

The ASA *Newsletter*

1st Edition, 2019

The ASA is represented by the following member associations:



Events : 1st Quarter 2019

<i>Date</i>	<i>Name of Event</i>	<i>Organiser & Location</i>
15 January	ReCAAP ISC Nautical Forum 10/19	ReCAAP, Singapore
30 January	32 nd Shared Awareness Meeting (SAM)	IFC, Singapore
31 January	Norway-Singapore Maritime Digitalisation and Transformation Seminar	MPA, Singapore
4 February	Maritime Law Committee Meeting Shipping Policy Committee Meeting	ICS, London
5 February	ICS Board Meeting	ICS, London
6 March	PIER71 EXPLORE - Autonomous Vessel, the Future of the Seven Seas	MPA, Singapore
12 March	36th Interim Meeting of the ASA SNEC	ASA, Singapore
12 - 13 March	31st Interim Meeting of the ASA SPC	ASA, Singapore
14 - 15 March	22nd Interim Meeting of the ASA SRC	ASA, Singapore
19 March	24th Interim Meeting of the ASA SILC	ASA, Singapore
22 March	13 th Governing Council Meeting of ReCAAP Information Sharing Centre	ReCAAP, Singapore

Upcoming Event

ASA 28th AGM, 28 May 2019, Bangkok

Members are reminded that the ASA will be holding its 28th AGM on 28 May 2019, Tuesday, at the Athenae Hotel, Bangkok. The ASA AGM will be followed by a social bonding day featuring golf at their challenging golf courses in Thana City Country Club and a family outing to their famous Thailand Ancient City on 29 May 2019. These joint activities will provide members a wonderful opportunity to network and to enhance their relationship. Our appreciation to FEDERATION OF ASEAN SHIPOWNERS' ASSOCIATION THAILAND for making this possible and for hosting the ASA 28th AGM.

ASA recruitment for new membership – Ordinary and Associate members

The objective for the expansion of membership is to increase the influence and profile of the ASA to be recognised and respected as the voice of the Asian shipping industry on the many policy, commercial and regulatory issues affecting it.

ASA is committed to benefit our members through effective lobbying of the International Organisations, both directly and indirectly, to ensure regulatory development is responsible and does not burden industry disproportionately. Through providing information on best practice and guidance on a range of technical, environmental, safety and employment issues, ASA enhances competitiveness and allowing shipping companies to thrive.

Ordinary Membership criteria :

The normal qualification for Ordinary Membership in ASA shall be associations of shipowners, irrespective of their names, being such associations as, in the opinion of ASA, are properly constituted to represent the shipowners in any country or region in Asia. Only one association of a country or region in Asia may be an Ordinary Member of ASA at any one time. The other associations from the same country or region in Asia shall be Associate Members.

Associate Membership criteria :

The normal qualification for Associate Membership in ASA shall be any body corporate, firm, organisation, institution, or individual (with business and office in Asia), which is allied to any maritime industry and/or having similar objectives to the objectives of ASA.

ASA Announcements

Signing of MOU between ASA, ECSA and ICS during the Singapore Maritime Week 2019

Asian Shipowners' Association (ASA), European Community Shipowners' Associations (ECSA) and International Chamber of Shipping (ICS) are the principal global and regional associations, representing shipowners and operators with those global and regional organisations, institutions, regulators and other bodies which impact and affect the interests of international shipping.

The three associations together comprise broad memberships of the national shipowners' associations located in around 50 countries and territories and encompass collectively more than 90% of the world's merchant tonnage. They also represent all shipping sectors and trades, and their respective memberships of national shipowners' associations, through which structures they can uniquely and legitimately claim to speak for the significant majority of the international shipping.

Recognising the special relationship which their member national shipowners' associations enjoy with their governments and maritime administrations, the three associations reaffirm their *raison d'être* to serve as advocates for the international shipping industry and agree to enhance and build upon their existing close liaison relationships, with a view to maintaining and further improving a strong and coherent voice for the global shipping industry.

The three associations will jointly sign a Memorandum of Understanding (MOU) on 8 April 2019 during the Singapore Maritime Week. The signing ceremony, scheduled towards the conclusion of the first session of the IALA-MPA E-Navigation Conference, will be witnessed by Guest-of-Honour, Dr Lam Pin Min, Singapore Senior Minister of State. Mr Bhumindr Harinsuit, our 28th ASA Chairman, will represent ASA to sign this MOU.

This Memorandum of Understanding (MOU) will apply from the date of signature until termination by any of the three associations on the giving of one month's written notice to the other associations. Its purpose is to provide a framework for closer cooperation between the three associations and it is not intended to cover every detail of such cooperation. As part of the three associations' mutual commitment, ASA, ECSA and ICS will act in accordance with the spirit and intent of this MOU, even though none of them intends that it be legally binding.

New Chairman for KSA

Korea Shipowners' Association held the AGM on 10 Jan 2019 and announced that Mr Tae Soon CHUNG, the Chairman of Sinokor Merchant Marine Co., Ltd, was elected to be the Chairman of KSA Board. Mr Yoon Jae LEE would step down as KSA Chairman at ASA and Mr Tae Soon CHUNG would take over the role of KSA Chairman at ASA. ASA would like to thank Mr Yoon Jae LEE for his contribution welcome Mr Tae Soon CHUNG aboard as the new KSA Chairman.

News Alert

How to select a suitable Ballast Water Tank System BWTS, a roadmap to retrofitting

BWTS is a complicated unit as it is especially designed for each vessel, it comes with several different technologies, has different working ranges and different capacities. All systems that shall be installed on vessels need to have IMO approval and if you are sailing to USA, an approval from US Coast Guards (USCG) is a requirement. Today over 70 systems are approved by IMO but only 12 systems are approved by USCG so far.

Up to 60.000 vessels need to be retrofitted with BWTS between now and the end of 2024. In order to avoid shortage of good quality systems and ship docks for retrofitting, it would be better to start planning now.

Tips for selecting a BWTS

- Select the systems with the most suitable operation options for your vessels.
- Make a shortlist
- Evaluate system price, CAPEX
- The OPEX is related to the ship's operation and ballasting pattern.
- Get proper OPEX data from the selected system makers
- Make your final system selection for the shortlist

10 steps needed for a retrofit project

The physical installation time is only the tip of the iceberg, it is what is lurking below that takes time:

1. System Selection (4-6 weeks)
2. Negotiation and purchase (1-2 weeks)
3. Ship Visit / 3D scanning (1-2 weeks)
4. Design engineering (6-8 weeks)
5. Manufacturing (16-18 weeks)
6. Class Approval (3-4 weeks)
7. System Delivery to Yard (4-6 weeks)
8. Pre-Fabrication (3-5 weeks)
9. Installation (2-3 weeks)
10. Commissioning (1-2 weeks)

The selection of the maker is important as well. Factors that need to be considered during the negotiation and purchase are:

- Negotiate purchase price / delivery times
- Identify critical stages of contract performance
- Installation / Commissioning
- Location of delivery
- Responsibilities/Expectations
- Warranties
- Engineering

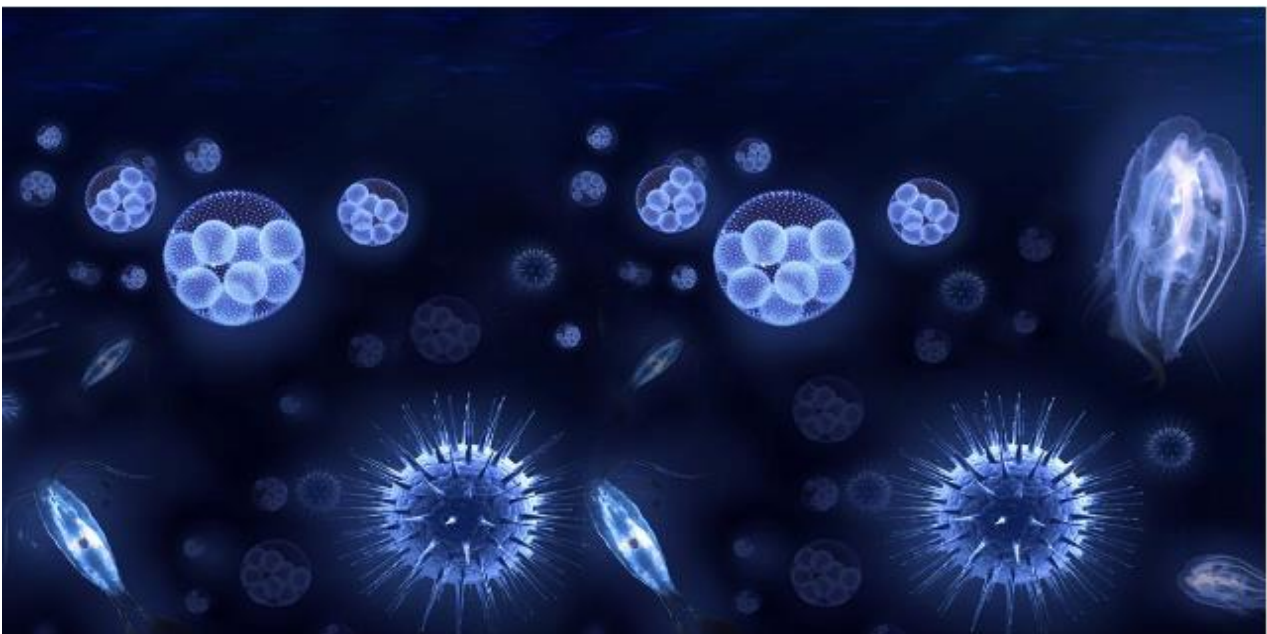
3D scanning and preparation are required for integration with the ships drawings. This phase includes the pre-engineering which will identify suggested location of the system components. In this phase, makers need to control that the suggestions made in Pre – Engineering are possible, determine final location of system components and identify key concerns for the installation.

During the design engineering, integrate system with ships drawings, develop drawing package for Class Approval, follow up Class Approval of drawings and make eventual adjustments accordingly and lastly, make material list for the Shipyard.

Manufacturing time will vary from maker to maker and is likely to be influenced by market demand and order books. Fabrication of pipes, spool pieces etc. is the shipyards responsibility. It is based on the material list from the system maker or design company and based on the Class Approved design.

The delivery terms are agreed in the contract, however it is critical to establish delivery location well in advance to account for shipping times. The transport time from Europe to China is around 5 weeks! Pre-fabrication of pipes, spool pieces etc. at yard will be based on Class Drawing Approval. Good engineering plans and highly developed work scopes will increase efficiency of prefabrication. Pre-fabrication is one of the key factors to a rapid successful installation. Also, lack of proper engineering and well-designed work scopes may extend the installation period.

Commissioning is typically done by Manufacturer or certified agent and it includes time for crew training and operational familiarization as well as Class Acceptance trials. The total timeline after system selection is estimated at 37-39 weeks! After this considerable time, the BWTS is successfully installed and ready to run!



IMO DCS: First reporting period of fuel oil consumption starts

The IMO fuel oil consumption data collection system (IMO DCS) became effective on 1 March 2018, requiring from ships of 5000 gross tonnage and above to submit to their Administration annual reports on fuel oil

consumption. In accordance with the latest amendments to Chapter 4 of MARPOL Annex VI, from 1 January 2019, ships must collect fuel oil consumption data based on a methodology that must be included in the Ship Energy Efficiency Management Plan (SEEMP Part II). Namely, all procedures, systems and responsibilities should be outlined in a Data Collection Plan (DCP) included in SEEMP Part II. This would be the first reporting period effective until 31 December 2019.

Following the end of each calendar year, by not later than 31 March of the subsequent year, ships must submit to the Flag State or RO reports on the fuel oil consumption data for the previous calendar year. The report regarding the first reporting period which starts on 1 January 2019, should be submitted by not later than 31 March 2020

After the submitted data are verified, classification societies will issue to the ships a Statement of Compliance (SOC) regarding fuel oil consumption, by 31 May 2020. This should be kept onboard for as long as it is valid. The SOC shall be valid for the calendar year in which it has been issued and for the first five months of the subsequent calendar year. The data that underlies the reported data for the previous calendar year must be accessible for not less than 12 months from the end of that calendar year.

How to collect fuel oil data (SEEMP II)

Regulation 22.2 of MARPOL Annex VI specifies that:

“On or before 31 December 2018, in the case of a ship of 5000 gross tonnage and above, the SEEMP shall include a description of the methodology that will be used to collect the data required by the regulation 22A.1 of this Annex and the processes that will be used to report the data to the ship’s Administration”.

Part II of the SEEMP, the ship fuel oil consumption Data Collection Plan (DCP) contains such methodology and processes. Method for collecting data on annual fuel oil consumption in metric tonnes include:

- **Bunker delivery notes (BDNs):**

This method determines the annual overall amount of fuel oil used based on BDNs. BDNs must be kept onboard for three years after the fuel oil has been delivered. The DCP should describe how the ship will operationalise the summation of BDN information and carry out tank readings

- **Flowmeters:**

This method determines the total amount of fuel oil consumption by measuring fuel oil flows onboard using flowmeters. In case flowmeters break down, manual tank readings or other methods must be performed. The DCP should incorporate information about the ship’s flowmeters and how the data will be collected and summarised, as well as how necessary tank readings should be conducted.

- **Bunker fuel oil tank monitoring onboard:**

Data measured by tank readings are conducted by appropriate methods such as automated systems, soundings and dip tapes. The tank readings should take place daily when the ship is at sea and each time the ship is bunkering or de-bunkering. In addition, the summary of monitoring data with the records of measured fuel oil consumption should be available onboard.

- **Corrections such as density, temperature, if applied, should be documented**

Regarding the information that must be included to the IMO Ship Fuel Oil Consumption Database are:

- IMO number
- Period of calendar year covered
- Technical characteristics of the ship (ship type, gross tonnage, net tonnage, deadweight tonnage, power output of main and auxiliary engines
- Energy Efficiency Design Index (EEDI) if applicable
- Ice class
- Fuel oil consumption by fuel oil type, in metric tonnes and methods for collecting fuel oil consumption data
- Distance travelled (overground), hours underway



Source : safety4sea

New Maritime Connectivity Platform established

On the 8th of February 2019, the Maritime Connectivity Platform Consortium (MCC) was established with a signature ceremony during the conference 'e-navigation underway international 2019'. The Maritime Connectivity Platform (MCP) is an open source technology a digital maritime domain. It brings common internet standards to maritime navigation and transportation systems.

MCP enables infrastructures for efficient, secure, reliable and seamless electronic information exchange among maritime stakeholders using available communication systems. MCP is an open and vendor-neutral technology. The MCP, has been evolving for a number of years. Around 2015, the development escalated significantly, when three large projects collaborated on the common use and further development of the technology. These were the EU projects 'EfficienSea2' and 'STM Validation project' and 'SMART Navigation project' funded by the Korean government. During these projects an MCP testbed was established, which now has been running for several years, and nearly 100 organisations have signed up to the platform. The MCP itself initially addresses the goals of the e-navigation initiative of IMO, but the ambition is for the MCP to support digital services in the maritime domain at large. It relies on the Internet concept of web services

and with special services for identity management and service management supporting the IMO concept of maritime services.

The MCP supports actors in the use of digital services to exchange public as well as private information. Potential commercial and non-commercial institutions can become providers of the MCP using their own installations of the MCP.

For this, the MCC is established as neutral and independent consortium of interested parties. It will act as the coordinator for the provision of guidelines and standards. The MCC adopts the open structure of the World Wide Web Consortium (W3C) and interested parties are encouraged to join these initiatives and bring in their visions and competencies.

The initial consortium is now established by the following non-commercial organization: OFFIS, Germany, KRISO, Republic of Korea, RISE, Sweden, University of Copenhagen, General Lighthouse Authorities of UK and Ireland. The Danish Maritime Authority (DMA), Swedish Maritime Administration (SMA) and the Ministry of Ocean and Fisheries of the Republic of Korea (MOF) are joining as Governmental Observers. SMA and MOF expressed that “The MCP could become an important framework for digitalisation of maritime sectors, for instance, e-navigation, SMART shipping & maritime logistics, Sea Traffic Management (STM) and MASS (Maritime Autonomous Surface Ship)” with one voice.



Source: Maritime Connectivity Platform (MCP)

Australia faces major shortfall of seafarers

A maritime labor-supply demand gap is opening up in Australia as its marine workforce is old and getting older, according to a new report from local domestic trade association Maritime Industry Australia Ltd. (MIAL). Worse still, there are fewer and fewer young people entering the local maritime industries. Australian organizations employing seafarers were asked for their estimated forward demand for seafarer labor. This was defined as those individuals who have qualifications compatible with the International

Convention on Standards of Training Certification and Watchkeeping. The survey was carried out in late 2018 and was published recently.

Organizations that responded to MIAL's survey employed a total of 5,646 sea-going employees with seafaring skills. There were 4,669 maritime-capable employees employed in sea-going roles and 977 such individuals employed ashore. Those respondent organizations estimate that, in five years from the date of the 2018 survey, i.e. 2023, they will need 11.6 percent more sea-going employees than they currently employ. A forecast growth in demand was predicted for all classes of seafarers – masters and deck officers (an extra 13.2 percent), engineer officers (9.7 percent) and ratings (an extra 11.5 percent).

There was an even greater demand-increase forecast for 2023 shore-based jobs that require seafaring skills and seafaring experience. Respondent organizations predict that they will need 17.7 percent more former seafarers to do shore-based jobs. A forecast growth in demand to fill shore-based jobs was predicted for ex-masters and deck officers (up 18.2 percent) and engineer officers (up 16.6 percent).

The International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW) certification takes a minimum of 12 months for the basic qualifications and more than three years for the advanced qualifications. Meanwhile, gaining the experience to transition into shore-based roles can take “many years,” and the report concludes that the 2023 labour demand for appropriately qualified and experienced staff will require “more seafarers and ex-seafarer than are currently in the workforce.”

Source : Author, Jim Wilson, Asia-Pacific Maritime Correspondent, FreightWaves. Excerpt re-published with permission. Read the original story here:

<https://www.freightwaves.com/news/maritime/workforce-labor-gap-australia>



ASA Committee Meetings

36th Interim Meeting of the Safe Navigation & Environment Committee, ASA

The ASA Safe Navigation & Environment Committee (SNEC) held its 36th Interim Meeting in Singapore on 12 March 2019. The Committee updated on implementation of 2020 Global Sulphur Cap whereby the sixth session of the IMO Sub-Committee on Pollution Prevention and Response (PPR 6) finalised the draft guidelines which include sections on:

- The impact on fuel machinery systems that result from new fuel blends and types;
- Verification issues and control mechanisms and actions, including Port State Control and samples of fuel oil used on board;
- A standard reporting format for fuel oil non-availability report (FONAR);
- Possible safety implications relating to fuel oils meeting the 0.50% sulphur limit.

The Committee also updated on the Ballast Water Management Convention highlighting the ASEAN Same Risks Area (SRA) and the Greenhouse Gas Emissions where International Maritime GHG Reduction Research and Development Fund (IMRF) was brought up for discussion.

Updates for Piracy & Armed Robbery Against Ships include the revision of Indian Ocean High Risk Area (HRA) in the Western Indian Ocean whereby the proposed implementation date will take effect on 1 May 2019. An Annual Report 2018 from ReCAAP ISC has been published and can be found at:

<http://www.recaap.org/resources/ck/files/reports/annual/ReCAAP%20ISC%20Annual%20Report%202018.pdf>



36th Interim Meeting of ASA SNEC

31st Interim Meeting of the Shipping Policy Committee, ASA

The ASA Shipping Policy Committee (SPC) held its 31st Interim Meeting in Singapore on 13 March 2019. In light of the broad geographic scope of the SPC Agreement, various guidelines for discussion and activities that take place in connection with this meeting have been prepared. These guidelines assist the members in complying with various countries' legal requirements, especially competition laws and regulations.

The ASA SPC is intended to provide a forum for the members' exchange of views on macro-economic trends and government policies and regulations affecting shipping. In order to achieve this purpose, the members may discuss and exchange public, historical and aggregated macro-economic data and information on general non-commercial industry issues, such as trade policies, taxation, environmental, customs, port and canal, and infrastructure matters. Data exchanged should be aggregated to an appropriate level such that individual carriers cannot be identified either directly or indirectly.

Discussion of past or current challenges generally facing the industry done for the purposes of a better understanding of the long/short term effects of such challenges on the industry are also generally appropriate.

SPC members should not engaged in any discussions or agreements regarding specific markets or customers, specific shipping rates or charges, specific commercial terms, or general trends relating to shipping rates, charges, or commercial terms. The SPC Agreement does not confer authority to the SPC members to discuss on the general rate or charge levels in any trade. SPC members should not discuss or agree on specific proposals for current or future commercially-sensitive actions, or discuss or exchange individual company propriety data, commercial strategies, or competitive information. They also should not discuss or agree on sensitive business or operational matters, such as their individual plans regarding bids, the operation of vessels, vessel capacity or deployments, itineraries, market served, or changes in service patterns.



31st Interim Meeting of ASA SPC

22nd Interim Meeting of the Ship Recycling Committee, ASA

The ASA Ship Recycling Committee (SRC) held its 22nd Interim Meeting in Taipei on 15 March 2019. This meeting was attended by representatives from ASA Secretariat and member associations which include CSA, FASA-Malaysia and Vietnam, HKSOA, JSA, KSA and NACS. During the meeting, the ASA SRC members were firmly committed to ensuring full compliance with all applicable competition laws throughout the entire program.

The ASA SRC reaffirmed that prompt enactment of the Hong Kong Convention (HKC) would be a crucial top priority and agreed to proceed with appropriate actions through motivating major ship recycling countries to ratify the HKC. The ASA SRC acknowledged that the key to early enactment should be prompt and positive action by all parties in strengthening the priority usage of HKC-certified yards and yards pending certification, together with the insertion of a sales clause to use the HKC compliant green recycling yards. The ASA SRC noted that proper yard selection could motivate yards to justify upgrading.

Shipping is an international industry and needs a geographically-balanced global distribution of HKC compliant green recycling yards. Such distribution of the HKC compliant recycling yards will result in better environmental protection as it will be more operationally efficient in terms of vessel mobilization. Geographically-balanced ship recycling can only be achieved by international regulation and the HKC is the only internationally recognised instrument that can achieve this objective.

The ASA SRC members firmly believe that prompt enactment of the HKC will also serve towards achieving ASA's Corporate Social Responsibility (CSR). Especially after the regulated entry of the EU Ship Recycling Regulation (EU SRR), the Inventory of Hazardous Material (IHM) list has attracted more attention throughout the world. The ASA SRC encourages preparation of the IHM list on board as standard shipboard practice.



22nd Interim Meeting of ASA SRC

24th Interim Meeting of the Ship Insurance and Liability Committee, ASA

The ASA Ship Insurance and Liability Committee (SILC) held its 24th Interim Meeting in Hong Kong on the 19 March 2019. The Committee updated on Environmental Damage and Limitation of Liability regarding the following pointers:

- *Prestige incident* Judgement and Effect on P & I
- French Law on Environmental Damage
- Draft Submission of ICS to IMO Legal Committee (LEG) 106 on Unified Interpretation of the Test for Breaking the Shipowners' Right to Limit Liability
- International Oil Pollution Compensation (IOPC) Funds
- EU Environmental Liability Directive
- Chinese Taipei Pollution Law

The ASA joined the inter-industry liaison group to monitor the progress of States as they worked towards ratification of the Hazardous and Noxious Substances (HNS) Convention and to coordinate industry outreach work. They had come out with a questionnaire to States seeking their views/apprehensions on the ratification.

Denmark became the fourth State to ratify the 2010 HNS Protocol in July 2018. They joined Canada, Norway and Turkey, who had deposited instruments of ratification to the Protocol and who took the lead towards entry into force of the 2010 HNS Convention.

Amongst the criteria for the Convention's entry into force, at least 12 States are required to ratify the Protocol, 4 of which must each have a merchant shipping fleet of no less than 2 million units of gross tonnage. With Denmark's entry to the ratification, the Protocol has achieved one third of the number of States required for its entry into force and these 4 States have more than 2 million units of gross tonnage each.



24th Interim Meeting of ASA SILC

The ASA Newsletter is published by the ASA Secretariat.

The Asian Shipowners' Forum (ASF) was founded in April 1992 when its first meeting was held at the Japan Shipping Club in Tokyo. One of the most important shipping organizations in the world, the ASF consists of eight members from the Shipowners' associations of Asia Pacific nations, i.e. Australia, China, Hong Kong, India, Japan, Korea, Chinese Taipei and Federation of ASEAN Shipowners' Associations (FASA), consisting of Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam. Collectively, the ASF membership is estimated to control about 50% of the world merchant fleet.

Following the principle agreed at the first ASF meeting, the venues for the annual meetings of the ASF have been conducted on a rotational basis by the members from the North to South in geographical order.

Five Standing Committees are formed in the ASF and each is headed by a nominated chairman. They are the Seafarers Committee (SC), Shipping Economics Review Committee (SERC), Ship Insurance & Liability Committee (SILC), Safe Navigation & Environment Committee (SNEC) and Ship Recycling Committee (SRC). The work is basically done between the annual ASF meetings, with each committee being committed to convene at least one meeting a year.

The SERC was renamed Shipping Policy Committee (SPC) after the 22nd ASA Chairmen's meeting held in Hong Kong on 24th November 2017. This committee will continue to focus on Regulation, Taxation, Trade Policy, Customs, Canals, Infrastructure, the Macro Economy and Public Relations at the same time remain compliant with applicable legal requirements.

To better reflect the work and progress of its members and committees, it was proposed at the 18th ASF Chairmen's meeting held in Beijing, China, on 19th October 2015 to have its name changed to Asian Shipowners' Association (ASA). Subsequently at the 25th ASF AGM, it was officially declared the change of name from ASF to ASA. The name change does not alter the values and objectives that it delivers but will continue to further enhance the work done by the Association. The Association will continue to use the abbreviated name of "ASA".

For any further enquiries, kindly contact:

Dylan Ow

Technical Manager

Asian Shipowners' Association (ASA)

Tel : (+65) 63254737
Email : dylanow@asa.org.sg
Website : www.asianshipowners.org