either directly or indirectly through the media, to ensure the implementation of regulations related eg to port reception facilities of hazardous cargo residuals or to come up with regulation to address the liquefaction of nickel ore as a result of which many ships and crew have been lost.

Very recently, by a press release produced by Intercargo, we asked IMO to name and shame the countries which do not implement them.

We have also been urging IMO to put pressure on the regional MOUs to establish self –assessment departments in order to address port state control corruption. Although so far we have been unsuccessful we insist and, at some stage, we will achieve it.

There is though the other side. Regulations which are made because of public pressure from environmental groups and NGOs. Regrettably, with the exception of a few, most of those entities try to justify their existence by making noise without any effort to talk to the industry in order to educate themselves and be constructive. We all would benefit had it been the case.

The Ballast Water Management Treaty has been performing poorly because technology is not there as yet and the ships have been forced to be the experimental entities. You remember the treaty was decided in 2004, ratified in 2017 and yet it has not reached the desired result.

The Low Sulphur Fuel treaty will be, most probably, the most severe regulation to affect ships over the recent decades. Has there been any consultation with the shipping sector before it was voted? No !!!! There is, though, an effort now to address the practical problems which will inevitably happen due to its enforcement on 01-01-2020. Too late though !

I am sorry I could not answer the question set by the subject of this presentation with either a YES or a NO. It has been a mixed result.

Concluding, I want to urge all participants of ocean going shipping to act and enforce the shipping bodies, such as Intercargo, and their national associations and to try to educate their countries' politicians, regulators and representatives at various fora about the modus operandi of ocean going shipping. If they do so they will be able to come up with quality and practical regulations which will be mostly welcome by the shipping sector.

Ballast Water Management and Low Sulphur Fuel, although of major impact, are not the end of the road.

Be prepared for more new regulations, mostly environmental ones, which are presently under consideration and be alert !

Thank you for your kind attention.