

## Pride restored

In April the Singapore-based bunker suppliers Meridian Petroleum Bunkering Pte Ltd. and J.S. Pink Fuel Pte Ltd. became the latest casualties of a series of tough measures designed to improve standards in Singapore's bunkering hub.

Neither company had been active in the market since early 2002 when the Singapore Maritime and Port Authority (MPA) suspended their operator's licences as part of its investigation into problems with contaminated bunker fuel.

The demise of several bunker suppliers became inevitable as soon as the reputation of the MPA and Singapore as a bunkering centre became tarnished by a fresh scandal in early 2002. The headlines this time described scores of bunker surveyors facing bribery charges by the Corrupt Practises Bureau of Investigation in Singapore. Ongoing investigations into the

surveyors' actions uncovered widespread connivance with bunker suppliers to exaggerate stem volumes. Their subsequent convictions completed the port's annus horribilis, in bunkering terms at least.

Its pride wounded and its reputation on the line, the MPA announced a series of new measures at the September IBC / BunkerNews SIBCON 2002 Convention in an attempt to reaffirm its position as the world's foremost bunkering hub.

Singapore suppliers would now have to prove they possessed 'paid-up' capital of S\$200,000 and put in a 'Bunker Supply Chain Management System' covering the bunkering process from procurement to delivery.

Upon the announcement, the MPA's Director (Port) Captain Khong Shen Ping said that it was estimated that as many as a third of all Singapore-licensed bunker suppliers failed to meet the newly-imposed standards. Each company would be given two years to meet the new criteria.

The MPA began match its SIBCON rhetoric with action when on 1 April 2003 it announced that with immediate effect to bunker tankers should carry on board a 'Certificate of Quality' (COQ) showing that the quality of bunker fuels carried are in compliance with the latest edition of ISO 8217. The COQ would have to be supported by a testing laboratory accredited by the Singapore Accreditation Council, the MPA added.

Once more taking the lead in furthering new technology, the MPA also announced that it had launched an on-line application form for bunker Supplier and Bunker Craft Operator licenses with effect from 1 April.

Intertanko has welcomed the latest moves by the Singapore authorities to tighten regulations controlling the port's bunker industry.

The international association described the MPA's announcement as 'a very important step forward for Singapore in order to give better quality control for delivering bunkers (and) to improve quality of bunkers.'

For the region's bunker industry, the effect of the MPA's hard line has recently been witnessed in tangible form by the dual factors of brisk sales and increasingly low stock levels.

As Vince Koh, Manager for Sales and Marketing with Singapore-based supplier and trader Global Energy (Asia) Pte Ltd. told Tanker Operator: 'Until last month (March), bunker stocks were at an all time low.'

He continued: 'It (corruption and contamination fears) affected the market initially, but it more or less ended last year. Overall the problems have gone because of the stringent checks being carried out.'

Yet reports from more than one bunker broker in recent weeks of contamination in small parcels of bunker fuel should remind players and regulators that there can be no complacency.