

# ReportISM



The ISM Code Magazine...  
by experts for professionals.

INSIDE ISSUE 12

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# Dr Phil's Diagnosis

Welcome to issue 12 of our electronic newsletter 'ReportISM' which is again full of relevant and topical features directly linked to the ISM Code and the management of safety on board ships.

Specifically in this issue we again emphasise the need to use accidents and near misses as learning opportunities – looked at in light of the tragic loss of so many lives from the Philippine ferry 'Princess of the Stars' – see article 'Learning from Loss' on page 3. We also highlight important developments with the Tanker Management and Self Assessment (TMSA) with the recently published and updated TMSA2 – see the article on page 6.

Another interesting issue considered in this issue is a change in emphasis on training from purely 'length of time served' to focus squarely on actual skills and experience gained as developed in initiatives such as INTERTANKO's Tanker Officer Training Standards (TOTS) – see article 'Time no Guarantee' on page 7

I have also been out and about since the last issue of ReportISM! The article on page 3 – 'Designated Superhero' – reflects some of the comments and suggestions I put forward on the role of the DPA at the first of the Nautical Institute 'Command Seminars' which was held in Antwerp in June. In the 'out and about' section on page 8 I reflect upon further presentations at the conference of the International Bar Association, held in Athens in June and a conference organised by the Regional Marine Pollution Emergency Response Centre for the Mediterranean (REMPEC) which was held at EMSA in Lisbon, also in June.

There is an old expression which encourages us to 'Practice what we Preach' – which is surely a good philosophy to live by. Accordingly, I am pleased to announce that the Quality Management System of ConsultISM Ltd. is now fully BS EN ISO 9001:2000 accredited. We are also close to full accreditation for the Environmental Standard 14001



*'This document certifies that the quality management system of Consultism Limited*

*has been assessed and approved by QMS International plc to the following quality management systems, standards and guidelines:  
BS EN ISO 9001 : 2000*

*The approved quality management systems apply to the following:-*

*The Provision of Marine and Safety Management Technical Consultancy Services, The Design and Supply of Training Programmes in Marine, Insurance and Risk Related Subjects.  
The Provision of Third Party Management Reviews / Audits for Ship Operators, Marine Insurers, Administrations, Charterers and Banks.'*

I hope you enjoy this latest issue of ReportISM and if there is anything you believe ConsultISM can help you with then please do contact me.

Keep safe – best wishes

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## Learning From Loss

The tragic sinking of the Philippine ferry, “Princess of The Stars” during a raging typhoon, showed once again that even with the ISM Code in place there are too often lessons ignored, and all too many occasions when corrective action is simply never taken.

With the finger pointing beginning in earnest it seems “Princess of The Stars” may have been a casualty not simply of the weather, but of compounded errors and of lessons being seemingly ignored.

There are of course many wider issues to emerge from the loss. Local campaigners and the media cite lax government regulations, inadequate warning equipment of government agencies, private-sector malpractice and a reactive Philippine Congress as all pointing to a “disaster waiting to happen”.

While ReportISM is perhaps not the best place to debate such wide reaching accusations, we can certainly look more closely at the emerging specifics of the case, and gain a picture of where the ISM Code adherence may have ensured a different outcome, or where it may have at least helped mitigate the risks.

One of the first facts to emerge was that this loss was not the first to hit the owners, Sulpicio Lines. In fact the

company has had an extremely chequered history, with a number of high profile casualties and losses.

According to The Philippine Daily Inquirer, Sulpicio Lines has suffered 45 accidents since 1980. Six Sulpicio vessels have collided with other ships, six have caught fire, seven have had engine problems and stalled at sea, and 19 have run aground.

The heaviest Sulpicio Lines loss was the 1987 sinking of the “MV Doña Paz”, when as many as 4,300 people died in the worst peacetime maritime disaster ever.

While we do not wish to speculate too wildly, or indeed add to the difficulties being experienced by the company, it has to be said that such an incredibly high rate of loss does hint at some real safety management issues.

One of the most pivotal requirements of The ISM Code is Chapter 9 *“Reports and Analysis of Non-Conformities, Accidents and Hazardous Occurrences”*.

This Chapter goes onto state:

*“9.1 The safety management system should include procedures ensuring that non-conformities, accidents and hazardous situations are reported to the Company, investigated*

*and analysed with the objective of improving safety and pollution prevention.*

*9.2 The Company should establish procedures for the implementation of corrective action.”*

It is difficult to see where, across a history of such significant loss, that this shipowner had acted to instigate the requirements of Chapter 9. Across a litany of 45 accidents and losses there should have been lessons learnt and action taken.

Proper implementation of The ISM Code saves lives – but in resolutely carrying on regardless, companies who do nothing to learn from their mistakes will simply go on to have more and more accidents.

Perhaps the only positive to ever emerge from an accident is the ability to learn from it, and to improve to ensure they are not likely to happen again. In The ISM Code this is a clear requirement, and it seems incredible that in the face of accident after accident there was seemingly little or no corrective action taken by the Company.

We can only hope that at least we in the wider industry can learn from such incidents. While there will always be those who blunder blindly onwards, ignorant of what they need to do and why, hopefully quality owners and operators can learn from the mistakes, the over confidence, the lack of commitment to improvement, to ensure that lessons are learned, and the provisions for corrective action are in place.



# DESIGNATED PERSON

## ...SUPERHERO OR FALL GUY

Dr Phil Anderson, MD of ConsultISM was one of the speakers at the recent Nautical Institute International Command Seminar in Antwerp, exploring the relationship between the Designated Person (DP), the command team and the rest of the shipping industry.

According to Dr Anderson, ineffective Designated Persons (DPA) are the "Achilles heel" of safety management. Despite this, all too often serious problems are overlooked, until something goes wrong.

Part of the problem is the lack of an industry-wide agreement on what the DPA is actually supposed to do. Some hold very senior positions and are consulted before any major decision. Others are young graduates, wheeled out once a year when the recognised organisation appears. While there are those that wear a number of other hats, the Operations Manager or the Technical Manager – as well as being the Safety Manager, Security Manager. Some companies even sub-contract out the role, with the DPA residing in a different city.

Whoever the DPA may be, accidents and claims can frequently be traced to weaknesses in the safety management system (SMS) that, in turn, are a consequence of an ineffective DPA.

With the 10th anniversary of the phase one deadline for ISM implementation imminent, there remain a number of grey areas regarding the role, function and responsibilities of the DPA – and the potential consequences if these are not performed efficiently and effectively.

If we break down Section 4 of the ISM Code we can identify three distinct but related functions of the DPA:

- Provide a link between the ship and office ashore;
- Have access to the highest levels of management;
- Monitor the operation of the SMS and to ensure it is adequately resourced.

Linked to these express requirements, there are many more 'implied' ones. We contend that the original drafters of the Code saw the DPA role as a conduit for the communication flow on matters of safety to freely pass in both directions: traditionally, the marine superintendent would often perform such a useful function.

To facilitate such communication, the DPA must be well known, trusted and respected by those on board the ship and in the office ashore. They must be seen to be effective, to deal with issues, to provide leadership and support and ensure that feedback loops are always closed.

With such diverse people and philosophies it is clear that serious mistakes are often made. The lack of a clearly defined industry model DPA means that all too often

companies are failing to achieve positive benefits from their SMS. Unfortunately many systems simply generate large volumes of paper, with the role of DPA reduced to ensuring that all the boxes are ticked on all the forms and filed away neatly to keep the auditor happy.

Such an approach is both a waste of resources and a wasted opportunity. The bottom line is that many a SMS has stagnated because the DPA has not received relevant training in management systems and safety management. Often the first time these deficiencies come to light is following a major incident when an external consultant or lawyer puts the company SMS under the microscope.

Quite recently steps have been taken at IMO to clarify the position with regard to the DPA. At the meeting of the Maritime Safety Committee (MSC) in October 2007 two important and relevant circulars were issued:

- **Circular MSC-MEPC.7/Circ 5:** Guidelines for the Operational Implementation of the International Safety Management (ISM) Code by Companies
- **Circular MSC-MEPC.7/Circ 6:** Guidelines on the qualifications, training and experience necessary for undertaking the role of the Designated Person under the provisions of the International Safety Management (ISM) Code.

We covered these training guidelines in more detail in the issue 10 of ReportISM. While the guidelines are a positive move in the right direction, it seems they should have gone further and provided more specific detail of training requirements. However, by following these

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Guidelines a company stands to improve the way in which it manages safety with the positive benefits that will bring.

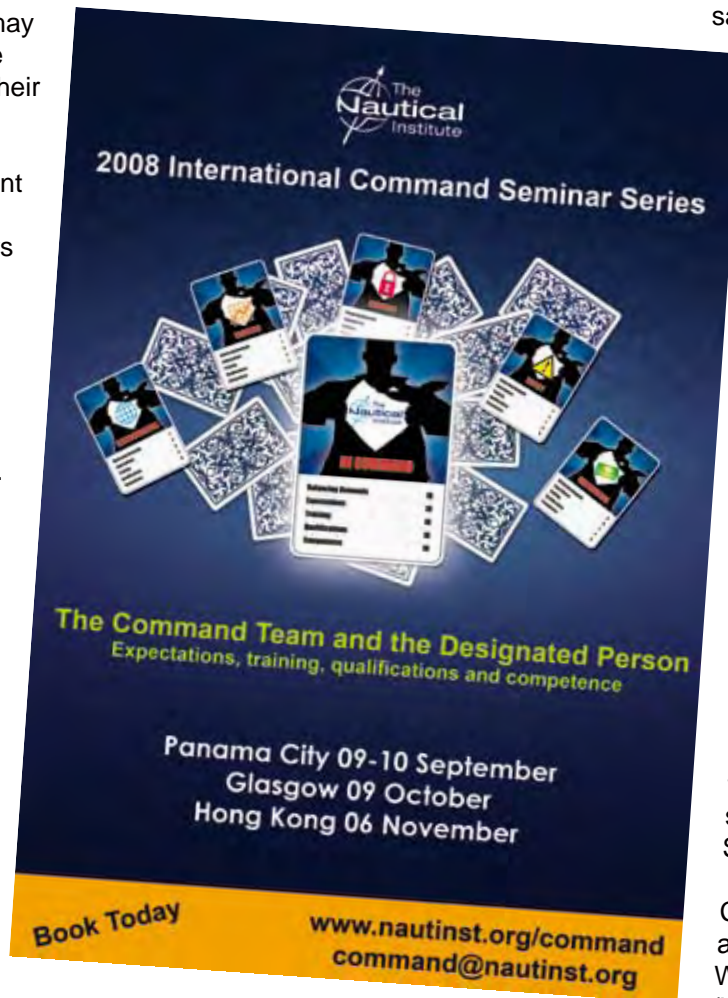
Those companies that may be tempted to ignore the Guidelines, or feel that their own DPA does not need any training should be reminded that in the event of a major incident the investigators and lawyers are very likely to require sight of the evidence to show that the DPA was properly qualified and experienced and had been receiving proper and appropriate training.

This could be in respect of establishing whether a ship operator had exercised the necessary degree of 'due diligence'. If that due diligence has not been achieved, the ship operator may lose its defences under Hague Visby Rules, for example, or under their hull and machinery contract – with very expensive and unwanted consequences.

In addition to this extremely well received first event in Antwerp, the Command 2008 series will be held across 3 other international locations:

- **Panama – 9th and 10th September 2008**
- **Glasgow – 9th October 2008**
- **Hong Kong – 6th November 2008 – where Dr Phil Anderson will once again be presenting a paper.**

For more details see [www.nautinst.org/command](http://www.nautinst.org/command) or email [command@nautinst.org](mailto:command@nautinst.org)



## DPA Training

Appropriate structured training for ISM Designated Persons Ashore (DPA's) is not only a good idea but is required to satisfy the requirements set out in IMO Circular MSC-MEPC – 7/Circ.6 – 'Guidance on the Qualifications, Training and Experience Necessary for Undertaking the Role of the Designated Person under the provisions of the ISM Code.

This is also important in light of IMO Circular [MSC-MEPC – 7/Circ.5](#)

- 'Operational Implementation of the ISM Code by Companies'.

Clearly a DPA who is better informed and skilled in marine safety management will be a much greater asset to the Company and its ships – but receiving the correct training is crucially important. Also, increasingly, Flag State Administrations, and Recognised Organisations acting on behalf of Administrations when undertaking initial, annual or renewal verifications of the DOC will require sight of objective evidence to demonstrate what training and updating the DPA has received. It is likely that a number of training providers may come forward offering training to satisfy the requirements and no doubt there will be some good and worthwhile providers and some who will no doubt offer the 'off-the-shelf' packages to sit alongside the 'off-the-shelf' Safety Management Manuals.

ConsultISM has been working alongside the UN / IMO World Maritime University (WMU) and Videotel in a joint venture initiative to produce an impressive and authoritative learning programme for DPA's which we strongly recommend. The Videotel product will be available shortly but the WMU will be running a 5 day practitioner course based at the University campus in Malmo from 8 – 12 September 2008.

Full details of the 'Professional Development Course (PDC) for Designated Persons' can be found on the WMU Website [www.wmu.se](http://www.wmu.se)

The number of participants will be limited to 15 and it is therefore strongly recommended to register early to avoid disappointment.



The Tanker Management and Self Assessment (TMSA) guidelines were launched in 2004 as a guide to best practice for tanker operations. The programme developed by the Oil Companies' International Maritime Forum (OCIMF) looked to build on the foundations of the ISM Code.

While the ISM Code was the vanguard of the change in culture within the shipping industry, the standards and philosophies it introduced have been built upon by TMSA to move even further towards a more accountable and transparent safety culture. The scheme meshes with the Ship Inspection Report Programme (SIRE), and thus provides a link between the perceptions of owners and of the vetting inspectors. Though unlike SIRE, where reports are sold to subscribers, the results remain in the hands of the operators.

TMSA has evolved into a major risk assessment tool, used to assess whether a ship should be accepted to carry an oil or gas cargo. Some 728 ship operators have access to the TMSA website, with global interest reflecting tanker ownership, with 107 users in Greece, 66 in Japan, 49 in Singapore and 62 in the US.

The TMSA programme provides ship operators with a means to measure and improve their management systems. The scheme sees ship operators assessing their operational,

safety, quality, and environmental procedures against listed Key Performance Indicators (KPIs). The results of these assessments can then be used to develop an improvement plan, to achieve "safety and environmental excellence".

The scheme has been a widely acknowledged success, and has been credited with the improvement of management practices throughout the tanker sector. However, all things must evolve and so on the 1st July 2008 a revised and enhanced Tanker Management and Self Assessment (TMSA2) programme was launched.

After much consultation and development work, the new edition of the TMSA has set out to improve some key areas in the programme. The guidance on achieving the required improvements in performance has been enhanced, as has the ability to react to and build upon the experiences and feedback from OCIMF members, vessel operators and other Industry Organisations. This means that those within the scheme can quickly implement best practise, and so can achieve the necessary progress against their own KPI's the scheme requires.

The TMSA 2 update also ensures consistency with the current international conventions and industry practices. So the scheme has been brought right up to date and

instep with the current legislation that has emerged since the 2004 launch.

Amongst other improvements, there has been a re-arrangement of many of the Key Performance Indicators (KPIs) into a more logical sequence, and perceived anomalies in the text have been clarified. While the programme has seen a significant overhaul, TMSA2 keeps to the original aims of helping ship operators measure and improve their safety management systems, while encouraging detailed and consistent assessments of safety management.

One of the primary changes is in expanding the scope of TMSA to help encourage the programme to be fully utilised by all tank vessel operators, including those operating small coastal vessels and barges. As such the new version of the system takes account of the variety of users, referring to 'vessels' rather than 'tankers' in its text.

This move away from the more traditional "larger" vessels has therefore opened the scheme to a wider audience. As such non-tanker operators are increasingly buying into the best practice generated by TMSA. Indeed it appears that bulk carrier operators and owners are now beginning to use the scheme as a means of assessing their own safety management systems.

The fact that other sectors are looking to learn from the significant success the tanker trade has had in reducing accidents and of the "long hard look in the mirror" that TMSA forces operators to undertake is hugely positive. Learning from others and harnessing best practise can only make vessels safer, and it seems the great tool that TMSA is set to be even more valuable to shipping with this new version.

See [www.ocimf-tmsa.com](http://www.ocimf-tmsa.com)

Across a number of high profile recent accidents, we have been shocked and disappointed by the number of “experienced” seafarers that have made lethal mistakes, acting without taking proper precautions.

Such actions taken by people with many years of seagoing experience, have made us assess the issue of whether “time served” is a robust enough concept, and whether there is a greater role for schemes such as INTERTANKO’s Tanker Officer Training Standards (TOTS) initiative across all vessel types.

TOTS is an ambitious and innovative project, which seeks to move away from simply counting dates and days at sea, but instead looks at the actual skills and experience gained.

The main aims of the system are to provide the tanker industry with a clear standard of tanker officer competence, and to produce consistent onboard and onshore training and assessment. TOTS is also aimed at addressing the reported current rise in tanker accidents.

In addition, the scheme is designed for shipping companies that use officer matrix requirements as a means of easing the difficulties often encountered when managing differing oil company requirements. The “officer matrix” elements often pose operational difficulties for owners, particularly in the current manning climate.

An officer’s experience in rank and familiarity with the company operating and ISM systems, are vital elements for safe operations. However, it seems that tanker owners are increasingly finding themselves subject to “time in rank” and “time



with company” requirements which are competing and contradictory, and which can be difficult to comply with.

These pressures led INTERTANKO to develop the TOTS system as a means to establish officers’ competence for general shipboard operations, as well as for specific tanker types such as crude, product and chemical tankers.

The aim is for TOTS to be accepted as the norm for competent tanker officers, while providing an alternative measuring tool to “sea time” or “calendar years” for both time in rank and with the company.

TOTS does not replace the officer matrix requirements, it simply eases compliance with the requirements, by offering a structured, controlled auditable process to ensure the officer in question has undergone enhanced competency training and has an understanding of compliance with industry rules and regulations, as well as the company safety management system.

The scheme does appear to be a positive step, and a means of better applying the requirements of Chapter 6 of The ISM Code, “Resources and Personnel”. Amongst these requirements the Company must ensure the following:

6.4 The Company should ensure that all personnel involved in the

Company’s safety management system have an adequate understanding of relevant rules, regulations, codes and guidelines.

6.5 The Company should establish and maintain procedures for identifying any training which may be required in support of the safety management system and ensure that such training is provided for all personnel concerned.

It seems to us at ConsultISM, that the knowledge, experience, competence and skill are far more important than simple time served. A scheme such as this which can aid not simply the Company, but which streamlines commercial business while easing the burden on the very best officers is an important development, and one which should be applauded.

With recognition from The Nautical Institute and IMarEST it would seem that we are not alone in our praise for TOTS. We hope that in training ships’ officers to understand not only what they have to do and when to do it, but also the consequences of not doing things right, we will see a generation of tanker officers who are freed of the burden imposed by counting calendar dates, and who are able instead to concentrate on learning the skills which will keep them, their colleagues, the environment, their vessels and cargoes safe.

See [www.intertanko.com](http://www.intertanko.com)

# ConsultISM: Out and About

Dr. Anderson and ConsultISM continue to be invited to participate as speakers at very high profile events. June was a particularly busy month, with seminars and conferences in Athens, Lisbon and Antwerp..



ATHENS

From the 8 to 10 June the International Bar Association (IBA) - Maritime and Transport Law Committee annual 'International Maritime Law Conference' - was held in Athens Greece.

Demonstrating the increasing recognition being given to the ISM Code by the International Legal Profession a full afternoon session was devoted to the 'Developments in implementation and effect of the ISM Code'. The session was chaired by Chilean Lawyer Ricardo Rozas of L&R Abogados, Santos and included a truly International panel of speakers who provided a wide range of observations from various perspectives:

- Dr. Phil Anderson – ConsultISM Ltd. – Northumberland - UK
- Mr Vince DeOrchis – DeOrchis & Partners – New York - USA
- Dr. Jan Dreyer – Dabelstein & Passehl – Hamburg – Germany
- Mr Tony Fielder – Senior Claims Director – Thomas Miller (Hellas), Ltd – Piraeus – Greece
- Mr James Gosling – Holman Fenwick & Willan – London – UK

A lively debate followed the presentations involving the delegates from nearly forty different countries. By the end of the Conference plans were already being put in place to give further attention to the ISM Code next year.

## ANTWERP

Antwerp, Belgium, hosted the first of a series of four Nautical Institute Command Seminars being held in 2008 – each one focusing upon the important role of the Designated Person. Dr Anderson, the immediate Past President of the Nautical Institute, joined a most impressive panel of speakers who put forward perspectives from across the international industry – both seagoing and shore based. A summary of Dr. Anderson's presentation appears in the detailed article 'Designated Superhero' which appears on page 3 of this issue of ReportISM – a full copy can be accessed through the ISM educational website – InformISM – [www.ismcode.net](http://www.ismcode.net)

## LISBON

The third event also involved an international gathering of speakers and delegates held at the offices of the European Maritime Safety Agency (EMSA) in Lisbon, Portugal from 17 to 19 June. The seminar had been organised by the United Nations Agency – the Regional Marine Pollution Emergency Response Centre for the Mediterranean Sea (REMPEC) – which is based in Malta with a general theme focusing upon the 'Human Element on Marine Accidents'. Presentations were given by speakers from inter-governmental bodies such as IMO and EMSA as well as a number of Maritime Administrations and the European Maritime Accident International Investigators Forum (EMAIIIF). Authoritative papers were also presented by a range of experts from the shipping and marine insurance industries.

Dr. Anderson presented two papers – the first providing a personal reflection on the 'Implementation of the ISM Code – 10 Years on' but the second paper was to provide preliminary findings from an extensive research programme Dr Anderson has been commissioned to undertake looking at ISM implementation in a number of non-EU Countries. A copy of the first paper can be found on the InformISM website at [www.ismcode.net](http://www.ismcode.net)

ConsultISM believes in the importance of sharing ideas and broadening the ISM debate through participating in seminars and conferences in the hope that such focus on relevant issues will help with the evolution of the Code and lead in turn to safer ships and cleaner seas.

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[www.consultism.co.uk](http://www.consultism.co.uk)

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