

HELMEPA OWNERS MEETING

“PORT STATE CONTROL”

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JANUARY 29, 2001

KÁ-LI-MÉ-RA. GOOD MORNING. CAPT CONSTANTAKOPOULOS, MR. TSAKOS, CAPTAIN MITSATSOS, LADIES AND GENTLEMEN. I AM PLEASED AND HONORED TO BE YOUR SPEAKER TODAY. AS SOME OF YOU KNOW, I AM A MARINER AS WELL AS A COAST GUARD OFFICER. HELMEPA AND ITS MEMBERSHIP HAVE AN INTERNATIONAL REPUTATION AND A STRONG PERFORMANCE RECORD AS ADVOCATES OF MARITIME SAFETY AND ENVIRONMENTAL PROTECTION. I'VE BEEN ASKED TO SPEAK ABOUT PORT STATE CONTROL AND OUR WORK IN THAT AREA BUT BEFORE I DO SO, I WANT TO TALK A LITTLE MORE ABOUT USCG/HELMEPA COMMON APPROACHES.

HELMEPA AND THE U.S. COAST GUARD HAVE MUCH IN COMMON AND SHOULD WORK CLOSER TOGETHER.

WE BOTH BELIEVE STRONGLY IN THE CONCEPT OF THE HUMAN ELEMENT AS KEY TO PREVENTING ACCIDENTS AND IMPROVING THE ENVIRONMENT. HELMEPA'S FOUNDING FATHER, THE LATE GEORGE P. LIVANOS, UNDERSTOOD THAT LONG BEFORE THE REST OF THE WORLD.

THE U.S. COAST GUARD'S APPROACH TO THAT TODAY IS CALLED PREVENTION THROUGH PEOPLE (PTP). IT INCLUDES THE FOLLOWING PRINCIPLES:

- HONOR THE MARINER - SEEK AND RESPECT THE OPINIONS OF THOSE WHO DO THE WORK;
- TAKE A QUALITY APPROACH-ENGAGE ALL OF US TOWARD CONTINUOUS IMPROVEMENT;
- SEEK NON-REGULATORY SOLUTIONS-2 EMPHASES ON INCENTIVES AND INNOVATION;
- SHARE COMMITMENT-GOVERNMENT, OWNERS, MARINERS, AND THE PUBLIC; AND,
- MANAGE RISK-APPLY COST EFFECTIVE SOLUTIONS WHERE THEY DO THE MOST GOOD, MAKE THE BEST INVESTMENTS OF TIME RESOURCES.

BOTH THE US COAST GUARD AND HELMEPA PROMOTE THE CONCEPT OF PARTNERSHIPS, NON-REGULATORY APPROACHERS AND VOLUNTARY MEASURES AS NECESSARY ALONG WITH INTERNATIONAL REGULATION TO FULLY PROTECT THE ENVIRONMENT. THE 1982 VOLUNTARY AGREEMENT BETWEEN GREEK OWNERS AND SEAFARERS “TO SAVE THE SEAS” IS EARLY TESTIMONY TO THESE PRINCIPLES.

THE U.S. COAST GURD APPROACH TO THIS CONCEPT TODAY IS IN A SERIES OF FORMAL PARTNERSHIPS THAT WE HAVE WITH VARIOUS INDUSTRY GROUPS. WE HAVE CONSIDERED AN OUTLINE OF COOPERATION WITH HELMEPA IN THIS SPIRIT.

FROM THE BEGINNING, HELMEPA HAS CARRIED FORTH THE MOTTO “FROM SHIPOWNER TO SEAFARER”, THAT REFLECTS THE CONCEPT OF THE CREATION OF ENVIRONMENTAL CONSCIOUSNESS AND SAFETY MINDEDNESS WITHIN SHIPPING THAT TODAY IS MIRRORED IN THE CONCEPT OF THE SAFETY CULTURE AND THE ISM CODE OF CONNECTING THE SHORE SIDE MANAGEMENT AND SHIPBOARD OPERATIONS.

THE HELMEPA ACTION PLAN COMBINES THE CONCEPTS OF COMPLIANCE WITH REGULATORY STANDARDS, CREATION OF VOLUNTARY STANDARDS, EDUCATION OF THE PUBLIC, TRAINING OF SEAFARERS, ACCOUNTABILITY OF MEMBERS ALONG WITH REWARDS AS INCENTIVES, COMMUNICATING WITH REGULATORY BODIES, AND THE EXAMINATION OF DATA AND TRENDS TO ASSIST IN IMPROVEMENT IN PERFORMANCE.

YOU CONSIDER HELMEPA'S REFRESHER TRAINING PROGRAM TO BE YOUR MOST IMPORTANT SERVICE AND IT EMPHASIZES CRITICAL THINGS FOR 2001 ISM/STCW; AND YOUR HELMEPA JR. PROGRAM AIMS AT REACHING THE PUBLIC EARLY IN THEIR LIVES TO EDUCATE THEM ABOUT THEIR RESPONSIBILITY TOWARD THE ENVIRONMENT. WE ALSO AGAIN BELIEVE THAT THE HUMAN ELEMENT IS THE MOST CRITICAL FACTOR IN PREVENTING ACCIDENTS AND POLLUTION AND HAVE A YOUNG PERSONS EDUCATION PROGRAM CALLED "SEA PARTNERS".

GIVEN THOSE QUICK COMPARISONS OF SOME AREAS OF COMMON WORK, LET ME PROVIDE YOU SOME MORE DETAILED THOUGHTS ALONG THE THEMES OF MANDATORY STANDARDS COMPLIMENTED BY VOLUNTARY MEASURES, THE USE OF DATA TO EXAMINE TRENDS, ACCOUNTABILITY AND INCENTIVES WITHIN THE CHAIN OF RESPONSIBILITY FOR QUALITY SHIPPING, AND THE USE OF PARTNERSHIPS.

I'LL THEN SUGGEST SOME FURTHER AREAS OF COOPERATION BETWEEN THE U.S. COAST GUARD AND HELMEPA.

FIRST LET ME TELL YOU WHY WE FEEL SO STRONGLY ABOUT PORT STATE CONTROL ISSUES. FOREIGN FLAG VESSELS IN OCEANS TRADE CALL IN U.S. PORTS AT A RATIO OF 14/1 COMPARED TO U.S. FLAG VESSELS.

SO, THEY REPRESENT THE VAST PROPORTION OF RISK TO VESSELS, CARGO, PEOPLE, AND THE ENVIRONMENT BECAUSE OF THE NUMBERS AND SOME UNKNOWN AS TO THEIR QUALITY COMPARED TO THE MUCH MORE EXTENSIVE CONTROL WE HAVE ON U.S. VESSELS AND DEGREE OF INFORMATION AVAILABLE.

ACCORDINGLY, AS A PORT STATE - A COUNTRY WHOSE PORTS ARE IN THE RECEIVING END OF FOREIGN VESSEL VISITS - WE'VE DEVELOPED AN EXTENSIVE PORT STATE CONTROL PROGRAM TO EXERCISE OUR RIGHT AND RESPONSIBILITY UNDER VARIOUS INTERNATIONAL CONVENTIONS RELATING TO SAFETY/MARINE ENVIRONMENTAL PROTECTION TO VERIFY COMPLIANCE WITH THEM.

OUR PROGRAM IS RISK BASED AND ATTEMPTS TO IDENTIFY THOSE VESSELS WITH HIGHEST POTENTIAL TO BE IN SUBSTANTIAL NON-COMPLIANCE WITH INTERNATIONAL CONVENTIONS, U.S. STANDARDS, AND GENERAL MATERIAL CONDITION - OR POSE THE MOST RISK TO SAFETY AND THE ENVIRONMENT.

RISK ASSESSMENT IS BASED ON A FIVE COLUMN MATRIX THAT CONSIDERS THE PORT STATE CONTROL HISTORY OF AN INDIVIDUAL VESSEL, ITS OWNER, FLAG OF REGISTRY, CLASSIFICATION SOCIETY, AND TYPE OF VESSEL (I.E., TANKER, BULKER, PASSENGER VESSEL, ETC.).

POINTS ARE AWARDED FOR EACH COLUMN AND THE SCORE DETERMINES WHETHER THE VESSEL IS PRIORITY 1, 2, 3, 4. THE ASSESSMENT IS MADE WHEN A 24-HOUR ADVANCE NOTICE OF ARRIVAL IS RECEIVED BY THE LOCAL CAPTAIN OF THE PORT.

BASED UPON OUR PSC ASSESSMENT, OUR "CONTROL" MAY BE TO DENY ENTRY, DETAIN FOR REPAIRS, CONTROL CARGO OPERATIONS, ONLY BOARD AND MONITOR CARGO OPERATIONS OR EXERCISE NO CONTROL AT ALL BEYOND THE INITIAL ASSESSMENT.

EACH YEAR WE PUBLISH ON OUR WEB SITE A LIST OF OWNERS, FLAGS, AND CLASS SOCIETIES THAT HAVE EXCESSIVE DETENTION RATES BASED ON A 3-YEAR ROLLING AVERAGE - AND WE TARGET THOSE VESSELS WITH HIGH POINTS ON THE MATRIX. DETENTIONS ARE A PRIMARY MEASURE OF OUR PROGRAM'S PROGRESS ALONG WITH DEFICIENCIES AND VIOLATIONS.

BEYOND OUR CONCERN AS A PORT STATE, WE CONSIDER PORT STATE CONTROL ESSENTIAL TO PREVENTING CASUALTIES AND PROTECTING THE ENVIRONMENT WORLDWIDE. SO WE ENGAGE IN MANY COMMON EFFORTS WITH OTHER PORT STATES.

WE PROVIDE DETAILED VESSEL BOARDING VIOLATION HISTORIES AVAILABLE THROUGH THE PORT STATE INFORMATION EXCHANGE (PSIX) ON OUR WEB SITE.

WE'RE NOW LINKED TO EQUASIS TO SHARE PORT STATE CONTROL DATA WITH PARIS AND TOKYO MOU'S.

FROM OUR PERSPECTIVE, THE STRUCTURE THAT SUPPORTS SAFE AND ENVIRONMENTALLY SOUND SHIPPING BEGINS WITH A FOUNDATION OF INTERNATIONAL STANDARDS AND TRANSPARENCY OF VESSELS' COMPLIANCE.

FROM THAT FOUNDATION, THE VARIOUS LINKS IN THE CHAIN OF RESPONSIBILITY USE THOSE STANDARDS TO ATTAIN THE IMO GOAL OF "SAFER SHIPS, CLEANER OCEANS."
INTERNATIONAL STANDARDS SERVE:

- AS A UNIFORM WORLDWIDE FRAMEWORK, MEASURE QUALITY OR LACK OF IT AND IMPROVE IT
- TO SIMPLIFY THE PROCESS OF COMPLIANCE AND ATTAINMENT OF QUALITY THAT WOULD BE MUCH MORE COMPLEX IF EVERY COUNTRY HAD DIFFERENT STANDARDS
- EVEN THE PLAYING FIELD AMONGST COMPETING ECONOMIC INTERESTS.

PRIMARY RESPONSIBILITY FOR COMPLIANCE LIES WITH YOU, THE OWNERS, FOLLOWED BY FLAG, FOLLOWED BY CLASS AND OTHERS - INCLUDING INSURANCE - AND FINALLY, THE PORT STATE - AS THE LAST SAFETY NET TO ENSURE COMPLIANCE.

THE GOAL OF ALL THE LINKS IN THE CHAIN OF RESPONSIBILITY IS IN THE WORDS OF THE INTERNATIONAL MARITIME ORGANIZATION - "SAFER SHIPS, CLEANER OCEANS."

THE MEANS TO ATTAIN THIS GOAL IS CONTINUOUS IMPROVEMENT OF THE QUALITY OF SHIPPING, INCLUDING SHIPS, PEOPLE (ASHORE AND AFLOAT), AND THE MANAGEMENT SYSTEMS IN WHICH THEY OPERATE.

WE ATTEMPT TO BALANCE THAT EFFORT WITH FACILITATION OF COMMERCE.

I WOULD LIKE TO PROVIDE SOME OBSERVATIONS ON THE GLOBAL EFFECTIVENESS OF THE PORT STATE CONTROL PROGRAM USING DATA ABOUT COMPLIANCE WITH INTERNATIONAL STANDARDS AS A BENCHMARK.

IN THE U.S. IN 1998, WE EXPERIENCED A 32% DECLINE IN OVERALL VESSEL DETENTIONS FOR FAILING TO MEET INTERNATIONAL STANDARDS FROM 1997 FIGURES, AND THE NUMBER OF DETENTIONS FOR 1999 IS DOWN 31% FROM THE NUMBER OF DETENTIONS FOR 1998. DETENTIONS RELATED TO CLASS SOCIETY PERFORMANCE HAVE DECREASED FROM 37% IN 1996 TO 15% IN 1999.

THIS DOWNWARD TREND, ALTHOUGH NOT AS PRONOUNCED, IN OVERALL PSC DETENTIONS HAS ALSO BEEN OBSERVED IN THE PARIS AND TOKYO MOU REGIONS AS WELL.

I BELIEVE THAT, AMONG OTHER THINGS, THE ISM CODE AND STCW HAVE HAD A POSITIVE INFLUENCE ON THIS DOWNWARD TREND IN THE PREPARATION TO IMPLEMENT THE CODE. THE USCG WORKED EXTENSIVELY IN FORMAL PARTNERSHIPS WITH BIMCO AND INTERTANKO TO FACILITATE PHASE I IMPLEMENTATION AND WE CONTINUE TO WORK WITH BIMCO FOR PHASE II VESSELS.

THE OVERALL PSC DETENTION RATE DOWNWARD TRENDS THAT I MENTIONED EARLIER WERE MOST PRONOUNCED IN ISM PHASE I VESSEL CLASSES WITH A DETENTION RATE REDUCTION OF MORE THAN 50% COMPARED TO 30% - SIGNIFICANTLY BETTER.

WHILE WE COLLECTIVELY HAVE MADE PROGRESS IN IMPROVING QUALITY, ONE ONLY HAS TO THINK OF THE LOSS OF THE TANKER "ERIKA" LAST DECEMBER THAT COATED FRENCH BEACHES WITH OIL OR ANY NUMBER OF MORE RECENT CASUALTIES RESULTING IN POLLUTION OR LOSS OF LIFE TO REALIZE THAT WE STILL HAVE PROBLEMS WITH THE SHIPS, THE PEOPLE, AND THE MANAGEMENT SYSTEMS.

VIRTUALLY THE WHOLE CHAIN CAN CLAIM SOME LEVEL OF RESPONSIBILITY FOR THOSE RECENT ACCIDENTS.

THANKFULLY, TRAGEDIES SUCH AS ERIKA AND VERY BAD PSC EXPERIENCES ARE BECOMING LESS COMMON AND OVERALL, OUR EFFORTS TO IMPROVE THE QUALITY OF SHIPPING THROUGH INTERNATIONAL STANDARDS ARE SHOWING POSITIVE RESULTS.

OUR PORT STATE CONTROL PROGRAM HAS BEEN SUCCESSFUL THUS FAR, BUT WE PLAN TO MAKE SOME CHANGES TO OUR PROGRAM TO SHARPEN IT EVEN FURTHER. WE WILL IMPLEMENT TWO ADDITIONAL MEASURES THAT BECAME EFFECTIVE JANUARY 1, 2001.

FIRST, ON SEPTEMBER 25, 2000 AT THE MARE FORUM IN ATHENS, I ANNOUNCED THE DETAILS OF A NEW PSC INITIATIVE BY THE USCG CALLED QUALSHIP 21, QUALITY SHIPPING FOR THE 21ST CENTURY, THAT WE HOPE WILL FURTHER IMPROVE THE QUALITY OF SHIPPING THROUGH AN INCENTIVES PROGRAM FOR VESSELS WHO GO WAY BEYOND MERE COMPLIANCE WITH INTERNATIONAL STANDARDS. THIS INITIAL PROGRAM IS FOR FOREIGN FLAG VESSELS. WE'RE DEVELOPING SOMETHING SIMILAR FOR U.S. FLAG VESSELS.

WHAT ARE THE INCENTIVES FOR A QUALSHIP 21 VESSEL?

PRINCIPALLY, SIGNIFICANTLY LESS COAST GUARD ACTIVITY ON THE VESSEL WHEN IT IS IN A U.S. PORT THAT WILL FACILITATE CARGO DELIVERY, WHICH IS THE BEGINNING OF A TREND TO REDUCE MULTIPLE INSPECTIONS OF VESSELS.

OUR INITIAL SCREENING OF THE RECORDS OF THE 9000 SHIPS THAT CALL IN THE U.S. SHOW ABOUT 700 QUALIFYING FOR QUALSHIP DESIGNATION - 7.8% VERSUS 4.5% DETENTIONS.

WE HOPE THAT EVENTUALLY, UNDERWRITERS, PORTS, FINANCIAL INSTITUTIONS, AND OTHER ENTITIES WILL RECOGNIZE THE QUALSHIP PROGRAM AND PROVIDE ADDITIONAL INCENTIVES, THROUGH LOWER RATES OR OTHER MEANS.

THIS IS A PILOT PROJECT APPROACH FOCUSED ON INDIVIDUAL VESSELS TO CREATE INCENTIVES FOR VESSELS THAT ARE MAINTAINED AND OPERATED FAR ABOVE MINIMUM STANDARDS AND THAT ARE ASSOCIATED WITH OWNERS, REGISTRIES AND CLASS SOCIETIES THAT HAVE DETENTION RECORDS IN THE U.S. FAR BELOW THE AVERAGE.

THE STANDARDS FOR ENTRY ARE VERY HIGH BECAUSE WE WILL CONDUCT VERY LITTLE PSC ON THESE VESSELS. WE WILL RUN THE PROGRAM FOR A YEAR AND REEVALUATE OUR APPROACH.

AS OUR SECOND IMPROVEMENT TO OUR PORT STATE CONTROL PROGRAM, WE PLAN TO ADD CHARTERERS TO OUR PORT STATE CONTROL TARGETING MATRIX TO INCLUDE CONSIDERATION OF THE VESSEL'S CHARTERER AS AN ELEMENT OF QUALITY OR THE LACK THEREOF.

WE CONTINUE TO EXAMINE THE FEASIBILITY OF IDENTIFYING CHARTERERS THAT ARE ASSOCIATED WITH MULTIPLE DETENTIONS AND INTEND TO PUBLISH A LIST OF TARGETED CHARTERS. THAT WILL THEN BECOME A NEW DIMENSION IN PSC TARGETING AND QUALITY AS WELL AS QUALITY RECOGNITION. WE MAY SOON BEGIN DOING THE SAME WITH VESSEL UNDERWRITERS.

WE BELIEVE THAT, COLLECTIVELY, THESE MEASURES WILL CREATE VARIOUS INTERACTIONS AMONG THE DIFFERENT PLAYERS IN THE CHAIN OF RESPONSIBILITY THAT WILL, IN TURN, CREATE INCENTIVES TO ASSUME THEIR APPROPRIATE SHARE OF RESPONSIBILITY FOR QUALITY SHIPPING.

AT THE SAME TIME THAT WE ARE PURSUING PSC IMPROVEMENTS, WE ARE PURSUING VOLUNTARY NON-REGULATORY MEASURES BY ENGAGING IN FORMAL PARTNERSHIPS WITH A NUMBER OF INDUSTRY ASSOCIATIONS BOTH DOMESTICALLY AND INTERNATIONALLY INCLUDING:

- AMERICAN WATERWAYS OPERATORS;
- AMERICAN PETROLEUM INSTITUTE/CHAMBER OF SHIPPING OF AMERICA;
- SPILL CONTROL ASSOCIATION OF AMERICA/ASSOCIATION OF PETROLEUM INDUSTRY COOPERATIVE MANAGERS;
- INTERNATIONAL ASSOCIATION OF INDEPENDENT TANKOWNERS;
- BALTIC AND INTERNATIONAL MARITIME COUNCIL;
- AMERICAN PILOTS ASSOCIATION;
- INTERNATIONAL COUNCIL OF CRUISE LINES; AND,
- U.S. PASSENGER VESSEL ASSOCIATION
- AND, WITH HELMEPA WE HAVE A VARIATION THAT WE CALL AN OUTLINE OF COOPERATION

THE PURPOSE OF THOSE FORMAL PARTNERSHIPS IS TO PURSUE VOLUNTARY NON-REGULATORY SOLUTIONS TO MUTUAL CONCERNS ABOUT SAFETY AND ENVIRONMENTAL PROTECTION AND RESPONSE.

WE HAVE EXECUTED FORMAL PARTNERSHIP AGREEMENTS WITH EACH ORGANIZATION AND ESTABLISHED PARTNERSHIP ACTION TEAMS TO PURSUE SPECIFIC PROJECTS - SUCH AS:

- FACILITATION OF ISM IMPLEMENTATION AND DEVELOPMENT OF A VOLUNTARY NEAR MISS REPORT WITH INTERTANKO AND BIMCO
- OIL SPILL REDUCTION MEASURES AND DECKHAND ACCIDENTS WITH AWO
- PASSENGER VESSEL EVACUATION EXERCISES AND GREY WATER POLLUTION WITH ICCL
- BRIDGE COMMUNICATIONS AND ALERTNESS WITH CSA AND API
- DEVELOPMENT OF A RISK ASSESSMENT GUIDE WITH PVA
- WITH HELMEPA, WE HAVE PARTNERED ON THE CREATION OF A PUBLICATION CALLED: *U.S. COAST GUARD PORT STATE CONTROL EXAMINATIONS*, THAT SERVES AS A VERY FINE AID AND GUIDE TO PSC STANDARDS, INTERNATIONAL AND U.S. I USE IT MYSELF AS A COMPREHENSIVE GUIDE AND REFERENCE.

WE LOOK TO START OTHER PROJECTS AS THESE CONCLUDE AND USE OUR PARTNERSHIPS FOR CONTINUOUS IMPROVEMENT.

AND WE SEEK OTHER FORMAL PARTNERS - CURRENTLY, WE'RE WORKING WITH INTERCARGO TO DEVELOP A FORMAL PARTNERSHIP AND PROJECT FOCUSSED ON ENVIRONMENTAL PROTECTION ISSUES.

WE WOULD BE INTERESTED IN CONSIDERING DOING MORE WITH HELMEPA, PERHAPS, BEGINNING WITH AN EVALUATION OF WHERE WE HAVE COMMON ACTIVITIES SUCH AS IN THE HUMAN ELEMENT, DATA GATHERING AND EVALUATION, HELMEPA JR. AND SEA PARTNERS, ETC.

WE WOULD LIKE TO LOOK AT HOW WE CAN WORK TOGETHER TO STRENGTHEN EACH OTHER'S PROGRAMS AND, THUS, OUR COLLECTIVE EFFORT TO IMPROVE SAFETY AND ENVIRONMENTAL PROTECTION.

IN CONCLUSION, HELMEPA HAS BEEN A LEADER, AN INNOVATOR AND A COOPERATIVE PARTNER IN MARITIME SAFETY AND ENVIRONMENTAL PROTECTION FOR MANY YEARS. AND, IF WE ARE TO CONTINUE TO IMPROVE MARITIME SAFETY AND ENVIRONMENTAL PROTECTION AS WE MOVE INTO THE FUTURE, THOSE THREE ATTRIBUTES WILL BE MORE IMPORTANT THAN EVER – LEADERSHIP, INNOVATION AND COOPERATION.

MY THANKS TO HELMEPA FOR YOUR LEADERSHIP, INNOVATION AND COOPERATION.

HELMEPA HAS BEEN A TREND SETTER IN RECOGNIZING THE ROLE OF THE HUMAN ELEMENT, THE ESSENTIALITY OF VOLUNTARY MEASURES TO COMPLEMENT MANDATORY STANDARDS, THE CONCEPT OF “FROM SHIPOWNER TO SEAFARER” AND THE NEED TO EDUCATE OUR CHILDREN ABOUT THE ENVIRONMENT.

THE REST OF THE WORLD, INCLUDING THE U.S. COAST GUARD, HAS FOLLOWED WITH MANY SIMILAR AND COMPLEMENTARY PROGRAMS.

WE EMPLOY AN AGGRESSIVE RISK BASED PSC PROGRAM. USING INTERNATIONAL STANDARDS AS A MEASURE, WE SEE SIGNIFICANT PROGRESS TOWARD IMPROVED QUALITY OF SHIPPING AS INDICATED BY A REDUCTION IN PSC DETENTIONS, BUT ARE STILL NOT SATISFIED WITH THE NUMBER OF VESSELS WE FIND NON-COMPLIANT. ALL LINKS IN THE CHAIN OF RESPONSIBILITY MUST DO MORE TO AID IN FURTHER IMPROVEMENTS.

FROM THE PERSPECTIVE OF A PORT STATE WE SEE NUMEROUS OPPORTUNITIES TO IMPROVE COMPLIANCE AND QUALITY SHIPPING AND REDUCE RISK AND SHIFT THE BURDEN APPROPRIATELY AMONGST THE CHAIN OF RESPONSIBILITY WITHIN THE FRAMEWORK OF INTERNATIONAL STANDARDS, AS FOLLOWS:

- CREATION OF INCENTIVES FOR FLAG STATES TO IMPROVE THEIR PERFORMANCE;
- CONTINUING THE STRONG EMPHASIS ON ISM AND STCW IMPLEMENTATION AND COMPLIANCE-THE HELMEPA TRAINING PROGRAM DOES THIS;
- INCREASING ACCOUNTABILITY OF CHARTERERS AND PERHAPS UNDERWRITERS;
- ESTABLISHING INCENTIVES FOR QUALITY SHIPS SUCH AS LESS PORT STATE EXAMINATIONS AND OTHER INCENTIVES FOR VESSELS DEMONSTRATING QUALITY ALONG THE LINES OF PERFORMANCE AND TRANSPARENCY THAT AT THE SAME TIME CREATES INCENTIVES FOR OWNERS AND FLAG STATES TO CONTINUE TO IMPROVE QUALITY - ALL TOWARDS THE GOAL OF "SAFER SHIPS, CLEANER OCEANS." WITH OWNERS AND FLAG STATES CARRYING OUT THEIR FULL RESPONSIBILITY AND PSC BEING ONLY A QUALITY CHECK, THIS IS THE DESIRED STATE OF THE STRUCTURE OF QUALITY SHIPPING.

WE BELIEVE THAT THE CONCEPT OF PARTNERSHIPS - WHETHER A CLOSER RELATIONSHIP WITH INCREASED COMMUNICATIONS BETWEEN THE LINKS IN THE CHAIN OF RESPONSIBILITY OR THROUGH FORMAL AGREEMENTS - ARE A VERY EFFICIENT AND EFFECTIVE MEANS TO IMPROVE QUALITY OF SHIPPING.

WE WILL CONTINUE TO EMPLOY MORE TRADITIONAL METHODS WITH THE CONCEPT OF PARTNERING FOR SAFETY, ENVIRONMENTAL PROTECTION, AND RISK REDUCTION, PERHAPS DISPLACING MORE TRADITIONAL FORMAL REGULATORY PROCESSES OR AT LEAST CREATING A CULTURE WHERE FORMAL REGULATORY PROCESSES ARE MINIMIZED AND REFOCUSSED FROM A PRESCRIPTIVE TO A PERFORMANCE BASED APPROACH.

WE LOOK FORWARD TO EXPANDING OUR PARTNERSHIP EFFORTS, ESPECIALLY OUR RELATIONSHIP WITH HELMEPA AND THE POTENTIAL TO STRENGTHEN OUR COMMON PROGRAMS.

AND, IN RECOGNITION OF OUR RESPECT FOR HELMEPA'S WORK AND TO FOSTER OUR FUTURE COOPERATION, I WOULD LIKE TO PRESENT THIS PLAQUE TO YOUR DIRECTOR GENERAL. THANK YOU, I'D BE PLEASED TO ANSWER YOUR QUESTIONS.