Harbour Towage Panel

to be held at the UK Chamber of Shipping, 30 Park Street, London SE1 9EQ
Monday 4 February 2019, at 1400
(registration and coffee from 1345)

Agenda and notes

1. Introduction, apologies, competition statement and GDPR

1.1 Competition statement

Panel meetings must be conducted in accordance with competition law and members are reminded of their obligation to conform with the provisions. The UK Chamber’s competition law compliance policy is at Annex A.

1.2 Safety moment

2. Minutes and matters arising

2.1 Minutes of the last meeting

The minutes of the meeting held on 21 September 2018 are at Annex B for comment and approval.

2.2 Matters arising

1) With regard to knock-for-knock clauses, members to provide to the Secretariat examples of anonymised contracts containing additional liabilities. Ongoing

2) Members are requested send reports of incidents involving bollards and any deck equipment to the Secretary for promulgation to the European Tugowners Association. Ongoing

3) Members to provide specific queries relating to ropes, breaking strains and splices to the Secretariat for consideration by the Technical Committee. Ongoing

3. Report of incidents

Towage operators and others are invited to table any relevant incidents or accidents that they are aware of.

4. Items for Discussion

4.1 MLC Post Implementation Review

It has been five years since the UK made domestic legislation to implement the Maritime Labour Convention, 2006 (MLC). The MCA are legally required to carry out a review of the implementing legislation and consider whether it succeeded in meeting the original objectives and it remains fit for
purpose. As part of the review process, MCA is holding an all-day workshop on 29 January 2019, including the review of the following legislation and their associated impact assessments:

- **SI 2014/1613** The MS (Maritime Labour Convention) (Minimum Requirements for Seafarers etc.) Regulations 2014,
- **SI 2014/1616** The MS (Maritime Labour Convention) (Health and Safety) (Amendment) Regulations 2014
- **SI 2014/308** The MS (Maritime Labour Convention) (Hours of Work) (Amendment) Regulations 2014
- **SI 2014/1614** The MS (Maritime Labour Convention) (Consequential and Minor Amendments) Regulations 2014
- **SI 2018/242** The MS (Maritime Labour Convention) (Miscellaneous Amendments) Regulations 2018

Following a long awaited consultation in July 2018, on substantial equivalence for crew accommodation for vessels under 500gt the MCA issued and released three MGNs in December 2018:

- **MGN 600 (M) Maritime labour convention, inspection of coded vessels**
- **MGN 601 (M) MLC Crew accommodation for small vessels of less than 200GT that are ordinarily engaged in commercial activities.**
- **MGN 602 (M) MLC Substantial equivalence for crew accommodation for new vessels of 200GT to less than 500GT**

The BTA has representatives attending the workshop and an update will be provided to the Panel for comment.

### 4.2 Use of knock-for-knock clauses

Members will recall concern raised that in recent years a trend by major charterers, particularly oil/drilling companies, to add further liabilities to industry standard knock-for-knock type charter parties has arisen, requiring the ship/tug owner to obtain P&I approval and pay an additional premium (AP) to cover the added liability. Following initial discussion on the matter on at the last HTP on 21 September, where it was noted that the addition of further liability may frustrate pooling arrangements and that P&I clubs may not being informed in some instances, the BTA has provided the Chamber’s Legal, Insurance and Documentary Committee with examples of such contracts. Such passing on of additional liability is also recognised within the offshore services industry, where similar concerns have been raised against the oil majors.

The LIDIC Committee is meeting on 31 January where knock-for-knock will be discussed, and a verbal report will be provided.

### 4.3 Technical Committee Workstreams and Priorities

The Technical Committee met on 22 January and hosted Mark Ranson, Secretary of the National Workboat Association to discuss the Voluntary Towage Endorsement scheme, specifically focussing on the ship-assist endorsement.

An oral report will be provided on the Technical Committee on the following topics of development.

- Voluntary Towage Endorsements
- MCA consultation on the requirements to carry MOB rescue boats
- ETA work with IACS on bits, fairleads, bollards and deck equipment
- Tow ropes – breaking strains, degradation, splices, certification and best practice

Members are invited to discuss the individual work strands.
4.4 Port Marine Safety Code Steering Group

The 28th meeting of the Port Marine Safety Code Steering Group meeting was held on 16 January in Southampton, with the BTA’s Chairman, Nick Dorman in attendance. It is understood that the Guide to Good Practice will be fully reviewed in 2019 with opportunity to comment in due course.

The PMSC SG reports that 4-5 incidents of dangerously weighted heaving lines are still occurring each month around the UK despite increased reporting and enforcement methods. To counter this the UKMGP, BPA and other interested parties are considering launching a campaign to raise awareness and that the that the issue will be elevated via UK Safety of Navigation Committee (UKSON) for possible consideration (and hopefully action) via the IMO.

PMSC 28 Agenda and 27 Minutes were previously circulated on 7 January to members and are available as Annex C.

Members will be provided a further update and invited to comment.

4.5 Tug Winch Operations Best Practice.

A query has come into the BTA website requesting information and research on the best practice for tugs winch operations when securing to a customer vessel for over the bow pulling. The query relates to the correct procedure for lengthening-out or shortening-in the tow rope.

It is understood that some conflicting theories exist between winch operators on the optimum methodology and pros and cons of each.

1) Should the winch be used to pull the tug closer to the vessel maintaining load on the winch
2) Should the tug approach toward the vessel, without load on the winch, pay in slack, brake on and take the load.

Members are invited to share their experiences and best practice.

4.6 MGN 495 – Requirements for Bridge Watch Keeping Duties

Concern has been raised regarding the wording of MGN 495 – Certificate of competency for tug deck, specifically the rigid language around requirements for bridge watch keeping duties for officers working toward their Master’s tug ticket. At present it is understood that the MCA are apparently refusing to acknowledge previous watch keeping experience on board other types of vessels. Given the increasing number of candidates approaching this stage of certification, the BTA will be raising the matter the MCA in due course.

Members are invited to voice any concerns of difficulties experienced with MGN 495.

4.7 MCA Performance

Concerns in recent months has been growing over the MCA’s performance in relation to seafarer certification, apprenticeship standard development and the issuance of conflicting information from differing MCA staff. In response to this, the Marine Skills Alliance have issued an introductory letter to Brian Johnson, the new CEO of the MCA welcoming him to the role and highlighting poor performance and service as a major concern. Specific examples have included taking five months to have Navigational Watch Rating certificates issues, an average of three months to issue Notices of Eligibility, and the rejection of sea service testimonials.

Katy Ware, Director of Maritime Safety and Standards since 2016, and has recently been made the new head of Seafarers Branch & Certification and recognises the failings in service.

Members are invited to view the MSA letter as Annex D and highlight any concerns they have with the existing service of the certification branch.
4.8 BTA AGM, Conference, Dinner & Golf 2019

Arrangements are well underway for the BTA AGM, Conference, Dinner and Golf Tournament, which will be held at Formby Hall, Southport on 10-11 April. The overarching theme of the conference will be leadership.

Confirmed speakers currently include:

Bob Sanguinetti – Chief Executive Officer, UK Chamber of Shipping
Sir Michael Bibby – President, UK Chamber of Shipping, former MD of Bibby Line Group
Stephan Hennig – Acting Secretary of State’s Representative for Maritime Intervention & Salvage
Simon Peacock – Chief Financial Officer, Shipowners P&I Club
Anna Maria Darmanin – Secretary General, European Tugowners Association
Kimmo Lehto – Chairman, European Tugowners Association, HSEQ Manager, Alfons Hakans
TBC – Sanmar Shipyards

Sincere thanks go Sanmar Shipyards for taking the gold sponsorship of the conference, and to KotugSmit Harbour Towage for sponsorship of the Sir William Crosthwaite Cup. A sponsorship package for the evening drinks reception and dinner remains available, with details available as Annex E.

Members are invited to save the date and watch out for the registration link in due course.

5. Brexit

Without a deal, businesses may need to take action before 29 March 2019. Accordingly the Government produced a no deal planning pack, which contains some 106 technical notices covering the most critical areas.

EORI – Economic Operator Registration Identification

In the event that the UK exits the EU without a deal, from 11pm GMT on 29 March 2019, UK businesses will need to apply the same processes to EU trade that apply when trading with the rest of the world if they import to or export from the EU. The UK EORI number is required to trade goods into or out of the UK and apply to be authorised for customs simplifications. Businesses trading with the EU are therefore recommended to register for a UK trader number (an EORI number) at: www.gov.uk/hmrc/get-eori

Statutory Instrument expected on duty of marine fuel

HM Revenue & Customs Excise Notice 263: marine voyages – relief from fuel duty details the entitlement and procedures for reclaiming excise duty on fuel used for marine voyages. The notice is predicated on two EU Council Directives, namely 2008/118 (which repealed Council Directive 92/12/EEC) and 2003/96/EC. As such in a no-deal scenario, such directives will no longer apply, and the UK will be required to introduce its own equivalent Statutory Instrument to maintain the current arrangements. Government is cognisant of such and an SI is due to be laid down before Parliament to ensure continuity and the status quo is remained.

EU Flagged vessels financial considerations

The Chamber is aware that various fiscal arrangements on the financing of vessels stipulate that the vessel is registered with an EU community flag registry. In the event of no deal or a disorderly exit, the UK flag and ship register will no longer qualify as an EU community flag and members with any uncertainty of the requirements in their finance leases are recommended to check with their legal and finance departments.
Immigration post-Brexit

In December 2018 the UK Government published policy paper from the government on EU citizens’ rights in the event of a ‘no deal’, and this is available at https://www.gov.uk/government/publications/policy-paper-on-citizens-rights-in-the-event-of-a-nodeal-brexit

The UK Government also released its white paper on the future of immigration post-Brexit. This paper represents significant reform. It proposes to make it much easier that it is currently for workers worldwide with a minimum of post-16 A Levels/Advanced Highers equivalent qualification to work in the UK, as long as they are paid at minimum salary threshold or more – with no cap on numbers. It is proposed that the Resident Labour Market Test is abolished and an Immigration Skills Charge (ISC) be imposed on employers to protect downward pressures on the labour market. There also appears be the intention to produce a system that is as straightforward and light touch as possible, and low cost to employers, by keep reporting requirements and upfront costs for employers to an absolute minimum and aim to process the great majority of work visas within two to three weeks. It is also proposed that nationals of the lowest risk countries will be able to apply for a work visa in the UK.

Given the current political upheaval, it is unclear if this white paper will proceed in its current format because it is predicated on the ability to restrict low skilled EU inward migration. This does not affect the current regime for seafarers transiting in and out of UK territorial waters, which is governed under the Immigration Act 1971.

EU Settlement Scheme

The EU Settlement Scheme will enable EU citizens resident in the UK and their family members to obtain the UK immigration status they will require in order to live and work in the UK after the end of the planned implementation period on 31 December 2020. The Scheme will be fully open by March 2019 when it will be simple and straightforward for EU citizens to get the status they need. EU citizens need to complete three key steps - prove their identity, show that that they live in the UK, and declare any criminal convictions. Whilst initially a £65 per application charge had been introduced, this has now been waived. An employer toolkit has been developed to assist employers aid their employees through this process has also been produced.

Members are invited to comment and raise any concerns.

6. Environment

6.1 Domestic Emissions

The UK Chamber has become a member of the UK Clean Maritime Council, a new advisory body established by the DfT under the UK Clean Air Strategy. The Council brings together senior representatives from industry, NGOs and academia, to advise Government on a holistic strategy to (1) tackle maritime GHG emissions (2) reduce maritime air quality pollution (3) promote the growth of the UK clean maritime technology sector. In the short term, it would offer guidance on a future UK strategy in this area – the Clean Maritime Plan – to be published in spring 2019. After that, it would help guide implementation of the strategy.

The inauguration meeting of the Council was held on 15 October and was also attended by the Shipping Minister, who rates this as a very important initiative and which is also supported by No.10. The group considered a draft of policy proposals relating to the UK’s national approach to zero-emission shipping, which is being considered for inclusion in the Environment chapter of the forthcoming Maritime 2050 Strategy. These may then form a basis of further work to be elaborated in the Clean Maritime Plan. The aim is for a report to be issued by the Council in May and then it would stay in place as a body to oversee progress and implementation of the recommendations. Unfortunately, no detailed discussions were held at the first meeting on each of the recommendations presented.
Members will also be reminded that domestic shipping emissions do not fall under the IMO GHG strategy but are included in UK’s national inventory totals. Subsequently, as the UK seeks to commit to zero-emission targets by 2050, domestic shipping emissions might be part of that target too.

A draft of the recommendations is attached as Annex F.

**Members are invited to review and discuss the recommendations.**

### 6.2 Marine Plastic Litter

In October 2018 the MEPC developed and approved an action plan to address marine plastic litter from ships. The overall timeframe to complete the agreed measures is by 2025. However, it was agreed that further specific timeframes for individual measures would be considered.

The MEPC also identified Priority Measures for the Action Plan, some of which included the following:

- To continue to encourage Parties to MARPOL Annex V to implement their obligations to provide adequate facilities at ports and terminals for the reception of garbage.
- Encourage Member States and international organisations that have conducted any scientific research related to marine litter to share the results of such research, including any information on the areas contaminated by marine plastic litter from ships.

Whilst such matters are being considered internationally, the issue of marine plastics has been also discussed by the UK Chamber’s Safety and Environment Committee throughout 2018. Earlier in 2018 it was agreed that the UK Chamber would collect information on the initiatives in which members are involved to clean up and minimise the impact of this waste, with the aim to develop and share best practices that will encourage their wider adoption from the industry.

In October 2018 the Safety and Environment Committee directed the UK Chamber to produce a Best Practice document regarding marine plastic litter by incorporating multiple ship and shore-based initiatives from member companies covering all sectors. The UK Chamber aims to have a first draft ready in the near future but welcomes suggestions and input from members.

**Members are invited to consider what procedures, initiatives and best practice they have in place to minimise plastic use and entrance into the marine environment.**

### 7. Employment, training and certification

#### 7.1 Marine Technical Superintendent

The Maritime SuperSkills Project, being run by Liverpool John Moores University and with funding from the EU ESF was tasked with creating higher level apprenticeship standards. Three apprenticeships have been created, Marine Surveyor, Harbour Master and Marine Technical Superintendent with the first two approved. The assessment plan is yet to be approved but the Level 7 apprenticeship, equivalent to a Post Graduate Certificate, aims to grow the number of MTS, a role previously typically carried out by a Chief Engineer coming ashore. The role requires an individual with a Level 5 for entry requirements, akin to an HND.

The MTS is a shore-based, technical role responsible for the safe and economic operation of one or more vessels, overseeing vessel performance and responsible for the technical and operational condition of vessels from an engineering perspective. This includes refits and maintenance programmes and implementing compliance and certification according to international class rules and maritime legislation. Typically, the MTS reports to the Technical or Fleet Manager overseeing operations and all Chief Engineers in the fleet would typically report to the MTS.

The apprenticeship trailblazer group, which runs until July 2019, has involved shipping and towage companies, including Svitzer, Holyhead Towing and Carmet Tug and expects a funding band
approved at £16,000 for the apprenticeship which will be delivered through blended learning (online, on-the-job & classroom), with an end point assessment recognised by the IMarEST at IENG Level. The apprenticeship is expected to be available for use September 2019 with Southampton Solent and LJMU both offering the course.

Members are invited to comment and express any interest.

Items for Report/Noting

8.1 DfT Launch of Maritime 2050

The DfT launched on 24 January, the publication of Maritime 2050, the government’s new long term strategy for the maritime sector. This 338-page tome covers seven themes of focus, UK competitive advantage, technology, people, environment, infrastructure, trade and security, with short medium- and long-term recommendations identified under each theme.

The Chamber was heavily involved in the consultation process and whilst disappointed that though not everything in the report is perfect it does demonstrate an almost unparalleled willingness by Government to work with industry to develop a strategy for the next 30 years which will undoubtedly be a period of huge technical change and environmental challenges that the UK government needs to meet head on and demonstrate leadership in order to attract more business to the UK.

As concerning safety, the Chamber endorses the stated strategy “Whilst safety performance in the UK is relatively good by comparison, further action is required to ensure lessons are learned from accidents and incidents and more consistent safety culture and continuous improvement are embedded into the sector’s working practices.”

8.1 Publication of the Workboat Code Edition 2

The second edition of the wide ranging Workboat Code has finally been published and is available at. It should be read with both the SI 1998 No 1609, as amended and the new MSN 1892 which formally brings it into force. The coming in to force date is 31/12/18 and the effect it has on new and existing workboats and pilot boats can be read in that MSN.

In practice, for new vessels, Workboat Code Edition 2 replaces, the Safety of Small Workboats and Pilot Boats – A Code of Practice (the “Brown Code”) and its equivalent standard published in the technical Annex to Marine Guidance Note MGN 280 (M)2, as far as it applies to small workboats and pilot boats. It should be noted that the Workboat Code Industry Working Group Technical Standard which was published in 2014 is no longer recognised for new vessels, and after the end of the phase in period will not be recognised for existing vessels either.

8.2 MCA Annual Small Commercial Vessel Technical Working Group

The MCA Annual Small Commercial Vessel Technical Working Group will be held on 26 February 2019 at MCA Headquarters, with the BTA Secretariat and UK Chamber in attendance. The technical meeting typically covers problems with all the Codes both in all areas of the codes including interpretation of the various Small Commercial Vessel Codes, float - free Arrangements for LSA in the Codes, carriage of dangerous goods under WB regs and ISO standards. A working group for Existing Workboats will also continue in 2019, as will the SCV Consultation Group which was formally known as the Technical Interpretations Forum. All outputs will feed into the CA British Certification Committee (CABCC). The meeting will be chaired by MCA Assistant Director Gwilym Stone and the agenda and minutes from the last meeting may be read as Annex G.

8.3 Chamber Safety Culture Working Group

In December 2018 the Safety Culture Charter was presented to the UK Chamber Supervisory Board as part of a safety focussed session. This session, facilitated by Lloyd’s Register, stressed the
importance of senior management engagement in Safety Culture within an organisation and highlighted the barriers faced when adopting this philosophy. This session confirmed that there is interest and support within the industry to improve Safety Culture and provided a positive starting point for discussions on implementation of the concept, however a lack direction.

The Board was introduced to the (draft) Safety Culture Charter and, whilst it was felt that there could be legal implications if the document were signed (which would be investigated further), it was felt that the document could be implemented in two sections with data collection being incorporated once there is a clearer understanding of what is needed and required.

The engagement plan developed to work alongside the Safety Culture Charter will be actioned starting in January 2019 where the chamber will look to decipher what data is collected within the industry and how it can best be used as well as facilitating conversations on improving Safety Culture and learning from other industries. The next Safety Culture Working Group will be held on 12 March 2019 where the charter will hopefully be finalised, and development of a toolkit continued.

Members interested in becoming involved with the SCWG should contact Fena Boyle, fboyle@ukchamberofshipping.com

8.4 Women in Maritime Charter

In January 2018 Maritime UK established a Taskforce to address fairness, equality and inclusion within the maritime sector and promote gender diversity. With support from the Shipping Minister on 11 September, the Women in Maritime Charter was launched. The Charter creates a framework to challenge companies to make progress on diversity, and will be supported by a suite of ‘toolkits’ or resources to help companies realise those targets.

Companies joining the Women in Maritime Charter will be required to agree an ‘action plan’, setting out individual targets for each participating company. A key commitment will see companies identifying a member of senior management responsible for implementation of the action plan as well as distributing a survey to staff on workplace culture. Companies may alternatively sign a voluntary pledge stating their commitment to building gender diversity, so far over 90 companies from across the maritime sector have signed including some towage operators.

On 1 February 2019, the toolkits were launched for pilot companies in a beta version online for testing with general release due later this year.

8.5 OOW apprenticeship standard development

The proposal to update the OOW sub500gt Near Coastal pathway was finalised and submitted by Chris Guthrie and Angus Ferguson to the MCA in October 2018. The apprenticeship has support from the Royal Navy, BTA members, yacht sector and fishing and will be based on the core-options model. Frustratingly, the MCA have made no progress in assessing or considering the proposal, however a meeting is arranged between the RN, Chris Guthrie and the MCA for February to hopefully kick-start the process. The RN expect to see some 130+ apprentices coming through this route per annum and have the resource to put a man full time on the job to tie in MCA updating, SQA matching and RN mapping all in one with the offer to embed that individual within the MCA.

8.6 Small Vessel Engineer Apprenticeship

Work to develop an apprenticeship standard for small vessel engineers is being coordinated by the MSA through a trailblazer working group chaired by Dave Roberts, of Svitzer. The apprenticeship will be spliced as an option onto the existing approved Marine Engineer Standard developed by the Trailblazer group led by British Marine and Berthon. The Marine Engineer apprenticeship, which lasts 48 months has been allocated funding band 15 – the highest band, worth £27,000, and it is expected the SV engineer will mirror this.

The SV group has been finalising the core and options apprenticeship standard in the format required by the Institute for Apprentices (IfA) and this is undergoing a process of review and
improvement prior to submission to SQA and IfA. A training record book has already been produced and available by Witherbys for the SV engineer, Second Engineer (less than 9000kw, less than 3000gt), having been developed by the MNTB in collaboration with the BTA.

8.7 Electronic Training Record Books

Work to progress the development of e-TRBs continues with a meeting held between the MNTB and Swifttrack (the chosen e-TRB developer) in December. Proof of concept, functionality, accessibility and transparency have all been proven with the project however much depends on attaining the buy-in of the MCA to support the initiative. A future meeting has been arranged with the MCA to enable Swifttrack to display the product and service specifically to the MCA IT department.

The MNTB are now taking a leading role in the project and have accepted that as the industry’s central body for promoting and developing sector specific education, training and skills they will fund the initial set up and licensing costs. The Workboat Crewmember Apprenticeship will be the pilot for the e-TRB with the intention to roll it out to further training courses and apprenticeship in the future, including the OOW sub500gt NC apprenticeship.

8.8 Autonomy

The IMO Maritime Safety Committee met for MSC 99 in May 2018, a regulatory scoping exercise for the use of Maritime Autonomous Surface Ships (MASS) was launched. The MSC created a Working Group to take the initiative further and examine which regulatory instruments should be would need to be changed to allow the operation of MASS. By the standards of the IMO the timeframe for the plan of work is surprisingly fast, with it hoping to achieve all of its action points by MSC 103 in Nov/Dec 2020.

Closer to home, the UK’s Maritime Autonomous Systems Regulatory Working Group, held a two day conference (presentations available) on Autonomy at the Chamber of Shipping in January with the Shipping Minister in attendance, to formally launch the new industry Code of Practice for the UK. The Code of Practice provides guidance for the design, construction, and operation of autonomous maritime systems.

Five themes came out from the day for future development.

1) Greater investment and consideration to training to create the skills and attract the workforce of tomorrow.
2) The need for a unified and overarching legal definition to avoid any confusion.
3) A notable improvement, investment and understanding in cyber security
4) The need to focus on changing public perception on autonomy
5) Through the combinations of all of the above make the UK a leading light in the autonomous sector through industry, regulation and training.

8.9 International Greenhouse Gas Strategy and R&D Fund for shipping to transition to zero-carbon

Although meeting the short-term target of the IMO GHG strategy seems achievable, the transition pathways to a low-carbon future industry by 2050 have large uncertainties. If shipping is to meet this target, the energy efficiency will have to increase dramatically across all sectors, at least 85% which can only be achieved with a switch to zero-emission fuels. The fossil fuels used today might, in large part, need to be replaced with alternatives such as batteries, sustainable bioenergy, or hydrogen. Subsequently, to ensure a smooth transition, zero-emission commercial ships will have to enter the fleet sooner rather than later and form a signification portion of the fleet by 2050. That would require in the next decade substantial investment for these zero-emission options to evolve rapidly, mature and overcome barriers around cost, safety, global availability, recycling and subsequently to be commercially viable compared with conventional ships.

In this respect, the International Chamber of Shipping (ICS) has developed a proposal for an International Maritime GHG Reduction Research and Development Fund (IMRF) financed with
research and development (R&D) contributions made by shipping companies per tonne of marine fuel purchased for consumption. The Chamber’s Carbon Working Group has been working on this proposal and based on its recommendations the Chamber approves this concept in principle and agrees that work on further developing it should continue so that the industry will be in a position to submit a detailed proposal to IMO. As this concept is still in its infancy, there are many issues identified that need to be addressed some of them being: mechanisms to collect the money, controls/verifications/ enforcement, responsible parties, contractual matters, the composition of the IMRB, the IMO DCS, separation of domestic/international voyages, alternative fuels and deployment of the technology.

It is essential to advise the Panel that the quantum of the R&D contribution has not been decided yet and it is not envisaged that it would be explicitly referred to in any initial public proposal. However, if the industry-led R&D Board agreed on an initial budget between US$250 million and US$500 million per year for research and development, the R&D contribution might initially be set (based on the current total fuel consumption of the world fleet) at between US$1 and US$2 per tonne of fuel. This is significantly less than what might have to be paid if an MBM is developed for international shipping, either by IMO or through unilateral/regional action.

9. Programme, seminars and events

Wednesday 10 - Thurs 11 April  
BTA AGM, Conference, Dinner & Golf, Formby Hall, Liverpool

Thursday 13 June  
1230, Harbour Towage Panel, at UK Chamber  
1430, Joint Ferry & Cruise, British Ports Association, BTA meeting, followed by networking drinks. “Efficient Port Operations”

Thursday 6 November  
BTA Annual Safety Seminar, Scotland (TBC)

10. Any other business

10.1 Introduction to Shipping Course

The UK Chamber’s Introduction to UK Shipping is a one-day course being held 20 February and 5 June at Chamber of Shipping, giving participants an introduction to the UK maritime environment and the UK shipping industry - an essential course for new starters and old alike within the industry or for those wishing to gain a better understanding of this diverse and dynamic industry.

https://www.ukchamberofshipping.com/events/introduction-uk-shipping-edinburgh/
UK Chamber of Shipping competition law compliance policy

At its meeting on 20 September 2006 the Board of the Chamber of Shipping adopted the following policy statement (which has subsequently been amended to reflect changes in legislation) and resolved that this paper should be circulated to all members of the Chamber:

The Chamber of Shipping is committed to a culture of competition law compliance and it is the policy of the Chamber of Shipping to comply in all respects with Articles 101 and 102 of the Treaty on the Functioning of the European Union (TFEU), the Competition Act 1998, Enterprise Act 2002 and all other applicable competition laws. All formal and informal meetings of the 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 Chamber.

Guidance information:

Article 101 of the TFEU prohibits agreements that have as their object or effect the prevention, restriction or distortion of competition within the EU internal market. Chapter 1 of the Competition Act 1998 prohibits agreements that may affect trade within the UK and have as their object or effect the prevention, restriction or distortion of competition within the UK. An “agreement” for this purpose includes agreements, decisions of associations of undertakings (such as the Chamber) and concerted practices. An agreement need not be in writing and need not be legally binding. An expression of a joint intention to behave in a particular way is sufficient.

Both agreements made by the Chamber and between members of the Chamber have the potential to be caught by these restrictions.

1. Prohibited Activities

1.1 Chamber activities and activities between members of the Chamber must not involve discussions or agreements between members on:
   - Current and future pricing information including prices, discounts, increases, reductions, rebates, allowances, costs, rates and dates of change
   - Sharing of other non-pricing information including customer lists, production costs, quantities, turnovers, sales, capacities, marketing plans, risks, investments, technology and research and development programmes
   - Sharing markets or sources of supply including territory or customer allocation
   - Applying dissimilar conditions of trade such as co-ordinated action to eliminate a competitor or collective boycotts
   - Limitation of output, supply, production, markets, technical development or investment
   - Bids to customers (which could result in bid-rigging or collusive tendering)

1.2 Exchange of information on prices and other competitively sensitive information is generally only permissible 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 Chamber may give rise to an infringement of the competition law rules. Examples include:

- 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**

Chamber members must not exchange current business statistics directly between themselves. The provision of historical information concerning such matters to the Chamber is permitted although it should not be necessary to reveal even to the trade association the identity of individual suppliers or customers. Members must not seek or obtain from the 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 Chamber may share with its members aggregated historical statistics, which do not permit the performance of any individual member to be revealed. However, if there are so few companies contributing that even the aggregated historical 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 competitive conduct of the participants to the discussions. As set out in paragraph 1 above information such as future pricing, marketing and investment strategies should not be discussed by members. 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 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 Chief Executive.

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 Chief Executive; and/or
- seek advice from the Company Secretary.

Members should not engage in discussions with other members that could breach applicable competition laws whether as a result of their participation in the Chamber or otherwise. If a member has a concern that such discussions are taking place it should notify the Company Secretary.

6. **Membership of the Chamber**

The rules relating to membership of the Chamber must comply with the competition law rules. Competition law may be infringed where a company is excluded from the Chamber and the effect of that exclusion is to put it at a competitive disadvantage compared with those who are members of the 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 Chamber.
- **Contributions to the Chamber.** Where members are required to contribute financially or otherwise to the Chamber, the contributions should be divided amongst the members in a non-discriminatory way.
Harbour Towage Panel
Minutes of the meeting held at the UK Chamber of Shipping, London SE1 9EQ
21 September 2018, at 1400

Present

Nick Dorman
Chairman / Targe Towing

Gareth Bonner
SMS Towage

Theo Currie
Forth Ports Towage

Vimal Choy
Sanmar Shipyards

Phil Dulson
Kotug Smit

Gareth Escreet
SMS Towage

Duncan Foster
Serco Marine

Simon Foster
Serco Marine

David Goad
Servo Marine

Simon Guthereless
SMS Towage

Frederick van der Linde
Damen Shipyards

Sudhir Malhotra
London Offshore Consultants

Hugh Patience
Ship Assist Towage Consultants

David Slater
Kotug Smit

Alistair Smith
Forth Ports Towage

Charles Stewart
Chatham Rope Company

Robert Merrylees
Panel Secretary, BTA

1. **Introduction, apologies, competition statement and GDPR compliance**

The Chairman welcomed everyone to the Panel. Apologies from members of the BTA’s Executive were noted. Attendees were informed of the new GDPR compliance protocols and reminded that meetings must be conducted in accordance with competition law.

The Chairman outlined the strategic points emanating from the Chamber’s Supervisory Board held on 20 September focussing on the increasing prominence given to carbon emissions and target reductions from the shipping industry, both through EEDI and potentially Market Based Measures (MBMs).

The Panel extended sincere congratulations to two BTA members, Captain Tom Woolley, Targe Towing and BTA Honorary President, and Captain Timothy Charlesworth, Cattewater Harbour Commissioners, for their awards of the Merchant Navy Medal for services to the maritime industry.
1.2 Safety Moment

The Safety Moment provided by Serco highlighted how changes they had implemented with regard to safety culture had given their personnel the confidence and awareness to look out for unsafe behaviours and practices and intervene where necessary.

The case outlined how sub-contractors operating where the poisonous, corrosive and flammable gas, hydrogen sulphide was present, and ignored or were not aware the alarms indicate the maximum exposure acceptable for humans ringing and continued operations. Serco, through a robust safety culture and intervention policy, felt comfortable to intervene, ensure work stopped and operatives were not exposed to dangerous levels of the gas.

The safety moment exemplified how a strong safety culture transcends an individual company’s operations but provides personnel with the confidence and a consciousness of unsafe practices or behaviours to act.

2. Minutes and matters arising

2.1 Minutes of the last meeting

The minutes of the meeting held on 19 June 2018 were accepted as a true and accurate record.

2.2 Matters arising

Progress made on the matters arising from the previous meeting were discussed and noted as complete.

3. Report of incidents

Tug collides with car carrier

It was noted that the recent incident involving a Svitzer tug and a car carrier in Bremerhaven was recent with investigation into what occurred still underway and no conclusions able to be drawn as yet.

4. Regulatory and policy developments, including EC

4.1 MCA Launch Consultation on Revised Marine Guidance Notes replacing MGN 490 and MGN 491

The MCA consultation on the revised MGNs applying the MLC to smaller vessels was welcomed. The proposal to replace MGN 490(M) and MGN 491(M) with three notices repackaging the current policy but removing ambiguities and providing clarification, specifically inclusion of reference to Dutch equivalent standards and tugs. The BTA’s response letter welcoming the revision and separately highlighting the inappropriateness of Regulation 11 within MSN 1844 regarding sleeping room requirements for officers was discussed.

4.2 MCA appoints new Chief Executive

Members noted the new appointment at the MCA and it was reported that Brian Johnson would be invited to the BTA’s AGM & Conference in 2019.

4.3 Brexit

Members noted the update and continued work of the Chamber pertaining to Brexit.
4.4 Use of knock-for-knock clauses

The increasing trend by major charterers, particularly oil/drilling companies, to add further non-negotiable liabilities to industry standard knock-for-knock type charter parties, thus requiring additional premiums was reported with concern. It was noted that the addition of further liability may frustrate pooling arrangements and that some operators may be accepting the additional liability and not informing their P&I club. It was also reported that the matter had been raised with the Chamber’s Legal, Insurance, and Documentary Committee who had requested further information and if possible, anonymised examples of contracts that contained the additional liabilities for investigation. Concern and incredulity was expressed by the Panel regarding the wording of the minutes of the LIDIC meeting held on 6 September 2018, namely, that “whilst knock-for-knock clauses afforded a degree of certainty for insurers, they did not always encourage safe behaviour by insureds and contractors.”

Action: Members to provide examples of anonymised contracts containing additional liabilities.

4.5 Autonomy

The ongoing regulatory exercise at IMO pertaining to autonomy and developments within industry and technology including autonomous pilotage and e-navigation projects were discussed.

5. Towage safety and Port Marine Safety Code issues

5.1 Port Marine Safety Code Steering Group

A verbal summary of the 27th meeting of the Port Marine Safety Code Steering group meeting held on 20 June was provided. Members’ attention was drawn to the PMSC Agenda and Minutes including as Annexes and were informed that the periodic review of the Guide to Good Practice was underway and with members invited to comment on suggested amendments.

5.2 Safety Culture

A verbal report of the UK Chamber Safety Culture two day seminar in Newcastle was provided with the event judged to have been a success. It was reported that the outcomes of the seminar supported the development of a standardised “Safety Culture Toolkit”, examined how simplification of the SMS and ISM can assist with compliance and improve not degrade safety.

The next meeting of the Safety Culture Working Group will be held on 14 November at the UK Chamber and members were invited to contact the Chamber to register.

5.3 BTA Safety Seminar 2018

A verbal summary of the upcoming BTA Safety Seminar being hosted at the UK Chamber of Shipping on 8 November was provided, with simplification of the SMS and discretionary safety being an overarching theme. Members were invited to register their attendance.

5.4 SOLAS lifejacket buoyancy

The ongoing and important work by the MCA investigating SOLAS accredited lifejacket buoyancy was welcomed. Members recognised the fallacy that a lifejacket will save you in all conditions and situations, and iterated that it was far superior to instil safe behaviours and practices so that seafarers did not end up in the water in the first place.

6. Technical Development

6.1 Technical Committee Update
The first meeting of the re-instated Technical Committee was held on 4 September with a summary of key discussions outlined:

**Update to Coastguard Agreement for Salvage and Towage (CAST)**

It was reported that the review and update of CAST would be discussed at the next MCA Technical Committee. It was noted that the CAST system had not been widely invoked; also noted was that harbour tugs whilst able to assist within their area of operation they did not carry a full suite of salvage equipment.

**Requirements to carry MOB boats**

It was reported that the BTA letter to the MCA on the need to standardise the exemption from carrying MOB boats on tugs was welcomed and noted by the MCA as something requiring attention. MCA acknowledge policy agreed with BTA in 2013 had failed to be put in place and that a review of exemptions was necessary. It was reported that the BTA had a meeting with the MCA scheduled on 5 October to further make the safety case for their non-carriage and to ensure positive policy changes.

**European Tugowners Association Technical Meeting & Annual General Meeting**

A short summary of the ETA Technical Meeting and AGM was provided and that the ETA and BTA Technical Groupings have agreed for closer collaboration, in particular on the rating of bollards and other deck equipment on board vessels underway with IACS. Members were requested send reports of incidents involving bollards and any deck equipment to the Secretary.

**Ship Assist Endorsements**

It was reported that the Technical Committee was exploring the use of use of Voluntary Towage Endorsements (VTEs) on top of a RYA/BML certificate for ship assist towage and that a meeting had been held at the end of August between the MCA, Unite, UKMPA & BTA to discuss their usage and appropriateness. It was noted that a mapping exercise of certification routes and requirements was to be undertaken by the Committee with the results shared to the Panel.

It was discussed that VTEs through the requirement of TRBs and practical external examination of the candidate being carried out by an independent assessor, either current or former tug-masters, was a positive and that any concerns over the MCA attempting to make VTEs de-facto mandatory were unjustified as the MCA has no interest nor capability.

**Tow ropes – Breaking Strain of splice**

It was reported that tow ropes, their fabric, conditioning, maintenance and breaking strain were of increasing attention and reports were given of various incidents involving the parting or breaking of splices. It was also noted that some manufacturers were providing a breaking strain figure when ropes were spliced but that there was a lack of clarity over whether the BS related to the rope or the splice itself.

It was discussed as to what specific rope queries members have regarding their operations and input these to the BTA. Furthermore discussion was had and interest expressed over a developing some BTA guidance relating to ropes and that both member and external input some from various rope manufacturers would be welcomed and invaluable.

**IACS winch emergency release project**

It was noted that the status of the project, currently unknown, was being investigated by the Technical Committee.
7. Employment, training and certification

7.1 National Minimum Wage Review

The Government review of the application of National Minimum Wage to seafarers in territorial waters and on one-port voyages was reported. It was noted that operators in the harbour towage sector would not to any great degree be affected by such a change as the vast majority, are already subject to a requirement to pay at least the NMW.

7.2 Women in Maritime Charter

The Women in Maritime Charter and Women in Maritime Pledge as established by Maritime UK were welcomed. It was discussed how the towage industry was one suited to greater gender diversity with attractive operating environment and removed from long periods at sea. Members were invited to research more and sign up for the Women in Maritime Charter via the website. It was also commented that whilst the initiative was a positive one that should be supported, the primary concern for some operators was overall recruitment.

7.3 OOW Apprenticeship Standard Development

Members welcomed the written report and verbal update, noting that they wished to see the prompt development of the apprenticeship.

7.4 Small Vessel Engineer Apprenticeship

Members welcomed the written report and verbal update, noting that they wished to see the prompt submission to IfA for review and hopeful approval of the apprenticeship.

8. Environmental brief

8.1 International Greenhouse Gas Strategy

Members noted the report.

8.2 Domestic Emissions

Members welcomed the report, noting that domestic emissions were of increasing importance, not least through the recent publication by DEFRA of a Clean Air Strategy and the requirement for all major English ports by May 2019 to produce an Air Quality Strategy setting out their plans to reduce emissions across the port estate including ship and shore activities.

8.3 Marine Plastic Litter

The increasing prominence and importance prescribed to marine litter at the IMO was reported and initiatives and actions planned to address marine plastic litter from ships, including the drafting of the UK Chamber’s Best Practice document were welcomed. It was recognised that whilst the vast majority of marine plastic litter originated from terrestrial sources, the maritime industry had a significant role to play.

8.4 Garbage Record Books

Members reported that many of their vessels were over 400gt and hence already required a Garbage Record Book as part of their record keeping requirements. An extension of GRBs to vessels below 400gt was not considered an issue but felt it may bring consistency across the fleet. Noted however that some operators already used GRBs on smaller vessels.
**8.5 Ballast Water Management Systems**

It was reported that the BWMC does not apply to permanent ballast water in sealed tanks on vessels that are not subject to discharge. The use of fresh water has not been approved by the IMO and UK flagged vessels wishing to use should contact the MCA as Flag Administration. Furthermore it was noted that the MCA had produced a [FAQ guidance document](mailto:). Members were reminded that one to one guidance was available from the Chamber should they need it and to contact Anna Ziou, [aziou@ukchamberofshipping.com](mailto:aziou@ukchamberofshipping.com)

**9. Programme, seminars and events**

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<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>Wed 7 Nov 2018</td>
<td>BTA Technical Committee</td>
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<tr>
<td></td>
<td>ETA Technical Committee</td>
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<td></td>
<td>Joint dinner between BTA/ETA (all welcome)</td>
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<td>Thurs 8 Nov 2018</td>
<td>BTA Safety Seminar</td>
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<tr>
<td>Mon 4 Feb 2019</td>
<td>BTA Executive Committee</td>
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<td>Harbour Towage Panel</td>
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<td>UK Chamber Annual Dinner</td>
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**10. Any other business**

**10.1 Introduction to Shipping Course**

Members were invited to note the UK Chamber’s Introduction to Shipping Course being held on 16 October in Edinburgh and register should they wish to attend.

**10.2 Towage Guides**


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Nick Dorman
Chairman, Harbour Towage Panel

Robert Merrylees
Panel Secretary