

Shipping industry guidance on

Environmental Compliance

A framework for ensuring compliance with
MARPOL



International Chamber of Shipping and
International Shipping Federation



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A framework for ensuring compliance with MARPOL

The following guidance has been prepared by the International Chamber of Shipping (ICS) and the International Shipping Federation (ISF) as a template for the review of company compliance programmes adopted in accordance with existing regulatory requirements, such as the International Maritime Organization (IMO) International Safety Management (ISM) Code. This framework is also supported by BIMCO, Intercargo, Intertanko, OCIMF and SIGTTO. The following is relevant to preventing all forms of pollution but can be read in conjunction with the *Shipping Industry Guidance on the Use of Oily Water Separators* (see www.marisec.org/ows).

The shipping industry is committed to a process of continuous improvement of the design and operation of ships to ensure that they have no harmful impact on the environment.

Introduction

The International Convention for the Prevention of Pollution from Ships (MARPOL) has been in place for many years and applies worldwide. Despite this, however, MARPOL requirements have not always been followed uniformly and instances of deliberate discharges in violation of MARPOL are still being detected by government authorities. While the lack of adequate waste reception facilities and the inefficiency of equipment may be of relevance, they can never justify flagrant breaches of international regulations.

Prosecuting authorities, particularly in the United States, have identified the absence within some companies of a systematic approach to identifying and managing compliance with environmental requirements as a common failure, directly leading to shipboard non-compliance. Leadership commitment and a clearly delineated path of accountability to the top of the company have often been found lacking.

Notwithstanding current compliance mechanisms in use by maritime companies, it is advisable for companies to review their practices and take additional steps to ensure compliance with environmental protection obligations. Fortunately, detailed information about prudent environmental management is readily available. The International Organization for Standardization (ISO) has developed the ISO 14000 series of environmental management system standards to satisfy global environmental needs.

In seeking to change the working practice of those companies found to be in violation of environmental rules, authorities have frequently required adherence to compliance programmes overseen by the courts.

The International Maritime Organization (IMO) in session, in London

These programmes are lengthy, detailed and require full practical engagement by the company, leading to large associated costs. Many of the court-ordered compliance programmes are based on elements contained in the ISO 14000 standards. However, regardless of the programme in use, the courts will invariably require clear accountability within the company leadership.



Guidance

Companies vary by size, type of operation, management philosophy, public or private status and a number of other variables. Inevitably, these may lead to differences among company systems where differing vocabulary and management oversight systems may be in use.

In reviewing the principles that may be used by authorities to evaluate the effectiveness of a company's operations, the objective is to stimulate a change in behaviour which, whilst in line with the company's current practices, will ensure the highest possible degree of compliance. The key focus of investigating authorities is accountability by the company, which implies that the company's approach must be one of checks and balances.

All companies should be operating in accordance with a policy based on ISM Code requirements. It is therefore recommended that management should thoroughly review the ISM Safety Management System to ensure that environmental compliance, in every respect, is fully addressed.

Elements to be reviewed by the company:

Management responsibility

Senior management should demonstrate, by behaviour and action, that environmental compliance is a core element of the company's business plan. Companies should assign the operation of the environmental compliance programme to a high-level executive with named responsibility to take all of the actions necessary to ensure compliance.

This corporate environmental compliance executive, who may be the Designated Person required by the ISM Code, should possess the appropriate knowledge and qualifications and should be given full authority to act and report to the highest levels of management including the Board.

Corporate and individual responsibility

The management programme should describe a method of recognising compliance, for example by making compliance both a condition of employment and a significant factor in performance reviews for shoreside and shipboard personnel.

Non-compliance with environmental responsibility, by executives and operating personnel alike, should be taken very seriously and should include dismissal for the most serious offences. The relationship between workload and the prioritisation of environmental compliance should be recognised.



Training, awareness and competence

The environmental compliance manager should review existing crewing practices to ensure that there are sufficient personnel properly trained to accomplish the environmental compliance tasks for the ship's current voyage(s).

The compliance manager should review shoreside staffing to ensure that a sufficient number of competent and qualified personnel are available.

Crew should be trained in the proper operation of all the environmental equipment with which they work. The training should include: warnings regarding the consequences of non-compliance, including the possibility of criminal prosecutions and imprisonment; procedures to be implemented in order to stop and repair malfunctioning equipment; and the importance of proper record keeping and that failure to comply with record keeping requirements may also be a criminal offence, regardless of whether or not there has been any pollution.

Staff should also receive training in their reporting obligations in the event of non-compliance, and the use of anonymous reporting systems. Staff should also be informed that they have an obligation to participate in the oversight of the environmental compliance programme.

The necessity of honesty in all dealings with port and flag state authorities and the need for factual record keeping should be constant training themes.

Shore personnel should also receive appropriate training.

A description and record of training should be maintained by the compliance manager.

The effectiveness of the training programme should be routinely evaluated.

Waste stream analysis and budget

Companies should assess the operations of their fleet in order to identify and quantify the various types of wastes generated from the fleet's operations. This analysis should include all aspects of environmental conformity and should identify where the waste is generated and where it goes. This analysis should be used to identify steps to reduce waste generation.

The operating budget should include sufficient resources for each ship to meet the expected environmental compliance costs for proper waste management including shipboard processing or shore disposal as appropriate.

The environmental compliance manager should approve the waste stream analysis and sign-off the environmental component of the operating budget.

Technical equipment

Environmental equipment should be considered as critical and should therefore be assessed for proper functioning and efficiency in normal at-sea operating conditions. Any failure should be reported to the environmental compliance manager, along with details of the corrective actions taken and the timetable to effect repairs.

If any equipment does not operate effectively, the company should replace the equipment or augment the existing system.

The adequacy of the storage capacity for waste on board the ship should be assessed against its operations. If necessary, additional capacity should be added to allow for storage and subsequent proper shore disposal.

The company should have a maintenance and replacement programme for environmental compliance equipment that specifically requires periodic sampling and testing of waste discharges.

Control devices

Companies should take steps to prevent deliberate non-compliance. This may involve installing monitoring equipment, using seals on overboard discharge lines, fitting unique tags on flanges, or fitting interlocks to prevent falsification of monitoring records.



Documentation

A sound system of documentary management, including records required for statutory purposes and records kept in accordance with company policy, should be capable of demonstrating a full, complete and accurate record of all matters pertaining to environmental compliance on board each ship and by shore staff.

The documentary management system should support cross-checking of data, and be capable of detecting any falsification of records.

Managers and executives should periodically conduct internal reviews of the document management system in addition to the formal audit process.

Companies should be encouraged to use electronic transfer and storage of documents to take advantage of the smooth flow of communication and accountability that these methods support.

Internal reporting

The basic requirement is for a system of written or electronic records, documentation and standard reporting procedures using the ship's organisational structure.

In addition to the ISM non-compliance reporting system, the company should have an anonymous reporting mechanism that encourages any employee to report a suspected violation to the environmental compliance

manager. This mechanism should operate outside of the other operational mechanisms in place. The compliance manager should investigate all such reports without delay, take corrective actions, inform the appropriate management and document all actions and events.

The company should have a policy in place that prohibits retaliation against employees who report any environmental non-compliance.

External reporting

Non-compliance with MARPOL regulations should be reported to the vessel's flag administration.

In the event of the discovery of evidence of intentional discharges of waste, the flag administration must be notified immediately and a request for an investigation should be initiated.

Notice to port state authorities should also be required for discharges within port state jurisdictional waters.

Audits

The aim of an audit is to verify environmental compliance throughout the company.

It is strongly recommended that senior management establish an environmental auditing policy requiring universal and unannounced audits to be conducted at least annually.

All aspects of environmental compliance should be independently audited by third party auditors and in-house auditing personnel. In order to ensure complete independence of purpose, in-house auditing personnel must be separate from the operational personnel responsible for environmental compliance.

The audit programme should include, but not be limited to, the review of all records, reports, logs, training assessments, incident reports, maintenance records, management reviews, sampling and monitoring data, reports of non-conformities and all corrective actions.

The audit should include a physical inspection of equipment including demonstration by crew of its proper use.

Audits could be extended to include crew familiarity with company policy and the general compliance programme.

A substantial portion of the audits should be conducted while the vessel is underway.

The audit results should be presented to senior management and follow-up actions documented and tracked.

Can your Board verify full environmental compliance throughout the company?



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An electronic version of this leaflet is available at
[www.marisec.org/
environmental-compliance](http://www.marisec.org/environmental-compliance)

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