

O- 16/08

16 October 2008

To: The Chief Executive and Certification Manager of all Issuing Bodies

Dear Colleague

EU Shipping Conference Certification

As of 18th October 2008, the EU is ending the anti-trust immunity that has hitherto allowed shipping lines to organise themselves into “conferences”. Consequently, from this date, the EU will not allow the issuance of certificates in respect of the vessel belonging to a “conference line”. Under current practice, L/Cs often require a Conference Line Certificate and carriers have often declared that a vessel is a “Conference Line Vessel”.

In order to guarantee the smooth handling of L/Cs after 18th October 2008:

- (i) carriers are kindly requested to pay attention to this change
- (ii) banks are requested to take account of the change in their issuance of L/Cs and to advise their customers accordingly
- (iii) banks may wish to consider amending L/Cs already issued that require Conference Line Certificates to be presented for shipments to/from the EU and that allow shipment on or after 18th October 2008.

This is an EU, rather than a global, issue and it has no bearing on whether conferences can or cannot exist on routes that do not touch the EU.

This change is to ensure that carriers activities are compliant with EU Competition Law.

As far as Chamber certification work is concerned it should not affect C/Os directly but this is a big change within the shipping industry and you will probably notice a change in the shipping terminology used on L/Cs in the future.

BIFA members can refer to the latest issue of BIFA Link magazine (October 08) for a fuller description of this announcement.

Yours sincerely



Steve Baker
Secretary, CITC