

Intercargo's Chairman John Platsidakis' speech
at the Reception Dinner
held at the Trinity House on Monday 1st October 2018

Ladies and Gentlemen, Dear Members, Dear Guests good evening.

On behalf of Intercargo I would like to welcome you at our dinner event tonight and thank you very much for being with us. It is our pleasure and honour to have you this evening.

At this stage I had two options, either wish you a pleasant evening and conclude or to share with you some thoughts of mine. Regrettably for you, I decided for the second option. Therefore, please kindly bear with me.

Are we managing ships or are we managing regulations? We were supposed to do the first but I am afraid we are mostly doing the second! By the time we conclude one regulation, another one appears in the scene.

I want to make it absolutely clear and I am not speaking on behalf of only myself or Intercargo but, I may say, on behalf of the ocean going tramp shipping.

As you very well know, shipping is highly regulated not only by local, i.e. country specific, regulations, but by multi-national and international ones as our ships trade worldwide and from one jurisdiction to another one in matter of days.

I cannot emphasize more that we welcome regulations which are practical, possible to achieve and which take into consideration the way ocean going tramp shipping performs. We are highly supportive of the role of IMO, the International Maritime Organisation, and want it to be the only entity to regulate our industry as opposed to the ones which tend to have a vague view of the modus operandi of shipping.

Along with our hugely supportive attitude for IMO we have, though, our concerns of how well IMO comes up with practical and achievable regulations.

It is a fact that we live in an environmentally sensitive time and I do not have any doubt that it will be more so in the future. It is my impression that, despite the vast and valuable shipping expertise which is accumulated at IMO, most of the representatives of its member states (174 at the moment) have a very inadequate knowledge of shipping operations and, in order to reflect and satisfy the very shallow understanding of it by the citizens of their countries, adopt a knee-jerk approach and vote for regulations which are out of touch with reality.

In April 2004 the BWM treaty was approved and, when it came to force in 2017, the then technology hardly was there. My question is when it was voted in 2004 on which technology was it based?

Recently a new regulation for the switch from 3.5% sulphur bunkers to 0.5% sulphur bunkers was approved with almost immediate effect. We do not object to it and we heartily wish we could all have the means to achieve it smoothly.

Consider the following: When governments want to regulate car emissions they impose the regulation on the car manufacturers not on the individual car owners. What happened to shipping? The burden was imposed on the ships (ie the car owners) and not on the bunker suppliers (oil refineries, oil traders etc).

The reason being that, regrettably, ocean going tramp shipping does not have significant political weight, as it is not an industry of the politically strong countries. For the above argument, the burden could have been imposed on the oil refineries but it was not as they have their own political weight.

Concluding on this regulation, we have been instructed by strict regulation to use 0.5% sulphur bunkers but the regulators cannot tell us where to find it.

Another regulation is the one for the reduction of CO² emissions. By all means we support it too but when it comes to its practical implementation in most cases it is the charterers who dictate the trade pattern of the ships, from where to where to go and at which speed. Distance and speed determine the CO² emissions, not the ship, i.e. the shipowner.

I use the example of car rental. You rent a car for one week but you do not use the car and leave it idle. Somebody else rents a car and uses it driving around

24 hours for 7 days at speeds of his choice. In the first case no CO² emissions are produced while in the second case plenty of emissions were produced.

Whom should we blame, the car rental company or the car user? Certainly the second. What happens in shipping? We blame the ship not the charterer.

Unbalanced approach.

It is about time to stand up and explain to the unaware public that shipowners are not the ones to blame. We own and operate ships, we do not build ships, we do not manufacture engines, we do not produce bunkers.

I would like to send a very clear message to the regulators:

Make the best ones available and be sure that we will be the first ones to applaud them and adopt them. The reason being that, as we operate in a hugely competitive environment, we do not have any other option but to comply.

We have to stop giving the impression to the unaware public that we are guilty. We invest substantial amounts of money in a capital intensive industry, we transport 90% of world trade in the most cost and safe effective way, we contribute a lot to the high standards of living, which societies enjoy as compared with the past, and in no way we can be the scapegoats.

We are proud of what we have been doing and we welcome any available means to continue and improve on what we have been doing.

Of course, we, as a pro-active Association, have the solution of CO², SOX and NOX emissions and propose those ships as the solution! No greenhouse emissions, only some sweat...

Enough about regulations.

I have been honoured by our members to be the Chairman of Intercargo for three consecutive 2-year terms and, by the end of this year, I will conclude my allowable term.

I am proud to say that we have gone a long way during the last six years. We started with less than 1,000 ships entered with Intercargo and today we stand

at 2,140 ships of 137 full members and 72 associate members. We represent the 20% of the dry bulk fleet and 24% of the corresponding dwt capacity.

If we included another 603 Vessels controlled and not entered by our full members, the representation stands at 25% in number of ships.

This remarkable performance is thanks to the support and trust by our members and is a reward for the volume of quality information and support we provide to our members and the respect we enjoy in the shipping sector and the various fora.

Of course the achievement of the above rests with our Chairmen Committee and I want to thank out of my heart my two Vice Chairmen Nicky Pappadakis (who sends his warmest regards and apologies for been unable to attend) and Jay Pillai, the Chairman of the Technical Committee Dimitris Fafalios, the members of the Executive and Technical Committees and, last but not least, our Secretariat: Kostas Gkonis, the Secretary General, Ed Wroe, the Technical Manager, Zoe Zhou, the Operations Manager and Tonya Dendrinou, the Office Manager.

Without the commitment and dedication of our Secretariat we would not have achieved what we did, I thank you out of my heart for your support and wish you the best for the future.

It was not only an honour but also a great pleasure working with you all, during the last six years.

Concluding, I want to send a message to all dry cargo vessel owners, do join Intercargo. It will benefit greatly yourselves and enable Intercargo to continue and improve the representation of our esteemed sector, for the benefit of all shipping and the society.

Thank you very much for your participation tonight and enjoy our event.