



Mideast's Presentation

SMS Evolution & Continual Improvement



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Mideast

- Set up in 1996 as limited stock company held by National Shipping Company of Saudi Arabia (NSCSA) 50% & Accomarit 50%
- Year 2000, NSCSA 80% and Acomarit 20%
- 2005 NSCSA took over Acomarit shares.
- 2006 NSCSA BOD decision Mideast to be a dedicated ship manager for ships owned by NSCSA and their affiliate (NCC).



Mideast Vision

*Mideast is to be globally recognized as
a high quality ship manager*

Mideast VLCC Fleet

- *10 VLCCs*
- *Total Tonnage*
- *3,038,393 Tons*



- *Total Capacity*
- *3,505,507 M3*

Mideast Chemical Tanker Fleet



Total 10 vessels

Total Tonnage

398,056 Tons



Mideast Ro-Ro Fleet

Total 4 Vessels

Total Tonnage

169,290 Tons



Mideast Fleet Growth



- ✚ 7 new VLCCs on order. Induction into the fleet to complete by 2009
- ✚ Chemical Tankers – 14 new vessels end 2007 to 2010



Part II

Starts off with the why's & how's of SMS
and ends up with Mideast specific SMS



Legislating Tanker Sector

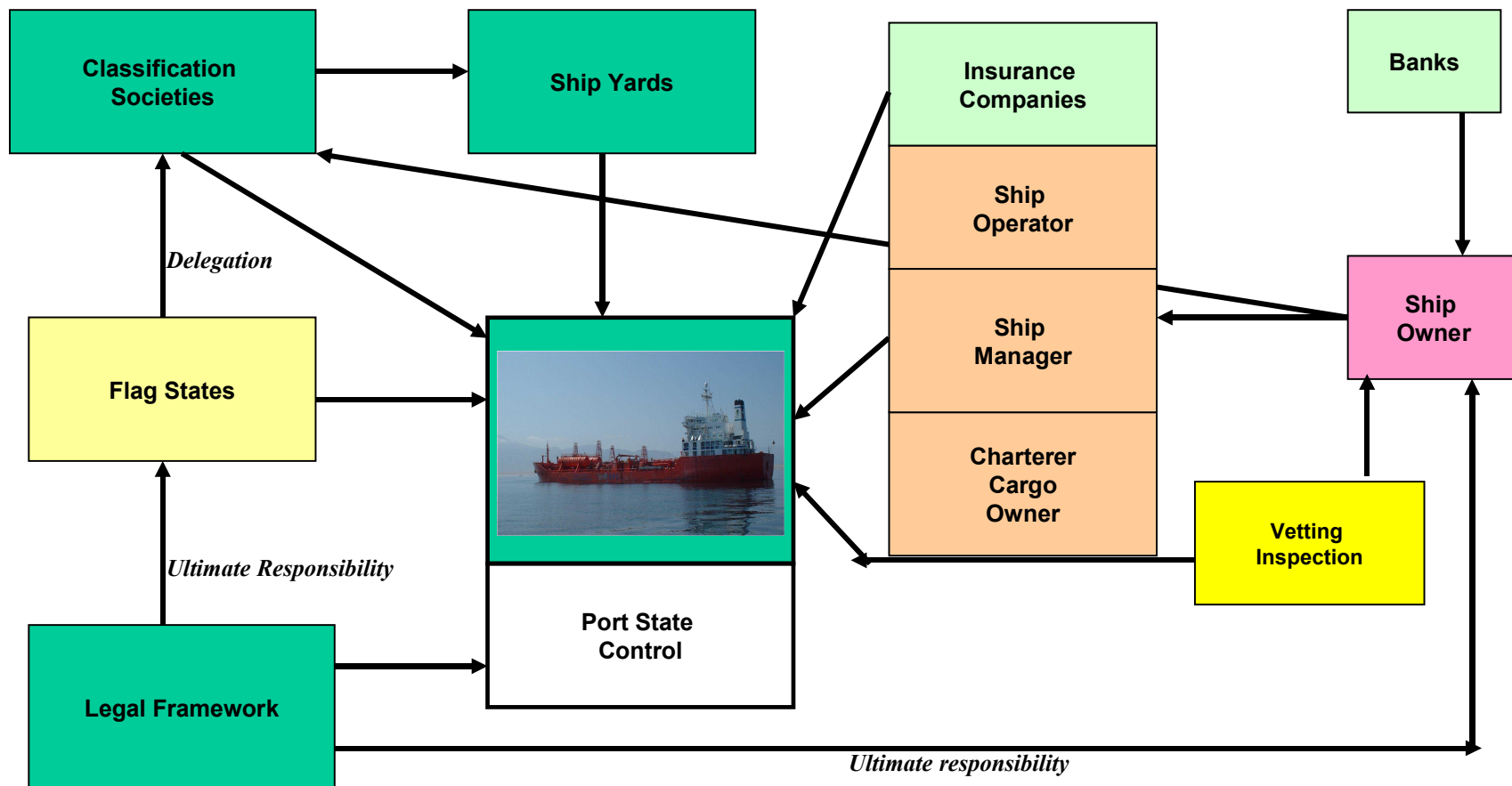
- ✚ The last 3 decades have seen significant legislations, standards being introduced for all types of industries
- ✚ Shipping is no exception.
- ✚ Tanker sector has ended up being regulated in a very big way.

As Tanker Operators it has had a big impact on the way we do things. We will now see WHY & HOW.



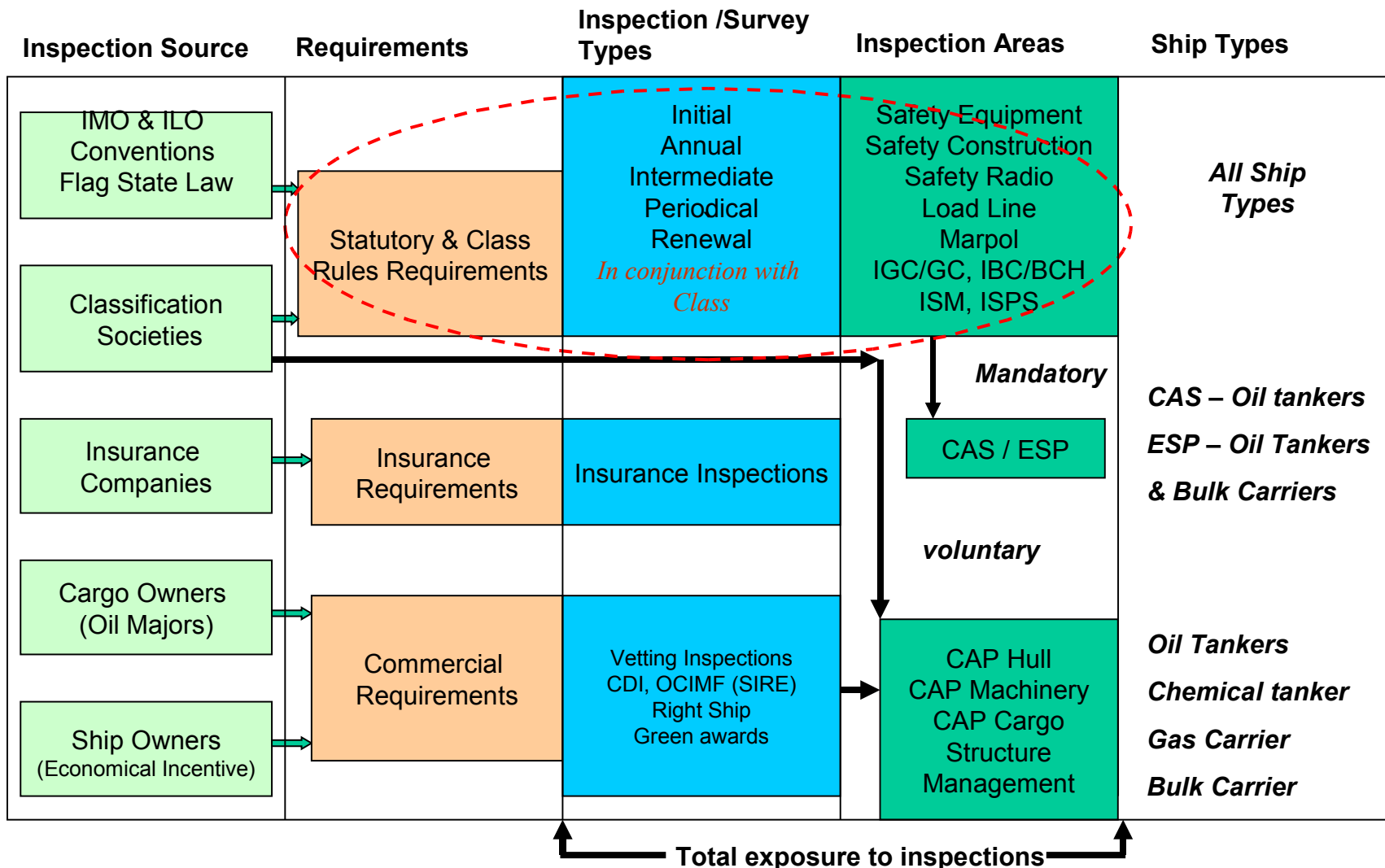
Maritime Industry Over-Regulated?

Players of the Safety Regime in General





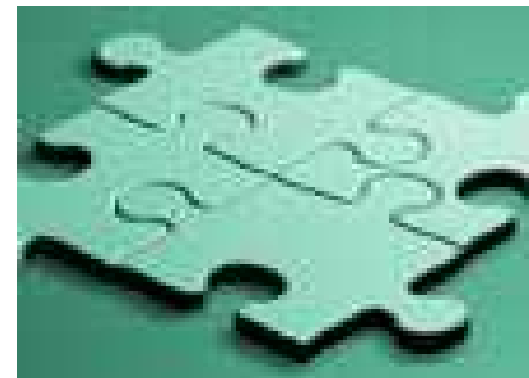
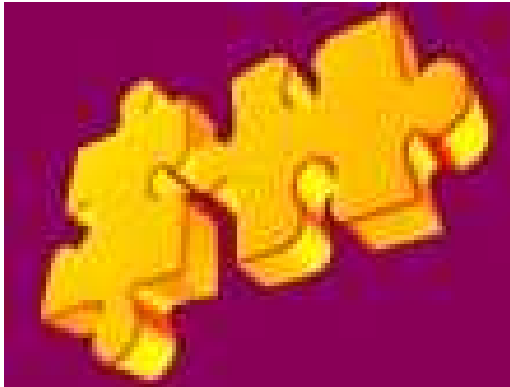
Business & Regulatory Environment





Best way forward!

1st July 1998 ISM
Code enforced &
SMS Introduced



Building a SMS is an art of
integration



What constitutes a SMS?

- Safety & Environmental protection Policy
- Instructions/Procedures for safe operation of ships & environment protection
- Clear defined levels of authority and lines of communication amongst ship & shore staff
- Procedures for reporting accidents & NC's.
- Contingency procedure
- Internal audits & Management Review

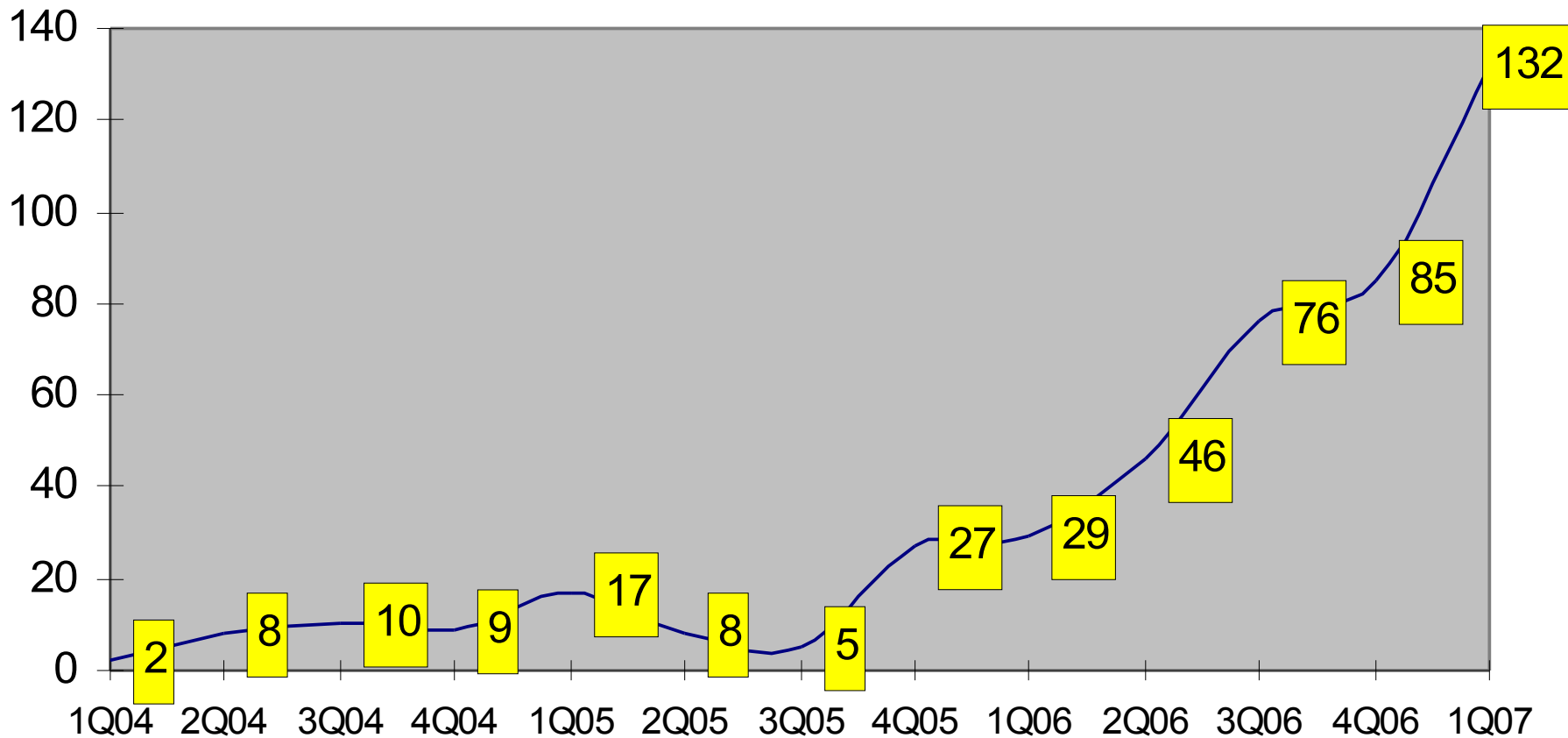


Mideast's SMS

- Mideast SMS adopts top-down business like approach to managing safety risks
- It includes systematic procedures, practices and policies for safe & environmental friendly operation of company ships.
- Promotes safety and environmental awareness by using a combination of safety culture, training and data sharing.
- Ensures transparency at every level.
- Adopts best industry practices for continual improvement



Near Miss reporting Trend





Part III

In this Section we talk about the tools available to the industry for continual improvement of the SMS and how we deal with it.



Continual SMS Improvement Tools

- ✚ OCIMF Publications
- ✚ ICS Publications
- ✚ TMSA
- ✚ Interaction with Industry circles
- ✚ SIRE & CDI Inspections



Tanker Safety Regime

- ✚ OCIMF introduced SIRE programme in 1993
- ✚ CDI-Marine (or CDI-M) created by chemical industry in 1994
- ✚ OCIMF introduced TMSA in 2004.

Common Purpose –”management and operation of vessels within culture of safety & environmental excellence.



TMSA

- The acronym TMSA stands for “**Tanker Management and Self Assessment**”.
- A bit misleading!
- It is in fact a guide to **quality management system standard** being promoted by Oil Majors.
- For a Tanker Operator compliance to ISM Code-defined safety management system is no longer sufficient.



TMSA a Building Block

- ✦ Mideast recognised the benefits of TMSA and was quick to adopt it.
- ✦ Being ISM, ISO 9001:2001 & ISO 14001:2004 accredited, TMSA was considered vital tool for ‘continual improvement’.
- ✦ Commitment from TOP is in abundance and thus the motivation to improve.



Mideast TMSA Status

- + First submission July 2005**
- + First Revision July 2006**
- + First Oil Major TMSA Audit Nov 2006**
- + Second TMSA Revision Dec 2006**
- + Current status shown in subsequent slides**



Achievements

- Formal Hazard Identification & Risk Assessment – enhanced risk awareness.
- Management of Change – allows smooth transition.
- Introduction of KPIs
- Regular Officers/Crew conferences.
- Regular monitoring of Environmental Aspects & Impacts



How Mideast Monitors TMSA?

Elements		Level 1				Level 2				Level 3				Level 4			
1A	Management, Leadership and Accountability	C	C	C	C	C	C	C	C	C	C	C	C	C	C	R	C
1B	Management, Leadership and Accountability	C	C	C	C	C	C	C	C	C	C	C	C	R	C	R	C
2A	Recruitment and Management of Shore-based personnel	C	C	C	C	C	C	C	C	C	C	C	C	R	R	C	C
3A	Recruitment and Management of Ship's Personnel	C	C	C	C	C	C	C	C	C	C	C	C	R	R	C	R
3B	Recruitment and Management of Ship's Personnel	C	C	C	C	C	R	R	C	C	C	C	C	C	R	C	C
4A	Reliability and Maintenance Standards	C	C	C	C	C	C	C	C	C	C	C	C	C	R	C	C
4B	Reliability and Maintenance Standards (Critical equipment)	C	C	C	C	R	C	C	C	R	R	R	R	R	R	R	C
4C	Reliability and Maintenance Standards (Close-out Performance)	C	C	C	C	C	C	C	C	R	C	C	C	R	C	C	C
5A	Navigational Safety	C	C	C	C	C	C	C	C	C	R	C	C	C	R	C	C
6A	Cargo and Ballast Operations	C	C	C	C	C	C	C	C	C	R	C	C	R	R	C	C
6B	Mooring Operations	C	C	C	C	R	C	C	C	R	C	C	C	R	C	C	C



How Mideast Monitors TMSA?

Elements		Level 1				Level 2				Level 3				Level 4			
7A	Management of Change	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
7B	Management of change	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
8A	Incident Investigation and Analysis	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
8B	Incident Investigation and Analysis - Training	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
9A	Safety Management – Shore Based Monitoring	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
9B	Safety Management – Shipboard Monitoring	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
10A	Environmental Management	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
10B	Environmental Management	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
11A	Emergency Preparedness and Contingency Planning	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
11B	Emergency Preparedness and Contingency Planning	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
12A	Measurement, Analysis and Improvement	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
12B	Measurement, Analysis and Improvement	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■



TMSA STATUS & GOAL

- ✚ Fully Qualify for Level 1 with significant progress in other levels
- ✚ Target achieving Level 2 in the next 12 months
- ✚ Eleven best practices identified for achieving Level 2



Important Milestones

- ✦ ISM & SEP - on 3rd September 1997 to Mideast Office and Fleet.
- ✦ ISO 9002:1994 – on 3rd September 1997
- ✦ ISO 9002:1994 – on 19th December 2000
- ✦ ISO 9001:2000 - on 19th October 2003
- ✦ ISO 9001:2000 – on 21st January 2006 to Mideast Office and Fleet (Seamless Certification)
- ✦ ISO 14001:2004 - on 21st January 2006 to Mideast Office and Fleet. (Seamless Certification)
- ✦ With ISO 14001 in place DNV SEP no longer necessary thus withdrawn.



**We believe there is only
do our business!**



to

**And that is the “safety & environment
friendly way”.**



THANK YOU FOR YOUR ATTENTION!



Any Questions Please?