# STS vetting procedures in the spotlight

Tanker owners and operators involved in ship-to-ship transfers (STS) need to be aware of future vetting procedures, a leading expert has warned.

t BLG 10/15/20-01-2006 it was noted by OCIMF/ICS that; "...STS has been proven over a significant period to be able to be conducted safely and without incident where

sound management is applied in all aspects of the operation...."

Bearing that in mind and considering the new MARPOL Chapter 8 of Annex I related to regulations 40, 41, 42, as well as the fact



Mooring lines improperly placed, see page 35.

that OCIMF/ICS is about to publish the new STS guidelines, it is clear that vetting inspections on board will take into account the STS performance of a ship, as well as management policies, in a different perspective, which will satisfy certain 'preferred criteria', the OnlineSTS team warned.

The obvious question raised is to what extent managers satisfy and/or fulfill their procedures as outlined in their STS plans, especially those associated with record assessment. Also to be taken into account is to what extent they exercise their due diligence to mitigate their liability, as well as their charterers and cargo owners.

It is believed that vetting inspections on board vessels will focus on two issues. First will be the evaluation of the policies and procedures outlined in the STS plan and second will be the assessment of records and how those are used for seafarers familiarisation, training and passing on KPI's.

As far as the management company audits are concerned, it is believed that the constructive assessment of records within the TMSA regime, as well as the technical support provided to their Masters prior to the commencement of an STS operation, are issues that need to be viewed in depth, OnlineSTS said.

OnlineSTS.net's screening and risk assessment service (OSIS) helps to relieve shipmanagers and their Masters from their STS record's assessment workload, KPI's and STS policies, the company claimed. The turnkey solution provided by OSIS offers added value to the screening process by providing stakeholders' past performance data.

According to OnlineSTS, some of the good practices to be adopted by shipmanagers should include:

#### **TECHNOLOGY – SHIP-TO-SHIP TRANSFERS**



Improper fendering for the size of the vessel.

Correct fendering, see page 35.

- Ensure that the STS policies are clear, gradeable and not in conflict.
- Develop a well documented screening process for STS nominated vessels.
- Grade the nominated vessel screening outcome.
- Keep a well documented record of the technical advice to Masters, especially with fender selection, effect of rolling, practices to prevent mooring lines breakdown, etc.
- Keep a well documented track of STS operations and the officers synthesis. This will save time when the data is requested.
- Assess the records after the completion of the STS operation.
- Create KPI's from the assessments and incorporate them at the screening procedure. Turning to the vital role of the Person in Overall Advisory Control (POAC), this is defined in the STS plan. The POAC must be qualified and experienced. His, or her, legally binding involvement is laid down in the Manual on Oil Pollution (MOP), Section 1, the prevention of which is referenced in the STS plan. .

There are two issues that need to be considered about the POAC's significance in an STS operation, OnlineSTS warned. The first is from the shipowners perspective. According to the MOP, the shipowner has to receive the written consent from the vessel's flag administration that the POAC is accepted by the flag state concerned and also provide the proof of consent to the STS service provider. However, the logistics of gaining approval could confuse the issue, due to the short time available for the operation's organisation.

Currently, 99% of the shipowners are not asked to give their consent of the POAC nomination from the STS service provider, or the charterer. Therefore, in cases where the participating vessels are involved in incidents during an STS, the shipowners cannot blame the POAC, since they did not provide their approval as requested.

Furthermore, in a case where the POAC's advice contributed to an incident, then the shipowners will definitely have their procedures and management questioned by their underwriters. In the case of an oil spill, the coastal state involved will also participate in the investigation and they will 'go by the book', ie by the STS plan.

For the above reasons, shipowners who participate in the onlinests.net service, the

STS service providers and/or their contractors (ie the charterers) are requested in advance to complete and return the POAC questionnaire prior to the commencement of the STS operation.

In the questionnaire, the POAC must state his, or her, qualifications and past experience, as per the MOP. By adhering to this request, operators will exercise their due diligence to the best possible extent in this respect and they mitigate their exposure and liabilities.

Furthermore, on the basis that the statutory required records must be retained for three years, shipowners have the opportunity to assess them. Hence, if a POAC's services are poor and this is recorded, can the same POAC be accepted for another STS operation, or at least does the Master have the right to be aware of past POAC assessments?

If a POAC's advice results in a collision, or another incident, can the shipowner and his, or her, Master rely blindly on this POAC? For this reason, the POAC's assessment is significant and this is distributed through the company's online database - OSIS.

OnlineSTS said that the company believed that the assessment of a POAC's records also has legal significance. P&I clubs and

#### Table 1\*

			Percentage of Masters who were satisfied with the performance of the participating vessel			
A/A	Region	% of total observed incidents	Manoeuvring perform- mance	Mooring arrange- ment	Manifold arrange- ment	Crew perform- mance
1	China Sea		100%	100%	100%	100%
2	Gulf of Mexico - Caribbean Sea - Central America		100%	98%	97%	99%
3	Mediterranean - Black Sea - Red Sea		100%	99%	100%	99%
4	Middle East - Indian Ocean - East Africa	15.8%	100%	93%	100%	100%
5	North Sea - Baltic		97%	100%	100%	100%
6	North America West & East Coast		100%	100%	100%	94%
7	Singapore Area		89%	95%	100%	96%
8	South America East Coast	4.5%	98%	97%	99%	97%
9	South America West Coast		95%	93%	100%	100%
10	West Africa	4.9%	99%	94%	99%	94%
Grading Grading Percentage with respect to the total STS operations in the relevant regions			Grading scale 0% (worst)-100% (best)			

#### Table 2\*

		Region rank with respect to fender selection as per ICS/OCIMF guidelines compliance		
Rank	Region rank with respect to average vessel performance	Rank	Fender selection compliance with ICS/OCIMF guidelines (Percentage with respect to the total STS operations in the relevant region)	
1 (Best)	China Sea	Singapore Area	100%	
2	Mediterranean - Black Sea - Red Sea	West Africa	93%	
3	North Sea - Baltic	Gulf of Mexico - Caribbean Sea - Central America	92%	
4	North America West & East Coast	South America East Coast	89%	
5	Gulf of Mexico - Caribbean Sea - Central America	North America West & East Coast	88%	
6	South America East Coast	Mediterranean - Black Sea - Red Sea	83%	
7	Middle East - Indian Ocean - East Africa	North Sea - Baltic	73%	
8	West Africa	China Sea	67%	
9	South America West Coast	Middle East - Indian Ocean - East Africa	65%	
10 (Worst)	Singapore Area	South America West Coast	50%	

\* Data as of 17th January, 2013. Source: OnlineSTS.net

maritime lawyers agree on this principle; however, this will be criticised in any future arbitration case.

The second issue is seen from the STS providers' perspective. They use POACs either on a part time, or full time, contractual basis. They are responsible towards their contractors (charterers) for the quality of services provided by their POACs. They are also liable for their POACs.

Therefore, their policies and procedures with respect to POAC recruitment, assessment, training, evaluation, etc are directly associated with part of the quality of the services provided. Do they request the shipowners' consent of the nominated POACs?

In 99.9% of client cases analysed, OnlineSTS found that consent had not been requested. The reason being - it is the shipowners' statutory duty to request same. In some cases, when a request is made to complete the POAC questionnaire, STS service providers feel insulted and they find it very hard to co-operate. However, they finally adhere to the request, when it is also presented to the charterer, the company said.

Cases have been seen where the nominated POAC has shown very poor performance. In some cases, OnlineSTS has evidence of this. In the first picture on page 33, the mooring lines have been improperly placed, twisted with each other and in the second photo on page 34, improper fendering was provided for the size of participating vessel, resulting in a small scale collision. Correct fendering is shown in the third photograph.

So the question is - how will shipowners protect their interests, their ships and their crew if they do not receive any feedback on the POAC's poor performances?

Eventually, when the case goes to arbitration, who will support the shipowners?

#### **Statistics published**

In January, OnlineSTS published regional statistics taken from its OSIS database with respect to STS vessel performance.

This is claimed to be the first time that such consolidated data has been produced on the basis of the post assessments received by onlinests.net members. The assessment data received included evaluations from all members that participate in both the STS screening and STS assessment services.

In Table 1, the statistics for all STS regions are shown giving the average performance of participating vessels associated to manoeuvring, mooring lines, etc.

In Table 2, the STS regions have been

ranked by the average vessel performance, as well as fender selection compliance in conjunction with the number of STS operations conducted in the relevant regions.

The objective of this analysis is to assist shipowners in their STS risk analysis when planning an STS transfer in those regions. For members of onlineSTS.net, more analytical data is available. The data is relevant to assessments received up to 1st January 2013. However, the company pointed out that OSIS is dynamic and as more data enters the database then the statistical output will be adjusted accordingly.

In general, STS operations are considered safe. However, it has been noticed that a large number of near misses, or minor incidents, occur. It is strongly recommended that technical management provide adequate resources and means to support Masters with prudent technical analysis and proposals for risk mitigation measures.

Although the percentages shown on both tables are close to the best performance (100%), these should be considered in parallel with all associated parameters that control the performance of the STS operation.

### **Fender selection procedures**

# OnlineSTS has also prepared a booklet entitled *Fender* Selection Policy.

This publication has been prepared on a ship specific basis in order to provide the Master and deck officers with detailed information on the adequate fendering scheme and lashing procedures on the basis of vessel size and type of STS operations.

Characteristics of the fenders are on the basis of ISO 17357:2002 and approved fender manufacturers.

ICS/OCIMF guidelines provide general fender selection criteria for calm weather conditions and normal lightering operations.

As general guidelines, this work provides limited information on fender selection and advice on which to consult STS service providers and/or fender manufacturers.

The latter is normally not feasible due to time constrains in decision making, OnlineSTS said. Although ANNEX II provides a detailed calculation on the basis of berthing energy, Masters do not have resources to cross-check the supporting fendering scheme.

Since the STS operation is at Master's liability and risk, the Master should have further support on the proper fendering scheme, which should be handy and comprehensive.

This publication provides information for STS operations in calm, moderate, heavy weather conditions for normal and reverse lightering operations, the company said.

It includes sufficient information to be considered for an STS risk assessment and due diligence procedures when participating vessels are nominated. All the data is presented in tabular format for quick access. According to the company's OSIS statistical results, some 9% of the conducted STS operations were not conducted according to ICS/OCIMF guidelines.

The 34 page guide is priced at €150. A pdf copy is also available.



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