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Organisation de Coopération et de Développement Économiques  
Organisation for Economic Co-operation and Development

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**English - Or. English**

**COUNCIL**

**C/WP6/M(2000)2  
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## **Working Party on Shipbuilding**

### **SUMMARY RECORD OF THE 98TH SESSION**

**held in Paris on 18-19 December 2000**

Contact: Division of Transport, Mr. Hideaki Saito, tel: +33 1 45 24 91 30; fax: +33 1 44 30 62 57; e-mail: [hideaki.saito@oecd.org](mailto:hideaki.saito@oecd.org) or Mr. Wolfgang Hübner, tel: +33 1 45 24 91 32; e-mail: [wolfgang.hubner@oecd.org](mailto:wolfgang.hubner@oecd.org)

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**English - Or. English**

## SUMMARY RECORD OF THE 98TH SESSION

### I. Adoption of the Agenda

[C/WP6/A(2000)2]

1. In opening this Session, the Chairman, Mr. Salvatore Salerno, welcomed the Delegation of the Slovak Republic which was participating for the first time in the Working Party's activities as a Member country since obtaining full Membership of the OECD on 14 December 2000.

2. The Chairman advised that, at the end of Part I discussions, the Working Party would receive a report on the outcome of a top industry executive meeting for shipbuilding. He also proposed that Agenda Items 8-9 be discussed in advance of Item 5. These proposals were accepted by the Working Party and the Agenda for this Session was accordingly adopted.

### II. Approval of the Summary Record of the meeting held on 6-7 July 2000 [C/WP6/M(2000)1]

3. The Summary Record of the last Session was approved without modification.

## *PART I: MARKET DEVELOPMENTS*

### III. Discussion on supply and demand

#### *Demand forecast*

[C/WP6(2000)8, and Room Document by KSA]

4. The Japanese Delegate stated that the Secretariat's analysis effectively described the present and future shipbuilding market conditions, and therefore was an appropriate base for policy discussion at the Working Party. He added that, as noted in the report, fleet requirements from 2005 onwards were based on an assumption of higher economic growth in the future, and in that sense these figures should be regarded as the maximum demand for world shipbuilding.

5. He also expressed his concern that if the current high level of production were to continue, the shipping market would find itself with surplus fleet capacity in the near future, and accordingly the supply/demand imbalance in the shipbuilding sector would grow. He stressed that a market discipline was required as soon as possible, in order to address this imbalance. In closing his remarks, he suggested that the Secretariat should regularly revise its demand forecasts every two years, as the conditions and assumptions for the forecasts would change.

6. The Delegate from the European Commission (EC) concurred with the conclusions drawn in the Secretariat's document that, *inter alia*, the imbalance between supply/demand would continue to prevent newbuilding prices from increasing to commercially viable levels. He considered it important that these conclusions be widely circulated to governments and their industries, so that they could reflect these in their policies and market strategies.

7. The Delegate for Korea noted that while he did not object to these interventions, he suggested that the Sub-Group on Supply and Demand should have been asked to review the results of the Secretariat's analysis. He also suggested that, since the demand forecast contains a number of assumptions and data sets, it should be continuously re-visited in co-operation with major shipbuilding associations.

8. The representative of the Shipbuilders' Association of Japan (SAJ) noted that the demand forecast prepared by the Secretariat was an adequate information set for discussion on shipbuilding policies at the Working Party. While generally concurring with the Secretariat's conclusions, he also observed that the analysis was based on world economic growth assumptions that were more optimistic than those used by his association. The representative for the Association of European Shipbuilders and Repairers (AWES) echoed these views.

9. The representative of the Korea Shipbuilders' Association (KSA) noted that following the request by the Working Party, shipbuilders' associations had put considerable efforts into harmonising the demand forecast and capacity evaluation. Although appreciating the Secretariat's efforts to provide a common forecast, he stressed that the associations, in co-operation with the Secretariat, should make greater efforts to achieve further harmonisation.

10. In response to these interventions, the Secretariat outlined the origin of this exercise. On various occasions the associations reported their individual forecast figures to the Working Party meetings, but every time there were substantial differences in those figures, and associations had never arrived at a common view. Therefore, while acknowledging that some convergence had been achieved, the Working Party as an interim measure had instructed the Secretariat to prepare an independent forecast, to be based principally on information and data made available by the shipbuilders' associations.

11. The Chairman concluded the discussion by noting that while there was a broad consensus on the conclusions in the Secretariat's report, there were some differing views on the individual figures. However, given that the associations had never arrived at the same view, attention should be given to the conclusions in the Secretariat's report, and he encouraged governments and industries to take these into account in their policy making.

12. He instructed the Secretariat to continue its independent forecasting exercise and to be as objective as possible. He also encouraged the associations to continue their efforts to find common demand figures, which he hoped would be available by the end of 2001.

#### ***Capacity evaluation***

***[C/WP6(2000)13]***

13. The Working Party agreed to update its capacity figures to reflect the position in 2000 (as the base year) and 2005 (as the forecast year), and to rationalise its information collection so that this would only be carried out every two years. The Chairman invited all the delegations to provide the necessary information/data by 31 March 2001, so that a report can be prepared for the next meeting of the Working Party.

#### **IV. Exchange of views on price developments**

**[C/WP6(2000)9]**

14. The EC Delegate pointed out that, as analysed by the OECD Secretariat, prices had increased in the tanker and bulk carrier sector until September 2000. However, these developments had not spread over to other market segments, such as container ships. He also informed the meeting that the EC has independently monitored newbuilding prices using a methodology that looked at individual contract details, and on that analysis, prices had already begun to decline in the fourth quarter of 2000.

15. The Japanese Delegate supported the analysis made by the Secretariat, while expressing concern that while at present orders are at their highest level in 20 years, prices have not improved, and remained some 30% lower than those in the early 1990s. He also commented that the supply/demand imbalance was likely to grow after the middle of this decade, and this would invite more severe competition. As a result, prices would decrease further.

16. He stressed that in order to avoid this situation, and to establish a better market mechanism which would reduce or eliminate distortions such as support measures intended to regenerate failed shipyards, and below cost prices, it would be necessary to adopt free market rules as soon as possible.

17. The Delegate from Korea agreed that prices at present were not satisfactory. He stated that Korea would make efforts, in co-operation with other countries and their industries, to increase newbuilding prices.

18. The representative for the SAJ noted that the Secretariat's report had clearly highlighted the current market situation. He observed that while prices had risen, these increases are still insufficient, due to the existence of excessive shipbuilding capacity, and certainly did not provide an adequate return on investment. Also, these price increases did not compare favourably with the recovery in maritime freight rates.

19. The representative of the KSA stated that the price of a particular vessel should be judged not just by its monetary value, but also on whether a shipbuilder can earn a profit at that price. He also queried whether it would be possible to undertake an analysis on shipbuilding costs, especially the cost of materials, since he considered that there appeared to be a relationship between the cost and price of vessels. The Secretariat responded to this query by noting that this information was not publicly available, and shipyards would be most unlikely to provide these data because of their commercial sensitivity.

20. The Chairman instructed the Secretariat to continue this exercise by using publicly available information, as the analysis gives useful insights into price developments. He also suggested that if participants find other useful information or analyses on prices, they should make these available to the Working Party.

**V. Presentation on JEKU meeting in November 2000 [Room document: Chairman's Note of the 9th JEKU Top Executive Meeting]**

21. The representative of SAJ made a presentation of the outcome of the 9th JEKU meeting, held in Japan in November 2000. This meeting annually gathers the top executives of major shipbuilders from Japan, Europe, Korea and the United States, with the aim of establishing common perceptions, and of exchanging views on the latest market situation and problems in the industry.

22. At the last JEKU meeting, the executives expressed concern about the current situation, where shipbuilding prices are recovering only slowly despite a substantial and sustained increase in ocean freight rates. It was confirmed that, in order to ensure a healthy and sustained development in world shipbuilding, it was necessary to improve the supply and demand balance, and to develop a fair and competitive environment. In particular, they shared the view that each shipbuilder should accept responsibility to: i) support endeavours to create an environment of fair and free competition, ii) avoid production and volume-oriented competition; and, iii) strive to achieve reasonable profit returns on investment. In closing his presentation the SAJ representative expressed his hope that shipbuilding companies would faithfully observe these aims as part of their responsibility to improve market conditions.

23. The Japanese Delegate commented on this presentation by recalling that this was the first time that industry groups had reached common views on market problems that were very similar to those of the Working Party. He encouraged the associations to address these problems, and stressed that governments should make every effort, in conjunction with industry, to overcome them.

***PART II: Recent policy developments***

**VI. Collection of information on support measures**

**[C/WP6(2000)12 and ADD1]**

24. The Japanese Delegate expressed his concern that there were still several countries that had not provided information for this exercise, and urged them to do so expeditiously. Also he suggested that the Secretariat issue a new questionnaire for 2000, as the year had almost finished.

25. The EC Delegate noted that this exercise was very useful to ensure transparency in the industry. He also suggested that the Secretariat, at a later stage, could provide an analysis of the information gathered, in order that the Working Party could obtain some insights on the type and quantity of support measures.

26. The Working Party agreed to collect information for 2000, and the Chairman asked delegations to provide data to the Secretariat by 15 February 2001. He also instructed the Secretariat to contact individual countries as appropriate to obtain the required information in order to ensure comparability and to undertake an appropriate analysis of support measures.

**VII. Preparation for the Workshop on shipbuilding policies with China**

27. The Secretariat informed the meeting that a letter had been received from the Commission of Science, Technology and Industry for National Defence (COSTIND), which is the body responsible for Chinese shipbuilding policy. The letter suggested that relevant OECD officials visit China in the first quarter of 2001 in order to exchange views with the Chinese authorities on this issue. The Secretariat noted that this invitation will probably be accepted.

28. On the other hand, the Secretariat noted that the length of time that has been spent on trying to arrange this Workshop with China has meant that contacts with other non-OECD partners have been slightly neglected. Therefore, Delegations were asked to consider a more broadly based Workshop involving a range of other economies with significant shipbuilding interests. Such a Workshop could be scheduled back to back with the Working Party's second meeting in 2001 (probably in December), which would also be its 100<sup>th</sup> Session.

29. The Working Party agreed to this proposal by the Secretariat, and instructed it to review the Draft Agenda for the Workshop with any inputs by the Chinese. It was expected that the Working Party would finalise the agenda at its next Session in July 2001.

### **VIII. Exchange of information regarding recent policy developments**

#### ***US: Status of US ratification process for Shipbuilding Agreement***

30. The US Delegate informed the meeting that there had been no progress on this issue, and that the views of the new US Administration were not yet known. He invited delegations wishing to encourage the new US Administration and Congress to ratify the Agreement to do so.

31. The Chairman requested the US Delegation to circulate in advance of the July Session, for consideration by the other countries, a non-paper describing: i) whether the United States was still in favour of the Shipbuilding Agreement, and, ii) in case there were conditions that could eventually allow the US Congress to accept ratification, to specify clearly what those conditions are. The Delegates from the EC, Japan and Korea echoed the view that this information would be very important to the Working Party, in order to facilitate its discussion on establishing normal competitive conditions in the world shipbuilding industry.

#### ***EC: EU shipbuilding subsidy policy***

32. The Delegate from the EC advised that at its meeting on 5 December 2000, the EU Industry Council confirmed that operating aid for their shipbuilding would cease after 31 December 2000, as scheduled. The Japanese Delegate, welcoming this statement, observed that this indicated the strong willingness of European countries to normalise competitive conditions in the shipbuilding industry.

#### ***EC and Korea: Information on developments in their bilateral dialogue on shipbuilding***

33. The EC Delegate noted that after the last WP6 Session in July several bilateral consultations had taken place with Korea in order to find a solution to their dispute. However, by the end of October 2000, the EC had not found a satisfactory solution acceptable to both parties, and consultations had been suspended.

34. Following this, the European industry had filed a trade complaint with the Commission, which led to the commencement of an investigation of Korean subsidies on 2 December 2000. He went on to note that a report would be made available to the EU Council in April 2001, and that unless a mutually satisfactory solution is agreed with the Korean government, it may decide to: i) forward this case to a WTO dispute settlement procedure; and ii) set up a temporary defensive mechanism for the European industry.

35. The Korean Delegate responded by noting that the bilateral dialogue had reached a deadlock because the EC requested Korea to undertake a cost monitoring analysis which in effect would be the equivalent of a full disclosure of confidential business information regarding the Korean shipbuilding industry. He emphasised that if the EC intends to analyse production costs with an aim of ensuring fair competition in the world market, it should also cover those of European shipyards, subject to international business rules. He also speculated that the EU appeared to have the intention of taking this dispute as a pretext for re-instating an operating aid scheme at a later stage.

36. The Japanese Delegate stated that his government would follow this case with significant interest, since it would have a large impact on the world shipbuilding market. He expressed his hope that this trade dispute would be solved at the earliest opportunity, and without the EU introducing even a temporary defensive mechanism.

**Japan: Updated information on structural issues in Japanese shipbuilding**

37. In responding to queries by the US and Korean Delegates, the Japanese Delegate referred to his government's report [C/WP6/RD(99)2], which was regarded as a blueprint for the Japanese shipbuilding industry. He noted that while there were initially some concerns expressed by some industry executives, they had since reached the same view as the government on how to deal with the current severe market problems, and there had been some dialogue within the industry on how to achieve the report's objectives. He added that the Japanese government has not introduced any government support to this end, and that it would be up to individual shipbuilders to promote these objectives.

**Other developments**

38. The Delegate for Norway informed the meeting that his government would suppress its operating aid scheme at the end of 2000, in line with EU shipbuilding policy.

39. The Polish Delegate noted that his government has not provided support to its shipbuilding industry for many years, and that it was unlikely to give any subsidies, except for some small amount for technological developments.

40. The Romanian Delegate noted that his industry has not received government subsidies which were specifically addressed to shipbuilding, and that there were no financial incentives to increase shipbuilding capacities.

41. In response to a request made by the Japanese Delegate, the Korean Delegate noted that he would circulate some information in relation to the restructuring of the Daewoo group that were addressed in C/WP6/RD(2000)3.

42. The Chairman concluded the information exchange by noting that this is a very important activity that could greatly assist constructive dialogue within the Working Party. He suggested that prior to every meeting all countries should report in writing on recent developments in their shipbuilding industries (*e.g.* local market changes, restructuring plans, subsidies, legislative initiatives, etc.) and speak about these at a *tour de table* during the appropriate Agenda item. This would enable the Working Party to be fully appraised of these developments.

**IX. New policy options for establishing normal competitive conditions in the world shipbuilding [C/WP6(2000)10]**

43. The EC Delegate recalled that at its December meeting the EU Industry Ministers instructed the Commission to pursue efforts within the OECD framework to establish a level international playing field for the shipbuilding industry. However, the EU position at the moment is that there are other more important matters to resolve and as a consequence the EC has not reached a common position on the various policy Options. The EC Delegate also pointed out that in any case it would be important for the United States to make clear its position on the Shipbuilding Agreement, because a number of the Options clearly depend on the US position.

44. The Korean Delegate stated that his government recognised the disadvantages stemming from the lack of international trade rules, and encouraged the US Administration to make further efforts to ratify the Agreement. He noted that although it was premature to discuss these Options in detail, his government would be ready to discuss these at the appropriate time.

45. The Delegate from Japan warned that given the likelihood of severe competition because of the growing supply/demand imbalance, some countries are likely to introduce subsidies, and some shipbuilders might engage in injurious price practices, all of which could result in negative effects on the market. He emphasised that it is essential to establish binding competition rules as soon as possible, and invited other countries to consider constructively how this could be achieved by the Working Party. He then advised that while his government will invite the United States to ratify the Shipbuilding Agreement, it could also accept the conclusion of a Protocol among the four countries which have already ratified it, taking into account the urgent need to establish normal market rules.

46. The Delegate for Norway noted that if the United States cannot ratify the Agreement in due course, then the Working Party has to look at the other Options which do not include the United States. In common with other Delegates he was in favour of a binding solution, with a preference for a Protocol among the Four.

47. The Polish Delegate reminded the meeting that upon accession to the OECD his government had committed itself to becoming a Party to the Shipbuilding Agreement. He stated that his government was still in favour of a binding solution and would be ready to be party to any instrument that introduced competitive conditions in the shipbuilding sector.

48. The Chairman observed that unless the United States made clear its definitive position on the Shipbuilding Agreement, it seemed difficult for the Working Party to discuss these policy Options in depth. To this end, he again requested the US Delegation to prepare this information at its earliest opportunity.

49. The Chairman also noted that, in order to maintain momentum to normalise competitive conditions in the shipbuilding sector, it would be worthwhile preparing a paragraph on this issue for the Communiqué which will be adopted by the OECD Ministerial Council Meeting next May. At the end of the Session, the Chairman presented a draft paragraph to delegations (Annex II), and it was agreed that this be further discussed.

**X. Consideration of matters related to the Understanding on Export Credits for Ships  
[C/WP6(2000)11, and Room Document (Canada's comments on C/WP6(2000)11)]**

50. The EC Delegate noted that the EU Industry Council had instructed the Commission to attempt to revise the 1981 Understanding in order to bring it more in line with present market conditions. However, EU countries had not yet reached a position on the three Options presented in the document under discussion. He hoped that the EU would finalise its internal co-ordination in January, and would subsequently comment on each of the Options.

51. The Korean Delegate expressed the view that Option 1 (The Revised 1994 Understanding on Export Credits for Ships) would not be viable for his country, since this proposal was virtually the same as the original 1994 Understanding which has been incorporated in the Korean implementation legislation for the Shipbuilding Agreement.

52. On the other hand, he stated that Option 2 (The 2000 Understanding on Export Credits for Ships) and Option 3 (Integration of the Understanding on Export Credits for Ships as a Sectoral Understanding into the Arrangement on Guidelines for Officially Supported Export Credits) could be acceptable to Korea, as these would avoid the Korean legal problems. However, he noted that if the Working Party decided to apply one of these Options, some legal problems may arise in all if the United States eventually ratifies the Shipbuilding Agreement. This is because the ratification would bring into effect the original 1994 Understanding, thus creating a potential conflict.



53. The Delegate for Japan emphasised the urgent need to establish a new rule for export financing, given the fact that six years have already passed since the conclusion of the 1994 Understanding. In his view Option 1 was the quickest way to introduce rules that would be closer to present market conditions. However, because there had been a number of developments since the 1994 Understanding was completed, he suggested that any technical issues could be addressed at a later stage, in line with the “Commitments for Further Work” provided in the 1994 Understanding.

54. The Norwegian Delegate noted that while in the longer term the goal should be Option 3, the best option for the short and medium term is Option 2, as it would not be realistic at this stage of the discussion to attempt to bring the Understanding completely up to date with the provisions in the present General Arrangement. However, despite Norway’s preference, the Delegate also stated that if Option 2 did not receive enough support he would be willing to discuss Option 1.

55. The Canadian Delegation, when presenting its room document, suggested that the Working Party should decide to: i) update the Understanding to take account of practices and disciplines that have been developed in the field of export credits since 1994, in particular with respect to premium, floating rates and market financing; and ii) seek the guidance and assistance of the participants to the Arrangement in the drafting of these Options.

56. In response to queries raised by the EC, the OECD’s Deputy Director for Legal Affairs advised that the first two Options, which would have to go back to the OECD Council for adoption, would have a binding effect by virtue of the OECD Convention. Indeed, that is the situation with the present 1981 Understanding, which is an Annex to a Council Resolution. On the other hand, Option 3 would not require Council endorsement, because the General Arrangement is not an OECD Act but a “gentlemen’s agreement”. However, it should be clearly understood that under this Option the Understanding would lose its binding force.

57. He also observed that Options 1 and 2 may be open to non-OECD countries in accordance with the OECD’s Rules of Procedures, and it would be up to the Council to decide, on the basis of a request from a non-member state, whether or not that state could participate. With regard to Option 3, given the fact that not all OECD Members are participants to the Arrangement, the inclusion of non-OECD countries would be decided by the participants in the General Arrangement.

58. The Deputy Director for Legal Affairs then addressed a query as to whether participants in the present 1981 Understanding could block procedures to update the terms of the 1981 Understanding. He observed that since Options 1 and 2 are OECD Acts, these require the consensus of all OECD countries to adopt the necessary Resolution. As far as Option 3 is concerned, only the agreement of the participants in the General Arrangement would be required.

59. If there was a disagreement between these different sets of participants this could lead to a paradoxical situation, where both the present 1981 Understanding, and the General Arrangements created by Option 3 would co-exist. While this would be legally possible, it would be advisable to first form a consensus amongst the participants in the 1981 Understanding, before proceeding with Option 3.

60. The Chairman proposed to organise an Expert Group meeting on 13 – 15 February 2001, with an aim to finalise the text of the Option(s) before the end of March 2001, and to eventually complete this work in the 99th Session in July. To this end, he suggested that interested countries should clearly advise their preferences amongst the available Options. They should also advise of any technical issues that may require attention. These inputs should reach the Secretariat by the end of January 2001.

**XI. Consideration of policy overview (Chairman's Statement)**

61. The Chairman proposed a draft for the Chairman's statement, which was endorsed by delegations. This is reproduced in Annex I.

**XII. Dates of next meeting**

62. The Working Party agreed that the next Session would be held on 5-6 July 2001.

**ANNEX I**

**COUNCIL WORKING PARTY ON SHIPBUILDING  
CHAIRMAN'S STATEMENT**

**Paris, 19 December 2000**

1. The OECD Council Working Party on Shipbuilding discussed how to bring about normal competitive conditions in the shipbuilding industry and reached agreement to update the 1981 Understanding on Export Credits for Ships.
2. With respect to competitive conditions, the Working Party restated that any solutions to bring about such conditions must be binding and multilateral in character.
3. While the immediate implementation of the OECD Shipbuilding Agreement remains the preferred solution, the Working Party, recognising that the new US Administration is not yet in place, will wait until the US is in a position to provide definitive advice on its position with respect to the Agreement before considering further action. However, bearing in mind that it is essential for the world shipbuilding industry to establish a level playing field as soon as possible, the Working Party encouraged the US to clarify its position at the earliest opportunity, and well in advance of the July meeting of the Working Group.
4. Once the US views are known the Working Party will be in a position to decide on how to best to achieve normal and binding competitive conditions.
5. As a positive step towards more competitive conditions, the Working Party agreed as a matter of urgency to update the increasingly outdated 1981 Understanding on Export Credit for Ships to reflect present day market conditions. These updates would focus, *inter alia*, on replacing the fixed interest rate of 8% by commercial interest reference rates, extending the repayment period from 8.5 to 12 years and tightening development aid credits rules. The Working Party expects to consider specific text for final approval at its next meeting in July 2001, if possible.
6. The Working Party also discussed present and future shipbuilding market developments, and the broad consensus was that the world shipbuilding markets continue to operate in extremely difficult conditions. While orders have been relatively strong in 2000, and prices have increased, this has not yet brought most shipbuilders into profitability, and demand forecasts are not very encouraging.
7. Demand for 2000 is expected to be around 18.4 million compensated gross tonnes (cgt), which is slightly higher than completions over the past few years. Under normal circumstances demand in the next five years could be expected to initially fall slightly, before peaking in 2004, when it is estimated that almost 20 million cgt of newbuilding will be required to meet shipping industry needs. This peak may reach 21.7 million cgt if proposals by the International Maritime Organisation to accelerate the phasing out of certain single hull oil tankers are adopted. These proposals were made in the wake of recent tanker accidents that led to severe maritime pollution.
8. Importantly, this expected peak in demand can be easily met by existing shipbuilding capacity. However, shipbuilding capacity is expected to increase at a faster rate than demand, so that the forecast demand in 2005 of 19.4 million cgt will be handled by a shipbuilding industry with an expected capacity of

26.5 million cgt. This severe demand/supply imbalance could easily exacerbate problems already evident in the shipbuilding industry.

9. The Working Party expressed concern that the comparatively low prices, offered by shipyards trying to fully utilise their capacities, are expected to bring forward shipbuilding orders, thus creating an even more serious demand/supply imbalance in future years. This effect may already be in evidence by the strong ordering trends evident in the first nine months of 2000.

10. With respect to prices, the Working Party noted that these have slightly increased, depending on ships types, since the beginning of 1999. Views were expressed that this trend is, among others, closely related to the recent tightening of capacity in some shipyards which have a full orderbook, as well as the fact that over recent months there has been a strong recovery in shipping, with carriers reporting their highest earnings for 30 years. This has encouraged leading shipbuilders to seek higher prices. However, price levels are still far lower than those in 1997 (by more than 20 percentage points) and on the whole have not allowed shipbuilders to restore profitability.

11. Delegations also expressed concern on the long-term price outlook, where prevailing and future market conditions are expected to depress prices in response to the continuing availability of excess capacity.

12. The Working Party instructed the Secretariat to continue its work on demand and supply as this will provide a useful common base to examine market conditions and develop future shipbuilding policies.

13. Finally, Delegates expressed their concern over the recent trade conflict within the shipbuilding sector. They appealed to the respective parties to urgently find an amicable solution, in order to prevent an escalation of the conflict that could be detrimental to all players in the market place.

## **ANNEX II**

### **Proposed paragraph for OECD Ministers**

Ministers noted that as the first step to establish normal competitive conditions in the commercial shipbuilding industry the 1981 Understanding on Export Credits for ships had been updated to reflect present day market conditions. Ministers instructed that the revised Understanding should enter into force by the end of 2001 at the latest. They also instructed the OECD to continue its efforts to explore all possible solutions to bring about competitive conditions of a binding and multilateral character and that this work should be completed by the end of 2002.

## ANNEX III

## WP6 Self-Evaluation Questionnaire

Delegations rated activities from 1 (Excellent) to 5. The following average scores for each element were derived.

**I Overall Evaluation of the Meeting**

- a) Agenda - Organisation of the meeting and discussions [2.1]
- b) Performance of the Chair and the Bureau [2.2]
- c) Active Participation by Delegates [2.2]
- d) Support from the Secretariat [2.1]

**II Evaluation of Substantive and/or Action Items**

Item	Documentation		Quality, relevance, policy usefulness	Discussion	
	Timeliness – Delivery Systems	Presentation, style		Intervention by Delegates	Results achieved, follow-up action
Item 3. Discussion on Supply and Demand	2.4	2.1	2.2	2.3	2.3
Item 4 Exchange of Views on Price Developments	2.1	2.1	2.0	2.4	2.7
Item 5 Recent Policy Developments	N/A	N/A	N/A	2.9	3.1
Item 6 New Policy Options for Establishing Normal Competitive Conditions	2.4	2.4	2.2	2.6	2.9
Item 7 Understanding on Export Credit of Ships	2.6	2.3	2.5	2.8	2.8
Item 8 Information on Support Measures	2.7	2.6	1.9	3.0	2.9

N/A: Not Applicable.

**ANNEX IV**  
**COUNCIL WORKING PARTY ON SHIPBUILDING**

**18–19 December 2000**

**LIST OF PARTICIPANTS**

**CHAIRMAN**

Mr. Salvatore SALERNO  
Head of Unit  
Directorate General Trade  
European Commission

**ALLEMAGNE/GERMANY**

Mrs. Ullrike BLANKENFELD  
Economist  
Automotive Industry and Shipbuilding Industry  
Federal Ministry of Economics and Technology

Mr. Harald KOTSCH  
First Secretary  
Permanent Delegation of Germany to the OECD

**CANADA**

Ms. Leah CLARK  
Director  
Defence and Marine Industries  
Industry Canada

Mr. Klaus BUTTNER  
Director  
International Relations  
Export Development Corporation

**COREE/KOREA**

Mr. Young-Hak. KIM  
Director  
Automobile & Shipbuilding Industries Division  
Ministry of Commerce, Industry & Energy (MOCIE)

Mr. Jong Won PARK  
Deputy Director  
Automobile & Shipbuilding Industries Division  
Ministry of Commerce, Industry & Energy (MOCIE)

Mr. Joong-Mo YANG  
Deputy Director  
European Trade Division  
Ministry of Foreign Affairs & Trade

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Mr. Kyu-Yeol CHO

Senior Manager  
Ship Export Credit Office  
The Export-Import Bank of Korea

Mr. S.H. JEON

First Secretary  
Permanent Delegation of Korea to the OECD

**DANEMARK/DENMARK**

Mrs. Sonja SIEGISMUND

Legal Adviser  
Danish Agency for Trade and Industry

Mr. Peter Hertel RASMUSSEN

Minister Counsellor  
Permanent Delegation of Denmark to the OECD

**ESPAGNE/SPAIN**

Mr. Javier DE LA PEÑA LOPEZ

Head, Shipbuilding Department  
Ministry of Science and Technology

**ETATS-UNIS/UNITED STATES**

Mr. Andrew STEVENS

Director, Steel and Shipbuilding Policy  
Office of the US Trade Representative

Mr. Ralph S. EDWARDS

International Economist  
Office of International Affairs  
Maritime Administration MARAD

**FINLANDE/FINLAND**

Mr. Maunu HARMO

Senior Advisor  
Ministry of Trade and Industry

**FRANCE**

Mr. Franck AVICE

DIGITIP 2  
Ministère de l'Economie, des Finances et de l'Industrie

Mr. Gilbert BOUKOBZA

DIGITIP 2  
Ministère de l'Economie, des Finances et de l'Industrie

Mr. Etienne de DAINVILLE

Export Credits Expert  
DREE  
Ministère de l'Economie, des Finances et de l'Industrie



Mr. Jean-Pierre DUBOIS

Conseiller Commercial  
Délégation Permanente de la France auprès de l'OCDE

**GRECE/GREECE**

Mr. Dionyssis TSAGRIS

Permanent Representation of Greece to the EU

Ms. Sophie DIVI

First Secretary  
Permanent Delegation of Greece to the OECD

**ITALIE/ITALY**

M. Pierfrancesco PERSIANI

Ministry of Transport and Navigation

M. Claudio PADUA

Permanent Delegation of Italy to the OECD

**JAPON/JAPAN**

Mr. Hiroaki MIYAMURA

Director  
International Affairs Office for Shipbuilding,  
Maritime Technology and Safety Bureau,  
Ministry of Transport (MOT)

Mr. Keiichi YOSHIHARA

Deputy Director  
Shipbuilding Division, Maritime Technology  
and Safety Bureau, MOT

Mr. Yuji YAMASHITA

Assistant Director  
Second International Organizations Division,  
Economic Affairs Bureau,  
Ministry of Foreign Affairs

Mr. Hiroaki SAKASHITA

Advisor  
Ministry of Transport

Mr. Seiji SAEKI

Advisor  
Ministry of Transport

Mr. Koichi ISOBE

Deputy Director  
International Finance Policy Department  
Japan Bank for International Cooperation (JBIC)

Mr. Taketoshi AIKAWA

Director  
Division 4 (vessels, aircraft, com.satellite)  
Corporate Finance Department  
Japan Bank for International Cooperation (JBIC)

Mr. Yoshiaki USHIJIMA

Senior Representative  
Representative Office in Paris  
Japan Bank for International Cooperation (JBIC)

Mr. Yoshimasa OHASHI  
Representative in Paris  
Japan Bank for International Cooperation (JBIC)

Mr. Satoru MIZUSHIMA  
First Secretary  
Permanent Delegation of Japan to the OECD

**MEXIQUE/MEXICO**

Mr. Arturo VILLARRUEL  
Third Secretary  
Permanent Delegation of Mexico to the OECD

**NORVEGE/NORWAY**

Mr. Arnt Egil URSIN  
Deputy Director General  
Ministry of Trade and Industry

Mr. Marius TRANA  
Advisor  
Ministry of Trade and Industry

Mr. Tore SAMUELSEN  
Senior Vice-President  
Eksportfinans

**PAYS-BAS/NETHERLANDS**

Mr. W. LEISEBOER  
Head, Shipbuilding Division  
Ministry of Economic Affairs

Mrs. Irma TEMS  
Policy Adviser  
Ministry of Economic Affairs

**POLOGNE/POLAND**

Mrs. Anna BUZA  
Head of Division  
Transport Means Industry Section  
Department of Industrial Policy  
Ministry of Economy

Mrs. Jolanta STAWOMIRSKA  
Chief Expert  
Department of Industrial Policy  
Ministry of Economy

Mr. Henryk KAMINSKI  
Adviser to the Minister  
Department of Industrial Policy  
Ministry for Economy

Mr. Jerzy BIELINSKI  
Expert of Shipbuilding Forum

Mr. Witoslaw ANTCZAK  
First Secretary  
Permanent Delegation of Poland to the OECD

**ROYAUME-UNI/UNITED KINGDOM**

Mr. Christ FAINT  
Shipbuilding Manager  
Department of Trade and Industry

**SUEDE/SWEDEN**

Mr. Bengt WENNERSTEIN  
Deputy Director  
Ministry of Industry

**REPUBLIQUE SLOVAQUE/SLOVAK REPUBLIC**

Mr. Jozef ZUCHA  
Chairman  
Slovenske Lodenice

Mr. Varoslav PAPP  
Vice-Chairman  
Slovenske Lodenice

Mr. Norbert ADAMIK  
Assistant to Chairman  
Slovenske Lodenice

Mrs. Adriana VANOVA  
Counsellor  
Permanent Delegation of the Slovak Republic  
to the OECD

**TURQUIE/TURKEY**

Mr. Sami KABAS  
Deputy Director General  
Shipbuilding and Shipyards  
Undersecretariat for Maritime Affairs

Mr. Mehmet AKSOY  
Member of the Board  
Association of Turkish Shipbuilders

Mr. Özlem EFE  
Economic Counsellor  
Permanent Delegation of Turkey to the OECD

**COMMISSION EUROPEENNE/EUROPEAN COMMISSION**

Mr. Ronald VOPEL  
Administrator

Mr. Edmond ABOU  
DG Trade

Ms Maria REKBINDER DG Competition

Mr. Dick NAEZER DG Trade

## **PAYS NON-MEMBRES/NON-MEMBER COUNTRIES**

### **FEDERATION DE RUSSIE/RUSSIAN FEDERATION**

Mr. Vladimir GORBATCH Director General  
Central Research Institute of Shipbuilding Technology

Mr. S.A. DOBUDKO Counsellor  
Economic Cooperation Dept. of the MFA of Russia

### **ROUMANIE/ROMANIA**

Mr. Victor SCHMIDT Director  
Ministry of Industry and Trade

Mrs. Miu COSMINA Head of Unit  
Ministry of Industry and Trade

Ms Nitu DOINA Expert  
Ministry of Industry and Trade

Mr. Gheorghe CATRINESCU General Director  
Romanian Shipbuilders Association (ANCONAV)

Mr. Nicolae GRIGOREANU Conseiller économique  
Ambassade de Roumanie à Paris

### **ASSOCIATIONS DES CONSTRUCTEURS NAVALS/SHIPBUILDERS' ASSOCIATIONS**

#### **AWES (Association of European Shipbuilders and Repairers)**

Mr. Thorkil CHRISTENSEN Director  
Danish Shipbuilders' Association  
Chairman  
AWES Working Group on Market and Forecast

#### **SAJ (Shipbuilders' Association of Japan)**

Mr. Takashi AMANO Chairman  
Working Group on Newbuilding Supply  
and Demand Forecast

