



IMCO

FOR PARTICIPANTS ONLY

INTERNATIONAL CONFERENCE ON TONNAGE MEASUREMENT, 1969

Technical Committee

PROVISIONAL SUMMARY RECORD OF THE NINTH MEETING

held at Church House, Westminster, London, S.W.1,
on Thursday, 5 June 1969, at 9.40 a.m.

Chairman:

Mr. F. SPINELLI (Italy)

Secretary:

Mr. Y. SASAMURA

A list of participants is given in TM/CONF/INF.1

N.B. Corrections to be incorporated in the final summary record of the meeting should be submitted in writing (two copies in French or English), preferably on the provisional summary record, to the Documents Officer, Committee Room 2 and after the Conference to the IMCO Secretariat, 22 Berners Street, London, W.1, not later than 8 July 1969.

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AGENDA ITEM 3 - CONSIDERATION OF MATTERS AS INSTRUCTED BY THE
CONFERENCE (TM/CONF/WP.3; TM/CONF/6, Corr. 1
and Add. 1; TM/CONF/9/Add.1; TM/CONF/C.2/WP.5
and Corr. 1, WP.6, WP.8, WP.9 (continued)

The CHAIRMAN invited the Committee to consider the question of the terms of reference to be assigned to the working group, starting with those relating to the agreed formula for the calculation of gross tonnage, i.e. $GT = aV$.

In connexion with the coefficient "a" in that formula, he would recall that, in accordance with decisions already taken by the Conference, gross tonnage would not be subject to change in line with changes in displacement. Secondly, he had been given to understand that there had been second thoughts on the part of some delegations regarding the decision taken the previous day to take no account of crew space in the gross tonnage formula.

Mr. MURPHY (USA) explained that the decision in question was a matter of concern to his delegation. Certain considerations fundamental to the developing of a valid and workable tonnage measurement system seemed to have been left out of account. Under the decision, shipowners desirous of providing additional amenities for the crew (advisable for attracting the right kind of seaman) would be penalised by higher charges throughout the whole life of the ship. Several proposals had been made to cover the point, the major objection to which had been the difficulty inherent in defining the spaces concerned. That difficulty would be largely avoided by using a formula providing for a simple deduction from gross tonnage for crew space provided in excess of the standard volume, and defining crew

space as the actual volume of sleeping, eating and recreation rooms. That was the solution his delegation would prefer and he would accordingly move that the Committee reconsider the decision with a view to discussion of the new proposal.

The CHAIRMAN said that, under rule 26 of the rules of procedure, permission to speak would be accorded to one speaker supporting the motion and two opposing it, after which the motion would be put immediately to the vote.

Mr. GUPTA (India) strongly supported the motion, since the new proposal would help to minimise the special problem of crew accommodation for ships plying in Eastern waters.

Mr. ROCQUEMONT (France) opposed the motion on two grounds: that the arguments adduced by the United States had been thoroughly canvassed in the previous discussion, and that time was short for completion of the work.

Mr. BOLTON (UK) also opposed the motion. It should be left to other bodies to deal with problems extraneous to tonnage measurement.

The motion was rejected by 17 votes to 12.

The CHAIRMAN outlined the terms of reference for the working group respecting gross tonnage measurement, as emerging from the decisions already taken. The coefficient "a" would be constant or variable but if variable should be the function of volume only and not of displacement, draught or freeboard.

Mr. PROHASKA (Denmark) pointed out that no decision had been taken on the question of freeboard, and asked for an opportunity to be given him to introduce the working paper coming out in his delegation's name (TM/CONF/C.2/WP.10) as soon as it was available.

The CHAIRMAN reminded the Danish representative that, in accordance with Rule 23 of the rules of procedure, discussion of his delegation's paper could not take place until the next day.

Mr. PROHASKA (Denmark) explained that the paper in question was meant to help the working group in considering other parameters, in line with Conference decisions, on which the non-constant coefficient "a" would depend. After recapitulating his arguments on penalising safety, he asked that the paper be considered at the earliest possible moment and, in the meantime, that it be passed to the working group for its information.

Mr. PRIVALON (USSR) said that his delegation shared the Chairman's concern about the slow progress in the work and would call for more strict application of the rules of procedure.

The provision on gross tonnage measurement was not designed to be a criterion for the levying of port dues, so that the introduction into the formula of a function of displacement, draught or freeboard would not serve the intended purpose and might, indeed, conflict with that purpose as enunciated eventually by the General Committee in accordance with the instructions given at the second Plenary meeting. Moreover, safety matters from the navigational standpoint were the concern of the International Load Line Convention.

In the circumstances, he would propose that the working group be asked to study and report on the factor, constant or variable, to be used for the coefficient "a" in the formula, which would produce figures as near as possible to existing gross tonnages. In doing so, there was no need to take into account draught, displacement, vessel type or any other parameter than that of total volume.

The CHAIRMAN proposed to put to the vote the following terms of reference for the Working Group respecting gross tonnage measurement: to study the formula $GT = aV$ with a view to arriving at a value, constant or variable, for the coefficient "a"; if variable, the value should be the function of total moulded volume of ship, but not of displacement, draught or freeboard.

Mr. PROHASKA (Denmark) speaking on a point of order, said that the terms of reference, as thus conceived, would fail in the object of arriving at a formula that would produce figures as close as possible to existing gross tonnages. In particular, ships operated permanently as open shelter-deckers would be heavily penalized in gross tonnage; to avoid that consequence, a corrective factor would have to be introduced.

Mr. ROCQUEMONT (France), also speaking on a point of order, pointed out that the suggestion just made was in contradiction with the decisions already taken and was therefore out of order, even for consideration by the Working Group.

The terms of reference outlined by the Chairman were approved by 27 votes to 7.

The CHAIRMAN recalled the tentative agreement that, in the case of net tonnage measurement, the Working Group should be asked to study the following alternative formulae:

$$NT = a_1 V$$

or

$$NT = a_1' V + a_2' P$$

or

$$NT = a_1'' V + a_2'' P - a_3'' WB$$

$$\text{with minimum } NT = (a_1'' V + a_2'' P) K$$

where V = displacement at the assigned summer load line

P = volume of passenger spaces or function of number of passengers

WB = volume of water-ballast spaces

a_1 , a_2 , and a_3 = coefficients which might be constant or variable

K = a constant

A last-minute proposal had been made that the effect of increased weight due to ice strengthening construction should also be taken into account in the formula. He proposed putting that issue to the vote immediately.

The proposal was rejected by 20 votes to 4.

The CHAIRMAN asked whether there was any objection to the tentative terms of reference as they now stood.

Mr. KLEINBLOESEM (Netherlands) said that, following the Committee's decision that the new parameter to be introduced under the old name of "net" was to be based on displacement, he felt it was only fair to submit his comments as a member of the Netherlands delegation representing both his direct employer, the Rotterdam Pool Management, and all the Netherlands ports including Amsterdam. He was sure that his views would be shared by many other port authorities in countries both in and outside Europe.

There were at present many due-collecting authorities throughout the world whose rates were of less importance to the shipping industry than the charges of private concerns such as stevedoring companies. Port authorities were among the few who still used the present gross or net tonnage figures as parameters for their rates. There was, however, a strong move away from both figures, due to the existence of many different systems of measuring ships, and also to the fact that there were so many distortions. For example, a disbursement account at the port of Rotterdam would contain some 20 different items, such as state pilotage, harbour pilotage, towing, harbour dues and agency fees, of which only two were based on gross or net register items. For those

two items, the agency fee, which was a private charge, and the harbour due which was a municipal tax, the tonnage figures were only one of several parameters used to ascertain how much the ship would have to pay.

As far as he could recall in 23 years' experience in the port industry, port authorities had never been happy with the state of affairs, and particularly the convertible open or closed shelter-deck system which they had accepted only reluctantly. As long as certificates could be changed and tonnage openings could be closed or opened, there was little the port authorities could do. But since IMCO's introduction of the dual tonnage mark system, port authorities had been compelled to act. The Conference in Plenary Session had decided to abolish that system. While he welcomed the decision, it should be realized that by introducing that scheme IMCO had triggered off a new development among port authorities, who had been forced to find new ways and means of countering the scheme. Their success had made them reconsider the fundamentals of port pricing policies, and they were waiting to see whether the Conference would produce any useful results for them. If not, they would have to rely on other data than the tonnage certificate.

The discussion of the second parameter at the previous meeting had turned in the direction of re-introducing in the formula a number of plus or minus items, such as passenger spaces and water ballast, and efforts were once more being made to open the door to every possible kind of deduction or exemption, as for example, ice strengthening. Rotterdam

had been using gross tonnage for harbour dues for longer than he could remember. Those port and other dues collecting authorities and private companies which based their service charges on net tonnage would never use the new net figures; they would change over to gross, regardless of any recommendation that IMCO might make. If an effort was made to introduce the open shelter-deck concept as well into the gross figure, he was sure that that parameter, too, would be abandoned for the purpose of collecting dues and other charges.

The aim of this Conference was to find a system for measuring ships that could be applied by all the countries of the world, whether or not they were big shipping nations at the present time. There was a further aim, namely to find a system that would be readily and widely acceptable for as many purposes as possible, due collection being only one of them - a system which by its nature would induce port and other due collectors to return to tonnage certificates. Such a system would have to produce parameters and show them on a certificate in such a way that for each particular purpose all parties concerned could find the items they needed in the document. He emphasized, therefore, what the Netherlands representative had said on a number of occasions: the certificate should at least show total volume, total displacement, total passenger space and total water ballast.

Mr. ROCQUEMONT (France) maintained that, as for gross tonnage, the Working Group should be given a precise mandate on the matter of the net tonnage formula. To include consideration of the coefficients a_2 , a_3 , b_2 and b_3 would be tantamount to concluding that the Committee had decided to introduce terms for passenger space or number of passengers and for water ballast while it had, in fact, so far made no such decision. He observed that the six French autonomous ports agreed with the representative of the Netherlands Port Authorities that a tonnage formula should not be liable to divergent interpretations; water ballast was, however, notoriously difficult to define and corrective measurements to allow for passengers only tended to complicate the issue. He therefore urged the Committee to close the debate by taking a distinct decision on the net tonnage formula.

Mr. FILIPPOVICH (USSR) agreed with the French delegation that the Working Group should receive definite instructions; unfortunately, however, such concepts as the displacement in the net tonnage formulae had, by no means, so far been clarified. It had been stated that displacement was to be taken to the summer load line, but that was not a clear-cut value since it could depend on several parameters unconnected with the size of the ship or on various sets of regulations, or, yet again, could be chosen by shipowners at their own discretion up to a set limiting value. Furthermore, the matters of defining water ballast and of making allowances for small ships had so far been left open. If the Working Group were to be expected to submit concrete proposals all parameters had first to be carefully defined.

The CHAIRMAN recapitulated that it had been agreed to define displacement at the maximum displacement a ship could have on summer freeboard; if, for scantling reasons, the ship did not have full draught in accordance with the Load Line Convention, then displacement would be related to the scantling draught. For a ship without a load line, a value of 85 per cent of the depth had been suggested but no final decision had been reached. For passenger ships the displacement should be taken to the deepest subdivision load line. Some formula had to be adopted which would ensure that the figures listed in the tonnage certificate would not change frequently.

The definition of water ballast to date was less clear; one possibility was to take water ballast to mean the volume of all those spaces which were defined as such according to United States regulations for exemption from both gross and net tonnage and which the Conference had decided to exempt in the net tonnage measurement only. It had also been suggested that slop tanks should be considered as water ballast tanks.

Thirdly, the coefficient before the displacement term in the formulae had to be such as to take into account the size of the ship, but no agreement had so far been reached on which particular function to adopt.

Mr. ROCQUEMONT (France) felt that the Committee was unduly complicating the issue. In the case of most ships, the load line was changed only infrequently and so displacement could be simply defined as displacement up to the summer load line assigned to a particular ship by virtue of the freeboard allocated to it by the tonnage measurement authorities after discussion with the shipowners.

Mr. MUENCH (Israel) recalled that the treatment of water-ballast spaces was one of the main differences between the United Kingdom and United States tonnage measurement systems. He had understood that it was agreed in the Sub-Committee on Tonnage Measurement that if water ballast was to be included in gross tonnage, it should at least be exempted from the net tonnage formula. However, as net tonnage was to be based on displacement he felt that this was already taken into account.

Mr. CHRISTIANSEN (Norway) maintained that net tonnage should be in terms of volume.

Mr. DE JONG (Netherlands) observed that in effect it was unimportant whether displacement were calculated on a volume or a weight basis but that for practical reasons it was easier to calculate it as a volume, without having to take into consideration the specific gravity of water. His delegation favoured the idea of inserting water-ballast spaces as an extra figure in the tonnage certificate so that it would be easy for ports to apply water ballast exemptions if they so wished.

Mr. GUPTA (India) pointed out, firstly, that in the case of an ordinary ship floating at its summer load line the water-ballast spaces in both the double bottoms and the wing tanks would be empty, so that any allowances then made for water-ballast spaces would mean deducting a quantity which had never been included. Secondly, if Archimedes' principle of displacement being proportional to weight were to be used, the water-ballast spaces would be irrelevant anyway.

The CHAIRMAN noted that, for instance, an oil tanker with large water-ballast spaces would be greatly affected by the exemption or non-exemption of those spaces in the net tonnage formula.

Mr. PROSSER (UK) cautioned that the Committee was at a very difficult stage in its deliberations. It should, firstly, take care to ensure that it did not adopt a final gross tonnage formula based on volume which, although acceptable to a majority of countries was yet unacceptable to that minority of countries having a majority of ships, and, secondly, should refrain from restricting the terms of reference of the Working Group too closely on the subject of a net tonnage formula. While the United Kingdom delegation, itself, favoured the volume concept for displacement, it nevertheless preferred that the Working Group should be free to examine solutions based on all other concepts as well.

Mr. BONN (Canada) said that he fully supported the United Kingdom representative's comments. At the present juncture the Committee should be careful to view all possible parameters to be considered in arriving at net tonnage.

Mr. WIE (Norway) said that his delegation shared the concern expressed by the United Kingdom representative. He was disturbed at the Committee's slow progress. The divergence of opinion was shown by the fact that it had just taken a vote on the terms of reference of the Working Group which reversed the decision taken at the previous meeting.

It had been pointed out that there were two trends of opinion, one backed by the majority of members of the Committee, the other supported by countries representing the majority of existing merchant fleets. The Conference was not a contest between two teams. One side might win the first round but both might lose in the second. It would be regrettable if the Conference produced results that were not accepted by the majority of countries and of existing shipping interests. A Convention that might never be ratified, or only ratified after 20 years, would be useless. Unless the Committee could produce a solution

that was acceptable to the Plenary Meeting it would have achieved nothing.

The CHAIRMAN appealed to representatives to take heed of the Norwegian representative's comments in the interests of the Committee's work and the success of the Conference.

Mr. HABACHI (Observer, Suez Canal Authority) speaking at the invitation of the Chairman, said that it was essential to define the meaning and the location of water ballast. Bona fide water ballast had been mentioned in the discussions, but its meaning was far from clear. For example, for a supertanker moving through the Suez Canal 20,000 tons of water ballast would be two thirds of the ship's volume, which was not reasonable. The Netherlands representative had made an interesting suggestion that an additional page should be incorporated in the certificate indicating all spaces not included in the tonnage, and each authority could use it to suit its own purposes.

Mr. MURPHY (USA), replying to a question by the representative of Israel, said that his delegation certainly considered that the question of water ballast was still a problem and would have to be considered. The Committee was dealing chiefly with ships of the ore-carrying type, with heavy and inexpensive cargoes; the water ballast question was at present incorporated in most existing systems by provision enabling such ships to compete in present-day world economies. The ports representative in the Netherlands delegation had made an interesting point, but it raised the question of what the Conference was trying to do. As he understood it, the aim was to simplify and unify the tonnage measurement rules and

eliminate any factors detrimental to safety. The current economics of industry were irrelevant. The ports authorities should be concerned lest any changes made it uneconomic for ships to use their ports and resulted in goods being transported by other means. The aim should be to remain as close as possible to existing gross and net tonnages. Ports authorities could adjust their rates so as to obtain the funds they needed; but IMCO must obtain equitability between existing types of ship without affecting the existing economic situation. He strongly supported the suggestion that all the parameters mentioned as affecting the situation should be considered by the Working Group, which should be instructed to seek solutions as near as possible to existing ones. He agreed with the Norwegian representative that if a satisfactory solution were not found the Conference would have failed in its task and the repercussions would be serious.

Mr. DE JONG (Netherlands) said that he did not share the United States representative's concern over the possibility of ships being prevented from using ports by unduly high charges. The Netherlands shipowners saw no dangers in Proposal C because they did not expect their ports authorities to be unreasonable: whatever the system, rates would have to be adjusted without being disadvantageous to ships. He saw no reason why the Committee should not approve Proposal C as it stood.

In any case, the time had come for a decision. The Committee could continue to seek a solution close to the system under Proposal C - total volume plus displacement - in the knowledge that the majority of countries and ports authorities would agree, but that the owners of the major part of the world merchant fleets would not. That would be taking a chance. Alternatively, it could adjust tonnage so that the open shelter-deck concept was maintained for gross tonnage, with reduction of water-ballast spaces for net tonnage.

There was also an intermediate method. Acceptance of Proposal C would entail a transition period of between 10 and 15 years; but there was nothing against immediate acceptance of a unified system close to the existing system and keeping the open shelter-deck concept for gross tonnage and the deduction of water-ballast spaces for net tonnage, and applying it for all new ships during the transition period, while allowing existing ships to keep their tonnage. After 15 years a decision could be made on whether or not to change to total volume and displacement only.

Mr. CHRISTIANSEN (Norway) said that the Netherlands representative was out of order in speaking of certification and of Proposal C when the Committee was discussing parameters for gross and net tonnage.

His delegation fully supported the views of the United States representative.

The CHAIRMAN appealed to representatives to confine their comments to the question whether the working group should be free to discuss three parameters for the net tonnage formula or only two. In the former case, he suggested that the working group should divide into three groups, but under the same

Chairman, each to discuss one of the parameters for net tonnage; a coefficient plus displacement; a coefficient plus displacement and with or without passenger space; a coefficient plus displacement, with or without passenger space; a coefficient plus displacement, with or without passenger space and minus water ballast.

He suggested that the working group should be composed of the following countries: Denmark, France, Federal Republic of Germany, Italy, Japan, Netherlands, Norway, Spain, Sweden, USSR, UK and USA, and that the Chairman should be Mr. Ericsson (Sweden).

It was so agreed.

The CHAIRMAN invited members of the Committee to consider which of the regulations in Proposal C (TM/CONF/6) should be discussed by the Committee. He suggested that the Committee should discuss regulations 1, 2 and 3 after the working group had completed its task, but that the Committee should consider regulations 4 (the problem of frequent changes in tonnage), 5, 6(2) (open and closed spaces), 7(1) and (2) (leaving open the problem of weight or volume) and 8.

It was so agreed.

The SECRETARY, referring to Article 4(1)(b) on page 14 of Proposal C, pointed out that the General Committee had asked the Committee to decide on the overall length limit, at present 15 metres, and also on a definition of overall length for inclusion in Article 2.

The CHAIRMAN recalled that it had been suggested that the definition of overall length in the International Load Line Convention should be used.

Mr. PROHASKA (Denmark) drew attention to the following corrections in the formula for gross tonnage (TM/CONF/C.2/WP.10): in the first paragraph the penultimate word in the fourth line should be "refrigerated" and the eighth word in the eighth line should be "judged"; in the last paragraph on page 2 the penultimate word in the second line should be "assigned"; and in the first paragraph on page 3 the word "these" should be inserted before the word "ships".

The meeting rose at 12.15 p.m.