OECD Countries Agree on Policy Action Needed to Combat Sub-standard Ships

OECD countries have reached agreement over the measures needed to eradicate sub-standard shipping around the world. Members of OECD Maritime Transport Committee today issued a policy statement identifying the key areas for co-ordinated action.

While non-binding, the statement sets out what governments can do to complement the work of the International Maritime Organisation to promote safer and more environmentally sound shipping.

In particular, the statement focuses on:

- strengthening Flag State effectiveness in identifying and removing sub-standard ships,
- supporting Port State controls,
- evaluating Classification Society performance in detecting sub-standard vessels,
- reducing the unintended effects of insurance policies that allow unfettered coverage of sub-standard ships,
- improving seafarer training and conditions of work,
- developing incentives for responsible shipowners,
- amplifying the deterring impact of information disclosure on sub-standard ships and their owners, and
- elaborating an appropriate legal framework for proof of negligence where shipowners, charterers, cargo interests or others have intentionally taken advantage of, and benefited from, the use of substandard ships.

The policies build on extensive work by the OECD, including the 1998 Action Plan to Combat Sub-standard Shipping, adopted as a result of full consultations with the industry.

The policy statement highlights the Maritime Transport Committee’s conviction that if sub-standard shipping is eventually to be eradicated industry itself must play a major role. Another key premise of the statement is that irresponsible operators and users must be detected and held accountable, and must not be permitted by the international system to profit unfairly from their actions. Those who operate or use sub-standard ships in contravention of internationally accepted rules and standards should face strong disincentives and penalties. On the other hand, responsible shipowners should also be recognised and encouraged through effective incentives.

In the policy statement a “sub-standard ship” is regarded as a vessel that, through its physical condition, its operation or the activities of its crew, fails to meet basic standards of seaworthiness and thereby poses a threat to life, the environment, or both. Evidence for this would the failure of the vessel to meet regulations contained in international maritime conventions to the extent that it would be considered unfit to sail by a reasonable flag state or port state inspection.

The policy statement is available on the OECD website at http://www.oecd.org/pdf/M00028000/M00028292.pdf

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JT00124249