

Security tops CMA agenda

As the first shots were fired in the war against Iraq, delegates at this year's Connecticut Maritime Association meeting were hearing how markets and security issues currently dominate the sector

This year's Connecticut Maritime Association (CMA) conference had the apt title "Don't Stop Thinking About Tomorrow". Delegates listened intently during three days of stimulating discussions, but the big screen TV in the lounge tuned to CNN made it impossible not to think about the unfolding war in Iraq.

Indeed, outgoing CMA commodore Frank Tsao, of IMC, was handing over the ceremonial commodore's hat to Stelmar's Stelios Haji-loannou precisely as the bombing of Iraq was beginning.

Not surprisingly, the session on Maritime Security, which brought together top US government representatives under session chairman Dennis Bryant of Holland Knight, saw a standing room only crowd. The US Coast Guard expects to have its interim final regulations on Maritime Security in place by June 2003, with final regulations set to be in place by November 2003.

A usually opinionated group of analysts and brokers agreed not to make any forecasts, given the events brewing. However, two luminaries from the "markets" panel, including Dr. Arlie Sterling from Marsoft and Basil Mavrolean from CR Weber, opined that the present strong tanker market was over-heated due to a number of one-off factors including reaction to Prestige, four months of below normal winter temperatures in North America and Europe, the near shutdown of Venezuela, and a burst in oil demand from Japan amidst anti-nuclear fervour.

Macro economist, Brian Jones, from Salomon Smith Barney, suggested that the pace of any recovery and the strength of industrial economies in 2003 would be inversely proportional to the length of an Iraq conflict.

The "Prestige" and its ramifications featured prominently over the course of the Conference, beginning with Intertanko's North American panel meeting on March 17th, through a live audio link in the closing session on the 19th with Brussels - where Intertanko managing director Peter Swift reported on Day One of the EU hearing on the ill-fated vessel. The final panel, moderated by Concordia's Lars Carlsson, chairman of Intertanko, also included a presentation by OCIMF's Fred Hernandez (affiliated to ExxonMobil) regarding OCIMF's efforts to present a reasoned case to EU decision makers on the impacts of the reflexive ban on single hull tonnage being contemplated by the EU.

A session regarding how shipping companies should manage their public image included a presentation by MTI Network's Pat Adamson, urging that companies hit with a casualty should be open with the media, making their case by presenting the facts and not hiding. Later on, Paul Slater, from First International, again urged that airline style transparency be brought to the tanker industry, including disclosure by Class of vessel records.

Joe Cox, from the Chamber of Shipping of America, cautioned that the public may now be seeing double hulls as a panacea, one that would be shattered if a double hull vessel were to be involved in a serious spill.