

8th August, 2005

Dr. Karl Laubstein, Chair, IAMU

Re: IAMU Integrated Working Group (IWG) – LNG Initiative Update

Please be updated as follows:

[A] Basic Strategy:

1. The accomplishment of what are contained in the Joint Statement at the IAMU LNG Round Table in Busan in March, 2005, in collaboration with SIGTTO.
2. External publicity and communication to present the case of IWG, i.e. the critical importance of qualified seafarers for LNG carriers.

- [Note] (1) Please refer IAMU Website for full text of the Joint Statement.
(2) SIGTTO stands for “Society of International Gas Tanker and Terminal Operators.” (www.sigtto.org) It is an international organization of gas tanker and terminal operators, and has been collaborating as the representative of the industry.

[B] Update:

(A) The Joint Statement related activities:

1. SIGTTO:

- Analysis and defining the “Competence” and “Knowledge, understanding and proficiency” required for the current levels of world excellence reflecting the best practice of the industry by three (3) working groups.
- The Functions: The following three (3) categories;
 - i) Deck Officers at Management Level (Chief Officer)
 - ii) Engineering Officers at Management Level (Chief Engineer)
 - iii) Cargo Engineer at Management Level (Gas Engineer)
- Expected Completion: The Final Report will be presented to their bi-annual General Purposes Committee meeting on 27th September at Athens.
- SIGTTO will thereafter submit their Final Report to IMO in the form of “Information”.

2. IAMU:

- Joint Statement contents:
 - (a) LNG Board, which has the steering organization within IWG (Integrated Working Group) consisting of Chair (Dr. Neil Otway, R. Adm. Len Tyler, and Dr. Warren Mazek of USMMA), judged that small core entities to work out an appropriate platforms to effectively accomplish the goals

contained in the Joint Statement at the LNG Round Table in Busan in March, 2005, as well as possible research and academic, and MET topics worthy for IAMU activities. The core entities are:

- (1) Gdynia-Odesa collaboration
- (2) Korea Maritime University, Dalian Maritime University, Shanghai Maritime University, and Vietnam Maritime University collaboration (Code Name: Asia LNG Training Center=ALTC)

(b) ALTC:

- (i) As Korea has been the center of LNG shipbuilding of the world with some 85% of the world total new building orders, hence possesses the latest technical standard of the world, in addition to the world biggest LNG importer (Korea Gas Corporation,=KOGAS), and LNG shipping companies, Korea Maritime University has kindly taking the role of “locomotive” of the works concerning the Joint Statement items.

In this effort, all levels of the country, namely;

- *National and local administrations
- *Shipping industry
- *Shipbuilding industry
- *Class societies
- *Academia

have jointly been supporting the IAMU Initiative.

- (ii) Asian members have formed a core team to build the foundation of the platform for all the qualified IAMU members to collaborate on the wide range of highly professional issues to be overcome, including LNG Model Courses and Syllabi, LNG Instructor Training Course, Assessment System and various textbooks, etc. ALTC team is expecting to complete these within this fiscal year, to be presented to all the membership, as well as to IMO.

- (c) The key members of IWG, i.e. Gdynia Maritime University and Odesa National Maritime Academy had a meeting on IAMU IWG activities on LNG on 25th – 29th May, 2005 at Odesa National Maritime Academy with the participation of the Presidents of the both member institutions. Their reports are hereby attached.

(d) Gdynia – Maine Maritime University collaboration:

The two MMA staff members of well experienced LNG Captain and Chief Engineers visited Man Model Shiphhandling Training Center at Ilawa, Poland in May, 2005 to collaborate on Model Course and Syllabus for Training of LNG officers on the Man Model LNG carrier at Ilawa simulator center. This will constitute a valuable asset for IAMU LNG Model Courses and Syllabuses. The details will be reported by Gdynia Maritime University in due course.

(e) IAMU/SIGTTO Collaboration:

The meeting was held between the two parties in London on 22nd June, 2005, a day after International Executive Committee. Capt. James MacHardy, General Manager and Capt. Andrew Clifton, technical expert of SIGTTO and Prof. Dr. Kim and Prof. Dr. Yea of Korea Maritime University, and Secretary mutually update their respective works. The achievements of both sides will be further discussed in due course.

- (f) Mr. Mitropoulos, Secretary General of IMO, visited Korea Maritime University and endorsed ALTC Program:
Mr. Mitropoulos visited KMU on 1st June, 2005 to give Special Lecture at the university. Prof. Kim, Dean of Maritime Science College and Prof. Yea and all the staff and the students of the university welcomed the Secretary General. After his Special Lecture, question and answer session was held. During this session, Mr. Mitropoulos expressly endorsed the value and significance of ALTC as timely and appropriate to have such facility at KMU.

Mr. Mitropoulos thereafter had a meeting in Seoul with the President of Korea, and the Ministry of Ocean and Fishery, and other governmental staff.

Not only KMU, but also all the stakeholders of the country such as shipping industry and shipbuilding industry as well as the administrations have been satisfied and encouraged very much.

- (g) IMO shows keen interests on IAMU LNG Initiative and ALTC:
Secretary has received a contact from Mr. Ashok Mahapatra, Head, STCW and Human Element Section of IMO that he has an express interest in the Program, and that he would like to be involved in from the next ALTC Working Group meeting now scheduled at KMU. KMU and Secretary's Office has been working on the appropriate time for this meeting.
- (h) Gdynia-Odesa team and ALTC members have been positively encouraged and motivated to make IAMU LNG Initiative productive with tangible results which can be presentable to the international maritime community, as well as to make the result meaningful to the actual human capacity building in the area of qualified LNG officers. The area is seeing an apparent critical shortage of qualified human resources. It is also clear that the best practice of the industry with an enviable safety record will not be maintained without serious and harmonized effort of all the stakeholders to maintain and enhance the current level of excellence.

Chair, IWG and ALTC members, and Secretary have been closely communicating with the relevant offices of IMO such as Maritime Safety Department, the Director of which is Mr. Sekimizu from Japan, Mr. Tom

Allan of UK who is the current Chairman of MSC and Dr. Igor Ponomarev, the Chairman-elect of MSC from Russia (whom our member Admiral Makarov State Maritime Academy has positively supporting and coordinating).

In view that the main pillar concept of IAMU by the funding by The Nippon Foundation is “Capacity Building”, the enthusiasm and proactive creativity of the members are extremely valuable and important.

② IMO: NGO (Non-Governmental Organization) Status:

a) IMO rule on NGO reads as follows:

“GUIDELINES ON THE GRANT OF CONSULTATIVE STATUS

Introduction

The following guidelines have been approved by the Council for the consideration of applications from non-governmental organizations to be granted consultative status with IMO and for the review of organizations enjoying such status.

In accordance with rule 2 of the Rules Governing Relationship with Non-Governmental International Organizations (hereinafter referred to as "the Rules") the purposes of consultative status are to enable IMO to obtain information or expert advice from non-governmental organizations with special knowledge in a particular section of IMO's activities and to enable such non-governmental organizations representing large groups whose activities have an important and direct bearing on IMO's work to express their points of view to IMO.

Rule 3 of the Rules states that the activities of non-governmental international organizations granted consultative status shall be related directly to the purposes of IMO as defined in Article I of the Convention and that the objectives and functions of such organizations shall be fully in harmony with the spirit, functions and principles of IMO.”

b) IAMU submitted our application for NGO status to IMO in June, 2005.

This status is essential to make IAMU qualified to make an official presentation and proposal to IMO.

IMO has been extremely cooperative to our application, presenting a couple of point for modification.

The Chair, Prof. Pourzanjami of WMU, and Secretary have been collaborating to accomplish the goal. If everything goes in order, it is expected that our application will be docketed to the Special Council meeting in November, 2005, thence to the full member meeting for approval. .

Provided the approval of NGO status is realized within this year, IAMU IWG will present IAMU LNG Model Course and Syllabus to IMO by January, 2006 as per the Joint Statement.

The further update will be presented at AGA6 in Malmo.

③ External Publicity:

After the successful Round Table in Busan, a number of the first class international organizations who share the case of IAMU LNG Initiative and the Joint Statement have been offering mutual exchange and collaboration.

- (a) International Energy Agency (Intergovernmental organization by OECD countries, with its Head Office in Paris, I.E.A.):
IWG Board members except Dr. Neil Otway, Chair due to his prior commitment, R. Adm. Len Tyler, Dr. Warren Mazek and Secretary visited Mr. Claude Mandil, Executive Director of I.E.A. on 5th July, 2005 at his office. We made a power point presentation as a basis of the discussion.

He mentioned that he was extremely interested in the subject, together with the shortage/decrease of qualified human resource going to the energy sector these days.

It was mutually agreed that :

- (i) Regular periodical meeting between IEA and IAMU (say twice a year)
- (ii) IEA will allocate a new chapter in their Annual Energy and/or Gas Report on human resource matter including LNG seafarers, targeting to start in the 2006 issue (as 2005 issue has already finished allocation of chapters),
- (iii) Mr. Mandil will pass all the documents and materials including the proceeding of Round Table to his Chief Economist, who will further communicate with IAMU for professional follow up.

The Secretary subsequently had a telephone conference with the Chief Economist and his staff, and agreed (1) that IEA will insert a page in the IEA Energy report to be published this year on the issue of human resource, (2) that IAMU should submit brief resume on seafaring human resource matters to IEA by the end of this month of July so that it can be inserted in the report.

【Note】 IEA Annual Report is the most respected report on energy in the world. The date of publication of the 2005 issue is 7th November, 2005. The first official announcement of the issue will be held in Tokyo on Friday, 11th November, 2005, and IEC will invite The NF staff for this occasion.

- (b) International Gas Union (IGU):
IGU is the biggest international organization of Natural Gas and LNG industry. By the kind introduction of Mr. Urano, Senior Executive Advisor of Tokyo Gas, and Honorary President of IGU, Dr. Neil Otway, R. Adm. Len Tyler, and Dr. Warren Mazek on behalf of IAMU were kindly asked

to communicate with the current President of IGU to propose presentation at their next General Assembly scheduled in 5th – 9th June, 2006 at Amsterdam. Dr. Otway, Chair, communicated with Mr. George Verberg and Dr. C. M. Rahal, Chairman of LNG Committee of IGU to convey the interest of IAMU to participate and make presentations. Dr. Otway's offer was very warmly accepted, and expressly asked to make presentation in Amsterdam. Dr. Rahal further expressed his sincere welcome for IAMU to become member of LNG Committee of IGU.

Mr. Urano, who kindly made key note speech at LNG Round Table in Busan is positively supporting the valuable role that IAMU can play for the safety and healthy development of LNG supply chain of the world.

(c) APEC (Asia Pacific Economic Council) Gas Committee:

Also with the introduction of Mr. Urano, the Committee is expressly inviting the presentation of IAMU at its first International Seminar on LNG on 1st and 2nd September, 2005 at Perth, West Australia. Secretary has been communicating with the Co-Chairman of the Seminar for presentation. Secretary is preparing the presentation to be submitted in a couple of week's time.

(d) IMO:

As the outline has already been presented in the preceding part of this report, IMO has been keenly interested in the IAMU activities. IAMU has been expressly encouraged to keep IMO closely informed, and for mutual collaboration on this highly critical segment of the international maritime community.

(e) United States Coast Guard:

Secretary has been asked by USCG to make contribution of an article to their Fall Proceedings which features LNG. Secretary will submitted a paper shortly.

Integrated Working Group activities are expected to achieve the aim of the activities to define the competence required to the qualified LNG officers within this fiscal year.

It is the consensus among IWG members that this basic work should be accomplished in collaboration among the three parties, namely (1) Industry (SIGTTO), (2) Academia (IAMU), and (3) Administration (U.S. Marad and U.S. Coast Guard, UK Department for Transport, Australian Coastal Safety Agency, and Korean Administration, etc.) prior to starting any courses in practical terms, because without defined competence of excellence for LNG sector, which has not been in existence as of this moment, satisfactory course contents can not be worked out. As the expansion of the industry is so explosive, hence the demand for LNG officers also exploding correspondingly, profit-motivation is ample. It is the consensus of IAMU LNG Initiative participants that such move is only leads to mass production of human

resources with less competence than the industry and the general public truly need to have, hence should certainly be resulted in deterioration of the quality of the human resources supplied to the industry.

IAMU will continue to emphasize this point whenever such opportunities come across, such as those reported in the external publicity and communication above.

Respectfully submitted

Hisashi Yamamoto
Secretary, IAMU