


Tanker Operator
Annual Tanker Operator Conference



Building and Operating Safe Tankers in a Highly Regulated Environment

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Challenges for Class

- New regulatory demands
- Develop new rules
- Amend survey requirements
- Staffing and training for CAS
- Criminal penalties
- Civil claims



Increased Regulation

- Need to accept and adapt

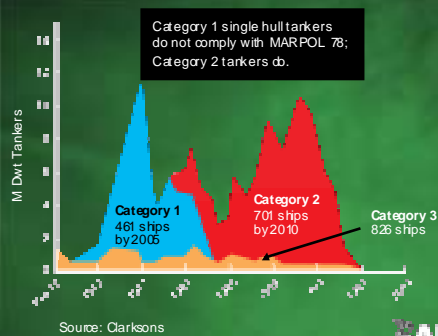


The Regulatory Challenge

- Rapid replacement to maintain supply
- Address maintenance concerns of existing single hull tankers
- Anticipate operational and aging problems of double hull tankers



Accelerated Phase Out



Maintaining Supply

- Strong orderbook
- High level of deliveries
- Korean yards expanding
- New Chinese yards
- Increased Chinese productivity



Harmonized Class Rules

- Responding to industry demand
- Reducing shipyard pressure



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Harmonized Class Rules

- Level playing field
- Greater clarity
- Faster design development
- More robust structures

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Maintaining the Existing Fleet



- Eliminating incentives
- Two tier market
- Criminal sanctions

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Condition Assessment Scheme

“A well-meaning
but administratively
inefficient program”



CAS Requirements

- **EU**
Category 2 and 3 > 15 years
- **IMO**
Will consider adoption of EU
standards in December



CAS Requirements



- Class responds



Existing Vessels

- Intense scrutiny
- High risk vessels targeted
- Ad hoc surveys



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Existing Vessels

- Two surveyors
- Annual inspection of ballast tanks
- Global team of experienced surveyors



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Maintaining Double Hull Tankers



- Strive to minimize the risk of pollution caused by poor maintenance

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Maintaining Double Hull Tankers

- Pitting
- Coating breakdown
- Corrosion of ballast spaces
- Leakage of oil into double hull spaces



Maintaining Double Hull Tankers

“Ultimately, the responsibility lies with the owner to implement an effective maintenance regime”



Working Together



Working Together

**“Different responsibilities
but a common objective –
transporting oil safely
while protecting life, property
and the environment”**





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