

# ClassNK's Achievements as IACS Chair Society

External Affairs Division

## 1. Introduction

From July of 2010 until June of 2011, ClassNK served as the Chair Society of the International Association of Classification Societies (IACS). During this period, President and Chairman of ClassNK Noboru Ueda had the honor of serving as the Chairman of the IACS Council.

ClassNK has previously served as chair society three times since IACS founding in 1968, making this the 4<sup>th</sup> time that ClassNK has successfully completed its term as chairman of the association.

This article summarizes the areas of that ClassNK focused on as IACS Chair Society, as well as the Society's results and accomplishments.

## 2. Activities as IACS Chair Society

As Chair Society, ClassNK hosted and chaired the following meetings of the Council, Chairman's Office (forum comprising IACS top executives; Chairperson, 2 Vice-Chairpersons and the Permanent Secretary) and General Policy Group (GPG), as well as chaired and moderated IACS' e-mail based correspondence in between each meetings.

- Oct 2010 Chairman's Office Meeting (Tokyo)
- Oct 2010 69<sup>th</sup> GPG Meeting (Tokyo)
- Dec 2010 Chairman's Office Meeting (London)
- Dec 2010 62<sup>nd</sup> Council Meeting (London)
- Apr 2011 70<sup>th</sup> GPG Meeting (Seoul)
- May 2011 Chairman's Office Meeting (Oslo)
- Jun 2011 Chairman's Office Meeting (Kyoto)
- Jun 2011 63<sup>rd</sup> Council Meeting (Kyoto)



**Photo 1 Mr. Ueda chairing the 63rd Council Meeting**

During his tenure as IACS Chairperson, Mr. Ueda was devoted to conveying the views and collective opinions of IACS as its designated representative. In particular, Mr. Ueda took every possible opportunity to visit and maintain dialogue with the IMO, as well as industry organizations such as the International Chamber of Shipping (ICS). He also proactively made keynote speeches and presentations on behalf of IACS at the maritime conferences and events shown in the list below;

- Sep 2010 Indian Shipping Summit (Mumbai)
- Sep 2010 TradeWinds Shipping China (Beijing)
- Oct 2010 SCI Golden Jubilee Seminar (Deli)
- Oct 2010 IMO World Maritime Day Parallel Event (Buenos Aires)
- Oct 2010 Tripartite Meeting (Tokyo)
- Nov 2010 4<sup>th</sup> ASEF meeting (Kyoto)
- Mar 2011 CMA shipping 2011 (Connecticut)
- Apr 2011 Seatrade Awards (London)

In addition to Mr. Ueda's activities as Chairman, ClassNK also played a key role within the GPG to contribute to the continued growth and development of the maritime industry, especially with regards to IACS' rule making activities such as the development of Unified Requirements (UR) and Unified Interpretations (UI) etc. For instance, ClassNK led the discussion within IACS in order to develop a Unified Interpretation on suction heads of emergency fire pumps (UI SC178), based on MSC.1/Circ.1388, approved by IMO at MSC88 meetings, states the relevant provisions of chapter 12 of FSS Code would have to be applied to all ships constructed on or after 1 January 2012.



**Photo 2 The 63rd Council Meeting**

ClassNK was aware that the applicable date was impractical and hence took the initiative to propose and obtain agreement on its proposal that the rule should be applied ships contracted for construction on or after 1 January 2012.

Upon its assumption of the role of Chair Society, ClassNK set forth the following three main goals, the accomplishment of which is described in the following paragraphs.

- to make proactive technical contributions to the maritime industry and the IMO,
- to better reflect the needs of the entire maritime industry, and
- to restate IACS' commitment to the European Commission and complete the transition to a more transparent IACS structure.

### 3. Key Objectives and Results

#### **3.1 Active Technical Contribution to the Maritime Community**

##### **(1) Development of Harmonized CSR and its Compliance with the IMO GBS**

In response to strong requests from the maritime industry, IACS set up a project team to harmonize the two existing sets of Common Structural Rules, for oil tankers and bulk carriers, respectively. Moreover, as the IMO's Goal Based Standards (GBS), which regulate the goals, the functional requirements and verification guidelines and related amendments to the SOLAS Convention, were finally adopted at IMO MSC87 meetings in May 2010, class societies will need to ensure that their rules for oil tankers and bulk carriers are in compliance with the IMO GBS, prior to verification of conformity by the IMO. With the completion of the GBS, IACS decided to make the Harmonized CSR comply with the IMO GBS.

As the deadline for submitting rules and self assessments complying with IMO's GBS to IMO is the end of 2013, IACS is working hard to complete development of the Harmonized CSR by that time. Given the tight schedule for the submission of class rules in conformity with the IMO GBS, as chair society of IACS, ClassNK made completion of the Harmonized CSR its top priority.

ClassNK took particular initiative in developing and maintaining a schedule for harmonizing the CSR so

that it provides sufficient time for the maritime industry to thoroughly review the complete sets of rules prior to submission of the rules and self-assessment to IMO for verification by the end of 2013. ClassNK also took the initiative in kick-starting development of new requirements and guidelines that fall outside the scope of the harmonized CSR to ensure full compliance with the IMO GBS.

In order to ensure completion of the harmonization process, 10 project teams have been dedicated in the development of harmonized CSR within IACS. During its term as Chair Society, ClassNK not only played an important leadership role in guiding these project teams, but also participated and directly contributed to 7 of these teams as one of main providers of technical knowledge and advice.

##### **(2) GHG Emissions**

Environmental issues surrounding the maritime business should be regarded as a main agenda of the entire maritime community. With this in mind, IACS identified the GHG emission issues as one of the most pressing issues. IACS has provided its every possible technical knowledge and advice accumulated through its classification activities in contributing the GHG reduction regime by using EEDI (Energy Efficiency Design Index) adopted at IMO MEPC62 meetings held in July 2011.

More specifically, IACS established a group of experts in environmental issues which developed a set of draft proposals for establishing a minimum speed requirement for vessels and submitted them to the IMO for consideration.

In addition, IACS established a joint working group with international ship owners' and shipbuilders' associations from Japan, China and South Korea, which began developing new guidelines for ensuring smooth implementation of the IMO's EEDI scheme.

#### **3.2 Better Reflect the Needs of the Entire Maritime Industry**

It is essential to always recognize that the maritime industry is a very global industry in a very unique way and for that reason, IACS is there to collect opinions throughout a wide variety of stakeholders in the industry in a balanced way.

There are differing interests between shipowners associations and builders associations and thus that makes them have differing or sometimes conflicting

demands and needs. Also the geographical characteristics of maritime-industrial structure make a difference in views and strategies. IACS, for its foundation and its geographical location, tends to have closer relationships with international shipowners associations based in Europe and there are surprisingly few builders associations based in Asia that actively participate in IACS activities to get opportunities to have their say.

ClassNK, therefore, took advantage of being chair society from Asia to help reflect needs of the entire maritime industry into IACS activities in a better and more balanced way.

In order to help develop better and more balanced regulations, ClassNK had proposed that IACS should invite the Shipbuilders' Association of Japan (SAJ), the China Association of National Shipbuilding Industry (CANSI) and the Korean Shipbuilders' Association (KOSHIPA) to participate in a variety of meetings, to which the IACS Council readily agreed. As a result, we have invited Asian shipbuilder associations to take part in the Joint Working Group for EEDI, and the External Advisory Group for the Harmonized CSR.

In addition, in order to continue to take more balanced measures to reflect the needs of the entire industry, ClassNK also proposed that IACS invite the Asian Shipbuilding Expert's Forum (ASEF), to which was also agreed by IACS Council.

### **3.3 Completing IACS' Transition to a More Transparent Structure**

IACS submitted a set of Commitments including more rational requirements for our member societies to respond to concerns addressed by the European Commission. With the launch of more objective membership criteria, IACS is taking another step forward in becoming an ever more transparent international association.

As IACS chair society, ClassNK focused on ensuring applying IACS' new membership criteria as well as completing the transition of IACS' new independent quality scheme while maintaining its high standards and quality.

#### **(1) IACS' New Independent Quality Management System Certification Scheme**

IACS maintains high standards and quality with its own quality management system certification scheme (QSCS). IACS had self-certified the quality

certifications based on its internal audits; through the Commitments submitted to the European Commission, IACS enhanced transparency of the QSCS by being audited by Accredited Certificate Bodies independent from IACS.

As IACS chair society, ClassNK has been committed to ensuring the smooth transition to the new quality scheme and maintaining its highest level of quality of the member societies and its continued improvement. In 1 January 2011, the transition of IACS QSCS was completed successfully.

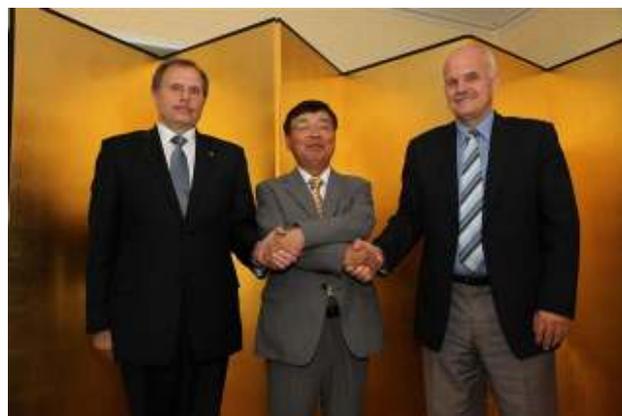
#### **(2) IACS' New Membership Criteria**

IACS had adopted quantitative requirements such as fleet figures or number of surveyors; through the Commitments submitted to the European Commission, IACS set out qualitative requirements as its new membership criteria to enhance objectivity and transparency.

These qualitative criteria require an applicant to IACS to have demonstrated ability to develop and maintain its own classification rules, demonstrated ability to provide surveys to its registered ships, extensive documented experience in assessing the design and construction of ships or possession of research and development group etc., and most importantly possession of IACS QSCS certificate.

As IACS chair society, ClassNK exercised strong leadership for IACS to carry out rational and fair assessment of membership verification for applicants to new IACS members.

As a result of this transition to a more objective and transparent structure, IACS welcomed Croatian Register of Shipping (CRS) and Polish Register of Shipping (PRS) as its 12th and 13th members on 3 May and on 3 June of this year respectively.



**Photo 3 Mr. Ueda (center) and New Members, CRS (right) and PRS (left)**

### **(3) Assessment of Continued Membership of Existing Members.**

In order to develop an even clearer transparency, IACS also established a set of procedures to conduct periodical assessments on 3-year basis of its existing members to verify their continued compliance with the membership criteria by applying all the requirements in the same way as new members. In case of an unsatisfactory outcome of this assessment, a suspension or withdrawal decision could be made by IACS Council against such members.

During 2011, IACS carried out the first assessment for the then existing members under the chairmanship of ClassNK. As the result of rational and fair procedures as adopted for the verification of new applicants, continued compliance with the membership criteria of all members was confirmed. Consequently, the first periodic assessment ended up demonstrating once again the highest level of quality of member societies in their operations.

IACS agreed, in the 63<sup>rd</sup> Council meeting, to consider what additional measures may be needed to ensure that the previous robust and consistent approach to IACS members' quality performance and continuous improvements is maintained.

## **4. Conclusion**

ClassNK set out and focused on the above mentioned three important goals for its term as chair society during the year it chaired IACS. These goals were established according to IACS' mission to ensure the safety of life and property at sea and protecting the marine environment through its high standard technology and quality.

ClassNK strengthened dialogue with the representatives of maritime industry organizations through which these three goals were supported by the entire industry that lead to better understanding by the stakeholders.

At the end of the 63<sup>rd</sup> IACS Council meeting, Mr. Ueda who chaired the meeting emphasized consistent development of IACS and further contribution to the stakeholders in the maritime community with the closing remarks that, "On the core issue of confidence in the class system, IACS will step up its consulting of stakeholders to ensure that the scope of classification fully meets the needs of the maritime industry and is fit for the 21st Century". Ueda's comment gained support by IACS members.

Having successfully completed its 4th chairmanship of IACS on 30 June, ClassNK continues to serve as vice-chair society of IACS. ClassNK will keep embracing this opportunity to represent unbiased needs of the entire industry, not to mention making every possible contribution to IACS. ClassNK will encourage more global-oriented activities with a view to contributing safety at sea, the prevention of marine pollution as well as the development of the maritime industry.

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**Photo 4 The 63rd Council Meeting participants**