

WHAT IS BIMCO AND HOW IT IS BENEFICIAL FOR SHIP-OWNERS ?

BIMCO is the world's biggest private shipping organization, with a global outreach and membership from all around the world. It began in 1905 in Copenhagen, when 112 shipping people gathered to discuss how co-operation might improve the situation in a north-west European shipping industry that was plainly struggling to make ends meet.

Thomas Cairns, a Newcastle upon Tyne ship-owner, who with Johan Hansen of Copenhagen had undertaken the initiative spoke on 16 February and inadvertently set the tone of the meeting, when he suggested the formation of "a movement based on goodwill and understanding". More than a century later, with shipping infinitely more complex, geographically expanded and with hardware scarcely recognizable, from the small, simple craft which carried forest products around Europe at the start of the 19th Century, this principle of "goodwill and understanding" remains sound. The principles commended themselves to all present and only ten months later, on the occasion of the second meeting, there were 1,056 ships of 1.62 GRT million entered into the new organization.

The movement which the founder members started in 1905 was The Baltic and White Sea Conference, designed to represent the shipping industry, and establish acceptable industry-wide freight rates for the carriage of wood in the Baltic trades. But it was not long before the organisation, under its first President Adolf Carl of Copenhagen, saw its mission expanded geographically, and its terms of reference increased to encompass a whole range of general shipping problems.

Soon it had begun the development of fair and balanced documents, with the production of uniform charter parties for the ships and cargoes which were being carried in them. The first standard charter party BALTCO, was adopted for use in 1908. Documents that are acceptable to both sides in a shipping contract, and which protect the integrity and position of each party have, from these early years, become a BIMCO "trademark".

It was also clear that the members' greatest need was that of information, on contractual matters, on port information, documentary needs and in weather and ice data, in an era where communication was rather less comprehensive and much more difficult than today. Soon, a regular newsletter was being published along with regular

weather and ice condition bulletins, and an important Handbook of Baltic and White Sea Ports was available in 1913. Clear and concise information was another recognizable part of the early organization's "brand".

Only four years after the organization had begun, its membership changed with the admission of brokers, clearly demonstrating its ambition to be more inclusive and representative of the industry as a whole. P&I Clubs, bringing valuable insurance and legal expertise became members after the First World War. There was still a substantial tonnage of sailing ships employed in the tramp trades, and in 1920 their owners were eligible for membership of the expanding organization. By 1925, there were 404 owners from 19 nations and representing 8.34 million GT in the Baltic and White Sea Conference, a testament to the usefulness and influence of the organization, which in a surprisingly short time had become a major source of useful shipping information and data, providing its members with a valuable response to a whole range of contractual, legal and operational inquiries. General Meetings, to which all members were welcomed, became a regular feature of the shipping calendar.

A growing membership from outside the confines of North Europe made the members reflect on the suitability of the of the organization's name and in 1927 this growing global role saw its title changed to The Baltic and International Maritime Conference. It would retain this until 1985 when the Conference's name was officially changed to The Baltic and International Maritime Council - BIMCO with the acronym eventually becoming the now famous "brand name", which is recognized all over the maritime world.

BIMCO thus evolved into an influential and important maritime service organization. Today, its membership is found in more than 120 countries, in every part of the world and includes more than 900 owners, 1,400 brokers and more than 100 P&I Clubs and other associates among its broad range of members. Owner members represent more than 14,000 vessels totaling 525 million DWT, or some 65% of the total cargo capacity available worldwide.

But perhaps as significant is the fact that whereas it began life with mainly dry cargo, tramp shipping tonnage, virtually every shipping sector is today strongly represented within the organization. A North European association has become truly global, with a strong representation in the fast-growing Asian region. And an organization that began with a focus on freight rates and charter parties has grown

to encompass a vast array of legal, documentary and technical issues that affect the whole shipping industry internationally.

BIMCO has remained an intensely practical organization, succeeding more often than not because of its ability to bring to any problem the combined force of a century's worth of practical ship operating experience. This makes a profound difference, whether it is in negotiating with regulators or policy makers at the highest level, or providing knowledgeable technical input into a specialized problem.

BIMCO values its high level connections, established over many years, and conversely, the organization is greatly valued for its always constructive, expertise-laden and non-confrontational approach that has always been the BIMCO signature. It is the approach that produces the best results, even if it does not generate the headlines! Policies and strategies need to be founded on firm facts, and BIMCO has a reputation for thorough research, which ensures that it is always listened to with respect. Where BIMCO sees a need for helpful information to mitigate problems, it intervenes energetically in a practical fashion.

There is a whole range of issues on the technical and regulatory front that keeps BIMCO engaged, with a strong presence at the International Maritime Organization (IMO), where it has enjoyed consultative status since 1969. The practical ship operating experience of its members is hugely valued by the IMO, the International Labour Organization, the European Union, and the US Coast Guard, all of which have increasingly becoming involved with international shipping regulation. BIMCO remains heavily committed to the principle of internationalism in all forms of regulation necessary for an international industry and is a strong supporter of IMO as the pre-eminent regulatory body. IMO values this expertise greatly.

BIMCO today is a modern, streamlined international organization dedicated to serving its members on a 24/7 basis. Modern communications, and one of the world's finest websites has made geography irrelevant and members enjoy unrivalled access to the BIMCO information databases on demand. Additionally an expert secretariat is on hand to provide advice and answers to complex problems right across the shipping world.

BIMCO is organized with a Board of Directors under the President, which controls the business of the organization. There is in addition an Executive Committee which consists of the President and owner-

members elected in a personal capacity, and which, meeting three times each year provides detailed guidance and direction. Its members frequently represent the organization at meetings throughout the world.

Specialist committees include the Documentary Committee which provides specialized assistance on documentary matters, the development of new charter parties and clauses and meets twice every year. This committee ensures that the best possible and up to date documents are available for the use of the industry. Technical guidance is provided by expert members of the Marine Committee.

The Secretariat itself, located at the BIMCO House in Bagsvaerd, is able to provide a considerable cross section of expertise, servicing the various committees of members and answering inquiries from members. Marine, Documentary, World Ports, Services and the Security and International Affairs departments are among the departments providing a full coverage. This latter department is of recent origin, formed to assist with the modern security challenges of piracy, terrorism, armed attacks on shipping, stowaways and drug smuggling, and shows that the organization is more than capable of adapting to deal with new problems as they arise.

Education has also become an important element of BIMCO's services, fitting perfectly with the organization's promotion of ethical, professional shipping business. Since 1987 BIMCO Courses have offered a range of professional training course, delivered all around the world, upon demand. A range of topical and essential shipping publications are also provided for members and the shipping industry in general, helping the industry be better informed.

BIMCO's latest challenge is to encourage younger members, the BIMCO 39 "daughter" organization providing professional, social and networking opportunities for younger shipping professionals throughout the world. BIMCO is still founded on its firm foundations of "goodwill and understanding" but 102 years after it was established, is today the leading shipping interest organization, global, multi-sectoral and very professional.

BIMCO's vision is to be the leading interest group and membership organization offering practical and tangible services to ship-owners, managers, brokers, agents, operators, associations and other entities connected with the international shipping industry.

There are 31 Rules are very common of BIMCO which we hereby appending for your information's;

The name of the organization is "The Baltic and International Maritime Council" (registered with Forenings-Registeret, Copenhagen), hereinafter referred to as BIMCO.

The BIMCO Crest is protected by the Danish Register of Associations (Forenings-Registeret). The display of the BIMCO Crest may only be used by members of BIMCO.

The Head Office of BIMCO shall be located in Copenhagen or elsewhere if so determined at a General Meeting of BIMCO by a majority of not less than two-thirds of those present and entitled to vote.

BIMCO's Vision and objectives are to be the leading interest group and membership organization offering practical and tangible services to ship-owners, managers, brokers, agents, operators, associations and other entities connected with the shipping industry.

a) BIMCO's objectives are to facilitate harmonization of commercial shipping practices and the promotion of quality, safety, security and environmental protection in the shipping industry. Furthermore, BIMCO shall seek to promote the fair treatment of seafarers at all times, as well as free trade and open access to markets.

b) BIMCO's focus is on the promotion of high shipping standards and support of existing measures to ensure quality shipping, as well as the standardization of regulations and the implementation thereof on a worldwide basis.

c) BIMCO shall consolidate its position as the recognized leader in the production of standard documents for the shipping industry, thus providing a tangible contribution to trade facilitation and harmonization of the shipping industry.

d) BIMCO shall continue to provide core services such as intervention, charter party advice, IT products, training courses as well as maritime, port related and company information.

e) BIMCO shall actively continue to urge firm and timely action against those engaged in the breach of ship and crew security, piracy and armed robbery, smuggling, migrant smuggling and, last but not least, terrorism.

f) BIMCO shall retain its profile as an international, private, independent, non-political organization and aim to be so recognized by governments, inter-governmental and non-governmental organizations.

g) When appropriate and circumstances so demand, BIMCO shall make a strong case on behalf of its members, also through the media.

h) As the spokesman of the industry and a non-political body, BIMCO's aim is to ensure that the shipping industry's position and pragmatic solutions are brought to the attention of the relevant authorities through constructive, positive and on-going dialogue.

i) BIMCO shall continue to maintain contact with other maritime organizations, associations and interest groups in order to seek, when necessary, mutual understanding and co-operation on industry matters.

j) BIMCO's resources are to be focused on the key areas, which provide the most benefits to members.

Any entity qualifying under the below-mentioned categories shall, subject to the vetting and the approval of the Executive Committee, be admitted as members of BIMCO.

Applications for membership must be in writing addressed to the Secretary General of BIMCO. An application for membership as an owner-member shall contain a statement as regards the total amount of deadweight tonnage owned, operated, managed or bareboat chartered. An application concerning membership as a broker/agency member shall contain the number of employees engaged in the business.

All applicants shall be required on approval of their membership of BIMCO to pay an entrance fee of an amount determined by the Executive Committee and ratified by the Board of Directors.

We mentioned above some important rules, rest of others are also important to read and understand for them those seeking membership and can be found at www.bimco.org.

BIMCO provides consultancy services free of charge to its members on a wide range of issues connected with the maritime industry.

The consultancy services are provided by BIMCO staff who have knowledge of the topics they deal with either by way of experience gathered through a long career within the shipping industry, at sea or ashore, and/or through formal education.

The staff are authorized to assess and reply to inquiries within their field of work, but do not act in any professional capacity as legal or technical authorized experts.

Members who need authoritative and expert advice or guidance are referred to seek such assistance from their own professional legal, technical and financial advisers.

BIMCO shall not be held liable in contract or in tort for any direct or indirect loss or damage, including but not limited to loss of revenue, loss of profits or other financial loss, as a result of incorrect, incomplete or otherwise flawed consultancy services.

BIMCO is the world's principal organization responsible for the development of maritime contracts and other related forms. It has been estimated that over three quarters of transactions within the shipping industry take place using BIMCO approved forms. The organization views its documentary work as a cornerstone of its trade facilitation activities. One of the primary aims of BIMCO's documentary work is to produce charter parties, other shipping documents and clauses that strike a fair and equitable balance between the parties in legally sound language readily understood by both. It is BIMCO's belief that such a consistent approach to the development of shipping documentation should serve to minimize the likelihood of charter party and other contractual disputes arising in the first instance.

WE JUST SAY FEW WORDS THAT BIMCO PROVIDES ALL SERVICES TO ITS MEMBERS WHICH RELATED TO MERCHANT MARINE FROM DOCUMENTATION TO CONSULTANCY, IMPROVEMENT COURSES ETC. WE CANNOT COVER ALL ACTIVITIES HERE IN SMALL ARTICLES.

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