Review of Draft European Commission regulation
amending Regulation (EC) No 906/2009 on liner shipping consortia

Comments submitted by the G6 Alliance consortium (‘G6’)

G6 (APL, Hapag Lloyd, HMM, MOL, NYK, and OOCL) welcomes the opportunity to comment on the prolonging of the existing block exemption. The G6 members fully support the views expressed by WSC / ECSA / ICS in their joint submission.

This Regulation continues to be justified for the international liner shipping industry. It reflects the common international view - such as in Singapore and Israel, and elsewhere where similar block exemptions exist – on the benefits of consortia. Consortia cooperation is essential to allow medium and small shipping lines to compete with large lines on more trades, and to allow increased port coverage and the use of large ships, with the resulting economies of scale.

If the block exemption were to be amended in any way, Article 5 should be amended to raise the threshold and to allow the market share to be calculated in different ways, in line with other sectors and as mentioned at paragraph 34 of the Maritime Guidelines in relation to tramp shipping (attached for ease of reference), so that capacity as an alternative to volumes in calculating market shares can be used. This is because collecting volume information is not easy in some trades.

The Recitals should be amended to acknowledge that some slot swaps and charters are non restrictive and therefore the charterers’ market share should not be included for the purposes of calculating the threshold of the consortium’s market share under Article 5 following the guidance set out in The Report on Commission Regulation No 870/95 (liner shipping consortia) dated 28 January 1999.

The Regulation should be extended for a further five years.

Submitted on behalf of the G6 lines

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28.03.2014