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Awarding the extraordinary

THE Lloyd's List Awards offer more than accolades to the industry's best. They provide a momentary pause in the action, a chance to take stock. In this season of seasons, with events charging hurly burly and shipping seemingly on the verge of another whack from destiny, that pause is especially welcome.

The great 20th century British explorer HW Tilman once said: "No-one goes further or faster than the man who does not know where he's going." Does shipping know where it is going, or is it going nowhere fast?

Some ongoing developments, reported daily in Lloyd's List, would suggest the latter.

The first half of the year was marked with a flurry of boxship orders that now look, well, a little ill-timed, at least for the industry collectively, if not necessarily for individual players. Then there is that mysterious \$5bn Chinese policy banks have offered to Greek owners. Who knows what on earth is really going on with Vale's humungous order of 400,000 dwt ships?

There are elements in today's market that do resemble Jim Davis's 'Mad Hatter's tea party', as quoted on today's front page. But it is the very fact of individuals like Mr Davis that reassures. This wry oracle of shipping's missteps and virtues — who is this year's Lifetime Achievement Award winner — would be 'old school' if that expression also means challenging the status quo, valuing common sense, sticking up for the underdog and having the courage to laugh at our collective mistakes.

Neither is the bold approach absent from Lloyd's List Newsmaker of the Year, Seaspans's Gerry Wang. Mr Wang threw down the gauntlet to shipbuilders in South Korea and China, demanding reasonable prices and environmentally-efficient designs in return for a

healthy spate of orders. He single-handedly changed the terms of the debate. The shipyards have responded with better, cheaper ships.

For sheer resourcefulness and pluck, look no further than Zhu Qianchun, master of *Port Pegasus* and Lloyd's List Seafarer of the Year, who, with his crew behind him, rode out the March tsunami in a manner 'incredible' to our judges.

Shipping will never be easy. Its direction, however, will be sure as long as the industry continues to produce its greatest resource — the unique roster of extraordinary individuals that guide it.

Lay-up logic

WHEN the container trades collapsed in 2009, owners and operators had virtually no experience of deactivating a modern boxship. Fleet managers had to brush up on the difference between hot, warm and cold lay-up. There was concern about what would happen if computer systems were switched off for any length of time. Then there was the matter of where to

anchor unwanted ships, while in some cases local residents had to be pacified.

One of the major lessons learned last year, when several hundred vessels were put back into service as conditions rapidly improved, was the fact ships could be brought out of lay-up fairly quickly, with no technical hitches emerging.

So, having used capacity management as an effective tool two years ago temporarily to remove surplus tonnage, lines could do the same again. Analysts are predicting a substantial increase in the size of the laid-up fleet over the next few months as the peak season ends and demand remains subdued until after the Chinese new year.

So far, there appears to be some reluctance to act, but industry-watchers expect any reservations about lay-up to recede as ship utilisation levels dip. Shippers may again cry foul and accuse lines of co-ordinated action, which is why the tonnage providers are likely to be the first to move as chartered ships are returned to their owners. Either way, the size of the idle fleet looks set to rise over the next few weeks, as common sense prevails. ■

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Industry Viewpoint



JOHN AC CARTNER

Non-cowboys, mercenaries or UN guards? We're still nowhere near an answer on how best to protect vessels from pirates

WERE RESUME the piracy review with Chapter 2 and Alice. Maritima is becoming curiouseer and curiouseer down the piracy rabbit hole. Two emotional and political — in reality, no different — fears are acted out by governments and lobbyists in the small arms/armed guards debate.

One side is reflexively anti-cowboy. The other side is not necessarily pro-cowboy. It says the fear of imputed pirates can be overcome with the carriage of armed guards who are inexpensive, effective, pragmatic and sensible. Pirates thus can be suppressed or extirpated. We note the laser-blasting loud-noise water-jet magic box technology is not working too well on those self-styled Somali Robin Hood armed robbers. A mere €500,000 a ship, please. With the charter rates today?

Long-suffering readers will recall from previous pontifications: guards are good — if we have the will to give the gunslingers and buckaroos some backing in law. They deserve it. More interesting is a gem for the shipping desk-chair etymologist. 'Extirpate' is a wondrous word indeed. This is not a Caterpillar word but is defined in one dictionary as to pull up by the roots, to destroy totally; exterminate. It is wholly apposite to the human vermin pirating our ships. We do not hang the pest control man do we?

One must ask whether it was fear of cowboys or insurrection when the Suez Canal banned weapons transport through M de Lesseps' ditch. That shows all parties on our side took in every planning contingency in the best shipping tradition.

Common sense says if small arms were declared, locked, sealed or held by customs, the spectre of Rambo arising from the sands and rampaging, pillaging, plundering and destabilising the Egyptian government charade with smuggled arms is, well, inflated. Clearly some are not fully familiar with Egypt these days. The populace there, as in most North African states, is well-armed, as any public celebration heard on the Beeb will demonstrate.

Misconceptions lay over the seas as a patchy fog. Armed guards — they prefer monikers such as 'professional maritime security personnel' — are mercenaries in one patch. They are not. Mercenaries by

convention are sponsored by a state meddling vexatiously with another. Egypt has ratified the International Convention against the Recruitment, Use, Financing and Training of Mercenaries, December 4, 1989 to preclude being so vexed. I have heard nothing afoot in the pseudo-secretive kabuki of armed guards even vaguely suggesting vexatious or other unnatural activities. They simply are not that organised and too busy competing with each other and advertising.

But wait. The Indians have said they have solved the Rambo problem. With great fanfare, after deep thought and long deliberation and many lead-up press releases, they announced the blindingly brilliant and exhaustive solution: armed guards must be vetted. That soufflé came out predictably flat. By whom, please? Perhaps a classification society. They have never been tagged using the pious defence of "we are mere inspectors".

That leads us to 'don't ask, don't tell'. This policy, abiding in some companies and security operators runs like this: well, he was a pirate and is better dead. I won't tell if you don't. Those kinds of cabalistic pacts curiously fall apart. An observer who does not like it snaps his cell-phone and the photo wends its way to a prosecutor's inbox.

This is not 'round up the usual suspects' time, however. I do not like to predict, but the odds are more likely than not that such a situation will arise in the next year or so. L'horreur. How could they?

Doughty lads and lasses, there remain the pesky rules of due process and the inconvenience of the rule of law and another bothersome fiat which says private people do not kill private people. Guards and imputed pirates, lest we forget, are private people. Using Mr [A] Gore's phrase, this is an inconvenient truth.

On other canals, the Netherlands government is leading anti-cowboyism. It balks at armed guards. It cannot be destabilised. Therefore it is anti-cowboyism. This two-point football streak arises because a Norwegian was recently quoted saying that the notion of cowboys running berserk on our ships was untenable. I suspect something else. Politics is public relations gone weird. It is not good politics anywhere in Europe to promote officially those even appearing to be cowboys. Just not done. Might rub off.



Armed guards: a contentious issue in maritime circles.

AP

The interesting thing about Egypt and the Netherlands is that each has succumbed to the bash-America political disease, but curiously not the 'shoot 'em first, pahnuduh' strain. Pandering, spinning and moving the media are easy to do. It means votes. We do hope this bout of illness is brief and recovery swift.

Curiouser still: the UN should put armed guards on vessels. This is making the rounds in shipping chambers. Well, it would give the UN something else to do. But do you really believe the world's second greatest chowder, marching band, debating society and bicycle shop (after Congress) will do that? I see the documents recognising and whereas-ing and observing and recalling and relating on and on to two paragraphs of absolutely no meaning or utility. Years late, euros short. Thunderous words, great paper resolve.

Who will champion us with the world's other difficulties? I do not think the International Maritime Organization is our knight in gleaming armour. Who pays for it? There's the rub. The chamber members would prefer to be excused. Blue helmets shooting pirates? They are immune from prosecution to some extent. It is a long

stretch, however, to say the UN should provide humanitarian relief to us or separate the Big Endians from the Small Endians in Somalia or that piracy is threatening regional humanity with genocide.

Would it not be simpler to second people from our self-puffing press-releasing hi-tech multinational naval fleet? It would give them something to do and make good press. For \$25m a month we should at least get some good press.

So we continue our peripatetic rounds in the rabbit hole of piracy. We have not discussed the Mad Hatter in all this. I believe he is lurking, however, and just waiting to say something at the outer limits of intelligibility. He (or she) may in fact already be identifiable as one of the candidates for US President talking on the television. As Newton, however, I feign no hypotheses. ■

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Letter to the Editor

Welfare of seafarers depends on shore leave at US ports

From Mark Dickinson

SIR, Revd Tom Heffer makes some extremely pertinent points in his letter noting the adverse impact upon seafarers of many of the security measures taken in response to the 9/11 atrocities (Lloyd's List, Thursday September 15).

I would suggest that the shocking statistics showing the rise of piracy and armed attacks on merchant ships over the past decade tell you all you need to know about the ISPS [International Ship and

Port Facility Security] Code. It certainly hasn't done much to help the thousands of seafarers killed, injured or held hostage since 2000 — but it has done a great deal to add 'load on top' to already overworked officers given the delegated role of shipboard security officer.

Revd Heffer rightly points to the damaging effect of the increased restrictions on shore leave and access by welfare workers and union officials to visiting vessels. Worryingly, the recently

published US Government Accountability Office reports on the post-9/11 measures taken by bodies including the US Coast Guard, the FBI and the Department of Homeland Security to reduce the risk of shipping-related incidents call for even tighter controls on foreign seafarers visiting US ports.

What the US — and all governments with a genuine interest in the safety of shipping and the welfare of seafarers — should be doing is adopting and

implementing ILO Convention 185 on Seafarer Identity Documents. It is appalling that this measure, which was fast-tracked through the International Labour Organization in response to the 9/11 incidents, continues to languish on the shelf while seafarers are being routinely denied shore leave or welfare visits.

Seafarers deserve to be treated as the professionals they are rather than as potential terrorists, and if shipowners and

flag states are truly serious about safeguarding recruitment and retention of the high-calibre personnel we all need, the abuses must stop and ILO 185 must be introduced with urgency to provide the assurances that everyone needs about seafarer ID and to protect their rights. Protect and respect: it's a two-way street. ■

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