Title: Managing the Ballast Water Management Convention: A Shipowner’s Perspective

ABSTRACT:

Shipping is often considered an old-fashioned industry, averse to changes. For any company involved in the industry, however, there are events beyond the company’s influence and control, the impact of which can force the company to change its ways or adopt new strategies. No shipping company can prevent such events from occurring, thus the only viable solution is to manage the effects proactively. The entry into force of a new industry or international convention is a classic example. Such conventions impose new requirements, whose implementation, though frequently anticipated, is hard to manage in terms of timing. The Ballast Water Management Convention is a case in point. Although being primarily technical, it brings – from a shipowner’s perspective – an abundance of strategic matters, including financial, commercial, and compliance issues. Adherence to this convention invariably requires shipowners to invest significant amounts of money. These financial costs are exacerbated by the prolonged and ongoing systemic crises in the shipping industry, which makes it harder for shipowners to fund new investments in order to meet new requirements. This paper therefore tackles the impact of the Ballast Water Management Convention from the perspective of shipowners attempting to manage an external event that impacts on the company’s entire strategy.