



20th JECKU Top Executive Meeting

October 27, 2011, Jeju

Chairman's Note

The 20th JECKU Top Executive Meeting was held in Jeju, on October 27, 2011, attended by representatives from major shipbuilders in Japan, Europe, China, Korea and USA.

As in past meetings, the meeting covered common issues surrounding the world shipbuilding industry such as the global economic framework, shipbuilding market situation, supply & demand, cost development, and environmental issues related to shipbuilding. The participants had exchanged a free and open discussion on the issues and achieved a better understanding of mutual interests among the leaders in world shipbuilding circles.

At the Jeju meeting, the delegates expressed concerns over the slowdown in world economic growth, mainly connected with the ongoing financial crisis. Under such circumstances, they expressed concerns that the industry would suffer a blow and recognized that the world shipbuilding market is uncertain, even if the market recovered slightly in 2010 from 2009.

They also shared the opinion that the current shipbuilding market remains uncertain and face greater challenges, such as growing imbalance between capacity and demand, declining new orders, high material costs and falling ship prices. In this regard, they understood the common need to overcome the crisis and actively take



part in creating new market demands for the sound development of world shipbuilding industries.

In addition, the participants also acknowledged the importance of having a common voice concerning the ongoing discussions regarding international shipbuilding-related rules and regulations by the International Maritime Organization (IMO). The issue of energy efficiency design index (EEDI) adopted by IMO presents a new challenge for shipbuilders. They welcomed the measures to regulate emission from ships for environment protection and agreed not to spare efforts in developing eco-friendly and technically sound ships. The global shipbuilding industry commits to undertake maximum efforts to contribute to climate change mitigation by developing further advances in energy saving and greenhouse gas emission reduction. Shipyards underline that modern ships are already able to achieve substantially improved energy efficiency. The shipbuilding industry is therefore calling on shipping companies, financial institutions and other stakeholders as well as policy makers and regulators to support efforts for an enhanced fleet renewal.

In conclusion, all the participants agreed to make sustained efforts for the continued sound development of the shipbuilding industry and to intensify corporate social responsibility.

The USA shipbuilders will host 21st JECKU Top Executive Meeting in 2012. The delegates agreed to meet in mid-October 2012 in San Diego, California.

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