

9 March 2008

## **Presentation at Intergroup regarding Quality Coastal State in the European Parliament in Strasbourg 13.00 11 March 2008**

### **Introduction**

Thank you for this opportunity to talk about a concept that will contribute to making European seas and coastlines safer.

I will begin by speaking of the role of coastal States and then present BIMCO's concept of a Quality Coastal State, outline our way forward in the coming year, and end with some suggestions on what the European Parliament and the Commission might do in this context.

We believe that the European Parliament should embrace the Quality Coastal State concept because only by addressing all factors determining the performance of maritime transport can the risks involved be minimised and effectively managed. Responsible flag State administration, quality shipping and Quality Coastal State performance are all key components in a safe, efficient and environmentally friendly transport system. They all have a direct impact keeping seas and shores free from the oil and debris that result from accidents at sea.

### **The role of coastal States**

The role of coastal States has in our view often been overlooked, or at least insufficiently emphasised, despite clear evidence from recent maritime accidents that the actions of coastal States may determine whether incidents and accidents escalate into environmental disasters or not. And the responses of coastal States can be vital in reducing the both the chances of maritime accidents and the consequences of those that do occur.

Quality Coastal States contribute to raising the quality of maritime transport on a global level by participating constructively in the development of internationally binding regulations. Quality Coastal States also ratify and, possibly most important of all, effectively implement those international conventions. Coastal States certainly have rights, but they also have obligations. And Quality Coastal States fully acknowledge those obligations.

The problems, and the concept, are in a double sense global in character. European shipping depends on coastal State performance throughout the world and encounters difficulties in that regard. And some might think that this was a problem which related only to non EU States, but unfortunately it is also a problem encountered within EU waters. To give you some examples:

- None of the EU states have ratified all the IMO conventions. Only 15 EU member states have ratified IMO's global limitation convention (LLMC96)
- Clear procedures for places of refuge are still not in place in all Member States.
- The Mediterranean Sea is still not benefiting from the protection offered to Special Areas because none of the Mediterranean countries have confirmed their MARPOL compliance to the IMO.
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But the reality is that similar problems affect many coastal States all over the world and we are keen to contribute to solving these problems in a constructive manner in order to make shipping safer.

### **What is the Quality Coastal State idea about?**

The Quality Coastal State concept is based on the realisation that, in order to ensure safe, efficient and environmentally friendly transport, quality shipping alone does not suffice.

As we all know, safe road transport depends on safe vehicles and drivers, adequate infrastructure in the shape of roads and traffic management as well as adequate emergency services. In the same way, safe and environmentally friendly maritime transport depends on quality infrastructure and services provided by the coastal States, as well as quality ships and quality crews.

The infrastructure services provided by Quality Coastal States include adequate port capacity and hinterland connections, quality pilotage, other port and Vessel Traffic Services, waste reception facilities and crew facilitation and welfare services.

Unfortunately, within and outside Europe, too many States still seem to disregard their obligations in these respects.

The Quality Coastal State concept is designed to develop a new, complementary perspective, by benchmarking the performance of coastal

States. This would ensure that maritime transport can perform its essential economic function in an acceptable way.

The Quality Coastal State concept should not be seen as an effort to ease the pressure on the shipping industry to provide quality shipping and quality ships. Nor should it hold back the continued work towards developing industry best practices. BIMCO will continue supporting and participating actively in that work.

Nor should the Quality Coastal State concept be seen as an instrument to apportion blame and liability following maritime incidents. Rather the concept aims at proactively and constructively addressing issues which can contribute to continued improvement in maritime governance.

The aim is to improve the performance of coastal States by applying a benchmarking technique to bring the key performance criteria to the attention of policy makers, regulators and stakeholders alike.

### **What is our background for the development of this concept?**

To obtain a solid foundation for our work, BIMCO last year commissioned a study of the operation of the Quality Coastal State concept, possible criteria and their measurement. This study has proved the validity and feasibility of the concept by measuring some 70 criteria in 12 geographically dispersed coastal States. The study involved a wide consultation with stakeholders to determine the quality criteria to be included in the study. The stakeholder groups in addition to shipowners and trade organizations included organizations representing seafarers, environmental interests and those providing navigation aids and services.

### **Our way ahead**

Using this background, it has been decided to publish a Quality Coastal State Performance Guide as a basis for structured dialogue. Using the same format as the previously published Industry Guide on flag State performance, the guide will describe the concept, identifying the important roles of coastal states and measuring how well they are doing.

Constructive debates on current issues, such as the inadequacy of waste reception facilities in port or the quality of port services such as pilotage, will

benefit from factual information on the actual conditions encountered in ports. The Performance Guide aims at bringing such factual information to the table.

Our aim for the Performance Guide is to focus on the important functions of coastal States and to stimulate a new, informed and constructive dialogue on prioritizing and improving maritime governance initiatives in this area.

The Performance Guide will contain two main parts: a descriptive section explaining the Quality Coastal State concept, and an annually updated section covering the actual measurements of selected coastal States on key quality criteria. Following the publication of the Quality Coastal State performance guide, this new dialogue with the concerned coastal States and relevant international and regional institutions will be initiated by the industry, and it is hoping for a positive response.

### **What Quality Criteria will be used?**

We will measure the coastal States on a number of quality criteria.

Quality criteria are those which determine a coastal State's fulfilment of stakeholders' legitimate expectations. And although different stakeholders may have different criteria, many are shared amongst a wide range of stakeholders, as our study shows. Most stakeholders, including the NGO members of the IMO, share the vision that maritime transport shall be safe, secure and environmentally friendly and that coastal States must play their part.

On the basis of the work and consultations completed so far, we see five thematic pillars of criteria. The first concerns international regulation such as ratification and implementation in practice of relevant IMO conventions. The second relates to arrangements to ensure safety and the protection of the environment which include navigational aids and hydrographical services. Third is emergency response, such as provision of place of refuge. The fourth pillar is services in ports such as waste reception facilities. The fifth is the human element, where ratification of the new international ILO Maritime Labour Convention is critical, and of course State responses to illegal activities.

We will keep the European Parliament informed about all this work, which has already begun, and the first Performance Guide, which it is intended to publish this coming autumn, will be the next major step .

## **What can the European Union, especially the Parliament, do to promote Quality Coastal States?**

The European Parliament can encourage safer shipping by supporting any initiative that will ensure a clear and adequate role and responsibility for coastal States in the EU and elsewhere.

It can use the results to inform its positions on Commission proposals for legislation and on the need for further initiatives.

Externally, it could encourage the direction of development aid to help coastal States with limited resources. For some States, the cost of becoming a Quality Coastal State serving international trade passing their shores may be prohibitive. Such States may need the assistance of more developed nations, in the shape of financial aid or expertise or both. Development aid aimed at improving the performance of developing coastal States will thus contribute to the safe, secure and environmentally friendly transport of goods to and from the EU. The Mediterranean is probably the clearest example of a regional sea where problems cannot be solved by actions taken by EU Member States alone.

The European Parliament might also consider undertaking an “own initiative” report in order to encourage all EU members and institutions to support work which would raise the level of expectations of coastal States and their own performance. Some coastal States have limited knowledge even of their own performance on issues such as waste reception.

The Commission could also use the results of the exercise to orient its legislative programme and other actions. Externally, in addition to appropriate use of development aid, it could help increase transparency on the issues beyond the EU and seek to improve the performance of coastal States in the context of ongoing maritime dialogues with non EU countries. The Quality Coastal State concept presents an opportunity for the European Union to show global leadership in setting the standard for coastal State performance. This will also effectively complement the international work currently taking place in the IMO on raising the standards of both shipping and coastal State performance.

