

Green Award sets the highest standards for safe and environmentally friendly shipping operations

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By rewarding high safety and environmental standards in shipping, the Green Award makes above standard ship operation economically more attractive. The Green Award certification scheme is open to crude oil and product tankers and dry bulk carriers from 20,000 DWT and upwards.

From 1994 onwards, certificate holders of a Green Award certified vessel have received a premium equal to 6% of the charged port fee from the Port of Rotterdam for each call. Shortly thereafter the Port of Sullom Voe followed this example. Today over 48 ports grant an incentive to Green Award certified vessels. These ports can be found in Belgium, South Africa, Spain, Portugal, The Netherlands, United Kingdom and New Zealand. Apart from port incentives, several maritime service providers, such as the Dutch Pilot organisation or European port reception facilities, are granting an incentive as well.

The organisation

The Green Award Foundation was founded in Rotterdam in 1994 with a grant from the Port of Rotterdam and its Dutch Ministry of Transport. The Foundation has its offices in Rotterdam and is ruled by Dutch law. The Foundation is now independent, impartial, and governed by a Committee, along with a Board of Experts, both of which include key figures from within the international shipping industry. The Foundation derives its income from an annual audit fee. During the first years of the organisation's development, income was mainly derived from subsidies by the Port of Rotterdam and the Dutch Ministry of Transport. One of the success factors of the organisation was financial independence. This was achieved on 1st January 2000.

The objective

The main objective of the Green Award Foundation is to promote the safe and environmentally friendly operation of ships, mainly by achieving international acceptance of (inter)national conventions, legislation and developments in the area of ship design, equipment, crew, operations and management. This is obtained by high but manageable survey requirements that are verified both at the ship owner/manager's office and on each individual vessel. Certification with available incentives in turn creates a desire for participation.

The Foundation had two main tasks; to get the system internationally accepted by committed incentive providers and to certify ship owners/managers with their respective vessels.

The Certification procedure

The Green Award procedure is carried out by the Bureau Green Award, the executive body of the independent non-profit Green Award Foundation. The certification procedure consists of an office audit and an audit of each individual ship applying for certification. For a ship, a Green Award certificate is, subject to annual verification, valid for three years.



A Green Award certified vessel.

The requirements for certification address issues and operations directly related to safety, quality management, ship design, and matters affecting the marine environment. The surveys and audits are carried out in such a way that continuous improvement is encouraged. The requirements are constantly adapted to high but workable standards based on best practice and sound management. It should be emphasised that compliance with these requirements greatly improves environmental performance both in port and at sea.

Is the Green Award worthwhile?

The audits and surveys cost money, and preparation takes considerable time, so why is this investment seen as worthwhile? Our analysis of company and port feed back indicates that companies gain in other ways which can be summarised as follows:

1. The Green Award provides tangible recognition for high environmental standards attained.
2. The audit and survey process encourages excellence.
3. The review of the audit reports show company management and sea staff where improvements can be made.
4. Ships are well run and operate with energy saving environmental efficiency.

5. Companies receive significant financial incentives through reductions in port dues and port service costs.
6. Ports supporting Green Award receive efficient and environmentally friendly ships which have less delays and cause less pollution to the shore community.
7. The public gains through safer ships, cleaner seas and more reliable sea transport.

Green Award incentive providers

Making the transition in such a traditional industry as shipping requires a special incentive and, to the great credit of the Port of Rotterdam who first provided a financial incentive of 6% discount on port dues, a positive incentive scheme was launched. Subsequently, other ports and services have all contributed to this change of performance. The central role of incentive providers must be recognised as an essential part of the change process, and all of us working at the Green Award Foundation, acknowledge with special gratitude the support of the incentive providers.

The Port of Sullom Voe, Shetland Islands, one of the first Green Award incentive providers, has several reasons for supporting the Foundation:

1. The main reason is that Sullom Voe demands very high standards from all involved in its operations. This is necessary because the port is required to handle some of the largest tankers in the world within a pristine environment which supports major seafood industries, and which is also subject to very severe weather from time-to-time.
2. The management at Sullom Voe did not believe that a rigorous regulatory regime was sufficient to encourage the standards sought from all ship operators and charterers. Whilst regulation is necessary, performance is likely to be improved where incentives are available to encourage compliance.
3. It was also firmly believed that good operators who strive to meet high standards should be rewarded for their efforts.
4. Furthermore, it is certain that freedom from accident or incident results in effective economy of operational cost. As our American friends have remarked "If you think this is expensive try an accident!" High standards of operation generally reduce exposure to risk and mishap. Consequently it is reasonable to reduce the cost to those who set and meet high standards.
5. Whilst a variety of ship-vetting and quality control schemes exist, the Green Award is a rating scheme which measures standards on a pass or fail basis. At the same time the system established by the Green Award is itself open to detailed external accreditation.
6. The Green award system is accredited by the Nautical Institute, which is wholly independent, focused upon operational performance and widely acknowledged for its reputation in setting internationally recognised standards of excellence in ship operation in other areas.
7. Since the incentive was introduced in 1997, there has not been a single serious incident involving a Green Award vessel at Sullom Voe. The only reportable incident was promptly and effectively handled which reinforced the confidence in the system.

The future

As of the end of October 2005 the number of oil tankers carrying the Green Award certificate is 185. Incentive providers in other world regions are essential to create a market mechanism. Continuous efforts are being made by the Bureau to secure the commitment of other incentive providers across the globe. A market mechanism is the ultimate tool to ban substandard shipping and to improve the quality of shipping on a world-wide basis. By this we also refer to a preference for quality tonnage on the charter market.

At present the incentives are mainly found at the discharge side of the trade. When closing the trade cycle however (incentives at load ports), the system will become more attractive for the participating vessels, and as a result, the individual incentive value at a port can be reduced. Our ongoing aim is the increase of these benefits and recognition of quality shipping.

We would like to increase the number of incentive providers. Interest in the Green Award scheme is observed in Asia, Australia, North America and the Persian Gulf. Any participation or cooperation from those regions will be warmly welcomed.

Conclusion

Green Award offers the industry real choices, to hire a ship operating to minimum standards or to hire a ship which is certified to the highest standards. With rigorous independent surveys and audits underpinning the scheme, there has to be confidence in the surveyors understanding the work, and complete independent, transparent management of the scheme internationally.

Why should a port become a Green Award incentive provider?

- Shorter periods of stay of the ship in the port due to quicker arrival, mooring, loading and off-loading activities by well-trained and well-motivated crew and a well maintained ship
- Adverse consequences of casualties are kept to a minimum due to the proficiency of the crew and office personnel as well as the provision of equipment and plans for emergencies
- In case of a breakdown etc, on-board, adverse consequences are kept to a minimum due to the crew's proficiency in dealing with emergency situations
- Less environmental risk resulting from the implementation of either all current requirements or the company's own higher requirements
- Safety risks are reduce due to good maintenance and good training
- Better communication between ship and shore resulting from an overall strong command of the English language

Incentive providers now ensure that ship owners and ship managers can receive, and even profit from the Green Award certification. This is why the Green Award is growing, and ultimately, it is the public who benefit from safer ships and cleaner seas.

ABOUT THE AUTHOR



Jan Fransen was involved with the set-up of the Green Award scheme in the early nineties. He served the Foundation as Certification Manager and from 2001 took on the position of Deputy Managing Director. His previous positions have included Nautical Officer and several positions at the Dutch Ministry of Transport and the Port of Rotterdam.

ENQUIRIES

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