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## AIR POLLUTION AND ENERGY EFFICIENCY

### Proposed amendments to the draft Guidance on best practice for fuel oil suppliers

Submitted by ICS, INTERTANKO, IPIECA and IBIA

#### SUMMARY

*Executive summary:* This document proposes amendments to the draft guidance on best practice for fuel oil suppliers, contained in document MEPC 72/INF.13. The co-sponsors, with a number of primarily editorial improvements, have attempted to enhance the document in consultation with stakeholders of the fuel oil supply industry. The proposed changes can be found in the annex to this submission.

*Strategic direction,  
if applicable:* 1

*Output:* 1.18

*Action to be taken:* Paragraph 13

*Related documents:* MEPC 72/5/6, MEPC 72/INF.13, MEPC 72/WP.8 and PPR 6/8

#### Introduction

1 The Committee, at its sixty-eighth session, considered the report of the Correspondence Group on Fuel oil quality (MEPC 68/3/4 and MEPC 68/INF.12) and noted that the majority of delegations that expressed a view agreed that there was a need to further examine the adequacy of the current legal framework in MARPOL Annex VI and the draft guidance on best practice for assuring the quality of fuel oil delivered for use on board ships. MEPC 68, therefore, re-established the Correspondence Group to continue that work.

2 At MEPC 69, the Committee considered documents MEPC 69/5/3 and MEPC 69/INF.7 (United States) which contained the report of the Correspondence Group, and noted that, inter alia, the Group had prepared three aspects of possible draft guidance on best practice for fuel oil providers, fuel oil purchaser/user, and Member State/coastal State.

3 At MEPC 71, the Committee, having recalled that MEPC 69 had encouraged the fuel oil supply industry to develop best practice for fuel oil providers, taking into account in annex 1 to document MEPC 69/5/3 (MEPC 69/21, paragraph 5.14), reiterated its request to the fuel oil supply industry to submit pertinent proposals to MEPC 72.

4 Responding to this request, IBIA developed comprehensive best practice guidance for bunker suppliers and submitted it as a proposal to MEPC 72 (MEPC 72/5/6 and MEPC 72/INF.13).

5 The Working Group on Air pollution and energy efficiency, established at MEPC 72, was instructed to, inter alia, consider documents MEPC 72/5/6 and MEPC 72/INF.13 and advise the Committee accordingly.

6 The Working Group reported its view to the Committee that the proposed draft of best practice guidance for fuel oil suppliers as contained in document MEPC 72/INF.13 could form a basis for the development of IMO guidance. The Committee invited Member Governments and international organizations to submit comments on document MEPC 72/INF.13 to MEPC 73 (MEPC 72/17, paragraph 5.45).

7 Separately, MEPC 72 approved the MEPC circular on *Guidance on best practice for fuel oil purchasers/users for assuring the quality of fuel oil used on board ships* (MEPC.1/Circ.875, dated 26 April 2018).

### **General remarks**

8 The co-sponsors fully support the decision by the Organization to develop guidance on best practice for fuel oil suppliers and appreciate the progress made in this regard by IBIA in documents MEPC 72/5/6 and MEPC 72/INF.13, and by the Working Group on Air pollution and energy efficiency (MEPC 71/WP.8, annex 1).

9 The Intersessional Meeting on Consistent implementation of regulation 14.1.3 of MARPOL Annex VI (ISWG-AP 1) met from 9 to 13 July 2018 and developed, amongst others, the draft Guidelines for Consistent implementation of the 0.50% m/m sulphur limit under MARPOL Annex VI (PPR 6/8, annex 2). Paragraph 6.7 of annex 2 to the aforementioned draft Guidelines refers to "Guidance on best practice for fuel oil suppliers".

10 The co-sponsors, noting that there is an urgent need to finalize the best practice for fuel oil suppliers, propose some amendments to the draft guidance by re-structuring, editing some text and enhancing the contents of the draft, taking into account the best practices that are widely accepted in the industry. These proposed amendments can be found in the annex to this submission.

11 Although the proposed text amendments are primarily intended to enhance clarity of the draft, the co-sponsors invite the Committee to note the following, but not limited to, issues for further discussion:

- .1 paragraph 3.1.7; In practice, statutory samples ("MARPOL samples") and commercial samples are taken and provided to the ship at the time of bunker delivery. The term "representative samples" are proposed to better reflect the intent of regulation 18.8.2 of MARPOL Annex VI;
- .2 paragraphs 4.2 and 10.2; Concerning test laboratories, paragraph 1.3 of appendix VI of MARPOL Annex VI states that the laboratories responsible for the verification procedure set forth in this appendix shall be fully accredited\* for the purpose of conducting the tests.

\* Accreditation is in accordance with ISO 17025 or an equivalent standard.

In paragraph 10.2, the proposed text is retained in square brackets for further consideration, given that many fuel oil suppliers are using their own qualified test labs for the purpose of testing fuel oil parameters prior to releasing products for sale; and

- .3 paragraph 9.15; According to regulation 18.8.1, the representative sample accompanied by the bunker delivery note, is to be retained under the ship's control for a period of no less than 12 months from the time of delivery. For commercial samples, the co-sponsors propose that they should be kept for at least 30 days and in the event of a quality dispute arising, they should be kept until the dispute has been resolved.

### **Conclusion**

12 The co-sponsors believe that the amended version set out in the annex to this document will form a good basis for consideration and finalization at MEPC 73.

### **Action requested of the Committee**

13 The Committee is invited to consider the comments and proposals contained in this document to revise the Best practice guidance for bunker suppliers contained in document MEPC 72/INF.13, and to take action as appropriate.

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## ANNEX

### PROPOSED AMENDMENTS TO THE DRAFT BEST PRACTICE GUIDANCE FOR BUNKER SUPPLIERS

Modifications to MEPC 72/INF.13 (annex) are proposed as a complete rewriting.

#### DRAFT BEST PRACTICE FOR FUEL OIL SUPPLIERS FOR ASSURING THE QUALITY OF FUEL OIL USED DELIVERED TO SHIPS

## 1 INTRODUCTION

1.1 MARPOL Annex VI contains requirements that apply to fuel oil used on board ships. Regulation 14 sets limits on the sulphur content of fuel oil used on board ships, both within designated SO<sub>x</sub> Emission Control Areas (regulation 14.4) and globally (regulation 14.1). Regulation 18.3 contains requirements that fuel oil delivered to and used on board ships should not jeopardize the safety of ships or adversely affect the performance of machinery. Regulation 4.2.1.1 of SOLAS II-2 stipulates that except as otherwise permitted, no fuel oil with a flashpoint of less than 60°C shall be used.

1.2 Fuel oil purchasers are responsible for correctly specifying the fuel oil which is to be supplied. It is the responsibility of the supplier to deliver fuel oil which is compliant with the agreed specification and statutory limits.

1.3 These best practices are intended to assist fuel oil suppliers to ensure the quality of fuel oils delivered to ships which is compliant with the agreed specification and statutory limits.

1.4 When developing their procedures, fuel oil suppliers should also consider the guidance provided by existing industry practices and standards, for example those published by the International Organization for Standardization (ISO).

1.5 This guidance does not apply to supply of low flashpoint fuels such as LNG, LPG or methyl/ethyl alcohols, nor to pure biofuels.

## 2 DEFINITIONS

2.1 *SOLAS Convention*: International Convention for the Safety of Life at Sea, 1974, as amended.

2.2 *MARPOL Convention*: International Convention for the Prevention of Pollution from Ships, 1973, as amended.

2.3 *Bunker(s)*: Hydrocarbon based fuel for ship consumption. Primarily derived from petroleum sources, may also contain hydrocarbons from synthetic or renewable sources. Bunkers are chiefly classified as distillate or residual fuel oils. Usually referred to as 'fuel oils' in IMO documents.

2.4 *Bunker supplier/supplier*: Manufactures or buys, owns stores and sells bunkers. Distributes bunkers from pipelines, trucks and/or barges. May blend products to meet the customer's specifications. May own or charter a distribution network or may hire delivery services from a third party. Issues the bunker delivery note (BDN).

2.5 *Bunker barge provider*: Owner/operator of tankers or barges providing transportation services for a physical supplier. Usually issues the BDN on behalf of the supplier.

2.6 *Truck provider*: Owner/operator of tank trucks. Usually issues BDN on behalf of the supplier.

2.7 *Cargo Officer/supplier's representative*: Person appointed by the bunker supplier to be responsible for the delivery of bunkers to the vessel and is responsible for the completion of the documentation to be provided to the receiving ship.

2.8 *Bunker Buyer/Purchaser*: Secures and pays for bunkers delivered to a ship at the operator side (user) and not a trader. Can be a shipowner's operator or a charterer's operator; and often used in contracts as counterpart of the supplier.

2.9 *Quality-oriented fuel oil supplier*: A fuel supplier with a quality management system certified in accordance with an internationally recognized standard (ISO 9001 or equivalent), and which may be registered with the Member State and/or licensed, where such licensing/accreditation schemes are in place; and therefore can be expected to be on time, meet the statutory requirements, supply the quantity and quality stated on the BDN, provide support and be able to address relevant issues.

### **3 GOALS/OBJECTIVES**

3.1 The best practices set forth in this document reflect a set of goals intended to assure the quality of fuel oil delivered to ships, as follows:

- .1 bunkers delivered at the point of custody, which can be the receiving ship's rail or manifold, to meet the buyer's ordered specifications;
- .2 bunkers delivered to be in compliance with sulphur limits specified by the buyer in accordance with regulation 14 of MARPOL Annex VI;
- .3 bunkers delivered to be in compliance with regulation 18.3 of MARPOL Annex VI which contains requirements that fuel oil delivered to and used on board ships shall not include any added substance or chemical waste that jeopardizes the safety of ships, adversely affect the performance of the machinery, is harmful to personnel or contributes to additional air pollution;
- .4 bunkers delivered to meet SOLAS Chapter II-2 requirements regarding flashpoint;
- .5 Safety Data Sheets (SDS, formerly known as MSDS – Material Safety Data Sheets) and other relevant documentation detailing the fuel properties to be provided to the buyer;
- .6 bunkers to be delivered to the ship in a safe and efficient manner, preventing practices that may compromise safety and crew health or the quality as delivered to the receiving ship;
- .7 representative samples to be taken during delivery in accordance with regulation 18.8.1 of MARPOL Annex VI, taking into account resolution MEPC.182(59);

- .8 seek transparency/traceability and ensure quality control throughout the bunker supply chain;
- .9 mitigating quality risks throughout the supply chain to avoid disputes;
- .10 encourage interactions and clear lines of communication regarding procedures to be followed between bunker suppliers and bunker buyers from the point of order up to the point of delivery; and
- .11 encourage effective dispute resolution through collaboration and communication between parties.

## **4 BEST PRACTICES**

### **General**

4.1 In order to ensure that the quality of bunkers delivered to ships meets the relevant specifications suppliers should source from appropriate refinery streams and/or hydrocarbon streams from synthetic or renewable sources to produce bunkers meeting the relevant specifications. The end product should be homogeneous and stable.

4.2 To ensure that the product conforms to relevant specifications and statutory limits the final blend should always be tested against the relevant standards and the test results should be documented.

4.3 In order to maintain quality control throughout the supply chain, it is important to have documentation to help identify product origins back to the manufacturing source and the various links in the chain to enable traceability, especially if problems arise to help pin-point the source of the problem and take remedial action.

4.4 Once a bunker blend has been produced and tested, appropriate storage and cargo handling in shore tanks and onboard cargo and bunker supply tankers should be adopted to maintain product integrity.

4.5 The supplier is responsible for providing the required representative samples of the product delivered to ships and the required documentation including the bunker delivery note (BDN) and safety data sheets (SDS).

4.6 In addition to these guidelines, fuel oil suppliers should also refer to ISO 13739 Petroleum products – Procedures for transfer of bunkers to vessels, relevant national standards such as SS 524: 2014 – Singapore Specification for quality management for bunker supply chain (QMBS), SS 600 – Singapore Standard Code of Practice for Bunkering, and to industry best practices such as guidelines published by CIMAC.

## **5 Quality control during production of bunkers**

5.1 Blending should, in principle, only take place in shore tanks in order to ensure the end product is homogeneous. The quality of the resultant blends should be tested and confirmed prior to delivery to ship.

5.2 The bunker supplier should ensure control of individual blend component quality. This includes knowing their individual properties through accurate data, and the component origins, supported by relevant documentation.

5.3 Blend components should be tried and tested so that their typical properties and suitability for bunker fuel production, and how they combine with other components, is well understood, with particular attention being given to the compatibility between blend components. Blending operatives should have appropriate knowledge of blending bunkers.

5.4 Where there are any uncertainties as to the nature and quality of a blend component, any issue should be identified and resolved before its use in the production of bunkers.

5.5 The following are recommended for bunker suppliers to ensure the quality of blends:

- .1 maintain a database of suitable and unsuitable blend components based on experience, industry knowledge and reported incidents;
- .2 development and/or use of appropriate blend modelling tools; and
- .3 test new/unfamiliar blends rigorously to meet the requirements of regulation 18.3 of MARPOL Annex VI and recognized standards, such as ISO 8217 Petroleum products -- Fuels (class F) -- Specifications of marine fuels.

5.6 The blend should not contain extraneous, potentially deleterious, materials as defined in clause 5 in ISO 8217 and regulation 18.3 of MARPOL Annex VI. This does not preclude the use of additives intended to improve specific fuel characteristics such as cold flow properties or combustion properties.

5.7 Any additives used should be known and have a proven track record in marine fuel application. Any new additive should be thoroughly evaluated to ensure it is fit for use in marine fuel application (for example, be approved by engine manufacturers).

5.8 Key data of the blend components include, but are not limited to, viscosity, density, flash point and sulphur. Sufficient data should be available on blending components to ensure the final blend fully meets the requirements of the grade of bunkers being made.

5.9 Blend proportions as determined from component data need to be correctly calculated and set and thereafter maintained during production of the specified product.

5.10 To ensure the end product is stable, the producer must ensure that all blend components are mutually compatible to avoid precipitation of solids. This can be done through testing compatibility of the blend components.

5.11 The final blend should be tested at a qualified laboratory. The sample sent for testing should be taken in accordance with guidelines for obtaining a representative sample (bottom, middle and top of the tank).

5.12 Blending during delivery should be avoided.

5.13 If it is anticipated that the product will be close to a limit maximum/minimum, the producer must keep in mind the precision of individual test methods when setting blend targets to ensure the product meets the specification limit with sufficient confidence. In the case of fuel oil sulphur content, producers are recommended to follow the guidelines provided in ISO 4259 Petroleum products -- Determination and application of precision data in relation to methods of test.

## **6 Quality control in the supply chain**

6.1 Fuel quality can be compromised at several points in the supply chain, up to and including delivery to ship. It is therefore recommended that the supplier establishes, documents and maintains a Quality Management System (QMS) covering all stages from taking custody of the product until the product passes the point of custody transfer to the receiving ship.

6.2 If part of the supplier's supply chain is performed by other parties, such as terminal operators and operators of supply vessels or trucks, these should be identified in the QMS and the supplier should strive to ensure control and maintain oversight over the supply chain.

## **7 Cargo transport, storage and transfer**

7.1 The quality of a bunker fuel or blend components may change compared to its origin during transportation, cargo transfers and during storage. The supplier should seek to prevent the quality known from the original test report and/or certificate of quality (COQ) from being compromised through working closely with third parties as follows:

- .1 tankers intending to transport the fuels as cargo should demonstrate to the supplier that the tanker is certified to carry this type of cargo (e.g. clean/dirty petroleum products). Suppliers should seek information about previous cargoes in case remaining residues could contaminate the product. Suppliers should also seek guarantees that the cargo tank has been properly cleaned if the previous cargo presents a risk of cross-contamination;
- .2 ensure that storage tanks at refineries or at independent storage facilities are suitable for the type of cargo to be stored, and that storage tanks are in good condition (e.g. no rust) before a new cargo is loaded. If tanks are not empty before loading new cargoes, ensure the resulting blend is properly mixed so that it is homogeneous and stable and that the new blend is properly tested using samples from the bottom, middle and top of the tank;
- .3 ensure good housekeeping during storage. This includes keeping products at the right temperature and preventing water ingress into the tank. Any water that accumulates should be removed to avoid conditions leading to microbial/bacterial growth that can severely compromise the bunker quality;
- .4 if part of the supplier's supply chain is performed by other parties, such as terminal operators and operators of supply vessels or trucks, these should be identified in the QMS and the supplier should strive to ensure control and/or maintain oversight over the supply chain;
- .5 pipelines at terminals may be used to transfer several types of cargo (known as multiproduct pipelines). If this is the case, seek verification that pipelines have been adequately cleared to prevent cross-contamination that may affect the overall quality or compromise the product specification;

### **Bunker tankers/barges**

- .6 prior to loading, barge providers should seek verification from the loading terminal that the product transfer pipelines have been properly cleared to prevent cross-contamination with the previous products transferred via the pipeline;

- .7 bunker tankers/barges should avoid loading cargo from different shore tanks into the same cargo tank, unless the shore tanks contain products of the same grade and with the same Certificate of Quality;
- .8 a representative sample should be taken during the loading of the bunker tanker/barge. The sampling should be witnessed and countersigned by a representative from the bunker tanker/barge and a representative of the loading terminal. The sample should be taken in accordance with recognized standards, such as ISO 3170/ASTM D4057 (manual sampling standard) or ISO 3171 (pipeline auto-sampling);
- .9 ensure good housekeeping during product storage and handling on the barge. This includes keeping fuels at the right temperature and preventing water ingress into the tank from external sources or condensation;
- .10 suction line strainers on cargo pumps should be cleaned periodically, and always cleaned before changing to a different grade of cargo; and
- .11 when loading the bunker supply tanker/barge (or truck), the following precautions are recommended:
  - A – Avoid loading different product batches into the same cargo tank;
  - B – Ensure the cargo tank is empty before loading a new cargo into it; and
  - C – Seek information about previous cargoes in case residues from a previous cargo could contaminate the product. Seek guarantees that the cargo tank has been properly cleaned if the previous cargo presents a risk of cross-contamination.

## **8 Delivery to ship (bunkering operations)**

8.1 Delivery to ship can be directly from a shore tank (at refinery or terminal) via pipeline, from a bunker tanker/barge coming alongside the ship at berth, at anchorage or off-shore, or from a road truck or rail car at berth.

8.2 Detailed guidance for bunkering procedures, including a sample bunkering checklist, may be found in various available guidance documents, for example chapter 25 of the International Safety Guide for Oil Tankers and Terminals (ISGOTT).

8.3 Clear communications should be established between supplier (bunker barge, truck or terminal) and the receiving ship and emergency stop and response actions agreed prior to any bunkering activities commencing.

8.4 In order to address the health and safety risks risk to crew on both the supply vessel and receiving ship, all parties involved in the bunkering operation should wear adequate personal protective equipment (PPE) and take due care to prevent skin contact with bunkers and exposure to hazardous fumes.

8.5 If more than one grade of bunkers is to be supplied, the order in which the grades are to be supplied should be agreed between the cargo officer and the receiving ship's chief engineer. To avoid contamination of product during delivery, it is recommended that the lighter/lowest sulphur grade is supplied first followed by the heavier/higher sulphur grade.

8.6 Ensure that all supply pipelines and hoses are thoroughly cleared of residue prior to every new delivery, especially if the supply pipeline/hose is going to be used to supply a different product specification than the previous delivery.

8.7 Carry out line clearing of bunker hose(s)/pipelines at the end of the pumping operation. Once line clearing is completed, the contents in the hose should be drained back into the bunker tanker's cargo tank.

8.8 There should be segregated pipelines/hoses and bunker connections for supply of materially different types of product, e.g. for residual and distillate grades, and for high and low sulphur bunkers to prevent cross-contamination of products.

8.9 Collection of a representative sample should be performed for each separate grade being delivered. If more than one tanker/barge is used to supply the ship, a separate set of representative sample(s) should be taken and a separate BDN issued for each tanker/barge.

## **9 Representative sampling**

9.1 Sampling is an integral part of quality control and vital in protecting the interest of all parties involved. Samples may be used as evidence both for commercial, regulatory or even criminal disputes and in court cases. The objective is to obtain samples that are truly representative of the product being transferred, both during delivery to ship and upstream in the supply chain as appropriate prior to the bunker delivery.

9.2 To ensure samples are representative, a single primary sample should be drawn continuously throughout the entire product transfer by either an automatic sampler or manual continuous drip sampler.

9.3 While a fuel oil supplier may use ISO 13739 and ISO 3171 for automatic pipeline sampling, ISO 3170 for manual methods or some other protocol for obtaining samples, it should be remembered that MARPOL Annex VI sets out the procedures for compliance and enforcement which includes resolution MEPC.182(59) on the *2009 Guidelines for the sampling of fuel oil for determination of compliance with the revised MARPOL Annex VI*.

9.4 The sample taken during delivery or from a tank must be collected in a clean container of sufficient quantity to be divided into the required number of sub-samples which in turn must be sufficient to carry out the required tests, typically 500-750 ml per sub-sample.

9.5 The contents of the single original sample should be decanted into the required number of clean sub-sample containers. This will typically involve agitating the bulk container and partially filling each sub-sample container in turn to a quarter or a third of their capacity, then repeating the process (agitating and decanting) until all the sub-sample containers have been filled.

9.6 The entire process, including sealing and labelling the sample containers, should be witnessed by representatives for both parties (the party supplying a cargo or product and the receiving party) and the resulting unique sample seal numbers recorded on the relevant documentation (e.g. the BDN) and countersigned by representatives for both parties.

9.7 Employing the services of an independent surveyor to oversee and witness the process may also be considered, in which case all sample seal numbers pertaining to the sampling shall be recorded by the bunker surveyor in the sample witnessing and receipt.

### **Sampling in the supply chain**

9.8 Sampling and testing should be carried out and documented at each point of product custody transfer throughout the supply chain.

9.9 A representative sample should be collected when loading bunker supply vessels from shore tanks, floating storage facilities and tankers. The recommended method is a sample drawn throughout the loading at the point of custody transfer. The sampling should be witnessed and the resulting sample containers sealed, labelled and countersigned by representatives for both the cargo recipient and the tank terminal.

9.10 The supplier should retain the cargo transfer samples for at least 30 days. In the event of a quality dispute arising, samples should be kept until the dispute has been resolved.

### **Sampling during delivery to ship**

9.11 Suppliers should follow the *2009 Guidelines for the sampling of fuel oil for determination of compliance with the revised MARPOL Annex VI* (resolution MEPC.182(59)) which states that the supplier should provide a MARPOL sample drawn by the supplier's representative at the receiving ship's bunker inlet manifold.

9.12 If for safety or practical reasons the witnesses cannot move between the receiving ship and the barge to be physically present, the process may be observed visually using binoculars and/or could be recorded using safe cameras.

9.13 To facilitate effective remote witnessing of sampling, visibility of the sampling equipment on bunker barges can be improved by marking the sampling zone with high visibility tape or paint.

9.14 The final resulting sample containers should be sealed, labelled and countersigned by representatives for both parties.

9.15 The supplier's representative commercial samples should be retained by the supplier for a minimum of 30 days. In the event of a quality dispute arising during the sample retention period, the samples should be retained until the dispute has been resolved.

## **10 Testing and interpretation of test results**

10.1 Testing should be carried out on samples from each point of product custody transfer throughout the supply chain and documented so the analysis report is matched to the product origin. This is a key part of a QMS to enable transparency and traceability and assist the supplier to identify the origin of potential problems and take steps to remedy and prevent further quality issues.

10.2 Sample analysis should be done according to the relevant internationally recognized test methods at an independent laboratory [accredited to ISO 17025 or an equivalent standard].

10.3 For the bunker producer/supplier, the recommendation is that the blend target should not be the actual specification limit, but rather the limit minus (or plus if it is a minimum limit) an appropriate safety margin. For the bunker producer/supplier to ensure that the product meets the specification limit with 95% confidence, the blend target should be the limit minus 0.59R for a maximum limit (or plus 0.59R for a minimum limit).

10.4 Further information can be found in a 2016 guidance document from CIMAC freely available online at the following link:

[http://www.cimac.com/cms/upload/workinggroups/WG7/CIMAC\\_WG07\\_2016\\_Feb\\_Guideline\\_Interpretation\\_\\_Fuel\\_Analysis\\_Test\\_Results\\_Final.pdf](http://www.cimac.com/cms/upload/workinggroups/WG7/CIMAC_WG07_2016_Feb_Guideline_Interpretation__Fuel_Analysis_Test_Results_Final.pdf) and Section 8 of ISO 8217, precision and interpretation of test results.

## **11 Documentation**

11.1 Documentation is a crucial part of the QMS in order to achieve transparency and traceability in the supply chain. This includes records of custody transfer of cargoes, certificates of quality (COQ), sample seal numbers and quality analysis reports.

11.2 Suppliers are responsible for providing bunker delivery notes (BDNs) to the receiving ship and safety data sheets (SDS) in line with the requirements of SOLAS regulation IV/5-1.4.8.3. It is the supplier's responsibility to ensure that the bunkers delivered to ship are in conformity with the details provided on the BDN and SDS.

11.3 In addition to the minimum requirements (BDN and SDS), suppliers are recommended to provide other supportive documentation such as copies of COQs and quality analysis reports and information on properties that may affect how the bunkers behave during storage and handling on the receiving ship. This might assist the ship to store and handle the fuel in a safe and efficient manner.

### **Cargo custody transfer**

11.4 For cargo custody transfers, documentation should include at least the following:

- .1 certificate of receipt identifying the owner of the cargo prior to custody transfer and the new owner;
- .2 name of tanker or tank terminal supplying the cargo to the new owner;
- .3 certificate of quality accompanied by laboratory analysis report; and
- .4 sampling sheet recording sampling location(s), sampling method(s) and all sample seal numbers.

### **Sample labels**

11.5 Sample labels should comply with regulation 18.8 of MARPOL Annex VI, as detailed in resolution MEPC 182(59). The following information is required on all sample labels:

- .1 location at which, and the method by which, the sample was drawn;
- .2 date of commencement of delivery;
- .3 name of bunker tanker/bunker installation;
- .4 name and IMO number of the receiving ship;
- .5 signatures and names of the supplier's representative and the ship's representative;
- .6 details of seal identification; and
- .7 bunker grade.

11.6 Details of the sample seals should be recorded on the bunker delivery note.

### **Safety data sheets – SDS (Formerly known as material safety data sheets – MSDS)**

11.7 SOLAS regulation IV/5-1 requires that safety data sheets are provided to a ship prior to loading MARPOL Annex I type cargoes and marine fuel oils.

11.8 SDS are intended to inform crew on the receiving ship of all health, safety, handling and environmental risks associated with the cargo/product. Details of the required information are set out in resolution MSC.286(86) on the *Recommendations for material safety data sheets (MSDS) for MARPOL Annex I oil cargo and oil fuel*.

### **Bunker delivery note – BDN**

11.9 The bunker delivery note (BDN) is the official receipt stating the grade and quantity of bunkers supplied to the receiving vessel. Regulation 18.5 of MARPOL Annex VI and appendix V of MARPOL Annex VI stipulates information to be included in the BDN.

11.10 Additional details, beyond the MARPOL requirements, may be included on the BDN according to local requirements and the commercial requirements of the supplier.

11.11 The BDN should be signed by both the supplier's representative and the representative of the receiving vessel and retained by the supplier for at least three years as per the regulation 18.9.3 of MARPOL Annex VI.

### **Supporting documentation**

11.12 Suppliers should, where possible, provide bunker buyers with copies of the product's certificate of quality (COQ) and associated laboratory analysis reports verifying the details on the COQ. These may include more detailed information on specific quality parameters which would be helpful to the crew on the receiving ship in applying appropriate fuel management, including pre-treatment prior to use.

### **Fuel properties/handling advice**

11.13 The supplier should provide information on properties that may affect how the bunkers behave during storage and handling on the receiving ship, in particular if the product supplied differs in handling characteristics from traditional/mainstream bunkers.

11.14 This information should include any special fuel management and handling requirements such as heating, special attention to pre-treatment in separators and centrifuges, and any known compatibility issues particular to the product.

11.15 For distillate fuels, suppliers should report cloud point (CP), cold filter plugging point (CFPP) pour point (PP). ISO 8217 fuel oil specifications require these fuel oil cold characteristic to be tested. This information helps the ship's crew determine if the fuel will need heating. The responsibility for ordering a product with appropriate CP, CFPP and PP for the ship's operational needs rests with the buyer.

## Licensing

11.16 In those States/ports that operate established licensing regimes for bunker suppliers, the bunker supplier should provide evidence to confirm the licence(s).

## QMS

11.17 Suppliers should have quality management systems in place and be able to provide evidence to bunker buyers if required. In cases where a supplier has its own internal QMS, it should be able to provide a summary to bunker buyers upon request. The QMS documentation should include references to the standards which the supplier will adhere to along with any independent third party accreditation of the QMS or elements of the QMS.

## 12 Contracting

12.1 Selling and buying bunkers is a commercial activity involving contracting parties, which in the case of bunker suppliers and bunker buyers can include a variety of parties. The "contract" in this instance covers both the supplier's general terms and conditions and the actual purchasing order.

12.2 The contract specifies the product(s) to be supplied, quantity and details of how the supplier will fulfil the contractual agreement, and should include claim/dispute clauses. Dispute handling/resolution arrangements in case of dispute should be specified.

12.3 Bunker specifications and any requirements for bunkering procedures should be stated in the contract. The contract should:

- .1 state the quantity ordered, the required maximum sulphur content and that the fuel is to meet the applicable requirements in regulation 18 of MARPOL Annex VI;
- .2 include a detailed technical specification for the fuel along with acceptable quality parameters;
- .3 where the fuel is specified with reference to ISO 8217 Petroleum products -- Fuels (class F) -- Specifications, the contract should clearly state which edition is to be used (i.e. 2005, 2010, 2012 or 2017). Using the latest edition is encouraged where possible; and
- .4 for non-ISO 8217 standard fuel oils, as a minimum the contract should specify that the bunkers provided meet the requirements of regulations 18.3.1 and 18.3.2 of MARPOL Annex VI, and SOLAS chapter II-2. If the product is close to an ISO 8217 grade, but will not meet specific parameters, those exemptions should be mutually agreed in advance and specified in the purchase order and contract.

12.4 If the bunker buyer orders fuel with a sulphur content exceeding the limit in MARPOL Annex VI, the supplier should obtain a notification from the bunker buyer that the fuel will be used with an approved alternative means of compliance such as exhaust gas cleaning. The supplier should ensure the notification is communicated to the supplier's representative overseeing the physical delivery (e.g. the cargo officer).

12.5 Unless otherwise permitted by MARPOL Annex VI and confirmed by supporting documentation, e.g. ships installed with an alternative means of compliance with the fuel oil sulphur content limit, the supplier should not supply fuel oil which is not compliant with relevant statutory requirements and specifications.

12.6 The contract terms and conditions should stipulate how the laboratory analysis will be carried out in the case of disputes.

12.7 The contract should specify that the laboratory should be independent and certified to ISO 17025 or an equivalent standard.

### **13 Dispute resolution**

13.1 Dispute handling/resolution arrangements in case of dispute should be specified in the contract.

13.2 As outlined in the section on testing and interpretation and subject to the specific provisions in the sale contract, if the ship's own fuel testing programme from a ship's sample yields a result failing to meet the specified limit (after allowing for the 95% confidence margin), the buyer can require the supplier's retained commercial sample to be tested. Breaking the seal of that sample should be witnessed by representatives for both the supplier and the buyer. If the test on the supplier's retained commercial sample fails to meet the specified maximum/minimum limit, the product has not met that specification limit.

13.3 If the cause for the failure of the product to meet specification lies with parties other than the contracting bunker supplier, for example the original bunker blend provider or the bunker tanker/barge operator delivering the product on the contracting supplier's behalf, it is up to the supplier to seek compensation from these parties.

13.4 If a product that has been delivered is proven by test results to be off-specification, but has not yet been used, the supplier should enter into constructive dialogue with the buyer and support the buyer with regards to remedial action including debunkering, if required.

13.5 In cases where a ship experiences operational problems suspected but not specifically proven to be caused by the fuel, the supplier should offer any assistance they are capable of to the buyer in trying to determine the root cause. This may involve, for example, information on product origin to help build knowledge of cargo sources that may be associated with unusual or unexpected operational issues.

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