

# Agenda for the meeting of the Safety & Environment Committee



To be held on  
Thursday 26 October, 2017 at 1130  
at the UK Chamber of Shipping,  
30 Park Street, London, SE1 9EQ

## 1 Welcome and Introduction

## 2 Minutes of last meeting

The minutes of the last meeting, held on 25 April 2017, were circulated on 4 May 2017. A further set is at Annex 1.

Action points from the last meeting will be covered within this agenda.

- 5(a) Sulphur 2020 – on-going and covered in the notes.  
Environmental Resolution – covered in the notes.  
EU/IMO MRV - complete and covered in the notes.  
NOX - complete and covered in the notes.  
MARPOL Annex V - complete and covered in the notes.
- 5(b) BWC – complete and covered in the notes.
- 7 Safety AOB, Malacca Straits navigation – covered in the notes.

## 3 Compliance with competition law

Meetings must be conducted in accordance with competition law. The UK Chamber's policy, as approved by the Board, took effect from 1 January 2007. A copy is attached at Annex 2. In order to ensure compliance, members are reminded of their obligation to conform to the provisions.

## 4 IMO agenda items

- i) MEPC: MEPC 71 was held from 3 to 7 July. MEPC 72 will be held from 9 to 13 April 2018.
- ii) MSC: MSC 98 was held from 7 to 16 June. MSC 99 will be held from 16 to 25 May 2018.
- iii) NCSR 4 (Navigation, Communications and Search and Rescue) was held from 29 Feb to 4 March. NCSR 5 will be held from 19 to 23 February 2018.
- iv) CCC4 (Carriage of Cargoes and Containers) was held from 11 to 15 September. CCC5 will be held in September 2018.
- v) PPR 4 (Pollution, Prevention and Response) was held from 16 to 20 January. PPR 5 will be held from 5 to 9 February 2018.
- vi) SDC 4 (Ship Design and Construction) was held from 13 to 17 February. SDC 5 will be held from 22 to 26 January 2018.
- vii) SSE4 (Ship Systems and Equipment) was held from 20 to 24 March. SSE5 will be held from 12 to 16 March 2018.

**Members will be invited to note the position.**

## 5 Environment

### a) Review of MARPOL

- Sulphur:

#### a) 2020 global sulphur limit

Norway earlier this year submitted a paper to the IMO suggesting a specific prohibition to carry high sulphur fuel oil as bunkers (exceeding 0.50% sulphur) on board ships that do not have an EGCS. To this end, Norway proposed the development of a procedure or system to exchange enforcement information between port States with the aim of targeting port State control more effectively at potentially non-compliant ships.

There is a need to ensure legal certainty on the lack of enforcement in open-sea in order to avoid any distortion of competition. The fact that some countries such as NZ and Argentina are not parties to MARPOL Annex VI should be taken into consideration when assessing the level of compliance with and enforcement of the global requirement. As it will be difficult to spot and enforce violations occurring at sea, consideration needs to be given as to whether such a ban could facilitate the enforcement of the global sulphur cap as such infringements could then be easily detected in ports through documentation check and/or by sample analyses.

A ban may be irrelevant as there is already a mechanism under MARPOL Annex VI through Regulation 18 on fuel availability allowing the shipowners to state that, despite best efforts to obtain compliant fuel oil, no such fuel oil was made available for purchase.

It should also be noted that whilst blatantly intentional purchases of non-compliant fuel should be clearly addressed by PSC, the supply of non-compliant fuels (i.e. stated to be compliant on BDN but in reality above the 0.5% limit) should be subject to suitable verification mechanisms as ships cannot ascertain the sulphur level of fuels being delivered to ships prior to or during bunkering operations.

It would be very helpful to understand where members stand on this important issue before it is next debated in the IMO early next year.

**Members will be invited to note the report and to comment as appropriate.**

### b) Banning of Carriage of Heavy Fuel Oil in the Arctic

The European Parliament adopted a resolution on EU policy on arctic issues on 16 March 2017 which “calls the Commission and Member States to facilitate an internationally agreed ban on the use and carriage of heavy fuel oil (HFO) in the Arctic and in absence of this agreement to put forward similar proposal in the European Arctic waters”. NGOs are putting pressure both at European and International level so that such a ban is introduced.

The ECSA position, to which the Chamber contributed, is neutral and advocates that this discussion should be kept at IMO level and that a ban only on European Arctic waters would be highly problematic.

IMO MEPC 71, held in July 2017, discussed a submission by Canada, Finland, Germany, Iceland, Netherlands, Norway and the United States that included a proposal for inclusion of a new output in the Committee's work programme to develop measures to reduce risks of use and carriage of heavy fuel oil (HFO) as fuel by ships in Arctic waters.

The Commission does not intend to take unilateral action and impose a ban on the use and/or carriage of heavy fuel oil in the European Arctic waters. The Commission acknowledged that the EU

does not have a competence in the region and therefore cannot push with a united voice for such discussion at IMO level. The Commission helpfully believes though that ECSA should engage in these discussions.

Danish Shipowners, that supports a ban, asked for a clearer ECSA position emphasizing that this is already a recommendation in the IMO Polar Code. The Danes are concerned about the impact of potential spills of that fuel due to its physical characteristics that make the presence of HFO in Arctic waters particularly threatening. The Norwegian Shipowners' Association have also agreed in July to support an international ban on the use of HFO for propulsion for ships in the Arctic.

MEPC 71 in July approved a new output on "Development of measures to reduce risks of use and carriage of heavy fuel oil as fuel by ships in Arctic waters" in its 2018-2019 biennial agenda and invited proposals to MEPC 72 on what type of measures should be developed. The mandatory/recommendatory nature of these measures would be decided at a later date after detailed consideration of the proposals and proposed measures.

ICS has remained neutral through the discussions at MEPC 71 regarding the development of the new output. The ICS Secretariat stated that they will strive for the mitigation of risks associated with HFO (including considering a ban on the use of HFO) but at the same time strongly opposes a blanket ban on the carriage of HFO as ship fuel. Until now the discussions at IMO have been concentrated on HFO as fuel. The majority of the stakeholders realise and appreciate the fact that crude oil carriage is necessary for global trade and for the livelihood of indigenous communities in the Arctic. That is why the agreed output is only about the use and carriage of heavy fuel oil as fuel.

ECSA has been approached by the NGO Transport and Environment to sign the "Arctic Commitment" which has to date been signed by 50 organisations and individuals (including the Association of Arctic Expedition Cruise Operators, MEPs Bas Eickhout and Sirpa Pietikäinen). Purpose of this initiative is "to create a groundswell of support for an IMO phase-out of HFO in Arctic shipping by 2020, and to urge shipping companies operating in the Arctic to switch from the use of HFO to cleaner fuels".

It would be very helpful to understand member's views on this prior to MEPC 72 next Spring.

**Members will be invited to note the report and to comment as appropriate.**

- **Carbon:**

- a) **IMO & EU**

At the July meeting of the IMO's MEPC and the intersessional meeting the week before, a draft future strategy was agreed that will or should be fleshed out at the October Intersessional meeting. The draft outline is as follows:

ANNEX 1

COMPREHENSIVE IMO STRATEGY ON REDUCTION OF GHG EMISSIONS FROM SHIPS  
DRAFT OUTLINE OF THE STRUCTURE OF THE INITIAL STRATEGY

- 1 Preamble/introduction/context including emission scenarios
  - 2 Vision
  - 3 Levels of ambition
- Guiding principles

4 List of candidate short-, mid- and long-term further measures with possible timelines and their impacts on States

5 Barriers and supportive measures; capacity building and technical cooperation; R&D

6 Follow-up actions towards the development of the revised strategy

7 Periodic review of the Strategy

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The second IMO intersessional meeting, to be held 23 to 27 October 2017, will have to make much faster progress if a suitably robust initial strategy is to be finalised at MEPC 72 (9 to 13 April 2018) – which will be preceded by the third intersessional meeting in the week immediately before – especially if IMO wishes to discourage the European Union from incorporating shipping into the EU ETS as has been proposed by the European Parliament. ICS (in conjunction with the Round Table) has submitted a paper to the October intersessional which is largely helpful.

Though there is optimism that the IMO will indeed make sufficient progress to deter the EU from taking unilateral action, such an outcome is far from certain. Recently, leading climatologists reported that global warming has slowed down significantly and instead of reaching the 1.5° global warming threshold in 2 to 3 years as expected they now believe at current rates this will take closer to 20 years. This of course reflects the very positive benefits being derived from the measures taken so far and should reinforce the need to continue this work but climate sceptics will probably take the opposite view and see little need to keep pushing hard. This could well make it even harder to achieve a positive outcome at the IMO. And then there is the US position and the possible negative impact that might have on future negotiations.

Concerning the EU ETS Directive, the first trilogue meeting between the EP and the Council after the summer break took place on 13 September. Before the meeting, the Council/ Estonian Presidency had prepared a recital (explanatory text) referring to shipping “...efforts to limit international maritime emissions through the International Maritime Organisation (IMO) are under way and should be encouraged”.

In the trilogue meeting however, no solution for the shipping question was reached as the EP held onto its mandate and continued to defend it (shipping should be included in the Directive) whereas the Council has kept to its mandate as well and said it is not acceptable to Member States. The Chamber has recently been told that the Council remains firmly fixed on this view which is obviously good news.

The EP has prepared a suggestion for an article now stating that in the absence of an international agreement, the Commission shall by 2023 propose measures for an emission reduction strategy.

Less good news is that it looks increasingly certain that the EU will not align its MRV (monitoring, reporting and verification) to the IMO DCS (data collection scheme) which could mean that companies need to prepare two reports every year, one to each body. The sticking point is the EU's insistence that ‘transport work’ be included which will not be included in the IMO scheme.

**Members will be invited to note the report and to comment as appropriate.**

## **b) Air Quality**

As we have discussed in the past we have been looking at doing an emissions study to provide hard data from which we can identify the levers that we could pull in order to have the greatest impact in terms of improving air quality, specifically in ports. Norway has done a lot of work on this for their coastal shipping and whilst doing the same in the UK probably would not work, we totally agree with them that we need the data not just to identify opportunities but also to convince others (government etc).

We have been in discussions with DNV who suggest that as a first stab we do a fairly narrow study in geographical terms and include a couple of ports – so we are looking at the Irish Sea and two ports – Liverpool and Belfast possibly (we are keen that they are trans sectoral and not just a ferry port) but need not be those two if there are better options.

We do however need support from members in order to fund such a study. The Chamber's Carbon WG is meeting on 27 October to discuss this further. Meanwhile the Chamber has been in active discussions with DfT promoting this work and as a result they intend to host an event at the Chamber on 28 November involving shipping and other interested parties. This will be invitation only though the Chamber has passed across the names of those most closely involved in the work of the carbon WG to ensure that they are included.

**Members will be invited to note the report and to comment as appropriate.**

#### **b) Ballast Water Management Convention:**

As expected and just 2 months before the entry into force of the Ballast Water Management Convention, the IMO agreed to delay the implementation of the D2 standard by 2 years according to the compromise proposal co-sponsored by the UK. The agreement will benefit existing vessels which have their first IOPP renewal survey following the entry into force of the Convention on 8 September 2019 and which have not de-harmonised their IOPP survey. Subsequently, these vessels will be required to fit a system at the second IOPP renewal survey following the date of entry into force of the Convention (if the first survey is conducted between 8 Sep 17 and 8 Sep 19). Effectively, a 5 year delay will be applicable to these vessels with some of them not being required to fit a system until 2024.

For non-IOPP vessels, it was agreed that they should comply with the D2 standards not later than 2024. In the meantime, these vessels will be required to meet the D1 (exchange) standards.

In order to provide legal certainty, the IMO approved a draft MEPC resolution containing the above agreement. In addition, immediately after the entry into force of the Convention the IMO secretariat will circulate to Parties of the Convention the new implementation schedule with the view to adoption at MEPC 72 (Spring 2018). Moreover, the IMO Assembly 30, which meets in November, will be asked to revoke the previous resolution A.1088(28). Due to IMO procedures the amendments will be part of the Convention and officially enter into force in 2 years. During the discussions, the Chair of the MEPC Committee highlighted that this legal uncertainty would also have been existed with the resolution A.1088 (28). However, as the Chamber has previously stated, it is uncertain how the states that have already ratified the Convention will incorporate the new agreement into their national legislation.

With respect to Ireland, ships that come into Irish Waters and Ships on the Irish Flag must "endeavour" to comply with the convention. So, where ballast water exchange isn't an option, then Ship's should have a list of other Alternative Methods that would allow them to comply with the "spirit" of the convention, in that Ship's shall not transfer untreated ballast between ports. Ireland's position for ships conducting exchange in areas where BW exchange is normally possible but on occasion is not, is as follows: If a ship is not yet D-2 compliant, and normally complies with D-1, then Ireland may take into account the IMO D-1 guidance circular, for any rare occasion that a Ship cannot conduct exchange due to specific circumstance, which must be recorded in the ballast water record book. Any consideration will be in-line with agreed procedures to be developed by the Paris MOU for Port State Control.

If a ship is “regularly” calling to Ireland (this is taken to mean more than once) and the Vessel does not comply with D1 or D2, then the ship must have some other “alternative method” within their Ship Specific Plan to show that they are “endeavouring” to comply with the convention. These alternative methods / control measures (all of which must be clearly explained in the Ship Specific Ballast Water Management Plan, which has to be in place by 8th September, 2017) may be, by example;

- Up-taking and discharging Ballast in the “same location”
- Permanent Ballast – this may be Fresh Water Ballast, best practice would be that the system is prevented from inadvertent discharge.

Clearly the Irish position is still far from clear and open to various interpretations, therefore companies operating vessels in Irish waters are advised to present their ballast water management plans to the Irish authorities to ensure ‘compliance’.

**Members will be invited to note the report and to comment as appropriate.**

**c) Recycling:**

**a) European Ship Recycling Regulation**

Following several postponements, the Commission published its report on a possible financial incentive scheme last August. As expected, this report does not include a legislative proposal to set up a financial incentive scheme. The Commission does acknowledge the merits of a potential Ship Recycling Licence, which represents the most promising option investigated thus far. Nevertheless, the Commission says it is aware that a number of issues deserve further analysis, including with regard to the compatibility of such a potential financial instrument with EU and international law.

The Commission concludes that, in line with the gradual approach first described in the 2008 Commission Communication and 2012 Impact Assessment and reflected in the final text of the Ship Recycling Regulation, the need for additional measures on financial incentives will be reassessed at a later stage, based on an analysis of the use and effects of the European List of ship recycling facilities.

Meanwhile little progress is being made in terms of States ratifying the Hong Kong Convention and the Commission is being urged to direct its attentions more towards that goal. The Transport Commissioner has a meeting with India in the near future and has promised to urge them to support the Hong Kong Convention. Their support is seen as key in getting this Convention ‘on the books’.

**Members will be invited to note the report and to comment as appropriate.**

**d) Environment AOB:**

**a) Environmental Resolution**

Environmental regulations, current and emerging, are creating a considerable challenge to the shipping industry, both in compliance and financial terms, and though the industry has done more than many others in reducing its environmental footprint, this message is not widely acknowledged.

Members have called for more to be made of the positive steps that industry has taken in recent years. Indeed, an action was placed on the Chamber at the March 2017 SB as follows:

- The Board recommended that the Chamber devise a thought out campaign showing the improvements that have been made and that are ongoing for the industry in relation to carbon emissions.

A first draft of an environmental resolution was presented to the June Supervisory Board at which it was agreed:

- The Supervisory Board approved of the formation of an environmental resolution for the Chamber and its members, recommended inclusion of reference to air quality and the use of more forward leaning language.

The chamber, with the help of members therefore re-drafted the resolution which was agreed and accepted by the September Supervisory Board. The intent is that this should be placed upon the chamber's website (member companies may also wish to publicly adopt and support it) with supporting articles, background information etc being added as appropriate. It is hoped that members will provide some of this material as well.

The Resolution is as follows:

## **Environmental Resolution**

The UK Chamber of Shipping and its members are committed to continuously reduce shipping's footprint on the environment and protect it for present and future generations.

Transport by sea is considered the most carbon efficient mode of carriage. While much has already been done to build on this position and manage critical environmental aspects, the Chamber and its members are committed to a culture of continuous improvement.

The Chamber and its members are taking concrete steps and leading discussions on how to further improve the environmental efficiency of shipping and actively working with regulators and engaging respective stakeholders to ensure the following goals can be met:

### **Environment**

- Goal Zero:
  - Prevent pollution from ships to sea from oil, plastics, and other harmful discharges as defined by the International Convention for the Prevention of Pollution from Ships (MARPOL).
  - Deter and prevent the transportation of illegal animal and plant products by sea.
- Minimise:
  - Greenhouse gas emissions from shipping in line with the 2015 Paris Climate Change Agreement.
  - The spread of non-native species to protect bio-diversity.
  - The generation of shipborne garbage.
  - The impact on the environment and human health from air emissions from shipping.
- Encourage:
  - Further research to understand the impact of underwater ship noise on marine life.
  - Responsible recycling of ships at yards that comply fully with the Hong Kong Convention on Sustainable Ship Recycling.
  - Research and development opportunities to further reduce adverse air emissions from shipping and to improve air quality.
  - Responsible management of shipborne waste ashore.

### **Governance & Awareness & Training**

- Promote Environmental Training in the Shipping Industry

- Take every opportunity to raise environmental awareness, promoting the development of sustainable environmental policies for shipping.
- Collaborate with government and interested parties to develop and promote coordinated and progressive practices that reduce the environmental impact of the shipping industry.
- Actively encourage strengthening of effective enforcement of national, regional and international shipping regulations on ship based pollution sources.

**Members will be invited to note the report and to comment as appropriate.**

## 6 Safety (start at 1330)

For those just attending the safety section of this meeting, please see the notes under Environment AOB above.

### a) Review of offshore planning

- **UK marine planning:**

The MMO in its monthly newsletter has given updates on the various Marine Plans. It had its consultation on the Draft South Marine Plan which closed in January 2017, the responses have been analysed by the Marine Management Organisation (MMO) and it is anticipated that the plan will be adopted by the end of 2017. The three-year report on the East Marine Plan has now been published. The report reviewed the progress the plan had made against its objectives as well as the UK Marine Policy Statement's high level marine objectives over a three year period from adoption. The report concluded that all the plan's objectives remained relevant and integral to realising the vision of the plan and so no changes are necessary. A review will be carried out every three years for all marine plans. For the four remaining marine plan areas (North West, North East, South West and South East) an engagement exercise for Iteration 1 was held where over 300 stakeholder organizations were consulted and feedback was recorded and collated to feed into the development of Iteration 2 of the marine planning process.

In addition the Chamber has attended a meeting in Cardiff of the Welsh MPSRG on the 24th October, where the upcoming Welsh National Marine Plan was discussed. Robert Carington who attended will provide more information.

On the 25th November the Chamber will attend a Marine Strategy Session in Edinburgh to discuss updates on Scotland's Marine Planning Strategy.

**Members will be invited to note the report and to comment as appropriate.**

- **Offshore renewables:**

Hornsea Three Offshore Wind Farm. Dong Energy (now called Ørsted) issued their statutory consultation in July for the development which will be 121 km off Norfolk's northeast coast. Hornsea One, which is under contract, and Hornsea Two, which is consented, are both to the west and are separated from Project Three by a corridor. The accumulative effect of this and other developments and installations in the area will have consequences for operators of east west ferry routes and north south short sea shipping.

Forthwind Offshore Wind Demonstration. A consultation for this new demonstration array in the Firth of Forth, just off Methil in Fife, was launched in October. It is adjacent to where several oil and gas platforms are laid up and it is possible that ships use the area for anchoring.

Aberdeen Offshore Wind Farm. The developer is in the process of applying for 500m safety zones around each wind turbine in readiness for the construction phase, which will be October 2017 – September 2018.

East Anglia One. The construction phase is commencing and application for safety zones has been submitted.

Inch Cape Wind Farm. Following some delay, a new application is being prepared with fewer, larger turbines. The development area for the consented scheme and the new application remains the same.

Hywind Scotland Pilot Park Project. Statoil received a licence in 2015 for this project of five floating wind turbines. Construction is due to commence this year.

**Members will be invited to note the report and to comment as appropriate.**

**b) Passenger ship safety:**

- **Ro-ro fire safety**

IMO's Sub-Committee of Ship Systems and Equipment in March is expected to develop interim guidelines concerning ro-ro fire safety, and amendments to SOLAS II-2, under five headings: prevention / ignition, detection and decision, extinguishment, containment, integrity of LSA / abandonment. The chamber hosted a meeting with the MCA, 20 September, which provided an opportunity for members to inform the MCA's input to the forthcoming IMO discussion. The MCA will submit a paper to the EU on containment, although the discussion covered all aspects. Key points were that the variations in ship type and trade (ro-ro, ro-pax ,etc) will need to be recognised in any regulatory framework. Consideration of the use of fire curtains to subdivide spaces in the event of a fire was discussed, however, these would not be welcome if undue cargo space was lost. The MCA agreed to share their draft before making a submission to the EU.

**Members will be invited to note the report and to comment as appropriate.**

**c) Review of safety of navigation:**

- **Weighted heaving lines**

In light of ongoing incidents, with reports principally from the towage and ports sectors, the chamber has asked the MCA to forward a safety alert to the IMO for promulgation internationally. The MCA in return have asked for specific reports, which the chamber is seeking from towage members.

**Members will be invited to note the report and to comment as appropriate.**

- **ECDIS Updates required for the new IHO standards**

In 2015, the IHO published new editions of the S-52 and S-64 chart content and display standards, to address ECDIS anomalies and so called alarm fatigue. These were effective from 1 September. Despite the lead time, the poor availability of the necessary software and in some cases hardware, and indeed technicians, has made it difficult for some operators to meet the deadline. After

considering reports that manufacturers and consequently shipowners have had problems, IMO's III 4 issued the following draft text in September:

*... the Sub-Committee agreed that Port State Control Officers (PSCOs) inspecting ships carrying ECDIS that have not been updated as per SOLAS chapter V, due to the lack of availability of required updates from the manufacturer, should take a pragmatic and practical approach. In doing so: 1 PSCOs should check whether relevant documentation has been issued by the flag State; and 2 in the absence of flag State's documentation, the PSCOs should consult with the flag State accordingly. 3 Member Governments are to be guided accordingly and are invited to bring this advice to the attention of all concerned, in particular, PSCOs, recognized organizations, companies and other relevant parties.*

**Members will be invited to note the report and to comment as appropriate.**

- **Witherby's Passage Planning Guide for the English Channel, Dover Strait and German Bight 2017**

Witherby Publishing led a workshop at the UK Chamber in August, with members and others to update their Passage Planning Guide for the English Channel and Dover Strait. The new edition, which will be on sale from this month extends up to the German Bight. It provides navigational and reporting information, with chartlets for each leg, and is an invaluable reference for those negotiating these busy waters.

<http://www.witherbyseamanship.com/passage-planning-guide-english-channel-and-dover-strait-5th-edition-2017.html>

**Members will be invited to buy copies.**

#### **d) Safety culture:**

A safety event was held over a weekend in September on board a Saga vessel with over 70 members attending. The first day delegates met in plenary session and received presentations from both the air and rail industries on how they manage safety and an introductory scene setter from the MAIB's Chief Inspector.

On the second day, four workshops were held concurrently, covering the following:

- data collection/benchmarking – what can we do now and what is more aspirational.
- The other three were all inter-related safety culture issues (safety leadership, operational safety and crew safety in terms of facilitating interventions, up, down and across the crew).

The safety record in aviation is considered by many to be the gold standard, but it follows serious accidents in the past. The journey first addressed technical deficiencies, then training and individual behaviour, finally organisational issues. It was noted that the very high level of regulation, rather than purely culture, was the key factor. Rail then set out an impressive record, for recent years at least. Again serious accidents had led to change and the formation of the Rail Safety and Standards Board, an industry body which develops standards and guidance to help the industry meet legal obligations and deliver on safety. In the maritime industry, statistics suggest improvement in parts, with some operators adopting a recognisably strong safety culture. However, with relatively high accident rates, others still have a distance to go. The chamber's intention is to see how good practice could be spread across the industry.

Delegates engaged well during group discussions. For safety culture to work it was clear that chief executives and senior / board level management had to lead the effort. This meant making time for

regular visits on board to discuss safety with a full cross section of the crew, ensuring concerns were followed up. Good safety behaviour needed to be reinforced with praise. Lessons needed to be learnt, not only from accidents, but from near misses and safety related occurrences as well. Critical here was a just culture, whereby individuals were encouraged to report and were not penalised for genuine errors. The evidence is that accidents rates will drop in companies that adopt such practices. It is quite obvious that a succession of near misses will more than likely lead to an accident if not acted upon. If something unsafe is witnessed, colleagues should intervene, but to do this successfully, behaviours need to be taught. Groups fully recognised the commercial issues that come along with promulgation of accident data and the possibility that clients and customers may interpret full and honest reporting as being accident prone. A solution is needed, but it should not be allowed to hold up progress. As with most of what we do, there is a need to measure it to see what the trends are and target our resources. We need to know what success looks like, benchmark against other industries and set realistic targets for improvement.

The outcomes were also presented at the Shipping Summit in Glasgow on 4 October.

It is intended to present to the December Supervisory Board a draft document setting out what it means to be a good leader in terms of safety, including a matrix of best practice and behaviours that enhance a robust safety culture. Meanwhile the Chamber will start work on strategies to promote data sharing and open reporting based on the outcomes from the event. This though is highly complex and will take longer to set into motion. Key to the success of this will be getting members not only fully on side but also actively engaged.

**Members will be invited to note the report and to comment as appropriate.**

- **MAIB study into the use of ECDIS**

The MAIB have initiated a study, in collaboration with Danish authorities, to see how watchkeepers utilise their ECDIS. This follows a number of accident reports which have indicated that the use of ECDIS has been a causal factor. The aim is to observe how ECDIS is used in practice, and assess that against the manufacturers' and regulators' expectations, with the purpose of informing better design in the future. The UK Chamber is supporting the initiative and has been inviting members to take part. An observer would need to be onboard for up to three days, with data gathered and reports anonymised. The intention is to complete this data gathering phase within the next 12 months.

**Members will be invited to offer to support the study.**

- **Navigation through the Straits of Malacca and Singapore**

IMO Resolution A.375(x) (Navigation through the Straits of Malacca and Singapore) (adopted 14 November 1977) states that deep draught vessels should allow for an under-keel clearance (UKC) of 3.5 m during the passage through the Malacca and Singapore Straits, and recommends that when seaward of Horsburgh Light House, this be increased to 4.0 m to allow for swell.

Over the years this 3.5m UKC requirement has been unofficially interpreted to allow inclusion of the following elements:

- 1.2m allowance for squat assuming a speed through the water of 12 knots.
- 1.3m allowance for tidal plane variance and depth uncertainties (CATZOC errors).
- 1.0m allowance which roughly equates to the 5% static "Bottom Clearance" which is recommended in the PIANC 2014 Channel Design Guidelines for a safe manoeuvring margin.

Inclusion of these elements makes a considerable difference to the loading of transiting VLCCs in particular and thus clarification has been sought.

ICS has raised the matter at the Cooperative Forum in Malaysia with the three littoral states concerned. Singapore has been willing to engage, however, Malaysia and Indonesia are more reticent. The issue will be further pursued in the margins of NCSR 5.

**Members will be invited to note the report and to comment as appropriate.**

**e) Ship design, construction and equipment:**

- **Onboard lifting appliances**

IMO, through SSE and a correspondence group has been developing a new SOLAS regulation and associated guidelines for on board lifting appliances and anchor handling winches to improve the standards of safety. Current discussions are considering a threshold of either 500kg or 1000kg. Some difficulty, exist where stevedores or ancillary equipment are supplied by the port; the chamber has resisted text which suggests that the master should be responsible for vetting qualifications or certificates in this respect.

**Members will be invited to note the report and to comment as appropriate.**

- **Computerised stability support for the master on existing passenger ships**

IMO's Sub-Committee on Ship Design and Construction in January will discuss the requirement for onboard stability computers and / or shore-based support, for use in the event of flooding, for masters of passenger ships constructed before 1 January 2014. This requirement already exists for new ships. Draft guidelines indicate that such a computer should be capable of receiving and processing data to provide the master with updated operational information on the residual damage stability of the ship after a flooding casualty. Whether this is to be manual data only or should include electronic input as well has yet to be determined. Two-way communication links to shore-based support may also be required to provide the master with post-damage residual structural strength information. The system should be pre-loaded with a computer model of the complete hull, including appendages, all compartments, tanks and cross-flooding arrangements. It should be capable of analysing damage stability following any real flooding casualty.

**Members will be invited to note the report and to comment as appropriate.**

- **Ambulatory Reference and Merchant Shipping (Load Line) Regulations 2017**

The MCA has recently consulted on a draft of The Merchant Shipping (Load Line) Regulations 2017, to reflect amendments to the 1966 Convention some of which were passed by the IMO as far back as 2003. From this point, all future amendments to the technical annexes to the Convention will be automatically incorporated into the Regulations by way of ambulatory reference. This will be the first such instrument to use the ambulatory reference procedure, whereby amendments to international conventions enter into UK law automatically, without a final period of public consultation. The opportunity to lobby will be prior to the conference at which the regulation is finalised internationally.

**Members will be invited to note the report and to comment as appropriate.**

- **Inherently buoyant life jackets**

The MAIB's report into the loss of FV Louisa in April 2016 revealed potential shortcomings with the IMO test for inherently buoyant life jackets. The problem relates to the requirement that a SOLAS standard life jacket should be able to keep the wearer in the facing skyward attitude – three fatalities in this accident were found wearing such lifejackets, but face down in the water. The investigation is ongoing and the MCA is collaborating with the MAIB to gather further evidence from manufacturers and is scrutinising associated IMO performance standards.

**Members will be invited to note the report and to comment as appropriate.**

**f) Cargoes:**

- **IGF Code**

Following agreement at IMO CCC3 that provisions for fuel cells should not focus only on fuel cells using LNG but be generic to allow for other types of feed fuels, work at CCC4 progressed but failed to finalise a new part E to be included in the IGF Code. Developments were made in the areas of definitions and terminology, risk assessment, fuel purity, emergency shut-down machinery space, and reformed fuel piping, however the arrangements of fuel cell spaces were deferred until the safety requirements for a fuel cell space are further developed.

Unfortunately, due to time constraints the working group was unable to revise the outcome of the correspondence around the draft technical provisions for the use of methanol/ethanol fuel, however the correspondence group, under the co-ordination of Germany, was re-established to further the work until CCC5.

**Members will be invited to note the report and to comment as appropriate.**

- **IMSBC Code**

With regard to bauxite, CCC4 welcomed the technical research paper of the Global Bauxite Working Group (GBWG) and it was concluded that dynamic separation of the cargo can happen due to moisture content when the cargo is shipped above its Transportable Moisture Limit (TML) which can compromise ship stability. A new draft individual schedule for Bauxite as Group A cargo (liable to liquefy) was prepared in addition to the existing Group C individual schedule. Furthermore draft amendments to the existing Group C individual schedule were prepared and the Modified Proctor/Fagerberg test procedure for Bauxite was accepted and will be included in Appendix 2 of the IMSBC Code.

Until the new draft schedule for bauxite as a Group A cargo becomes effective, the CCC.1/Circ. 2 was revised to raise masters' awareness of the possible liquefaction risks.

On seed cake cargoes, new draft schedules for Seed Cake as Group C and Group B (MHB(SH)), "materials hazardous only in bulk self-heating" were produced to address issues around oxygen depletion in the cargo holds.

Finally, the classification of ammonium nitrate based fertilizer (non-hazardous) as a Group C was discussed and its appropriateness brought into question given the potential of the cargo when heated, contaminated or closely confined, to explode or undergo thermal decomposition to release toxic fumes and gases. Consideration was given to reclassification as Group B (MHB (OH)), "materials hazardous only in bulk other hazard" and the Editorial and Technical (E&T) group was tasked at with further examining the issue and proposing next steps for CCC5 in 2018. A circular to

raise awareness of the risk of the cargo undergoing thermal decomposition was drafted, approved and circulated.

The Chamber supports these developments for which it has lobbied as means to improve crew and ship safety.

**Members will be invited to note the report and to comment as appropriate.**

- **Suitability of high manganese austenitic steel for cryogenic service**

CCC4 reviewed the progress made by the correspondence group set up at CCC3 and general support was expressed by members for the possible use of high manganese austenitic steel plate for cryogenic work leading to the re-establishment of the correspondence group to continue the work. Major discussion revolved around reviewing the safety record of the material when used in a maritime application, and determining what assessments and testing requirements were suitable specifically in the areas of weldability and base metal.

**Members will be invited to note the report and to comment as appropriate.**

#### **g) MAIB reports:**

##### Grounding of ro-ro passenger ferry, Hebrides, Lochmaddy, 25 September 2016

Control of the ferry's port controllable pitch propeller was lost on approach to Lochmaddy. The master attempted to control the ferry's movements but he was unable to prevent it from running over several mooring pontoons and briefly grounding. There were no injuries but the ferry was damaged and had to be dry docked. Findings:

- Loss of control was caused by the loosening of a setscrew within a servomotor assembly
- Thread locking compound had not been used to secure the setscrew
- Service instructions for the servomotor were not available to ship or shore-based engineers
- An alarm system, recommended by the control system manufacturer, had not been fitted
- The bridge and engine control room teams were not sufficiently prepared or practiced to deal effectively with a loss of control in confined waters

##### Grounding of Transocean Winner following the loss of tow from ALP Forward, Isle of Lewis, 8 August 2016

The tug and tow was on passage from Stavanger to Valletta when it encountered severe weather west of the Hebrides. The effect of the wind and waves on Transocean Winner led to the loss of ALP Forward's ability to control the direction and speed of the tug and tow. After being dragged backwards by the tow for over 24 hours, the tow line, weakened by the repeated sudden loadings, parted and the tug was unable to pick up the emergency towline. Findings:

- The tug master did not have the necessary information to predict that the tug would be unable to hold the rig and change his passage plan in time to seek shelter.
- The planning of a passage so close to the coast left little sea room. When the tug lost control, it was very likely that Transocean Winner would have grounded even if the tow line had not parted.
- The tow line was in poor condition. Also, there was insufficient catenary in the deployed tow line which led to repeated sudden loadings resulting in it parting. It is quite possible that a new tow line would have also parted under the same circumstances.

##### Foundering of FV Louisa while at anchor off Isle of Mingulay, 9 April 2017, with three fatalities

FV Louisa sank by the bow and foundered while at anchor in Mingulay Bay, probably due to flooding of the hold. The skipper and crew were all tired and had gone to bed. Findings:

The hold bilge alarm failed to wake them because the alarm sounder in the crew cabin had previously been disabled.

- When abandoning the vessel, the crew attempted to launch the liferaft, but it failed to inflate because its CO2 cylinder was empty. It had not been refilled during scheduled maintenance due to deficiencies in the servicing process.
- They had all donned lifejackets, but became unresponsive through cold water immersion and were later found face down in the water by the rescue services. Subsequent testing has raised concerns about the effectiveness of these lifejackets.
- The hold bilge alarm in the crew cabin had previously been disabled. Consequently, the skipper and crew did not receive any early warning of flooding.
- Significant items of the vessel's lifesaving appliances, including its liferaft, were out of date for service or replacement.
- Before abandoning, the crew activated the EPIRB. UKMCC received an initial alert at 0239, but due to weaknesses in knowledge and procedures, a request for an SAR asset was not made by HMCG until 0322.

#### Capsize of tug Domingue while assisting CMA CGM Simba, resulting in two fatalities, Tulear, Madagascar, 20 September 2016

Tug Domingue was connected to Simba's port quarter to help pull the vessel's stern off the berth. During the manoeuvre, the prevailing tidal conditions caused CMA CGM Simba to move towards a mooring dolphin. To avoid striking the dolphin, Simba's master briefly manoeuvred his vessel ahead. The pilot did not warn the tug that they would be coming ahead and so as Simba built up speed Domingue girted and capsized. Findings:

- Domingue was less manoeuvrable than the port's usual tug, which was undergoing maintenance, and its crew were inexperienced in assisting ships.
- The tug was not fitted with a gog rope, nor did the towing point have any mechanism to release the tow in an emergency. The doors and hatches on the tug were open.
- The extent to which a plan for CMA CGM Simba's departure had been discussed between the pilot and Domingue's skipper before commencement is uncertain. During the manoeuvre no-one on board Simba monitored the tug's position.

#### Grounding of passenger ferry, Royal Iris, in the River Mersey, 10 July 2016

Royal Iris grounded on the remains of a mooring dolphin while manoeuvring toward Eastham lock at the entrance to the Manchester Ship Canal. The vessel's 66 passengers were evacuated without further incident. Findings:

and there were no injuries or pollution. The port propeller and rudder were damaged requiring the

- The bridge team were navigating solely by eye and did not appreciate that the ferry was close to a submerged derelict mooring dolphin. The vessel was not equipped with an electronic chart display and the paper charts used were not referred to
- The post-accident actions of the ferry's crew were immediate and effective

#### Fatal accident during pilot transfer between general cargo vessel Sunmi and pilot launch, in the River Thames, 5 October 2016

The accident occurred during a routine changeover of pilots at Gravesend Reach. Due to choppy seas, the Sunmi had created a lee to facilitate the boarding process. The difference in freeboard between the two vessels was varying between about 30cm and 130cm. A pilot ladder had been rigged, but the sea pilot attempted to board by stepping up and through an open gate in the railings onto Sunmi's main deck. Although not observed, he then fell and was crushed between the two vessels. The subsequent MAIB investigation could not establish whether the fall was a result of the pilot's use of Sunmi's deck gate, a problem with his knee following recent surgery, loss of coordination due to his blood alcohol content being more than double the prescribed limit, or a combination of all three.

#### **Reports issued over the last 6 months**

## **7 Any other business**

### **8 Date of next meeting**

As agreed at previous meetings, the frequency of these meetings should be about twice annually. It is proposed therefore that the next meeting, in the absence of any IMO critical meeting, should be on either 19 or 24 April 2018.

# Minutes of the meeting of the Safety & Environment Committee

Held on Tuesday 25 April, 2017 at 1130  
at the UK Chamber of Shipping,  
30 Park Street, London, SE1 9EQ

## Attendees

Tom Strang (Chairman)	Carnival UK
Guy Adams	MacAndrews & Co Ltd
Jana Ames	BP Shipping
Sandy Apostolatos	Watson Farley Williams
John Cameron	DOF(UK)
Klare Chamberlain	Calmac
Jim Chapman	BP Shipping
Rob Collier	Shell Shipping
Martin Crawford-Brunt	DNV GL
Chris Darville	Helix
Stephen Fairlie	DFDS
Stephen Hughes	Global Marine Systems
Kenneth Hunter	Cemex UK
Aqeel Hyder	Red Funnel Ferries
Simon Jubb	Condor Ferries
Valentina Keys	CMS Cameron McKenna
Tony Kirk	James Fisher Everard
Will Lins	Calmac
Kenneth McConnell	Northern Marine
Graham McKenzie	Serco Northlink Ferries
Dimitris Monioudis	GSCC
Konstantios Papadakis	DNV GL
Andrew Sillitoe	Lloyds Register
John Strathearn	Serco Northlink Ferries
Moto Tsuchiya	LR

WITH

David Balston	Secretariat
Robert Merrylees	Secretariat
Adrian Mundin	Secretariat
Anna Ziou	Secretariat

## 1 Introduction

The Chairman welcomed everyone to the fourteenth meeting of the Safety & Environment Committee.

## 2 Minutes of last meeting

The minutes of the last meeting, held on 13 October 2016 and circulated on 24 October, were agreed. Extant action points were picked up during subsequent agenda items.

### 3 Compliance with competition law

A copy of the Chamber's policy, as approved by the Board, had been circulated with the papers for the meeting. The Committee noted and acknowledged members' individual responsibility for compliance with competition legislation.

### 4 IMO agenda items

MEPC and MSC issues were discussed under relevant agenda items.

## 5 Environment

### a) Review of MARPOL

- Sulphur

#### a) 2020 global sulphur limit

The Committee noted the report provided in the agenda note and the update on the outcome of the discussions held at the 2020 Sulphur Forum which was held on 19 April. Members expressed concerns with regard to compatibility issues that may arise from the use of new fuels and supported that fuel oil non-availability discussions at the IMO should take into account compatibility of locally available fuels with those already onboard. In addition, concerns were expressed that the industry may face a high number of off-spec fuels, especially during the transition period. Finally, no cases when new fuels were tested and found non-compliant in relation to quality aspects were reported.

**Action: The Chamber to lobby for the reporting requirement of fuel oil non-availability to take into account also compatibility issues.**

#### b) Panama Canal requirement on manoeuvring fuel

The Committee noted the information provided and reported that issues encountered in the past related to the lack of information. No further engagement with the Panama Canal Authority was suggested.

#### c) Banning of Carriage of Heavy Fuel Oil in the Arctic

The Committee did not take a decision with regard to the proposed ban on the use and carriage of HFO as fuel in vessels navigation in Arctic Waters. Nevertheless, in the ensuing discussions clarification was sought on how this requirement would apply to vessels that operate in and out of the Arctic area and areas which are not covered by ice during the summer period, whether the ban would expand to the carriage of oil as cargo and whether the definition of the Arctic area goes beyond of the Pole Code definition.

**Post meeting note:** A paper submitted by Canada, Finland, Germany, Iceland, Netherlands, Norway and the United States to the MEPC 71 is asking the IMO for a new output in order to consider options that should be considered in developing measures to reduce risks of use and carriage of HFO as fuel by ships in the Arctic, including ship design and equipment for both new and existing ships, operating constraints, and restricting or phasing out the use of particular types of fuels in all or parts of Arctic waters. The paper clarifies that the output does not refer to the carriage

of oil as cargo, so it is not anticipated to impact oil tankers or drilling activities in the area. The area that is under consideration is the same as the one defined in the Polar Code, which excludes Norwegian ports, a concern raised during the S&E meeting. In addition, the paper highlights that the Polar Code that came into force this year requires ships constructed on or after 1 January 2017 to have fuel tanks that carry oil to be separated from the outer shell by a distance of not less than 0.76 m. Although the “double hull” requirement could be considered a very effective measure for protection of the fuel tanks in the event of a collision, it does not apply to existing ships and therefore, the risk of oil spill from the use of HFO as fuel would still exist for the next 20 years. In any case, the Chamber anticipates that the discussions in the IMO would be political as it would affect largely the Russian shipping. It is, therefore, proposed that the industry remains neutral and focuses on the technical discussions to ensure that they are properly considered. A copy of the submission is attached as an annex to these minutes.

#### **d) Chinese and Hong Kong SECAs**

The Committee noted the report. One member reported that they have been engaged in discussions with the Chinese authorities with regard to the use of exhaust gas cleaning systems and their alignment with the IMO requirements.

- **Carbon**

There was general agreement at the meeting that an environmental resolution, as described in the agenda notes, would be beneficial and would be welcomed by members. The chamber will produce a first draft and circulate to members for comment.

#### **Action: The Chamber to circulate a first draft**

The meeting was given a short brief on the Norwegian Coastal Shipping programme that was received with interest. The Secretariat stated that it would continue scoping this with Maritime UK, DfT and other relevant organisations and would keep the committee fully apprised of progress and any developments.

Discussion then followed on progress of an ICS draft submission to the forthcoming MEPC Intersessional on high level carbon issues. The proactive approach by ICS was very much welcomed, primarily in the hope that this would avert the imposition on shipping of an EU ETS. Whilst a united industry position was welcomed, members felt strongly that this should not be at the expense of the hard won position at ICS.

- **EU MRV – IMO MRV**

The Committee noted the information provided. In the ensuing discussions some members reported that they have already started to develop the EU MRV monitoring plan and reported on the lack of consistent interpretation of the regulation by the verifiers, which in some cases goes beyond the regulatory requirement. In addition, DNVGL reported that they have developed an electronic MRV Monitoring Plan template, available free in their website, to facilitate the development of the monitoring plan by ship owners and managers. Finally, members were invited to note that the Chamber is planning to hold two lunch webinars once the draft EU MRV guidelines are finalised with the view to support members in the development of the EU MRV monitoring plan.

#### **Action: The Chamber to seek clarification from the European Commission with regard to the application of the EU MRV regulation on dredger vessels.**

**Action: Members wishing to participate or promote their services by sponsoring the two webinars are invited to contact the secretariat.**

- **Black carbon**

The Committee considered the report provided and supported that any control measures proposed at the IMO should be validated by cost-benefit analysis. In addition, particulate matters were identified as a key emerging issue that the industry would be required to address.

- **NOX**

Members reported that no experience has been acquired yet with regard to the application of the Tier III requirement in the North American NOx Emission Control Areas and the United States Caribbean Sea NECA as it applies to vessels constructed on or after 1 January 2016.

With regard to the information provided on the DEFRA study, the need for the Chamber to engage in early stage on such initiatives was highlighted.

**Action: The Chamber to circulate the draft DEFRA study to the Committee once finalised.**

- **MARPOL Annex II- discharge of high-viscosity substances**

The Committee considered the report. It was clarified that the proposed pre-wash requirement would affect only chemical carriers that carry MARPOL Annex II products that are persistent floaters. In the ensuing discussions, the need for reception facilities to accommodate the discharge of residues from these cargoes was also highlighted.

- **MARPOL Annex V- Port Reception Facilities**

The Committee noted the report provided. BP Shipping reported that reports submitted to flag administrations on non-availability of adequate reception facilities were not being uploaded in the IMO GISIS system.

**Action: BP Shipping to provide specific evidence to the Chamber in order to raise this issue with the ICS.**

- **IMDG Code – marine pollutants**

The Committee considered the report provided. The Committee did not support the proposal and expressed concerns with regard to the impact that it could have to the misdeclaration of cargoes, marine pollution insurance, the offshore industry and unintended consequences to other regulations.

## **b) Ballast Water Management Convention**

### **a) Implementation schedule of the Convention**

The Committee noted the report provided and discussed the impact that the implementation schedule could have to the second-hand market and to vessels prices more specifically. Concerns were expressed on the legal uncertainty of the outcome of the MEPC 71. In the ensuing discussions, some members reported of their intention to benefit from the extension, whereas others reported that they intend to decouple their IOPP before the entry into force of the Convention. To this end, classification societies recommended that those wanting to decouple should make timely arrangements.

### **b) Short Sea shipping**

The Committee noted the report provided.

### **c) IMO Guidelines for the Approval of Ballast Water Management Systems G8**

The report provided was noted. It was highlighted that the revised G8 Guidelines still remain less stringent than the USCG Type approval process and therefore a full alignment between the two processes could be difficult.

### **d) Experience building phase & contingency measures**

The report was noted.

**Action: Members to provide input on contingency measures that needs to be considered by the ship side.**

**e) USCG update**

The report was noted.

**c) Recycling**

**a) European Ship Recycling Regulation**

The report was noted.

**b) Hong Kong Convention**

The report was noted.

**d) Environment AOB:**

- **Future structure of the S&E Committee**

The meeting was informed of a suggestion made at a recent Supervisory Board that the Safety & Environment Committee might work better as two committees given the increasing size and importance of the issues being debated. There was universal agreement that if the committee is split, the two halves should still meet on the same day given the number of members who would attend both. It was therefore felt the committee splitting them would not add value, though future meetings should allow more time for environmental discussions. This will be factored into the next meeting.

- **Internal changes at the chamber**

The meeting was briefed on internal policy changes within the Secretariat, primarily that Anna Ziou will take over as Policy Director (Safety & Environment) with effect from 1 June 2017, though David Balston will cover the role during her absence on maternity leave, starting in mid July. David Balston will remain Director of Policy but will take over the Defence and Security portfolio.

## **6 Safety**

**a) Review of offshore planning**

- **UK marine planning**

The item was noted.

- **Marine Conservation**

The report on the upcoming third tranche of Marine Conservation Zones (MCZs) was welcomed, with members requested to inform the Chamber if they became aware of any potentially troubling new sites. Thanks was expressed for the Chamber's efforts in raising the aware of DEFRA to the importance of Salt Mead Anchorage in the Solent.

- **Offshore renewables**

Further to the brief on current windfarm planning proposals, the Secretariat indicated that the developers were undertaking a round of workshops with respective stakeholders. These were designed to inform the navigational risk assessments, detailed layout and boundary arrangements prior to the developers attaining planning permission. The chamber would be represented as appropriate.

The Secretariat also mentioned that following the conclusion of the Round 3 developments, the government had no intention of launching a further round of licences, since offshore wind energy targets would have been met. Developers may, however, come forward with discrete proposals, which would be considered on merit.

## **b) Passenger ship safety**

- **Passenger ship damage stability ‘index R’**

The brief, and the concession negotiated for smaller vessels following MSC 97 last year, were noted. An update would be provided following MSC 98 in June.

- **Ro-ro fire safety**

Following the EU’s FIRESAFE study, the Secretariat stated that follow on work at IMO would lead to guidelines and amendments to SOLAS. This could become a significant package of work, with members expressing some concern that the main risk, namely the vehicles being transported, would not be addressed. The Secretariat will remain closely engaged to ensure that any new regulatory package did not become a wish list and that developments followed existing industry best practice.

## **c) Review of safety of navigation**

- **Weighted heaving lines**

The Secretariat reiterated the seriousness of the problem of dangerously weighted heaving lines and, whilst most offenders were amongst poorly trained crews principally from the Far East, members were encouraged to support the campaign to eliminate their use.

- **Update on e-navigation and NCSR**

The brief was noted.

- **COLREGs – placement of side lights on very large ships**

The Secretariat indicated that an amendment to COLREGs would be needed to solve this problem which had been highlighted by IACSs. It was perhaps surprising that the issue had not been highlighted some time ago.

## **d) Safety culture**

The report was noted and the need for greater involvement by all with the Chamber’s website was urged as well as attending the September safety culture forum as detailed in the notes.

## **e) Ship design, construction and equipment**

- **Safe mooring arrangements**

The brief was noted.

- **Onboard lifting appliances**

Following questions from members, the Secretariat said that this work on the design, maintenance and operation of lifting appliances had been initiated at IMO around 2 years ago following a number of accidents, principally due to the poor condition of cargo cranes. It had been pointed out then, that damage was often caused by stevedores who were not the responsibility of the master, nor under his control. The scope had expanded to include loose gear and anchor handling winches, but remain subject to discussion.

- **New requirement for lifeboat ventilation**

The brief was noted.

- **Water tight door anti-crush devices**

Further to the brief, members were of the opinion that water tight doors with anti-crush devices and associated switches were often unreliable. Whilst there was a need to mitigate the risk of accident and injury to individuals, the higher risk to the ship needed to be considered. The chamber will lobby through the MCA to ensure that a straightforward and pragmatic solution is adopted.

- **Development of second generation intact stability criteria**

Members noted the complex and somewhat academic nature of this work being undertaken at IMO.

- **Computerised stability support for the master on existing passenger ships**

Whilst the requirement, as applied to new ships, is relatively straightforward, the lack of computerised design information for older ships made this wider proposal considerably more difficult to apply. The chamber will continue to make this clear to the MCA.

**f) Cargoes**

- **IMSBC Code**

The report was noted.

**g) MAIB reports**

The recent MAIB reports were presented and discussed.

## **7 Any other business**

- **Technology event**

The save the date report for the technology and digitisation seminar at the Chamber on 13 July was welcomed, and members were encouraged to contact the Chamber for speaking opportunities.

- **ICS Engineering Department Procedures Guide**

The Secretariat gave notice that members' assistance to form a small working group may be requested by ICS in the near future.

- **Navigation through the Straits of Malacca and Singapore**

BP Shipping raised the issue of the under keel clearance for vessels transiting the Straits of Malacca and Singapore and the need to clarify the original the IMO Resolution adopted in 1977.

**Action: The Secretariat agreed to form a working group of interested parties to make a submission to IMO through ICS on the subject.**

## **8 Date of next meeting**

It was agreed that the next meeting will be held on Thursday 26 October 2017 starting at 1100 (please note earlier time), finishing by 1600.

## Annex 2

### The UK Chamber of Shipping competition law compliance policy

At its meeting on 20 September 2006 the Board of the UK Chamber of Shipping adopted the following policy statement and resolved that this paper should be circulated to all members of the Chamber:

The UK Chamber of Shipping is committed to a culture of competition law compliance and it is the policy of the UK Chamber of Shipping to comply in all respects with the Competition Act 1998, Enterprise Act 2002 and all other applicable competition laws such as Articles 81 and 82 of the EU Treaty. All formal and informal meetings of the UK Chamber must be held in accordance with the law. Failure to do so places all participants at serious risk, including the possibility of criminal penalties, including major fines, and disqualification from directorships. It will also damage the credibility of the industry. For these reasons, any breach of these guidelines or competition law generally will be treated as a serious matter and may result in disqualification from the UK Chamber.

#### Guidance information:

##### 1. Prohibited Activities

- 1.1 UK Chamber activities must not involve discussions or agreements between members on:
- prices, discounts, rebates or allowances
  - territory or customer allocation
  - co-ordinated action to eliminate a competitor or collective boycotts
  - limitation of output or supply
  - bids to customer
- 1.2 exchange of information on prices, discounts, rebates or allowances is generally only unproblematic if the information exchanged is historical and presented to members in aggregated form (see further below on exchange of information in the context of trade associations).

##### 2. Other potential problem areas

Agreements under the auspices of, or decisions/recommendations by, the UK Chamber on the following may give rise to an infringement of the competition law rules:

- Joint buying/selling (generally, joint buying/selling will only be allowed if those participating are minor players in the market concerned);
- Adopting uniform technical standards if they limit the range of products or services that members can offer or if they act to exclude non-members from the market in question;
- Obliging members to use a standard set of terms and conditions of sale or purchase;
- Exchanging certain business statistics (see further below for details of which exchanges of information would be permitted).

### **3. Exchange of business statistics**

UK Chamber members must not exchange current business statistics directly between themselves. The provision of historical information concerning such matters to the UK Chamber is perfectly lawful although it should not be necessary to reveal even to the trade association the identity of individual suppliers or customers. In general terms data over 3-6 months old may be provided to the UK Chamber but for types of data older than this which may remain "live" and of current commercial sensitivity, the information should not be provided to the UK Chamber until it is only of historical interest. If there is any uncertainty on this point, Members should err on the side of caution. Members must not seek or obtain from the UK Chamber access to any business information submitted by any other member, or information as to a member's position relative to other individual members.

The receipt from the UK Chamber of aggregated statistics, which do not permit the performance of any individual member to be revealed, is lawful. However, if there are so few companies contributing that even the aggregated statistics allow individual performance to be revealed, this needs separate consideration.

### **4. Legitimate topics**

Competition law recognises that trade associations exist for the benefit of their members. Therefore general discussions and expressions of opinion concerning market outlook or conditions affecting suppliers or customers generally are usually unobjectionable, provided they do not have the purpose, and would not be materially influential in, determining the future conduct of the other participants to the discussions. The more specific the information revealed, the more likely it is to be regarded as unlawful.

Joint discussions on health & safety issues, potential future legislation and the like are almost invariably unobjectionable.

### **5. In the event of a "suspect" matter arising**

Each member of the UK Chamber's staff is required to act in such a way as to avoid any breach of applicable competition laws. Secretaries of committees have additional responsibilities in respect of the committees for which they are responsible. In particular, they must ensure that the committee does not infringe any applicable competition laws. Any actual or potential breach of competition law must be advised immediately to the Director-General.

If a member of staff has any concerns relating to competition law, he or she should:

- refer the matter promptly to his or her line manager, or to the Director-General; and/or
- seek advice from the Company Secretary.

An audit will be undertaken on a periodic basis as agreed with the Director-General to provide reasonable assurance that the policy is working properly and to enable risk areas to be identified and addressed.

### **6. Membership of the UK Chamber**

The rules relating to membership of the UK Chamber must comply with the competition law rules. Competition law may be infringed where a company is excluded from the UK Chamber and the

effect of that exclusion is to put it at a competitive disadvantage compared with those who are members of the UK Chamber. The following may raise issues:

- The rules of admission. These should be proportionate, non-discriminatory and based on objective standards. For example, a requirement that members have a certain minimum turnover may be anti-competitive, as it excludes smaller players from the UK Chamber.
- Contributions to the UK Chamber. Where members are required to contribute financially or otherwise to the UK Chamber, the contributions should be divided amongst the members in a non-discriminatory way.