



Residential training course 2009

The Association's annual residential training course in P&I insurance and loss prevention will take place from Friday 13 June to Friday 19 June 2009 at Lumley Castle near Newcastle upon Tyne, UK.

The three part course provides

- an introduction to ships and shipping, including a visit to ships at a local port (Saturday and Sunday)
- an introduction to marine insurance (Monday)
- a workshop-based in-depth look at P&I insurance and loss prevention (Tuesday to Friday).

Delegates can choose which part or parts they wish to attend, which makes the course suitable for people of varying backgrounds and experience. Demand for places on this very popular course is always high so Members are advised to register as soon as possible to avoid disappointment.

A course brochure is available to download from the Association's website: www.nepia.com/riskmanagement/lossprevention/educationandtraining/

Members requiring further details of the course or to book a place should contact Adele Lathan in the risk management department. Email: rtc2009@nepia.com



Signals Search 17

Questions

- 1 What is the speed limit when transiting right whale seasonal management areas?
- 2 Where will the Club's 2009 residential course be held?
- 3 What prefix should be used when asking for medical advice by radio?
- 4 Who should be given notice of a prohibition-of-lien clause?
- 5 What type of standards are contained in part A of the code in the Maritime Labour Convention?
- 6 Which code includes a new schedule for DRI fines?
- 7 Where has the Club been recommending medical clinics since 2002?
- 8 Which standards provide plant health requirements for wood packaging?
- 9 What type of accidents are the Club's new DVD intended to reduce?
- 10 A new guide to helicopter operations has recently been published by which organisation?

L Y N D F I Y O B S S P E E
 F U D O M R C V U Y T H B S
 Q B M S I I F P X E O I F U
 P B B L D S P V H B N L C U
 L C X E E L I W S F K I B H
 E E M P I Y Q L N C N P C T
 P H R E C O C C L V E P C S
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 M P S I C G S W A Z L S I L
 Z X C C H J O P L M S E N J
 L I F E B O A T S B E K E S
 U T T X X S D W T I A U D O

- Signals Search is open to all readers of Signals.
- Send a photocopy of your completed search, along with your name and, if appropriate, name of ship, position on board, company and address to Denise Huddleston at the Association. Email: denise.huddleston@nepia.com

- All correct entries received by the closing date will be entered in a prize draw.
- Closing date Friday 6 March 2009.

The first correct entry drawn will receive a prize along with a statuette of "Bosun Bo". The next 5 correct entries drawn will each receive a statuette.

Details of the winner and runners-up will appear in the next edition of *Signals*.

Your copy of Signals

Copies of this issue of *Signals* should contain the following enclosures:

- DVD - Lifeboat Safety - Managing the Risks (Members and entered ships only)
- Safe Work poster - Lifeboat Safety (Members and entered ships only)
- Signals Experience - Belt and Braces (Members and entered ships only)

Signals Search No.17 Winners

Winner: Aliasgar S Raja, P&I Services Pvt Ltd, India

Runners-up:

Mahmoud Reza Haghdousti, IRISL, Iran
 Captain LG Jalique, MV Fanja, Graig Ship Management
 Captain R M Jolly, MV Patsy N, Blue Ocean Ship Management, USA
 Yeo Chon Meng, Harrisons Trading (Sarawak) Sdn Bhd, Malaysia
 Captain Savio Ramos, MV Ice Transporter, Dynacom Tankers Management Ltd, Greece

Answers to Signals Search 17

- 1 Kidneys
- 2 LRIT
- 3 Fumigator
- 4 Industry news
- 5 Achilles
- 6 Blue card
- 7 Rotterdam
- 8 CARB
- 9 BLU manual
- 10 Antibiotic

• In this publication all references to the masculine gender are for convenience only and are also intended as a reference to the female gender. Unless the contrary is indicated, all articles are written with reference to English Law. However it should be noted that the content of this publication does not constitute legal advice and should not be construed as such. Members with appropriate cover should contact the Association's FD&D dept. for legal advice on particular matters.

• The purpose of the Association's risk management facility is to provide a source of information which is additional to that available to the maritime industry from regulatory, advisory, and consultative organisations. Whilst care is taken to ensure the accuracy of any information made available (whether orally or in writing and whether in the nature of guidance, advice, or direction) no warranty of accuracy is given and users of that information are expected to satisfy themselves that the information is relevant and suitable for the purposes to which it is applied. In no circumstances whatsoever shall the Association be liable to any person whatsoever for any loss or damage whatsoever or howsoever arising out of or in connection with the supply (including negligent supply) or use of information (as described above).

NORTH

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NORTH



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SIGNALS

NEWSLETTER

Loss Prevention newsletter for North of England Members

Lifeboat drill DVD

North of England has published a new 18-minute DVD designed to be used as the basis of short, sharp briefings immediately prior to lifeboat drills at sea. Entitled Lifeboat Accidents - Managing the Risk, the DVD includes a short guidance booklet for officers leading the briefing so they understand the messages the crew should think about to stay safe.

The DVD highlights the potential problems of using on-load lifeboat hook-release mechanisms and the growing body of support for fall-preventer devices. It also deals with the potential hazard of not being able to release the lifeboat painter. These are simple control measures that, in addition to the basic

SOLAS requirements, will hopefully reduce lifeboat accidents that are still killing and seriously injuring seafarers.

Ships' crew should bear in mind that the ship operator and relevant authorities including Flag State must be consulted for advice and any necessary approval on the fitting and use of fall-preventer devices.

The latest poster in North of England's Safe Work series is also about lifeboat safety. The poster, which is entitled *Safe Work, Lifeboat Safety*, illustrates the use of fall preventer devices to protect the crew in the event of an inadvertent release of on-load release hooks.



Copies of the DVD and the new poster are enclosed with this issue of *Signals* for all Members and entered ships.

New website launched

North of England's loss-prevention pages have been improved as part of an overall revision of the Association's website. These include an upgrade of the popular online *Industry News* service, which provides Members with information about current issues, changing legislation and any potential difficulties with particular cargoes or trades.

Industry News items are available using an RSS (really simple syndication) feed, enabling items to be delivered directly to Members' own computers as soon as they are published.

A series of *Loss Prevention Briefings* is also available to download from the website to provide concise information about common topics of concern to

Members. The briefings are in pdf format, and will be updated as current information changes.

There have been technical problems during the upgrade of the website which means that existing RSS subscribers may have to re-subscribe to continue receiving the service. The Association apologises for any inconvenience caused.

Members can access *Industry News* from the link on the home page of the Association's website or directly from: www.nepia.com/publications/industrynews/

Loss Prevention Briefings can be downloaded from the loss-prevention publications page of the Association's website or directly from: www.nepia.com/riskmanagement/lossprevention/publications/losspreventionbriefings/

New Maritime Labour Convention

The new Maritime Labour Convention adopted by the International Labour Organization is likely to enter force between 2010 and 2012. The convention contains minimum standards that are well within current industry practice and should easily be met by most ship owners. However, it contains many new certification, inspection and record keeping requirements that ship owners should start their preparations for now.

See page 2 for full story.

Piracy in the Gulf of Aden

The actions of Somalian pirates in the Gulf of Aden continue to cause concern to ship operators, seafarers and the rest of the shipping industry. North of England will continue to provide up-to-date information via its *Industry News* service and a *Loss Prevention Briefing* that is updated as new information becomes available. Members should therefore visit the Association's website regularly for the latest information.

The increasing threat of piracy in the Gulf of Aden has also highlighted issues relating to the voyage instruction given by charterers. An article in this issue considers whether owners are entitled to refuse charterers' instructions to proceed via the Gulf of Aden.

See page 6 for full story.

Claims by unpaid suppliers

The recent downturn in the shipping markets has unfortunately resulted in some charterers going out of business. One consequence of these failures is that unpaid suppliers, particularly of bunkers, have started to turn to the owners of the ships to which the supplies were provided for payment. An article in this issue provides advice on giving notice of prohibition-of-lien clauses to suppliers before any future supplies are made.

See page 7 for full story.

Helicopter operations

Helicopter operations are considered in two articles in this issue. The first is in relation to obtaining medical advice and making arrangements for the medical evacuation of a crew member from a ship at sea. The second looks at helicopter operations following the publication of a new edition of the International Chamber of Shipping Guide to Helicopter/Ship Operations.

See page 3 and 5 for full stories.

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Maritime Labour Convention – the need to plan now

The Maritime Labour Convention (MLC) 2006 is a new and important international labour code that sets out the rights of seafarers to proper working conditions. It will come into force 12 months after it has been ratified by 30 countries operating 33% of the world's tonnage and, as all EU member states are expected to ratify it, implementation may well be as early as 2010.

It aims to be a globally applicable, uniformly enforceable code of rights throughout the industry. Though it contains minimum standards that are well within current industry practice and should easily be met by most vessels entered in the North of England, it contains many new certification, inspection and record-keeping requirements. Members are thus strongly urged to review the convention carefully and start drawing up plans for implementation as soon as possible.

Structure of the convention

The convention aims to consolidate and simplify matters relating to crew welfare and consists of three main parts

- **articles** – setting out the main principles and obligations
- **regulations** – the details of the regulations will be approved by parliaments or legislatures during the ratification process
- **code** – consisting of two parts: part A (mandatory standards) and part B (non-mandatory guidelines).

The non-mandatory guidelines in part B of the code allow for essential 'flexibility of implementation' by the countries ratifying the MLC.

The regulations and code are divided into five titles dealing with the following

- minimum requirements for seafarers to work on a ship
- conditions of employment
- accommodation, recreational facilities, food and catering
- health protection, medical care, welfare and social security protection
- compliance and enforcement.

Certificates of compliance

All commercial ships engaged in international voyages and which fly the flag of a signatory state – or which enter a port of a signatory state – must comply with the convention and those of 500 GT or over will also be required to carry a Maritime Labour Certificate and a declaration of Maritime Labour Compliance on board. A significant number of living and working condition aspects must be inspected and approved by a signatory Flag State before they can grant such a certificate of compliance.

In the convention a shipowner is defined as, 'the owner of the ship or another organisation or person, such as the manager, agent or bareboat charterer, who has assumed the responsibility for the operation of the ship from the owner...regardless of whether any other organisation or persons fulfils certain of the duties or responsibilities on behalf of the shipowner'. It is therefore very important that a ship owner decides exactly who is going to be responsible for dealing with the implications of the MLC, as the legal responsibilities cannot then be delegated to another party.

Further, under the code, a seafarer is defined as, 'any person who is employed or engaged or works in any capacity on board a ship to which this Convention applies'. This definition is significant because 'hotel' type workers on board passenger ships are clearly covered by the rights of the MLC.

Port State inspections

Living and working conditions will also be subject to detailed inspections by authorised inspectors in the ports of a member state carrying out a Port State inspection.

It is very important that ships are not placed at a disadvantage simply because their country has ratified the convention. Therefore ships of all flags (irrespective of ratification) will be subject to inspections in any country that has ratified the convention and these ships will receive 'no more favourable treatment'.

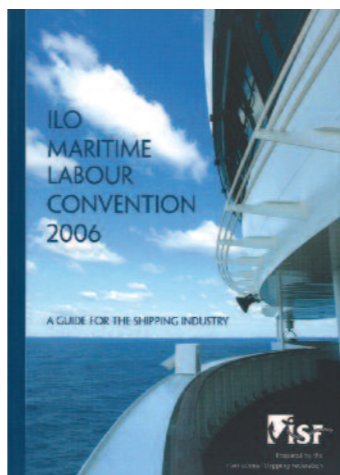
The enforcement provisions allow an inspector to prevent a ship from sailing until any non-conformity has been rectified or the inspector has accepted a plan of action to rectify problems where a ship is found not to conform to the convention.

Promotion and planning

The MLC aims to promote awareness of the need to comply with its requirements at every level of operation. In planning for compliance, Members will need to address the following operational issues.

- Seafarers must be informed of their rights and remedies, for example there should be an effective complaints procedure.
- Shipowners must develop and carry out plans to ensure the MLC is complied with.
- Masters will be responsible for carrying out shipowners' plans and for keeping proper records.
- Flag States will review shipowners' plans and verify they are in place.
- There will be inspections in port of ratified states and ships of all countries (irrespective of ratification) will be subject to inspection and possible detention.

Further details about the Maritime Labour Convention can be obtained from the International Labour Organization (ILO) website: www.ilo.org/global/What_we_do/InternationalLabourStandards/MaritimeLabourConvention/lang--en/index.htm



Enhanced pre-employment medical schemes – an update

As many Members are aware, the Association operates enhanced pre-employment medical schemes for seafarers being employed in the Philippines and Ukraine.

Philippines

The scheme in the Philippines was started in 2002 and recommended the use of two clinics in Manila for Members to arrange enhanced pre-employment medicals of seafarers. In 2006 further clinics were added to the scheme. The Association is pleased to advise that after another successful year, there has been a significant increase in participation in the scheme by Members.

Five clinics are currently recommended:

- Halcyon Marine Healthcare Services,
- Maritime Clinic for International Services Inc (MCIS)
- Maritime Medical and Laboratory Clinic (MMC)

- SM Lazo Medical Clinic Inc.
- Supercare Medical Services Inc.

Some of the doctors in the recommended clinics have UK Maritime and Coastguard Agency (MCA) accreditation for shipping companies sourcing crew for British-flagged vessels.

Ukraine

The first anniversary of the Association's enhanced pre-employment medical scheme in Odessa, Ukraine, has just passed. This has proven to be a success and three clinics will be on the Association's recommended list for the period until October 2009

- Medical Centre 'Archi-med'
- Medical Centre 'Zdorovye'
- Medical Sanitary Centre of Odessa National Maritime Academy 'Academmarine'.

North of England would be grateful if Members currently participating in the scheme in Odessa would provide the name of their manning agent in Odessa to the Association so that the scheme can be efficiently monitored and to ensure that all participants are kept advised of any developments.

Other parts of the world

In addition to the two national schemes, the Association has published guidelines for selecting clinics to carry out enhanced pre-employment medical examinations throughout the rest of the world.

Members requiring further information about enhanced pre-employment medical schemes should contact *Judith Burdus* or *Lucy Dixon* at the Association.



Emergency medical evacuation procedures

A recent incident has highlighted that there is a degree of uncertainty amongst some seagoing personnel when it comes to organising an emergency medical evacuation. This article seeks briefly to describe and clarify general 'medevac' procedures.

A global search and rescue (SAR) system is overseen by the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO), which co-ordinate member states' efforts to provide SAR services. This is facilitated by dividing the globe into search and rescue regions (SRR), each with its own rescue co-ordination centre (RCC). One of the functions of the RCC is to provide medical advice at sea and, where necessary, arrange medical evacuation from vessels.

Getting medical advice

The International Telecommunications Union (ITU) publishes a *List of Radiodetermination and Special Service Stations*, which includes commercial and government radio stations that provide free medical advice to ships. With modern communication these organisations can be contacted directly from the vessel. However, the advantage of passing the communications through an RCC is that the RCC will be monitoring the situation and the speed of response should be faster where medevac is necessary. When seeking medical advice, or 'medico' as they are known, messages should always be prefixed with 'DH Medico' in order that they can be prioritised by the RCC.

Perhaps the best-known medical advisory service is the International Radio Medical Centre (CIRM) based in Rome, which provides free advice and assistance to vessels. There are also private organizations that provide subscription and/or pay-per-use services.

Where a master is of the opinion that medical advice is necessary, the first step should be to contact the appropriate RCC for the SRR by reference to *Admiralty List of Radio Signals*, volume I. Masters should seek medical advice earlier rather than later as seemingly trivial symptoms can mark the onset of serious

conditions. This is particularly important where the vessel may be operating in remote locations or when on ocean passage.

The RCC should have procedures in place so that medical advice can be obtained from doctors who may have special training in the risks associated with medical emergencies at sea and with the risks of medevac. The doctors will provide advice on the immediate care of the patient and, where medevac is considered necessary, on the best method of evacuation. The most common method of medevac is by helicopter.

Preparing for a medevac

The RCC will require information from the vessel so that the medevac can be fully considered. The *International Aeronautical and Maritime Search and Rescue Manual* (IAMSAR) volume III, section 4, covers on-board emergencies and contains a check-list of the information the RCC is likely to require from the vessel, and masters should have this information prepared before contacting the RCC. There is also advice for masters on the preparation of both the patient and the vessel for the operation.

Once the decision to carry out a medevac has been taken, the RCC will set the procedures in motion. Vessels should be aware that the service may be subject to delays, caused by factors such as refuelling stops or poor weather. The range of rescue helicopters is limited and while steps may be taken to increase the range of a helicopter, such as air-to-air refuelling, the vessel may be asked to rendezvous nearer to land. It should be noted that where weather conditions are very poor or a helicopter may be operating at extreme range, the final decision as to whether it is safe to conduct an evacuation rests with the person in command of the rescue facility.

As usual in these matters, a diversion for the purpose of emergency medical evacuation should be reported to the Association prior to the intended diversion, or at the earliest possible opportunity after it has occurred.

Summary

In summary, the actions that can be taken to ensure a medevac is timely and without delay are as follows.

- Medical advice should be requested through the appropriate RCC. Remember that the sooner medical advice can be sought, the sooner the decision on whether to initiate a medevac can be made and the higher the probability of a successful outcome.
- Prepare the information that may be requested by the RCC.
- Prepare to divert the vessel in order to rendezvous with a helicopter or rescue craft.
- Prepare the patient for a medevac.
- Prepare the vessel for a medevac.

Members can obtain information about the ITU List of Radiodetermination and Special Service from the ITU website:

www.itu.int/publications/sector.aspx?lang=en§or=1, and about the International Radio Medical Centre from the CIRM website: www.cirm.it/eng/telesoccorso_eng.html



Photo: USCG

Killer cargoes – the need for full disclosure

Further to the most recent article on the hazards associated with enclosed-space entry in issue 71 of Signals – and the recent publication of a *Safe Work* poster about the subject – the Association continues to see serious and sometimes fatal accidents involving crew members accessing hazardous enclosed spaces. Recent incidents in particular have involved crew members entering cargo holds that have an atmosphere which has been rendered hazardous by the cargo being carried.

Quite often crew members are unaware of cargo characteristics that alter the nature of the hold atmosphere after loading. For this reason it is imperative that owners and masters insist on the shipper providing cargo documentation in keeping

with the requirements of the International Convention for the Safety of Life at Sea (SOLAS), chapter VI, regulation 2 – cargo information.

Information in advance of loading

Significantly, the information must be provided sufficiently in advance of loading to enable the crew to take 'precautions which may be necessary for proper stowage and safe carriage to be put into effect'. Part two of this regulation identifies the nature of cargo information to be provided and includes information on the chemical properties of cargo that is not classified in accordance with the International Maritime Dangerous Goods (IMDG) Code.

Further measures required include the provision of oxygen-analysis and gas-detection equipment on board when cargo is carried that is liable to emit a toxic or flammable gas or cause oxygen depletion in the cargo space.

Aside from the requirements of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW) hazardous-cargo endorsements, crew members are not expected to have detailed prior knowledge of every hazardous cargo the vessel might be reasonably expected to carry, which is the purpose of having these regulatory requirements. Failing to ensure their implementation can, and does, have potentially fatal consequences.





Anchoring – luck or judgement?

In the last issue of *Signals* a scene was set for a dilemma faced by the master of a handy-sized bulk carrier at anchor 2.5 nautical miles off the coast at an imaginary UK port. The forecast was for winds between force 7 and severe gale 9. Having written his night orders the master returned to his cabin to ponder his options. We asked you to apply your seamanship knowledge to this problem and consider what you would do in the same situation.

This problem is typical of those facing professional seafarers on a daily basis. On paper it might appear that there is little information or the situation is simple and not really a problem – but that is where professional training makes the difference. There is a lot more than is first apparent in the information about the anchored ship in the case study.

Holding ground

The best design of modern anchor can provide a holding power of up to 12 times its own weight where the holding ground is very good, such as clay or really heavy mud. The chart shows the nature of the sea bed to be shingle and shells which is not good holding ground. It is quite possible that the holding power of the best anchor here may be as little as six times its own weight, so it would be reasonable to assume that any anchor might not be fully effective in such conditions.

A ship at anchor in strong wind tends to yaw around the anchor or anchors, and once this happens the uneven forces on the anchor cable can increase the likelihood of dragging. When trying to heave in the anchor, this may also cause problems with the windlass.

Ballast condition

The ship had been de-ballasted to a minimum to maintain 50% propeller immersion. In this condition it is highly likely that any rapid deterioration in the weather and sea state would mean the propeller was frequently lifting clear of the sea making it difficult for the ship to reach or maintain steerage way and quite possibly it could cause the engine to over-speed and shut down.

Attempting to re-fill the ballast tanks under these conditions could also be dangerous. Correct ballasting is a safety issue which should not be influenced by commercial pressure, perceived or real. Ballast affects manoeuvring characteristics and, over the life of the ship, good ballast management will resist forces which weaken the structure.

The stability booklet may also stipulate a minimum forward draft to maintain a safe bow height and avoid wave slamming forward. This safety requirement might get overlooked in de-ballasting purely for propeller immersion.

Weather forecast

All mariners know that a weather forecast only predicts the likely weather. Another word for 'predict' is 'guess'! And surely there is a big guess in the case study weather forecast where it says '7 to severe gale 9'. This is telling us that the wind could be anything from 28 knots to 47 knots which could mean wave heights from 4 metres to a maximum of

10 metres. So from this simple phrase we know that the forecasters are very unsure about the predictability of the approaching low pressure system.

Consequently, there is a high risk factor in waiting to find out whether the 'guess' is good or not. Every mariner knows that the weather can be better than predicted, but must also remember that the weather can be worse than predicted. It would be prudent to check other sources of weather information such as facsimile charts, VHF broadcast weather reports, and even the television forecasts being this close to the coast.

Some people might argue that a simple Navtex forecast such as the one provided for this case study does not give sufficient information. But is that really the case? It is winter and a 'low' is approaching in the northern hemisphere. These pressure systems can move very quickly and the wind can freshen and veer from southerly to south-westerly to north-westerly very quickly too. An anchorage protected by land to the south but open to the north-west can very quickly change from sheltered to dangerous.

Risk assessment

Considering the following additional 'd' factors

- **distance** – from the shore and other navigational dangers and ships at anchor
- **depth** – of water
- **dragging** – the nature of the sea bed and the holding power of the anchor
- **density** – of shipping in the anchorage
- **daylight** – makes it easier to manoeuvre the ship in difficult conditions.

The master should conclude that the following factors are high risk

- the weather deteriorating more quickly than forecast
- the wind veering to the north-west pushing the ship onto a lee shore
- the nature of the sea bed – the anchor dragging
- with 11 other ships in the anchorage – colliding with another ship
- with light ballast and 50% propeller immersion – the engine will prove ineffective
- the ship will not reach or maintain steerage way – the rudder will prove ineffective
- the distance off the coast is 2.5 miles – but there are shallow patches and rocks closer
- the forecast deterioration in weather will take place during hours of darkness.

Control measures – the options

More cable and/or second anchor – if done prior to the weather deteriorating these options may provide additional holding power but, with a seabed of shells and shingle, the holding power of two anchors may only match the holding power of one anchor in very good holding ground. If done after the weather deteriorates and/or the anchor starts dragging, the chances of preventing the ship from being blown onto a lee shore are very much reduced. Combined with effective use of ship's engine it may slow the dragging enough to regain control of the situation.

Ship's engine – in the light ballast condition, the likelihood of the propeller breaking clear of the water and causing the engine to shut down is very high. Even if the engine does not shut down it is unlikely to be effective with 50% propeller immersion in the forecast waves that could potentially be up to 10 m high in open sea, remembering that waves breaking in shallow water will add to the difficult conditions.

Weigh anchor and leave – by a process of elimination (called risk assessment!) there is only one remaining control measure on the list. The panel of experts agree that the only effective measure to control the risk of this situation is to weigh anchor immediately – without delaying to ballast – and proceed to sea to ride out the bad weather.

Once out at sea the master can write his night orders and go to his cabin for the evening, happy in the knowledge that he has taken all reasonable steps that will prove he is a prudent mariner and not a casualty statistic. He may even get a good night's sleep!

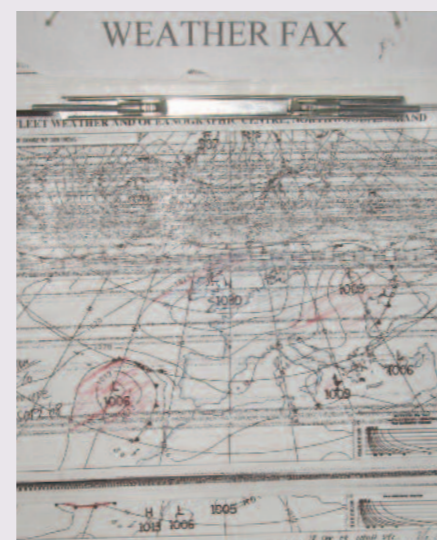
The Association received an excellent response to the case study and would like to thank everyone who submitted an answer. The answers show a keen interest in issues of professional judgement and ample evidence of the practice of ordinary good navigation and seamanship. Because of the large number of replies we have decided to draw three prize winners

- Captain Canuto Caballes Jr, MV Iron Kalypso, Maryville Maritime Inc
- Captain Mendoza Jovita, MV Angelica An, Ancora Investment Trust Inc
- Captain Vireus Libron, MV Shorthorn Express, Vroon BV

Look out for another chance to test your judgement against the experts with the next case study prize draw in a future issue of Signals.

Readers may wish to refer to the report into the grounding of the MV Pasha Bulker by NSW Maritime, Australia. Website:

www.maritime.nsw.gov.au/docs/ministerial-news/pasha_bulker_final_report.pdf



Helicopter operations

Evolving operational practices in recent years has seen an increase in the use of helicopters for routine personnel transfer in addition to their emergency response capability for the recovery of injured seamen from merchant vessels. Vessel type, voyage characteristics and port facility resources will determine the suitability and availability of this type of operation.

Shipowners and managers should have procedures for helicopter operation incorporated into the vessel's safety management system (SMS). Crew members should be well-drilled in the implementation of these procedures, particularly as communication onboard can be significantly affected once the aircraft is on scene.

The Australian Maritime Safety Authority (AMSA) issued a circular in August 2008 alerting mariners to an increasing incidence of seafarers approaching a helicopter without the helicopter pilot's approval and on occasion from behind the aircraft, thus emphasising the importance of crew training.

Incidents reported to AMSA have also included helicopters landing on ship deck areas designated as 'winch only'. Masters must take into consideration the structural strength of any intended helicopter landing area when planning an operation with the helicopter pilot.

Updated guide

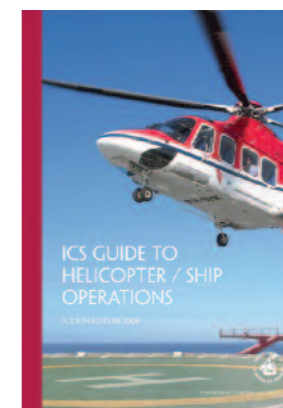
The fourth edition of the International Chamber of Shipping (ICS) *Guide to Helicopter/Ship Operations* has recently been published and has been fully updated with extensive guidance regarding the role and responsibilities of both the ship and helicopter, using expert advice from the aviation industry.

The ICS guide includes

- the latest information on helicopter specification
- International Civil Aviation Organization requirements for the safe location and marking of landing and winching areas
- guidance on the practice of transferring marine pilots
- guidance on actions to be taken in the event of helicopter incidents.

The *International Aeronautical and Maritime Search and Rescue Manual*, volume III, includes an operational checklist for use during evacuation by helicopter. This should be used in conjunction with the ship's SMS to ensure that operations are carried out in accordance with industry best practice, Flag State and local jurisdiction requirements.

The ICS Guide to Helicopter/Ship Operations (fourth edition) is published by Maritime International Secretariat Services Ltd (Marisec). Website: www.marisec.org/pubs/index.htm



The unfair stain

The discharge was going well and everything on board was under control. The Port State control inspector had given the ship a clean bill of health and gone away happy. It was a good day – until the terminal reported an oil leak!

The oil spread from underneath the quay and within 20 minutes the ship was surrounded by a black slick. Nevertheless, the terminal and the harbour authority acted very swiftly – oil booms were deployed, and work continued through the night using oil-recovery craft on the slick.

Dawn revealed clean dock water, but a 20 cm wide black and highly visible oil stain had formed a band around the ship's hull on the red anti-fouling coating. Once again the terminal acted swiftly, and a specialist cleaning contractor was soon working on the ship's hull.

But the reports were not encouraging – the oil had leached into the hull paint and, to repair the damage properly, the hull around the stain needed stripping and re-coating. This repair would mean a considerable delay to the ship, so the terminal agreed to pay for the work at the ship's next drydock and the ship left for the next load port.

Unfortunately the load port was in a different jurisdiction and the ship was presented with a large fine for 'pollution' as a result of having an oil-stained hull. The fine, in the first instance, had to be paid by the shipowner.

So, if Members find themselves in a similar situation – stained by somebody else's pollution – bear in mind that a cleaning solution to restore the ship to its original condition may involve a considerable delay and so may need to be postponed.

But, in the meantime, operating the ship with a 'stain' can lead to other costs which might not be immediately foreseeable, including lost reputation.

Slow, whales

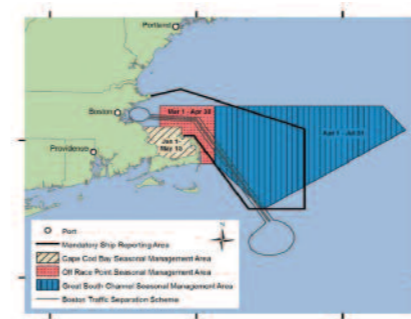
In order to protect dwindling numbers of North Atlantic right whales, the US National Oceanic and Atmospheric Administration and the National Marine Fisheries Service have introduced the Right Whale Ship Strike Reduction Rule to restrict the speed of vessels of 65 ft (19.5 m) or more in length to 10 knots when transiting three seasonal management areas (SMAs) off the east coast of the USA.

With only 300 to 400 in existence, north Atlantic right whales are among the most endangered whales in the world. Slow-moving right whales are highly vulnerable to ship collisions as their migration route crosses major east-coast shipping lanes.

The periods of enforcement and geographical boundaries of the SMAs coincide with the whales' migratory movement to reduce the likelihood of

deaths and serious injury. Enforcement started in December 2008 and, subject to an assessment of its effectiveness, the speed restrictions are due to expire on 9 December 2013.

Owners and operators are encouraged to factor these restrictions into their voyage planning in a timely manner for the south and mid-Atlantic SMAs.



Northeast US Seasonal Management Areas



Mid-Atlantic US Seasonal Management Areas



Southeast US Seasonal Management Area





Nominations under contracts of affreightment clarified

A Commercial Court case in London in June last year offered a rare opportunity for legal consideration of nominations of laycan and vessels under contracts of affreightment (COA).

The COA in *P v. A and I* (2008) provided for six cargoes of iron ore or coal of 70,000 tonnes each, plus or minus 10%. The cargo option depended on the charterer's choice of load port: Quebec in Canada for iron ore or Baltimore in the USA for coal. The discharge port in either case was Constanza in Romania. The COA was based on the Amwesh charter form.

The case involved an appeal by the charterer against an arbitration award, which held that the charterer's conduct amounted to a repudiatory breach of the fifth voyage, thereby releasing the owner from any further performance of that particular voyage.

The COA required the charterer to give 30 days notice with 10 days notice laycan spread, and required the owner to nominate a vessel at least 10 days before the first day. The vessel nomination was to be confirmed by the charterer within 24 hours of nomination.

Facts of the case

On 6 September 2007 the charterer gave a laycan for the fifth voyage, from Baltimore to Constanza, of 5/14 October; "shipment #5 ... 5/14 Oct". A week later the charterer said it wished to move the laycan to 21/30 October. The owner immediately declined this proposal. The charterer explained that the

original cargo stem dates of 5/14 October had been changed by the shippers because of cargo availability problems. The owner still declined to accept the changed laycan and offered to cancel the fifth voyage and to perform the next (sixth) voyage on the new dates proposed by the charterer.

On 20 September the charterer proposed replacing the fifth voyage with a voyage from Newport News in the USA to Nikolaev in the Ukraine, carrying a coal cargo of 60,000 tonnes at the COA freight rate. The owner maintained its position that this was not acceptable, especially given the freight market had risen substantially above the COA rate.

In its reply, the charterer claimed it was entitled to move the laycan dates, since the owner had not yet nominated a vessel. The owner replied saying it treated the charterer as acting in repudiatory breach in failing to perform the 5/14 October shipment, despite having irrevocably nominated the laycan. This reply was treated as the owner's 'acceptance' of the charterer's repudiation, putting an end to the owner's obligation to perform a fifth voyage.

Court finds in owner's favour

The court agreed with the majority arbitrators that the charterer's initial notice of 6 September defined the fifth voyage. Once made, the laycan nomination could not be changed save by agreement. It followed that the charterer's insistence that it was entitled to move the laycan showed a clear intention not to be bound by the original nomination.

The charterer argued that the laycan dates only became irrevocable once the owner had nominated the vessel, and this had been 'confirmed' by the charterer. Alternatively, the charterer claimed that its subsequent message of 20 September merely extended the cancelling date; in effect, it was simply indicating its intention not to exercise its option to cancel until 30 October (if at all) rather than 14 October.

The judge rejected the charterer's submission as unrealistic as, in the light of the arbitrators' findings, the charterer's messages were saying it

- would have no cargo to load on 5 October
- was entitled to move the laycan unilaterally
- would substitute a different, non-contractual voyage in place of the fifth voyage.

Clear lesson

The importance of this decision is twofold.

- It confirms that a charterer has no right to move the laycan. A laycan notice necessarily identifies both the load port and (under this COA) the type of cargo.
- It rejects the argument that the need to 'confirm' an owner's nominated vessel gives a charterer a right to reject a vessel which met the COA's requirements.

The lesson is clear. The nomination of a laycan or a vessel has the effect of writing those particulars into the charterparty or COA.

Gulf of Aden piracy – charterparty implications

The increasing threat of piracy in the Gulf of Aden, and off the Indian Ocean coastline of Somalia, has highlighted issues relating to voyage instructions given by charterers. This article considers whether owners are entitled to refuse charterers' instructions to proceed via the Gulf when fixed on New York Product Exchange (NYPE) 46 or Shelltime 4 forms.

Both the NYPE 46 and the Shelltime 4 forms contain a safe-port warranty. However, though there may be circumstances in which a port may be unsafe because the route to it is unsafe, it would be nonsense to say all ports normally reached via the Gulf of Aden – wherever in the world they may be – are therefore now unsafe.

The issue is thus not one of port safety. Rather, the questions to be considered are whether and when an owner is entitled to

- refuse orders to proceed along a particular route if that route entails a danger to the vessel, or
- take a longer route if the usual route is exposed to a risk of piracy.

The starting point is that an owner is required to proceed with dispatch. This will normally entail taking the shortest customary route, regardless of whether or not the vessel is expressly required to proceed by that route. Orders on the route to be followed are orders of employment, which a charterer is ordinarily entitled to give.

Hill Harmony tests

In the 2000 *Hill Harmony* case, Lord Bingham stated any orders of employment are subject to 'safety considerations'. Lord Hobhouse, putting the matter slightly differently, stated owners are not obliged to comply with orders which expose vessels to a risk 'which the owners have not agreed to bear'. The two tests may produce different results.

If the test is simply one of safety, then if the Gulf of Aden exposes the vessel to a risk of piracy, owners would be entitled to refuse an order to proceed through the Gulf and, if no express order to that effect was given, would be entitled and be bound to proceed by the shortest alternative route.

However, if the test is one of identifying the risk which the owner has agreed to bear, then there may be a good argument for saying that if an owner enters into a charterparty now, that is, after the date when the increased risk of piracy in the Gulf of Aden is well publicised, but has nevertheless agreed to worldwide trading without any relevant restriction, then it has agreed to take the risk of piracy in the Gulf of Aden at least so far as concerns transit through that area.

Straits of Malacca comparison

It is impossible to state with certainty which approach is correct. That of Lord Hobhouse is to be

preferred as it has never been said, for example, that an owner could refuse to proceed via the Straits of Malacca because of the risk of piracy there. The relevant question must be whether the risk has materially changed since the conclusion of the charterparty.

Accordingly, an owner which has fixed on an NYPE 1946 or Shelltime 4 form since the increased risk of piracy has arisen would probably be required to obey orders to proceed via the Gulf of Aden.

Unlike NYPE 1946, Shelltime 4 does contain a war-risk clause. Its operation is triggered where, 'in the reasonable opinion of the Master or owners it becomes for any of the reasons set out [above] dangerous, impossible or prohibited for the vessel to reach or enter or to load or discharge cargo at any place to which the vessel has been ordered pursuant to this charter'. The clause does not mention piracy and none of the risks which it covers would extend to piracy. Accordingly, the clause will not assist in relation to events in the Gulf of Aden.

Members are advised to contact the Association's FD&D department at the time of fixing in order to discuss possible clauses for insertion in charterparty contracts.

Avoiding suppliers' liens

The recent downturn in the shipping markets and the world economy as a whole has unfortunately led to some charterers going out of business. One consequence is that a number of bunker suppliers, who contracted with these charterers to supply fuel to time-chartered ships, have been left unpaid – and they are now turning their attention to the ships' owners.

Even though the obligation to provide and pay for fuel under a time charterer rests with the defaulting charterer, and that the owner is not a party to the bunker supply contract, owners and their ships are vulnerable to action in some jurisdictions. A notable example is the USA, where a supplier of 'necessaries' to a ship, which includes bunkers, may have a lien over the ship itself and therefore the ability to take action against the owner to recover the charterer's debt.

Some charterparties, notably the NYPE form, contain a provision prohibiting charterers from creating or allowing to be created any lien over the ship. Unfortunately the mere existence in the charterparty of such a provision is not in itself sufficient to protect an owner against any lien the supplier may have. The provision will only be effective where it has been expressly drawn to the attention of the supplier of goods or services to the ship before the supply actually takes place.

US attorneys have advised the Association that suppliers should be given notice of the prohibition-of-lien clause by registered letter before any supply is made, and also to endorse receipts or other papers submitted by suppliers with a stamp. Recommended texts for the stamp and letter are set as follows.

Members requiring more detailed guidance in this regard should contact the Association's FD&D department.

STAMP

To endorse prominently and legibly receipts or other papers signed by the master, chief officer, chief engineer and all other ship's officers that are submitted by suppliers of fuel, stevedoring and other necessities or services which are not, under the governing charter, ordered for the account of the owner.

IMPORTANT NOTICE

The goods and/or services being hereby acknowledged, receipted for, and/or ordered are being accepted and/or ordered solely for the account of charterers of the S/S/M/S and not for the account of said vessel or her owner. Accordingly, no lien or other claim against said vessel can arise therefore.

LETTER

To be signed by the owner or its agent and posted by registered letter, return receipt requested, to all of the charterer's stevedores, suppliers of fuel and other necessities or services at the prospective ports of call.

Dear Sirs

We have recently chartered our flag vessel named the "....." to Messrs of as charterers.

It has come to our attention that in your capacity of at the port(s) of where our said vessel may be trading, you may be called upon by said charterers to furnish for their use in connection with the vessel.

We wish to advise for your guidance that under the terms of the charter between us, as owners of the said vessel, and said charterers, neither the charterers nor the Master or any other person has power or authority to pledge either our or said vessel's credit or to create, or permit to be created, any liens on our said vessel, and that accordingly any such furnished by you to our said vessel will be furnished solely upon the credit of Messrs as charterers, and not on the credit of the vessel or ourselves as her owners.

New advice on letters of indemnity

Members' attention is drawn to two precautionary procedures that the Association suggests should be followed by Members on occasions when they choose to accept an International Group of P&I Clubs standard form letter of indemnity for delivering cargo without production of the original bill of lading. Copies of these standard form letters are contained in the Association's current P&I Rule Book (referred to as standard form letters 1A, 1B, 3A and 3B).

Both points are currently the subject of litigation in the English courts and it may be that further clarification will be provided in due course.

Identifying the delivery party

The opening paragraph of standard form letters 1A, 1B, 3A and 3B includes a number of blanks which are to be completed when the letter is issued. For the blank which appears, '*insert name of party to whom delivery is to be made*', the Association recommends that rather than insert the name of a specific person or company, Members request the blank should be completed as follows:

'such person as we or our agent at the discharge port identify and direct.'

The reason for the recommendation is that if a specific entity is named in the letter of indemnity, there is the risk that the Member is assuming the burden of properly identifying that entity and that if the Member

mis-identifies it, and delivers to some other entity, that the Member has not satisfied his part of the promise in the letter of indemnity and is not entitled to the relief set out therein. The wording suggested by the Association is designed to place the burden of identifying the party to whom physical discharge is given upon the charterers or their agents.

As an alternative, if the issuer insists a named entity is inserted, the Master should write to the charterer's agent in the following terms:

'I have been instructed to deliver the cargo to "X". I require your written confirmation that the person to whom delivery of the cargo is about to be affected by physical discharge is "X". Discharge cannot commence until I have been satisfied by you that the cargo is being physically discharged/delivered to "X".'

Ensuring security for mis-delivery

If a Member delivers a cargo without production of the bill of lading in return for a letter of indemnity, and an allegation is subsequently made that it mis-delivered the cargo, accompanied by a security demand, then the Member should immediately give notice to the issuer of the letter that

- a claim has been notified, and
- security has been demanded from the Member, and
- the Member now requires to be secured by the issuer in accordance with paragraph 3 of the letter.

It is essential that this is done before the Member provides any security itself to the original demanding party. The reason is that the obligations placed under Clause 3 of standard form letters 1A, 1B, 3A and 3B on the issuer of the letter may be reduced if the Member provides security to the original demanding party before making a demand on the issuer.

Further guidance on using letters of indemnity is provided in the Association's publication Letters of Indemnity, additional copies of which can be ordered from the risk-management department.





Rights to Rightship ratings

In recent times it has become increasingly common for many charterers to have ships employed by them vetted for quality and suitability by Rightship. Indeed for many, having an 'acceptable' Rightship rating is effectively a pre-requisite to their ability to trade a ship.

However, despite being a common practice, two important legal questions have until now gone unanswered.

- Does a charterer have the right to insist that an inspection by Rightship be allowed by the owner?
- What responsibility, if any, does the owner bear if the ship then fails to have or gain a Rightship approval?

These questions were recently considered by the English Commercial Court in the case of the *Silver Constellation*. Whereas the time charterparty contained the normal obligations on the owner to deliver the ship in a condition fit for the service and a continuing obligation to maintain it, there was no mention of Rightship approval.

The court therefore held that in the absence of a specific provision, there was no obligation on the owner either to provide Rightship approval, nor to maintain such approval if it was later obtained. Furthermore, any failure to obtain Rightship approval would not in itself amount to a breach of contract by the owner.

Charterers can insist on inspections

The court nevertheless held that the charterer did have a right to require that Rightship inspections be allowed. As Rightship approval is now necessary in some trades, the court held that such a request is an order as to the employment of the ship in the context of clause 8 of the New York Produce Exchange form.

The result of the decision is therefore that although there may be no other obligation in a charterparty with regard to a Rightship approval, a charterer can nevertheless demand that a Rightship inspection is allowed. Owners would now be ill-advised to refuse any request made by charterers in this regard. It may also be sensible for parties to give some thought to this issue when fixing their charterparties, particularly charterers, for which Rightship approval may be important to their ability to trade ships as they intend.

What the decision does not necessarily do is (again in the absence of any specific provisions in the charterparty) give a charterer any rights to carry out inspections of the ship for other purposes. Any owner faced with a request to allow some other form of inspection, or a charterer which wishes some other inspection to be carried out, should contact the Association's FD&D department for further guidance in the light of the particular circumstances and provisions of the relevant charterparties.

New Requirements for the Carriage of Direct Reduced Iron (DRI)



The Association has published advice relating to the carriage of direct reduced iron (DRI) many times over the past few years, but recent developments have highlighted the need to consider the topic again.

DRI is produced by passing hot reducing gases such as hydrogen and carbon monoxide over iron ore (oxide), which is usually in the form of pellets or lumps. Although the process is conducted at high temperature, this is still substantially below the melting point of iron. This means that the lumps and pellets retain their original shape, but are considerably lighter owing to the removal of oxygen from the ore. Therefore, the pellets and lumps have a very porous structure, which makes the material extremely reactive and prone to re-oxidation on contact with air and moisture.

Hazards of DRI and derivatives

The principal hazards of all cargoes of DRI and its derivatives are twofold.

Firstly, they will react with the oxygen present in the air, thereby producing heat. This effect can run away in spectacular fashion, leading to auto-oxidation (burning) of the iron, in which the stow becomes incandescent as the temperatures approach 1,000°C. This tendency is successfully prevented in most practical applications by densifying the DRI pellets at temperatures exceeding 650°C to produce hot briquetted iron (HBI). Whereas self-heating is dangerous and alarming, it is a gradual and progressive event that can often be diagnosed early, affording masters time to obtain advice from ashore and institute suitable safety measures.

The second hazard is again related to the reactivity of iron, this time with moisture or water. The result is the generation of hydrogen gas, which is explosive over a very wide range of concentrations and, in practical situations, displays an alarming readiness to be ignited. Explosions of hydrogen in air are extremely violent and rapid and an unfortunate master has no time in which to react to an explosion.

Regulatory Developments

Following a number of investigations into accidents associated with the carriage of DRI, the International Maritime Organization (IMO) has recently revised the relevant schedules to be

included in the International Maritime Solid Bulk Cargo (IMSBC) Code, which is currently known as the BC Code. The IMSBC Code was adopted at the IMO Maritime Safety Committee (MSC) meeting in November 2008 for voluntary implementation from January 2009 and mandatory application from 1 January 2011.

IMSBC DRI schedule for direct reduced iron (B) – lumps, pellets, cold-moulded briquettes

DRI lumps, pellets and briquettes moulded at less than 650°C remain very porous and therefore very reactive. Their fragility means that they can break during loading leading to increased surface area and reactivity. This schedule has been amended to only allow carriage of such cargo under inert conditions.

IMSBC DRI schedule for direct reduced iron (A) – briquettes, hot moulded

Hot moulded briquettes compressed at temperatures in excess of 650°C are less porous than those of DRI (B) with a more robust construction and reduced surface area. However, hot moulded briquettes may still self-heat and emit hydrogen when brought into contact with water and should therefore be kept under close supervision. IMSBC amendments to this schedule are of a minor nature.

IMSBC DRI schedule for direct reduced iron (C) – by-products

A new schedule is being introduced for the carriage of fines and small particles that are the by-products of DRI (A) and DRI (B). This schedule is drafted in a similar manner to the schedule for DRI (B) and such cargo must be carried under an inert gas blanket.

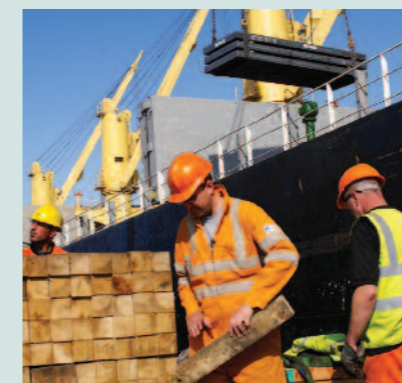
The allowable moisture content for the carriage of DRI under an inert blanket is a maximum of 0.3%. Intercargo has reported that current DRI (C) cargoes are considered to have moisture content in excess of this value. Tests currently being carried out by the Venezuelan authorities on DRI (C) cargoes with moisture content in excess of 0.3% are expected to be submitted to the IMO Sub-Committee on Dangerous Goods, Solid Cargoes and Containers (DSC) meeting in 2009.

Wood dunnage – the cargo might be at risk

The plant health requirements for wood packaging laid down in the International Standard for Phytosanitary Measures (ISPM) No. 15 – Guidelines for regulating wood packaging material in international trade – have been in force since 2004 but changes in EU legislation introduced in 2008 mean that previously exempt loose wooden dunnage used to wedge and hold cargoes in place must now also comply.

There may be little incentive for the supplier of wood packaging material at a non-EU port to ensure compliance with this stricter requirement. However, health inspectors at an EU discharge port have the legal power to destroy or send back cargoes if the dunnage does not meet EU requirements.

Masters loading cargo that is being tommed using loose wooden dunnage should therefore consider checking to see if each individual piece has been marked to show ISPM15 compliance.



New lifeboat safety campaigns

The maritime authorities of the Paris Memorandum of Understanding (MOU) on Port State Control and the Tokyo MOU are planning a concentrated inspection campaign this year on lifeboat-launching arrangements, including maintenance and records, operational safety, on-load release systems, davits and winches, and drills.

The campaigns have been prompted by the number of recent serious accidents that have occurred during lifeboat drills. The Association's new DVD about lifeboat drills may help superintendents,

technical managers and ships' crew prepare for the inspections (see page 1).

The DVD is intended to boost the confidence of seafarers and improve levels of safety when undergoing lifeboat training, exploring some of the common causes of lifeboat drill accidents. In particular it explains the growing use of fall-preventer devices to reduce the likelihood of serious incidents following accidental release of on-load lifeboat hook-release mechanisms.



IMO Update

A significant number of International Maritime Organization (IMO) amendments entered into force on 1 January 2009. Some of these with operational implications have been summarised below.

Long-range identification and tracking

Under the International Convention for the Safety of Life at Sea (SOLAS) chapter V, regulation 19-1 – long-range identification and tracking data exchange system – ships will be required to transmit automatically their identity, position and date and time of transmission wherever they are according to an implementation scheme that started on 31 December 2008 (IMO resolution MSC 243(83)).

Company identification number scheme

Under SOLAS chapter XI-1, regulation 3-1, every company and registered owner is required to have an identification number which conforms to the IMO Unique Company and Registered Owner Identification Number Scheme (IMO resolution MSC 194(80)).

Damage stability

Under SOLAS chapter II-1, part A, B and B1, new cargo ships of 80 m in length and over with a keel laid on or after 1 January 2009 should satisfy the new harmonised SOLAS regulations on subdivision and damage stability, based on a probabilistic concept which uses the probability of survival after collision (IMO resolution MSC 194(80)).

Ballast Water Management Convention

New ships with a keels laid on or after 1 January 2009 and ballast capacity less than 5,000 m³ are required to comply with ballast-water-exchange requirements until 31 December 2011, and thereafter with ballast-water-treatment requirements. For new ships with a ballast capacity equal to or over 5,000 m³, ballast-water treatment is required from 1 January 2016.

Existing ships with keels laid before 2009 and a ballast capacity between 1,500 and 5,000 m³ are required to comply with ballast-water-exchange requirements

until 31 December 2013, and thereafter with ballast-water-treatment requirements. Existing ships with a ballast capacity less than 1,500 m³ or over 5,000 m³ are required to comply with ballast-water-exchange requirements until 31 December 2015, and thereafter with ballast-water-treatment requirements.





Update on environmental regulations

The International Maritime Organization's (IMO) marine environment protection committee (MEPC) progressed a number of important environmental regulations at its 58th session in October 2008. The principal issues addressed are summarised below.

MARPOL annex VI

MEPC 58 adopted amendments to annex VI on air pollution of the International Convention for the Prevention of Pollution from Ships (MARPOL) that will come into force from 1 July 2010. These will include the phased-in reductions for nitrogen oxide (NOx) and sulphur oxide (SOx) emissions and the extended application of NOx emission limits to existing engines.

Emission control areas

'Sulphur emission control areas' (SECA) will become 'emission control areas' (ECA) to incorporate NOx emissions as well as SOx. The committee agreed that two sessions would be required to complete the necessary revisions to the convention. Subsequently it was agreed to revise the entry into force date to 1 July 2010.

The Baltic Sea area and the North Sea will become ECAs on entry into force of the revised annex VI. The US Environmental Protection Agency reported it will work closely with its federal partners to submit an application to IMO to designate US coastal areas as an ECA.

Sulphur oxide emissions

The following timetable was agreed for SOx emissions from ships.

- Sulphur content in fuel oils will be reduced to 1.00% within an ECA from 1 July 2010.
- Global limits will be reduced to 3.50% from 1 January 2012.
- ECA sulphur content limits will be reduced to 0.1% from 1 January 2015.
- Global limits will be reduced to 0.50% from 1 January 2020, subject to a 2018 review.
- Global limits will in any case be reduced to 0.50% by 1 January 2025.

Nitrogen oxide emissions

Reduced NOx emission limits were adopted at MEPC 58. New engines will have to satisfy the progressively tighter requirements of a three-tier structure based on their date of installation.

Tier II and III depend on whether ships operate within or outside of ECAs, currently established as the Baltic Sea and North Sea areas.

For all three tiers, an exhaust gas cleaning system (EGCS) may be employed to achieve compliance with the applicable NOx emission standard.

- *Tier I (17 g/kWh at < 130 rpm)* – this current standard will apply to engines (over 130 kW) installed on ships constructed before 1 January 2011.
- *Tier II (14.4 g/kWh at < 130 rpm)* – this new emission standard will apply on two different levels – engines (over 130 kW) installed on ships constructed in 2011 through 2015 – engines installed on ships which are constructed on or after 1 January 2016, have a length of 24 m or over, or a total propulsion power of 750 kW or over, and operate outside ECAs.

- *Tier III (3.4 g/kWh at < 130 rpm)* – this new standard is intended to reduce levels of emissions within designated ECAs and will apply to engines installed on ships which are constructed on or after 1 January 2016, have a length of 24 m or over, or a total propulsion power of 750 kW or over, and operate within ECAs.

The revised annex VI specifies that if an assessment, to be completed in 2013 by IMO, shows that the state of technological developments to implement the tier III standards is lagging, the 2016 date may be adjusted to a later date.

Existing or replaced engines

New to the revised annex VI is a requirement which potentially impacts on existing ships built from 1990 to 2000. Should an upgrade kit be available, NOx standards will retroactively apply to ships with engines over 5,000 kW and of 90 litres displacement or over.

In determining the availability of an upgrade kit, its cost is not to exceed 375 Special Drawing Rights per tonne of NOx calculated in accordance with a cost-effectiveness formula specified in the regulations.

Exhaust gas cleaning systems

As an alternative to using fuel oil with a 1.50% sulphur limit when operating in a SOx ECA, annex VI permits the fitting of an approved EGCS.

EGCSs must reduce the total emission of SOx to a maximum of 6.0 g/kWh. The adopted text of regulation 14 removes the specific reference to 1.50% in light of the different percentages specified in regulation 14 and allows an EGCS to be used as an equivalent method under the provisions of regulation 4 or to the NOx limits specified in regulation 13. Washwater discharge standards address oil (using polycyclic aromatic hydrocarbons as an indicator), pH, heavy metals and nitrates for operation of the EGCS in port. The standard may be revised as more data becomes available.

Regulation 17 requires port facilities receiving washwater from an EGCS to establish the infrastructure necessary to manage and process the washwater.

Greenhouse gas developments

This issue was considered by many to be one of the most contentious. Although the committee was unable to decide on the type of legal instrument through which appropriate regulations should be adopted, it did agree to interim guidelines on an energy efficiency design index, which are subject to further study, trial application and further refinement and improvement.

Ship recycling

Prior to MEPC 58, a working group meeting was held at IMO headquarters to finalise the text of the International Convention for the Safe and Environmentally Sound Recycling of Ships.

The working group produced a draft convention which the committee endorsed and sent for adoption at a diplomatic conference which will take place in Hong Kong in May 2009.

A ship-recycling plan, completed by the recycling facility, will require approval from either the Flag State or national authority as part of the handover process from the owner. The plan would then be sent to the administration to ensure approval as part of the survey process required for issuing the international ready-for-recycling certificate.

Waste-reception facilities

The committee approved the standardised formats for the advance notification form and the waste delivery receipt in connection with waste-reception facilities.

Ballast Water Management Convention

At the time of meeting, the total number of signatories to the Ballast Water Management Convention was 17, representing 14% of the world's tonnage. The conditions for the convention to enter into force specify 30 signatories representing not less than 35% of the world's tonnage.

MEPC finally approved the Guidelines for Ballast Water Sampling. Sampling for the purpose of determining compliance of water treated by ballast-water exchange recommends that samples be taken via sounding/air pipes or manholes using pumps, or taken from the ballast discharge line.

Sampling and analysis is recommended as near to the point of discharge as practicable and during ballast water discharge whenever possible. Samples taken should be representative of the whole discharge and not just one tank.

Enforcement provisions should ballast water be found not to comply with the D-2 biological standard will be discussed by a sub-committee which is currently developing guidelines for port State control.

Discussion on the availability of equipment to meet the compliance dates for vessels constructed in 2010 concluded without the granting of a period of grace. The ballast water review group will determine at MEPC 59 whether sufficient technologies have been developed to maintain this view.

Ballast water treatment system approvals

The committee granted basic approval to three new treatment systems proposed by Japan, Germany and the Netherlands with capacities ranging from 250 to 5,000 m³/h

- TG Ballastcleaner and TG Environmentalguard. Website: www.toagosei.co.jp
 - Greenship's Ballast Water Management System. Website: www.greenship.com
 - Ecochlor Ballast Water Treatment System. Website: www.ecochlor.com
- Two final approvals were granted to systems sponsored by Norway and Korea, capable of operating at 250 m³/h and 500 m³/h respectively
- OceanSaver Ballast Water Management System. Website: www.oceansaver.com
 - Electro-Cleen System. Website: www.techcross.net

MARPOL amendments for ship-to-ship transfers

MEPC considered a draft new regulation to MARPOL annex I, requiring tankers of 150 GT and above involved in ship-to-ship (STS) operations to conduct oil cargo transfers in accordance with an approved plan.

The STS plan is required to take into account guidelines developed by the IMO and industry best practice, and shall be subject to approval by the administration. STS plans can either be incorporated into the ship's safety management system, or held as a separate document.

Implementation will be phased in and applicable to STS operations carried out on or after 15 months from the date of entry into force.

Loss-prevention seminars in 2008

Loss-prevention seminars specifically arranged for Members in their own offices have continued throughout 2008.

Staff from North of England's loss-prevention department, with much support from throughout the Club, visited about 100 Members around the world during the year to provide presentations and workshops on a wide variety of topics. A good number of these seminars also involved officers and crew members from Members' ships, enabling a very useful exchange of information and ideas.

Annual seminar in Greece

An audience of almost 60 attended the Piraeus Marine Club on the evening of 14 October for the annual Greek office seminar. As with previous years, the programme included a number of short presentations on topical P&I and FD&D issues, including aspects of claims handling and loss prevention.

The manager of the Association's Greek office, Tony Allen, spoke on draught surveys and how the defence



Loss Prevention Seminar, Sijeme, Croatia

of any dry bulk cargo shortage claim will invariably refer to a draught survey to determine the extent of shortage and subsequent value of the claim. Deputy manager Helen Yiacomis then talked about damages for late redelivery and the impact of the Achilles decision. The talks were concluded by risk-management executive Andrew Kirkham, who put forward some suggestions on managing the risk of lifeboat launches.

Loss-prevention seminar in Croatia

'Risks faced by shipowners today' was the theme of the Association's conference held in the picturesque hilltop area of Sijeme, just outside Zagreb, in October 2008. The event was co-hosted by Croatia Insurance and North of England, and was attended by Andrew Glen and Belinda Ward from the Club. Presentations were wide-ranging and included bridge-team management, lifeboat safety and developments in Croatian personal-injury law. The majority of shipowners and managers operating in Croatia today were represented.



Pacific Basin Shipping seminar, Dalian, China

Contacting North of England after office hours

Although many of the Association's staff have Blackberry's to send and receive emails after office hours, these may not be monitored regularly.

Members with an urgent query or need for assistance after hours should always telephone an appropriate member of staff to ensure that their needs are dealt with.

During weekends and UK public holidays, Members may contact the Association's emergency line – +44 191 232 0999. Calls will be taken by a duty officer who will ensure that an available member of staff is briefed to respond.

Full details of after hours contact numbers are available on the Association's website: www.nepia.com/contactus/after_hours_contacts.php

Support for Universities



Andy Glen with Rumen Grozdiv (right) recipient of the Association's MSC programme scholarship at Newcastle University.

Loss-prevention feedback

The Association is interested to receive feedback about Signals and other loss-prevention publications and services. Members are very welcome to contact the Association if there are any topics that they or their seafarers would like to be covered in future issues of Signals, any ways in which the loss-prevention service can be improved, or if there is any information that has been particularly useful.

A feedback form is provided on the back of the cover sheet dispatched with every issue of Signals. The feedback form can also be downloaded from the loss-prevention pages on the Association's website: www.nepia.com/riskmanagement/lossprevention/publications/

FEEDBACK FORM

TELL US WHAT YOU THINK
We value your comments and feedback on our publications. We would appreciate your comments on the content of our publications, the way in which the loss prevention service can be improved or any information that you think we should know.

HOW DO YOU RATE OUR PUBLICATIONS?
Please complete the feedback form below and send it with your copy of the magazine.

Company: _____ (My Club)

Name of Publication: _____

SCORE: 1 - Very Good 2 - Good 3 - Fair 4 - Poor 5 - Very Poor

LAYOUT: Number of Pages: _____ Title Size: _____ Color: _____ No. of Pages: _____

CONTENT: Name: _____ Supervisor: _____ Assistant Supervisor: _____ Other: _____

Are there any other comments?

What topics or issues have you found most useful?

What subjects do you think the loss prevention service should be addressing?

NORTH



Tony Baker and Dr Simone Lamont-Black with Andriy Volkov (right) winner of the Association's prize for best full-time international trade law student at Northumbria University.