

ASA SPC

ASA Shipping Policy Committee

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Asian
Shipowners'
Association



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CHAIRMAN'S STATEMENT

of

the 32nd Interim Meeting of the Asian Shipowners' Association (ASA)
Shipping Policy Committee (SPC)

The 32nd Interim Meeting of the ASA SPC was held by online correspondence between 6 to 13 April, 2020 due to precautionary measures against COVID-19 (coronavirus). All nominated members of the ASA SPC participated in the correspondence, namely representatives from Australia, China, Chinese Taipei, Hong Kong, Japan, Korea and ASEAN countries. ASA SPC members were firmly committed to ensuring full compliance with all applicable competition laws throughout the entire correspondence, under careful guidance from their legal counsel. Mr Takashi Nakashima, Chairman of the ASA SPC and Vice President of the Japanese Shipowners' Association, concluded the main points of the discussion as follows:

1. Ongoing Impact on the Shipping Industry by the Coronavirus Pandemic

The members of the ASA SPC shared our deep concern on the serious impacts on the international shipping industry caused by the coronavirus pandemic. Mr Nakashima stated, "ASA Members indicated they are currently following recommendations and guidance published by the ICS (International Chamber of Shipping) and supported by international governmental institutions including the IMO, ILO and WHO, in order to contain and mitigate the ongoing outbreak of this pandemic, while maintaining the smooth and efficient transport of food, energy, raw materials and manufactured goods to the world. In this connection, we would like to urge related nations and international organisations to provide coordinated and well-balanced actions that do not unnecessarily hinder smooth supply chains and maritime trade. Currently, the issue of crew changeover is especially becoming a considerable problem for the industry due to travel restrictions." The ASA SPC will continue to carefully monitor the situation and take necessary actions as appropriate in collaboration with the ICS and other maritime organisations.

2. Developments of International Maritime Policy

<Against Protectionist Measures>

The ASA SPC noted the recent trend towards protectionist measures in some areas in the world, such as the US, Russia and Indonesia, with grave concerns. With regard to the cargo reservation legislation in Indonesia where coal and crude palm oil exports will basically be limited to national carriers from 1 May 2020, Mr Nakashima said, "It is my great regret that such

a clear cargo reservation scheme is still being pushed in such a major country in Asia despite strong critical voices not only from the international shipping industry including the ASA, ECSA (European Community Shipowners' Association) and ICS but also from a number of foreign governments. We firmly believe that such protectionist measures will increase the transport costs and deteriorate the services, thus never producing any benefit to the entire nation, and should therefore be revoked.”

<Retention of the Anti-Trust Immunity System>

As for the anti-trust immunity system for cooperative carrier shipping agreements, the ASA SPC reconfirmed ASA's long-standing policy that such a system was indispensable for the healthy development of the liner shipping industry and the maintenance of a reliable service to the entire trading community.

3. Panama Canal and Suez Canal Issues

The ASA SPC noted the tolls hike of the Panama Canal and Suez Canal in April 2020 and the introduction of the new charges to ensure water availability in February 2020. Of these developments, Mr Nakashima stated, “We have been disappointed with the introduction of the new charges by the Panama Canal Authority (ACP) in February, with only one month prior notice and without any prior consultation, despite its significant financial impact on the industry. We would like to request the ACP to listen to users' voices calling for the reconsideration and modification of the charges, and firmly believe that the water issue, which is quite critical for Canal users and Panamanian people, should be fully discussed among all stakeholders before imposing such new requirements.”

4. Anti-Corruption Issues

The ASA SPC recognised the importance for shipping companies to ensure that bribery and other forms of corruption did not disrupt fair trade. Mr Nakashima said, “We strongly support a proposal to set out IMO guidance to implement and embrace anti-bribery and corruption practices and procedures submitted by Liberia, Marshall Islands, Norway, the US, Vanuatu, ICS, BIMCO and others which is to be considered at the next session of the IMO FAL (Facilitation Committee).” The ASA SPC will continuously monitor related developments at this committee and address this important task in collaboration with interested parties such as MACN (Maritime Anti-Corruption Network).

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The ASA Shipping Policy Committee (SPC) is a forum for the members of ASA associations to discuss maritime policy issues such as regulation, taxation, trade policy, customs, canals, infrastructure and the macro economy, and policy public relations.