



**Asia-Pacific
Economic Cooperation**

2008/TPTWG31/MEG

MARITIME EXPERTS GROUP FINAL REPORT

Purpose: Information

Submitted by: Maritime Experts Group Chair (Japan)



**31st Transportation Working Group Meeting
Lima, Peru
25-29 August 2008**

Report of the Maritime Experts Group

at TPT-WG 31st in Lima, Peru

25-29 August 2008

1. Introduction

Mr. Jerry Rysanek (Canada) opened the meeting as the Vice chair of the Maritime Experts Group (MEG), held on 25-29 August 2008 and attended by 31 delegates, representing 14 economies: Australia; Canada; China; Hong Kong, China; Indonesia; Japan; Korea; Peru; Philippines; Russian Federation; Singapore; Chinese Taipei; Thailand; and United States. An observer from the International Association of Maritime Universities (IAMU) was also present.

2. Election of Chair of MEG

Mr. Takeshi MURAOKA, a representative of Japan, was unanimously elected by all member economies as the new Chair of the MEG.

3. Ongoing Projects and Issues

3.1 APEC Port Services Network

The MEG noted the status report prepared by China and that 14 economies, which are Australia; Canada; China; Hong Kong, China; Indonesia; Japan; Korea; Peru; Philippines; Singapore; Chinese Taipei; Thailand; United States and Vietnam, have nominated Council members, and consequently the first meeting of the Council would be held on November 3-4, 2008 in Ningbo, China.

The MEG then considered APSN's future projects which are:

- 2007 Report on the Asia-Pacific Port Development,
- APEC port database,
- the 11-day training course for port industry, and
- the workshop for senior management staffs of port facility security.

Regarding the 2007 report on the Asia-Pacific Port Development, China agreed to circulate a template as soon as possible so that all MEG members can give inputs to the report on a common basis, no later than by September 30, 2008. China will prepare the draft report and circulate it to all members before finalizing it. The report is expected to be published at the end of this year.

As regard to the database, China will develop it and, eventually, when the Seaborne Trade Database project proposed by Japan is completed, the relevant data from that project will be merged into the APSN database.

With regard to the 11-day training course for port industry, China clarified that each economy will be invited to nominate a representative with appropriate qualifications, giving preference, where applicable, to those representing its Regular Members of the APSN. The MEG requested China to issue a notice inviting nominations, with more information about the anticipated personal costs to be funded by attendees (e.g. travel, hotel cost etc).

Regarding the workshop for senior management staffs of port facility security, the MEG invited MEG-SEC to consider this proposal. MEG-SEC has advised that it strongly supports capacity building initiatives for both the public and private sectors designed to foster information sharing and cooperation through the exchange of ideas and experiences on the latest developments of port security. Upon review of the APEC Port Services Network (APSN) proposal for a port security workshop, MEG-SEC encourages the APSN to consult the Maritime Security Capacity Building Matrix and MEG-SEC Final Report from TPT-WG 31 to avoid duplication of efforts. The Matrix and Final Report can be found on MEG-SEC's TPT-WG webpage and outline all the port security training that has been and will be delivered by MEG-SEC, the IMO and the OAS in the APEC region since 2005. MEG-SEC suggests the APSN could include the issue of supply chain security in its proposed workshop as it remains a priority for APEC Economies.

The MEG expressed satisfaction with the progress achieved on this project and encouraged remaining economies to nominate their Council members at the earliest possible date.

3.2 Sharing Best-Practice in Reducing Greenhouse Gas Emissions at ports

The MEG reviewed the format of questionnaires and examples of best practice on "Sharing best practice in reducing greenhouse gas emissions at ports". Japan will circulate the final questionnaire and MEG members will be asked to respond to Japan by October 1, 2008 and provide 2 examples of such practices. Japan will complete the draft report by the end of this year and will circulate it to all members of MEG.

3.3 Realizing the Bogor Goals in the Maritime Transport Sector

Japan presented a report on this topic and explained the analysis of the responses from member economies to the Bogor questionnaire. It was proposed that in the "Next Step Progress Plan" that some policy items were of higher priority than others and that champions are needed for each policy item. The MEG discussed the plan and welcomed the agreement by China to take on the role of champion for policy item 3, "Government Ownership of Shipping", and Korea to take on the role of champion for policy item 4, "Cargo Preference" as well as policy item 5 "Restrictions Applying to Specific Trades". Korea presented a project proposal tentatively entitled "Removing Restrictions Applying to Specific Trades" and invited interested economies to be co-sponsors of this project contributing to the realization of Bogor Goal. Korea indicated that it will bring both policy items forward in a single project proposal for consideration by the MEG at TPT-WG 32. Indonesia and Philippines indicated that they are willing to co-sponsor policy items 4 and 5. That delegation also indicated that under BIMP-EAGA sub-regional cooperation, there was an agreement to grant exclusive rights to shipping operators in the BIMP sub-region to encourage shipping services on certain agreed routes. Indonesia would provide Korea with the BIMP-EAGA agreement.

3.4 Facilitation of International Shipping Project – Competition Policy Related to Liner Shipping

The MEG reviewed the draft final report submitted by the consultant, and introduced by Canada, on Stage 2 and 3 of the Facilitation of International Shipping project. The MEG noted the contents of these reports and the proposed Guidelines. The consultants requested and the MEG agreed to provide comments by e-mail to the consultants (with copy to Canada) by September 30, 2008 on:

- a) factual information in Stage 2, and
- b) clarifying the general guidelines in Stage 3

The MEG also agreed that subject to the production of the final report by the consultants in accordance with the contract deadline, their contract would be considered completed. The project overseers (Canada) will seek the agreement of co-sponsors (China, Japan, New Zealand and Philippines) to authorize the final payment in accordance with APEC contracting procedures.

Furthermore, the MEG agreed to discuss the final report at TPT-WG32, and then consider the proposed guidelines and decide on the next steps.

3.5 Study on Seaborne Trade Database

The MEG reviewed the revised project proposal submitted by Japan and co-sponsored by China, Philippines, and Chinese Taipei. MEG endorsed the proposal for approval by HODs, and submission to the Budget Management Committee, taking note of a specific provision to the effect that the work and payments will be undertaken in stages, i.e. each stage must first be successfully completed before further work is undertaken on the next stage. Japan will present the progress report on this project at TPT-WG32.

3.6 Impacts of Trade and Transport Policy on International Cargo Shipping and Economic Activities

The MEG welcomed the first interim presentation made by Japan on “Impacts of Transport Policy on International Cargo Shipping and Economic Activities”. The MEG asked Japan to submit an interim report at TPT-WG 32 to clarify the details of the simulation such as model assumption and identify specific discussion points that the MEG should consider at that time.

3.7 Marine Accident Investigation Capability and Capacity Project

Australia provided an interim report on the response to the questionnaire circulated after TPT-WG 30. It was noted that many economies responded while others have yet to do so and were urged to submit their completed questionnaire to Australia as soon as possible. The preliminary results indicate that most economies have the capacity and capability to meet the IMO mandatory marine casualty investigation regime. Australia will provide further update on this project at TPT-WG32.

3.8 Human Resource Development project for LNG seafarers

The Philippines presented an updated proposal, co-sponsored by the United States and Korea, on the development of “voluntary / non-binding standards for quality control system for officers and ratings onboard LNG carriers”. It was noted that this is a very important issue given the growing LNG trade and a limited supply of qualified seafarers. It was explained by the sponsors that these standards would be consistent with global standards adopted by the IMO. The MEG endorsed the proposal for approval by HODs and submission to the Budget Management Committee.

3.9 Improvement of Energy Efficiency of Shipping

The MEG reviewed the new proposal submitted by Japan on “Improvement of energy efficiency of shipping”. The MEG discussed the proposal and agreed to exchange and share the views on improvement of energy efficiency of shipping at TPT-WG32. Possible measures to achieve such improvements could be both of technological and/or operational nature.

4. Economy Reports:

4.1 Presentation by the Host Economy, Peru and Philippines

Peru made the presentation on “Maritime & Port Security and Trade Facilitation” and Philippines made the presentation on “THE MV “PRINCESS OF THE STARS” INCIDENT”. The MEG appreciated the very useful information contained in these presentations.

5. Future Work Program:

The MEG approved several projects for further action, in particular those towards the achievement of Bogor Goals.

6. Discussions on MEG’s possible input to TMM6

The MEG considered this item on the basis of TMM5 directives contained in a paper prepared by the Lead Shepherd and reviewed in detail the status of work on each of them. The outcome of this discussion is set out in the Annex 1 to this report.

7. Other business

- i) As suggested by the Lead Shepherd, the MEG had an initial exchange of views on the possible establishment of a Maritime Safety Sub-group. The MEG concluded that such an action was not necessary at this time, but could be reconsidered if and when the work on maritime safety issues within the MEG would reach the stage where the assistance of such a sub-group would be needed.
- ii) The MEG also had an initial discussion on Corporate Social Responsibility (CSR) and recognized that a number of its current projects already deal with various aspects of CSR, for example the projects “Sharing Best-Practice in Reducing Greenhouse Gas Emissions at ports”, “Improvement of Energy Efficiency of Shipping”, and “Marine Accident Investigation Capability and Capacity Project”.

8. Recommendations for HOD Meetings:

- a) to note the election of Mr. Takeshi Muraoka of Japan to the position of Chair,
- b) to note the very good progress on the establishment of the APEC Port Services Network, whose Constitution entered into force on May 18, 2008; and that 14 economies have nominated their Council members thus reaching the 2/3rd requirement of APEC membership (Australia; Canada; China; Hong Kong, China; Indonesia; Japan; Korea; Peru; Philippines; Singapore; Chinese Taipei; Thailand; United States and Vietnam); and that the first meeting of the APSN Council would be held on November 3-4, 2008 in Ningbo, China; and to urge the remaining economies to nominate their Council members at the earliest possible date
- c) to note the good progress of work on ongoing issues and projects, particularly those linked to Bogor Goals such as the Facilitation of International Shipping Project;
- d) to note the MEG’s input to TMM6 (see Annex 1)
- e) to note that in view of the MEG, there is no need at this stage to establish a Maritime Safety Sub-group;

f) to invite the HOD to approve the following projects for submission to the Budget Management Committee:

- Study of Seaborne Trade Database (see Annex 2)
- Development of voluntary / non-binding standards for quality control system for officers and ratings onboard LNG carriers (see Annex 3)