

# **“Shipping China Energy 2007” Common Challenges, Goals and Interests,**

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Distinguished Guests,

Ladies and Gentlemen,

Let me start by saying how much honoured I am by your invitation which gives me the opportunity to be here amongst distinguished members of the world maritime community.

China and Greece have established a long-standing economic and trade relationship, which has its roots in sea-transportation.

In fact during the official visit of the Greek prime minister Mr Costas Karamanlis in Beijing in January 2006, a joint declaration between the governments of the two countries was signed for the establishment of a mutual partnership. Special reference is made in that declaration to shipbuilding and maritime industry as the most relevant channel for the promotion of this partnership.

Although this partnership is based on the principle of “free and fair” competition – or rather because of that principle which produces competitiveness and high quality standards the Greek shipping industry is playing a major role in China’ external trade, especially in the import of materials, whilst Greek shipowners were the first to place new building orders and give a boost to the growth of Chinese shipyards.

It is indicative of the role of Greek shipowners in the shipbuilding activity in China the fact that at this moment there are 189 vessels under construction belonging to Greek interests.

Indeed, one can say that there exists a strong complementarity of activity between our two countries in the maritime sector.

This partnership in respect of the shipping industry is reinforced institutionally by the 2002 bilateral maritime agreement between the European Communities and its member-states and the People' s Republic of China.

On the basis of this relationship both our countries have a common interest in promoting further cooperation –and they do so- to deal with the new challenges of governance and regulation of the maritime activities in a globalised context.

The major issues facing the maritime industry and its regulatory authorities ( at all tiers, national, regional and global) are the following:

- Maritime Safety
- Protection of the Environment
- Maritime Security
- and last but not least the Human Element in Shipping.

Achieving the proper regulatory environment is of crucial importance for the development of maritime trade to the benefit of the world economy.

It is in this respect that I have repeatedly referred to the efficiency of regulatory initiatives in the sense of achieving the desired objectives with the minimum of the negative side effects. Efficiency also depends on finding the right balance of authority between national, regional and international regulatory bodies.

I firmly believe that a thorough impact analysis is a prerequisite for the adoption of any legislation either at international ( e.g. IMO), regional (eg EU) or national level. Moreover, any new measures taken should enjoy global acceptance and application to the greatest extent possible.

In this respect I would like to express our appreciation for the cooperation we are having with China both in the context of the IMO and the I.O.P.C.

Concerning the issue of maritime safety I believe that our cooperation should focus on the effective application of international rules which promote quality of shipping in a uniform way. As a first step we should put into practice the principles agreed upon in Vancouver in 2004 between representatives of all countries participating in the Paris and Tokyo MOU's.

In this respect closer cooperation between the authorities involving, inter alia, exchanges of experience in the inspection processes should be encouraged.

With respect to the current EU initiative of the improvement of the maritime safety and protection of the marine environment standards, known as the "third package", I must stress that our government is supportive of proposals that improve standards in a pragmatic way and are compatible with all the international conventions of IMO.

Our country stands for zero tolerance on the pollution of the environment and participates actively in the current IMO work plan on CO2 emissions from maritime activity. Global warming is a global problem and taking into account that shipping is a global activity, the IMO is the preferred form to address this issue.

At EU level we are committed following the recently- adopted Berlin Declaration by the 27 member states to "lead the way in energy policy and climate protection and make our contribution to averting. This reflects the ambitions agreement to curb greenhouse gas emissions by 20% by 2020.

The focus is now on transport emissions and shipping is now on the agenda for new appropriate regulatory initiatives.

We believe that in accordance with the aforementioned principle of efficient regulation all technical issues should be assessed thoroughly so as to produce the maximum benefit to the environment and at the same time preserve the efficiency of maritime trade.

Security of maritime transport is also an area of utmost importance with respect to the role of maritime transport as a backbone to world trade and economic welfare.

Important measures have already been adopted both at IMO and EU level and other organisations, such as ISPS Code, LRIT System, the EU directive on port security, e.t.c.

We are also supportive of any initiative to curb piracy including the IMO initiative for support to littoral state in the Malacca Straits.

The standards already adopted should be translated practically in such a way that the security integrity of maritime transport is achieved especially in the logistics chain .

The continuous and close cooperation between states in the form of exchanging expertise in security management so as to achieve the best possible and the most efficient implementation of common rules , should be pursued with vigour.

Action should include the enhancement of management systems by exchanging information using electronic data systems related to the ship, port and transferring cargo as to achieve coordination and integration of the port security services.

On the human element we should continue our efforts on two fronts: (a) the fair treatment of seafarers when accidents occur according to IMO guidelines and (b) the implementation of the ILO Convention on labour standards for seafarers adopted in February 2006.

This Convention covers essential matters such as the conditions of employment and working conditions of seafarers, including health, safety, minimum age, recruitment, working hours, accommodation on ships and social protection in order to guarantee decent working and living conditions on ships.

The Convention also lays down implementing rules detailing the responsibilities involved in applying the Convention for flag states, port states and states which supply labour.

The Maritime Labour Convention is also aims at preventing unfair competition by means of a “ no more favourable treatment” clause to ensure that the ships of states that have not ratified the Convention do not receive more favourable treatment than ships that fly the flag of a state that has ratified it.

The ships of countries which ratify the Convention and offer their seafarers decent working conditions will therefore be protected against unfair competition from substandard ships thanks to a certification system which will also reduce the risks of long delays due to inspections in foreign ports.

The Convention can only enter into force once it has been ratified by at least 30 states representing at least 33% of the gross tonnage of the world's entire merchant fleet.

We are keen to see maritime nations responding quickly to the ratification process, thus promoting further labour standards.

Distinguished Guests,

Ladies and Gentlemen,

On the basis of the aforementioned regulatory challenges facing our maritime industries as well as our governments and bearing in mind our successful cooperation so far I strongly believe that our coordinated action will produce fruitful results to the benefit of the world economy.

Thank you very much for your attention.