

**SECOND JOINT MINISTERIAL CONFERENCE OF THE
PARIS AND TOKYO MEMORANDA OF UNDERSTANDING
ON PORT STATE CONTROL**

**Vancouver, British Columbia
Canada
November 2-3, 2004**

**PRESENTATIONS BY HEADS OF DELEGATIONS
MOU MEMBERS**

**Presentation by Mr. Bob McKay,
on behalf of the Minister for Transport and Regional Services for Australia**

Mr. Chairman, Honourable Ministers and Colleagues,

On behalf of the Minister for Transport and Regional Services, the Honourable John Anderson, MP, I would like to thank our Canadian hosts for their initiative and hospitality in organizing this Second Joint Ministerial Conference, and to convey his apologies that he is unable to attend, due to other pressing commitments following the recent Australian Government election.

Australia is committed to our common objective of safe and environmentally responsible shipping and we are a strong supporter of the need for coordination and regional cooperation in our efforts to achieve this objective. The Tokyo and Paris Memoranda of Understanding are important forums for developing common principles, goals, and procedures for implementing port State control, and for exchanging operational experiences.

Australia's port State control figures show that the vast bulk of foreign-flagged vessels entering Australia are complying with international shipping standards. The figures demonstrate that generally the shipping industry is steadily developing and implementing a better safety culture. We believe our and other countries' uncompromising approach to port State control has been a significant factor in this shift, and this is an approach that must continue to be supported.

While the majority of the industry is continuing to improve, a small number of shippers persist in using vessels that do not measure up to the minimum international standards. Charterers are often the less visible partners in the choice to use and operate sub-standard ships, and they deserve greater attention.

At the first joint Ministerial Conference, Australia emphasized the importance of flag States properly implementing their responsibilities as the primary means of ensuring that ship operators comply with the minimum international standards of safety and pollution prevention. We raised concerns that a number of flag States appeared unwilling to exercise this responsibility and that it is not simply a case of needing more resources or assistance to develop expertise.

We also noted the prospect that coastal and port States may implement their own strategies aimed at protecting their coasts, ports and other resources from the impact of unsafe ships. In our view, a move away from the current system of international regulation of ship standards is not in the interests of world trade facilitation.

Unfortunately some of these problems are still with us, as demonstrated by high profile losses of ships around the world and the responses and reactions of various States

affected by the resulting loss of life, injuries, pollution and other tragic consequences of these events.

The failures of some ship operators, charterers and some flag States mean that port State control will remain a necessary tool in combating sub-standard shipping in our region. However, resources are not unlimited for port States, and more effort is required to target those unscrupulous or uncaring operators who continually flout their responsibilities.

Australia has put significant effort into refining its port State control operations. Our objective remains to efficiently target our resources so this element of the industry is compelled either to meet international standards or to cease operating their sub-standard ships. Our decisions are made as to which ships should be inspected so that the resources are used effectively and appropriately concentrate on the poor performers. Targeting also provides a corresponding reward for good operators who present low-risk ships in that their ships will be inspected less often.

An important part of this selection process is Australia's ship inspection decision support system. This allocates to each eligible ship, on arrival, a risk factor, using a statistically based approach combined with a database built up from our experience with port State control inspections over many years. Vessel age is a major determinant of risk factor, but we also take into account features such as the flag, owner, class society and previous inspection history.

There is a clear relationship between the risk factor and the actual detention rate of ships after port State control inspection, with the higher the risk factor, the more likely a ship is to be detained. The risk factor used by the Australian Maritime Safety Authority (AMSA) is a useful indicator of the likelihood of a ship being unseaworthy.

The increased detention rates in Australia for 2003 and 2004 show that this strategy of directing maximum resources towards high-risk ships is working. At the same time the average number of deficiencies per inspection has continued to decline, indicating that the overall quality of the ships visiting Australia is improving.

Australia will continue to focus on sub-standard ships and to broaden our interest beyond the ship owner to include the role of ship charterers and cargo owners in bringing these ships into the Australian trade. The fight against sub-standard shipping requires all parties, including charterers and cargo owners, to recognize their role in valuing safety and environmental protection in their shipping decisions.

Currently, world trade is experiencing very high levels of growth, particularly in the Asia-Pacific region. Historically high levels of oil production and surging demand for oil and bulk minerals have led to a boom in demand for tankers and bulk carriers. Freight rates on many export routes are at high levels. Strong markets and healthy rates mean a greater temptation to keep older vessels working longer, including many that should be scrapped, and greater pressures on crews to turn vessels around quickly.

Following the ERIKA and PRESTIGE disasters, the European Commission's actions have raised worldwide concerns that aged single-hull tankers will be forced out of Europe to trade in alternative markets, including the Asia-Pacific region. Australia therefore has upgraded its port State control inspection regime, increasing our target inspection rate to a blanket 100 per cent rate, up from 50 per cent for single-hulled tankers built since 1987 and 80 per cent for single-hulled tankers more than 15 years old.

Australia will continue to closely monitor tanker and bulk carrier operations in our waters and, if warranted, further strengthening of our port State control regime will be introduced.

We also need to be mindful of the increasingly litigious world and the likelihood that the ship operators may choose to challenge port State control decisions more frequently through the courts. Better coordination and standardization of port State control procedures among and within regions, as espoused by the Tokyo and Paris MOUs, will provide a better defence to authorities against legal challenges.

While the technology of shipping and the general standards of hardware are steadily improving, crew competency is and will become a greater concern. How to identify and tackle the human factors involved in sub-standard shipping will remain a significant challenge for port State control. The Standards of Training, Certification and Watchkeeping for Seafarers convention processes, while welcome, have not been the panacea to ensure competent and alert crews.

In this context crew working conditions on many ships continue to raise concerns from both a social and safety perspective. The proposed adoption, in new International Labour Organization maritime conventions, of port State control measures is a welcome development that will provide an additional tool for tackling sub-standard working conditions that lead to exploitation, deaths, injuries or shipping disasters.

We also welcome the work being done by the International Maritime Organization to address flag States' responsibilities, particularly through the Voluntary Member State Audit Scheme and its ongoing consideration of human factors, and further developing the safety culture.

The Declaration that we will sign this week provides a strong commitment to supporting these important initiatives and a basis for further concerted actions against sub-standard shipping. This Conference provides a valuable forum for exchanging experiences and gaining an understanding from our fellow Governments of better practices in port State control, to maximize the impact and efficient use of our resources.

Australia remains committed to working with our fellow MOU signatories and other countries around the world who share our goal of raising standards across the shipping industry, particularly regional forums aiming to improve ship inspection standards and enhancing transparency and accountability through exchange of ship inspection data. Australia will also continue to actively participate in both the Tokyo MOU and the Indian Ocean MOU committees, and we strongly encourage the targeted inspections of higher

risk ships so that we may all adopt the theme of this Conference and continue “strengthening the circle of responsibility”.

We must seek to individually and collectively ensure that the vitally important international shipping industry undertakes a continuous improvement program to lift safety and security around the world. Accordingly, port State control will continue to play a key role in achieving this objective.

Thank you.

**Presentation by Mr. Marc Daneels,
on behalf of the Federal Minister of Mobility for the Kingdom of Belgium**

Mr. Chairman, Distinguished Ministers, Ladies and Gentlemen,

I feel honoured to be taking part in this Second Joint Ministerial Conference of the Tokyo and Paris MOUs on Port State Control on behalf of Mr. Landuyt, the Minister of Transport, who is unfortunately unable to attend.

I strongly believe that this second Ministerial Declaration in front of us can give the same impetus to port State control as the first Ministerial Declaration of March 1998.

The contribution of quality port State control to the enhancement of safety, security and the marine environment is irrefutable.

Let me, in that respect, recall that in the Paris MOU region the number of ships inspected has shown a steady increase over the past years and the number of ships detained indicates a noticeable positive downward trend.

This proves to us that a high quality port State control system pays. However, let us not make the mistake of resting on our laurels; the work is not finished yet and, it is sad to say, never will be.

In order to maintain the highest attainable level of quality, new challenges lie ahead of us.

I want to call your attention to one such challenge which faces my Government and, I have no doubt, many governments represented here today: the shortage of Port State Control Officers.

The increasing shortage of experienced and qualified seafarers is well known.

This shortage of seafarers creates a double problem. Not only are ships and property at sea less safe and the environment at risk due to a lack of experienced and well-trained officers and crew but, as the seafaring profession is the ideal breeding ground, this shortage will lead in the longer term to shortages of Port State Control Officers.

In the future we will experience problems in recruiting the highly knowledgeable and experienced inspectors who master the complexity and the rapid development of the requirements of the Conventions and, in addition, who meet the highest moral standards given the severe consequences and the absolute necessity of impartiality of the decisions they have to take.

To avert this problem one of the most urgently needed actions is to attract young people to the seafaring profession by relaunching the maritime industry's image.

Studies in Belgium have demonstrated that young people in determining their future professional career are extremely sensitive to influences from TV, be it in news coverage, film or series centred on certain professions.

It is regrettable to notice that recent accidents and their coverage in the media have to a certain extent tarnished the image of the seafaring profession.

Furthermore, the image of the maritime industry can be distorted by the overexposure of sub-standard shipping. Administration in charge of port State control should pay attention to correct communication with the public. It cannot be that the image the public perceives of shipping is one of sub-standard ships only.

Belgium is aware of its responsibility. A 25 per cent inspection rate in our ports is needed to turn our port State control system in an efficient tool to keeping sub-standard ships out of our waters and ports. We have succeeded in this in the past and will take all necessary steps to continue on that path in the future.

Our Minister invites you to reflect on this matter.

Mr. Chairman, let me conclude by expressing my compliments on the Joint Ministerial Declaration, which we fully support.

I thank you.

**Presentation by Mr. Louis Ranger,
on behalf of the Minister of Transport for Canada**

Honourable ministers and delegates, ladies and gentlemen, now I will put on my other hat as Canada's delegate to this Second Joint Ministerial Conference. There should be no doubt in this room of Canada's commitment to port State control. Our hosting of this Conference, and of the first one in 1998, demonstrates the importance we place on marine safety, the preservation of the environment and the value of human life.

Canada is a country that borders on three oceans and we have more than 200,000 kilometres of coastline - so we have a strong interest in marine safety overall and specifically port State control. This country has been a member of the Paris Memorandum of Understanding since 1994 and acted as a driving force in the creation of the Tokyo MOU. We are geographically situated between these two great regional systems and act as a key "hub" in the growing inspection of foreign ships.

Let me share some statistics with you that clearly demonstrate the kind of progress Canada has made since the first Joint Ministerial Conference. The year that meeting was held - 1998 - we detained 125 ships. This past year we detained 59 ships. As you know, detained vessels such as these are required to rectify their deficiencies before leaving Canadian ports.

Over this six-year period the number of Canadian inspections has increased but the number of detentions has gone down by more than half. I think this shows an overall improvement in the quality of vessels calling at Canadian ports and that port State control is working. Despite the decrease in the number of detentions at Canadian ports, it's disturbing to note that sub-standard ships still navigate the world's oceans.

Since our last conference, Canada has taken an active role in implementing the Joint Ministerial Declaration. Every year since 1998 we reported on specific actions to turn those words into positive actions. I believe it is also fair to say that Canada has played a key role in this period in harmonizing the provisions of the Tokyo and Paris MOUs. We did this by cooperating with members of the two regions as well as with the United States Coast Guard.

Over the past 12 years Canada has gained an expertise in the structural inspection of bulk carriers. Based on this leadership, we accepted the role of campaign coordinator and led the development of the Tokyo MOU procedures for the Concentrated Inspection Campaign.

In addition to the Paris and Tokyo MOUs, Canada took an important step in signing the 2001 Joint Declaration on Port State Control of the Maritime Authorities of Canada, the United States and Mexico. We have also lent our expertise to the Caribbean MOU and are working with authorities there to develop Canadian-based port State control rules and procedures. It is Canada's belief that these regional MOUs may eventually evolve into a

global organization with common standards that will benefit all partners in marine transportation.

In Canada we have recognized the need not just to be good but to be the best we can. That is why my department updated its national training course for inspectors in 2003. This allows our more seasoned staff to provide in-depth knowledge for new recruits. We consistently develop knowledge and expertise in marine safety and enforcement, and willingly share our experience with other countries.

This includes foreign surveyors coming to Canada for on-the-job training or Canadian experts accepting invitations to provide specialized lectures and training courses around the world. Canada's transfer of vital information has been significantly improved since our first conference. We are now moving the Canadian port State control inspection database to a web-based version to assist inspectors in remote areas of the country and to share the data with other interested parties.

For a port State control system to work, it must be transparent. That is another reason the website is an important new tool where anyone can see the date, place and results of our inspections. Transparency is a double-edged sword. It's a question of not only naming but of publicizing those ships and flag-bearers who put safety, the environment and people at risk.

On the other hand, we have learned some important lessons since our last conference. At this point we may be using the stick to expose sub-standard ships but those operators who live up to our high standards may be given a carrot in the form of fewer inspections in the future. Canada's vigilant targeting system ensures that only the ships most likely to be sub-standard are inspected.

This Conference is about marine safety but I want to add a few words on a related subject - marine security. Canada's Minister of Transport, Jean Lapierre, has made transportation security one of his top priorities. Marine transportation is a truly integrated, global business. We as governments can protect our borders, but ships know no borders.

That is why the countries you represent and the marine industry must work together to make our global marine transportation system secure. This past July, along with most maritime nations, Canada began enforcing the International Ship and Port Facility Security (ISPS) Code.

I am pleased to say that all affected vessels and 98 per cent of affected facilities in Canada have already complied with the ISPS Code, making Canada a world leader in compliance.

Our success is due in large part to cooperation between governments and industry. It also embodies the theme of this Conference: "Strengthening the Circle of Responsibility". By working together - governments, shipowners, ports and the marine sector as a whole -

we were able to achieve a considerable amount in a short period of time. This echoes the kind of cooperation we have come to expect in the Port State Control MOUs and I look forward to our continued cooperation and success.

The Conference organizers have asked us all to be brief in our statements and I would like to set an example by wrapping up Canada's progress report quickly. It is clear that port State control rules are having a positive impact in the Paris and Tokyo MOU regions. The result has been improved safety and anti-pollution standards for ships that travel the world's oceans.

At the time of our first conference, the United Nations had declared 1998 the "Year of the Ocean." In 2004, I believe we can all take some credit for contributing to a healthier and safer environment on the world's waters.

I would now like to invite you to join me for a coffee break and to invite members of the media to join my officials for a brief media availability session in the Vancouver Island room.

Thank you.

**Presentation by Vice Admiral Rodolfo Codina,
Director General, Maritime Territory and Merchant Marine for the
Republic of Chile**

Introduction

On 30 August 1848, the Law establishing the Maritime Authority of Chile was adopted, now known as the Directorate General of the Maritime Territory and Merchant Marine, which is currently under my authority.

On 21 May 1978, the Navigation Act of the State of Chile was approved, establishing in its Article 5 that the Maritime Authority must apply and enforce the fulfilment of this Act, the international conventions and the relevant regulations and rules related to the preservation of the aquatic environment and the navigation within its jurisdictional waters. It also establishes that the Directorate General has the official representation of the State in international meetings or affairs concerning technical and professional matters within the Navigation Act.

With the aim to provide support to the ongoing efforts of the International Maritime Organization (IMO) in the implementation of maritime safety and security measures, as well as the prevention of pollution, the State of Chile has, since 1972, a permanent representative at the IMO, and from 2002, there are two permanent delegates working on this important issue.

Control of Vessels by the Flag State

From its beginning, the Chilean Maritime Administration has been working on establishing the conditions under which their flag vessels must operate to comply with the national security regulation.

Since SOLAS 60, this work process has been improving year after year, having reached now a team of 60 inspectors of different specializations, such as: engine and naval construction, navigation and manoeuvring, and communications. Together with this, another team of Inspectors has been constituted for small vessels of less than 50 tonnes, with the purpose of controlling and diminishing the rate of incidents.

In 1995, the Harmonization, Survey and Certification of Vessel System (SARC, in Spanish) entered into force, having such good results that a similar system arose for the fishing industry, which is an important activity in our country, being in the seventh position of the annual catch per tonnage around the world.

Among the regulations implemented to supervise the construction, operation and control of this activity, we may mention: the International Convention for the Safety of Fishing Vessels, Torremolinos 1977, which was adopted in our country, and the creation of a Satellite Positioning Control System on board, for the control of fishing zones.

In the same period, the International Safety Management Code (ISM) was set in force, meaning a different way in carrying out the inspections, now by audits; this work was

assigned to the Classification Societies. For this purpose, a Memorandum of Understanding was signed, establishing the procedures and scope of the work.

Finally, a new challenge was set by the recent International Ship and Port Facility Security (ISPS) Code. The identified 39 Chilean flag vessels and the 62 port facilities prepared their respective security evaluations and protection plans that were approved by the Maritime Authority, as well as the initial verification audits prior to the certification. All this effort meant a commitment to the whole organization, a task that was carried out together with the shipping companies and port facilities in order to achieve a successful outcome.

Control of Vessels by Port State Control

In 1992, the Latin American Agreement on Port State Control of Vessels (Viña del Mar Agreement) was created, Chile being one of the nine founding countries of the South Region that took part in the establishment of this agreement, which came into force in 1994.

Since 2002, as a result of an integration policy with the APEC, having the Pacific Ocean as a common factor, and in recognition of our professional competency, Chile was accepted as a permanent member of the Tokyo MOU.

Considering that integrity, professionalism and transparency are the main principles involved in the inspections carried out by Port State Control Officers, the Maritime Administration, since 2000, constituted a team based on qualified, trained and exclusively dedicated inspectors, which, in 2003, permitted us to cover more than 85 per cent of inspections of foreign vessels, taking into consideration the different ships entering Chilean ports.

Conclusions

The Chilean Maritime Administration has a vast experience in flag State inspections and, lately in port State control as well. Both are exclusive activities carried out within our scope of action over which the State of Chile has the sole responsibility. Therefore, we are capable of providing support to those countries that request it, in order to improve its vessel inspection system regarding maritime safety and security.

Notwithstanding the above, our objective is to continue participating in training courses organised by the Tokyo MOU, World Maritime University, the Operative Network for Regional Maritime Cooperation among Maritime Authorities (ROCRAM), and “on-the-job training” agreed between Canada and Chile with the purpose of enhancing the competency of our inspectors.

The participation of our country in the Tokyo MOU, Viña del Mar Agreement, IMO, ROCRAM and the present Joint Ministerial Conference, shows the concern in matters regarding maritime safety, prevention of marine pollution and security of ships and port facilities, and the commitment to continue cooperating on improvements, providing our own experience in these permanent and important tasks. Hence, the Chilean Maritime

Authority entirely and unconditionally supports the basis of the Joint Ministerial Declaration, “Strengthening the Circle of Responsibility”, congratulating those people and organizations involved in the accomplishment of their objectives.

Thank you very much.

**Presentation by Mr. Zuyuan Xu,
on behalf of the Minister of Communications for the People's Republic of China**

Your Excellencies, Distinguished Guests, Ladies and Gentlemen,

It is my great pleasure and honour to attend this Joint Ministerial Conference. I would like to take this opportunity to express my appreciation to the Canadian Government and Transport Canada, in particular, for their invaluable contribution and hospitality for providing us with this excellent forum to exchange views and information.

China is a maritime State with a long coastline, whose foreign trade is heavily dependent on international shipping. Safety of life at sea and the prevention of pollution from ships are thus paramount concerns of the Chinese Government.

We are fully aware that safe navigation and clean oceans can only be achieved if every player in the industry chain so commits itself. Initiatives have been undertaken to seek concerted efforts of all relevant players in the industry with the objective of creating the necessary synergy to ensure maritime safety and protect the marine environment. Every link in the industry chain, such as shipping company, maritime authority, classification society, insurer, shipyard and seafarers, is held accountable for their responsibility in safety of navigation and pollution prevention.

It is well recognized that the port State control regime is instrumental in the effective application by shipping fleets of international conventions and technical standards. As a member of the Tokyo MOU, China has executed its duty of inspection in strict conformity with international conventions. The Chinese maritime authority has stepped up the port State control inspection in recent years. The number of PSC inspections has been increased considerably with 3,789 inspections in 2003.

The Chinese Government attaches great importance to the implementation of relevant maritime conventions and technical standards. China has ratified or acceded to virtually all important conventions and protocols adopted by the IMO that are in force and has faithfully discharged its obligations under these international instruments. Legislative, administrative and technical measures have been employed to upgrade flag State implementation with a view to effectively safeguarding safe navigation and protecting the marine environment. Statistics in recent years have shown that the Chinese-flagged vessels have maintained a good record in port State control inspection in the Paris MOU and Tokyo MOU regions.

We acknowledge that great improvements have been made in maritime safety and pollution prevention since the First Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control. But serious accidents have occurred in some parts of the world. Emergent and new situations in the world still need to be catered to.

In the aftermath of the events of September 11th, 2001, in 2002 the IMO adopted on a fast track the amendments to Chapter XI of the SOLAS Convention and the ISPS Code. Furthermore, the ILO in parallel adopted in 2003 the Seafarer's Identity Documentation Convention. We were actively engaged in the development of these instruments. Complete and concrete actions were taken to give thorough effect to the ISPS Code. Appropriate domestic rules and regulations have been formulated for the purpose of effectively implementing the ISPS Code and the relevant training courses have been organized for our personnel involved. The facilities in the Chinese ports open to foreign trade have already complied with the requirements of the ISPS Code and the sea-going ships have established security systems, developed security plans and obtained security certificates.

We also realize that qualified and experienced seafarers play a critical role in safe navigation and environmental protection. With complete and effective implementation of the STCW Convention, the quality of the Chinese seafarers has been improved in recent years.

In closing, I wish to add support to the Joint Ministerial Declaration, "Strengthening the Circle of Responsibility, Inter-regional Action to Eliminate Substandard Shipping", to be signed at this Conference. This Declaration, I believe, will give a new impetus to the persistent campaign against sub-standard shipping. The Chinese Government will continue to commit itself to the improvement of flag State implementation and the efficient enforcement of port State control duties. We are ready to collaborate closely with the other Paris MOU and Tokyo MOU members to this end and will make our due contribution to the fulfillment of the objectives of safe, secure and efficient shipping on clean oceans.

Thank you for your attention.

**Presentation by Mr. Branko Bačić,
on behalf of the Minister of the Sea, Tourism, Transport and Development
for the Republic of Croatia**

Mr. Chairman, Honourable Ministers, Ladies and Gentlemen,

It is indeed a great pleasure and an honour to participate in this Second Joint Ministerial Conference of signatories to the Paris and Tokyo Memoranda of Understanding on Port State Control, and I wish to begin by thanking the Canadian Government for taking the initiative to host and organize this important gathering.

Croatia has traditionally been a maritime- and tourist-oriented country. Tourism, shipping, shipbuilding, and port development constitute the main priorities of Croatian economic plans. Safety of navigation and marine environment protection are therefore of particular concern in the Republic of Croatia. That is why we have recognized the principles enshrined in the Paris Memorandum as closely corresponding to our own goals under the Croatian shipping and environmental protection policy.

Croatia has a long coastline of more than 2,500 nautical miles, with over a thousand islands in the enclosed Adriatic Sea. Tanker traffic is increasing in the Adriatic Sea, making us exposed and vulnerable to marine pollution. For that reason the commitment to protect maritime environment has also been enshrined in our Constitution and the Ministry of Sea, Tourism, Transport and Development places a particular emphasis on maritime safety and the prevention of sea pollution.

Croatia considers sub-standard ships to be a serious threat. Therefore measures are being taken providing for stringent controls and suspension of such vessels in the Adriatic Sea. Our commitment to port State control is reflected in the fact that our PSCOs carry out approximately 400 inspections of foreign ships every year, which represent more than 35 per cent of individual ship arrivals. The detention rate was steadily above 10 per cent for years and started to decrease just recently, as a result of measures applied with respect to sub-standard ships.

Furthermore, our maritime administration is actively developing other measures aimed at the protection of the maritime environment, one of them being the traffic separation scheme in the Adriatic Sea developed in cooperation with the neighboring countries, due to be implemented at the beginning of December this year.

However, we are very concerned with the following question: What happens after sub-standard vessels are banned or in some other way prevented from operating in the region of the Paris MOU? A long list of banned ships tells us that the majority of them continue to operate in other areas. They still pose the same threat to the maritime environment and human lives, only further away from our doorstep.

We are convinced that the concept of port State control will be able to fulfill its ultimate goal of preventing the operation of sub-standard ships only when it becomes harmonized on the global level, so that ships once determined as sub-standard have no place to hide. To accomplish that, a lot remains to be done under all Port State Control Memoranda. My government supports all initiatives geared towards providing technical support and assistance provided for by older and more developed Memoranda, such as the Paris and Tokyo MOUs, to the new and less developed Memoranda. Today they cover almost all regions, but are not yet sufficiently efficient in preventing the operation of sub-standard vessels. In this respect our country supports the idea that both MOUs should be proactive in accelerating the process of harmonizing all regional memoranda, through appropriate IMO initiatives.

Of course, port State control is not a solution in itself. It cannot identify every unsafe ship nor can it provide an absolute guarantee of maritime safety. It is merely the necessary “second line of defence” while the primary responsibility lies with the flag States, shipowners, as well as classification societies working on behalf of flag States. Therefore, the crucially important question of the responsibility of Port State Control Officers arises, especially in cases of major maritime casualties. It is our view that we must do our utmost to protect inspectors from liability in those cases, making it clear that inspection constitutes an exercise of random selection of items to be inspected based on each inspector’s professional judgment.

We would like to note that the Croatian Maritime Code has incorporated the so-called “genuine link” requirement taken from the International Convention on the Law of the Sea, requiring my Ministry to conduct permanent surveillance of the safety of Croatian vessels. A total of 1,325 mostly older vessels have been registered in the Croatian ship register. I am convinced that, with the help of the Croatian government incentives to replenish the national fleet, we shall succeed in upgrading the safety standards aboard our ships, thus making a contribution as flag State to efforts undertaken under the Paris Memorandum of Understanding on Port State Control. In addition, the process of amending our Maritime Code has been started, incorporating all requirements related to tanker age and structure, the phasing out of single-hull tankers, issues regarding the port of refuge and ballast water management, as well as provisions incorporating the ISPS Code.

Croatia has ratified all major IMO Conventions on maritime safety and the prevention of pollution from ships, and it is expecting ILO Protocol 1996 to be ratified. We are pleased to see the commitment to ratify all the relevant instruments enshrined in the Declaration we are going to sign, as this is really a prerequisite for a full implementation of all the measures developed under our respective port State control regimes.

In recent years we witnessed adoption or amendments of a large number of international instruments aimed at improving the safety standards for ships and their operation. Due to the fact that those instruments can yield results only if consistently and harmoniously applied by all the parties involved, first and foremost by government services entrusted with the task, we would like to urge all the parties concerned to focus on the application

of the existing instruments, so that the desire to accommodate public opinion does not lead to the creation of additional, new regulations, especially in the aftermath of major maritime accidents. Furthermore, all the possibilities for establishing dialogue between administrations, shipowners' associations, insurers, shippers, charterers, classification societies and trade unions should be used in order to further raise awareness about safety concerns among all parties. We consider this more important than developing new regulations and we entirely support the title of the Declaration, "Strengthening the Circle of Responsibility".

As we set about accomplishing our goal, a key factor in increasing the capacity of port State control authorities to tighten the safety net will be the harmonization of competences of Port State Control Officers and the effort to improve the training system.

Finally, we can be satisfied with the development of both regimes over the last six years, and the increased degree of harmonization achieved. Commitments set forth in the Declaration ensuing from this second ministerial Conference will serve as further guidance to our PSC services and maritime administrations to achieve the ultimate goal of preventing the operation of sub-standard vessels in our respective regions. The number of stakeholders involved in the circle of responsibility has increased, and appropriate actions are being sought from all those involved in the shipping industry. We are convinced that this is the right way forward.

I would like to take this opportunity to congratulate all the officials and experts who contributed to the final text of the Declaration for the excellent work they have done and, last but not least, I would like to thank all Port State Control Officers for their daily efforts which make us proud today of achievements accomplished by port State control regimes since their first introduction 22 years ago.

Thank you for your attention.

**Presentation by Mr. Jørgen Hammer Hansen,
on behalf of the Minister for Economic and Business Affairs for the
Kingdom of Denmark**

Mr. Chairman, Ministers, Ladies and Gentlemen,

I would like to sincerely thank our Canadian hosts for their kind hospitality and for taking the initiative to host this Second Joint Ministerial Conference on Port State Control. Regretfully, the Danish Minister responsible for Maritime Transport, Mr. Bendt Bendtsen, has not been able to attend, but I have been entrusted to convey the Minister's full support for the Declaration and for the strengthening of our inter-regional cooperation.

This Conference provides us with an invaluable opportunity to take stock of the progress that port State control has made so far with regard to safety at sea and the battle against sub-standard shipping. It also allows us to set new and ambitious goals for our future work, so that port State control will continue to play an active role in promoting quality shipping. We therefore look forward to the implementation of the actions stipulated in the Declaration.

One particularly noteworthy issue, addressed in the Declaration, is the question of how to target vessels for inspections and how to measure the effectiveness of port State control.

The development towards increased focus on quality rather than quantity is strongly supported by Denmark. We believe that a regime should be established that encourages port States to mainly concentrate their efforts on high-risk ships. Such ships should, in our view, become subject to inspections every six months.

In our efforts to enhance quality shipping and combat sub-standard shipping, we must remember to always match these efforts by setting high standards for the quality and fairness of our inspections. The ships and their crews deserve quality inspections - in particular in a situation where a poor result in a port State control has still larger ramifications for the inspected vessel.

While inter-regional cooperation on port State control is of great importance for eliminating sub-standard shipping, it is only one out of many instruments, which we are so eloquently reminded of by the theme of our Declaration - the circle of responsibility.

Flag States are and must be maintained as the most important participants in this circle, with port State control as the second line of defence.

In our praise of the good results achieved by port State control, we easily run the risk of forgetting this hierarchy of responsibility and overestimate what can be achieved through port State control. The responsibilities of port States are and should be determined by

what the Port State Control Officers can inspect on site. This should be borne in mind when developing new instruments.

That is one of the many reasons why we fully support the work of the IMO on development of a Member State Audit Scheme and the associated Code for Implementation of IMO Instruments.

The audit scheme will greatly assist in ensuring consistent implementation of international rules by all flag States, so that flag States that enjoy privileges also honour their obligations under the IMO conventions.

We therefore welcome that criteria are established, so that States are encouraged to undergo an IMO audit and subsequently demonstrate transparency in responding to the audit findings.

The precarious geographical position of Denmark, at the very entrance – the only and very narrow entrance – to the Baltic Sea serves as a constant reminder to us to remain committed to quality shipping and a clean marine environment.

With the increasing vessel traffic transiting our waters, we are only too aware of the hazards and problems that arise from the operation of unsafe shipping.

Every year we encounter ships without pilots that run aground when sailing through our waters. Only one month ago a large tanker, fully loaded with gas oil, grounded at full speed and severe damage was caused to the hull. It did not carry a pilot on board despite clear IMO recommendations to the contrary. Only sheer luck and a seabed of sand prevented serious oil pollution of our waters and our coastlines.

From a navigational point of view, we consider it to be a breach of safe navigation practices when ships do not follow IMO recommendations on pilotage. We therefore hope for your full support and cooperation on this particular aspect of the Declaration.

While there is a compelling need to reduce the many threats to the marine environment, we must not forget to address a most perilous threat that, in our view, merits particular attention.

It is paramount for the safety of our seafarers that we recognise that safety at sea involves more than merely combating sub-standard shipping. Acts of piracy and armed robbery against ships are a significant and increasing threat that requires urgent action and enhanced cooperation.

Denmark strongly supports that the issue of piracy and armed robbery against ships is addressed in the context of port State control and security issues, as a majority of incidents takes place within port areas. We hope to see a decrease in these incidents following the implementation of the ISPS code. If this is not achieved, it could become

necessary to question whether the ports in question are fulfilling their responsibilities concerning the security initiatives.

We therefore support the Declaration text on this issue and will continue to highlight the need for further action in all other relevant fora.

In conclusion, I wish to assure you of the commitment of Denmark to the Declaration that we sign this week. It signals our responsibility to quality shipping as well as our joint efforts to enhance our inter-regional cooperation on port State control to the benefit of safe, secure and clean seas.

Thank you.

**Presentation by Mr. Inoke Wini Rototodro,
on behalf of the Minister for Transport and Civil Aviation for the
Republic of Fiji**

Mr. Chairman, Honourable Ministers, Your Excellencies, Ladies and Gentlemen,

First of all, I would like to thank our host, Transport Canada and the Canadian Government for bringing together this high level Second Joint Ministerial Conference on Port State Control to this beautiful country of yours. Secondly, I would like to place on record my deep appreciation for the invitation sent to me as Minister for Transport and Civil Aviation from the Honourable Tony Valeri, the (former) Minister of Transport for Canada.

However, it is with deep regret that I cannot attend this very important meeting due to the national budget debate in our Parliament Session.

We in the Fiji Islands in the southwest Pacific Ocean, with our 300 islands, lie on the main shipping routes between Australia, New Zealand and the west coast of the United States of America to the east and also between the Japan-China ports and Australia and New Zealand on the western sea routes.

The Fiji Islands rely heavily on the tourism industry offering the “sun, sea and sand” and the Fiji experiences you will never find anywhere else in this world. Our tropical unpolluted waters with clear blue seas have been luring the tourists to Fiji. Tourism is now the Fiji Islands’ biggest foreign exchange earner and source of employment. The sea is also a source of our fresh fish and other marine organisms for our daily sustenance. We are committed to maintaining our marine environment safe for navigation and pollution-free for the survival of our tourism industry and source of fresh seafood.

The government of the Republic of the Fiji Islands places great value on human life. We believe that all seafarers should have the right to work on vessels that provide at least the minimum standards of safety and security as prescribed under international conventions that are incorporated in our Marine Act.

Seafaring is a source of employment for our 5,000 sailors that may well support over 10,000 mouths to feed. It targets the “not so lucky” students who aspire to higher education. In a small nation with limited resources such as the Fiji Islands this is an important source of employment. My Ministry is committed to improving the standards of safety and security of its citizens serving on board ships.

The Fiji Islands are also on the IMO White List on STCW 95 Convention. This international recognition has enabled our seafarers to continue to serve on foreign-flagged ships. About five per cent of our sailors serve on ships trading internationally. Our ship registry has no foreign ships registered in it. Our government is committed to ensuring the security of Fijian seafarers by their certification.

You will understand, Mr. Chairman, Sir, that being strategically located, in terms of being at the cross-roads of the main shipping routes in the Pacific, is not only an advantage in our participation in international trade, but also puts us in the limelight of being exposed to risks that are part of international threats. It reminds us that we should not be complacent in our endeavours to maintain maritime safety and security for ships and port facilities within our regions through the port State control regime. Thus, we view the port State control regime as an effective means in which Fiji can contribute positively to meeting our international obligation of ensuring ships' compliance with international standards.

In 2002 there were nine PSC inspections conducted, in 2003 there were six and this year alone 12. In all inspections, less than 50 per cent of ships had deficiencies and there were no detention notices issued, even though Fiji is at the crossroads of the shipping routes.

The Safety Convention (SOLAS) and other international conventions dealing with maritime safety have been given the force of law in Fiji through our national marine legislation, the Marine Act. Earlier this year as a preparatory measure to implementing Section 11-2 of SOLAS which covers the ISPS (International Ship and Port Facility Security) Code, the Government of the Republic of the Fiji Islands deposited an instrument through our London embassy for Fiji acceding to the SOLAS Protocols of 1992 and 1998. This effectively enables Fiji to implement the latest amendments to the Safety Convention, which included ISPS from July 1st this year.

The ISPS Code now elevates the importance given to exports to that of imports with respect to custom clearance, safety and security of goods through safe ships and port facility. The concept compliments the competitiveness of goods in the market.

Through my Ministry the Republic of the Fiji Islands fully supports the draft Joint Ministerial Declaration on Port State Control. It will make provisions for the adoption of the mentioned conventions relating to ILO and IMO in our marine legislation. In so doing we may seek assistance from IMO and member States for the implementation of such conventions.

I wish you well in your deliberations to eliminate sub-standard ships.

**Presentation by Ms. Aila Salminen,
on behalf of the Minister of Transport and Communications for the
Republic of Finland**

Mr. Chairman, Honourable Ministers, Your Excellencies, Ladies and Gentlemen,

I feel particularly honoured to take part, on behalf of Ms. Leena Luhtanen, Minister of Transport and Communications of Finland, in this second Joint Ministerial Conference of Paris and Tokyo Memoranda of Understanding on Port State Control. The Minister asked me to convey her deep appreciation for this invaluable initiative by the Canadian Government.

Finland, as one of the Baltic Sea States, has carried out and supported efficient port State control since the early eighties. In 2003, the Finnish Maritime Administration inspected around 450 foreign ships in Finnish ports that represented 32 per cent of foreign ships visiting Finland. Altogether nine of the ships were detained. The Concentrated Inspection Campaign on operational control of passenger ships was carried out last year and only two vessels were detained. This indicates that the majority of these ships are operating to the requirements set by the IMO and to the high standards the general public expects. The inspection effort is the same as during the First Joint Conference, but the number of detained ships is much lower than six years ago. This is a good development.

Finland's long coastline and the whole Baltic Sea with its winter ice conditions make the area vulnerable. Therefore, the IMO has granted the Baltic Sea a status of a Particularly Sensitive Sea Area. Additional protection measures are under consideration. In fact, a Concentrated Inspection Campaign based on the MARPOL Convention will be launched in 2004. The increasing oil transport via the Baltic Sea represents an inherent risk to the environment. The implemented and planned routing measures together with the use of ice-strengthened double-hull tankers will certainly improve safety. However, port State control is still needed.

According to the outcome of maritime casualty investigation reports, the human element plays the most important role in maritime accidents. Therefore, the quality of ship operations can be guaranteed only by manning the ships with skilled and motivated crews. To enhance the operational safety, the living and working conditions must also be at a good level. The competency of seafarers, the special ship type training requirements, and the working and resting hours must also be controlled on technically high-class ships. The number of seafarers onboard must be sufficient to avoid fatigue problems and to carry out the new security duties. The lack of competent officers is a worldwide problem. Shipping companies must take good care of their crews in order to stay in competition.

All IMO and ILO initiatives to address the human element are important and should be supported. The Concentrated Inspection Campaign on working and living conditions, which is presently in process, is a good and welcomed tool to enhance these initiatives.

I would also like to mention the New Inspection Regime (NIR) within the Paris MOU, which is under development. The aim of the NIR is a coherent system that would implement a ship risk-based port State control regime within the whole region. Therefore, a system of strictly risk-based inspection procedures is to be developed. It was decided in Port State Control Committee in Copenhagen this year that the work on developing a New Inspection Regime will start in 2004 and, if possible, be adopted in 2007. The NIR is, as a whole, a new system, which takes into account for example the human element, classification societies' performance and company performance. One important part of the NIR is the Fair Share Scheme, which allows a flexible execution of selection and inspection between member States. Finland appreciates the work done by Task Force 31, which is responsible for developing the NIR.

Mr. Chairman, the Finnish Ministry of Transport and Communications and the Finnish Maritime Administration fully support the initiatives in the Joint Ministerial Declaration. All the parties in the maritime sector should form a "circle of responsibility" and carry out their respective responsibilities in order to enhance safer shipping and cleaner oceans.

Finally, I would like to thank warmly our Canadian colleague for taking the initiative for this Conference. I would also like to thank the organizers for the generous hospitality extended to us.

Thank you for your attention.

**Presentation by Mr. Michel Aymeric,
on behalf of the Minister of Infrastructure, Transport, Regional Development,
Tourism and the Sea for the Republic of France**

Ministers, Distinguished Delegates, Ladies and Gentlemen,

Gilles de Robien, French Minister for Capital Works, Transportation, Housing, Tourism and Maritime Affairs, and François Goulard, French Secretary of Transportation, have asked me to present their apologies for being unable to attend the Conference. They also asked me to represent them and I am honoured to do so.

For the second time since 1998, we have gathered at Canada's initiative in order to revitalize port State control activity. I would first like to thank Canadian authorities for their warm welcome and for this initiative, which fulfils one of the major priorities of France's maritime policy: improving safety and security by examining port State control activity in other countries.

Over the last six years, our coastal region and the human activities that it supports have experienced new stresses due to a number of shipwrecks. The image of maritime transportation has been significantly affected at a time when public opinion is especially sensitive regarding these issues.

In addition, there was the terrorist attack against one of our vessels (Limburg oil tanker) along the coast of Yemen in October 2002.

This proves without a doubt that, despite some progress, States have an obligation with regard to the interests of citizens, industry and the environment to develop a strong joint policy to prevent any risk of pollution by eliminating from the transportation offer vessels that do not comply with shipowners' regulations and are, therefore, unacceptable.

I will provide some details on especially important actions that France has undertaken since the last ministerial Conference in order to clearly define the orientations of the Declaration being proposed today.

I. France's Actions:

France's actions since 1998 have focused mainly on the consequences of the ERIKA and PRESTIGE catastrophes, with the strong political response from member States, the European Commission and the IMO:

- As the flag State, the rigorousness of our services, due to the professionalism of the industry and our crews, resulted in a zero per cent detainment rate, down from about five per cent in the past. Furthermore, since France supports IMO flag initiatives, we have committed to a voluntary flag audit, in cooperation with Iran and Singapore.

- Our vessel control capacity as a port State has increased. However, this increased capacity should not be considered a quick solution for the weaknesses of some shipowners or flag States. As a result of these weaknesses, coastal States, including France, must invest in increasingly sophisticated traffic monitoring equipment such as the TRAFIC 2000 system or radar monitoring.
- The SIRENAC database has been adapted in order to respond to developments in international and European regulations.
- In addition, it has become necessary to provide technical assistance to certain partner States of other memoranda, in the form of expertise on, for example, information systems or Port State Control Officer training. This assistance is a component of multilateral cooperation under the France-IMO Protocol, or bilateral relations. In this regard, France has the privileged role of observer, since it is geographically present in the regions of the Caribbean, Indian Ocean, Tokyo and Mediterranean Memoranda. France is also monitoring other regional agreements such as the Abuja Memorandum.

However, since recent events at sea have revealed that the human factor is involved in 80 per cent of cases, it has become crucial to help provide the International Labour Office (ILO) with the means to properly prepare the future convention based on maritime labour standards.

II. Expectations of the Vancouver Conference:

In this area, we are proud of the clear orientation indicated in the Vancouver Declaration, which emphasizes, on a number of occasions, the importance of ILO Conventions. We hope that this will result in better consideration of the human element in port State control activity, as demonstrated by the recent campaign that was undertaken a month ago under the Paris Memorandum. It is unacceptable that vessels are allowed to be chartered by crews who are undervalued and work in dangerous situations, where fatigue and understaffing increase the probability of accidents. All unmanned docked vessels represent a cost to society.

Furthermore, this situation could produce distortions of free competition, thereby making harmonization of controls in this regard even more crucial.

Other strategic commitments set out in the Declaration include:

- Member States should strongly commit to a process of mutual recognition of inspections conducted under the Tokyo and Paris Memoranda, and inspections conducted by the U.S. Coast Guard, by ensuring a high degree of control: it is in the interests of governments and the industry to minimize factors that distort competition among ports, like the factors that exist among shipping lines. Harmonization of control procedures will contribute to the maritime trade flow. Therefore, it is important to participate with Germany in heading, within the

framework of the Paris MOU, a new Task Force 31 aimed at making proposals for the development of a port State control policy. Like Denmark in 2004, and Finland next year, France will be pleased to welcome the Paris MOU's Port State Control Committee in 2006.

- With respect to safety, although as of July 1, 2004, the vast majority of merchant ships met ISPS Code standards, measures had not yet been taken in some areas. This situation could be remedied through multilateral cooperation.
- In this same regard, it is also important to consider the application of the ILO Convention 185 on Seafarers' Identity Documents, which aims to facilitate the movements of seafarers without compromising vessel or port safety.

I would also like to add that the title Vancouver Declaration clearly indicates that maritime transportation must increase its transparency. In this regard, EQUASIS is a valuable tool, for which France collaborated with the European Commission, Spain, Japan, the United Kingdom, Singapore and the U.S. Coast Guard.

Now more than ever, the responsibilities of maritime and port players should be more clearly identified. The flag State has an essential role in this area. However, it is up to the collective will of port States to ensure that they work together to no longer accept non-compliant vessels, which are the result of negligence in the accountability chain.

I would like to express my gratitude to Canada for organizing this Conference, which provides an excellent opportunity to share our respective experiences, better understand one another and take action towards common objectives. You can count on France's ongoing commitment to continue with actions to ensure integrated maritime safety, headed by the States because of their responsibility as flag States and port States.

Thank you.

**Presentation by Mr. Hans-Jürgen Froböse,
on behalf of the Federal Minister of Transport, Building and Housing for the
Federal Republic of Germany**

Ladies and Gentlemen,

I am very glad to represent Germany here at this Second Ministerial Conference of the participating States of the Paris MOU and the Tokyo MOU.

First of all, I would like to thank our Canadian hosts for the organization of this important follow-up Conference once again after 1998.

Looking at Vancouver and its magnificent surroundings, I have to admit that this place is an extremely suitable venue.

For Germany, port State control is of paramount importance.

As a founding member of the Paris MOU we take our commitments very seriously. Month after month, we inspect more than 150 ships and we request reports at regular intervals to verify our target figures: that is, did we comply with the 25 per cent quota, did we carry out all mandatory expanded inspections and, of course, were there detentions which caused some sensation?

Especially during the last few years, Germany has undertaken enormous efforts to meet the increased requirements after the amendment of the Directive on Port State Control and the Paris Memorandum of Understanding in 2003.

Thus, we have doubled the number of inspectors since 2001. And with great satisfaction, I can now confirm that all mandatory inspections of high-risk ships are carried out in German ports.

Therefore, we consider ourselves well prepared for the new control regime, which is planned within the framework of the Paris MOU.

The selection of the ships and the frequency of inspections will then be performed strictly according to the individual risk profile of the ships.

Thus, we concentrate our activities systematically on the “sub-standard” ships that, despite the success we have achieved, continue to cause us a lot of worry. At the same time, we relieve the pressure on the operators of quality ships by significantly prolonging the inspection intervals for them.

But as a matter of fact, a risk-oriented regime also includes the concentration on the especially dangerous sectors.

The relevant statistics prove that more than three-quarters of all accidents and dangerous incidents are mainly attributable to the human factor. This has particularly to be taken into account for the elaboration of the new concept of the “inspection procedures”.

Ladies and gentlemen, I am proud that Germany plays a leading role in this project. And I am confident that the Technical Evaluation Group of the Paris MOU will agree on the “nucleus” of the new inspection regime this month. On the basis of the principal elements, namely *risk profile, selection scheme, inspection schemes and rules for the fair share contribution*, the Task Force may then plan the further details.

In this connection, the new database will be of special importance. It provides us rapidly and reliably with the information required in order to apply such a quality regime day after day.

It is true, it is an extremely ambitious task but it is worthwhile. In the end, we will be able to present a flexible system, which determines our inspection activities, subject to ship traffic and the distribution of high-risk ships, and increasingly concentrates the resources on the elimination of sub-standard ships.

Ladies and gentlemen, we all know that port State control is functioning very efficiently and is constantly endeavouring to improve itself so as to make it still more efficient. But in this connection, it is significant that all those involved in maritime transport assume their responsibility effectively.

For this reason, our Canadian hosts have chosen the appropriate motto for this Conference: “Strengthening the Circle of Responsibility”.

Only if the flag States, classification societies, shipowners, ship masters and all other parties involved do not only feel obliged to achieve economic profits but also to ensure safety, security and environmental protection and, last but not least, adequate shipboard living and working conditions, can this “circle of responsibility” really take effect.

The compliance with the international rules is no end in itself. It makes shipping safer, more reliable and, above all, credible. The sooner the last of the black sheep on the oceans realizes that a good performance also entails good business results the better will be the effect on our common cause.

A notable success has already been achieved: with great satisfaction we state, for example, that since the implementation of the tightened banning rules in the Paris MOU region, many sub-standard ships have no longer navigated our waters.

It would be a great step forward if they did not move to other regions but that this restriction of their commercial activities would give them cause to change their views.

Ladies and gentlemen, we protect such valuable assets as human life, the environment and material assets. Port State control bears a high degree of responsibility and it faces this

challenge. At the first Ministerial Conference six-and-a-half years ago, we adopted a whole catalogue of measures and recommendations. These were no lip service and soapbox speeches. The measures that have been taken since then have proved to be effective and they reflect our determination.

This is important for today, too; a lot of work lies ahead of us.

I am sure that we are taken seriously and that we will get much closer to our aim. We are willing to enter into discussions and to cooperate but we will also continue to mercilessly pursue those who still think that they can get away with it.

Ladies and gentlemen, thank you very much for your attention.

**Presentation by Professor Ioannis (John) Tzoannos,
on behalf of the Minister of Mercantile Marine for the
Hellenic Republic**

Dear Colleagues, Ladies and Gentlemen,

It is an honour to be here today on the occasion of such an important event, in a common effort to enhance further the circle of responsibility and coordinated action against sub-standard shipping, in all its aspects.

I would like to express my appreciation for the successful efforts undertaken by both Memoranda following the 1998 Ministerial Conference here in Vancouver. These efforts had a positive impact in improving the standards of shipping in the two regions, to the benefit of safety as well as fair competition.

However, sub-standard shipping still appears in some areas and further action is required in order to eliminate it.

In addition, acts of terrorism, piracy and armed robbery caused great concern to governments, and security measures have been added to the responsibility of port State control administrations.

Our country, a major and traditional maritime nation, has from the beginning placed safety, security and the protection of the marine environment as top priority issues, at both the national and international level.

The pertinent legislation is already in place and is constantly being improved. The essential obligation now is for all parties involved in the maritime field to implement it effectively. In this respect we strongly believe in the uniformity of rules worldwide, since shipping is an international activity. Hence we attach great importance to the work undertaken within the IMO and the ILO.

Flag States are obliged to apply the provisions of the international conventions. They have to set up the appropriate mechanisms in order to fulfill their commitments and strengthen the “first line” of defense.

Port States are considered as the fundamental supplement to this safety regime. This is the “second line” of defense against sub-standard shipping.

Regional arrangements in Europe, in America, in the Pacific, in the Mediterranean, in the Black Sea, in the Caribbean and in the Indian Ocean have taken prompt action against those who insist on neglecting rules and regulations.

The IMO and the European Union have undertaken and continue to contribute in the development of the legislation, which is required for the implementation of an effective port State control regime.

Hellas, among the pioneer members of the Paris Memorandum of Understanding, has created a quite effective system for inspections that ensures safety, security, the protection of the marine environment and the living and working conditions of the seafarers on board vessels.

The Hellenic Port State Control is a body consisting of Coast Guard Officers, adequately trained and coordinated by the Safety of Navigation Division of the Ministry of Mercantile Marine. The inspectors have been dispersed in the 23 busiest ports of the country. Additionally, in cases where inspections in other ports are required, these are covered accordingly.

Taking into account the rapid developments emanating from various instruments such as the ISM and ISPS Code, and the STCW Convention, our services have taken the appropriate steps in order to educate, train and update our inspectors aiming at enhancing their professional judgment.

The latest statistics indicate the effectiveness and the quality level of our work, resulting in an increased number of inspections. This increase indicates the importance of the effective application of the Memorandum.

More than 30 per cent of the ships calling at Hellenic ports are inspected and, to the extent possible, deficiencies are rectified prior to departure. The relevant information is inserted in the Paris MOU database, thus promoting mutual collaboration with other countries, which is our fundamental principle. In this context, information received from all the MOU members is immediately utilized, contributing to the joint efforts of all the member States.

In addition to port State control requirements and aiming to comply with its obligation as a flag State, Hellas has established 23 maritime attaché offices in strategic ports of the globe, staffed by experienced Coast Guard Officers. Their main role is to monitor and inspect the Hellenic flagged vessels calling at these ports, in addition to port State control inspections.

It has been proved that through constant efforts, appropriate application of the international standards, proper maintenance and handling of ships, a successful outcome is obtained, namely to have the Hellenic flag among the quality flags on a world scale.

Ladies and Gentlemen,

Both Paris and Tokyo MOUs have a history of successful performance of their tasks and effective implementation of existing regulations.

I am confident that their valuable work and cooperation, will continue in the future, thus contributing even more decisively to the achievement of our common target, the protection of human life at sea and the protection of the marine environment.

Thank you for your attention.

**Presentation by Mr. Roger F. Tupper,
on behalf of the Secretary for Economic Development and Labour for
Hong Kong, China**

Mr. Chairman, Honourable Ministers, Distinguished Delegates, Ladies and Gentlemen,

I am very pleased to be here today in this very beautiful city to participate in the Second Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding. I would take this opportunity to join others to thank the Government of Canada for organizing this important event and for the hospitality and excellent facilities provided to us here.

Six years ago, in this city, we signed the first Joint Declaration on Port State Control, which contained recommendations to increase enforcement measures and to harmonize procedures for inspecting, detaining and reporting sub-standard vessels. Over the years, with the effort of member economies, considerable improvement on overall quality of shipping has been achieved. However we are not complacent about the current situation and this is why we are here today to further “Strengthen the Circle of Responsibility” to ensure sub-standard shipping has nowhere to hide.

In Hong Kong the port is the most important natural asset for us providing our main conduit for trade. Port State control plays an important role to ensure ships visiting our port are safe and will not pose any threat to life or pollution to our environment. Today we also need to add security as another important aspect of port State control. Also, as a responsible port administration, we have been ensuring ships leaving our port are safe for their voyage. To strengthen our commitment in port State control, we have, since 2003, extended our port State control inspections to 24/7 and we conducted 915 inspections of ocean-going vessels last year, which amounted to over 20 per cent of ocean-going vessels visiting Hong Kong. Our port State control inspections are now conducted more efficiently and effectively by adopting the ships’ targeting factor recently introduced by the Tokyo MOU. With this system, we can now pinpoint ships of suspect quality to concentrate our inspections and detain if major deficiencies are found.

Technical cooperation is another area that we consider very important to ensure shipping quality. Hong Kong is heavily committed to the technical cooperation program organized by the IMO and the Tokyo MOU. We are always willing to share our experience with other port States by participating in expert missions and providing experts to deliver lectures in seminars in the Asia Pacific region. We strongly believe that cooperation and exchange of experience with our fellow members can ensure port State control inspections are carried out in a uniform and transparent manner avoiding unreasonable delay to ships.

Apart from being a port administration, Hong Kong, China, also maintains its own shipping register. To date, the tonnage of the Hong Kong Shipping Register is 24.6 million gross tonnes with 974 ships. Being a quality flag administration, it is always our

objective to ensure ships registered with us fully comply with all relevant requirements of the international conventions. We are extremely careful with the quality of ships flying our flag. We do this by monitoring the performance of Hong Kong registered ships and their management companies as well as the classification societies by mean of an innovative Flag State Quality Control System, which ensures the ships comply fully with the applicable international standards.

Under the system, a computerized database is used for selecting ships and companies for inspections. Last year we carried out 39 ship inspections and nine visits to management companies overseas. Port State detention rates for our registered ships are low and continue to remain well below the world average. The Hong Kong register is now on the White List of the Paris and the Tokyo MOUs, as well as having been included in the “QualShip 21” program of the United States Coast Guard. With the concerted effort of the industry and the recognized organizations, we are pleased to see that the Hong Kong Register is widely accepted as a reputable flag.

The port State control inspection regime certainly has an important role to play in eliminating sub-standard ships; however, the system alone will not eliminate sub-standard shipping completely. Sub-standard ships are still able to trade in areas where port State control inspection is weak or non-existent. This can only be rectified if every flag administration and port State fulfills its responsibilities to enact appropriate local legislation to enforce IMO instruments and deploys sufficient properly trained staff to do so, and if every flag State controls and monitors its survey and certification process and regulation of its recognized organizations. Then and only then will the complete elimination of sub-standard shipping be achievable.

We fully support the IMO’s initiative to introduce a Voluntary IMO Member State Audit Scheme where member States should demonstrate that they have fulfilled their Convention obligations including the effective monitoring of their vessels and of their delegated authorities.

Ladies and gentlemen, it is now the time for us to further strengthen our effort to eliminate sub-standard shipping. I can assure you that Hong Kong, China, will continue to do its best to support international efforts, such as the forum today and other IMO initiatives, to fight against sub-standard shipping in order to ensure the safety of maritime transport, to protect the marine environments as well as the lives at sea.

Thank you.

**Presentation by the Honourable Sturla Böðvarsson,
Minister of Communications, Transport and Tourism for Iceland**

Mr. Chairman, Honourable Ministers, your Excellencies, Ladies and Gentlemen,

I am pleased to have this opportunity to attend the Second Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding. I would also like to extend my sincere thanks to the Canadian Government for arranging this Conference here in the beautiful city of Vancouver.

Iceland depends on safe and reliable transport by sea. Now, being the only alternative to air transport, about 98 per cent of all imports and exports are shipped via sea routes.

Still today, the economy of Iceland depends heavily upon fisheries. Over 60 per cent of the value of goods exports of Iceland is fish and fish products. In view of this, it is of fundamental importance for Iceland to maintain a stable and sustainable fishing industry and a safe and a secure marine transport to and from the country. The tourism sector has grown considerably in Iceland during the last decades, which has *inter alia* resulted in a substantial growth in passenger ship visits in Icelandic ports in the last few years. For all those reasons Iceland attaches great importance to maritime safety, maritime security and unpolluted oceans. One important aspect of this are recent amendments to the MARPOL convention as addressed in the Declaration.

Most of the sea transport to and from Iceland is operated with foreign flag ships that are, of course, subject to control by their flag States. As a port State, Iceland would like to have confidence in that relevant flag States, shipping companies and the crews work together to ensure compliance to relevant international instruments. Unfortunately, the pressure to revert to sub-standard shipping for competitive reasons imposes unacceptable risk on safety and security as well as well as for pollution incidents to happen. Consequently, I must say, port State control is a necessity.

Today about 350 ships call at Icelandic harbours yearly and most of them several times. Some are used by local shipping companies for scheduled service. Port State Control Officers inspect about 25 per cent of all ships calling Iceland, or 82 ships. Notices are given quite often and in some instances ships have been detained until necessary measures were taken.

Just like at the First Joint Ministerial Conference, we are now facing new challenges for the future that require new action by the member authorities of both Memoranda. Iceland fully supports the actions listed in the Declaration that we have in front of us.

Mr. Chairman, there are three issues I would like to emphasize. In particular, we are happy to see that the two Memoranda will now be instructed to address the illegal, unregulated and unreported fishing, the so-called IUU Fishing. IUU fishing is a real

problem that not only undermines sustainable fisheries but also has substantial safety risk implications.

According to data from some UN agencies, fishing is the world's most dangerous occupation with more than 24,000 deaths per year. It is therefore disappointing that neither the 1993 Torremolinos Protocol on the Safety of Fishing Vessels nor the 1995 STCW-F Convention for Standards of Training, Certification and Watchkeeping of Fishing Vessel Personnel have yet entered into force. Global and effective implementation of these two instruments could reduce the unacceptable loss of life and help in combating IUU Fishing.

In paragraph 5.7 of the Joint Ministerial Declaration, a determination is expressed to urge member States of both Memoranda that have not ratified all relevant instruments to do so as soon as possible.

Mr. Chairman, I would like to use this opportunity to encourage Governments, that have not already done so, to ratify the 1993 Torremolinos Protocol and the 1995 STCW-F Convention and thereby contribute to their entry into force.

I thank you all for your kind attention.

**Presentation by Ms. Binarti F. Sumirat,
on behalf of the Minister of Communications for the
Republic of Indonesia**

Mr. Chairman, Ladies and Gentlemen,

First of all, let me begin by congratulating the Government of Canada for their excellence in arranging the Second Joint Ministerial Conference of the Paris and Tokyo Memoranda on Port State Control. I would also like to extend my Minister's apology for not being able to attend this important meeting due to many agenda he should take care of at home; besides he is just newly appointed as the Minister of Communications at our new Government a few weeks ago.

Before explaining about the importance of the port State control regime in Indonesia, I would like to brief on the structure of Indonesia's Department of Communications under which the issues related to port State control were also dealt with. One of the three directorate generals at the Department of Communication is the Directorate General of Sea Communication (DGSC). Its main functions are, among others, to formulate technical policies; to provide guidance and management; and to issue permits, licenses, certificates in the field of sea transportation, ports, shipping and seafarer, navigation and guard and rescue. Under the DGSC, there are five directorates: (1) Directorate of Sea Traffic; (2) Directorate of Marine Safety; (3) Directorate of Port and Dragging; (4) Directorate of Aid to Navigation and (5) Directorate of Guard and Rescue. Directorate of Guard and Rescue (DGR) deals with the issues of security, surveillance and marine disaster response, port safety and security, savage and underwater works, and facilities management. DGR controls all the ships in Indonesian ports and issues the sailing permits.

Mr. Chairman, ladies and gentlemen, now I would like to mention the legal infrastructures as a basis from which the matters of shipping and issues related to port State control regime are dealt with. The Government of Indonesia already promulgates some important laws and regulations as follows:

- Law number 21 Year 1992 on Shipping;
- The Presidential Decision number 47 Year 1976, dated November 2, 1976, on the ratification of International Convention on Load Lines 1966;
- The Presidential Decision number 50 Year 1979, dated October 11, 1979, on the Ratification of International Regulation for Preventing Collisions at Sea 1972;
- The Presidential Decision number 65 Year 1980, dated December 13, 1980, on the Ratification of International Convention for the Safety of Life at Sea;
- The Presidential Decision number 46 Year 1986, dated September 9, 1986, on the Ratification of International Convention for the Prevention of Pollution From Ships 1973 and the 1978 Protocol relating thereto;

- The Presidential Decision number 60 Year 1986, dated December 4, 1986, on the Ratification of International Convention on the Standards of Training, Certification and Watchkeeping for Seafarers, 1978;
- The Presidential Decision number 21 Year 1988, dated June 29, 1988, on the Ratification of 1978 Protocol Relating to the International Convention for the Safety of Life at Sea 1974;
- The Presidential Decision number 5 Year 1985, dated January 25, 1989, on the Ratification of International Convention on the Tonnage Measurement of Ships, 1969;
- The Decision of the Minister for Communication number KM.24 Year 2001 on the Structure and Organization of DGSC;
- The Decision of the Director General for Sea Communication number AL.60/1/3-99, on the guidance on the surveillance of the foreign flags vessels at Indonesia's ports.

Mr. Chairman, ladies and gentlemen, Indonesia already implemented port State control at the open ports of Indonesia, totaling 140 ports. Yet, Indonesia has reported its 80 open ports to Tokyo MOU. Of 80 ports already reported to Tokyo MOU, not all have of them have Port State Control Officers (PSCO). Indonesia at present has only around 122 PSCOs.

The average number of foreign flag vessels calling to enter Indonesian ports are 4,500 per annum.

Indonesia also received port State control training from other countries such as Singapore, Australia and Japan. For that, Indonesia would like to extend its gratitude.

Now let me turn to the international regulations that Indonesia already ratified. The international regulations/conventions are:

- Load Lines Convention 1966
- 1988 Protocol to the Load Lines Convention
- SOLAS Convention 1974
- 1978 Protocol to the SOLAS Convention
- 1988 Protocol to the SOLAS Convention
- MARPOL Convention 73/78 (Annex I & II)
- STCW Convention 1978, as amended
- COLREG 1972
- Tonnage Convention 1969

Mr. Chairman, ladies and gentlemen, some problems that Indonesia is facing today among others are:

- The number of PSCOs are still very limited so that not even all of the open ports are fulfilled by PSCOs;

- Not all ports are equipped with APCIS, so that their reports are still transmitted manually to the Headquarters office via facsimile;
- Not even all the PSCOs have upgraded their knowledge on ISPS Code.

I thank you very much.

**Presentation by Mr. Pat the Cope Gallagher T.D.,
Marine Minister at the Department of Communications, Marine and
Natural Resources for Ireland**

Mr. Chairman, fellow Ministers, Ladies and Gentlemen,

I thank our Canadian colleagues for their initiative in hosting this Ministerial Conference for a second time and for their kind hospitality throughout.

As an island State, with over 90 per cent of our import and export trade handled by shipping, Ireland is actively participating in addressing the key concerns of maritime safety and security. Ireland believes that a strong lead is needed in influencing the global maritime safety agenda. We have to take measures to ensure that ships and operational arrangements are safe and that security measures are effective.

Measures used for regulating the sector, including how the control regimes are to be implemented, have an important impact on the operation and development of the sector. At the same time the control regimes have to be both effective and complementary across the board for optimum impact.

It is important that official bodies are effective in meeting international obligations relating to maritime safety, in the formulation of best practice in shipping, and in the development of seafaring as a desirable occupation for young people worldwide.

I recognize the importance of port State control and the initiatives being taken in this area at an international level.

Substantial actions have been implemented in relation to maritime safety and these actions have contributed to the improvement of global standards. However, sub-standard shipping still persists and there should be no question of complacency. Further action is necessary to deal with this issue.

The role of regulation and regulatory reform in enhancing the safety and security of the world fleet is significant. There should be a risk-based approach to targeting ships for port State control, which may result in a more efficient use of resources. Rewards and incentives should be developed for good ships such as lengthening the periods in between inspections. Resources could then be diverted into targeting bad ships for more frequent inspections.

Ireland is playing a full role in implementing port State control by ensuring regular inspection of vessels to ensure compliance with the regime. I believe that the monitoring of vessels by regular inspections is proving to be an effective measure in encouraging compliance and implementation of port State control. To the end of September 2004 we have inspected 299 vessels, which is 75 per cent of our inspection target for 2004. We fully expect to meet our annual obligations, having exceeded it in 2003.

Flag State Administration

As a flag State administration, Ireland takes its responsibility seriously by ensuring that Irish registered vessels are in full compliance with the international conventions.

Maritime Security

My Department has overall responsibility for the implementation of the maritime security requirements. The Department engaged with all the relevant ship owners, ports and port facilities impacted by the ISPS Code, to ensure their compliance with the new security measures.

By the deadline date of 1st July 2004 all Irish port facilities serving international traffic were compliant with the maritime security requirements.

My Department is currently implementing a program to monitor maritime security in Ireland.

Environmental

Owing to the international nature of shipping, action to prevent pollution of the marine environment is most effective when taken by agreement at regional or international level. Our valuable but vulnerable coastline has convinced us of the importance of achieving the highest standards of safety on ships. Ireland has consistently supported measures in this regard at the international level.

The condition of the marine environment does not remain unchanged; it is continually evolving. Similarly the state of international shipping and other factors that affect the marine environment are continually changing. International and other instruments are accordingly kept under review and updated as required.

Conclusion

Ireland will continue to ensure that safety on our seas remains of the highest priority and will also continue to cooperate on the worldwide stage in this regard. We must continue to meet the challenges facing us in the context of the Paris and Tokyo Memoranda of Understanding on Port State Control to ensure the maximum effectiveness of this powerful and valuable method of control. The work of this Conference and the signing of this Declaration emphasize the importance that all parties involved in shipping must cooperate and work together to strengthen but also to close “the circle of responsibility” and eliminate sub-standard shipping, to strengthen their joint commitment to safety, security and environment, to enhance the reputation of the maritime industry as a whole, and to hold each other accountable in order to safeguard human lives.

I thank you for the giving me the time to make my contribution to the Joint Ministerial Declaration.

**Presentation by Admiral (ICG) Sergio De Stefano,
on behalf of the Minister of Infrastructure and Transport for the Republic of Italy**

Mr. Chairman, Ladies and Gentlemen,

It is my pleasure and privilege to address you on behalf of the maritime authorities of the Republic of Italy. I would like to apologize for my Minister of Infrastructure and Transport, who was prevented from attending this important meeting by unavoidable government commitments.

The nice and friendly environment of Vancouver and the hospitality of Canadian authorities have given me a very deep impression. I would also like to take this opportunity to express the appreciation to the Canadian Government and relevant organizations for their good preparation that has made this Conference successful.

This Second Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control is a valuable opportunity to evaluate the contribution that port State control has made to the improvement in safety of world shipping since its inception in the early 1980s and to plan how we can together continue to ensure that the highest possible safety standards are maintained worldwide.

I believe that today's Declaration will give further impetus to the objectives of port State control and will reinforce the link between the two regions for the achievement of common goals and a genuine global approach to maritime safety and the environment.

I am convinced that the commendable initiative of the Canadian government to align the Tokyo and Paris Memoranda of Understanding will contribute substantially to improving the safety of navigation and better protecting the marine environment around the world.

A very large number of international instruments to improve the safety standards for ships and their operation have been newly created, amended or refined in recent years, through the deserving initiatives within the International Maritime Organization and the European Community.

Therefore, we would like to suggest to all parties concerned that they should concentrate on the application of the already available instruments and to evaluate their real impact on the safety standard of shipping, rather than to take initiatives to create additional new regulations.

Obviously, these instruments by themselves cannot provide safer shipping. They will have some effect only when they are consistently, meticulously and harmoniously applied by everybody involved and, more specifically, by respective governmental services entrusted with that task.

The effect of the legal instruments on the actual safety standards in the shipping industry largely depends on the performances of these services.

In such a view it is welcome that the IMO initiative on the voluntary IMO Member State Audit Scheme can play an important role in achieving a universal standard of application of the regulations within maritime administrations through well-defined areas of responsibility, requirements concerning the personnel, i.e., qualifications, job training, permanent updating of knowledge and know-how.

Having said that, I would like to highlight the importance given by Italy to the effective application of the Memorandum.

In Italian ports, about 2,500 inspections are performed annually, representing about 12 per cent of the whole effort made by Paris MOU members.

The Italian Port State Control regime is implemented by Coast Guard Officers under the coordination of the Italian Coast Guard Headquarters, Safety of Navigation Department.

They are trained and educated in all relevant procedures in order to continuously enhance their professional knowledge, to improve their ability to evaluate both the standards of safety of ships and the operational proficiency of the crews.

Utmost importance is also given by my administration to the standards of inspection that can reach the highest level through an appropriate training of the inspectors.

The final goal is the equal level of inspection and the uniform implementation of port State control worldwide. Measures that can be used to help include exchange of PSCOs and shared training program not only between the member States of each Memorandum but between the members States of both Paris and Tokyo Memoranda.

As long as control procedures are harmonized within the two regions, we do look at them as a major contribution to increase safety at sea.

The determination of our individual Governments to move ahead on the harmonization of practice and to continue the actions undertaken for quality, integrated marine safety, which necessitates every flag and operator being in compliance with international standards, will contribute to the increased effectiveness of port State control within the two regions.

Thank you.

**Presentation by Mr. Tadao Iwasaki,
on behalf of the Minister of the Land, Infrastructure and Transport for Japan**

Mr. Chairman, Distinguished Ministers, Ladies and Gentlemen,

It is my honour to have the opportunity to participate in the Second Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control in the beautiful city of Vancouver. The nice and friendly environment of Vancouver and the hospitality of the Canadian Government have given me a very deep impression. I would like to take this opportunity to express my sincere appreciation for the initiative of the Canadian Government to convene such a Conference and the invitation of a considerable number of Ministers, responsible for maritime safety and marine pollution prevention, as well as representatives of the International Maritime Organization and the International Labor Organization.

Japan is highly dependent on shipping for the export and import of various items, including basic industrial materials such as petroleum and ore. And also Japan relies on marine resources for food. Therefore, maritime safety, maritime security and marine environment protection are of great importance and Japan fully supports the central message of our Joint Declaration that all parties involved in shipping must cooperate and work together to eliminate sub-standard shipping, which threatens maritime safety, maritime security and marine environment.

Many problems caused by sub-standard shipping have already been addressed. Under the auspices of the IMO, various international treaty instruments for the enhancement of maritime safety, maritime security and for the prevention of marine pollution, such as SOLAS, MARPOL and STCW, have been developed and implemented. As a result, significant progress has been made, and Japan highly appreciates IMO's role and contribution in this respect.

Japan further recognizes that port State control has been executed cooperatively by the member States of both the Paris and Tokyo Memoranda of Understanding and that the standard of shipping in two regions have been improved remarkably.

However, Japan also understands that further action is necessary to combat sub-standard shipping, noting that there still have been a certain number of marine accidents and incidents with loss of lives, damage of property and marine environment and that they were caused by sub-standard ships that had not fulfilled the implementation of the international conventions sufficiently.

I would like to present three schemes on this occasion that we believe are very important in order to eliminate sub-standard shipping.

First, there is the implementation of the IMO Member State Audit Scheme.

Although we acknowledge that strong port State control is one of the functional measures to eliminate sub-standard shipping, we firmly believe that strong action of flag States, which are primarily responsible for implementing the international conventions, coupled with responsible actions of shipowners and operators, is required to effectively eliminate sub-standard shipping. From that point of view, we think that the Member State Audit Scheme, which has been prepared by IMO, is very important. I would like to express my sincere respects to Mr. Mitropoulos, Secretary-General of IMO, who has been dedicated to the implementation of this scheme and I hope he will take further initiatives to realize this scheme.

Secondly, I would like to address the promotion of the Targeting Inspection System, in order to execute port State control inspections effectively.

We understand that many shipping companies maintain their fleets at an excellent level. In Japan, 124 Port State Control Officers, who are exclusively engaged in PSC, are stationed at 46 maritime offices all over the land. In order to achieve maritime safety and prevention of marine pollution, we must use those human resources effectively. On the other hand, we think it necessary to establish the inspection system, which is to target the shipping companies operating sub-standard ships and to give incentive to ships that are maintained in good condition and present less hazardous risks.

From this year, Tokyo MOU has introduced the Targeting Inspection System based on former ships' inspection records. However, in order to practice port State control more effectively, we believe that it is important to study and establish the scheme by taking account of not only ships, but also shipping companies, which operate sub-standard ships.

Thirdly, I would like to address the promotion or continuous development of training and seminars for the Port State Control Officers in the region.

We have accepted about 30 Port State Control Officers per year for PSC training from the member States of Tokyo MOU and also dispatched experienced Port State Control Officers to those countries for lectures and on-site training.

We also intend to contribute to those training and seminars in the region, by intensifying port State control on maritime security, in accordance with the requirements of SOLAS amendments that entered into force on 1 July of this year.

In addition to those schemes, I would like to introduce a new approach, which has been established in Japan in order to eliminate sub-standard shipping in a wide sense. This approach resulted from the fact that numerous marine accidents and incidents caused by ships, other than oil tankers, were reported and that, among those, quite a few ships were abandoned on the coasts without suitable procedures being taken to compensate for the oil pollution.

As a countermeasure to this problem, a new law has been legislated and will enter into force in March 2005 in order to deny entry of ships, other than oil tankers, that intend to

enter ports without being insured for compensation of oil pollution and expenses for removing the hull in cases where they are abandoned.

In addition to the port State control activities in which we have been engaged so far, we believe that this new system will contribute to eliminating sub-standard shipping.

Above all, I would like to express the necessity of the deep involvement of all parties relating to the marine industry, as well as the member States of both Memoranda and international organizations such as IMO, ILO, whose delegates are attending now.

To conclude my remarks, I strongly support the Ministerial Declaration to ensure that all the parties concerned should fulfill their responsibilities thoroughly and would like to issue an emphatic warning message to those who continue to allow the existence of sub-standard shipping.

Thank you very much for your attention.

**Presentation by the Honourable Seung-Woo Chang,
Minister of Maritime Affairs and Fisheries for the Republic of Korea**

Mr. Chairman, Ministers, Distinguished Delegates, and Ladies and Gentlemen,

First, let me say that I am delighted to be here in Vancouver, one of the most beautiful cities in the world, and I am greatly honoured to participate in the Second Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control.

Also, as a peninsula nation whose trade is almost wholly dependent on maritime transport, the Republic of Korea would like to sincerely thank the Canadian Government for the excellent job they have done in hosting this Second Ministerial Conference.

The Republic of Korea is poor in natural resources and its economy relies greatly on trade with foreign countries by sea. As a result, the Government strongly emphasizes the importance of safe and reliable maritime transport.

Having over three thousand islands and over 17,000 kilometres of coastline, the Republic of Korea is too well aware of the hazards to our safety and to our economy that may arise if we allow unsafe shipping in our coastal waters.

To start with one especially tragic example, we had a terrible passenger boat disaster about 10 years ago that claimed 292 lives. The SEOHAE Ferry sank off the west coast of the Korean peninsula on October 10, 1993. Among the victims were a few of my close friends and colleagues.

In addition to endangering human life, unsafe ships end up harming the marine environment.

Unfortunately, Korea experienced several accidents involving oil tankers around the southern coast of its peninsula during the 1990s, resulting in costly and harmful spills. In 1995, the oil tanker No.1 YUIL, after running aground, sank in the centre of one of Korea's most sensitive aquaculture zones. In 1997, another tanker, the No.3 OSUNG, sank in a similar area. In 1995, a foreign oil tanker, named SEA PRINCE, spilled more than 5,000 kilolitres of crude oil in the waters around the numerous islands on the southern coast of the Korean peninsula. The damages from these accidents were immeasurable.

These accidents served as painful yet valuable lessons for the Government of the Republic of Korea on the importance of maritime safety, human life and the marine environment.

A watershed came when the United Nations Convention on the Law of the Sea (UNCLOS) entered into force in November 1994, and full-fledged competition began among nations around the world for the development of marine resources. Consequently, more attention has been paid to the ocean, with major marine powers formulating their national marine development programs from more long-term and strategic perspectives.

Under such circumstances, Korea established the Ministry of Maritime Affairs and Fisheries (MOMAF) in August 1996, to integrate the various functions that had been performed by thirteen different ministries and agencies. The integration was intended to develop the Republic of Korea as a leading marine power by making marine policy a higher priority and boosting the competitiveness of the nation's marine industry.

At present, the MOMAF has major objectives, as follows:

- sustainable development of marine resources;
- enhancing maritime safety and protection of the marine environment;
- construction of hub-ports with the view of becoming the region's logistics centre; and
- ensuring the stable supply of fisheries products.

The MOMAF, as a progressive governmental organization, aims to contribute to the common prosperity of the world through its maritime policies that not only provide closer cooperative relations among the multinational community but also harmonize the development and preservation of the marine environment.

To free the maritime industry, marine environment and human life from the hazards and problems caused by sub-standard ships in our coastal waters, the Republic of Korea commenced PSC activities in 1986. Since 1994, the Republic of Korea has participated actively in the regional activities as a signatory of the Tokyo MOU.

As a result of strenuous efforts, the PSC inspection rate in the Republic of Korea doubled between 1998 and 2002 from 15 per cent to 35 per cent. On the other hand, the number of Korean vessels detained by other port States fell from 43 in 1998 to 18 in 2002.

Until last year, most Port State Control Officers in the Republic of Korea had completed the high level training courses of Expert Mission with the assistance of the Tokyo MOU Secretariat and many excellent lecturers from many countries, such as Canada, Hong Kong and Australia. These courses were valuable opportunities for PSC officers to deepen the knowledge needed to perform PSC activities in a proper and harmonious way.

To perform PSC activities in a more compatible way with neighbouring countries, the Republic of Korea has maintained an exchange program of Port State Control Officers with the Peoples Republic of China since 1999.

Both countries dispatch three or four Port State Control Officers every year to the other country for a period of two to three weeks. Port State Control Officers of both countries

come on board the vessels together and inspect the condition of the vessels. Returning home, they describe their experiences to other Port State Control Officers through seminars or workshops. This program appears to really help PSC officers understand the different viewpoints countries have when carrying out PSC activities.

The committees of both Paris and Tokyo MOUs decided to conduct a Concentrated Inspection Campaign (CIC) on maritime security from July 1 to September 30, 2004. During the period, the Republic of Korea conducted onboard inspections of 874 vessels, and detained nine vessels that did not have valid International Ship Security Certificates (ISSC) or were not equipped with the Ship Security Alert System (SSAS). Twenty-four per cent of the vessels inspected had minor deficiencies in security aspects. While 130 vessels under the flag of the Republic of Korea were inspected worldwide, not a single ship was detained.

PSC is thought to be more effective when it is implemented on a regional or inter-regional basis. To this end, both PSC committees are urged to keep each other fully informed of all new PSC initiatives undertaken in their regions.

The Republic of Korea will continue to strongly support activities within the IMO and Tokyo MOU to more clearly prescribe and promote the responsibilities of the flag States in order to upgrade maritime safety and thus protect human life and the marine environment.

As you know, the First Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control was held in Vancouver in 1998, the year declared by the United Nations to be the Year of the Ocean. I understand that the First Ministerial Declaration signed by the PSC-related Ministers of both MOU members helped improve shipping in the two MOU regions and also did much to decrease sub-standard shipping worldwide.

I am sure that this second Ministerial Declaration will reconfirm our commitment to eradicate sub-standard shipping and will serve as a framework for new global policies and programs to facilitate such elimination efforts.

Once again, I would like to emphasize the importance of cooperation to “Strengthen the Circle of Responsibility”. Considering the characteristics of international shipping, I believe we can achieve more by working together.

Finally, I need to express my sincere thanks to the Honourable Jean Lapierre, Canada's Minister of Transport, and his colleagues for taking the initiative for this Second Joint Conference.

Thank you very much.

**Presentation by Mr. Datuk Douglas Uggah Embas,
on behalf of the Minister of Transport for Malaysia**

Mr. Chairman, Honourable Ministers and Deputy Ministers, Heads of Delegation, Ladies and Gentlemen.

A very good morning to all.

First and foremost, I would like to congratulate the Government of Canada for its initiative in hosting this Second Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control and for allowing me to address you on behalf of the Honourable Dato' Sri Chan Kong Choy, the Minister of Transport Malaysia, who is unfortunately unable to attend. I would like also to express my sincere appreciation to the Government of Canada for the excellent arrangements made and kind hospitality accorded.

The Conference theme of "Strengthening the Circle of Responsibility: Inter-regional Action to Eliminate Sub-standard Shipping" recognizes that we need the cumulative effort of all parties concerned to rid our oceans of sub-standard ships and hence protect our marine environment. Without this effort and cooperation, we will continue to see sub-standard ships operating; perhaps accidents, and our shores will still be threatened, not only by oil spills, but also by other more persistent and toxic substances that are being transported today.

Malaysia fully supports this initiative and will endeavour to do our utmost to fulfill our obligations under the various international maritime conventions that we are a party to. We believe in total cooperation in ensuring safer ships and cleaner oceans. It is our objective to have a zero detention rate for Malaysian registered ships, and to realize this we are conducting more flag State inspections as this is the first line of defense. Under the International Safety Management (ISM) Code, the Malaysian Administration will conduct additional verification on shipowners whose ships have been detained for deficiencies. Similarly, we will strive to carry out port State control inspections on vessels that call at our ports, in accordance with the agreed target.

We have presently promised to conduct port State control inspections on 583 vessels annually. Last year we managed to inspect 352 vessels, which is 60.4 per cent of the set target. This underachievement is mainly due to most of our ports receiving the same ships that have been inspected at neighbouring ports. We will of course strive to achieve any set target by enhancing our capacity and capability to ensure we fulfill our commitment.

Malaysia strongly believes in quality rather than quantity; as such, we target those ships that are in the 'medium', 'high' and 'priority' category rather than inspecting ships at random. Malaysia also conducts Concentrated Inspection Campaigns (CICs) whenever a new regulation comes into force or there is a record of accidents or casualties for a certain

type of ship. For example, a CIC on bulk carriers more than 10 years of age, and inspections under the International Ship and Port Facility Security (ISPS) Code have been conducted recently. Earlier CICs have been conducted under GMDSS and the ISM Code.

After recent events of terrorism worldwide, security is the topic of the present. Malaysia, too, welcomes the new SOLAS amendment on security measures for ships and port facilities, and I am pleased to announce that we have 98 per cent of port facilities and 343 ships complying with the requirements of the ISPS Code.

Mr. Chairman, in the area of maritime casualties, almost all causes are directly related to the human element. This can be attributed to more sophisticated equipment on board vessels. New technology utilized on board ships results in reduced manning. This in turn places a heavy toll on seafarers with more responsibilities and regular familiarization on newer equipment. It is further aggravated by competitive commercialization with short turnaround of ships resulting in shorter rest periods. Therefore, the working and living conditions for seafarers have to be maintained to satisfactory standards. Malaysia fully implements the provisions of the ILO Conventions even though we have yet to sign any of its Conventions.

Mr. Chairman, with Administrations conducting Flag State Implementation inspections on their own vessels being a welcome approach, it is also the responsibility of countries to ensure that ships calling at their ports are safe and secure. As such it is highly timely to “strengthen the circle of responsibility” between not only our neighbours but the world throughout to endeavour to phase out sub-standard ships.

It is our belief that flag States are willing to implement related conventions but the lack of resources, in terms of manpower and finances, greatly hamper their ambition. Further more it is necessary that the personnel be adequately trained. Training of our Port State Control Officers (PSCO) is of utmost importance where we place great emphasis on ensuring our present PSCOs are fully conversant with the new regulations.

In conclusion, we take this opportunity to reaffirm Malaysia’s commitment in improving safety at sea especially eradicating sub-standard ships.

Thank you.

**Presentation by His Excellency Como van Hellenberg Hubar,
on behalf of the Minister of Transport, Public Works and Water Management for
the Kingdom of the Netherlands, and
President of the Council of the European Union**

Honourable Chairman, Ladies and Gentlemen,

It is with great pleasure that I attend this second Joint Ministerial Conference on Port State Control on behalf of our Minister of Transport and Water Management, who regrets very much that she was unable to personally accept the Canadian invitation due to heavy scheduling commitments. I am also speaking in my capacity of representative of the Presidency of the European Union (EU).

It may not be a surprise to you that the Netherlands, being a maritime nation with a considerable trading fleet, seaports of great importance and bordering on a sea area which provides not only food resources but also constitutes a great natural value, attaches great importance to port State control as a means to combat sub-standard shipping.

We are proud to be one of the founding fathers of the system of port State control as we know it at the present time. We are also proud of the fact that, from the very beginning, we were able to provide the Secretariat for the Paris MOU. Over time, this Secretariat has proven to be an indispensable factor for the continuous improvement and harmonization within the region. It has also been helpful in providing a recognizable face to the international maritime industry.

This inspection system has been, and still is, a role model for other regions who decide to join the international efforts against ships in a bad state of repair, run in a sub-standard way by badly trained and poorly motivated crews and operated by owners with a poor sense of responsibility. Ships that are often overseen by flag States, incapable of taking the responsibility they accepted by ratifying or acceding to the international maritime conventions.

This successful inspection system has also been a model for a similar regime in aviation.

During the past two decades this system of port State control has matured into a well-respected and sometimes even feared institution. Yearly, this institution produces statistics that are eagerly awaited, studied and acted upon by the international shipping community. The statistics show that we book positive results in the fight against sub-standard shipping. Nothing wrong there.

At the same time, however, in the recent past we have been faced with unexplainable incidents with serious consequences for the marine environment. Even on our own regional doorstep. Not surprisingly, such disasters also draw criticism on our system of port State control. Are we inspecting the right ships? Is the quality of our inspections

sufficient? Has the system become too rigid? Are we putting too much effort in inspecting ships because the system decides they are due for inspection, instead of inspecting ships that pose the greatest risks?

The port State control system should focus on sub-standard ships, while at the same time trying not to use up too many resources of the inspection service as well as the ship's crew. Inspecting safe ships with good capable crews and respectable owners must be avoided. In recent years, the possibility of adopting a system of rewards for ships with a good track record has been suggested and studied within the regions. I would support a system that indeed reduces the inspection burden on ships that have consistently been operating in a safe way.

The burden of inspection is certainly a point that deserves our attention when looking at the present developments to enhance transport by sea, that at this moment are taking place within the EU.

Coastal trades are traditionally an important part of the Dutch maritime industry. Therefore our interest in the further development of the modern day variant of "Short Sea Shipping" as a valid alternative to long haulage international road transport, is high on our European agenda. We wish to attract quality owners with quality tonnage, offering them an equivalent quality operating environment without an unnecessarily heavy inspection burden.

This all will need a revision of the present targeting system and I am glad that a project to redefine our targeting system has already been taken up within the Paris MOU with the objective of creating an even more risk-oriented approach than the present system already encompasses.

I am also pleased that the European Commission has announced that, probably still within the period of the Netherlands Presidency of the Council, it will come forward with proposals for the amendment of the Directive that regulates the way the member States of the European Union have to carry out port State control. If the signals are interpreted correctly, these proposals will also point to more effective targeting, enabling us to put our scarce resources where they have the greatest impact.

I would strongly encourage the Paris MOU and the European Commission to explore avenues to further expand their mutual cooperation.

In years past we have seen that an ever-growing importance has been attached to port State control. But its success may have a dangerous undesired consequence: instead of being the last line of defence as intended, it is now often considered by the public and politicians as the only remaining line of defence. At earlier occasions we have expressed our dismay with this development. Although the scope of inspections by PSC Officers has increased during the past decades, a PSC inspection is definitively not suited to replace the responsibility for efficient overview by the flag State.

The Netherlands therefore strongly supports two recent developments within IMO: the Voluntary Audit Scheme and the draft implementation code that will be discussed in the upcoming session of the subcommittee on Flag State Implementation. These two new instruments will focus on the responsibilities to be undertaken by all parties to the international maritime conventions. Their success may counter the tendency to believe that port State control is the main instrument, or even the only option to eliminate sub-standard shipping.

An efficient exchange of information on the results of inspections between port and flag States and the preparedness of flag States to act upon receiving such information could also assist those flag States to take their responsibilities seriously.

Not only flag States, however. With the public availability of much information on inspection results, all maritime industry parties that are part of the “circle of responsibility” should feel motivated to act and take corrective action within their range of influence. This is the only way in which the circle can be closed.

I already mentioned the scope of PSC inspections. The scope tends to widen. From a purely technical inspection, our PSCOs also started to look into the operational ability of crews and ship management systems. This requires new knowledge and experience.

Recently the element of security has been added to the remit of port State control. We should of course take the threat of terrorism against international shipping extremely seriously and the introduction of ISPS into PSC is quite logical.

However, in Europe as well as elsewhere in the world, the maritime industry is faced with a diminishing ambition of young people to embark on a maritime career. It is from this diminishing source that Administrations have to draw new personnel to be trained as PSCOs, the same source from which shipping companies and classification societies have to draw their personnel.

At this point I must mention the great training efforts that are undertaken within the framework of the Paris MOU, but these are intended for experienced PSCOs.

The training of new officers is of concern to us. Existing procedures expect such new entrants to have ample maritime experience. It is clear that we have to brace ourselves for a situation in which the only available entrants will have no such experience upon which to base further training. This inevitably means that we have to think seriously about alternative entry requirements for PSCOs and adjustment of the curriculum.

A final remark. The Netherlands Maritime Administration is involved in a process of change on the policy side as well as on the executive side. The economic necessity of reduced government spending requires us to rethink the way we do our job, at the same time honouring our commitments and keeping up our responsibilities as a flag, port and coastal State. This means for the Netherlands that for survey and certification activities

we will in the future make more extensive use of existing inspection resources such as Recognised Organizations. The Administration will concentrate on risk-based supervision and enforcement. External information on PSC results on Dutch flagged vessels will play an important part in allocating our resources.

A change of role for the inspector is also envisaged. While keeping the responsibility for oversight of safety and security of the shipping system, more emphasis will be given to stimulating or forcing the industry to take up its responsibility more clearly. The industry will be asked to actively show compliance instead of waiting for approval. One of the ways to promote this is to give room to create alternative solutions, such as a more goal-oriented regulation. In discussions with our industry, this approach is welcomed.

This will need a change of culture within the organization and the industry that is not easy to achieve. I am convinced, however, that we will succeed and that also in this renewed organization we will be able to take our international responsibilities as before in the most effective way and that we will be able to maintain the same high standards of safety that the world expects from a traditional maritime nation as the Netherlands.

I am therefore glad to have the opportunity to reaffirm our undiminished dedication to our combined efforts to eliminate sub-standard shipping with an open mind to our future needs to succeed in this mission.

Thank you.

**Presentation by the Honourable Harry Duynhoven,
Minister for Transport Safety for New Zealand**

Mr. Chairman, Excellencies, Distinguished Ministers, Ladies and Gentlemen,

On behalf of the Government of New Zealand (and the Maritime Safety Authority), I express sincere thanks to our hosts, Mr. Louis Ranger, Deputy Minister of Transport, and Mr. Gerard McDonald, Director General, Transport Canada, for their invitation and hospitality and, through this Second Joint Ministerial Conference, for their very clear and ongoing commitment to inter-regional initiatives on port State control.

I wish to take this opportunity to present a uniquely New Zealand view of the increasing importance of port State control to our nation, and to summarize the areas in which I believe we are “punching above our weight” in the international maritime arena.

New Zealand is isolated in the turbulent and unpredictable seas of the great Southern Ocean at the end of a lengthy and sometimes arduous sea passage. We have a coastline of almost 20,000 kilometres that includes areas particularly vulnerable to the effects of marine pollution, including unique world heritage parks and marine reserves. New Zealanders identify very closely with our coastline and have a burning desire to keep our beautiful country “clean and green”. The New Zealand Government is very conscious of the fact that 100 per cent our import and export trade is carried aboard foreign-flagged ships, and access to the domestic coastal trade is also relatively open to such vessels.

Over the last two or three years, in spite of strenuous and targeted port State control activities, we have experienced four serious groundings in our ports, fortunately without significant pollution, and two operational discharges of oil that had serious environmental impacts upon an area of international ecological importance. All of these incidents involved foreign-flagged vessels, some of which had not yet entered our ports and so had not undergone a port State control inspection.

We have undertaken two major initiatives to address these issues, to complement the measures available to us under the Tokyo MOU on port State control. With the full support of IMO and many of the States present today we have been successful in establishing the world’s first “Mandatory Area to be Avoided” in order to protect a particularly sensitive area of our coastline. We have also, in cooperation with all harbour and port authorities, developed a Port and Harbour Marine Safety Code that requires all ports to develop a risk-based safety management system to minimize the risks for all large vessels entering and departing our ports.

Whilst recognizing the vital importance of port State control, as reflected in the honour the members of the Tokyo MOU have accorded New Zealand through our current chairmanship of the committee, we are also dedicated to participation in the work that many member States of IMO are currently undertaking to develop a Code, and hence robust standards, for the implementation of IMO instruments. We strongly believe that this Code could and should be the

standard for the emerging IMO member State Voluntary Audit Scheme. Indeed, New Zealand is deeply honoured to be chairing this working group.

New Zealand's leading role as a developed South Pacific nation is also reflected in the practical and financial support we provide our Pacific Island neighbours in both port State control training and, more recently, security matters. Regarding security, I am proud to be able to report that all 19 international New Zealand port facilities were fully compliant with the requirements of the ISPS Code as of 1 July 2004. The staff of the Maritime Safety Authority have also participated fully in the joint Paris/Tokyo Concentrated Inspection Campaign on security, having inspected 100 per cent of first port arrivals over three months as well as carrying out coordination of all inspection results for the Tokyo MOU.

We value very highly the close international relationships that have been forged amongst members of the Tokyo MOU and, particularly, through attendance at our committee meetings, with the Secretariat of the Paris MOU. These relationships can only be expanded and enhanced through joint initiatives such as this important Conference.

We also recognize the vital importance to the success of port State control of the exchange of ship inspection data. We applaud recent joint initiatives on data exchange between both the Paris and Tokyo MOUs and the increasingly important European database, EQUASIS. It is crucial to the benefits of port State control for there to be maximum transparency of inspection information in order that all participants in the shipping industry can have access to up-to-date information on the standard of ships. This will strengthen the circle of responsibility and help us to work together towards elimination of the problem of sub-standard shipping.

In conclusion, Mr. Chairman, I applaud your initiative in organizing and hosting this Conference and can give the full commitment of the New Zealand Government to the measures agreed upon in the second Vancouver Declaration. I can also give you my full assurance that New Zealand will continue to play a leading role in port State control activities and the work of the IMO, particularly that of strengthening of flag State responsibilities in particular and adherence in full to conventions to which member States are signatories, through an audit scheme.

Let us all hope that through the initiatives coming out of this Conference, the collective work of all parties in the circle of responsibility, and the work of member States of IMO, the happy day will eventually arrive when the need for port State control will no longer exist.

Thank you.

**Presentation by Mrs. Tone Skogen,
on behalf of the Minister of Trade and Industry for the Kingdom of Norway**

Your Excellencies, Ladies and Gentlemen,

I am very pleased to have this opportunity to address the distinguished audience here in Vancouver. I would like to express my gratitude to our host, Canada, for their warm hospitality and perfectly organized event – and this for the second time in six years!

Sub-standard shipping is a threat to safe shipping, to human lives, to the marine environment and to international fair competition. As long as sub-standard shipping exists, port State control will have a role to play. Port State control is an important tool in combatting sub-standard shipping. By signing the Declaration we send a message to the rest of the world that the fight against sub-standard shipping has been strengthened. We are “strengthening the circle of responsibility”. All parties involved have a responsibility. Flag States, however, will still have the ultimate responsibility. We must insist that flag States ensure that their ships comply with the agreed international instruments.

Shipping is an international sector, and it is therefore my view that challenges in this sector require international and not regional solutions. In other words, global challenges need global solutions. The fact that members of both the Paris MOU and the Tokyo MOU are gathered here today at this Conference is in itself evidence of our willingness to seek such solutions. A harmonized regime will always be more powerful than fragmented regimes.

As global trade increases, so does transport by sea. With more traffic on the seas, the risk of accidents will also increase. It is therefore important that we together strengthen the international regimes of safety at sea. The International Maritime Organization has obviously a key role to play. We should never undermine its importance.

In order to achieve a common understanding and implementation of the port State control instruments, common training programs within the MOU regions are necessary. The training of PSC Officers is a key factor in ensuring a level playing field for the quality ship operator and other stakeholders. The Paris MOU has taken the initiative to launch a “Commitment through Partnerships” where particular focus will be drawn on the training of PSC Officers. I welcome this initiative, as I am convinced that consistency of PSC inspections will be beneficial for international shipping.

Port State control has developed significantly throughout the past decades. New technology, new security requirements and new international control instruments require port State control to adapt to the ever-changing maritime environment. Port State control has proven to be a dynamic mechanism and member States have shown a willingness to face the new challenges. I anticipate port State control to maintain a dynamic role in the future.

I support and applaud the Declaration from this Conference and hope that it will contribute to the elimination of sub-standard shipping worldwide.

Thank you for your attention.

**Presentation by the Honourable Agustin R. Bengzon,
Undersecretary of Transportation and Communications for the
Republic of the Philippines**

I wish to convey the deep regret of the Honourable Secretary of Transportation and Communications of the Republic of the Philippines, who could not make it to the meeting today. Nonetheless the Secretary extends his warm greetings and felicitations.

Coming from a tropical country, we are not used to this cold climate. However, this discomfort is offset by the warmth and hospitality of the people in this multicultural city of Vancouver.

On behalf of the Philippine delegation, I wish to extend our sincere appreciation to our host, the Transport Minister of Canada responsible for maritime security, for his gracious invitation and for the warm welcome for delegations to this Second Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control.

Our meeting certainly comes at a very crucial time in the shipping industry when all stakeholders must confront the challenge of providing the world's industries with safe, clean and secure shipping. Data from the United Nations Conference on Trade and Development Review of Maritime Transport 2003 would show the need for enhanced vigilance of port States in ensuring that shipping continues to provide a reliable link in the global transport chain for exports and imports.

Briefly, the world merchant fleet expanded to 844.2 million deadweight tons (dwt) at the end of 2002, representing a 2.3 per cent increase. New building deliveries were up by an impressive 8.4 per cent to 49.0 million dwt, and tonnage broken up and lost increased by 9.7 per cent to 30.5 million dwt, leaving a net gain of 18.5 million dwt. Registration of ships by developed market-economy countries and major open-registry countries accounted for 25.7 and 47.2 per cent of the world fleet, respectively. Developing countries' share of the world fleet was 20.3 per cent, or 171.3 million dwt, of which 74 per cent or 126.9 million dwt is registered in Asia.

In the face of a growing global fleet, the Philippine port State control authority and flag administration are ensuring that safe, secure and environment-friendly ships enter its ports and that ships flying the Philippine flag comply with their obligations under international maritime law and with the requirements of the Tokyo MOU.

Port State Control - Philippine Experience

Over a thirty-three month period from 2002 to the present, the Philippines conducted a total of 1,067 inspections on ships from 44 flag registries calling at Philippine ports. Of this number, 67 per cent or 710 ships were found to be deficient with a total of 4,408 deficiencies discovered. Only 36 ships or five per cent of the number of ships with deficiencies were detained for the period.

Most of the deficiencies noted, around 22 per cent, involved aids to navigation. This is followed closely by deficiencies in propulsion and auxiliary machinery with 20 per cent.

Suggested Reform

The Philippines joins other delegations in acknowledging that substantial actions have been implemented by both Memoranda towards improving the standard of shipping in the two regions. This global and long-term mission requires a sustainable pool of qualified manpower in the area of ship construction, monitoring and inspection or ship survey, and port State control.

The Philippines takes keen interest in the observation in the draft Joint Declaration of a shortage of skilled and experienced persons in the shipping industry and that future Port State Control Officers would be difficult to recruit in order to ensure that port State control inspections maintain the same high standards. (*Paragraph 2.15 of the draft Joint Declaration*).

For its part, the Philippines has made significant investments in personnel and material resources, within the fiscal capabilities of the Government, to meet its obligations under the Tokyo MOU, especially in the elimination of sub-standard ships. Certainly, the provision of technical cooperation for the Philippine agencies in charge of port State control inspection and flag administration has greatly enhanced the capabilities of the Philippines in implementing its responsibilities under the Tokyo MOU and as a flag State. Today, the Philippines wishes to go beyond current resources and invest in creating a pool of manpower and talents that will continue on a long-term basis the task of ensuring quality ships for world commerce.

The Philippine Initiative

The draft Declaration refers to the “Circle of Responsibility” that includes owners, operators, flag States, classification societies and recognized organizations, seafarers and their representative organizations, industry organizations, charterers, coastal States, port States, financial institutions, insurance companies, ship builders, marine equipment manufacturers, recognized security organizations, port authorities and pilots. (*Paragraphs 4.2 and 4.3 of draft Joint Declaration*.) From the Philippine perspective, the circle should start with education.

With this vision, the Philippines looks to the Tokyo and Paris MOUs to consider the establishment of a system whereby universities and colleges will tap the right experts, who can share their knowledge and life-long experience with the new corps of naval architects, naval engineers and ship surveyors, ship inspectors and Port State Control Officers. The Philippines therefore proposes for your consideration the – Stakeholders’ Agenda for the Furtherance of Education in Shipping or SAFE SHIPPING.

The concept of SAFE SHIPPING is for the members of the Tokyo and Paris MOU to turn to their ship builders, classification societies and owners or operators of quality ships, for which they have the relevant information, to make available their experts in the area of

naval architecture, naval engineering, ship inspection and ship survey to augment the faculties of maritime colleges and universities. In turn, the educational institutions would review and revise their curriculum to conform to the requirements of the international shipping industry and tap SAFE SHIPPING for the needed lecturers or faculty. The current technical cooperation programs may be refocused to support the needs of maritime colleges and universities for expert lecturers or new faculty members through the SAFE SHIPPING project.

SAFE SHIPPING aims to go beyond technical cooperation for port State control agencies or flag administrations. It goes to where we train the future manpower requirements for port State control – the colleges or universities. It addresses the very core need of the shipping industry – a pool of trained, skilled and experienced persons to carry out the task of maintaining the same high standards for ship construction and inspection. (*Reference paragraphs 5.12 and 5.1.3 of the draft Joint Declaration.*)

Proposed Course of Action

Fellow delegates, the Philippines has the honour to endorse for your consideration SAFE SHIPPING. With the support of the members of the Tokyo and Paris MOU, we propose to include in the Joint Ministerial Declaration a reference to the project on SAFE SHIPPING and a consensus to further develop the program with inputs from members of the two MOUs.

Conclusion

Mr. Chairman, our delegation would appreciate your guidance on how best to move forward with this initiative. The members of the two Memoranda would have to look at new approaches to the long-term task of ensuring that quality ships and quality seafarers trade in the world's oceans. It is our hope that this initiative would gain the interest of the MOU members as we all join in the endeavour of strengthening the critical components and factors that make up the "Circle of Responsibility."

We again convey our thanks and appreciation to the Government and People of Canada for hosting this Second Joint Ministerial Conference.

Upon our arrival, we witnessed some spectacular fall foliage in the city of Vancouver. May it be an omen or a sign of what SAFE SHIPPING can contribute in achieving the shipping industry's goal of providing the global economy with ships that are safe, secure and environmentally friendly.

Thank you, Mr. Chairman.

**Presentation by Mr. Witold Górski,
on behalf of the Minister of Infrastructure for the Republic of Poland**

Mr. Chairman, Honourable Ministers, Distinguished Delegates, Ladies and Gentlemen,

First of all, I would like to express my gratitude and congratulations to the Canadian Government for the initiative and convening the Second Joint Ministerial Conference of Paris and Tokyo Memoranda of Understanding on Port State Control.

I thank wholeheartedly, Honourable Jean-C. Lapierre, the Minister of Transport Canada and the Government of Canada for the excellent hosting of this meeting in the beautiful city of Vancouver, British Columbia.

It is a great pleasure for me to attend this distinguished Conference.

We are all aware of the common objective of this meeting: to decrease sub-standard shipping. We are here because we share common interests - maritime safety, the protection of our seas and oceans and the encouragement of shipowners to acknowledge that quality operation means good business.

Sub-standard operation threatens human lives and the environment. We have to respond to this by flag State responsibility and by enhancing port State control.

Since the First Joint Ministerial Conference in 1998, we have observed major changes in the world. Step-by-step through the efforts of the IMO, ILO and most maritime administrations in the world the safety of the sea has been gradually improving.

Nevertheless, further alarming maritime accidents and incidents have occurred, some resulting in loss of life and pollution of the oceans.

Global acts of terrorism, the number of incidents of piracy and armed robbery remind us about the vulnerability of shipping and the importance of our activity to improve maritime security.

Therefore, the role of flag States must be strengthened and because of the global character of maritime trade we should ensure a consistent global implementation of mandatory IMO instruments.

Poland strongly supports the role of the International Maritime Organization as a primary body for the maritime regulations, efforts in development and implementation of the Code for the implementation of mandatory IMO instruments, Voluntary Member State Audit Scheme, Self Assessment of Flag State Performance, suppression of unlawful acts against ships and ratification of new IMO and ILO conventions.

We emphasize the necessity for reinforcement of the safety standards by close cooperation between all players in the field - flag State, classification societies, cargo owners, insurers, brokers, port operators and the ship owners - and that ships which are unable to live up to the required safety standards should be kept out of business.

Poland unequivocally supports the Joint Ministerial Declaration entitled “Strengthening the Circle of Responsibility”. Port State control became one of the most efficient parts in this circle. However, we must not forget that the basic principle of UNCLOS and other international conventions is the flag State responsibility.

Port State control is the second line of defence, although the harmonized system of cooperation implemented on a regional basis enhances the concept of prevention. The new inspection policies with targeting based on ship risk profile, the high quality of inspections, regional training programs and improved exchange of information between the port State control regimes and all involved parties are meant to eliminate sub-standard shipping.

Mr. Chairman, Honourable Ministers, please let me congratulate all the officials and experts who contributed to the final text of Declaration.

To conclude, I hope that the Declaration we sign today will be step a forward to increased safety at sea, and a foundation for more concerted action to enhance port State control, to strengthen flag State performance and good shipping industry, and to develop the widest sea safety culture in the circle of responsibility.

Thank you for your kind attention.

**Presentation by Mr. Nuno Thomaz,
on behalf of the Minister of State, National Defence and Sea Affairs for the
Republic of Portugal**

Mr. Chairman, Distinguished Ministers, Ladies and Gentlemen,

I would like, on the behalf of the Portuguese government, to express our gratitude to the Canadian government for hosting this very important Conference.

As a maritime nation Portugal attaches great significance to all ocean affairs and in particular to matters as important as security and safety, the actual essence of the Paris and Tokyo memoranda of understanding.

Today, like 500 years ago, my country assumes the sea as a key challenge and a great national aim. Within this context was created the post of secretary of State for sea affairs. This reality will not only put into practice several political initiatives concerning the sea and other maritime activities, but mainly will launch Portugal as a great maritime nation again.

The sea is crucial to Portugal. A significant amount of Portugal's economic activity is founded on marine-based activities.

We believe it is vital that every individual nation recognises the growing awareness of the ocean's supreme importance to global peace and security, to the world economy and to environmental well-being.

Port State control constitutes an essential tool in safer shipping. Within this framework, Portugal has been making all efforts in order to accomplish the inspection criteria, namely by checking every year over 30 per cent of the vessels that enter the national ports.

We also have been seeking an active role in all maritime forums, participating effectively in every activity related to the Paris Memoranda, such as annual committees, working groups, seminars and ministerial conferences.

By being there we verify that, since the First Joint Ministerial Conference, a lot of work has been done and that these actions have allowed us to put into practice several measures related to the improvement of the global standards of shipping.

But we want more. We desire a new global attitude, based on an effective culture of responsibility by every individual State, which can contribute to eliminating sub-standard shipping and therefore reduce maritime pollution and accidents.

Portugal has been recently on the first line of many important decisions concerning maritime security and safety.

After the accident with the PRESTIGE, and together with Spain and France, we took immediate and concrete measures to reinforce security procedures in order to avoid future incidents in that area of the Atlantic.

As a consequence we, within the framework of the International Maritime Organization, integrate the group of States that promoted the approval of a particularly sensitive sea area for Western Europe, which will establish rules and measures for ships transporting dangerous and polluting loads.

Because we believe that maritime security is the most important issue, within all the issues related to the sea, we are making every effort, although the existent financial and technical restrictions, to fully implement the rules and procedures of International Ship and Port Security Code throughout all national ports.

The implementation of the ISPS Code together with the adoption of the amendments to the SOLAS convention will certainly further the commitment of every party State in security and safety issues.

Although we believe that the implementation of port State control on a regional basis is more effective, the existence of full inter-regional cooperation is fundamental in order to guarantee the harmonization of procedures and the effectiveness of such universal policy.

With prevention, security and safety culture, and the accomplishment of the agreed-upon rules, I believe that the sea will definitely become a better place.

Thank you very much for your attention.

**Presentation by Mr. Vyacheslav Ruksha,
on behalf of the Minister of Transport for the Russian Federation**

Mr. Chairman, Distinguished Ministers, Ladies and Gentlemen,

On behalf of the Ministry of Transport of the Russian Federation and myself, let me greet all the participants of the Second Joint Ministerial Conference of the Paris and Tokyo Memoranda and wish them success in their work.

We would like to express our gratitude that the Canadian Government initiated and convened such a Conference, inviting Ministers responsible for maritime safety, security and environment protection, as well as representatives of the International Maritime Organization, the International Labour Organization and other international organizations whose activity is closely connected with the promotion of safety in maritime industry.

The significant increase of the port State control role aimed at the implementation of international safety and environment protection regulations makes this Conference a key milestone in the development of a global system for saving human lives at sea, protecting our seas from pollution, and reducing losses resulting from ship related incidents.

The participation of Russia in both the Paris and Tokyo Memoranda corresponds to the interests of Russia, as well as its associates in the Memoranda and in the international community as a whole in relation to the implementation of international standards regarding maritime safety and environmental protection. Additionally, Russia cooperates in this field with foreign Maritime Authorities in other regions of the world. Russia is also a full member of the Black Sea Memorandum on Port State Control and actively assists in the implementation of information system for Abuja Memorandum.

This Administration pays great attention to the functioning of regional port State control organizations. Thus, Russia permanently hosts and manages two regional port State control information systems with the central sites established in Vladivostok and Novorossiysk, serving the Tokyo and Black Sea Memoranda respectively. Russia will continue its efforts in developing port State control.

I would like to note that Russia has implemented an effective national port State control system supported by three regional coordination centres, located in St. Petersburg, Vladivostok and Novorossiysk. More than 70 per cent of foreign vessels calling at Russian ports are inspected for compliance with applicable international regulations. The inspection activity is continuously increasing by involving well-qualified personnel and ports, which have not previously been engaged in port State control.

Being a member of three memoranda simultaneously, the Russian Federation utterly recognizes the vital necessity of global harmonization of port State control procedures and hopes that the Conference will contribute to the achievement of this purpose. We are

of the opinion that unification of port State control requirements and procedures in different regions will increase the effectiveness of port State control and provide a higher level of cooperation among the parties concerned. In this respect, I hope the Conference will initiate a strategy aiming at mutual recognition of port State control inspection results at least, as a first step, within the framework of the Paris and Tokyo Memoranda and in future among all other port State control regions.

Acknowledging that port State control is one of the most effective instruments in improving international shipping quality, maritime security and environmental protection, we should keep in mind that control measures only cannot provide full implementation of the regulations. It is obvious that, in order to reach the best results, coordinated actions of all parties responsible for safety of shipping are required. Therefore, I would like to stress that Russia is fully satisfied with the ideas and strategic directions of the world maritime community actions laid down in the articles of the Conference Declaration.

We are aware that shipping is a global industry providing transportation of the overwhelming majority of international trade cargoes and, thus, plays the role of the blood circulation system for international trading. Therefore, common approaches and universal instruments are required for international shipping regulation.

In this regard, we fully share the opinion of the world maritime community that the International Maritime Organization is a worthy forum for the development and acceptance of universal instruments, and it is capable enough to cope with this task. And our common aim is to continue this course.

Distinguished colleagues, I cannot avoid the issue that causes concern of all the people in the world. Terrorist attacks in Russia, in the United States, in Spain and in other places have considerably changed our way of thinking and shown the vulnerability of the various elements of our life including the transport sector. Consistently following the general policy of fighting against world terrorism, the Russian Federation supports the initiatives aimed at protecting the maritime industry from acts of terrorism and from using ships for terrorist plans and does its best to put such initiatives in practice.

Full implementation of the International Ship and Port Security Code and maintaining appropriate procedures and equipment in good order is our primary task in promoting maritime security. Port State control institutions may and should play a key role in fulfilling this task.

Distinguished delegates, I would also like to note that the role of flag States in settling the issues of navigation safety and the elimination of sub-standard shipping should have a priority status. Russia has got a considerable number of ships registered under its flag and, thus, provides supervision over the vessels as the flag State.

Considerable contribution to the consolidated efforts aimed at the elimination of sub-

standard shipping by all the elements of shipping safety system is made by annual international seminars arranged by the Russian Maritime Register of Shipping. As a convincing confirmation of this, the successful outcome of the recent 7th International Seminar, “Sub-standard Shipping - problems and solutions via cooperation”, can be considered. At the seminar, where the representatives of IMO, flag State and port State Administrations, classification societies, shipowners and other concerned parties of maritime industry participated, the issues relating to development and implementation under the auspices of IMO of goal-based standards as a new concept of development of world maritime industry were discussed.

Administrative reform, currently being conducted in our country, significantly increased the role of control and supervision institutions in all fields, granting them more self-sufficiency and independence. The Federal Service for Supervision of Transport, which combined all control and supervision functions in the field of transport including port State control and having a status of the Federal institution of executive power with all appropriate authorities, has been established. We are sure that, as a result of this reform, the effectiveness of control and supervision will increase substantially including the field of port State control.

In conclusion, I would like to confirm once again the adherence of the Russian Federation to the development of constructive cooperation in the elimination of sub-standard ships from international shipping via the mechanism of port State control.

I hope that the Declaration we intend to sign will contribute to increasing the effectiveness of our mutual efforts in the implementation of the goals set within the frameworks of the Paris and Tokyo Memoranda and other similar regional port State control organizations.

I would like to express my sincere appreciation to the Canadian Government and to the Minister of Transport of Canada for the excellent arrangement of this important international forum and for the favourable business conditions that, in many respects, defined the positive results of our work.

Thank you for your attention.

**Presentation by BG (NS) Yam Ah Mee,
on behalf of the Minister for Transport for the Republic of Singapore**

Mr. Chairman, Distinguished Ministers, Ladies and Gentlemen,

On behalf of the Singapore Government and the Singapore Minister for Transport Mr. Yeo Cheow Tong, I would like to congratulate the Government of Canada and Transport Canada for hosting this Second Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control in this beautiful city of Vancouver. Allow me to first express my appreciation to our hosts for the excellent arrangements and kind hospitality.

It is significant to note that this Conference is held in the year when a milestone IMO instrument - the International Ship and Port Facility Security (ISPS) Code - came into force. This Conference thereby presents a good opportunity for us to reiterate our support for the Code and reinforce our belief in the need for and the future of the Code for the maritime community.

Importance of Maritime Security and Safety to Singapore

As a flag State with the world's sixth largest merchant fleet exceeding 27 million gross tons and, as a port State operating one of the world's busiest ports, Singapore takes its responsibility to promote global maritime safety and security very seriously. Located at the crossroads of the East-West shipping lane, and situated in the middle of the busy Straits of Malacca and Singapore, we are extremely conscious and concerned about the risks of shipping incidents and threats to shipping in and around our waters. We therefore strongly support international efforts in port State control, such as conferences like this, to eradicate sub-standard shipping and to reduce the risks of such threats from happening.

Port State Control and the ISPS Code

In particular, Singapore views the threats to maritime security very seriously. This was why we took action early to achieve 100 per cent compliance to the requirements of the ISPS Code for our ships and port facilities before the 1 July 2004 deadline. To help other countries in the implementation of the Code, we shared with them our experience through participation in regional seminars and workshops. Moving beyond the Code, we have also instituted measures for vessels that are not required to comply with the Code, such as harbour craft and vessels less than 300 gross tons.

Port State control plays an important role in the effective implementation of the ISPS Code internationally. Like the International Safety Management (ISM) Code, the ISPS Code forms part of SOLAS. It is the responsibility of the port States and their Port State Control Officers to inspect ships calling at ports for compliance with the Code just like any other international instrument. An instrument like the ISPS Code will lose its effectiveness if it does not have an effective policing regime. In this regard, we are pleased to note that the Concentrated Inspection Campaign (CIC) for ISPS code from

1 July 2004 to 30 September 2004 has been successfully carried out without any hitches and adverse effect to commerce.

However, maritime security should not be confined only to ships and port facilities. It should extend to the entire logistics supply chain from floor to door. Every player along the supply chain - the shippers, manufacturers, forwarders and port operators – therefore has a role to play in ensuring the security and integrity of their cargo and in managing the risks to the overall transport network. The ISPS Code has successfully initiated security training and measures for ships and port facilities. The next challenge will be to expand this to the other aspects of the supply chain.

Port State Control in Eradicating Sub-standard Shipping

While we have been preoccupied with maritime security over the last few years, we must not forget the continuing need for safe, clean and secure shipping. At this Conference, it is our hope that the two MOUs will strengthen the level of cooperation between member States through increased exchange of information and ideas to address these problem areas.

Sub-standard shipping can only be eliminated through concerted efforts by all parties involved and cooperation among PSC regimes. An example of how member States can work together is in the IMO Member State Voluntary Audit Scheme. Singapore has been a strong supporter of this scheme and is proud to be one of the co-sponsors of the proposal that led to the introduction of the scheme. As a further show of our support, we have volunteered to lead a team of three countries comprising France, Iran and Singapore in a Pilot Audit Project (PAP) to test out the procedures for the scheme. The experience gained from this pilot project would be useful to refine the draft scheme developed so far. We hope that more countries would answer to IMO's call for increased participation in this scheme. This is another measure that will enhance the "circle of responsibility", which Singapore strongly supports.

In closing, while the primary responsibility for ensuring the safety and security of shipping rests with the flag States, shipowners and classification societies, effective port State control too plays an important role to ensure quality shipping and full compliance of ships to international instruments. It is only by working together in partnership through intra-regional and inter-regional cooperation that sub-standard shipping can be eliminated and global compliance of international instruments such as the ISM Code and ISPS Code can be achieved.

On behalf of the delegation, I want to emphasize Singapore's support for the Joint Ministerial Declaration. Finally, I would like to thank the Canadian Government for taking this important initiative to bring us together to strengthen our efforts towards this objective.

Thank you.

**Presentation by Mr. Fernando Palao,
on behalf of the Minister of Transport for the Kingdom of Spain**

Mr. Chairman, Excellencies, Ladies and Gentlemen,

On behalf of the Spanish Minister, Ms. Magdalena Álvarez, I should like express Spain's gratitude and congratulations to the Government of Canada for the splendid organization of this Ministerial Conference, which I feel sure will achieve the objectives mapped out.

At a time when improved maritime safety and the control of shipping are among the objectives of the governments participating in the Paris and Tokyo Memoranda and of the different specialist international organizations, initiatives such as this Ministerial Declaration, contribute to achieving the goals established. Furthermore, the establishment of a "circle of responsibility for the elimination of sub-standard vessels" brings the advantage of involving all maritime business operators in a common objective: the promotion of improved conditions of safety in international shipping and better prevention of damage to the marine environment, promoting safer and more responsible, efficient and sustainable shipping.

I should like to share with you certain reflections on issues that Spain believes warrant attention.

The Importance of Training

Now, after several years of operation of the Paris and Tokyo Memoranda, it may be appreciated that we have still to achieve sufficient homogeneity in the way that inspections of sub-standard vessels are performed in the different States, this pointing to the fact that the criteria applied and degree of training received by the inspectors performing these inspections vary. This means that efforts are required, through adequate training programs, for all the inspections to be carried out using the same criteria in the interests of greater credibility and, in short, higher quality in the rendering of these global control services.

In this respect, and in addition to sending inspectors to the international seminars organized, Spain has been making important efforts in the development of annual training seminars for inspectors, both at the beginning of their activities and for the regular updating of their knowledge.

The Need for Territorial Uniformity in Inspection Efforts

Since the accident that affected the vessel PRESTIGE, which as you all know caused a major problem of pollution on the north western coast of Spain, the Spanish Maritime Administration has implemented a series of important measures to strengthen controls, particularly important among which has been the incorporation of new inspectors for heightened control of the vessels sailing our waters and calling at our ports. Specifically, new inspectors have been brought in over the last four years, an increase of

approximately 50 per cent with respect to the original number, and we hope to keep this rate of recruitment for the coming years.

It will be necessary for this human and economic effort in port State control to be assumed also by the other countries, so that, following a period of adjustment and checking, it will be possible to accept the inspections performed in any geographic area. In this way, the inspection efforts that to date have been concentrated in certain areas will be extended to others, preventing vessels pursued in areas with more demanding controls from operating in more permissive zones.

Spain is affected by a special situation as regards maritime traffic. Every year some 44,000 vessels sail through the Finisterre traffic separation scheme (north western tip of the Iberian Peninsula), 12,000 carrying hazardous cargoes, to which are added the 88,000 that pass through the Straits of Gibraltar. Many of these vessels that sail along the Spanish coasts, whose ports of origin and destination may be located anywhere in the world, transport hazardous merchandise, are old and are frequently insufficiently maintained.

In short, there is a potential risk that cannot be minimized exclusively through the on-going effort of countries located close to the shipping routes, but that requires collaboration and effort by all the countries involved in global maritime traffic, due either to their being the States whose flags are flown by these vessels or to their ports being habitually used by them. This underlines the important role played by the recent regional Memoranda and the need for adequate coordination among them.

The Importance of the Qualitative Over the Quantitative

Both flag States and port States may tend to comply bureaucratically with the control percentages established, performing the necessary inspections in a manner and with an intensity that is insufficient, as though the efficiency of the inspection function depended exclusively on the application of quantitative criteria.

We are fully convinced that greater emphasis should be placed on the quality of the controls than on their quantity. It is quite clear that an inspection performed by the port State cannot constitute a safeguard or guarantee for a given ship. The Spanish Maritime Administration has carried out several studies of serious accidents affecting vessels and we have seen that in many cases such accidents have occurred shortly after inspection by a port State, inspections that have been incapable of forecasting the important structural failures that were to occur not long afterwards.

This sense of risk due to the lack of homogeneity and efficiency in inspections is becoming increasingly widespread. For example, the Paris Memorandum Committee has set up a Working Group, in which Spain participates, for the development of new inspection directives, the aim being to replace the current quantitative inspection obligations (25 per cent of visiting vessels) with the mandatory inspection of certain high-risk ships.

We fully support these measures and hope that they have a beneficial influence on accident prevention.

Declaration

I should not like to conclude my comments without underlining my very high opinion of the contents of the Declaration of this Ministerial Conference which, in addition to promoting the adoption of new maritime safety measures in order to eliminate sub-standard vessels, touches for the first time on the need to adopt measures for the control of maritime security in the port State control regime.

This is leading to the acceptance of new responsibilities by the maritime and port administrations, which are required to coordinate with the police authorities in those countries that do not have a service integrating the functions of maritime safety and security, the responsibility for control belonging in any case to the port State. Such control takes on special relevance at a time when the implementation of the international maritime security system established by the IMO is in full swing in the wake of the recent and unfortunate terrorist attacks on means of transport, such as those experienced in Spain this year.

Please allow me to take this opportunity to express the appreciation of the Spanish Government that a reference to these events has been included in the text of this Declaration.

Given their importance in the context of control activities by the port State, certain other matters of this Declaration warrant special mention.

- For Spain, the control of the effective anticipated phase-out of double-hull oil tankers when the new provisions of the MARPOL Convention come into effect on 5 April 2005 is particularly significant, especially if consideration is given to the fact that Spain, in accordance with the IMO Resolution MEPC 114(50), has been the first country to notify the International Maritime Organization that it will not accept the exemptions contemplated in the Convention, and that it already applies the provisions of the MARPOL amendments regarding double-hull vessels.
- There is also the inclusion of the Classification Societies acting on behalf of the flag States in relation to the control function, including the possibility of not accepting the certificates issued by these organizations when there is evidence of their interventions being deficient, on the basis of the results of inspections carried out by the port States. This is a further step towards improving the quality of Maritime Safety.

In concluding I should like to take this opportunity to reiterate Spain's commitment to promoting actions through the IMO and the ILO and, in particular, to ratifying their international agreements in order to bring about a uniform inspection regime, and to express the determination of my Government to adopt the measures relating to the improvement of maritime safety and security contained in this Declaration, in recognition of the significant benefits that systems of regional control by the port State bring to the

global effort made by all who make up the “circle of responsibility” with a view to improving the safety, quality and image of international maritime transport.

Thank you very much.

**Presentation by Mr. Jan-Olof Selen,
on behalf of the Minister for Infrastructure and Regional Policy for the
Kingdom of Sweden**

Mr. Chairman, Honourable Ministers, Ladies and Gentlemen,

Even though this Conference focuses on port State control, we must not forget the responsibilities we all have as flag States. Sweden gives its full support to the efforts of the IMO and the European Union to promote quality shipping. We know that many countries share this concern. The recent decision in the IMO to introduce the Model Audit Scheme is therefore encouraging in this context. We see this as an important step to increase the interest for a good flag State performance. It is still, however, a voluntary system, but we hope, as has been stated in this Conference Declaration, that this will become a mandatory system in the future.

Awaiting an improved flag State control performance, we must devote further work to port State control and strengthen our collective efforts to make this instrument even more effective. This is at present the most practical way to cope with those vessels that are not in compliance with international regulations.

As I said, we must focus on both our Flag State performances and to make port State control even more effective. Substantial actions have been implemented, but further actions need to be taken. The dialogue with the parties of the “circle of responsibility” is of utmost importance. We should also direct our resources towards even more effective port State control of ships flying the flags of countries on the black list. It is therefore encouraging to note that the Paris MOU has established a Task Force on improved targeting. Further cooperation and exchange of experience gained from other MOUs is also essential in order to close the gate for sub-standard shipping.

Maritime safety is closely linked to environmental issues. This is now at least shown in our Declaration, where we express our determination to take appropriate actions not only concerning traditional maritime safety issues, but also to protect the marine environment. Sub-standard ships are not only a threat directed to human life, but also a threat to our environment.

In this Declaration, we highlight many environmental issues that have to be dealt with. In this context we appreciate the decision taken by the Paris MOU to have a Concentrated Inspection Campaign on MARPOL Annex I.

I think we can all agree that we have to address the problems of air pollution from ships on a global as well as a regional scale in the near future. We welcome that the MARPOL Annex VI will enter into force in May next year. There is, however, in our opinion, a need to amend this Annex. One reason is that the present capping on sulphur in marine fuels, 4.5 per cent, is far too high. We also know from the intense debate on the

greenhouse effects that CO₂ emissions from ships must be dealt with. We think that we in IMO need to intensify our work on greenhouse gas emissions from ships.

A task of great regional concern to us is the protection of the sensitive Baltic Sea Area. In April this year, the Marine Environmental Protection Committee decided to, in principle, classify the Baltic Sea except Russian waters as a Particularly Sensitive Sea Area (PSSA). Eight Baltic Sea States are at present preparing additional protective measures in order to get a final approval at the latest in March 2006. In our view, classifying an area as a PSSA will give an important signal that the designated area is very sensitive from an ecological, socio-economic or scientific perspective.

Besides maritime safety and environment protection, we express through this Declaration the determination to enforce port State control aspects relating to maritime security. The new security rules were elaborated and implemented during an extremely short period of time. This shows the concern we all feel to protect against terrorism in any mode of transport.

To improve security is of course a continuous process. Our present task is to develop a high global security level in the transport system. This is important not only from point of security, but also from a competition point of view between ports.

As we are finding ways to improve security we must also have the seafarers' interests in mind and find practical ways to offer them possibilities to go ashore.

Mr. Chairman, we may express our individual priorities on how to deal with maritime safety and the protection of our environment. But there is no way forward other than international cooperation. We see this Conference as an important initiative to discuss ways forward and bring countries together in joint efforts for improved maritime safety and security and for the protection of the marine environment.

On behalf of my Minister I would like to extend her appreciation to her Canadian colleague and the Canadian Government for organising this Conference and for your hospitality.

Thank you.

**Presentation by Mr. Nikorn Chamnong,
Deputy Minister of Transport for the Kingdom of Thailand**

Mr. Chairman, Excellencies, Distinguished Delegates, Ladies and Gentlemen,

May I first join other delegations to express my sincere thanks and appreciation, on behalf of the Thai Delegation, to the Canadian Government and the people of Vancouver for a very cordial welcome extended to us and to all delegations attending the Second Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control. I also would like to thank the host agency, Ministry of Transport of Canada for the well-organized Conference and I believe our meeting during this couple of days will fulfill our requirement of inter-regional actions to eliminate sub-standard shipping in the near future.

As today's Conference is gathered with the Ministers responsible for maritime safety and environmental protection from both the Asia-Pacific and European regions, I believe this gathering will definitely provide the member countries' dignitaries with an opportunity for a productive exchange of ideas and mutual cooperation.

Excellencies, Distinguished Delegates, Ladies and Gentlemen, it has been recognized that shipping has played a vital role in promoting international trade. About 90 per cent of Thailand's international trade volume relies on maritime transport while foreign merchant fleets serve a major part of the trade volume. However, Thailand has tried to build up her national fleet, which has recently grown at a satisfactory rate.

Although the size of our sea-going fleet is modest, the Thai Government has actively carried out its obligations as a flag State to ensure that the ships registered in Thailand conform to international standards. Of course, some measures must be taken to control those Thai ships.

Excellencies, Ladies and Gentlemen, since Thailand signed the Joint Ministerial Declaration at The First Joint Ministerial Conference of the Paris and Tokyo MOU on Port State Control in March 1998, the Marine Department of Thailand, under the guidance of the Cabinet, has had its obligations to implement it and they have been able to make some significant progress at a certain level. As a port State and a member of Tokyo MOU on Port State Control, Thailand has never overlooked its obligations and has actively exercised its control and inspection over foreign vessels calling at Thai ports, for their own safety. To enhance the capacity of the authority, Thailand has sent some port State control inspectors to attend the training programs, seminars or workshops from time to time. This can assure every State that our practices are in line with international standards and all requirements concerned in order to achieve the objectives of safety of life and assets as well as environmental protection. Anyhow, we will continue our best efforts for better, efficient port State control. Any initiative to be introduced in the Declaration this time, I hope, will put some pressure on shipowners

who do not follow the IMO standards and make them aware of the disasters that may be caused by their sub-standard ships.

Excellencies, Ladies and Gentlemen, I am here to confirm our standpoint that Thailand will give full support to the initiatives of the Paris and Tokyo MOU in promoting mutual cooperation and in increasing efficiency of port State control between the two regions. My delegation believes that this Second Joint Declaration which will be the conclusion of this Ministerial Conference will further promote maritime safety and environmental protection and will provide great benefit not only to the two regions but also to the global maritime community as well.

Thank you.

**Presentation by the Honourable David Jamieson M.P.,
Minister of Shipping for the
United Kingdom of Great Britain and Northern Ireland**

I should like to thank the Government of Canada for its kind gesture and hospitality in hosting this second Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control.

We are here today as port States because we are concerned about sub-standard shipping. By sub-standard, I mean shipping which fails to comply with agreed international safety and environmental protection regulation. Shipping which frequently exploits those who work on board, not least through a failure to provide decent living conditions and for not allowing crews sufficient rest to avoid fatigue. Shipping which by its flouting of international rules poses an unacceptable risk to the safety of passengers, crew and the marine environment, while at the same time exploiting an unfair competitive advantage. And, not least, sub-standard shipping places a burden on the rescue services provided by coastal States.

Unfortunately, it is not hard to find such vessels. The UK Maritime and Coastguard Agency publishes regular reports on vessels being detained in UK ports and this unpleasant example comes from the latest report. The vessel has been in detention for over a year with 57 deficiencies being noted before the inspection was suspended. The hull structure was unsafe, deck transverse beams holed with corrosion and numerous side frames distorted due to operational damage. She failed to meet stability requirements and there was evidence of insect infestation in the cargo hold. Vessels like this do no one any favours.

If conducted to a uniformly high standard on a global basis, port State control can act as a very powerful tool with which to improve global shipping standards. Our objective should be to remove all hiding places for sub-standard ships. No port should offer a haven for such ships.

In the European Community ships are banned from calling at EC ports if they have been detained repeatedly. But ships banned from trading with the EC can simply switch their trade to other parts of the world. By enhancing cooperation and information exchange between the regional MOUs we stand a much better chance of depriving sub-standard shipping of the opportunity to trade. We should be sending to sub-standard owners and flags the clear message that there is no future in failing to comply with internationally agreed standards. And I would hope that message will also be picked up by those who charter and insure sub-standard ships.

Vital though the function is, port State control resources are limited. That is always going to be the case. So it is essential that we make best use of the resources available to us. Which is why the targeting of inspections is so important. Good targeting should

ensure that inspection effort is directed at those ships that pose the greatest risk. There should be a light touch on ships which are known to be owned and operated by respectable companies and which fly respectable flags. The respectable in the industry should be rewarded for their compliance with agreed international standards. Port State control should not be about placing burdens on the respectable. We should resist any temptation to inspect good ships regularly just to keep inspection numbers up. That would be a waste of resources.

Some years ago, following a major incident on our own shores, a report was produced in which the phrase “Safer ships, cleaner seas” was first used. The matters discussed in Lord Donaldson’s report have lost none of their relevance since the phrase was first coined and it is good to see many of the Report’s recommendations accepted as valuable contributions to raising standards.

In his report Lord Donaldson pointed out the problems caused by the anonymous nature of shipping and the difficulty in identifying irresponsible operators. However, an important new weapon in our armoury is our ability to include shipping companies in the risk profile. Hitherto this has been a problem but now the International Safety Management Code (ISM) requires a company responsible for a ship to be identified, audited and issued with a certificate. Under the IMO’s unique company and registered owners identification number scheme a company has been assigned unique numbers which are displayed on ISM certification issued to that company and its ships. For the first time companies with poor records can be identified and worked into the targeting factor relating to a particular vessel. Henceforth a company will be aware that irresponsible behaviour may lead to its ships being targeted for inspection more frequently. Conversely a company will be aware that responsible behaviour will be a factor in determining the risk profile of its vessels and will see the benefits in terms of a reduced burden of inspections.

This Conference is important, not just for what we agree to in the beautiful city of Vancouver, but because it clearly signals our determination to work together as port State control administrations. I have no doubt that the future lies in cooperation and sharing of best practice between administrations and MOUs. Our aim should be a system which operates predictably and which rewards ships which achieve clean inspections with a period of unmolested trading before their next inspection - a kind of “ship’s passport” scheme. Our system needs to recognize quality as well as fault.

Meanwhile, our aim is continuous improvement, both in targeting sub-standard shipping and rewarding quality. This Conference is an important step in “strengthening the circle of responsibility”.

Thank you.

**Presentation by the Honourable Willie T. Rarua Jimmy,
Minister of Infrastructure and Public Utilities for Vanuatu**

Mr. Chairman, Honourable Ministers, Distinguished Delegates and Participants, Ladies and Gentlemen,

Let me first of all on behalf of my delegation, joined by previous speakers, thank the Government of Canada through its Port Security for extending an invitation to Vanuatu to attend this Second Joint Ministerial Conference of the Paris and Tokyo Memoranda of Understanding on Port State Control, to discuss matters of great and common concern to all of us despite of how small or large we may be. Our size and geographical location make no difference to the threat to the security of the travelling public through our various points of entry, particularly by sea, in which we are responsible for their safety.

Mr. Chairman, I thank the Government of Canada for the Protocol facilities extended to my delegation upon our arrival and for the generosity for other services provided to make our travel convenient and pleasant.

Mr. Chairman, Vanuatu is an island State with more than 80 islands scattered over 1,700 nautical miles as her Exclusive Economic Zone.

To a certain extent, internal shipping remains the main means of communication and transportation for 80 per cent of the population living in the remote islands of archipelagos while international shipping continues to play an important and integral part of our economy and a source of our foreign exchange revenue earnings through continuous inspection and registration fees and various government taxes and duties levied on imported products. Mr. Chairman, Vanuatu has more than 600 foreign vessels registered in our International Shipping Registry based in New York, and we make sure they comply with International Maritime Laws.

For the reasons above, Vanuatu recognizes the importance of compliance and conformity to the shipping rules and regulations applied to both internal and international shipping services of our respective communities.

However, having recognized the importance of compliance and conformity, Mr. Chairman, I must say it is almost impossible for a small country like Vanuatu to meet all the minimum standards of port State control requirements applicable in the international shipping industry due to its limited financial resources.

Nevertheless, Vanuatu is grateful for organizations like the Tokyo MOU, which in many ways provided assistance to the small island nations in order to help them meet their different port State control obligations.

My Government acknowledges the organization of the Joint Ministerial Conference. We say it is timely organized to inform different governments of the new developments of port State control measures, which must be implemented to enhance conformity and compliance required by all member States under both Paris and Tokyo MOUs.

It is imperative that all member States of various Port State Control MOU comply with international rules, not only for the benefits of port States, but also for flag States and other organizations.

Port State control involves not only the International Maritime Organization conventions, but also other conventional organizations like the International Labour Organization and the Committee Maritime International, which may have to be consulted on important policy matters that are related to improve port State control services. Therefore, it is important to resort to all avenues that will assist each member State to adequately enhance conformity to port State control rules and regulations.

Mr. Chairman, finally I wish to assure other member States that the Vanuatu Government is committed to honouring its obligations to upgrade its port State control facilities in accordance with the decisions taken previously by the Paris and Tokyo meetings and those that will be taken again by our meeting here in Vancouver, Canada.

To confirm our commitment, I have successfully convinced the Ministerial Budget Committee to allocate 14 million vatu, specifically for the port State facility requirements in the 2005 financial budget (approximately \$135,000 US).

Slowly, but progressively, we are doing our best to fulfill our commitment and obligation to the requirements expected as contained in our MOU.

Vanuatu believes that with the continuous assistance and advice from other port States, flag States and other international organizations to less developed countries, we will all be able to achieve the aim of eliminating all sub-standard ships in the region.

Mr. Chairman, I have the honour now to thank you all for your attention.

**Presentation by Mr. Nguyen Cong Duc,
on behalf of the Minister of Transport for Vietnam**

Mr. Chairman, Distinguished Guests, Ladies and Gentlemen,

It is a great honour for me to be present here and to speak on behalf of our minister who was regretfully unable to participate in this Conference.

First of all, I would like to express our sincere thanks and appreciation to the Government of Canada, Ministry of Transport of Canada and its staff for the excellent arrangement of this important Conference and the hospitality bestowed on delegations. And I also would like to take this opportunity to thank the Paris MOU Secretariat and the Tokyo MOU Secretariat for their assistance accorded to our delegation.

Since the First Joint Ministerial Conference of Paris and Tokyo MOU on Port State Control with the Joint Ministerial Declaration, “Tightening the Net: Inter-regional Action to Eliminate Sub-standard Shipping”, we have seen much development in the drive for the achievement of the noble goal of the Conference.

As you may know, Vietnam is a nation with more than 3,260 kilometres of coastline and a claimed one million square kilometres of ocean. Therefore, Vietnam relies heavily on maritime transport as a major mean of transport for the trade and commerce that witness an increasing number of Vietnamese ships calling at ports of other countries and a lot of foreign ships visiting our ports.

Right after the First Joint Ministerial Conference of Paris and Tokyo Memoranda of Understanding on Port State Control, Vietnam has become a full member of the Tokyo MOU (01 January 1999). Since then, Vietnam has been trying to do its best in ensuring the safety of life and property at sea as well as in improving living and working conditions on board for seafarers, in protecting marine environment and eliminating sub-standard shipping. For the last few years, Vietnam has been striving for the fulfillment of its obligations as member to the First Joint Ministerial Conference.

Vietnam has ratified a major number of IMO conventions relating to maritime safety and prevention of pollution from ships such as SOLAS 74/78, MARPOL 73/78, LOADLINE 66, TONNAGE 69, COLREG 72, STCW 78/95, SUA 88, and CLC 92. Great efforts have been made so far to meet our obligations as a flag State as well as a port State.

National maritime law and regulations have been updated, amended and further improved so as to meet the requirements of the developments in shipping.

PSCO training courses have been organized in Vietnam targeting the improvement of the quality and skill of persons in charge of conducting PSC. Attention given to the provision of adequate tools and equipment for the inspection activities is increasing.

We are aware of the importance of flag State implementation and the port State control, and therefore we lay great stress on strengthening both the flag State inspection on ships flying the Vietnamese flag and the port State inspection of foreign ships visiting our ports. This work is being carried out in almost all of our ports along the coastline of Vietnam, thus contributing to our goal of ensuring maritime safety and protection of marine environment.

Ladies and gentlemen, we strongly believe in the success of this Conference, which is an important forum for the sake of the improvement of maritime safety and sea environment in the world and, therefore, we support the signing of the Final Declaration of the Conference.

I would like to take the opportunity of this Conference to assure you that Vietnam will make every effort to realize our ultimate goal of “Safe Shipping and Cleaner Seas”.

Even though we still face a great number of the difficulties of a developing country, we are determined to do our utmost for the sake of the above mentioned goal.

Once again, I would like to express our appreciation for what you have done for us and sincerely hope for more cooperation and support from the Secretariats of both the Tokyo and Paris Memoranda and from all of you.

I wish the Conference success.

Thank you.