## INTERNATIONAL MARITIME ORGANIZATION

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## **World Maritime Day 2005**

## INTERNATIONAL SHIPPING - CARRIER OF WORLD TRADE

A message from the Secretary-General of the International Maritime Organization Mr. Efthimios Mitropoulos

The history of shipping is a glorious and proud one. There is no doubt, for example, that the magnificent square riggers of the era of sail or the early 20th century's prestigious ocean liners could stir the hearts of all those that beheld them. But the ships of today are just as worthy of our admiration, for shipping today is in another truly golden age. Ships have never been so technically advanced, never been as sophisticated, never been more immense, never carried so much cargo, never been safer and never been so environmentally-friendly as they are today.

Mammoth containerships nudging the 10,000 TEU barrier yet still capable of 25 knot operating speeds; huge oil tankers and bulk carriers that carry vast quantities of fuel, grain and other commodities around our planet economically, safely and cleanly; the complex and highly specialized workhorses of the offshore industry; and the wonderful giants of the passenger ship world are all worthy of our greatest admiration. I remarked, at the time of the unveiling of the iconic Queen Mary 2 to the sounds of the "Ode to Joy" from Beethoven's 9th symphony, what a happy combination it was of two of the great achievements of mankind; and ships such as these incorporate and combine the finest examples of naval architecture, marine engineering, function and system integration and technical skill.

In shipping today we can see many marvels of state-of-the-art engineering and technology that deserve to be ranked alongside the very finest achievements of our global infrastructure. We all marvel at the wonders of the modern world – skyscrapers, bridges, dams, ship canals, tunnels and so on. Although they all deserve our admiration, there should be no question that today's finest ships are also worthy of the sort of recognition usually reserved for the great icons of land-based civil engineering – with one substantial difference in favour of the former: while skyscrapers, bridges, dams et al are static structures designed to withstand the elements coming to them, the very essence of marine vehicles sends them out to sea to face the elements at full force, alone in the vastness of the ocean. It is, therefore, only fair that all those who apply their skills in the complicated process that takes ships from concept to delivery, and thereafter through their entire life, should be commended for their vision, their tenacity, their dedication and the sheer quality of their work.

I believe we should celebrate this excellence in shipping far more often than we do and, in selecting the theme for World Maritime Day 2005 – International Shipping - Carrier of World Trade – we sincerely hoped that we (Governments, organizations, industry and all other stakeholders) would be able to draw attention to the vital role that shipping plays in underpinning international commerce and the world economy as the most efficient, safe and environmentally friendly method of transporting goods around the globe. We live in a global society which is supported by a global economy – and that economy simply could not function if it were not for ships and the shipping industry.

On World Maritime Day, let us also celebrate not only the vital contribution that ships and shipping make to the prosperity and well-being of us all but also the men and women who take on the onerous task of operating them. Given the enormous responsibility those in command have both for the very lives of those who serve with them and for the environment, not to mention the commercial success of the enterprise in which they are engaged, it requires a very special kind of person to take up the challenge of a seafaring career – especially these days when ships, because of their capacity to carry passengers in their thousands and also because of their size, enabling them to carry cargoes in hundreds of thousands of tons, have the potential to cause enormous loss of life or environmental catastrophes of unimaginable dimensions. We should, therefore, never forget our collective responsibility to help promote the notion of seafaring as a viable and attractive career for people of the highest calibre, now and in the future.

The sea can be an unforgiving environment and, over the centuries, its rigours have encouraged seafarers to build a tradition of selfless endeavour and of high regard for others, particularly those who find themselves in difficulty or distress. It is a tradition that persists today – indeed IMO is to establish a special award for courage at sea, to recognize those who, at the risk of losing their own life, commit acts of extreme bravery to rescue persons in distress at sea or to prevent catastrophic pollution of the environment thus exhibiting virtues of self sacrifice in line with the highest traditions at sea and the humanitarian aspect of shipping. This year, we have also witnessed the humanitarian aspect of shipping at work in the tremendous response of the maritime community and industries, both in kind and in direct financial terms, to the dreadful Boxing Day tsunami tragedy.

It may seem obvious to say that we live in a global world, and it is certainly true that international trade among all the nations and regions of the world is nothing new. From the Phoenicians, through the Egyptians, the Greeks and the Carthaginians, the Chinese, the Vikings, the Spaniards, the Portuguese, the Italians, the British, the French, the Dutch, the Polynesians, and Celts, the history of the world is a history of exploration, conquest and trade by sea. But there is no doubt that we have now entered a new era of global interdependence from which there can be no turning back.

Of course, there was a time when, for any given community, the most important raw materials, the most important products and the most important markets were essentially local. But, as interaction between communities grew, trade developed and regional specialities, often founded on proximity to particular raw materials or on saleable skill-sets that had been developed over time, began to emerge.

Eventually, the great seaborne trades became established: coal from Australia, Southern Africa and North America to Europe and the Far East; grain from North and South America to Asia, Africa and the Far East; iron ore from South America and Australia to Europe and the Far East; oil from the Middle East, West Africa, South America and the Caribbean to Europe, North America and Asia; and now we must add to this list containerized manufactures from China, Japan and South-east Asia to the consumer markets of the western world. Global trade has effectively permitted an enormous variety of resources to be more widely accessible and has thus facilitated the widespread distribution of our planet's common wealth.

Today, international trade has evolved to the point where almost no nation can be fully self-sufficient. Every country is involved, at one level or another, in the process of selling what it produces and acquiring what it lacks. Were they dependent only on their domestic resources, some nations might find their shortcomings would weigh heavily indeed.

Global trade has fostered an interdependency and inter-connectivity between peoples who would previously have considered themselves completely unconnected. The potential benefits are clear: growth can be accelerated and prosperity more widespread; skills and technology can be more evenly dispersed, and both individuals and countries can take advantage of previously unimagined economic opportunities.

Shipping has always provided the only really cost-effective method of bulk transport over any great distance, and the development of shipping and the establishment of a global system of trade have moved forward together, hand-in-hand. Those with access to natural resources; those with the ability to convert those resources into useful products for the good of mankind; and those with a requirement and the wherewithal to utilize and consume those end products are all joined by the common thread of shipping. The eternal triangle of producers, manufacturers and markets are brought together through shipping. This has always been the case and will remain so for the foreseeable future.

More than 90 per cent of global trade is carried by sea. The latest complete annual figures from the United Nations Conference on Trade and Development show that shipping accounted for a staggering 24,589 billion ton-miles in 2003, a figure that continues to increase year on year.

In the context of a global economy, the contribution made by shipping as a major industry in its own right is also very significant, and increasingly so for the developing world. Maritime activity already provides an important source of income to many developing countries. Indeed, developing countries now lead the world in some of shipping's most important ancillary businesses, including the registration of ships, the supply of sea-going manpower and ship recycling. They also play a significant part in shipowning and operating, shipbuilding and repair and port services, among others.

There can be no doubt that transport and communication are crucial for sustainable development in the global environment. If the benefits of globalization are to be evenly spread, the developing countries must be able to play a full and active part in the distribution system. IMO's extensive programme of technical co-operation provides a valuable service in terms of training and capacity building in these newly emerging maritime powers.

Of course, shipping must present itself as a sustainable activity conscious of the need to address both sides of a finely balanced equation. If shipping were to consume environmental capital (in the form of pollution) or social capital (by being an inherently unsafe activity that cost thousands of lives each year) or economic capital (perhaps through enormous insurance premiums and massive claims) to a greater extent than its overall positive contribution, then clearly it could not be considered "sustainable". However, in this respect, I think shipping has an excellent record, indeed one which we should be proud of and about which we should be far less reticent. Furthermore, there is no viable alternative to shipping and any steps we take towards making shipping a yet safer, more efficient and more environmentally-friendly activity can only increase, overall, the positive contribution the activity makes to global sustainability and to sustainable development.

Accidents do, of course, unfortunately happen from time to time and, when they do, they may result in loss of life and damage to the environment. It is my firm contention that every occasion in which a ship – any ship – becomes involved in a pollution incident or a major casualty must be set against the literally billions of trouble-free, clean and economically efficient ton-miles that shipping achieves every day, and all the consequent benefits that accrue from this activity.

It is a pity, although perhaps inevitable in a world where good news is no news, that it is the accidents which tend to make the headlines and inform public opinion. An oil tanker, for example, can be either a menacing pollution accident waiting to happen, filled to the brim with a scarce natural resource that we should be preserving, not plundering; or, a modern, clean, safe and efficient carrier of the vital energy resource that provides the power we need in order to enjoy the comfort and living standards we expect from life in the 21st century - it just depends on which way you look at it.

What tends to be overlooked is that vast supplies of seaborne oil are needed every day, literally to fuel the lives and lifestyles we have become accustomed to. The real picture is revealed in industry figures which show that 60 per cent of the annual world oil consumption of 3.6 billion tonnes is transported by sea and, of this, 99.9997 per cent is delivered safely.

To a considerable extent, this success story should be attributed to the comprehensive framework of rules, regulations and standards developed, over many years, mainly by IMO, through international collaboration among its Members and with full industry participation – it is thanks to the Organization's outcomes that those trouble-free ton-miles are made possible. Just about every technical aspect of shipping is covered by an IMO measure, from the drawing board to scrapyard. Every single piece of this all-embracing regulatory structure makes a contribution towards the overall sustainability of shipping and is a testimony to the highly responsible attitude that pervades the activity of shipping and the industry of shipping at all levels.

What is more, it is effective, too. Every statistical indicator suggests that shipping is becoming safer and is improving its environmental credentials. Ship losses are falling, lives lost are decreasing, pollution incidents and, with them, oil pollution is down, air pollution and pollution from sewage are being tackled.

Shipping has always been a potentially hazardous and dangerous occupation and ship operators today have new factors and new pressures to contend with. The structure of the global marketplace requires that goods and materials be delivered not only to the geographical location where they are required but also within a very precise timeframe. Today, goods in transit are carefully factored-in to the supply chain and, as a result, the transportation industry – which embraces both shipping and ports – has become a key component of a manufacturing sector which sets its store by providing a complete "door-to-door" service.

As a consequence, safety and efficiency have now, more than ever before, become two sides of the same coin: accidents are not only undesirable outcomes in themselves; they also have a negative impact on the supply chain that is at the heart of the new global economy. Seen in this light, IMO's responsibility to ensure the highest practicable, globally acceptable, standards that will improve maritime safety and security and, at the same time, help prevent marine pollution takes on a new dimension.

For shipping affects us all. No matter where you may be in the world, if you look around you it is almost certain that you will see something that either has been or will be transported by sea, whether in the form of raw materials, components or the finished article.

The sea knows no international boundaries and, although most maritime enterprise takes place out of sight of land, the ship is as important now as it ever was, perhaps more so. Standards of living in the industrialized and developed world, the jobs and livelihoods of billions in the developing world, all depend on ships and shipping. For IMO, creating the conditions in which international shipping can operate safely, securely and with a minimal impact on the global environment remains our mission and I am confident that the diligence, expertise and commitment of all those involved in any capacity in the Organization will ensure our continued success.

Thank you.