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13 March 2019, Singapore

# **MEETING SUMMARY**

of

the 31st Interim Meeting of the Asian Shipowners' Association (ASA) Shipping Policy Committee (SPC)

The 31st Interim Meeting of ASA SPC was held in Singapore on 13 March 2019. The meeting was attended by 17 delegates from ASA member associations of ASEAN, Chinese Taipei, Japan and Korea, as per the attendance list attached. ASA SPC members were firmly committed to ensuring full compliance with all applicable competition laws throughout the entire programme under careful guidance from their counsel, as in previous meetings. The outline of the meeting is as follows:

# 1. "Maritime Singapore"

First on the agenda, Ms Tan Beng Tee, Assistant Chief Executive of MPA<sup>\*1</sup>(Development), welcomed all participants to Singapore and delivered a presentation on Maritime Singapore. Attendees noted with interest the various activities of the MPA as a promoter as well as a regulator in Singapore.

\*1 MPA: Maritime and Port Authority of Singapore

### 2. Developments of International Maritime Policy

Mr Simon Bennett, Deputy Secretary General of ICS<sup>\*2</sup>, gave a presentation on broad issues regarding maritime policy such as the risk of a trade war, multilateral trade deals, shipbuilding subsidies and the GHG reduction issues. Mr Jeffrey Lawrence, of Cozen O'Connor (SPC's legal counsel), reported on a draft of the Joint Administrative Order by the government of Philippines, which proposes some restrictions on carrier commercial activities, which are, among others, inconsistent with international practices and contrary to the Philippines' international treaty obligations. On this issue, delegates strongly supported the comments filed by WSC<sup>\*3</sup> and AISL<sup>\*4</sup> in February 2019 to urge the government of the Philippines to reconsider the draft JAO.

\*2 ICS: International Chamber of Shipping

\*3 WSC: World Shipping Council

\*4 AISL: Association of International Shipping Lines, Inc.

# 3. Public Awareness of 2020 Sulphur Global Cap

Ms Maite Bolivar Klarup, South East Asia General Manager of BIMCO, made a presentation on the ramifications of the 2020 Sulphur Global Cap. Ms Klarup stressed the importance for each shipping company to fully prepare for compliance with the implementation of the Sulphur Cap in order to ensure the level playing field, while delegates confirmed the fact that compliance with the new regulations may present serious financial challenges to the shipping industry. In this connection, delegates shared information on the published materials to educate the general public on this issue and reconfirmed the importance of their efforts to keep raising public awareness on this crucial issue such as by issuing brochures and holding open seminars.

### 4. Protectionist Measures in the World

Of serious concern to delegates were recent maritime protectionism developments in some major jurisdictions, including potentially the US, Indonesia and Russia, against long-standing international practices and maritime free trade principles. It was agreed that the Committee should continue carefully monitoring each situation and take necessary actions in collaboration with other maritime organisations against such measures when required.

## 5. Anti-trust Immunity and Shipping Regulation

Recent developments in a number of jurisdictions were reported by Mr Lawrence. Delegates especially expressed the importance of the review by the European Commission concerning the block exemption regulations for consortia, which enable highly efficient liner shipping services by participating carriers. Delegates fully endorsed the joint industry submission filed with the Commission in December 2018 by ASA, ECSA<sup>\*5</sup>, ICS and WSC. Delegates reconfirmed ASA's long-standing policy that the anti-trust immunity system for cooperative carrier shipping agreements was indispensable for the healthy development of the liner shipping industry and the maintenance of reliable service to the entire trading community. The Committee commended ASA for its active support of industry efforts to maintain anti-trust exemptions for vital liner shipping agreements and urged continued activity in this regard.

\*5 ECSA: European Community Shipowners' Associations

### 6. Anti-Corruption Issues

Delegates recognised that bribery and other forms of corruption had been obstacles to fair trade for shipping companies and supported a proposal for a new work programme concerning maritime corruption submitted by Liberia, the Marshall Islands, Norway, the UK, the US, Vanuatu, ICS, BIMCO and others at the next IMO Facilitation Committee in April. Delegates agreed to continuously monitor related developments at this Committee and to address this important task in collaboration with interested parties such as MACN<sup>\*6</sup>.

\*6 MACN: Maritime Anti-Corruption Network

### 7. Panama and Suez Canal Issues

Delegates reaffirmed the importance of regular dialogue between canal authorities and canal users in order to ensure a safe transit environment and prevent the recurrence of excessive and short-notice canal toll increases.

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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.



**ASA Shipping Policy Committee** 

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# The 31st Interim Meeting of the ASA Shipping Policy Committee (SPC) in Singapore on 13 March 2019

# Attendance List

## CHAIRMAN

CHAIRMAN			
< Japanese Shipowners' Association >			
Mr Yuji Isoda	Vice President, Japanese Shipowners' Association		
MEMBERS			
< FASA-Indonesia >			
Mr Djoni Sutji	(President Director, PT Indonesia Bulk Carrier)		
< FASA-Malaysia >			
Mr Shaharuzzaman Baharum	(Secretary General, FASA-Malaysia)		
Mr Sharifuddin Al-Manaf	(Tanker Service Representative, FASA-Malaysia, Chief Executive Officer, Orkim Sdn Bhd)		
< FASA-Singapore >			
Mr Jeremy Nixon	(Chief Executive Officer, Ocean Network Express Pte Ltd)		
Ms Katie Men	(Vice President & Honorary Treasurer of the SSA council)		
< FASA-Vietnam >			
Mr Bùi Việt Hoài	(Vice President, FASA-Vietnam,		
	Vice President, Vietnam National Shipping Lines)		
Mr Do Hung Duong	(Member of The Members' Council,		

Vietnam National Shipping Lines)

#### < Japanese Shipowners' Association >

Mr Keiji Tomoda	(Associate Director, Kawasaki Kisen Kaisha, Ltd.)
Mr Tsuyoshi Aoki	(Associate General Manager, Corporate Planning Division,
	Mitsui O.S.K. Lines, Ltd.)
Mr Hiroki Harada	(Managing Corporate Officer, Nippon Yusen Kabushiki Kaisha)
Mr Yoshinari Goto	(Deputy General Manager, Corporate Planning Group,
	Nippon Yusen Kabushiki Kaisha)
Capt Akira Ohmori	(Managing Director, Japanese Shipowners' Association)

#### < Korea Shipowners' Association >

Mr Shin Kim	(Senior Vice President, Head of Global Trade Management Division,
	Hyundai Merchant Marine CO., LTD.)
Mr Kyong Hoon Kim	(General Manager, Business Affairs Team,
	Korea Shipowners' Association)
Mr Chul-Jung Lee	(General Manager, Busan Branch Office,
_	Korea Shipowners' Association)

#### < National Association of Chinese Shipowners >

Mr Randy Chen (Vice-Chairman, WAN
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# GUEST SPEAKER

Ms Tan Beng Tee	(Assistant Chief Executive for Development, Maritime and Port
	Authority of Singapore)
Ms Maite Bolivar Klarup	(South East Asia General Manager, BIMCO)

(Attorney, Cozen O'Connor)

Port Authority of Singapore)

Port Authority of Singapore)

ICS SECRETARIAT Mr Simon Bennett

# ASA SECRETARIAT

Capt Chin Eng Ang Mr Dylan Ow

LEGAL COUNSEL Mr Jeffrey Lawrence

#### OBSERVER Ms Woei Tyng Tan

Mr Eugene Khoo

Mr Nathanael Lee

#### SECRETARIAT

Mr Hironobu Koizumi Mr Hiroyuki Yamagami Ms Moe Murakami

(Manager, International Maritime Centre, Maritime and Port Authority of Singapore) (Managing Director, Japanese Shipowners' Association)

(Senior Assistant Director, Tuas Port Development, Maritime and

(Deputy Director, International Maritime Centre, Maritime and

(Deputy Secretary General, International Chamber of Shipping)

(Secretary General, Asian Shipowners' Association)

(Technical Manager, Asian Shipowners' Association)

(Manager, Planning Division, Japanese Shipowners' Association) (Planning Division, Japanese Shipowners' Association)