



CASE STUDY | DECEMBER 2020

ENHANCED SHIPBOARD COMPLIANCE AUDITING REFLECTS V.GROUP'S LEADERSHIP IN ENVIRONMENTAL MANAGEMENT

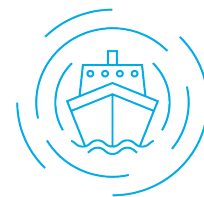
CHALLENGE

The maritime industry is acutely focused on operational efficiency, safety and environmental management. Most vessel owners, operators and ship management companies view compliance in these areas as more than just a good business practice. Prioritizing compliance is essential as vessels are routinely subject to regular Port State Control (PSC) inspections, class surveys and third-party audits to ensure they are complying with international and domestic environmental and safety regulations. Being out of compliance can result in significant fines and reputational damage and, at a minimum, can lead to costly downtime while violations are resolved.

As a result, the international shipping industry is exceptionally monitored internally and regulated externally. Maritime vessels worldwide are subject to regular Port State Control (PSC) inspections to ensure they are complying with International Maritime Organization (IMO) environmental and safety regulations. In the US, the U.S. Coast Guard (USCG) PSC officers perform these on-board inspections, looking at documentation and general compliance with both international and domestic regulations. Environmental compliance, particularly within the patchwork of U.S. federal, state and local requirements, remains a significant ongoing challenge - even for companies that employ best practices. While vessel Masters' and Chief Officers are diligent about maintaining good operational environments and compliance measures, they deal with hundreds of different activities and events each day and items may be overlooked.

Witt O'Brien's client V.Group, one of the world's largest ship management and maritime services companies, has held a deep commitment to delivering safe and compliant operations. Its fleet of compliance auditors across the world work diligently to ensure best practices in safety, environmental management and operations are being implemented.

While V.Group was already working to prevent compliance violations by conducting pre-PSC inspection audits, they also recognized potential challenges and limitations in creating a robust pre-audit capability that could mirror the rigor of a real PSC



SHIPPING & TRANSPORTATION

CONTACT AN EXPERT



Mike Gallagher
SENIOR MANAGING
DIRECTOR

mgallagher@wittobriens.com



Kate Kelley
ASSOCIATE MANAGING
DIRECTOR

kkelley@wittobriens.com



Sean Rock
ASSOCIATE MANAGING
DIRECTOR

srock@wittobriens.com

inspection. Witt O'Brien's has a number of vessel technical specialists including former USCG-PSC inspectors, independent shipboard auditors, former chief engineers, and environmental regulators who have spent thousands of hours inspecting vessels and flagging issues. As such, it made sense for V.Group to engage the maritime compliance audit experts at Witt O'Brien's to help develop a new environmental compliance course for its auditors.

SOLUTION

Witt O'Brien's leveraged its extensive maritime expertise to develop a three-part "train the trainer" curriculum aimed at covering the essential aspects of a shipboard audit from a PSC inspector's perspective. Forty colleagues from V.Group's Quality Systems Enhancement (QSE) auditor team and Seatec Safety's On Board Training and Inspection teams participated in the first round of the course, and future training sessions are planned for others within the V. Group team.

Witt O'Brien's experts designed the training course to go beyond the basics - ensuring safety and environmental management systems are in place and compliance checks and cross checks are implemented - to explain the rationale for each requirement and why it should be addressed in a specific manner. The course content also helped participants understand and identify less obvious non-conformities that might catch the eye of a PSC inspector and potentially result in a situation that would oblige the vessel to remain in port while the inspector conducted a more in-depth investigation.

Witt O'Brien's also leveraged its suite of electronic tools and eLearning platform to align the training with V.Group's Remote Environmental Compliance program, which enables the company to audit operations without incurring travel costs and adhering to COVID-19 distancing guidance. The new environmental compliance auditor course was entirely online, featuring webinars and an interactive eLearning course.

The first section of the course was a 90-minute case study review of noteworthy International Convention for the Prevention of Pollution from Ships (MARPOL) violations, along with first-hand observations based on Witt O'Brien's past experiences inspecting vessels. The review looked at the root cause of each violation, its resulting consequence - a corrective action, detention, fine, report, or further investigation - and what to look for and flag in the pre-audit. Witt O'Brien's direct familiarity with each violation lent credibility and gravity to the session, along with confidence that the information shared was real and relevant.

The second session was an online Shipboard Environmental Auditing training course using the Moodle eLearning platform. The online training was split into two modules. The first was a documentation review to outline all the ships records a PSC inspector would review, and a tutorial on how to evaluate each record to ensure it was in order. The second module simulated a ship walk-through that followed the existing, comprehensive checklist developed by V.Group to simulate the physical and visual inspections PSC inspectors conduct and included additional recommendations and considerations for auditors. The module also correlated the walk-through with industry best practices and provided guidance on each compliance requirement, why it was important, and how PSC inspectors would assess compliance.

The final phase of the training was a roundtable workshop with the participants to review key takeaways and answer questions. The review session helped connect the learnings back to the objectives of the Shipboard Environmental Auditing process and provided valuable feedback that the training team is using to fine-tune the program.

"With the shipping industry facing an increased amount of scrutiny in regard to its environmental practice, V.Group has committed to adopting and promoting industry standards and best practices to establish itself as a leader in environmental practices for ship management, both at sea and on shore."

**Mike Bradshaw, Global
Head of HSEQ, V.Ships**

RESILIENCE DELIVERED

Adopting a blended learning approach helped enhance V.Group's existing shipboard environmental audits, allowing participants to understand the perspective of a PSC inspector. Breaking the training up into three modules helped the trainees better absorb and process the information and build on their learning. The course added a valuable new layer of expertise in improving standards for the benefit of the marine environment.

Witt O'Brien's also developed a post-course evaluation survey to assess participant experience and determine which modules in the course were most useful and which ones could be improved along with any gaps that needed to be addressed. The program scored highly among participants with all 20 survey respondents. Witt O'Brien's trainers also followed up with participants directly regarding questions arising from the case studies.

Based on participant feedback, the pre-audit course is already being enhanced to include additional vessel-specific audit details and V.Group expects more of their auditors to go through the program by early 2021. As the program matures, the company will be able to track effectiveness against formal audit outcomes and overall compliance, and eventually against overall operational efficiency, safety and performance.

WITH YOU WHEN IT COUNTS