

**BULLETIN No. 179**  
**JANUARY / FEBRUARY 2001**

**Introduction**

A welcome to this temporary paper version of Intercargo news and events carried on our website.

This will act as a journal of record for those activities which are, or will be, carried on the Intercargo website or Bulletin Board. The latter is expected to be operational by the end of March.

**ASSOCIATION NEWS**

**Obituary – Dr Frank Chao**

The Intercargo website carries the sad news of the death of Dr Chao, Intercargo's Chairman (1990-94) and long time member of the Executive Committee. Our condolences go out to Mrs Betty Chao and family.

**... diary of recent activities**

January commenced with a feedback and marketing meeting in Norway. Roger Holt met over 15 members and potential members.

An IACS / Industry Working Party took place on 11 January – Intercargo was represented by Intercargo's IMO Consultant – Nigel Scully.

On 12 January, a European Commercial Committee met at the Intercargo offices.

January also saw the first 2001 meeting of the Intercargo Executive Committee & Commercial Panels in Thailand. Prior to this, Roger Holt and Rob Lomas visited a number of potential members in Singapore.

At the EQUASIS Editorial Board on the 17<sup>th</sup>, it was noted that the information provided by Port State Control data providers varied between MOU's. Intercargo promised to adapt its data provision to ensure that vessels entered by Intercargo members would continue to be efficiently identified within the data matching process.

Intercargo submitted its Direction Paper to ICONs (the International Commission on Shipping) – see the Member's area of our website.

In February, the Secretary-General and Manager travelled to Greece and met with 25 members and potential members. The feedback obtained will prove to be extremely useful in setting future policy.

Intercargo assisted at the Lloyds List International Dry Bulk Shipping presentation. Mr Robert Ho of Fairmont and Mr Roger Holt acting as Chairmen for the two days of the conference. Details of the topics discussed may be found on the "news" area of the Intercargo website.

In March, back-to-back with the Hong Kong CASTEC (Technical Committee) meeting, Peter Kidman attended the International Symposium on Safer Ships in the Australasia Pacific Region including a workshop on Port State Control. The International Commission on Safer Shipping (ICONS) praised Intercargo for its forthright statement on safety.

## **Diary of forthcoming events**

16-23 March – Intercargo representatives will visit the USA for series of meetings with USCG, FMC and potential members. An Intercargo paper will also be delivered at the Connecticut Maritime Association Conference in Stamford.

30 March – London Committee

4-5 June – Executive Committee and AGM in Rome (to be confirmed)

6 June – possible seminar in London provisionally entitled “Invitation to dialogue : moving ahead with e commerce” (to be confirmed)

## **Conferences and seminars**

Seatrade’s Safe Shipping : 10-11 April in London. For further information, contact +44 1756 795512

The International Shipping Federation’ Annual Manning & Training Conference will be held in London on 6 September. Delegates registering before 1 May will be charged £130. Contact [shantel.ryan@marisec.org](mailto:shantel.ryan@marisec.org) for further information.

## **Intercargo Committee News**

The European Commercial Committee met in London on 12 January and discussed :-

- Mississippi Exclusive Towage;
- Letters of Indemnity;
- The Hill Harmony Ruling (noted that Master’s under period charter must be prepared to justify their routing decisions);

- Mediation and the work of the Centre for Dispute Resolution; and
- Off-spec Bunker clauses.

The Executive Committee met in Thailand on 21 January. Issues discussed by the 26 delegates included

- Support for the important Intercargo / Industry Direction Paper (available on the members only part of the website). This paper was submitted to the other International Maritime Associations;
- Full support for quality. CASTEC definition to be kept under review;
- Port State Control – membership records (as provided for EQUASIS, USCG etc) to be monitored for accuracy and
- Agreement to switch resources from paper Bulletins to the website

The Commercial Panel met in Thailand on 22 January and discussed :-

- Unified responses on unreasonable charter-party clauses
- Reviewing the relationship with charterers and
- A general overview of the market – where a brief narrative from the various regions suggested that the pessimism for the dry cargo sector was being overdone.

Four presentations were given by :-

Mr Niels Conradsen of Levelseas – using e-business as a strategic business tool in the shipping industry;

Mr Naotake Kondo of E-Jan –  
Chartering Assistant : developing web-  
based chartering tools;

Mr Stanley Ho of Bolero – the  
technical development of paperless  
trading; and

Mr Tor Svelland of Laycan –  
shipbrokering on the Internet.

Please contact the manager for further  
information about these presentations.

### **Lost your Website password ?**

As agreed at the recent Executive  
Committee meeting, more information  
will now be carried on our website.  
But we will continue to respect the  
views of those members who have  
requested a paper journal of record of  
our activities.

Information provided by Intercargo  
includes :-

1. The frequently updated “News”  
section of the Intercargo website  
[www.intercargo.org](http://www.intercargo.org) (accessible  
without a password);
2. The Members Area of the Website  
(password protected). For the few  
remaining Members who have yet  
to set their password, please see the  
“Join Members Area” of the  
website and complete your details  
to obtain access; and
3. A Bulletin Board to be set up in  
March allowing a free-flow of  
communication to and between  
Intercargo Members. Want to  
request information on a particular  
subject; complain about a service  
or find out – anonymously, if  
another Intercargo member has  
suffered a similar problem ? Use  
the Bulletin Board ! Full details

will be provided when this is up  
and running.

### **A warm welcome to....**

Worlder Shipping of Hong Kong and  
the North of England P&I Club who  
have recently joined. Further  
applications are in the pipeline. If you  
have any suggestions for potential  
members fulfilling the Intercargo  
membership criteria, the Manager  
would be delighted to hear from you.

### **...A reminder please**

1. Terminal reports are always  
welcome. Download a copy of the  
recent Intercargo report from the  
website to view the format.
2. Our recently produced Port State  
Control Guide has been a clear  
success with requests for copies  
regularly received by the  
secretariat. Further details about  
obtaining additional copies can be  
found on the website. Please  
encourage your Masters to  
complete the Inspection Reporting  
Form at the back of the Guide.
3. Finally, many thanks to members  
who have paid their (January) 2001  
subscriptions promptly – a gentle  
reminder for those who have yet to  
do so. Please keep Intercargo  
advised about additions or  
deletions to your fleet so that we  
can plan accordingly.
4. The 2001 Annual Review is being  
prepared. If you have an example  
of an exceptional photograph you  
think should be included, please  
contact the Manager who will be  
grateful for suggestions.

## **INTERCARGO INITIATIVES** **– PROGRESS REPORT**

### **The Derbyshire Report**

As previously carried on the Intercargo website, a short précis of the UK report and recommendations on the loss of the bulk carrier “Derbyshire” may be obtained from

[rob.lomas@intercargo.org](mailto:rob.lomas@intercargo.org). Speaking at the recent Lloyd’s List International Dry Bulk Forum, Simon Milne of the UK Maritime & Coastguard Agency said that the UK administration would press IMO to carry out retrospective alterations relating to hatch cover strengths. Intercargo has stressed the need for the widest possible consultation between Industry, IACS and Maritime Administrations.

### **Mississippi Exclusive Towage**

For members new to this key Intercargo project, grain terminals conclude a towage contract with a tug company and thereafter whenever a voyage charter is fixed, the owner is required to use the nominated tug company under terms and conditions imposed by the grain terminal. In effect, the owner has loses his ability to conclude his own towage contract. As a general statement, it would seem that owners are paying about 20% too much and in addition, lose their negotiating position as well.

Through assistance of its members who have provided much of the evidence, Intercargo has demonstrated that virtually every grain terminal on the Mississippi River provides a service to Common Carriers through the parcel nature of much of the trade.

During March, the Secretary General will visit the FMC to obtain the latest

status report on their deliberations as to whether this practice can be issued with a cease and desist order. It is estimated that this collectively costs shipowners (and probably more importantly, operators who are invariably the disponent owners and who therefore pay the towage expenses) \$12 million to date.

### **TBT Paints**

An IMO Conference in October is scheduled to consider the prohibition of TBT anti-fouling paints in 2008. Two issues are outstanding – whether shipowners have to remove all traces of TBT or will they be allowed to seal in with a suitable TBT free compound. The latter is favoured but doubts remain about the efficiency of such sealants. At recent Inter-Association meetings, a suggestion has been made that some further phasing in period – perhaps for vessels of under 5,000 gt, should be made. Developments will be kept under review.

### **US Coast Guard / QUALSHIP 21**

A reminder that Intercargo will visit the USCG on 16 March . All full members have been contacted by e mail requesting input for this meeting.

Owners wishing to enter vessels into the QUALSHIP scheme will have to meet tough targets relating to flag, class and deficiency / detention records. More information will be given to members after this meeting.

### **BULKVOY 2000**

Representatives of the Asia and European Intercargo Commercial Panels have been considering the

adoption of a standard, balanced Charter Party – initially called Bulkvoy 2000. Comments have been collected on the latest draft version (8) and this version has now been passed to BIMCO for their comments / input.

### **Unfair Charter Party clauses**

With some success in convincing charterers to adopt fair, balanced and reasonable Charter Party clauses, Intercargo is collecting feedback from around the world. Members of the Asia and European Commercial Committees urge you to check the 20+ issues detailed on the Member's Area of the website and comment on your own experiences so that action may be taken on your behalf.

### **Environmental Direct Action against the dry cargo industry**

Intercargo has put together a report (available on the Members Only area of the website) detailing 19 recent attacks on dry cargo vessels - either illegal boardings, dangerous navigation or criminal damage in the form of slogans painted on the side of vessels.

It is strongly felt that no one should be discouraged from the right to peaceful and lawful demonstration. Intercargo has repeatedly set out its own policies on supporting the environment but there are strong concerns that sooner or later, there will be loss of life or environmental damage arising from misplaced demonstrations caused by dangerous navigation. Comments on this report – available in hard copy if required – are welcomed.

The Intercargo report also contains practical advice on what to do if your ship is targeted by demonstrators.

## **IMO NEWS**

### **Fire Protection Committee**

The EC will require the removal of all halon systems on EU registered vessels by the end of 2003. Fixed aerosol systems are mooted as a suitable replacement

### **Maritime Safety Committee (MSC)**

Following the *Erica*, IMO will call for more detail on the following :- ship building, repair and maintenance standards, survey and certification, the performance of classification societies, casualty investigation, seafarer training, navigation, port state control and a demonstration of quality. Discussions will involve all ship types and not just tankers.

A working group on bulk carriers did not convene at the meeting as the UK's additional programme of model testing on sea-keeping tests had not been completed. However, the progress of three FSA studies were submitted to the MSC Committee namely, a screened hazard list (UK); first stage (hazard identification) of life saving appliance on bulk carriers (Norway) and the identification and screening of hazards on capesized bulk carriers (Japan).

Under Training and Certification, 77 administrations were able to demonstrate they had given full and complete compliance to the relevant provisions of the Convention. The fact that an administration is listed in the "White List" does not mean that those listed provides a full range of seafarer training but it does permit work to begin on seafarer's certificates and endorsements to meet the requirements of the amended STCW Convention coming into force on 1 February 2002.

MSC approved the fitting of Voyage Data Recorders on all new and existing passenger ships and on new cargo ships of 3000 gt and upwards. MSC did not agree on the fitting of VDRs on existing cargo ships – administrations will encourage shipowners to fit this equipment on a voluntary basis so that experiences may be studied.

The Secretary General was concerned by the effect on masters and crew of large numbers of inspections in port. A meeting of industry representatives had previously been convened and the MSC endorsed the recommendations it made to flag State administrations, Port State Control authorities, the industry and the classification societies. The recommendations seek to promote greater transparency, closer co-operation and better exchange of information.

### **Standards of Training and Watchkeeping**

A research project showed that from 54 administrations responding, 12,635 forged certificates of competency were recorded over a five year period (compared with an estimated 6 million certificates in circulation). It was reported that over 97% of these cases could be linked to the Phillipines. Further work will be undertaken on detection, information exchange and enforcement.

The latest BIMCO/ISF Manpower survey reported an international shortfall of officers of some 4% and a surplus of ratings.

## **DRY CARGO IN THE NEWS**

### **Charterparty / Legal**

Published on 22.2.01 – the UK Queen’s Bench Division judgement from Mr Justice Langley (issued on 25.1.01) said that – “where, in a berth charterparty with a stipulation requiring written notice of discharge from the owners, the notice had been given before berthing and was therefore invalid, then even though discharge was commenced and completed, no laytime would run and so no demurrage would be due to the owner but rather the charterer was at liberty to claim a sum for despatch.”

### **Hong Kong Shipowners Association urges minimum newbuilding standards for Bulk Carriers**

7.2.01 – the HKSA Technical Committee urged a minimum unified standard (“fit for purpose”) for Panamax and Capesize Bulk Carriers. In their opinion, owners, class and shipyards were unable to individually set higher standards, and they considered that IACS was the only body capable of developing minimum “holistic” standards for newbuildings.

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For further information on any of these issues, please contact Intercargo at :-

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