

FONASBA

MINUTES OF THE ECASBA PLENARY MEETING HELD AT THE HOTEL INTERCONTINENTAL TOKYO BAY AT 1.30 p.m. ON WEDNESDAY, OCTOBER 19th 2005

Present:

Mr. G.J. Heinonen	Chairman, ECASBA
Mr. P.J. Wood FICS	President
Mr. K. Bültjer	Vice Chairman ECASBA

Mr. G. Gordon Findlay	Brazil	Mr. V. Vaicekauskas	Lithuania
Mr. M. Froio	Brazil	Mr. A. Mantrach	Morocco
Mr. M. Tudor	Croatia	Mr. A. Sibari	Morocco
Mr. C.P. Papavassiliou	Cyprus	Mr. M. Duin	Netherlands
Mr. A. Houtved FICS	Denmark	Mr. T. Skaug	Norway
Mr. T. Paulsen	Denmark	Mr. K. Frode Eriksen	Norway
Mr. R. Sandberg	Finland	Mr. A. Belmar da Costa	Portugal
Mr. C. Génibrel	France	Mr. B. Bobone	Portugal
Mr. J.A. Good FICS	Great Britain	Mr. E. Bandelj	Slovenia
Mr. J.A. Foord FICS	Great Britain	Mr. N. Warner	South Africa
Mr. P. Demeter	Hungary	Mr. R. Abando Tartiere	Spain
Mr. B. Szalma	Hungary	Mrs. B. Blomqvist	Sweden
Mr. N. Ganzarski	Israel	Mr. G. Knudsen	INTERTANKO
Mr. U. Masucci	Italy	Mr. G. Wramfelt MICS	The Shipbrokers Register
Dr. R. Corrias	Italy	Mr. P.G.D. Smith FICS	ITIC
Mr. M. Paifelman	Italy	Observers	
Mr. V. Totorizzo	Italy	Mr. Abraham V. Tablizo	The Philippines

In Attendance

Mr. J.C. Williams FICS	General Manager
Mr. D. Teurelincx	ECASBA Brussels Representative

Item	Action
------	--------

1. President's Welcome and Chairman's Opening Remarks

The **President** welcomed all those present to the first plenary meeting of the 2005 Annual Meeting. He then handed the meeting over to the **Chairman**. A copy of his address is attached to these minutes.

2. Minutes of the Previous Meeting Held Budapest, October 19th 2004

The minutes had been circulated previously and as no comments had been received in advance, or were made at the meeting, the **minutes were approved**.

3. Matters Arising Not Otherwise Covered in the Agenda

There were no matters arising that were not adequately covered in the agenda.

4. Overview of Main EU Developments

The **Chairman** asked **Mr. Teurelincx** to update the meeting on the main developments in EU maritime policy since the previous meeting.

A copy of his presentation is attached but in précis the main items covered were:

- A number of changes had been made in the staffing of various units in DG-TREN and those that were of relevance to ECASBA had been noted
- The Short Sea Shipping Bottlenecks exercise had been re-launched (and ECASBA members invited to contribute) and the Commission was now looking at the responses

received to date with a view to issuing a revised Vademecum in mid-2006

- Funding for Motorways of the Sea under the current TEN(T) programme was limited to € 5.3 million. To date three maritime projects, in the Atlantic, Baltic and Hellenic regions, had been granted funding
- A new call under the MARCO POLO project would be issued in October 2006. With regard to the MPII project, funding levels have not yet been set due to the on-going discussions on the EU budget
- The EU Maritime Policy project had caused some concerns within DG-TREN as to how this would link in with its port policy initiatives and TREN was in discussion with Commissioner Borg to try and set clear demarcation lines on this issue
- The Freight Integrators action plan had been re-branded as a proposal to ensure “Integrated Services in the Intermodal Chain”. This would use existing resources and accordingly the proposal to develop a new profession had been dropped
- The Parliament is expected to vote at the end of October on the legislation required to bring the ISM Code into EU law. If the vote supports the proposal, the Code will come into force in European law in the first quarter of 2006
- A paper on the 3rd Maritime Package is expected in November 2005.
 - ECASBA has already expressed its significant opposition to any proposal to require agents to provide information on the seaworthiness or condition of a vessel under their agency or brokers not to fix any vessels that they believed were not in a fit state for the business they were expected to effect. ECASBA said that decisions of this type were outwith the knowledge or experience of the agent or broker and furthermore could damage the relationship between the agent/broker and his principal. Such actions were for the national regulatory authorities to undertake
 - Enhanced limits of liability for oil pollution incidents are likely to be implemented in April 2007
 - The issue of waste reception facilities is covered elsewhere in the agenda
- **Mr. Teurelinx** reiterated the various issues relating to the revised Port Services Directive proposal:
 - Opposition to the whole concept of a Directive is hardening
 - A number of MEP’s have suggested the Parliament draft its own proposal but this would raise serious constitutional problems
 - A further significant revision of the current proposal is expected and this will explicitly recognise the specific position of privately operated ports
 - It may also extend the durations of authorisations and compensation is expected to include non-tangible elements, such as goodwill and the customer base. The need for incoming operators to take responsibility for the costs of transferring undertakings relating to staff etc., will also be mandatory
 - Self-handling is almost certain to be dropped from any revised proposal and there will be further debate on the issue of technical-nautical services
 - The Commission and Parliament have acknowledged the strong opposition from industry groups
- On the provision of state aid and port financing, draft guidelines are expected shortly. It is likely that projects that have public service obligations, or benefit the public infrastructure, will be allowed to benefit from state aid. The meeting also discussed the inclusion in the current Commission work programme of references to the possibility of achieving harmonisation of port charges across the EU. The meeting felt strongly that the setting of port charges was a matter for the ports themselves and not for the Commission. It was agreed that this should be raised at the appropriate time during the forthcoming visit to Brussels by the **Chairman** and **General Manager**
- A study is underway to look at the financing of ISPS Code compliance requirements. It is not expected, however, to recommend any major changes to the current charging regimes
- The draft proposals on Freight Transport Security are still awaited but the indications are that those companies that voluntarily take the required action will be rewarded with reduced customs and security compliance obligations. The link with the Authorised Economic Operator concept is clear
- The Commission is currently considering a proposal to reduce pollution by vessels in port by the use of shore-based power supplies. The meeting felt this was totally

unworkable

Mr. Masucci asked if the views of the other industry associations in Brussels were taken into account when drafting the ECASBA position on any given subject, and if the associations exchanged views on a regular basis. **Mr. Teurelinx** said that the cooperation and exchange of views between the associations was very good and meetings between the relevant associations were held on a regular basis. **Mr. Masucci** also asked why ECASBA and other bodies had changed their position on the Port Services Directive. The **Chairman** said that the original response from ECASBA, and other associations to the Commission was that the new Directive proposal was not warranted. In the light of the determination of the Commission to continue to develop the proposal, it had been necessary for the industry to take a pragmatic view and try and secure the required amendments from within the Directive framework.

Mr. Gordon-Findlay spoke of the monopolistic nature of pilotage service provision in Brazil and asked how the system operated in Europe. **Mr. Teurelinx** said that they were covered in the scope of the Port Services Directive and so monopolies would only be supported where specific safety issues could be demonstrated. **Mr. Gordon-Findlay** also asked if European legislation extended to offshore ballast water exchange. **Mr. Bültjer** said that to date this issue had not been raised in Europe.

Mr. Paulsen asked if the proposed 24 hour pre-arrival cargo notice period would apply to short sea cargoes. **Mr. Teurelinx** said it was expected that a shorter period would be applied to SSS shipments.

The **Chairman** thanked **Mr. Teurelinx** for his comprehensive summary of current EU maritime activity and asked that ECASBA members be kept closely advised of all future developments.

5. Working Group Reports

The **Chairman** invited the coordinators of the ECASBA Working Groups that were present to make a brief presentation.

EDUCATION & TRAINING – **Mr. Wood** reminded the meeting that earlier this year he had asked ECASBA members to provide information on the education and training courses offered across the membership. A number of responses had been received but in order to ensure the widest possible coverage, he reiterated his request for this information and a number of associations provided additional information. **Mr. Wood** also invited non-European associations to provide details on relevant courses in their countries so that FONASBA could establish an overall database of available courses.

MARINE SAFETY & ENVIRONMENT – **Mr. Duin** mentioned the waste disposal survey – to be covered in greater detail under agenda item 7 – and said that in the Netherlands many parties were calling for significant changes to the current system. He also noted that many agents were seeing a considerable increase in their workload as a result of recently implemented measures relating to port security and the environment.

PORT POLICY - **Mr. Corrias** spoke on the current Port Services Directive proposal, laying particular emphasis on the 300+ amendments proposed by Parliament to the revised Port Services Directive proposal and the distinct possibility that the final version, if there is one, will not fulfil the original objectives. He also said that a regulation on state aid and financing was urgently required.

SHORT SEA SHIPPING – **Mr. Belmar da Costa** said that there had been no major developments in SSS in recent months but it was clear that the case for increased use of short sea shipping had been made and this was borne out by the increasing number of new services being started. Increasing awareness of the environmental benefits of SSS was assisting and whilst even faster progress would be welcomed, a major shift from road to water was unlikely before more concrete action was taken on infrastructure charging for road users.

6. Intermodal Security and Authorised Economic Operators

The **General Manager** briefed the meeting on the current proposals to develop an intermodal security programme and on the discussions between ECASBA and the Commission (DG-TREN) on the subject in May. He advised that ECASBA had suggested the Commission base its proposals on the “known party” concept, whereby every company in the intermodal chain was known to the authorities and had demonstrated a commitment to enhanced security levels. This linked in with the proposals by DG-TAXUD to confer AEO status on companies that met certain criteria in relation to customs compliance, security measures or both, and the link with the expected proposals on intermodal security. He reminded all ECASBA member associations that they had previously been encouraged to contact their national customs authorities to support the AEO proposal and to endeavour to have their members gain early approval. ECASBA had also discussed the proposal, and the link with security, with the Commission in May. He also advised that significant changes in the Community Customs Code would be required before the AEO concept could be introduced and therefore this was something of a long-term project.

7. EMSA Waste Disposal Survey

The **General Manager** thanked those associations that had contributed to the survey on waste disposal procedures in the EU. Following from **Mr. Duin**'s comments under item 5, he said that the results showed that the Directive had failed to produce a coordinated policy under which broadly similar charges were levied across the Community for the collection and disposal of broadly similar types and quantities of waste. By every criterion, the collection process was still as disparate and uncoordinated as it had been before the Directive was introduced. It was hoped that the EMSA consultation would reach the same conclusions and that revision of the Directive would be forthcoming.

8. Any Other Business

Mr. Masucci said he fully supported the proposal (referred to in the **Chairman**'s opening address attached) to host the ECASBA seminar which, he said, had major benefits for ECASBA members in terms the organisation's profile in Brussels and its relationship with the European institutions. He also said it would allow ECASBA members to debate the major issues at length and in greater detail than was possible at the Annual Meeting. He suggested, therefore, that the meeting should be restricted to ECASBA members only.

Mr. Vaicekauskas expressed his concerns about the level of agency fee discounting, a view that was shared by the majority of those at the meeting.

9.

Date and Place of Next Meeting

The **Chairman** advised that the next Plenary Meeting of ECASBA would take place at the Annual Meeting in Marrakech during the week commencing October 30th 2006.

There being no further business to discuss, the Chairman brought the meeting to a close.

JCW/11.05

CHAIRMAN'S ADDRESS TO THE ECASBA PLENARY MEETING ON OCTOBER 19TH 2005 IN TOKYO.

Mr President, Distinguished Delegates, Ladies and Gentlemen!

It is with great pleasure that I welcome you all to this Plenary Meeting of ECASBA here in Tokyo – far from “ECASBA-land” but so close to our joint endeavours to spread knowledge about the latest developments in the European Union, which are of such importance to all of us. I eagerly look forward, not only to today’s meeting but also to all other meetings on our agenda and to the enticing social programme awaiting us!

I want to extend a particular welcome to Turkey, who, in its capacity as Candidate Member to the EU, is now also a Member of ECASBA. Also, a warm welcome to all representatives of non-ECASBA Members present here this afternoon and in particular to the representatives of the Philippines, joining us for the first time as observers

I would also like to introduce, and extend a warm welcome, to Diego Teurelinx, FEPORT’s new General Manager and ECASBA’s Representative in Brussels. Diego has vast experience and knowledge of matters important to us and he comes to FEPORT from the position of senior expert at DGTREN in the European Commission. Diego will enlighten us on the latest EU developments in a moment.

I am also very, very pleased to welcome Jonathan as a full-time General Manager of FONASBA and, hence also of ECASBA. Jonathan is very able and very willing to be useful to us and I urge you all to make maximum use of all the services he can provide.

The year that has passed since we met in Budapest at our extremely successful and well-organised meeting has been one of hot activity within the Union as far as transport matters are concerned.

The European Commission continues to dominate international maritime policy-making with the result that ECASBA, has been kept extremely active in ensuring that the views of its Members are promoted, and their interests protected. As a matter of policy, ECASBA believes that the European Commission should confine its role to the provision of the appropriate legal and fiscal framework under which industry, correctly constrained by existing European law, can develop the commercial solutions necessary to ensure that the maritime industry operates at maximum efficiency.

The revival of the Port Services Directive proposal in October 2004 has forced ECASBA, and other industry organisations in the port services sector, to revisit and refine the arguments that led to the downfall of the original proposal in the European Parliament. ECASBA’s view is that in the period since the Port Services Directive proposal was first raised, the European port industry has, of its own volition, made significant strides in allowing increased competition and so we do not believe that the case for reviving the Directive has been proven. With the Commission having confirmed its intention not to withdraw the Directive, ECASBA has maintained close contact with the Commission and the Tourism and Transport Committee of the European Parliament, both individually and in concert with other industry groups, to ensure that the Directive is appropriate, relevant and above all recognises the significant diversity in the ownership, structure and operation of Community ports. ECASBA has also expressed its concerns at the failure to undertake a complete review of the provision of state and regional aid to ports, which we believe is the single most important factor preventing open competition in the port industry.

On this subject, we have met with Mr Fotis Karamitsos, Director responsible for Maritime & River Transport & Intermodality, Mr Rodrigo Vila de Benavent, Head of Unit, Short Sea Shipping, Inland Navigation and Ports and a number of their colleagues to explain ECASBA’s views. Our written interventions, four of them since we met in Budapest, have been sent to all Members. I feel our views have been well received, understood and considered in their appropriate contexts.

Recognising the importance of Short Sea Shipping to its members and to the economy of Europe as a whole, ECASBA remains a very strong supporter of the development of coastal and river shipping services and our Members are represented in most of the short sea promotion bureaux. At Commission level, ECASBA has taken every opportunity to express its support for the concept. ECASBA members made a significant contribution to the Commission’s original Customs bottleneck survey and we have encouraged our members to review the bottlenecks identified in the initial survey – with many visible results already.

The long-running review of the Community Customs Code continues and ECASBA has been in ongoing dialogue with DG-TAXUD on those issues important to our Members, such as the proposed 24-hour notice requirement for import cargo and the welcome proposals to allow companies that meet certain Community-wide service criteria to benefit from reduced Customs compliance requirements. ECASBA has therefore given its strong support, both in writing to DG-TAXUD (19.6.2005) and orally, to the Authorised Economic Operator (AEO) concept and has encouraged all its Member associations to enter into discussions with their local customs authorities with a view to allowing their Members to gain accreditation at the earliest possible opportunity.

The AEO concept will also bring significant advantages in the field of intermodal security. Earlier this year, before the AEO concept was published, ECASBA held talks with officials at DGTREN on the introduction of a "known party" programme for ensuring that the entire intermodal supply chain was secure. We were therefore very pleased to note that the AEO proposals included granting accredited companies enhanced security clearance and has encouraged DG-TREN to ensure the AEO concept is fully embraced in the intermodal security proposals. Additionally, ECASBA sees the granting of AEO status as being tantamount to the awarding of a "quality label".

I would like to record here the appreciation of our Members, of the Advisory Panel and the General Manager to John Stolk, Coordinator of the Customs & Transit Working Group, who almost single-handedly reviews every one of the immense documents produced by TAXUD and provides clear and concise advice on their impact on our members.

On environmental issues, ECASBA members have played a vital role in implementation of the Directive on Disposal of Ship-Generated Waste, a role which was acknowledged earlier this year when ECASBA was asked to contribute to the study being carried out for the European Maritime Safety Authority which seeks to determine how successful the Directive has been in reaching its goal of providing an efficient, Community-wide, waste disposal system. Your views were passed to the consultants last month.

Finally, ECASBA has welcomed the proposals from Commission President Barroso and Commissioner Borg to establish a coordinated, comprehensive European maritime policy. The aim is to give Europe a framework covering every aspect of its relationship with the sea, including commercial, environmental, tourism, leisure and manufacturing issues. ECASBA has, in July 2005, given its initial thoughts to the Commission and will be maintaining a keen interest in this initiative as it develops. We have learned that our letter to Commissioner Borg has been well received and Jonathan and I will participate in "The New European Maritime Policy Forum" in Brussels in November. We will also take the opportunity of meeting with Commission officials in both DGTREN and DG-TAXUD whilst we are there.

In the coming months there will doubtless be other proposals issuing from Brussels and ECASBA is committed to ensuring that the views of its Members are voiced, and equally importantly, heard and properly dealt with in the corridors of power. In our efforts to cover all the issues we are fortunate to be able to call upon the support of our colleagues at FEPORT, who represent ECASBA in Brussels, the members of our Advisory Panel and Working Groups who provide specialist input to our deliberations, and equally importantly all our colleagues in the European maritime profession with whom we maintain close and regular contacts.

It is also vitally important to be seen, as well as heard and read. I therefore participated at a seminar around Motorways-of the Seas in Brussels in November last year and, together with the Vice-Chairman and the General Manager, at the plenary meeting of the Maritime Industries Forum, in Bremen in January this year. You have also received the report on our visit to the Commission in May. In addition I had the opportunity and great pleasure to represent FONASBA at CIANAM's second Annual Meeting in Punta del Este, Uruguay in April. At that meeting, and also in meetings with the Associations in Argentina and Uruguay I was able to explain the functioning of the European Union and of ECASBA's role. The complicated relationship between the EU and the Latin American trade body MERCOSUR was also on our agenda. I was very impressed by the work of CIANAM and its increasing number of Members, in particular in the field of education where I am convinced that every one of us can find good examples to follow.

This, Ladies and Gentlemen is a summary of the topics that have dominated ECASBA's agenda during the year since Budapest. There have been many other, less urgent but important topics, too, which have been dealt with as appropriate.

In my opening address in Budapest last year, as indeed also in Istanbul the year before, I stressed that any fraternity is only as strong as its Members want to make it and of the importance of pro-activity, not only

between ECASBA and its Members but also with FONASBA's non-European members who need our support and/or have input to give. Our dialogue is improving – yes – but it can be even better. I always find it difficult to understand those who maintain that their Members do not know what FONASBA or ECASBA does. There is constant communication between ECASBA and its members and it is the responsibility of all of you to ensure that your Members know what we do. As an organisation we can only defend our interests if we have full support from our Members.

Are we, as a profession, proactive enough? Do we, at national level, meet the right people and authorities often enough? Do we ensure that our message comes across? Politicians are politicians, they come and go but we remain and must make sure that every incumbent decision maker knows whom we are and what we do and expect. We must not complain without looking at ourselves – do we create added value or do we just expect others to do it for us? These are those so-called “good questions” but there are no easy answers. ECASBA assists you as much as we can!

Some of our Members have suggested that we hold a separate ECASBA Annual Meeting once a year. ECASBA is, however – and must always remain – an integral part of FONASBA and holding a separate ECASBA Annual Meeting would be incompatible with FONASBA's Articles of Association and By-Laws.

ECASBA can, however, hold seminars and so at its meeting yesterday the Advisory Panel decided to arrange a seminar in Brussels in Spring 2006. We intend to invite as speakers representatives of the Commission with particular knowledge and influence on matters important to us and also representatives of our colleague associations. The Seminar will be open to all FONASBA Members. More on this later this year.

Ladies and Gentlemen – this has been an unusually long opening address but I make no apology for that because the topics “on our plate” – if I may say so – are so many and of such great importance to our profession. I hope to have covered everything essential but my colleagues and myself, are at all times, ready to answer your questions and act on your initiatives.

Finally, may I again thank FONASBA's President and Executive Committee, ECASBA's Advisory Panel, Working Group Coordinators and Members, the General Manager and our man in Brussels for all their endeavours and great support.

Final 14.10.2005/gjh/jcw