

Shipping industry regulation must be on international basis

Tuesday 8 April 2008

From Bendt Bendtsen

SIR, Denmark is deeply committed to the objective of ensuring the highest possible levels of quality shipping, safety at sea and environmental protection.

A way to achieve this is through global regulation, which is a cornerstone of Denmark's shipping policy. Shipping is an industry that operates on a global level, which is why it must also be regulated on an international basis.

That being said, Denmark of course supports European legislation that enhances maritime safety. Denmark therefore hopes that the first five proposals in the third maritime safety package are implemented as quickly as possible.

At a European Union meeting yesterday, 27 transport ministers discussed the remaining two proposals by the European Commission on flag state requirements and on shipowners' civil liability. I do not believe that these directives will lead to the intended results. I find that these proposals are the "wrong medicine", as the problems they seek to address are those which are neither confined to, nor significant within, Europe.

As minister for Danish shipping, my primary concern is that Danish shipping can prosper. But Danish shipping can only prosper with a well-functioning, global and universally applicable, regulatory framework. This is to ensure a high level of safety, security and environmental protection as well as a well-working liability and compensation regime. I believe that the two proposals may work contrary to the international regulation and merely create new administrative burdens for the European shipping industry and administrations alike. I do not see the necessary added value in the proposals. Therefore, such regionalism is not justified. It is simply not in line with the EU's better regulation agenda.

Given the international nature of shipping, the problems that haunt the industry are mostly global. It is therefore often futile to try to combat a global problem with regional measures. Regional measures lack the scope of international measures. Compared to unilateral and regional regulation, the International Maritime Organization's regulation has the benefit of applying to all ships, no matter where in the world they operate.

When we decide to regulate shipping, we must ensure that the regulations are effective and easy to implement.

I believe that the IMO time and again has shown that value is added by achieving global solutions. Examples of this are the Voluntary Member State Audit Scheme; the International Ship and Port Facility Security Code and the introduction of double-hulls, among others. One of the strengths of the IMO is the technical knowledge that individual member states bring to the IMO. This ensures sound solutions to the benefit of the shipping industry at large. We need solid, sound and long-term solutions.

Instead of creating a patchwork of regional regulation we should support the work done at an international level. For example, the member states and the commission could join forces to make the IMO Voluntary Member State Audit Scheme mandatory and further encourage the ratification of the international conventions by all states.

The IMO has, in the past, in many ways demonstrated the requisite leadership to handle the problems that global

shipping is faced with. That is why my commitment on behalf of Danish shipping to global regulation is as firm as ever.

Bendt Bendtsen Minister for Economic and Business Affairs Denmark

Article from Lloyd's List:

www.lloydslist.com/art/1207485630354

Published: 8/04/2008 GMT

© 2008 Informa plc. All rights Reserved. Lloyd's is the registered trademark of the Society incorporated by the Lloyd's Act 1871 by the name of Lloyd's

This article is copyright Informa plc. and is reproduced with permission. Reproduction, retrieval, copying or transmission of this article is not permitted without the publisher's prior consent. Informa plc. does not guarantee the accuracy of the information contained in this article nor does it accept responsibility for errors or omissions or their consequences.