

INDUSTRY

Operating in choppy, legislated waters

Tanker Operator's First Greek Conference took place at the prestigious Yacht Club of Greece in Piraeus on October 21, the day that the latest European Union laws banning single hull tankers from EU waters came into force. A full day of lively debate, and well researched presentations created a memorable day for the many Greek and international delegates attending the event

Piles of new legislation and the poor perception held by the public over the global tanker industry were two key themes that drove the debate at the Tanker Operator conference in Piraeus. The issues continue to shape the industry and drive public perception that in turn compels the legislators to act.

Brushing aside suggestions the EU has unwittingly removed incentives for owners to properly maintain single-hull tankers, key European Commission official Bernardo Urrutia insists the EC's driving motivation is "to improve the image of shipping."

"Agreeing maritime safety is no place for politicians the EC's principal administrator in the maritime safety unit however, described October 21 as a happy day in Brussels".

Over ten per cent of the world's single hulled tankers are now banned from trading in European Union member countries following the introduction of new regulations on that date.

"The EC's goal is to improve the industry and minimise risk. This is our industry and we have to convince the public at



Athens: Taking a market view at the Tanker Operator conference

large that everything is under control," Mr Urrutia told delegates.

Speaking just hours after the EU regulations on single-hull tankers kicked in, Mr Urrutia said: "All parties have to play their part if we are to show the level of competence and control the general public requires."

Mr Urrutia also said that there were several possible legislative action being considered for 2004. These included a directive on minimum requirements for Flag state administrations, or flag state requirements for ships calling to EU ports: a directive for or regulation on casualty investigation and regulation on carriers'

liability for passenger claims, based on the Athens Protocol. However, ABS president Robert Somerville said: "The imposition of an artificial age limit on existing vessels removes many of the incentives that currently exist for an owner to maintain his vessel to the highest standards."

He added that a two-tier market will emerge in which: "the earning power of the single-hull vessel is also reduced, providing the owner with less money, and even less incentive to maintain his vessel".

Other presentations varied from a stout defence of the EU's slew of regulations causing choppy waters for the international tanker market.

Lefteris Karaminas, regional marine manager for Lloyd's Register, noted that senior officials at the EU are holding a 'closed seminar' holding on double-hull tankers on November 7, 2003. At this seminar, the EU will discuss and listen to industry viewpoints on the design, construction, operation, maintenance and survey of double-hull tankers, "as it considers that these will become of critical importance for maritime safety in the years to come. This could potentially open the way for CAS for double-hull tankers in the future".



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Anthony Lambros from Centrofin shares his thoughts

Rear Admiral Robert North, speaking on behalf of the Marshall Islands registry, and is himself a former officer of the US Coast Guard, took security as his theme and said that the issue was the "major challenge," facing the and expressed concern that ships with a poor safety record may not be relied upon to "do security right."

"The time frame for implementation is very short compared to the ISM Code implementation period," he said. With maritime security, errors and omissions or failures by any link in the chain of responsibility will potentially have much more severe consequences."

On a more optimistic note, Admiral North said that the new requirements would have "a positive effect". But added that energy being poured into security readiness could put safety and environ-



Delegates listen intently to thought provoking debate

mental protection at risk by "shifting emphasis" away from these concerns.

Ports and places of refuge came under the microscope of Anthony Lambros, quality and safety manager at Greece-based Centrofin. He said that "There is no doubt in my mind that the ports of refuge must be the nearest safe haven, and I have equally no doubt that the only way this can be achieved is by international mandatory legislation."

He added that the "shipping industry has been waiting far too long for the legislative bodies to move ... what the international legislators must do is provide the infrastructure necessary so that a harbour master (or other competent authority) has the power, decision making ability, technical ability and most importantly, legal protection to take such a decision."

Should maintenance be a class issue? was the question raised by Fred Venner, product manager for tankers at classification society Bureau Veritas. He said that

owners sought to control survey costs while optimising maintenance costs; improve crew safety, and raise the standards of improved pollution prevention. Class could help with these issues, he said.

Traditionally Class did not take a direct interest in the maintenance of the ship between surveys but were happy to focus on carrying out surveys, said Mr Venner. But today it is increasingly difficult for Class to justify reliance on traditional methods of classification and it has become necessary for Class to investigate and invest in more modern methods to improve equipment reliability, ship safety, and to reduce pollution of the environment.

Today it is increasingly difficult for Class to justify reliance on traditional methods of classification and it is becoming increasingly necessary for Class to investigate and invest in more modern methods to improve equipment reliability, ship safety, and to reduce pollution of the environment. Maintenance on board ships has a direct

bearing on reliability and safety, he said, adding that this is an area where class involvement might improve standards. "Should class become more actively involved in the actual maintenance plans and implementation on board?"

An answer could be a classification notation such as the voluntary STAR class notation from Bureau Veritas and when applied, the society takes an active role in the development of both the hull structural and equipment maintenance plans.

Those maintenance plans and activities are audited by the Society on board and ashore.

The application of such a notation provides all the necessary support to a company's Safety Management System in compliance with the ISM Code, Section 10 and can add a greater degree of trust and cooperation between an owner and the class society.

"The world knows that these services (provided by Class) exist along with the technology to make them work successfully. If we as an industry fail to act, how long will it be before such systems are made mandatory?"

Lloyd's Register's Mr Karaminas concluded his thorough examination of the role of class as a disseminator of information on technical and regulatory issues, saying that in spite of already being highly regulated, "the tanker industry must continue to come to grips with a fast-paced regulatory environment. Whether these new regulations are justified is often sub-

ject to debate".

However, the fact remains that the speed with which the industry is inundated with new requirements and the occasional lack of clear guidelines for imple-



Dimitris Lyras, morning chairman, discussions key issues with Bernardo Urrutia from the European Commission

mentation often leads to uncertainty.

"In this sense, aside from its traditional role as a developer and implementer of Rules and Regulations for the construction and maintenance of hull structures and machinery onboard ships, class clearly has a part to play in the interpretation of new regulations and the dissemination of this information to the industry, through the mechanisms mentioned earlier, as well as through industry forums such as IMO," he said.

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