

I should first say how much I regretted having to request from you all an (hopefully not demanding!) extra contribution due to our poor financial situation. We always have had to leap from rock to rock to remain solvent and this year was rather more serious than most.

However the response was extremely good and I thank you all for the amount so generously donated towards the continued existence and work of IMIF.

Now we must look ahead.

After a series of most useful meetings with an ad hoc "Executive Committee" the following decisions have been taken:

- To increase the full annual subscription to £1100 (up from £950 set in 1982) and to increase the "observer" level subscription from £475 to £575. This will provide a realistic level of income sufficient to meet our basic expenditure which we have always been careful to keep to a minimum.
- To vigorously maintain our series of buffet luncheons, now in their 10th year which I am pleased to note seem to increase in popularity.
- To concentrate, as indeed we always have but more targeted, on the real problems which beset the industry and get a head of steam behind solving them (eg Safety – including piracy, Regulations particularly Governmental, confronting the "blame" society, considering the practical implications arising from the production of increasingly large container ships and cruise ships, etc etc).

I would like to re-establish and lead more visits by IMIF delegations, as was done regularly in yesteryear to such as the Far East, Piraeus and Brussels. We have always been well received and listened to.

I also concede somewhat reluctantly to the fact that I am not immortal so am examining the longer-term future and possible succession. I shall fixedly address this when I am 80 or before, but that is the better part of two years away.

A summary of possible and fixed future functions is attached plus the invoices for 2007 year. Please pay these as soon as you can. I would like to think that I do not need to justify IMIF to you. Surely it has proved its unique position, status and worth over the years and I find it somewhat humiliating to have to beg my friends in the industries for your continued support..... but I think you understand.

With warm good wishes from a 30kg lighter and correspondingly handsome

Jim Davis

IMIF new members

We are pleased to advise of the following new members:

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The Bahamas Maritime Authority		Ken McLean

Press Cuttings

SHIPPING
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IMIF In Today's World

By Jim Davis* CBE K(DK) Chairman of IMIF

“Those who cannot remember the past are condemned to repeat it” Is one of the reasons that history teachers give to their students for studying harder. They are also the words of wisdom which, attributed to George Santayana, the International Maritime Industries Forum (IMIF) has chosen to make its own, in the hope that the shipping industry as a whole might apply itself better for the greater good of all concerned.

The IMIF has its roots in crisis and is still active more than thirty years after the tanker troubles that caused its original birth. At the end of 1975, a small group of very senior representatives from all walks of the maritime industry got together to discuss the problems being caused by surplus tanker capacity. This was the formation of the IMIF, and, under the initial chairmanship of Sir James Dunnett, a former Whitehall Mandarin, ways in which the situation could be remedied were suggested, as well as ways of forestalling similar developments in other market sectors. In the years that followed, it was decided that the IMIF should expand its area of concern beyond the tanker industry to include all areas of the maritime industries.

Today the IMIF acts as forum in which major participants within shipping can get together to discuss the issues that face the industry. Acting as a think tank of leading people, the IMIF recognizes that the maritime sector is a cross modal and attempts to facilitate dialogue between representatives of the differing parts.



IMIF's aims are the promotion of policies that are beneficial to the shipping industry in general. We exist for two reasons. First, we are there as a group for the shipping community to communicate through, to have better information among themselves. Secondly, we evangelise, we talk to people in the industry. This is with the hope of educating them into adopting policies that will be of overall benefit in the long term for shipping.



To go about achieving this aim, the structure of the IMIF has a steering committee at its head to control the receipt and dissemination of information, and then to prepare policy statements. These are then distributed by way of newsletters, press releases, articles and talks at conferences. The committee also travels around the world to inform the shipping community about their views and to hear first hand the opinions of owners, yards, governments, shipbrokers and international organisations. We used to conduct annual pilgrimages to the Far East to spread the word, but budget constraints have meant that these trips are now less frequent.

The Forum has been under my chairmanship since 1981 and for the last 25 years or so I have been urging shipowners to scrap older ships when new orders are made. This is to prevent overcapacity and the collapse of the market, which would follow. IMIF has continually repeated these calls to implement such a scrap and build policy – and, if I say so myself, will remain adamant. It may have earned me the not altogether welcome sobriquet of “Scrapping Jim” but I and IMIF are not apologetic about banging on about the same old things. The issues do not go away and a problem exists until something is done to resolve it.

There has been an added difficulty in the scrapping of vessels, because of issues raised by Greenpeace and other concerned human rights organisations. Current practices in breaking up ships have been denounced because they are not ecologically sound and are dangerous to those that carry out the task. The calls are for all noxious substances such as asbestos, paint, plastics, refrigerants, chemicals and oils to be removed before a ship can be scrapped. Though grounded in a desire on the part of shipping to clean up its image, IMIF is worried that the added costs will further inhibit scrapping. One Solution, being applied on a very tiny scale at present is through the creation of ecologically sound breaking yards run on an environmentally friendly code of practice. Two such yards are in the process of developing, one in China, the Chiangjiang Shipbreaking Yard, committed to “Health, Safety & Environment” and the other, the [Ecodock venture at Eemshaven](#) in the north of the Netherlands. Both are to be applauded for their efforts, but many more such yards will be required and the additional expenditure involved in running them will still have to be found from somewhere

One solution that I can offer is based on the idea of a government sponsored scheme that is operated in Holland. Two per cent is added to the cost of any new car, which is put aside into a fund that goes towards a final scrapping scheme. The IMIF advocates for a similar scheme to be applied to newbuildings, but the industry so far is generally sceptical, arguing that a further cost increase could not be supported.

Membership of the IMIF is made up of shipowners, shipbuilders, cargo interests and bankers, as well as from other interested organisations such as insurers, classification societies, flag state representatives, maritime lawyers and accountants, drawn from 28 countries. The organisation is international with members from all sectors of the shipping industry, whose interests and indeed

prosperity are inextricably linked. Recently there has been increasing support from the legal fraternity, because I think they are generally made up of crusading, clear thinking people who like to see an even handed forum.

Members each pay an annual subscription of £950 or £475 for small companies, giving the IMIF a total income of around £70,000 – a paltry sum indeed to fund the sizeable challenges that the IMIF chooses to tackle. I believe we are the most cost-effective organisation in the maritime world. The membership price has been at its current level for the last 25 years although this may have to change because the financial demands of the world have not remained the same during that time.

However, my assessment of the IMIF's worth has to go beyond its finances. We use gentle persuasion and cannot produce a yearly profit and loss account of our successes and failures. The value of the advice that is distributed is not something that one can measure. The IMIF is voluntary and mostly informal organisation, holding very little formal power. But it is made up of maritime experts who have a wealth of experience and knowledge and so it is able to give an authoritative opinion on matters. We do not have the power to impose any kind of sanctions, but we still have clout and are referred to on any sort of matter. Our strength lies in our powers of persuasion and so we comment on great issues of the day. The IMIF's opinion on various topics on the international maritime world has been sought by major inter-governmental bodies such as UNCTAD, the OECD, the EC, BIMCO as well as by individual governments. I like to think that IMIF is the voice of ultimate sense.

As to the future of the IMIF, it is difficult to tell. Identifying a successor is not easy and meanwhile we jump from rock to rock trying to keep alive. We are proud of what we have achieved and our *raison d'être* has not changed. Despite the fabulous prosperity of the last two years for the shipping market, the problems have not gone away and I still believe that the IMIF has a role to play. I think that it should be there to carry on the message. It should be there and it should remain as a forum where issues of the day can be freely discussed. It would be nice if more of our good friends, the Greek owners, might be prepared to commit themselves to IMIF membership, bringing with them their unrivalled knowledge and expertise, and through their membership fee providing IMIF with much needed financial support.

IMIF has for me been somewhat of a personal project – a true labour of love. On the one hand everyone admires the IMIF, but on the other perhaps it is my pride and folly. Perhaps it has become too personalized?

At some stage, eventually, I shall have to give up the reins of its chairmanship but I am sure that the IMIF will still have a significant place in the maritime community. The gathering of informed views from responsible sources, through a topical and impartial forum can only be of benefit to the shipping industry. And the value of education from qualified sources is something that needs to be encouraged.

Teachers are seldom heeded by their students as much as they would like to be, and so too perhaps is the IMIF. But at least students are forced to listen, to try to save them from their own folly, as well as to stop them from repeating history's own mistakes.

**Jim Davis CBE, K(DK) was born in 1928 and has been in shipping all his working life. He proudly recalls entering P&O as "a student prince" under the P&O graduate scheme in 1951 for management training. He became a Director of P&O before moving on to become Shipping Director of merchant bankers Kleinwort Benson. Other posts held in parallel have included being Chairman of Global Ocean Carriers Limited, President of the Institute of Export, Director of Catenas Ltd and Director of the British International Freight Association, (BIFA) along with his dedicated Chairmanship of MIF. Renowned for his after dinner speeches his latest 'rather special' offering can be seen on the IMIF website.*
