

# FLAGSHIP

## NEWS FROM THE LIBERIAN REGISTRY

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### Liberia offers flag state lead in ISPS preparedness

HOUSTON, Rotterdam, Oslo, Hamburg, Piraeus, Limassol. What do these places have in common, beyond the fact that they are all world-renowned centres of commercial shipping excellence? The answer is that they have all been visited in recent weeks by representatives of LISCR as part of a global tour designed to explain how - and why - the Liberian Registry has taken a leading role in preparing shipowners for the new security regime which will enter force in the international shipping industry on July 1, 2004.

Liberia has taken a unique initiative by establishing a fully staffed Maritime Security Department and electing to train its own worldwide network of inspectors to perform international Ship and Port Security (ISPS) Code verification audits for shipowners, operators and managers. Liberia is committed to assisting owners and operators in preparing for ISPS verification. These enhancements to the Registry's service capabilities increase the pool of qualified auditors and provide owners of Liberian-registered vessels with a choice for ISPS certification.

LISCR has contracted with leading international security specialists to train fifty Liberian inspectors over the coming months in three key locations – North America, Europe and the Far East – in the specialist skills required to perform ISPS and other security audits. In addition, the Registry will conduct its own Ship Security Plan approvals for the entire Liberian fleet rather than delegating this task.

Due to the significant consequences of terrorism incidents, many owners are choosing to deal directly with the Flag Administration rather than with the classification societies. With trained ISPS auditors in every major port, shipowners are comfortable using the Liberian Registry for ISPS certification.

Rex Harrington, chairman of the LISCR advisory board, says, "Security and the ISPS Code bring new meaning to the term 'flag state responsibility'. The Liberian Registry

has met this responsibility head-on and given an important lead to the industry. It has played a pioneering role in improving maritime security preparedness and capability." And Yoram Cohen, chief executive officer of LISCR, says, "Liberia has set standards for others to follow."

The Liberian Registry has also decided to approve specific members of the International Association of Classification Societies as competent to carry out ISPS audits on behalf of Liberian-registered vessels. After careful review of their security-competence qualifications, the Registry has named Det Norske Veritas, Germanischer Lloyd and the American Bureau of Shipping as Recognised Security Organisations under the ISPS Code, and expects to be able to confirm shortly a similar understanding with Lloyd's Register.



*Rex Harrington - Liberia has given a lead to the industry.*

All these classification societies have established partnerships with security experts, and have developed the necessary internal infrastructure to properly verify compliance with the ISPS Code. Liberia is also in the process of working with other IACS members and is prepared to accord them similar approval once they have satisfactorily demonstrated their security competence and their compliance with the Liberian Registry's requirements.

Liberia has offered flag states a lead with its proactive, structured approach to implementation of the new security regime mandated by the IMO. The decision to establish a fully staffed maritime security department, to approve each ship's security plan and to co-ordinate the Registry's onboard certification survey/audits is another example of its ongoing commitment to serving the international shipping industry.

Liberia has always put safety first. In offering a lead for others to follow on ISPS and other security-related issues, it is continuing that proud, long-established tradition.



# Owners and flags need economic incentives



*This article by LISCRC CEO Yoram Cohen was published by Lloyd's List on December 18, 2002, as one of a series of observations by industry leaders in the wake of the "Prestige" casualty*

TANKERS break up because, somewhere along the line, the system of maintenance and control has failed. Well-built and well-maintained ships can survive bumping into floating objects, even in rough seas. The standards in the current system are not the problem; it is the way the system is applied that lets us all down.

Look at how the system works. The managing owner is responsible for the maintenance of the ship. Sometimes that manager gets the wrong advice, or makes the wrong decision, or simply does not focus enough on keeping the structure sound.

Behind the owner stands the classification society, which sets the structural standards for the ship, and which surveys the structure during its lifetime, and the flag state, which is responsible for applying international law and standards to the ship and its managers. So if the owner is not performing up to scratch, class should pick that up.

The flag is responsible and must intervene if either the owner or class isn't performing up to scratch. Port state control helps keep them on their toes but, if flag states did their job properly, then there would be less need to rely on the superficial inspections of PSC.

Currently, there are too many flag states which simply do not discharge their responsibilities, and there are too many owners who use these flags. It is not difficult to see which flags fall into which category. You just need to look at the tables published by Port State Control authorities, the loss records published by the underwriters, or the accident statistics published by IMO.

A small group of flags, of which I am proud to say Liberia is one, is consistently high on the quality list, and there is another group, which includes some major national and open registers, which is always on the black list. Everyone knows who they are. What we need is a system which would drive owners away from the failing flags and strengthen those which care about safety and quality, and which actually do something about it.

It has nothing to do with the sterile debate on so-called "flags of convenience." Today, all flags, whether nominally "national flags", or business-like open registers, have the



same structure. All the traditional maritime nations have moved to copy the successful open registers by creating parallel open registers, such as the NIS, privatising most of their survey force, and delegating much of the technical content of their responsibilities to classification societies. Registers such as the UK openly boast of attracting Taiwanese shipowners to use their flag.

All this is good for shipping, as it gives the industry the legal structures it needs to operate efficiently. But the system falls down when owners can choose a flag that has no system of control of its own, which has no desire to exert control, and which depends wholly on a laxly supervised delegation to class. The Liberian Registry exercises strict controls, which is why it is the flag of choice of the world's leading tanker operators. They welcome strict control, and would like to see that control extended wider.

Efforts at IMO to institute audits of flags are laudable, but they won't work because, without effective punishment capabilities, sovereign issues impede IMO's enforcement. Fine words are much less effective than economic incentives. Efforts to set up a club of quality registers won't help much either because, on paper, it is too easy to show how you are complying with IMO obligations.

Instead, we need to create genuine economic incentives which will make owners choose a flag with high levels of supervision. That will create a virtuous cycle, whereby the good flags are strengthened and can apply further resources to control and monitor, and the irresponsible ones see their client base drain away.

The USCG Qualship programme is the first step in this direction and, although it needs refining in terms of its statistical application, it is based on a sensible principle of rewarding managing owners and charterers who choose good flags and class. If other port state control groups and port authorities would follow suit, we would see a definite shift towards flags that care.

That wouldn't eliminate tanker disasters completely, but it would do a lot to strengthen the system and make it harder for failures of managing owners or class to slip through the net.

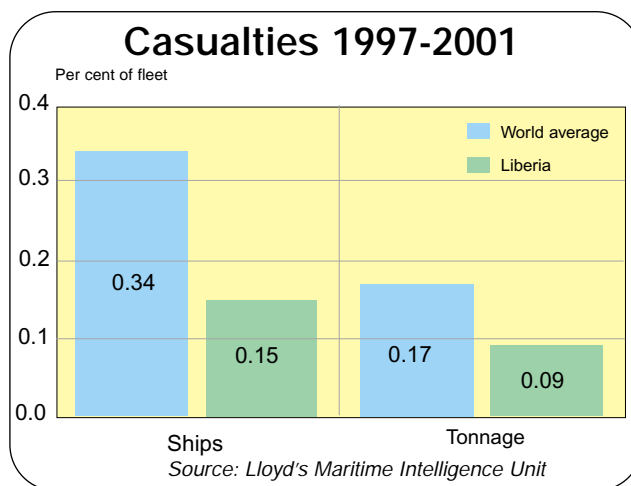


*Liberia is always pleased to welcome newbuildings to the registry, and such was the case recently with the "Morning Glory VIII". Our picture shows the newest addition to the fleet of the Nakata Mac Corporation of Japan. The 57,326 gt Nakata tanker was built by the Onomichi Dockyard Co in Japan under NK classification.*

## Lloyd's statistics confirm Liberia's superior safety record

IN its December 2002 issue on Ship Registers & Ship Management Services, Lloyd's Ship Manager notes that the percentage of Liberian ships inspected and found having class-related deficiencies that lead to detentions is consistently below the average for all ships.

The publication notes that, "The most recent data for total serious casualties from Lloyd's Maritime Intelligence Unit shows figures for Liberia lower than the average for the world fleet". Noting that, for the past fifty years, the Republic of Liberia has dominated the shipping scene as a centre for ship registration, Lloyd's Ship Manager adds, "Its record as the most safety-conscious of the open registries is testimony to Liberia's belief that a quality administration attracts quality owners".



## SEA System upgrade

A NUMBER of significant improvements have been made to LISCR's Seafarer's Electronic Application (SEA) system software, which allows users to complete applications for seafarer documents and to submit them electronically, via the internet, for processing.

Under the improved system it is now possible to view any documents attached to an application, and to print specific application pages. The validity of document links can be checked, and all files can be opened in the photo-viewer. In this way it is easy to review the documents submitted for each application.

Certificate of Receipt of Application (CRA) agents may now also print CRAs and copies of applications directly through SEA. The CRA can be completed using application data, and the need for paper forms is eliminated. It is no longer necessary to return CRA forms to LISCR. Applicants' national documents are also available in the case of port state inquiries.

Under the improved system, it is now possible to create a complete back-up of your SEA system database, while

a Restore function will recreate the database exactly as it was when it was last backed up.

A new Import/Export Crew Data function facilitates the back-up of crew lists and relevant seafarer details, and it is possible to export the data to other crewing software or perhaps to another filing agent. Likewise, it is also possible to import basic crew data from a crew database or from another filing agent.

The SEA system has already proved its worth as a quick and secure method of processing seafarer documents. It is state-of-the-art technology, but plans have already been made to accommodate likely developments in the seafarer application process. The system has been upgraded to permit the transmission of an applicant's biometric templates, which may be required by future regulations. SEA will be an invaluable tool for transmission of this data to the registry.

For further details of SEA, contact LISCR at:

[seafarers@liscr.com](mailto:seafarers@liscr.com)

## New staff appointments

THE Registry has recently made a number of new staff appointments as part of its ongoing commitment to provide shipowners and operators with the very highest levels of service. Pini Shwartz has been appointed to a new role for the registry – Director of Maritime Security. With a distinguished naval and anti-terrorism career, as well as experience in commercial shipmanagement, Pini is well-qualified to guide the registry and its clients through the ISPS implementation period and thereafter.

Greg Maj has also joined as General Manager of the LISCR office in New York. A chief engineer with significant operations experience, he will oversee the day-to-day registration process.

## Tonnage boost for Liberia

LISCR is proud to run one of the highest quality registers in the world. Shipowners recognise that quality and are attracted to it, as shown by the fact that, in the last quarter of 2002, quality owners registered a total of 112 new vessels – comprising a mix of tankers, cargo vessels and drilling rigs - with Liberia. Similar growth has been recorded during the first quarter of 2003.

Quality combined with growth equates to both operational excellence and improved safety overall.



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## On the register



CAPT. Vincent Black was one of the first three people recruited by LISCR as part of its team to manage the Liberian Registry. He had the right credentials — invaluable practical experience as a seagoing officer, and proven ability in

management and administration. These are qualities that have been well employed over the past couple of years.

Vincent graduated from King's Point in 1964 and, over the course of the next 25 years, sailed with some of the best-known names in American merchant shipping, including Amerada Hess and Waterman Steamship. He retired from the sea in 1988 and spent the next five-and-a-half years as director of training for Sandy Hook Pilots, which provides pilotage services for the port of New York and New Jersey.

From there, Vincent went to work for the then-managers of the Liberian Registry, and his qualities were quickly recognised by LISCR when it assumed management of the registry at the end of 1999. Today, he is vice-president and head of LISCR's seafarer certification and documentation department.

In addition to attending a variety of international meetings, and generally "trying to keep abreast of all the various changes as they come down the road," Vincent's everyday activities include overall responsibility for the licensing of officers and the certification of ratings. Vincent is responsible for the issuance of all Liberian crew documents.

Vincent enjoys his work. He has seen a lot of changes in his time in the industry, and none bigger than the implementation of the amended 1978 STCW Convention. "On one day in 2001," he says, "we had 71,000 licences expire."

Vincent lives in Reston, Virginia. He and his wife have three children. When he isn't looking after the interests of officers and crew, Vincent likes to spend his time cycling, swimming, working out at the gym, and generally keeping himself physically fit.

