

**INTERGROUP meeting 5th December 2007,
Blue Paper on an integrated EU maritime policy
Kristian R. Fuglesang, INTERTANKO,
The International Association of Independent Tanker Owners**

As the last of the speakers, I would like to give some preliminary reflections on behalf of the tanker industry on the Commission's "Maritime action plan" on an integrated maritime policy for the European Union.

Like all the other international shipping associations we, not surprisingly, underline the need for international regulation of shipping. Furthermore, we need continuously improving, high and consistent standards everywhere – flag, class, insurers, charterers, Port State Control, to mention some of the more important ones.

We appreciate therefore the many references in the Action plan to global regulation of shipping through the International Maritime Organisation as well as the International Labour Organisation. The Member States of the European Union can (and do) make substantial and constructive contributions to the work in these important bodies.

But they can do more, particularly in ensuring that, once the measures have been adopted, they are swiftly ratified and then uniformly implemented and enforced. Many of you will have heard us complaining about the slow ratification process of these international instruments. It is warming to have seen more and more comments echoing these sentiments, but the proof of the pudding is in the eating – faster action on the ratification front is still needed. This does not only refer to safety and environmental issues, it also applies to the liability and compensation conventions for shipping. (*)The following is a list of such conventions where further ratifications are needed, also among European Union Member States:

- International Convention on the Control of Harmful Anti-fouling Systems on Ships (AFS), 2001
- International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004
- Annex VI: Prevention of Air Pollution from Ships, 1996: International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto (MARPOL 73/78)
- Protocol on Limitation of Liability for Maritime Claims (LLMC), 1996
- Protocol on Civil Liability for Oil Pollution Damage (CLC), 1992
- Protocol on the Establishment of an International Fund for Compensation for Oil Pollution Damage (FUND), 1971
- International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS), 1996
- International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001
- C180 Seafarers' Hours of Work and the Manning of Ships Convention, 1996

- Maritime Labour Convention 2006

INTERTANKO welcomes the Commission's recognition of the important contribution the tanker industry makes to the people and industries of the European Union in meeting their energy needs through flexible, reliable and cost-efficient transport of oil, gas and chemicals. Oil represents about 40% of the energy used by the Member States of the European Union. Europe is, and will for a long time to come, remain totally dependent on oil and gas imports from a number of sources. Tankers are responsible for the transport of some 90% of the total oil imports to Europe.

European domestic oil production is declining, which inevitably will lead to even greater imports and reliance on tankers in the future.

Europe's security of supply depends on a diversity of reliable sources and security in delivery. Tankers provide maximum flexibility and thus energy security for Europe. The alternative to tankers in some trades most often referred to is pipelines. Under stable political conditions and under reasonable natural circumstances, pipelines can provide relatively efficient transport of energy. However, pipelines:

- involve very large investments,
- are inflexible; (a pipeline only enables transport between fixed points – tankers are flexible and can be sent to almost any seaport),
- frequently scar the landscape,
- involve serious political challenges when passing through several countries; (several pipelines have been closed following political controversies),
- like tankers, need regular and thorough maintenance to avoid corrosion and leakage,
- are less energy efficient than tankers.

The strategic importance of tankers in Europe's security of energy supply cannot be overemphasised.

However, as the Commission points out, there are challenges. Firstly, although almost all tanker cargoes arrive safely at their destinations, accidents happen and when they do, the consequences may be very serious. The promotion of maritime safety at any level and in all aspects has therefore always been high on INTERTANKO's agenda. Recent examples of the industry's commitments in these areas include:

- the establishment of a joint user group with governments and pilots, to encourage the voluntary following of IMO recommendations on taking a pilot in international straits, and supporting the development of a Marine Electronic Highway;

- the establishment of a lifeboat user group with manufacturers to feedback concerns and to seek remedies for shortcomings with lifeboats and lifeboat safety;
- campaigning for legislation to ensure that better safety-related information on the characteristics and documentation of dangerous cargoes is made available to ships' crews;
- committing to programmes for Hazardous Incident reporting and exchanges, as well improving incident information gathering, sharing and analysis;
- development of industry guides on tanker maintenance, including means of access, repair procedures and measures to help solve the problems of oily water separators;

While in respect of environmental stewardship the industry has developed and runs many environmental awareness courses for ship and shore based personnel, and additionally has:

- established an International Forum to address the lamentable lack of adequate Reception Facilities and to develop joint-industry initiatives and drive the IMO's activity on the issue;
- developed interim policy measures to put in place the key elements of the proposed International Recycling Convention on a voluntary basis ahead of its adoption; (a strategy now has been taken up by the rest of the international shipping industry);
- proactively implemented the Antifouling Convention without waiting for its formal entry in to force;
- developed procedures to limit the emission of oil vapours (Volatile Organic Compounds) from oil cargo tanks during loading and on passage;
- conducted trials on prototypes to test the efficacy of systems to meet the new requirements for ballast water management;
- developed best practice guidance to mitigate the inadvertent cargo vapour emissions from the cargo tanks of chemical carriers, at sea and during tank cleaning;
- proposed and promoted practical solutions to significantly reduce harmful exhaust gas emissions that will be effective locally and globally for both existing and new ships;
- developed a Terminal Vetting Database and reporting system as part of a process to identify safety shortcomings at terminals, in waterways and in ports.

We note that the Commission will actively support international efforts in IMO to diminish Greenhouse Gas Emissions from ships, but are concerned over the threat of unilateral EU action if Commission finds that the IMO does not deliver in time. We understand that the Commission takes the climate seriously, and so do we. The tanker industry is already actively engaged developing measures to reduce Green House Gas Emissions from both today's and tomorrow's tankers.

The tanker industry supports EU initiatives to attract and retain European seafarers. It is well known that we are concerned over unjust criminalisation of seafarers, as for instance the appalling treatment of Capt. Mangouras in the Prestige case.

I would also like to draw your attention to the Maritime Industry Foundation whose aim is to enrich human knowledge and understanding of the vital roles of maritime transport and commercial shipping in the economic, social, political and cultural life of the global environment. Please visit: <http://www.maritimefoundation.com/>

INTERTANKO also welcomes that the Commission highlights the important role that ports play in the supply chain. We have already mentioned the importance of proper port reception facilities. Some may consider that the reference to transparency of port charges is a fairly insignificant item – for the many involved in tanker chartering it is not. We are not asking for a harmonised European port tariff structure, but port users need to understand, and be able to find out in advance how much a port call will cost. This is not always all that easy, and furthermore, it is far too common for port charges to be increased without proper notice, and by proper notice we suggest 3 months.

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The Tanker industry has much to be proud of and certainly it is proud of its people and proud of its ships, and has a high respect for the environment in which it operates:

- Accidental oil pollution from tankers down - from 2.9 m tonnes in the 1970s to less than 190,000 tonnes this decade so far;
- Tankers today more efficient than ever before - one litre of fuel on a modern VLCC (Very Large Crude Carrier) moving one tonne of cargo more than 2,500 kilometres; more than twice as far as 20 years ago;
- Transportation costs being still a very small fraction of the delivered cost of oil
- Reliability of supply at record highs,
- And a host of initiatives for safer, cleaner and more efficient ships.

BUT it is NOT complacent.

It is against this background that the **Poseidon Challenge** (www.poseidonchallenge.com) was launched. The vision of the Poseidon Challenge initiative is to encourage and inspire sectors, companies and people to work individually and more importantly together, not only to set new goals of excellence but also actually to achieve them. This vision involves the continuous improvement of individual, company and industry performance and cooperation with all of the relevant partners in striving to achieve the goals of zero fatalities, zero pollution, and zero detentions. It's about raising the bar even further.

We appreciate this opportunity to give some preliminary reflections to the Blue Paper, and look forward to working with the Commission in the further development of Europe's maritime policy.