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28TH IAPH WORLD PORTS CONFERENCE PROVIDES AN EXCELLENT INDUSTRY PLATFORM FOR SHARING BEST PRACTICES AND EXPERIENCES

TOKYO – May 20, 2013 – The International Association of Ports and Harbors convened at its 28th World Ports Conference in Los Angeles, USA, 6-10 May 2013, under the theme of “Working on Today. Focusing on Tomorrow”, was successfully concluded, attracting more than 500 delegates and accompanying persons from across the world.

Keynote Address
Captain Richard Phillips (Ret.) kicked off the conference sessions by delivering the keynote address entitled “Piracy on the High Seas” in which he shared with the audience his terrifying story of being captured by Somali pirates when he was the Captain of Maersk Alabama in 2009. He also offered valuable lessons and perspectives on the challenges of mitigating modern-day piracy on the high seas.

Working Sessions
The ensuing working sessions tuned out to be an excellent forum to learn the latest trends of world economy, climate issues, port logistics, port community system, cruise, port finance and others, in which some 50 guest speakers and panel presenters recruited from around the world offered some food for thought for strategic port management and operations. Topics included new realities in the global economy, a recovery story from Super Storm Sandy hitting the Port of New York/New Jersey, Emergence of LNG as ship fuel and its implications to ports, Gate control integration with Port Community System, Growing cruise business and ports, Women in the port industry, etc.

New IAPH Leadership
On the final day of the conference, the IAPH torch was officially handed from Dr. Geraldine Knatz, IAPH president since 2011, to Mr. Grant Gilfillan, CEO and director of the Sydney Ports Corporation, Australia. “It’s an honor and a privilege to be the president of IAPH,” said Gilfillan, “but it is also a responsibility to contribute more as I see
it. With every new president comes new opportunities and I look forward to making the most of my tenure as other presidents have done."

**IAPH LA Resolutions**

At the plenary session held on 9 May, IAPH adopted five business resolutions to make its position clear on subjects of immediate concern, as follows:

- Resolution on LNG Fuelled Ships
- Resolution on Passenger Ship Safety
- Resolution on Piracy
- Resolution on the Verification of Container Weight in the Supply Chain
- Resolution on Urging Ratification of HNS Conventions

Full text of the resolutions is appended.

**About IAPH**

*Founded in 1955, the International Association of Ports and Harbors (IAPH) is a nonprofit global alliance of roughly 200 ports and 150 maritime companies and institutes representing about 90 countries. The IAPH is dedicated to fostering cooperation among ports and harbors and promoting the vital role they play in creating a peaceful, more prosperous world. Based in Tokyo and recognized as the only voice speaking for ports around the globe, the IAPH has Consultative NGO Status from the United Nations and is active in developing international trade and maritime policy. IAPH member ports handle about 80 percent of world container traffic and more than 60 percent of all international maritime trade.*

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Resolution on LNG Fuelled Ships
Adopted on May 9, 2013 at
the 28th IAPH World Ports Conference in Los Angeles, USA

NOTING that LNG fuelled ships are already operational\(^1\), mainly in the northern European region,

NOTING that the sulphur limit for fuel in designated SOx Emission Control Areas (SECA) from the beginning of 2015 drops to 0.1%,

ALSO NOTING that for NOx-emissions of ships’ engines tier III applies in designated NOx Emission Control Areas (NECA) for newly built ships beginning in 2016,

NOTING FURTHER that the international scheme of ECA’s has expanded to the North American waters and the Caribbean Sea\(^2\), as well as for SOx and NOx; and that in Europe most probably the already designated SECA’s in due time will also be designated as NECA’s,

BEING AWARE that LNG as ship fuel is quite superior to bunker oil from an environmental point of view: reducing ship air emissions of Sox, Particulate Matter (PM) and NOx drastically\(^3\), and of CO\(_2\) to a certain degree,

BEING AWARE that LNG as a fuel is an attractive option for ship owners from an economic point of view and that LNG as fuel meets the requirements of the SECA as well as the NECA,

RECOGNIZING that while LNG as a fuel is now mainly used in smaller ships, shipping companies and technical designers are developing the application of LNG in larger ships,

RECOGNIZING FURTHER that LNG fuelled ships have various challenges such as substantial space requirements for fuel tanks, the scarcity of bunkering stations in trade lanes and a lack of rules or guidelines on safe bunkering.

THUS RECOGNIZING that LNG as a fuel can be an advantageous option for the whole maritime industry, both from an economic and an environmental point of view,

REMEMBERING that IAPH in the World Ports Climate Initiative (WPCI) in 2011 spearheaded the establishment of the project “LNG fuelled Vessels”; this project aims to harmonize the approach amongst ports in dealing with LNG as a fuel,

On a proposal duly seconded, it is unanimously resolved that

1. IAPH urges ports especially those located in ECA waters to incorporate in their strategic planning the possibilities and chances of LNG fueling and consequently to make efforts to develop appropriate facilities and safety rules for supplying LNG fuels to ships calling at their ports.

2. IAPH calls upon international organizations such as IMO to continue their work with the international code\(^4\) of safety for ships using LNG as a fuel as this is one of the preconditions
for a growing worldwide use of LNG as a fuel.
3. IAPH calls upon States and regional governments to take an active role in harmonizing regulations of LNG fueling in ports with regard to local safety, fire fighting and environment.
4. IAPH calls upon both the shipping industry and the port industry to consider inclusion of LNG fueling procedures in their educational planning for crew and staff, where appropriate.
5. IAPH invites ports to join the WPCI project “LNG fuelled Vessels”.

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i Total 30 plus ships using LNG fuel are in operation in 2012
ii North America ECA from August 2012, Caribbean Sea ECA from January 2014 (and from January 2016 also applicable as NECA)
iii Almost zero emission of SOx, 80-90% reduction of NOx, reduction of PM and CO₂ to a certain degree
iv IMO is now drafting an international code: “International Code of safety for ships using gases or other low-flash point fuels” (IGF Code)
Resolution on Passenger Ship Safety
Adopted on May 9, 2013 at
the 28th IAPH World Ports Conference in Los Angeles, USA

RECOGNIZING that the cruise industry provides significant economic stimulus to cruise ports and to their local areas,

BEING AWARE that passenger ships have increased in size in order to attain economies of scale with ships with a capacity of more than 7,000 persons (passengers and crew) currently sailing,

RECOGNIZING that cruise ports in the world have invested considerable resources in modernizing their facilities to accommodate such large passenger ships,

RECOGNIZING FURTHER that the concentration of such a large numbers of people on the ship might increase health and safety risks,

NOTING that new strict safety rules on passenger ships are now under discussion in international organizations such as IMO to prevent incidents resulting in injury and loss of life or that expose passengers to health risks and significant inconveniences.

On a proposal duly seconded, it is unanimously resolved that

1. IAPH recognizes that the cruise industry plays a significant role in the economies of cruise ports and their local areas.
2. IAPH believes that it is a critical issue for both the cruise industry and the port industry to further develop cruise business by improving safety of passenger ships.
3. IAPH recognizes the quick reaction from CLIA (Cruise Lines International Association) and ECC (Europe Cruise Council) to incidents by launching a Cruise Industry Operational Safety Review (OSR) with the aim of undertaking a comprehensive assessment of the critical human factors and operational aspects of maritime safety.
4. IAPH urges the cruise industry to have their staff and crew thoroughly observe the current international safety rules/codes of passenger ships and the voluntary safety requirements adopted by the cruise lines.
5. IAPH supports international organizations including IMO in preparing new strict safety rules/codes on passenger ships in order to prevent fatal incidents, taking into account the afore-mentioned voluntary safety requirements and others.
6. IAPH urges States to ratify international Conventions that stipulates the compensation scheme for cruise passengers.

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i International Convention for the Safety of Life at Sea (SOLAS)
ii Athens Convention relating to the Carriage of Passengers and their Luggage by Sea (PAL)
Resolution on Piracy
Adopted on May 9, 2013 at
the 28th IAPH World Ports Conference in Los Angeles, USA

NOTING that it was reported by IMB\(^i\) that the total of piracy incidents in the world had decreased in 2012 due to a steady decline in the Eastern Africa waters, especially Off-Somalia waters, however pirate attacks in other areas such as the Gulf of Guinea in Western African Waters have increased in recent years,

RECOGNIZING that the reduction of piracy incidents in Off-Somalia Waters resulted from the international efforts for eradicating pirate acts including ceaseless naval operations\(^ii\) of escorting and patrolling in high risk waters by US, NATO, EU and other nations based on UN Security Council Resolutions,

RECOGNIZING FURTHER that the use of Privately Contracted Armed Security Personnel (PCASP) on board ships in high risk areas is considered to have taken considerable effects to deter possible pirate attacks, which was based on the IMO’s relevant guidelines\(^iii\) for interested parties on the use of PCASP to counter off-Somalia piracy,

BEING AWARE that according to the IMB report on “The Human Cost of Somali Piracy, 2011”, many seafarers still under detention of pirates are suffering as their hostages\(^iv\),

BEARING IN MIND that IAPH as the voice of world ports adopted resolutions on Piracy at the Savannah Mid-term Ports Conference in 2010 and at the Busan World Ports Conference in 2011 aiming to support seafarers and stakeholders in the maritime industry,

On a proposal duly seconded, it is unanimously resolved that

1. IAPH appreciates efforts and effects of naval forces operations in high risk waters and urges States to further upgrade deployed naval forces to ensure safe navigation of vessels in the areas.
2. IAPH urges States with major ports in and around high risk areas as well as States whose ports are transited by ships carrying PCASP, to establish the relevant policies or rules on treatment of PCASP on board ships, especially focusing on embarkation or disembarkation of PCASP and their fire arms and equipment in their ports.
3. IAPH invites ports to adopt a practical attitude with regard to permanent and non-permanent means of deterrence and protection on board vessels.

\(^i\) The ICC International Maritime Bureau
\(^ii\) -European Union Naval Force (EUNAVFOR) Somalia Operation “Atalanta”
-North Atlantic Treaty Organization (NATO) Operation “Ocean Shield”
-Combined Task Force 151
-Individual State’s naval operations
\(^iii\) Interim recommendations or guidelines regarding the use of privately contracted armed security
personnel (PCASP) on board ships in the high risk area;
-for port and coastal states
-to ship owners, ship operators and ship managers
-for flag states
-to private maritime security companies providing PCASP

iv 3,863 seafarers were assaulted and 555 seafarers were taken hostage in 2011, which makes a total of 1,200 seafarers being held captive at the end of 2011, including 645 since 2010.
Resolution on the Verification of Container Weight in the Supply Chain
Adopted on May 9, 2013 at
the 28th IAPH World Ports Conference in Los Angeles, USA

RECOGNIZING that overweight or incorrectly documented containers may endanger each mode of transport in the international supply chain posing serious risks on safety of vessel navigation, port operation and road transportation,

REMBERING that IAPH adopted a resolution on the safety of containers in the supply chain at the 27th IAPH World Ports Conference in Busan in 2011, requesting and urging the related organizations and parties to address the safety of container transport,

NOTING that the IMO started the deliberation of this issue in its sub-committee DSCi, to address amending the SOLAS Conventionii and the establishment of relevant guidelinesiii,

On a proposal duly seconded, it is unanimously resolved that

1. IAPH believes that the root cause of the problem is the lack of knowledge and incorrect declaration by shippers about shipment in containers at the origin of transport and that the issue may only be addressed by establishing compulsory rules to require shippers to weigh and make correct declaration.
2. IAPH appreciates and advocates the basic notions shown in the draft amendment of the SOLAS Convention and its Guidelines under the deliberation of the Correspondence Group of DSC, which clearly stipulates shippers’ obligation of correct declarations based on verified weight of cargo at the origin of transport.
3. IAPH encourages Governments and their relevant Agencies to establish effective legal requirements and control mechanisms to ensure the correct application of the requirements mentioned in the above.
4. IAPH further encourages ports and terminals around the world to prepare with the highest priority the possible implementation of a new mechanism in order to improve port safety and efficiency with verified weight certificates from shippers.

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i Sub-Committee on Dangerous Goods, Solid cargoes and Containers
ii Draft Amendment of SOLAS Chapter VI “Carriage of Cargoes”, Part A, Regulation 2
iii Draft Guidelines regarding the verified gross mass of a container carrying cargo
Resolution on Urging Ratification of HNS Conventions
Adopted on May 9, 2013 at
the 28th IAPH World Ports Conference in Los Angeles, USA

RECOGNIZING that transport of HNS Cargo\(^1\) will further increase in proportion with the expansion of world trade,

RECOGNIZING FURTHER that a financial compensation and liability scheme for the damage due to accidents while transporting HNS cargo on ships is essential and completes the framework of international liability schemes in relation to damages caused by sea borne transport,

RECALLING that the International Maritime Organization (IMO) adopted the HNS Convention\(^\text{ii}\) in 1996 and subsequently the HNS Protocol 2010\(^\text{iii}\) aiming to establish the afore mentioned international liability and compensation scheme,

BEING AWARE that the HNS Protocol 2010 addresses various implementing subjects of the Convention, such as the HNS cargo to be regulated and the required mechanism for the contributions to the future HNS Fund,

NOTING that this - notwithstanding, the HNS Protocol 2010 was not ratified by any State since its adoption,

ACKNOWLEDGING the continued efforts of IMO and States to further facilitate the ratification of the Convention by endorsement of the “Reporting Guidelines on the Submission of HNS Contributing Cargo” in its 100th Legal Committee meeting in April of this year, therewith overcoming the lack of formal reporting modalities which are part of the ratification requirements in most States,

ACKNOWLEDGING FURTHER the approach selected by IMO to make use of already established reporting mechanisms (as in International Oil Pollution Compensation Funds (IOPC Funds)) and transposing these on HNS cargo and the respective reports for the different fund accounts,

On a proposal duly seconded, it is unanimously resolved that

1. IAPH urges States to ratify IMO’s HNS Protocol 2010 underlining that a method for the reporting of HNS cargo has been endorsed by IMO in its Legal Committee meeting of April of this year, as a consequence of which the remaining obstacles for States to ratify the Protocol are removed.

2. IAPH appreciates the continuous international efforts, especially made by IMO and States to eventually set into force an international mechanism for compensation of damages arising from transportation of HNS cargo by sea.

\(^1\) Hazardous and Noxious Substances

\(^\text{ii}\) “The International Convention on Liability and Compensation for Damage in Connection with...
the Carriage of Hazardous and Noxious Substances by Sea (HNS), 1996"
