

# STS forum outlines issues to be considered

**Interest in ship-to-ship (STS) cargo transfer operations continues to grow worldwide, as more than 12,000 operations were completed in 2013.**

**T**here are around 62 STS service providers and the number is increasing. However, not all have a high level of safety and proper procedures in place, a recent seminar revealed.

This and several other issues have emerged since MARPOL, Annex 1 Chapter 8, came into implementation in April, 2012, which regulates STS cargo transfers, on a statutory basis.

At the seminar held last November, organised by Clyde & Co in association with INTERTANKO, panellists addressed various questions, such as;

- Should STS service providers confirm the examination of vessel STS plan prior each STS operation?
- Should the Master rely on the advice of the 'Person in Overall Advisory Control' (POAC)?
- Should tanker owners sign the LOI presented by the service provider, etc?
- On what grounds could a tanker be rejected for participation at an STS operation?
- Should two POACs attend an STS operation instead of one?
- Should charterers request for clearance of service providers in the same way they request clearance for participating vessels?
- Are the rest hours of POAC taken into account during the planning phase of an STS operation?

Under the chairmanship of Clyde & Co's Martyn Haynes, the panellists included Ajay Gour- INTERTANKO, Dr Alexander Glykas- OnlineSTS.net DYNAMARINE, Capt Bob Gilchrist - SafeSTS, Eamon Moloney- North P&I Club, Ed Mills-Webb - Clyde & Co and Capt Keith Loffstadt - Fendercare.

INTERTANKO's Ajay Gour described an STS operation as a "controlled collision" and said it was an unnatural operation. The panellists agreed that West African operations had improved considerably during the past three to five years, however, from a P&I perspective, this area is still a problem. They said that some 'rust buckets' still exist and that

it was time to put pressure on charterers.

The answers provided by the panellists commented on best practices, liabilities, incurred logistics and statutory facts. The overall outcome was that STS operations, as regulated by MARPOL, have an increased burden on tanker owners' liability, who should exercise their due diligence in order to protect their reputation and actions.

Basically, third party service providers provide an essential service to cargo owners in order to undertake an STS cargo transfer. The experience and level of advisory control of the POAC is a factor that contributes to the safety of the operation to the same extent of the competency, training and preparedness of crew.

It was stressed that the Master should respect and take into account the POAC's experience and advice, however he should not completely rely on the POAC. At the seminar, North's Eamon Moloney claimed that the POAC tended to be a "shadowy figure" and advised that Masters should ascertain who they are talking with and above all confirm his qualifications prior to the commencement of the STS. He said that a little bit more transparency was needed on who they were and how to get in touch with them after the event. Gour said that there was a certain reticence to criticise an operation after the event.

Clyde & Co's Ed-Mills Webb urged Masters not to handover the reins during an operation before real caution is exercised. He warned of accidents "in far flung places, where justified, due diligence is lacking."

DYNAMARINE's Alexandros Glykas also warned that a Master who relied on a POAC could become complacent. He also asked; "how do you define the experience of a POAC?"

SafeSTS's Bob Gilchrist said that a Master should be gaining confidence in a pilot/POAC during the approach to an STS operation. "A Master should familiarise him/herself with a POAC" and should approach an operation with confidence.

The integrity and effectiveness of bridge team management is an essential part of STS operations, which builds the anticipated trust between senior officers and the POAC. The presentation of LOI's from the service providers to the Master is an "annoying" procedure, which does not contribute in an effective relationship between bridge team.

Tanker owners do not have a contractual relationship with the service provider, thus such LOI's do not have substance, the panellists said.

A POAC's review of the STS plan should be part of the joint plan preparation and tanker owners should ascertain that such information is made available to the provider, well before the commencement of the operation.

A small 'bump' during operations could be a financial disaster for an owner, resulting in \$3 mill plus claims and possible offhire lasting between 40- 60 days if a drydocking is necessary.

## Complexities

DYNAMARINE - onlineSTS.net has provided an insight of the complexities of STS operations that could jeopardise the reputation of tanker owners. The procedures of onlineSTS.net's screening service set the principles of a methodology of standardised, but adaptable, actions towards ensuring safety and vessel suitability, the company claimed.

The key element in all cargo transfer operations is the post assessment of STS records and to what extent those are incorporated in the clearance and planning phase.

Athens-based DYNAMARINE addressed such questions as - do STS cargo transfers take place according to OCIMF guidelines?

As mentioned above, STS transfer operations are governed by the MARPOL chapter 8 of ANNEX I, latest OCIMF guidelines and IMO manual on oil pollution, section I, prevention chapter 6.

These are the references that prescribe the

requirements for procedures towards ensuring safety in all aspects, from the vessel nomination and clearance until the completion of the operation. Implementation of the regulations and guidelines take place through the tanker operators ISM, TMSA procedures, as prescribed in their safety management system (SMS).

ISM procedures and TMSA assessment actions contain the necessary tools for implementing the regulations for the “proper and detailed planning”<sup>1</sup>, as well as the post evaluation. Risk assessment procedures should include apart from operational hazards, other risks, associated with the involvement of third parties, such as the service provider who provides the POAC and STS equipment.

STS records should be retained for three years, as a statutory requirement. Hence, the assessment of such records provides an extra level of valuable information for STS operations. POAC<sup>2</sup> screening is included as a procedure within the IMO manual on oil pollution and the STS equipment supplied should be according to ISO 17357:2002. Furthermore, the number and type of fenders as well as rigging pattern, should take place according to OCIMF guidelines, the company said.

Third party quality assurance is of paramount importance. For this reason OCIMF guidelines provide the ability to the “users” (ie, the Master and the vessel operator) to exercise their due diligence with respect to the quality of the services give by the service provider.

The Master should not proceed with an STS operation, unless he/she is confident that the operation has been properly planned and that the service provider has presented a

comprehensive joint STS plan, which has received the Master’s consent.

## Master’s role

For all STS transfer operations, each Master is responsible at all times for the safety on his/her own ship, including the crew, cargo and equipment. The Masters must not allow the safety on their vessels to be compromised through the actions of others, such as by the service provider and the POAC. Both Masters must ensure that the procedures recommended by latest OCIMF guidelines are followed as a contractual commitment<sup>3</sup> and assurance towards safety.

STS operations require proper planning, which starts from the nomination of the participating vessel and progresses through the technical advice to the Master, from his principals.

DYNAMARINE stressed that the following procedures should be followed:

- During vessel nomination, the vessel operator should consider the clearance with respect to vessel suitability, STS location and past STS company records, etc. The tanker operator should act with due care at this stage and justify his clearance on the basis of established policies.
- Prior to the commencement of each STS operation, the vessel operator should confirm that the nominated POAC is qualified according to IMO regulations and that he/she has sufficient experience in the same size and type of vessels.
- The tanker operator should request the fenders and hoses certificates to ensure that they are manufactured and maintained according to ISO 17357:2002.

- The service provider should present to the Master a joint plan for the operation. This plan should include the nominated size and type of fenders, suggested mooring plan, etc.
- The Master should confirm that the fenders comply with OCIMF fender selection guidelines. Should they be different, this should be discussed and further clarified with the provider.
- The STS operation should be completed according to the approved STS plan.
- After completion, records should be returned to the vessel operator to be assessed for future reference for the clearance phase and proper planning.

## Footnotes

[1] *Bristol Crown Court. Mr Justice Eder Judgment, Falkonera vs Arcadia, Case No 2011FOLIO624.*

[2] *Mooring Master.*

[3] *Charter party requirement.*

## DYNAMARINE audits Top Fenders

**In December 2014, DYNAMARINE undertook an audit on Top Fenders on behalf of its onlineSTS.net members.**

This is the first time that 27 tanker operators, with a fleet over 500 vessels, performed a synchronised documentary audit on a service provider, the company claimed.

The audit did not require an on site visit but utilised data provided by a third party, as well as data available at DYNAMARINE’ database- OSIS. In addition, publicly available data was also used, provided it was derived from credible sources.

This audit report can be included in the audit of the tanker operators at the following TMSA elements - element 1 (Stage 3), elements 1 (Stage 4), 12A (all stages) - as aiding the monitoring and improving the services provided in STS operations.

Top Fenders has experience in the West African region. The company has also recently opened up operations in different locations in the Mediterranean.

In addition, an updated STS service provider list is now available at the onlineSTS.net website.

## STS operations FAQs

**Last November, Clyde & Co in co-operation with DYNAMARINE released a draft of a 15-page guide, which contains 34 frequently asked questions (FAQs), plus answers, regarding STS transfer operations.**

Since the ratification of MARPOL Annex 1 Chapter 8, some five years ago, greater requirements have been imposed, which have helped to make STS operations more complicated for tanker owners/operators.

For example, the need for an STS plan was an additional requirement to the rules as laid down by OCIMF. IMO’s rules decree that the STS plan be integrated with the shipowners’ safety management system

(SMS), resulting in the plan being open for scrutiny in the event of an incident and any subsequent litigation.

Owners and operators STS responsibility is not only defined by the existence of the plan, they have to take a justified approach that takes into account both commercial and safety considerations, the authors said.

They explained that the guide was produced to provide answers to questions associated with the required knowledge of tanker owners/operators and their Masters and officers for STS operations.

This is a draft edition and the authors said that they will soon publish the final edition, based on questions raised by the tanker industry during STS operations. ■