



Japan Continues to Play a Strong Role in Marshall Islands Fleet Growth

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Japanese shipowners, shipyards and ClassNK continue to play a major role in the growth of the Marshall Islands Registry, which is now the world's third largest open registry with more than 2100 vessels and over 56 million gross tons. International Registries, Inc. (IRI), the Marshall Islands Maritime and Corporate Administrator, recently conducted a seminar in Imabari with representatives from the Hong Kong, London, Piraeus, Seoul, Tokyo and Washington, DC offices present. The response from the local shipping community was positive with more than 75 industry representatives in attendance.

“Japanese shipowners are currently the sixth largest shipowning group in the Registry while Greek shipowners represent the number one position,” said Bill Gallagher, President of IRI. Theo Xenakoudis, Managing Director of IRI's Piraeus office went on to say that “70% of the tonnage now entering the Marshall Islands Registry is newbuilding tonnage and this tonnage is coming out of yards in Asia. Japan is the third largest shipbuilding country contributing to the Marshall Islands and of this newbuilding tonnage coming into the Registry 23% is owned/operated by Greeks.”

“Within the Greek market, 46% of the vessels in the Marshall Islands Registry are classed with ClassNK. This is a significant change in that the Greek owners/operators are maintaining ClassNK as a class society of choice and it is clear that the ties between the Greek and Japanese maritime sectors and the Marshall Islands Registry have never been tighter,” Mr. Xenakoudis continued. Raymond Simpson, a Marshall Islands licensed attorney from Reeder & Simpson P.C. out of Greece spoke on the advantages of the Marshall Islands mortgage recordation procedures.

John Ramage, Director of Worldwide Business Operations for IRI spoke on the Maritime Labour Convention (MLC), 2006 of which the Marshall Islands has ratified. The Marshall Islands has provided Marine Notice 2-011-33, *Maritime Labour Convention, 2006 Inspection and Certification Program*, among others, of which shipowners and operators are encouraged to voluntarily comply until such time as the Convention comes into force. The Marshall Islands has extended the scope of ClassNK's role as a Recognized Organization to carry out inspections and issue certificates under the MLC, 2006.

“Ship owners are becoming even more discerning in choosing a registry for their vessels. Quality and service play critical roles in that important decision. With its full service office in Tokyo, the Marshall Islands Registry scores high in these criteria with round-the-clock service from a network of 20 worldwide offices that are staffed with maritime professionals. This affords clients with a full range of services in their own country and in their own language, which lowers costs,” said Masaharu Okamoto, Representative, International Registries (Far East) Limited Japan Branch. “This is a continuation of our decentralization philosophy that blends local relationships with global reach,” Mr. Okamoto concluded.

The Marshall Islands Registry will be conducting another seminar in Tokyo on 27 May 2010.