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**News from the USA  
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## ***ISPS Security Compliance Exams***

The U.S. Coast Guard utilizes a risk-based tool, or matrix to identify a foreign vessel for a security examination. According to the Coast Guard, the matrix provides two benefits. First, targeting allows the Coast Guard to use its resources more effectively, and, second, well-managed vessels receive less frequent examinations.

The targeting matrix is available on the Coast Guard Port State Control Website, [www.uscg.mil/hq/g-m/pscweb/Publications.htm](http://www.uscg.mil/hq/g-m/pscweb/Publications.htm). The ISPS/MTSA Security Compliance Matrix contains five elements. Each element provides a score based on the risk factors due to ship management, flag state, the recognized security organization, security compliance history, and last ports of call. Once scores are determined for each of the five elements, the Coast Guard Captain of the Port adds them together to generate an overall score for a particular vessel.

In many cases, ISPS Compliance Exams are conducted in conjunction with the Port State

Control Safety Examination; however, the Coast Guard may conduct such exams separately.

Current Coast Guard data shows the two most commonly found ISPS deficiencies leading to vessel detention are a vessel's failure to maintain access control measures at the vessel point of embarkation, and failure to meet Restricted Area requirements.

We are aware of a recent case, whereby Coast Guard officers walked onboard a ship, without seeing anyone on deck controlling and monitoring access. They then managed to walk around the accommodation block on different decks, were seen by crew members who never challenged them to find out who they were, what they were doing onboard, etc.

This resulted in the USCG stopping all cargo operations, ordering the vessel to leave the berth as soon as possible to go to anchor where the ship would receive a full ISPS and PSC inspection the next day. Permission to go back alongside and resume cargo operations was subject to the result of these inspections.

In another recent incident, the Coast Guard came aboard a container vessel and found the vessel's gangway security watch did not have a list of stevedores, as required by the vessel's Ship Security Plan (SSP), nor was there any access control for stevedores coming on and off the vessel. All other visitors were properly being processed in accordance with the SSP. Based upon this lack of stevedore access control, cargo operations were ordered shutdown and all non-crewmembers ordered off the vessel, so a search of the vessel for non-authorized persons could be accomplished. Two hours later, cargo operations resumed. The vessel was also issued a Notice of Violation and fined \$3000, which was required to be paid, prior to the vessel departing the port.

In another incident aboard a Pure Car Carrier, the vessel was maintaining access control for stevedores in accordance with their SSP;

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however, the Coast Guard deemed their procedures inadequate and required an alternative security measure for the company's vessels calling their COTP zone.

All these incidents point to the need to maintain proper and vigilant access control. In addition to the financial losses incurred by these incidents, the vessel's, company's, flag state's and RSO's history are impacted, resulting in more points being given under the targeting matrix, and the likelihood of more frequent Coast Guard boardings during future U.S. port calls.

### **Coast Guard MARPOL Annex I Inspections**

In the last CSI Newsletter, we wrote about the Coast Guard's new MARPOL Annex I enforcement guidance for Port State Control (PSC) Boarding's. The Coast Guard Policy Letter 6-01 has been in effect since January this year.

In response, the Philadelphia Coast Guard COTP has developed a checklist to enforce the provisions of the Coast Guard Policy Letter. While we have not seen such a checklist used in other U.S. ports, vessels should ensure they are prepared for such an exam in all U.S. ports. Following is a copy of the checklist to help prepare your ship for such a MARPOL I exam.

- ✓ Review Oil Record Book (ORB) and compare with the IOPP.
- ✓ Determine the tanks that the OWS can take suction from or if they take suction directly from the bilge.
- ✓ Ask to see tank-sounding log for those tanks.
- ✓ Sound the tank that suction will be taken from. Ask engineer to convert sounding to cubic meters.
- ✓ Ensure that the overboard discharge for the OWS is secure or disconnected.
- ✓ Have engineers align the OWS to take suction from one of the tanks and discharge to the bilge. DO NOT start the OWS yet.
- ✓ Review the OWS manual and try to determine the manufactures procedures for testing the oil content meter (OCM).
- ✓ Operate the OWS for 15 minutes.

- ✓ Observe the discharge to the bilge and assess the color and quality.
- ✓ Test the OCM in accordance with manufactures guidelines.
- ✓ Observe alarms and shut downs.
- ✓ Sound the tank that suction was taken from and ask how many cubic meters are in the tank. Compare sounding to the max through put in the IOPP and assure it is not exceeding the parameters and that it is similar to the throughput logged in the ORB.
- ✓ Verify that no electrical bypasses, jumpers or extra switches are installed.
- ✓ Verify that bilge piping matches OWS piping diagram.
- ✓ Compare the Safety Management System requirements for the OWS maintenance to actual maintenance conducted.
- ✓ Review OCM calibration records if available.
- ✓ Look for the presence of cleaning products that may be used to emulsify oil in the bilge.
- ✓ Determine bilge water accumulation for 1 month, using bilge transfer records in the ORB.

### **AMPD Coverage Update**

On March 27<sup>th</sup> the Coast Guard issued an update regarding the Average Most Probable Discharge (AMPD) coverage issue. The confusion about this matter began after the Coast Guard released their Advisory 16450 in June of 2002, in which they advised plan holders to submit verification of AMPD coverage from Marine Transportation Related (MTR) facilities before engaging in transfer operations. Prior to this date, cargo transfers at a facility proceeded without difficulty, as it was simply understood pursuant to the regulations that the facility would provide the AMPD coverage. The premise is based on the facility's requirement to file their own Facility Response Plan and to identify response resources, by contract or other approved means, to respond to an AMPD spill. While the Coast Guard later rescinded the request for written verification, the advisory created a process by which vessels were effectively forced to arrange separate AMPD coverage when calling to MTR facilities because



vessel owners were still required to affirmatively confirm that the facility would respond on their behalf. Most facilities were unwilling to offer such confirmation and, as a result, vessels could not rely on the facility's AMPD resources, creating considerable extra cost to vessels and their charterers.

After review of the regulations, the Coast Guard has determined that it is not necessary to require both the facility and vessel operators to contract for resources to respond to an AMPD type event. If the facility has already identified response resources in their Facility Response Plan (FRP), these same resources can be used to respond to an AMPD spill from a vessel conducting transfer operations. However, the USCG is firm in its position that the regulation does not relieve the vessel owner or operator from its role as the responsible party if an oil spill were to occur from a vessel during transfer operations.

While there has not been any immediate reaction from the facility operators regarding the USCG memorandum, it is expected that MTR facilities will abide by this update and resume providing their AMPD response resources to vessels calling at their terminals. While AMPD coverage arrangements will no longer be necessary for cargo transfers at facilities with a valid FRP, AMPD coverage is still required for vessel-to-vessel lightering operations and in situations where a facility does not have its own coverage. We are aware that some facilities, despite the new Coast Guard ruling, still refuse to extend their AMPD coverage to vessels calling their facility, which in turn requires the vessel to arrange their own AMPD coverage. Compliance Systems is always available to arrange AMPD coverage requests from our vessel clients.

### **C-TPAT Update**

The US Customs and Border Protection (CBP) issued a set of [Frequently Asked Questions](#) (FAQ) regarding minimum-security criteria for sea carriers that participate in the Customs-Trade Partnership Against Terrorism (C-TPAT). Among other things, the FAQ state that sea carriers that participate in C-TPAT have 90 days from March 1, 2006 to implement new [Minimum Security Criteria](#). By that date, the carrier's security plan must address: (1) business

partner requirements; (2) container security; (3) physical access security; (4) personnel security; (5) procedural security; (6) security training and awareness; (7) physical security; (8) information technology; and (9) security assessments, response, and improvements.

### **New Washington State Ballast Water Requirements**

The State of Washington has passed a law that will prohibit the discharge of improperly exchanged or treated ballast water into Washington State Waters after July 1, 2007. This means current safety exemptions for exchange will no longer be allowed after July 1, 2007. This law affects all vessels in commerce of three hundred gross tons or more, carrying ballast water into Washington State Waters. Washington State Waters are defined as waters of Washington State, the Columbia River system, or the internal waters of British Columbia south of latitude fifty degrees north, including the waters of the Straits of Georgia and Juan de Fuca.

By July 1, 2006, operators must submit a report to the Washington Department of Fish and Wildlife ((WDFW) describing how they will meet the July 1, 2007 requirements. An electronic copy of the reporting form and instructions may be downloaded from the following website:

<http://www.marineexchange.com/>. There is a button on the left side of the page that links you to a PDF information and instruction form.



### **News From the Coast Guard**

#### **Marine Casualty Reporting**

Since January 2006, the U.S. Coast Guard has expanded its regulations for the reporting of marine casualties. The new rules, amending 46 CFR Part 4 and contained in the Federal Register dated December 16, 2005 specify that "significant harm to the environment" will become a reportable marine casualty category. The definition of significant harm is contained in the new section 46 CFR 4.03-65. Previous rules specified only four reporting categories: death



of an individual, serious injury to an individual, material loss of property, and material damage affecting the seaworthiness of a vessel. The reporting of such marine casualties applies to all vessels in U.S territorial waters (12-miles). Additionally, the revised regulations require foreign registered tank vessels to report casualties involving material damage affecting the seaworthiness or efficiency of the vessel or significant harm to the environmental, which occur within the 200-mile Exclusive Economic Zone (EEZ).

The new rules state that an immediate verbal notice of a casualty is required, which states the nature and extent of injuries, and the extent of property damage. A written report must then be filed within five days, including a report for chemical, drug, and alcohol testing.

### ***Non-Tank Vessel Response Plans***

The Final Rule regulating the requirement for a non-tank vessel to have a Non-Tank Vessel Response Plan (NTVRP) has not yet been published. As per USCG Headquarters, a Proposed Rule should be available in Spring 2007, with a Final Rule available in 2008. This does not mean, however, a non-tank vessel is not required to have a NTVRP. The requirements of the law, specifically state, that all non-tank vessels calling U.S. waters shall prepare and submit a VRP no later than August 9, 2005, are mandatory. To assist vessel operators in the preparation and submission of such plans, the Coast Guard issued Navigation and Inspection Circular (NVIC) 01-05. This

provided guidance on complying with the law. The U.S. Congress did not provide a penalty for violating the law; but only for violating a regulation issued under the law. If a vessel or owner or operator has not submitted a plan, they are in violation of the law and the Coast Guard, while not processing a civil penalty action, is writing and documenting such failure as a deficiency under their Port State Control Program. In a similar fashion, compliance with the NTVRP, is also mandatory under the law. This includes QI drills, Emergency Procedures Exercises, Table Top Exercises and training requirements, established in the NTVRP. CSI will soon be coordinating Table Top Exercises for our Non-Tank clients. Please contact our office if you have any questions.

### ***Post-Casualty Drug & Alcohol Testing Reminder***

In our last newsletter, we discussed the new Coast Guard requirements for post-casualty drug and alcohol testing. These new requirements are effective June 20, 2006. The most significant requirement for immediate compliance is the need to have a sufficient number of alcohol test kits aboard the vessel. The alcohol test kit used on board must be listed in the Conforming Products List published by the National Highway Transportation Safety Administration. Compliance Systems has information on such kits and can refer you to a drug and alcohol screening company that we have worked with and recommend.



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