

SECRETARIAT OF THE PACIFIC COMMUNITY

**THIRTY-NINTH MEETING OF THE
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS**
(Nuku'alofa, Tonga, 6–9 October 2009)

DIVISIONAL REPORTS

AGENDA ITEM 3.5.1 – TRANSPORT PROGRAMME – MARITIME

(Paper presented by the Secretariat)

Summary

1. SPC's Regional Maritime Programme (RMP) manages and coordinates training of maritime personnel in Pacific Island countries and territories (PICTs) and maintains the audit manager function of the regional audit regime. It also has a major role to play in ensuring PICTs comply with international and regional instruments, and develops and updates generic maritime legislation and regulations for PICTs to adapt and adopt.
2. Subject to the respective governments' endorsement, Kiribati, Tuvalu and Nauru will pioneer the establishment of the Central Pacific Shipping Commission (CPSC), commencing possibly by the end of 2009, to better regulate shipping services to their states.
3. RMP now offers a centralised secure seafarer certificate printery service and 12 PICTs have signed a multilateral letter of agreement for such a service to commence.
4. Administration of the maritime sector has been strengthened through the development of model maritime legislation, regulations and policies. Increased attention will be accorded to assisting members with their domestic shipping in 2010.
5. Given challenges such as minimal funding and limited resources available in-country, RMP is introducing more in-country assistance rather than regional events.
6. RMP has been effective in implementing its strategic plan and its work is regarded as relevant and valuable by members.

Recommendations

7. CRGA is invited to:
 - i. note the positive impacts of RMP's intervention in some of the key areas of the Pacific maritime transport sector;
 - ii. urge donor partners to maintain their support for current RMP activities, to allow the programme to continue the delivery of vital maritime services to members; and
 - iii. support RMP's latest initiatives to strengthen maritime safety in the domestic shipping sector.
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TRANSPORT PROGRAMME – MARITIME

Purpose

1. This paper presents to CRGA and Conference a brief overview of the major issues facing PICTs in the maritime transport sector and the nature of RMP's assistance to its members to address these challenges. The recent maritime disasters in a number of SPC's member countries resulting in loss of lives have increased the need to urgently and more comprehensively address domestic shipping in PICTs, in particular the seaworthiness of many of the region's domestic ships.

Overview

2. About 98 per cent of the region's total area of more than 36 million square kilometres is covered by ocean. Shipping plays a crucial role in supporting the economic viability of practically all of SPC's 22 island members as well as livelihoods throughout the region.
3. The maritime transport sector is highly regulated through the International Maritime Organization (IMO). IMO regulates shipping standards that all countries must comply with across a range of areas, including but not limited to:
 - a. maritime legislation, regulations and policies;
 - b. training and qualification of seafarers;
 - c. standards for maritime training institution operations;
 - d. standards for maritime administration operations;
 - e. standards for maritime port authorities;
 - f. safety operations on ships;
 - g. maritime safety and security;
 - h. marine pollution prevention; and
 - i. flag state and port state responsibilities.
4. Through RMP, SPC provides assistance to members to comply with these requirements. Much of the focus of the maritime work has been in developing IMO compliant multi-country (regional) solutions that have been adapted and adopted by members to improve their respective national impacts.
5. One major area that SPC has not put too much effort in the past, mostly because it was seen as a national responsibility by members, has been domestic shipping. With the recent increase in maritime accidents and the resulting loss of lives, it is imperative that RMP assist members to conduct a maritime safety audit of the region's domestic shipping fleet. This audit should commence with passenger ships and over time (working with partners) include a more comprehensive safety audit of the majority of the 1600 or so ships that currently make up the region's domestic fleet.

Major challenges facing the region's maritime transport sector

6. Among the major challenges facing the region's transport sector are the following.
 - a. *At the national level there is a need to:*
 - i. shorten delays in promulgation of maritime legislation;
 - ii. strengthen national maritime administrations;
 - iii. strengthen maritime training institutions;

- iv. conduct safety audits of ships in the domestic shipping fleet;
 - v. ensure an adequate level of training for seafarers (both in numbers trained as well as quality of training); and
 - vi. ensure compliance with IMO requirements including International Ship and Port Facility Security (ISPS) Code, and International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW 95).
- b. *At the regional / international level there is a need to:*
- i. establish regional standards in areas such as maritime legislation, training curricula, compliance auditing, and survey of ships that are compliant with international standards and that serve as a model for updated national standards;
 - ii. explore / establish sub-regional shipping routes for PICTs to facilitate inter-island trade by way of either a feeder service a major trading route;
 - iii. seek cost-effective mechanisms for handling secretariat responsibilities for the four regional associations – Pacific Islands Maritime Association (PacMA), Pacific Countries Ports Association (PCPA), Pacific International Maritime Law Association (PIMLA) and Pacific Women in Maritime Association (PacWIMA)

How does the SPC maritime transport programme assist members respond to the above challenges?

7. *Provision of training and mentoring programmes:* Training (in-country and at the regional level) is provided to maritime personnel in ports, maritime administrations, maritime institutes and shipping companies in various areas. Skills training for heads of schools and tutors is conducted to ensure maritime training institutes provide appropriate, accredited training to seafarers, and to strengthen the institutions' capacity to respond to changes in the maritime sector. Pacific ports personnel are seconded to the ports in developed countries for up-skilling.
8. *Provision of compliance audits:* RMP offers the following types of compliance audits to members upon request:
 - a. STCW audits – on maritime administrations
 - b. STCW audits – on maritime training institutes
 - c. STCW audits – on open shipping registries
 - d. ISPS security audits – on ports
 - e. ISPS security audits – on designated authorities
 - f. International Safety Management (ISM) audits – on shipping companies
 - g. Business Excellence audits – applicable to all organisations
9. *Development of model legislation, regulation and policies:* In response to regulatory requirements from IMO, RMP assists PICTs by developing model legislation and regulations, which can easily be adapted and adopted into national laws.
10. *Provision of advice and assistance to improve shipping services to small island states (SIS):* Since 2007, this has been a special focus of SPC, in collaboration with the Pacific Islands Forum Secretariat (PIFS). Meetings for SIS transport ministers are organised, related studies and analyses are undertaken and work is in progress to establish a shipping commission for the central Pacific region.
11. *Provision of support to regional associations and proposed shipping commission:* RMP's support in this area promotes regional cooperation and builds a pool of regional expertise in

various maritime areas. RMP is currently negotiating the merger of PacMA, PacWIMA, PCPA and PIMLA in order to cut costs as well as to promote the concept of a single maritime voice.

Major achievements over the past year

12. *Compliance audits*

- a. Fifteen audits were completed this year in Cook Islands, Fiji Islands, Federated States of Micronesia (FSM), Palau, Solomon Islands, Tonga, Tuvalu and Vanuatu: eight on port facilities, two on maritime administrations, two on training institutes, one on an open registry and two on ships that operate within the Pacific Islands region.
- b. Results show that ports, companies and maritime entities audited remain compliant with STCW, ISPS and ISM requirements.

13. *SIS Shipping*

- a. Kiribati, Tuvalu, Nauru and Fiji Islands are now serviced by a sub-regional shipping service that is improving trade in these countries. They are now able to fulfil some of the aspirations of the Pacific Island Countries Trade Agreement (PICTA).
- b. Fiji Islands was able to convene a sub-regional workshop on 'Exploring trade opportunities between Fiji and central Pacific countries'. The objectives of the workshop, which involved people from the chambers of commerce from Kiribati, Tuvalu and Nauru, were strengthening cultural and trade relations, identifying intra-regional trade opportunities, and networking and matching of potential business partners.
- c. In conjunction with SPC's Land Resources Division, people from Rotuma are now able to directly export their fresh agricultural produce to Tuvalu.
- d. The CPSC Committee was able to hold its inaugural meeting in September 2009, and progress was made toward the commencement of CPSC by the end of 2009. This new shipping commission would help Tuvalu, Kiribati and Nauru regulate shipping services in their region and benefit from cheaper, more reliable and more frequent services.

14. *Addressing maritime law issues*

- a. Model legislation and regulations have been updated and provided to 14 PICTs to adapt and adopt as required. This assists PICTs in fulfilling international obligations.
- b. A collection of 277 maritime law judgment cases from around the region has been compiled by PIMLA members, and is seen as a learning tool for PICTs maritime lawyers to better address maritime cases in court.

15. *Capacity building for Pacific maritime personnel*

- a. Training, mentoring, and awareness forums were organised for maritime personnel in 14 PICTs. See Annex 1 for a list of activities completed from January to August 2009.

16. *Feasibility studies in shipping*

- a. A purpose-built ship study was completed this year at the request of SIS leaders.
- b. A feasibility study on the development of shipping services between Wallis and Futuna was completed at the request of the member nation.

17. ***Raising awareness of maritime issues at high levels of government***

- a. At the second Transport Ministers meeting in Tonga on 14 May 2009, Ministers noted their appreciation of and reiterated their support for RMP's work. Commitment and endorsement from high levels of government have increased the profile of the maritime sector in all PICTs.

18. ***Supporting the work of regional maritime associations***

- a. The work of PacMA, PacWIMA, PIMLA and PCPA has been supported by RMP throughout the year.
- b. All four associations agreed in principle to a merger and a first merger meeting was held between PacMA and PacWIMA in September this year.

Key constraints that potentially undermine advances in the transport sector

19. There is a lack of recognition and utilisation of the capacity that already exists in the region.
20. Commercial pressures force operators to buy cheap tonnage often unsuited for the purpose, and to charge low passenger fares and freight rates and subsequently often cut corners in operations, including maintenance.
21. Political pressures can lead to unseaworthy vessels being issued survey certificates because there are no other ships, interference in safety administration and regulatory compliance.
22. There is a lack of resources to maintain the required number of qualified staff, including administrative staff.
23. Uncertainty of funding could impact the delivery of current services by RMP to members.

Major lessons

24. The importance of shipping in the region is widely known. The Forum Principles on Regional Transport Services clearly articulated the key priorities. Successive Forum Communiqués have consistently called for solutions to the challenges in the sector, including provision of frequent, reliable and affordable service on international, regional and domestic routes.
25. Unfortunately, these calls have not been matched with adequate resources at the regional and national levels. The recent maritime accidents demonstrate the reality of the dangers in this area, in particular with regard to domestic shipping services.
26. In the Pacific Islands region, ships are a part of everyday life. Our livelihoods depend on them. It is therefore imperative to begin a comprehensive and more permanent process to improve the standard of ships providing services in our member countries and ensure that they are seaworthy.

Where to from here?

27. Planned RMP activities to strengthen the maritime transport sector in the region include:
 - a. Incorporating into RMP's existing audit regime, a system of safety audits on domestic ships, to be undertaken in consultation with RMP's counterparts in Australia and New Zealand.

- b. Strengthening training of surveyors and utilisation of regional survey guidelines for domestic vessels to ensure minimum standards of safety are not compromised.
- c. Continuing the current audit regime to assist in identification of compliance trends.
- d. Assisting countries to put in place appropriate legislative framework where delays in promulgation of national legislation persist.
- e. Ensuring CPSC is operating by 2010 and commencing work to set up other shipping commissions in the eastern and Melanesian regions.
- f. Ensuring that RMP's knowledge base is fully utilised by PICTs to assist them in taking the right decisions in dealing with transport issues.

Conclusions

- 28. In order to make progress in overcoming the many challenging issues facing the transport sector in the region, regional mechanisms must be strengthened with funding support.
- 29. RMP has facilitated the development of many regional maritime initiatives such as the Pacific Islands Maritime Laws (PIMLAWs), SPC regional audit standards, a regional system of compliance audits, regional training standards, regional survey guidelines, and maritime accident reporting guidelines. Regional initiatives must be implemented at the national level, especially in legislative, monitoring and compliance areas to improve safety and security of shipping in PICTs.

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