

ICONS sets its deadline

THE International Commission on Shipping (ICONS), set up last June to look at the safety and environmental impact of shipping, has set itself a deadline to deliver its report on the "debilitating factor of sub-standard shipping" at the next Quality Shipping Seminar, scheduled for April 5-7, 2001, in Sydney, Australia.

James Bell, formerly secretary of the International Association of Classification Societies and now an ICONS commissioner, told *Fairplay* last week that "we appear to be approaching a defining period as far as maritime regulatory development is concerned," and he believes

that "the quality shipping campaign... needs some impetus and plans for action to avoid terminating in frustration."

ICONS was established with funding from the ITF, but says that it operates as a fully independent body. Its brief is to "investigate and appraise the current approach used by governments, industry and interested parties to achieve compliance with international minimum safety, environmental and social requirements." It will then go on to "recommend an appropriate compliance/enforcement strategy that encompasses both the non-regulatory and regulatory approaches."

In preparing its report, the commission will hold a series of public consultative meetings with people from across the industry and around the world. The first of these mis-

The quality shipping campaign risks ending in frustration, says ICONS commissioner James Bell



sions will target Europe and Africa, and the European dates have been provisionally set for November, taking in London, Oslo, Brussels, Geneva, Athens, Limassol and Malta. Two other missions will visit the Americas and the Asia Pacific Region.

Before that, however, ICONS is asking for submissions to help it plan its public hearings, and invites those who might have comments to make to visit its website – www.icons.org.au – before May 31.

Strike Club predicts closing calls

THE Strike Club expects to make closing calls for the 1999-2000 policy year when it closes at the end of January 2001.

Calls of 20 per cent for Class I cover and 45 per cent for Class II are predicted following deficits in both classes. Although premium income was at its highest for ten years, claims were also up on the year before. The last three months of the policy year showed a particular rise in claims from strikes in Bangladesh, India and Israel.

The prediction coincided with the club issuing a closing call for the first time in nearly ten years, covering the 1998-9 policy year. The call, which will "maintain... strong free reserves", the club said in a statement last week, will amount to 40 per cent for Class I cover – which deals with daily running costs – and 30 per cent for Class II – which covers costs sustained after strike disruption. There is no call for Class III cover, which deals with delays arising from strike's by the ship's officers or crew.

The club says that its financial position remains strong and that the 1998-9 call is to maintain this position, but the amount called will not completely meet the club's deficit for that year, with \$1.2M needing to be transferred from reserves, although this is offset to some extent by a \$345,000 surplus from Class III premiums.

A statement by the club suggested that the calls should not have come as a surprise to members, since they were advised in 1998 and 1999 of the probability of a closing call because of a continuing increase in claims resulting from strikes and industrial relations disputes.

UK tax rules expected

FINAL details of the UK's tonnage tax regime are expected to be published this month as part of the government's Finance Bill, and will take effect in July or August when the Finance Act 2000 comes into force.

Law firm Watson, Farley & Williams last week published a review of the draft legislation, and Jonathan Kellett, spokesman for the firm's tonnage tax team, said in a statement that both "UK and foreign ship-owners should be attracted to the real benefits in the tax environment."

When the details are announced, it is hoped that they will clear up some con-

fusions in the draft text. For example, the draft refers to "strategic and commercial management", but this review comments that it is not clear what this phrase means. "It seems that the Revenue will provide some kind of check list of key functions which it regards as the essential attributes of ship operation," it suggests.

But the review's authors believe that it will not be necessary that all the elements of ship operation be carried out in the UK; only that there should be "sufficient UK input into the operational process to make it clear that the shipping activities as a whole are centred upon the UK rather than upon some other jurisdiction."