The Screening Process

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Management of Risk

Via what route.....??

Let’s see!
Some interesting quotes…..to get us in the mood

• Safety is a journey not a destination……..think of it as marathon.

• Injuries don’t just change the statistics…..they can change lives.

• A life without adventure is likely to be unsatisfying, but a life in which adventure is allowed to take whatever form it will, is likely to be short. – Bertrand Russel.
SAFETY – SECOND MOST BASIC OF HUMAN NEEDS
More variables to add......

- What other factors contribute to making the 2nd most basic need of humans so difficult to achieve in marine environment?

- A typical ship is:
- Flagged with one country
- Officers and crew from a spectrum of nationalities and backgrounds
- Speaking many languages
- Working on contract
- Owner of a totally different domicile
- Managers based in different countries
- Sailing globally
- (Could Maslow have imagined this variety and complexity?)
The Marine Risk Matrix – The Jigsaw
(Maslow may be a bit worried now !)
Industrial Vs System Safety

• Industrial, or occupational safety has traditionally focused on controlling injuries to employees on the job.

• System safety covers the total spectrum of risk management. It goes beyond the hardware and associated procedures of system safety engineering.

  (extract from While Paper on Approaches to Safety Engineering by Nancy Leveson, where the author has looked at a wide spectrum of industries from aircraft to defense)

• Can we say that ISM and TMSA has helped to go in that direction? Let’s see!
The 4 PILLARS for SAFETY at Sea

- SOLAS
- MARPOL
- STCW
A developing approach – “Responsible Corporate Behavior”
(Maslow gets a helping hand ..)

• .....socially responsible corporate behavior is more likely to occur to the extent that firms belong to industrial or employee associations and engage in institutionalized dialogue with stakeholders.
  
  • (Extract from a paper titled – Why should Corporations behave in socially responsible ways? By John L. Campbell, Dartmouth College and Copenhagen Business School)

• Do Intertanko, OCIMF and seminars like these bear the above statement out?
Mission
Use our pioneering spirit to responsibly deliver energy to the world

Commercial Marine Mission
Through our Marine expertise we deliver safe, innovative waterborne solutions to create sustainable competitive advantage for ConocoPhillips

- RISK MANAGEMENT EXCELLENCE
- COMMERCIAL INNOVATION
- OPTIMISATION EXCELLENCE
- COST EXCELLENCE

PEOPLE FOCUSED – develop & retain an empowered & motivated workforce, strong in marine expertise, living SPIRIT values

PROCESS IMPROVEMENT – standardized, effective & efficient global processes and systems to drive sustainable competitive advantage

RELATIONSHIP MANAGEMENT – development of strong stakeholder relationships in service of our Mission
THE MARINE RISK PILLARS
(Yes, some more pillars)

“Marine Risk Pillars”
Pillars of Success for Risk-Based Business Decisions

DEAL TYPE
TERM CHARTER
VOYAGE CHARTER
COA
CIF/CFR
FOB / DES AT COP TERMINAL
FOB / DES AT LEASED TANKAGE
FLASH CUSTODY
Risk Assessment Methods

• In the next 3 Slides the Human Element aspect has been high-lighted in RED to focus for this presentation.
• All factors are given equal importance during vetting evaluation process.
Risk Assessment Methods

- Vetting of Vessel and Vessel Operator
  - Inspection Data
    - Vessel Age and Condition
    - Crew Quality
    - Management System
  - CoP Previous Experience of Vessel & Operator
    - Commercial
    - Terminal
    - Pollution Control Representatives (PCR)
  - Casualty History
  - Port State History
  - Industry Information
  - Overall Quality of Owner and Fleet
Factors Considered:

1. Ship Particulars
2. Ship Age
3. Ship Owner Information / Ship Performance History
4. Operators Safety Management System
5. Classification Society
6. Protection and Indemnity (P&I) Club
7. Manning and Certification
8. Local & International Convention / Regulation Compliance
9. Drug and Alcohol Policy
10. Flag State
11. New Delivery
Ship Manning & Certification Requirements

- Master and Chief Officer experience levels:
  - Combined minimum of 9 years of on board sea going experience
  - Combined minimum of 3 years on board in rank experience
  - Gas carriers – 1 year each in senior rank (C/O level)
  - Some allowance is permissible depending on the RISK LEVEL

- Ship Operators confirm that Officers:
  - Hold current license/certificate of rank, including STCW endorsement/certificate

- Ship Operators confirm that all Deck Officers:
  - Communicate effectively in English
  - Communicate effectively with crew members in a common language
Crew, Crucial to Safety – The SYSTEMS Approach & Extending beyond the *hardware*

**Tanker Management and Self Assessment**

- The relevant sections are Element 3 and 3A, however the thread goes through other elements too
- How the “crew are crucial to safety” and how TMSA helps, we shall see by some examples as follows:
Element 1. Management, Leadership and Accountability

- **AIM:** Through strong leadership, management promotes safety and environmental excellence at all levels in an organization.

  - All vessel and shore personnel demonstrate their commitment to safety and environmental excellence.
Element 3. Recruitment & Management of Vessel Personnel

• AIM: Ensure that all vessels in the fleet have competent crews who fully understand their roles and responsibilities and who are capable of working as a team.
AIM: The company has a comprehensive and proactive approach to the identification of potential hazards and the management of vessel risks.
(familiar verbiage..?)
Element 9A.
Safety Management - Fleet Monitoring

- Drills and safety exercises are used to determine and record the training needs of individual employees and records are maintained on board and/or ashore.
- The vessel has a formal risk-assessment system on board, and relevant crew members have been trained in hazard identification and risk assessment.
- The vessel's management team promotes a strong, proactive safety culture onboard, and all crew members are encouraged to be involved in proactive safety campaigns and work methods.
- The company sends officers and crew on safety training courses in excess of statutory requirements.
Element 11. Emergency Preparedness and Contingency Planning

- **AIM:** To improve and test the vessel operator’s ability to respond to and manage an incident
  - Individuals are trained in their designated emergency response roles.
Yes! - TRAINING IS THE KEY
System Safety depends on?

Safety depends on training, education, skills, processes, culture, awareness..

- Safety depends on
  - Ashore it means all of us and on ship it means the crew.
  - However in the present day scenario the competency of crew is driven by shore management.
  - Which means all of “US”.
ConocoPhillips supports safe shipping