



PRESS RELEASE

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ICS CHAIRMAN CALLS FOR ECONOMIC SUSTAINABILITY

Stringent measures to reduce shipping's impact on the environment need to also be economically sustainable, warns the Chairman of the International Chamber of Shipping (ICS).

Speaking at this week's Connecticut Maritime Association event in USA, Mr Masamichi Morooka told delegates: "In a truly difficult economic climate like the present, which for many shipping companies is the worst in living memory, there is really only one issue on the minds of ship operators working on the waterfront – and that question is: 'how are we going to survive?'"

"The protection of the environment is of great importance, but we must balance the measures we take with the economic impact of these measures. At present shipping finance has virtually dried up. This is not just for new ships but also for the investments needed to continue operating existing ships in a safe and environmentally sustainable manner," he pointed out.

Speaking during a key debate on The Regulatory Environment, Mr Morooka questioned: "If a shipping company is already sinking in debt, how is it going to pay for the retrofitting of expensive new ballast water treatment systems that will be required in the next few years, at an estimated cost of between one and five million dollars per ship?"

He pointed out that investing in environmental measures such as exhaust gas cleaning systems and 'green' technologies to reduce CO₂ emissions, as well as installing ballast water treatment systems and the use of distillate fuels, could cost the shipping industry "hundreds of billions". "How will ship operators manage all these additional costs rising so high that they have a dramatic impact on world trade or force cargo back onto roads or to other, less carbon-efficient modes of transport?"

"We are committed to protecting the environment but I do not believe that shipowners should shy away from asking these challenging questions," Mr Masamichi said.

"While our regulators have a responsibility to balance the interests of shipowners with the need to protect the environment and the interests of wider society, they also need to be pragmatic and to have an understanding of the impact that their actions are having on the industry's own long-term sustainability. Otherwise there is a danger of creating an industry in which investors will not want to invest," he warned.

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