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ISA

23 December 2019

Commission Consultation on

Proposed Prolongation of Consortia Block Exemption Regulation [HT.5252] &

Roadmap for Prolongation of Consortia Block Exemption Regulation

Submission by the Japanese Shipowners' Association (JSA)

The Japanese Shipowners' Association (JSA), which is a nationwide shipowners' association consisting of 128 Japanese shipping companies, hereby submits its comments concerning the Commission's two public consultations: a consultation on the Roadmap titled 'Prolongation of the Consortia Block Exemption Regulation' and a consultation on a draft Commission Regulation amending Regulation (EC) No906/2009 as regards its period of application [ref: HT.5252].

As a member of the International Chamber of Shipping (ICS) and the Asian Shipowners' Association (ASA), the JSA fully endorses the joint submission filed by the ICS, ASA, and the World Shipping Council (WSC) on the captioned issue dated 20 December (hereinafter the "joint submission").

The JSA especially welcomes the Commission's intention to prolong the Consortia BER and echoes its main findings concerning effectiveness, efficiency, relevance, coherence and EU added value. The Executive Summary of Commission Staff Working Document (SWD(2019)412 final) clearly stated that:

- the Consortia BER facilitates the conclusion of consortia agreement by providing higher legal certainty that decreases legal risk. *(effectiveness)*
- the Consortia BER is efficient as it helps carriers to reduce costs. (efficiency)
- the Consortia BER is and will remain relevant in the medium term considering the major developments in the industry and the modes of cooperation between

carriers. (relevance)

- the Consortia BER is coherent with other policies and instruments of the EU. *(coherence)*
- the Consortia BER provides EU added value. (EU added value)

The findings above are largely in line with the JSA's long-standing advocacy that the consortia BER can give legal certainty to shipping lines with its uniform set of rules and therefore container lines may concentrate their capital resources simply on the efficiency and improvement of their operations on the premise of consortia agreements. We firmly believe that shipping lines can stably provide shipping services with sufficient quality and quantity, which may be economically beneficial to not only the liner shipping industry itself but also shippers.

The JSA appreciates the opportunity for conveying its thoughts to the Commission.

Respectfully yours,

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