

Pre-DIPCON**18-19 April 2017
Paris****3.1 Status of the IGO Project**

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SLIDE 1**Introduction**

Thank you Chair,

Good morning ladies and gentlemen. I hope you all had a wonderful evening in Paris last night. The weather was fantastic and you could not be in a better place, neighbour to the Eiffel Tower.

Together with the Chair of the Legal Advisory Panel, Mr. Jon Price, I would like to take the opportunity to give you a status of the IGO-project and to expand on the areas that we know raise most questions from members. Mr. Price will provide you with some background as to how the Convention was drafted and some explanation of each of the Articles within it.

SLIDE 2**Status of the IGO-project**

To change the legal status of an organization is not something that is done overnight. We heard that from Capt. Ward and we all know that. And even that some delegates think that it is going fast we have actually worked on this project since 2010, more than 7 years. After the first discussions in the Legal Advisory Panel - based on some amendments to the present Constitution - the French Ministry of Foreign Affairs was involved and gave their valuable contribution to the development of the project.

Mr. Price will tell you more details about the development of the draft Convention text that was directed by the Council and assisted by the Legal Advisory Panel where all national Members were invited. The draft text was made from 2013 to 2016 where it was agreed by the Council.



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A major milestone was the adoption of the General Assembly Resolution in A Coruna, Spain in May 2014 determine that IALA should strive to achieve intergovernmental status as soon as possible by supporting the development of an international convention open for entry by all members of the United Nations; and

Directing the IALA Council with the assistance of the Secretary-General to further consider the preparation of IALA for a change of status, including the development and adoption of modern, flexible and efficient administrative practices.

These procedures have been finalized by the agreement of a set of basic documents last year and a comprehensive update of the staff structure and the HQ facilities.

The next mile stone and important event is of course this Preparatory Diplomatic Conference and the road map towards the Diplomatic Conference.

SLIDE 3

IALA/AISM – our past and our future

The long history of IALA is a story of success, and the aim of IALA is as relevant today as it was in the past: to foster the safe, economic and efficient movement of vessels through improvement and harmonisation of aids to navigation worldwide.

As a symbol of success our membership continues to grow. Since the IGO-project started in 2010 we have got 60 new members and we are now 279 members of the organization; 84 National members. Last week we were joined by Saudi Arabia – welcome to the IALA Family.

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Benefits – International Maritime Community

The Council tasked the Legal Advisory Panel to identify the benefits of changing the status of IALA divided in “Benefits for the International Maritime Community, benefits for IALA as an organization and the benefits for members”.

I will start with the Benefits for the International Community:

IALA’s position on the international arena will be strengthened by parity with other international organizations, resulting in increased credibility, with mandate, role and responsibilities of each being supportive, transparent and commonly accepted.

There will be increased worldwide acceptance of IALA standards, recommendations and guidelines by national and/or other competent authorities because of the enhanced participation of governments, leading to enhanced harmonization with benefits for Ocean Governance.

IALAs influence may potentially grow as a result of the conceptual developments, ideas etc. being sought, accepted and adopted by other organizations and governments; and

IALA's ability to act, react and respond to developments and to progress contributions to other organizations in a highly efficient and effective way may be enhanced by government involvement.

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Benefits – IALA as an organization

In a trilogy with IMO and IHO, the IALA voice will more readily be heard as an equal and valued partner. This would lead to synergies being created and harnessed between the organizations, with agreed load sharing to develop mutual solutions, efficiently using the resources available.

The status will facilitate global participation in the development of standards and recommendations – by overcoming difficulties related to travel to an NGO, both in terms of status and local entry requirements as a result of privileges and immunities provided to an international organization.

IALA will complement the IMO by representing the shore-side point of view at Government level.

A Headquarters agreement with the host nation will provide additional financial, operational and human resources capabilities.

Capacity building opportunities for the World-wide Academy will increase through access to funds/services/States at a level that are currently not available to NGOs.

The status will mean ability to provide stronger response to maritime issues as these could be addressed by an IGO, with standing in the international community and support within its member governments



SLIDE 6

Benefits – for members

International harmonization improves as recommendations would carry more weight, even if not binding, because agreed by governments, as the national members of the organization. Important to stress that IALA will still be recommendatory and not create binding Conventions. Just like the IHO.

Implementation of standards may be easier if those standards are set by an IGO – for example, budget for implementation in your home country may be more readily available.

IALA would be in a position to advise governments where standards have not been implemented, assisting with harmonization. Capacity building could then be considered wherever needed.

More efficient secretariat with stronger substantial focus may be more easily justified in IGO than in NGO. This means that there may be scope to develop better resources within the secretariat to assist governments in meeting IALA's goals, the financial implications of which may be more readily explained.

Becoming a state party to IALA as an IGO will increase awareness of the goals and operations of IALA, thereby assisting in completing the national processes required to implement standards. The trade-off is a requirement to comply with due process, potentially resulting in some loss of flexibility but creating additional influence and improved governance.

Standards will have an enhanced status which can be relied upon when planning future operations and research and development, also for our valuable Industrial members as we heard yesterday.

SLIDE 7

Risk – areas of concern

During the work with the project and the draft convention text there have been some areas of concern identified by the National members. They are potential loss of membership and the economic effect of this, the potential increase of membership contribution – the budget, complicated entry into force arrangements and more recently the relation with the European

Union or the European Commission. Some of them you heard the Chair, ambassador Segura mention yesterday in his closing remarks.

To mitigate the risk of loss of members the envisaged IALA Convention will provide arrangements for a smooth transition that will ensure that IALA's work as a technical organization in the area of Marine Aids to Navigation will continue uninterrupted and that its responsibilities towards the maritime community will be both undiminished and maintained with the customary high level of commitment.

As predicted in the draft Convention Article 18 all current National members, who are not Contracting Parties, shall upon the entry into force of the Convention, with the approval of the Council and subject to their agreement – of course, become Associate members of the Organization.

All Associate members or Industrial member of the association, shall, with the approval of Council and subject to their agreement become Affiliate members of the Organization.

This will ensure that Aids to Navigation Authorities in Countries that for one reason or another cannot immediately become Contracting Parties to the Convention can still contribute to and benefit from the work of IALA.

The proposed high number of Contracting Parties required for the Convention to enter into force will also ensure a smooth transition.

For many – perhaps all members it has been important to make sure that the Contributions and fees to the organization as an IGO would be at the same level as now. A low fee compared to other IGOs of only 15.000 € pr. year. We heard yesterday that Singapore pays 108.000 € to the IHO and much more to the IMO.

In 2015 the total budget mainly originating from membership contributions and approved by Council was a little more than 2 Mio € and the contribution is the same for each member in each category (National, Associate and Industrial) – not based on tonnage as is the case in IMO and IHO. With the World-Wide Academy that brings the IALA budget up to 3 mio. €, exactly the same as the IHO.

Based on the assumption that the number of future members of IALA as an IGO will remain the same (Contracting Parties, Associate or Affiliate members) in accordance with the transition arrangements that I just mentioned, the contribution will remain at the same level



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after entry into force of the new Convention, and we have already budgeted for extra staff for translation.

It is important to note that there are no foreseen investment costs as IALA already exists and owns the HQ premises, fixtures etc. When we moved to ST. Germain en Laye the Government of France generously donated 1 mio. € to the new facilities.

In the draft text it is proposed that the Convention enters into force on the 30th day after the date of the deposit of the 30th instrument of ratification, acceptance, approval or accession. Council has agreed on this rather high number to assure a sufficient number of Contracting Parties to run the organization and in order to form a Council of proposed 24 members. That also ensures a smooth transition from the present status to the new.

The relationship with the European Commission has been discussed by the European Member states. Could this complicate the decision making process after achieving status as an IGO. After a meeting the 7th April 2017 – last week - between the European Commission/DG MOVE myself and the Chair of the Legal Advisory Panel it was agreed that it is doubtful that the work of IALA falls directly within EU competence and demands EC coordination as for instance in the IMO. It was the view that a MoU giving EC observer status will probably be the best way forward. The EC has a similar arrangement with IHO. The EC will come back with a possible text for inclusion in the draft Convention if needed.

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I thank you very much for your attention and hope that I have clarified some points.

Unless there are questions at this stage I will leave the floor to Mr. Jon Price – Chair of the Legal Advisory Panel for a description of the background and structure of the draft Convention and related documents and then we will both be happy to take any questions you might have.