

Issue Date 29 Mar 2018

TECHNICAL ALERT No.18-01

Port State Control – United States Coast Guard QUALSHIP 21 & E-Zero Programs

1. Introduction

- 1.1. United States Coast Guard (USCG) efforts to eliminate substandard shipping have focused on improving methods to identify poor-quality ships and recognising and rewarding higher-quality ships at Port State Control (PSC) inspections. Therefore, on 01 January 2001 the USCG implemented the QUALSHIP 21 initiative to identify high-quality ships and provide incentives to encourage quality operations.
- 1.2. The USCG introduced the E-Zero designation on 01 July 2017 for ships enrolled in the QUALSHIP 21 program that meet strict additional environmental requirements.
- E-zero is a new initiative that focuses on compliance with international environmental conventions and United States ballast water regulations. The E-zero designation is intended to provide a higher level of recognition within the existing QUALSHIP 21 program.
- 1.4. Details on the incentives for QUALSHIP 21 ships and new incentives for QUALSHIP 21/E-Zero ships, eligibility, enrolment and renewal requirements are presented in the Annex to this Technical Alert.
- 1.5. This Technical Alert supersedes Technical Alert 17-07.

2. **QUALSHIP 21 and The Bahamas**

- 2.1. The 3-year rolling average detention ratio for 2015-2017 was 0.73% and The Bahamas is therefore eligible for QUALSHIP 21 status.
- 2.2. The Bahamas Maritime Authority (BMA) continues to actively monitor all PSC inspections and places great importance on maintaining a low rate of detentions in both the USA and elsewhere.
- 2.3. Owners and Managers of Bahamas registered ships are therefore urged to ensure that any ships calling at ports in the USA are fully prepared for the possibility of a PSC inspection by the USCG.
- 2.4. It should be noted that there is no longer automatic reenrolment of qualified ships for QUALSHIP 21. Owners must reapply for QUALSHIP21 when the current certificate expires.
- 2.5. All lifesaving appliances, firefighting equipment and essential equipment should be tested before arrival, be in full working order and ready for immediate use and the crew adequately trained for and familiar with their duties. Please also refer to <u>BMA Information Bulletin No. 85</u>.

3. **QUALSHIP 21 companies operating Bahamas registered ships**

- 3.1. The USCG periodically publishes a list of ships that have gained QUALSHIP 21 status. Based on the most recent USCG list (09 March 2018), the BMA is currently aware of the following Companies operating Bahamas registered ships that have qualified for QUALSHIP 21:
 - Adelfia Navigation S.A.
 - Algoma Ship Tech Ltd
 - Anglo-Eastern Shipmanagement (Singapore) Pte. Ltd.
 - Ariston Navigation Corp.
 - Bergshav Management AS
 - Campbell Shipping Company Limited
 - Chartworld Shipping Corporation
 - Chevron Transport Corporation Limited
 - Dockendale Ship Management DMC Co.
 - Dorian LPG Management Corp
 - E. Nomikos Corp.
 - Enterprises Shipping & Trading S.A.
 - Fleet Management Limited
 - Gestmar Tehnika d.o.o.

- Grace Management S.A.
- Green Management Sp. z.o.o.
- Gulf Energy Maritime (Gem) Pjsc
- International Tanker Management Limited
- Ionia Management S.A.
- KNOT Management AS
- LPL Shipping S.A.
- Magical Cruise Company Limited (Disney Cruise Line)
- Mideast Ship Management Ltd. JLT
- MOL Tankship Management (Europe) Ltd.
- NCL (Bahamas) Ltd.
- NYK Shipmanagement Pte. Ltd.
- Ost-West-Handel und Schiffahrt GMBH
- Row Management Ltd.
- Samos Steamship Co.
- Siem Shipping UK Limited
- SMT Shipping Poland sp z.o.o.
- Stamco Ship Management Company Limited
- Sun Enterprises Ltd.
- Super-Eco Tankers Management Inc
- Synergy Maritime Private Limited
- Technip UK Limited
- Teekay Marine (Singapore) Pte Ltd
- Thor Dahl Shipmanagement AS
- Tsakos Columbia Shipmanagement (TCM") S.A."
- V. Ships Limited
- V. Ships USA LLC (Boston)
- Valerie Ship Management LLC
- Wilhelmsen Ship Management Ltd.
- Wisby Shipmanagement AB
- World Tankers Management Pte Ltd
- Zenith Gemi Isletmeciligi A.S.

The BMA congratulates these Companies, and the Masters, Officers and crews of their QUALSHIP 21 eligible ships, on achieving their awards.

- 3.2. Companies not listed above who have QUALSHIP 21 eligible ships are requested to provide copies of the QUALSHIP 21 certificate(s) to the BMA, so that the Company can be added to the list.
- 3.3. Owners and managers who have QUALSHIP 21 eligible ships may also be eligible for E-Zero status. The BMA encourages owners and managers of eligible ships to apply for E-Zero status.

4. Validity

4.1. This alert is valid until further notice.

5. Revision History

Rev.0 (29 March 2018) – First issue.



QUALSHIP 21 & E-ZERO

REWARDING YOUR COMMITMENT TO QUALITY, SAFETY AND THE ENVIRONMENT

QUALSHIP 21

In our continued efforts to ensure safe, secure, and environmentally sound maritime commerce, we offer this program to reward those companies, operators, and vessels that demonstrate the highest commitment to quality and safety through the highest level of compliance with International standards and United States law and regulation.

E-ZERO (ZERO ENVIRONMENTAL DEFICIENCIES OR VIOLATIONS)

Beginning July 1st, 2017, vessels enrolled in the QUALSHIP 21 program may also seek the E-Zero designation if they meet the requirements set forth below. The E-Zero program is a new addition to the existing QUALSHIP 21 program, and the intent of this program is to recognize those exemplary vessels that have consistently adhered to environmental compliance, while also demonstrating an immense commitment to environmental stewardship. These vessels will receive the E-Zero designation on their QUALSHIP 21 certificate.



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Present Incentives for QUALSHIP 21 Vessels

All Vessels

- QUALSHIP 21 enrollment valid for 3 years.
- Vessel name posted on U.S. Coast Guard website & EQUASIS.

Tank Vessels

 Certificate of Compliance (COC) annual examination reduced in scope. (For tank vessels, the COC annual examination occurs at the mid-period of the COC's two-year validity.)

Freight Vessels

 Three years of limited Port State Control (PSC) oversight.

Passenger Vessels

 No reduced PSC examination, but vessel will receive QUALSHIP 21 certificate and recognition on the QUALSHIP 21 web page & EQUASIS.

New Incentives For QUALSHIP 21/E-Zero Vessels

All Vessels

- Special recognition denoted on QUALSHIP 21 certificate
- Vessel name posted on U.S. Coast Guard website & EQUASIS.

Tank Vessels

 Vessel permitted to conduct cargo operations within six months of both the COC annual examination due date and the COC expiration date. OCMIs must, at a minimum, must verify cargo-specific statutory documents (e.g., IOPP, International Certificate of Fitness) and confirm all cargo systems are operational with the master prior to allowing cargo operations. Tank vessels must still receive a full COC renewal examination prior to the issuance of the COC and the vessel's departure from the Captain of the Port Zone.

Passenger Vessels

 Reduced scope for the environmental portion of the examination during COC periodic examinations.



Contact:

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Vessel Eligibility for QUALSHIP 21

For the purpose of QUALSHIP 21, the initial eligibility oriteria are:

- Must be a non-U.S. flagged vessel.
- The vessel must be registered to a QUALSHIP 21 qualified flag administration.
- No substandard vessel detentions in the U.S. within the previous 36 months.
- No marine violations or serious marine casualties and no more than one Notice of Violation (NOV) ticket in the U.S. within the previous 36 months.
- A successful U.S. PSC safety exam within the previous 24 months.
- Not owned or operated by any company (listed on vessel's Continuous Synopsis Record) that has been associated with more than one PSC detention in U.S. waters within the previous 24 months.
- Vessels cannot have their statutory convention certificates issued by a targeted recognized organization (RO). Targeted ROs are those that have points assigned in the U.S. Port State Control Matrix as listed in the most recent PSC Annual Report.
- The Coast Guard reserves the right to restrict eligibility in the QUALSHIP 21 program to any vessel because of special circumstances. This includes but is not limited to significant overseas casualties or detentions and pending criminal or civil investigations.



Vessel Eligibility for E-Zero designation

- Must be a vessel enrolled in QUALSHIP 21, maintain certification for the past three years and remain eligible for reenrollment.
- Zero worldwide MARPOL detentions for the vessel in the past three (3) years.
- Zero environmental deficiencies (MARPOL, 33 CFR Subchapter O, Ballast Water Management, Vessel General Permit, Antifouling) in the U.S. over the past three (3) years.
- Zero Letters of Warning, Notices of Violation or Civil Penalties related to Right Whale Mandatory Ship Reporting or speed restriction violations over the past 5 (five) years.
- Installed CG type-approved Ballast Water Management (BWM) system or operating without a BWM compliance date extension letter granted in accordance with 33 CFR 151.2036.

Qualifying Flag Administrations

For flag administrations to qualify for the QUALSHIP 21 program, they must:

- Not have a three-year detention ratio greater than 1.0%.
- Have at least 10 PSC examinations in the U.S. in each of the previous 3 years.
- Submit a Self-Assessment of Flag Administration (State) Performance to the IMO and provide a copy to the U.S. Coast Guard.
- Submit an Executive Summary from their Member State Audit Scheme audit to the U.S. Coast Guard or submit a letter or email attesting to the fact that they have not yet undergone the audit but have submitted their request to be audited.

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Vessel Enrollment

Vessel owners and/or operators are required to submit the name of the vessel, IMO number, registered flag administration, company name, and company IMO number to the Coast Guard's Office of Commercial Compliance (CG-CVC-2). After receiving this information, the Coast Guard will screen the information and make a determination of eligibility. Once accepted into the program, a QUALSHIP 21 Certificate will be issued to the company and the vessel. The vessel will then be listed on the CG-CVC-2's QUALSHIP 21 web page.

Vessel owners that have ships enrolled in QUALSHIP 21 but do not see their vessels on the QUALSHIP 21 web page should notify the Coast Guard at the address noted on this pamphlet.

Applications for enrollment are processed in the order in which they are received. Our goal is to process each application within 30 days of receipt.

Exit Criteria

A vessel will no longer be eligible for incentives during the period of the QUALSHIP 21 certificate, under the following conditions:

- The vessel is detained and determined to be substandard in U.S. waters.
- The vessel has a marine violation, more than one unpaid NOV ticket, or a reportable marine casualty that meets the definition of a serious marine incident or major marine casualty.
- The vessel is found with serious deficiencies (e.g., deficiencies that are considered serious enough to warrant the detention of the vessel) that are not being monitored by the vessel's flag administration or RO acting on behalf of the flag administration, or if the vessel is found to not have reported a hazardous condition prior to arrival. If the vessel is within the time limits

imposed by the flag administration or R0 to correct deficiencies, the vessel will not lose eligibility for incentives.

- The vessel transfers to a targeted RO.
- The vessel changes its flag administration to one that has a detention ratio greater than 1.0%, or to a flag administration that does not have at least 10 distinct arrivals in each of the previous 3 years.
- The vessel is associated with a company that is required by the U.S. Department of Justice or U.S. Coast Guard to have and follow an Environmental Compliance Plan due to criminal prosecution or the vessel has any other pending criminal investigations.

A company may request reconsideration from the U.S. Coast Guard (CG-CVC-2) to remain in the QUALSHIP 21 program or retain its E- Zero designation if it owns or operates a vessel that has been associated with an IMO reportable detention or environmental deficiency.

Renewing Eligibility

- Vessel owners are required to renew their enrollment in the program. There is no longer automatic reenrollment into the program. Furthermore, renewal of eligibility is established under the same conditions as initial certification, including the requirement to have completed a successful U.S. PSC safety exam within the previous 24 months. Therefore, vessel owners are encouraged to request a PSC safety exam from the local COTP during U.S. port visits during their 35th or 36th month of the term of their QUALSHIP 21 certificate.
- When renewing eligibility, current QUALSHIP 21 flag administrations whose 3-year rolling detention ratio has gone above 1.0% will be given a one-year extension, provided that their ratio is below 1.05%.



FOR MORE INFORMATION

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