



ECSA Newsletter

European Community Shipowners' Associations

• N° 8/08

COUNCIL OF TRANSPORT MINISTERS 09/12/08

Common Position on outstanding proposals of Maritime Safety Package III

The Council of EU Transport Ministers met on 9 December in Brussels. On Maritime transport the following can be reported:

- Maritime Safety Package III: A Common Position was agreed on the two proposals of the Package on which a Political Agreement was reached at the Council of 10 October i.e. Flag State Compliance and Insurance of shipowners for maritime claims. This means that there is now a Common Position on the full package.
- LRIT: A Resolution on the working of the LRIT (Long Range Identification & Tracking) data centre was agreed upon.
- MARPOL Annex VI: Finland made a statement requiring an impact study on the requirement of 0.1 % sulphur content in maritime fuels in the ECAs as from 2015. This was noted and supported.

MARITIME SAFETY PACKAGE III

ECSA commends the Presidency and the European Parliament for the agreement reached

The last weeks the Presidency, the Council and the European Parliament made a lot of effort to arrive at an agreement on the Maritime Safety Package III. In the Trilog/Conciliation talks the transposition of the Athens Convention (Shipowners liability of passengers) was still outstanding. Agreement was reached on Monday 8/12 night between the Council and the Parliament (with the Commission). This means that, after two years of talks, there is now agreement between the

Council and the Parliament on the full Package (7+1) notably:

- Amendments to the Port State Control Directive 95/21,
- Amendments to Directive 2002/59 concerning Vessel Traffic Monitoring
- Compliance with Flag State Requirements
- Establishing Fundamental Principles Governing Investigation of Accidents;
- Classification Societies (2).
- Insurance for shipowners on maritime claims
- Liability of carriers of passengers by sea and inland waterways in the event of accidents (Athens Convention)

The further formal process towards final confirmation/ adoption the full package can now take place.

ECSA BOARD MEETING 4 DECEMBER 2008

Exchange of views with NAVFOR/ATALANTA

The ECSA Board of Directors met in Brussels on 4 December. At the Board dinner a constructive exchange of views took place with Commander David Lintern - liaison Officer to the EU of the EUNAVFOR/ATALANTA operation against piracy in the Gulf of Aden off the Somali Coast. The ATALANTA operation started on 8 December and is the first ever EU aero naval international operation. It was preceded by the creation of a coordination cell in Brussels (NAVCO) that met with ECSA in September (see newsletter 6/08).

The NAVFOR/ATALANTA Operation has been established in support of the United Nations Security Council (UNSC). Resolutions 1814 (2008), 1816 (2008), 1838 (2008) and 1846 (2008) and will complete the following specific tasks

during period of the operation (one year): the protection of vessels of the WFP (World Food Programme); the protection of vulnerable vessels cruising off the Somali coast, surveillance, the deterrence, prevention and repression of acts of piracy and armed robbery off the Somali coast. The headquarters of the operation are in Northwood (London).

During the exchange of views with Commander Lintern ECSA very much appreciated the ATALANTA operation of taking action against the piracy in the area which has escalated in such a way that the safety of seafarers and global trade is endangered. At the same time it was stressed that at least time being escorts for vulnerable merchant ships should be enhanced.

ECSA also makes an appeal to Member States to urgently supply sufficient military assets – navy ships, planes and resources – to enable the ATALANTA operation to succeed. Cooperation with other forces operating in the area is also essential.

The Financial and Economic crisis

The global financial and economic crisis has of course consequences for global and European shipping. In view of its importance the Board of ECSA had a long exchange of views on its origin, consequences and the latest developments.

Shipping being a cyclical business, a downward cycle was expected after an exceptional boom period for an unusual long time. However, the downward cycle has been strongly reinforced by the financial and economic crisis. The crisis is serious, however often influenced by speculation, psychological effects on the market and snowball reactions. It has to be hoped that confidence will be re-established and that a sound framework will be established for the future.

Following the exchange of views the following principles were brought forward:

- Shipping should go back to basic principles as a long term industry operating in a cyclical environment. Speculation should be avoided.
- Confidence and trust should be re-established. "My word my bond" should prevail again.
- FFA derivatives should revert to being a management tool, not a speculative market.
- On the political front there should be no overregulation with a negative impact on trade and shipping.
- Protectionism should be avoided by all means since that would further delay a return to healthy economies.
- European Shipping should be able to operate in a stable framework on the basis of the State Aid Guidelines that should be stable, long term and applied in a flexible way.
- Order has to be created in the bank sector. Speculation resulting in the building of ships for which there is no economic necessity should be avoided. However this should not result in refusing to finance projects in shipping that are genuine and valuable. Financing of healthy shipping should not be curtailed
- Banks should be encouraged to finance valuable projects in shipping but also in trade. Indeed financing of trade is the backbone of world economy.

Further developments will be followed closely by the ECSA Board.

PASSENGER RIGHTS

On 4th December the Commission adopted a legislative proposal on passenger rights for maritime services. The regulation addresses rights of persons with reduced mobility, compensation and assistance when journeys are interrupted, liability for death and injury of passengers and treatment of complaints and means of redress.

Seen as a priority for the new Commissioner Tajani, it is expected that the proposal will be examined in both the Council and the European Parliament as from the New Year. From both the ferry

and cruise industry perspectives the proposal will need careful analysis by ECSA and ECC.

MOTORWAYS OF THE SEA Clearer rules on State aid to Motorways of the Sea

On 8 December, the European Commission adopted a Communication providing guidance on State aid complementary to Community funding for the launching of the motorways of the sea.

State aid to projects aimed at launching new Motorways of the Sea links are selected under the Marco Polo II Programme and the trans-European Transport Networks programme. If Community funding is available under these programmes but not sufficient to fully support a new Motorways of the Sea project, Member States may fill the funding gap on the basis of the principles laid down in the new Communication.

The Communication allows for State aid to operational costs of Marco Polo selected projects up to 35% over five years, and for State aid to start up investments in TEN-T MoS projects up to 30% for two years.

SECTORIAL SOCIAL DIALOGUE COMMITTEE FOR MARITIME TRANSPORT Plenary meeting on 10 December 2008

The Social Partners ETF/ECSA met in Plenary on 10 December. A work programme for 2009 was agreed upon covering a wide range of issues such as seafarer recruitment and training, the Commission Communication "Reassessing the regulatory social framework for more and better seafaring jobs in Europe", the Maritime transport policy 2008-2018, health and safety in the maritime sector, maritime safety, security/the seafarers ID and the social partners agreement on the ILO Maritime labour Convention (MLC).

On the latter point the Social Partners made an appeal to the Employment

Council not to deviate from the Social Partners Agreement in the implementing Directive.

The Social partners also issued the under mentioned statement on piracy.

PIRACY OFF THE SOMALI COAST The Social Partners ETF/ECSA appeal on Member States to supply Navy ships and resources to the ATALANTA mission

At their meeting of 10 December 2008 the Social Partners ETF/ECSA welcomed the start of the ATALANTA operation against piracy in the Gulf of Aden off the Somali coast. This is the first ever EU aero naval military mission abroad.

Piracy in the area has escalated in such a way that the safety of seafarers and global trade is endangered. Therefore, it is urgent to protect ships and prevent and repress acts of piracy and armed robbery off the Somali coast to restore the freedom of the seas.

The social partners appeal to EU Member States to urgently supply sufficient military assets - navy ships, planes and resources - to enable the ATALANTA operation to succeed. Cooperation with other navy forces operating in the area is also essential. In recognising that piracy is an international maritime problem for vessels of all flags the Social Partners urge EU Member States to call for support - including financial - for the ATALANTA operation from all IMO flag states

Whilst supporting ATALANTA taking direct action against the pirates it is felt that escorting vulnerable merchant ships is necessary. The social partners urge ATALANTA to enhance these escorts.

ETF/ECSA also express caution against the use of private armed guards. Violence on board of ships should be avoided. The safety and the lives of seafarers should not be brought at risk.

The social partners also make an appeal to the EU Institutions to enhance efforts to improve the position ashore in Somalia

European Community Shipowners' Associations

*through support to restore law and order
together with supporting economic and
social development.*

12.12.08

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*ECSA WISHES THE
READERS OF THE
NEWSLETTER A MERRY
CHRISTMAS AND
A HAPPY 2009.*