

P & I REVIEW – RUSSIAN FEDERATION
Prepared by Denis Shashkin
Deputy Manager of Novorossiysk Branch
CIS PandI Services Ltd
Novorossiysk, 2016

CONTENT:

- 1. General review of Taman ports and Anchorages*
- 2. Terminals at Port of Taman*
- 3. Ballast Change*
- 4. Sewage, Black, Grey Water Discharging*
- 5. Turkish Crew Problems*

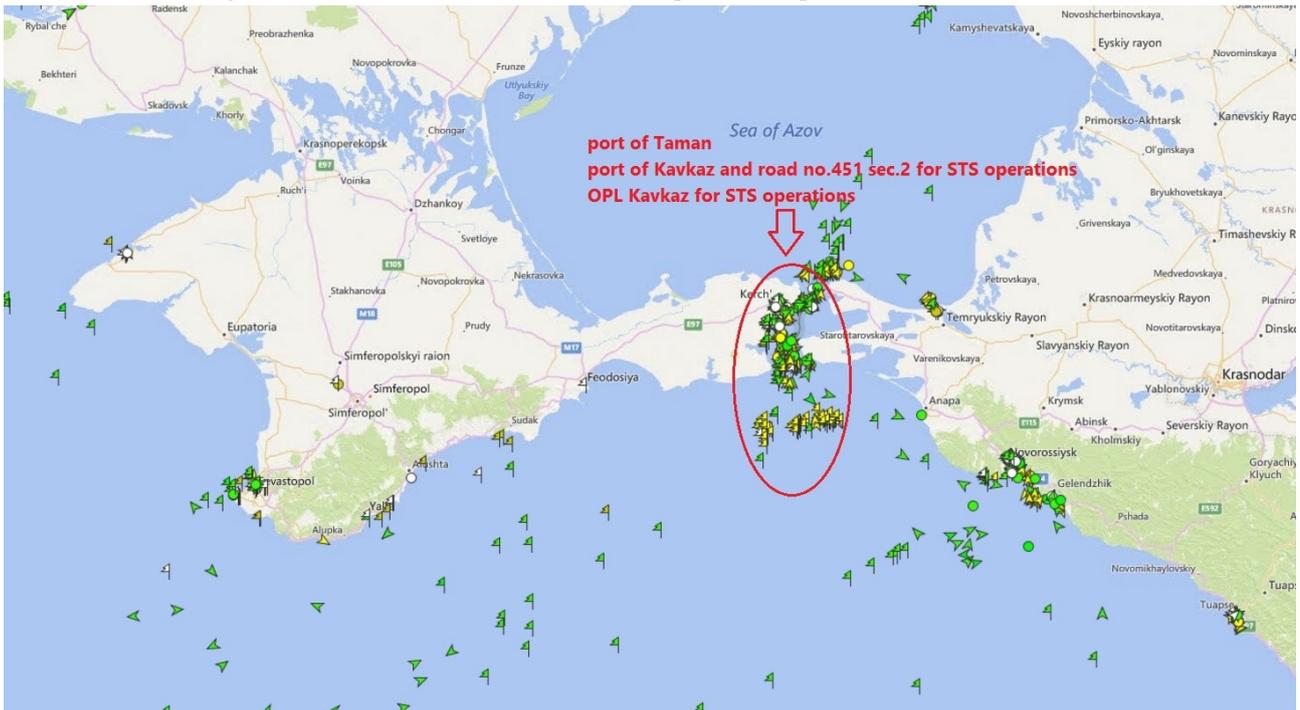
HEAD OFFICE
P.O.Box 54189.
Suite 102, 118 Anexartisias Str.,
3040 Limassol,
Cyprus
Tel: +357 (25) 763 340
Fax: +357 (25) 763 360
Email: ho@cispandi.com
Web: www.cispandi.com

OFFICES : Sakhalin
Moscow Odessa
Novorossiysk Kiev
St.Petersburg Izmail
Murmansk Mariupol
Klaipeda Tashkent
Tallinn Alma-Ata
Vladivostok Shanghai
Nakhodka Phnom Penh

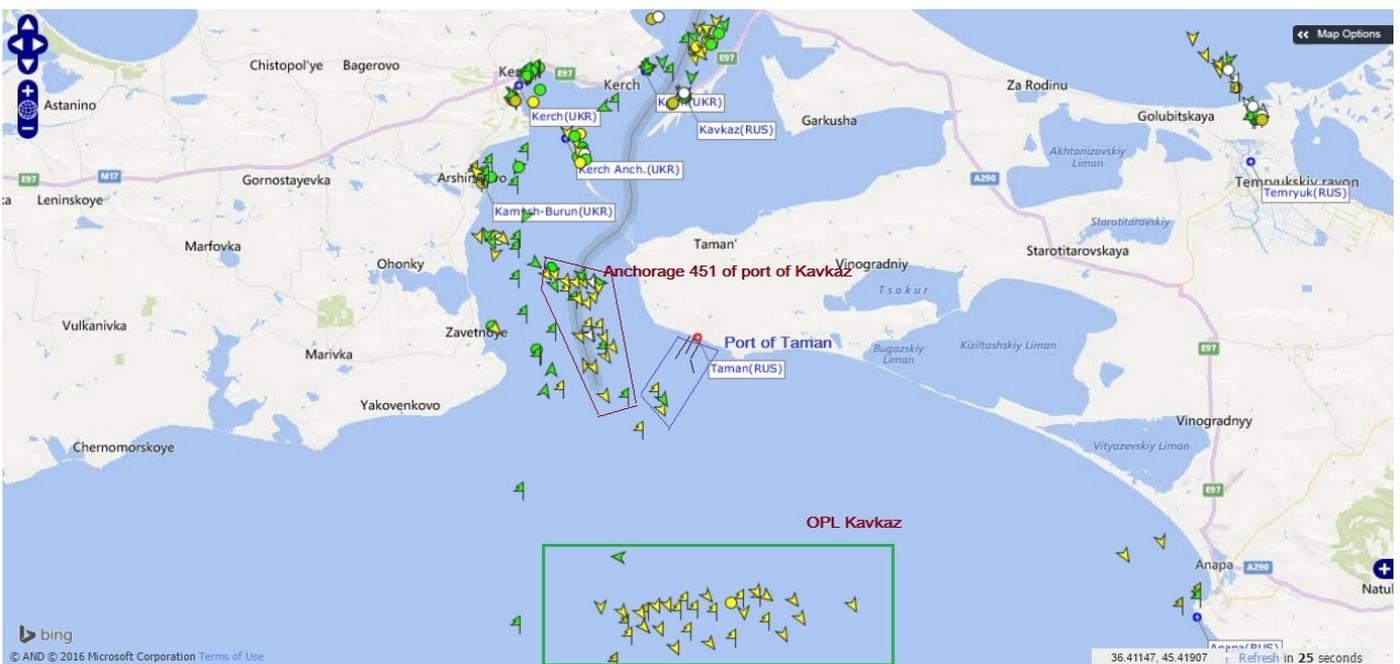
1. GENERAL REVIEW OF TAMAN PORTS & ANCHORAGES OF SOUTH BLACK SEA COAST (Russia)

In view of the increased turnover of cargoes through the South sea gates of Russian Federation, there is a development of new ports in addition to the traditional ports such as Novorossiysk and Tuapse ports as well as limited area of Azov sea and adjacent rivers.

Main area of development is Taman peninsula and adjacent anchorages. Transfers of dry bulk and liquid cargoes make this area very busy. The transshipments in these areas are mostly related to the export of cargoes, however, for some cargoes such as containers – there are also import transshipments.



3 main areas are active and busy with the cargo operations: Anchorage 451, OPL Kavkaz and Port of Taman:



Anchorage 451 of port of Kavkaz

STS port Kavkaz at road no. 451. The cargo operations are effected on/from self-driven barges/small vessels (DW up to 5000 m/t).

The anchorage description is included into "Compulsory Regulations at Seaport Kavkaz" 2013 issued by Harbour Master Office of the same port. Copy of these regulations can be provided at the request.

Launch boat service for this anchorage is under coordination by Harbour Master Office of port of Kavkaz as well. This service is very expensive, poorly arranged and not regular. It can only be booked via ship agents and in advance with exclusion of some emergency situations. Hourly rate for this service is between US\$400 and US\$600 depending on the number of visitors per vessel.

Members should be aware that due to its remote location, the transfers of visitors (including authorities, surveyors etc) is particularly difficult and in most cases problematic. The time required for transfer on board depends on weather conditions and number of visitors. There is also a limit for a number of passengers which can be transferred by launch boat- approximately 14 - 15 persons per trip.

The trip takes between 4 to 7 hrs but it is also subject to further delays of up to 12 hrs depending on a number of vessels scheduled for transfers by launch boat.

This anchorage is quite congested, so that vessels might be required to wait for a position in STS area. In this case a vessel might be requested to stay off the anchorage no. 451.

During winter season it often occurs that vessel might be instructed by harbour master office to leave anchorage due to swell coming from open sea and strong wind. As the anchorage is always congested a vessel should take great care when heaving anchor and start moving.

OPL Kavkaz (green on the picture)

Anchorage is located northward from the south strait approaches and is called Out of Port Limit (OPL) area of Kavkaz port. This anchorage has nothing in common with port of Kavkaz itself and it is located outside Russian Territorial waters. Latest position of this area is limited by the below points:

(A) Lat.: 44° 54'N Long.: 036° 43'E

(B) Lat.: 44° 53'N Long.: 036° 48'E

(C) Lat.: 44° 55'N Long.: 036° 49'E

(D) Lat.: 44° 52'N Long.: 036° 44'E

There are no authorities regulating activity in this area, so the governing law there is that valid in the open sea.

Launch boat service for this anchorage is under coordination by ship's agent and must be ordered in advance with exclusion of emergency situations.

The hourly rate and delivery time are the same as above mentioned for anchorage 451. Launch Boats are departing from port of Kerch.

Special immigration formalities are required to be concluded by surveyor and/or any other visitor going on board of vessel. Arrangements of formalities for regularly calling individuals are taking on average 1 day but might be delayed by up to 5 days.

Cargo handling issues at anchorages

Dry bulk

Cargo handling in these anchorages conducted by either special vessel equipped with cranes of substantial capacity or by floating cranes.

The special vessels permanently stay at road with accumulated substantial amount of cargo (up to full consignment) and STS operations in this instance progress swiftly if weather permits.

In case of the floating crane, or cranes which can be berthed alongside from both ship's sides, there might be delays related to availability of barges/small vessels.

Such barges/small vessels are usually arriving from land-based loading facilities by river and Azov sea.

Above road and cargo operations are regulated by Harbor master office of port of Kavkaz. The same office coordinates boat service for the vessels at road.

Below are the examples of cargo handling operations executed at road.

Loading of sulphur in bulk by floating crane



Loading of grain by the special vessel.



In this particular example the special vessel is loading the cargo from barge berthed starboard side alongside and discharging cargo to the vessel berthed portside alongside.

We found that such mode of loading is usually concluded without any problem under normal circumstances (AGW; WP). However the Owners must pay attention to the determination a final quantity of cargo loaded on board, which is customarily arranged by shippers surveyor performing draft survey.

Barges/shuttles delivering cargoes from land may come to the place of loading (STS anchorage) from different places, so that accuracy of Draft Survey figures can be affected, mainly due to wrong draft calculations taken at land points and absence of shore scale reports from barge loading. We recommend that CP terms are clearly defined.

Liquid bulk

There are various grades of Crude Oil Products and Liquid cargoes exported from Russian Federation, which are transhipped in this area. Several storage vessels permanently stay at road. Despite the distant location of the loading positions, the formalities for cargo documenting and

Departure of tankers is arranged at diligent level usually causing no disputes between Members and charterers/ shippers.

Safety of staff during berthing/unberthing operations at road

Although STS mooring procedures are common and well- established for the crew, there are few safety issues which deserve special attention.

We have recently been involved with the case of injury and death of crewmembers during such operations.

Self-propelled barge (starboard side)-(port side) floating crane (starboard side) - (port side) vessel were moored simultaneously. The barge's stern line was forwarded to the vessel and it placed by vessel's crew in the same fairlead where the stern line of floating crane was placed and fastened to bollard. The barge in a meantime had already been partially fastened to the floating crane by its breast lines and while its crew was forwarding the line to the vessel it started moving ahead. This move caused the aft line of crane and barge to tighten excessively and as a result to break on the bollard. 3 crew members were injured and one of them died underway to the hospital.

Investigation of this case showed that wires and propylene lines of crane were in poor condition.

There was lack of coordination between barge and crane as well as between each party: crane, vessel and barge.

Based on such experience we recommend to take great care during mooring and unmooring operation of shuttle barges and check availability of free fairleads for different lines to forward/distribute if possible.

Delays Members may face while at STS operations.

Collecting evidence on weather conditions

There are some cases when Owners and Charterers are in laytime dispute over issues of cargo availability and weather conditions. In most cases charterers may allege that weather conditions disables loading of a vessel, while other vessels in the vicinity are allowed to work.

When such case is required to be handled by us, we assist Members to collect as much evidences as possible to prove that it was possible to conduct operations under prevailing weather conditions.

We recommend to Members to have instructions in place for their crew to collect some evidences from site, such as:

video, telephone conversations, VHF exchanges with vessels in vicinity with logging such records to enable further to provide them to charterers and their agents. Gathering of such information may start when the vessel stops or does not commence loading under fair weather condition waiting for barges etc. In any case, vessel's administration must carefully record all weather conditions in the area to be able to demonstrate with proofs whether it was possible to load a vessel at any time during the stay.

Weather bureau official information issuance. Laytime disputes

In view of potential disputes it is essential to have evidences supported by information from official sources.

It is obvious that the main factor affecting loading time is the swell in the area of STS operation. Sometimes the declaration of bad weather condition is used to justify the delays of supplier to provide the cargo on time. Verification of such conditions is possible, however, up to certain limits. It should include:

- (i) Verification of validity of Gale Warning issued by HM office.
- (ii) Actual swell condition at road via weather bureau.
- (iii) Report of the vessel's crew.
- (iv) Ship's movements report by HM office.

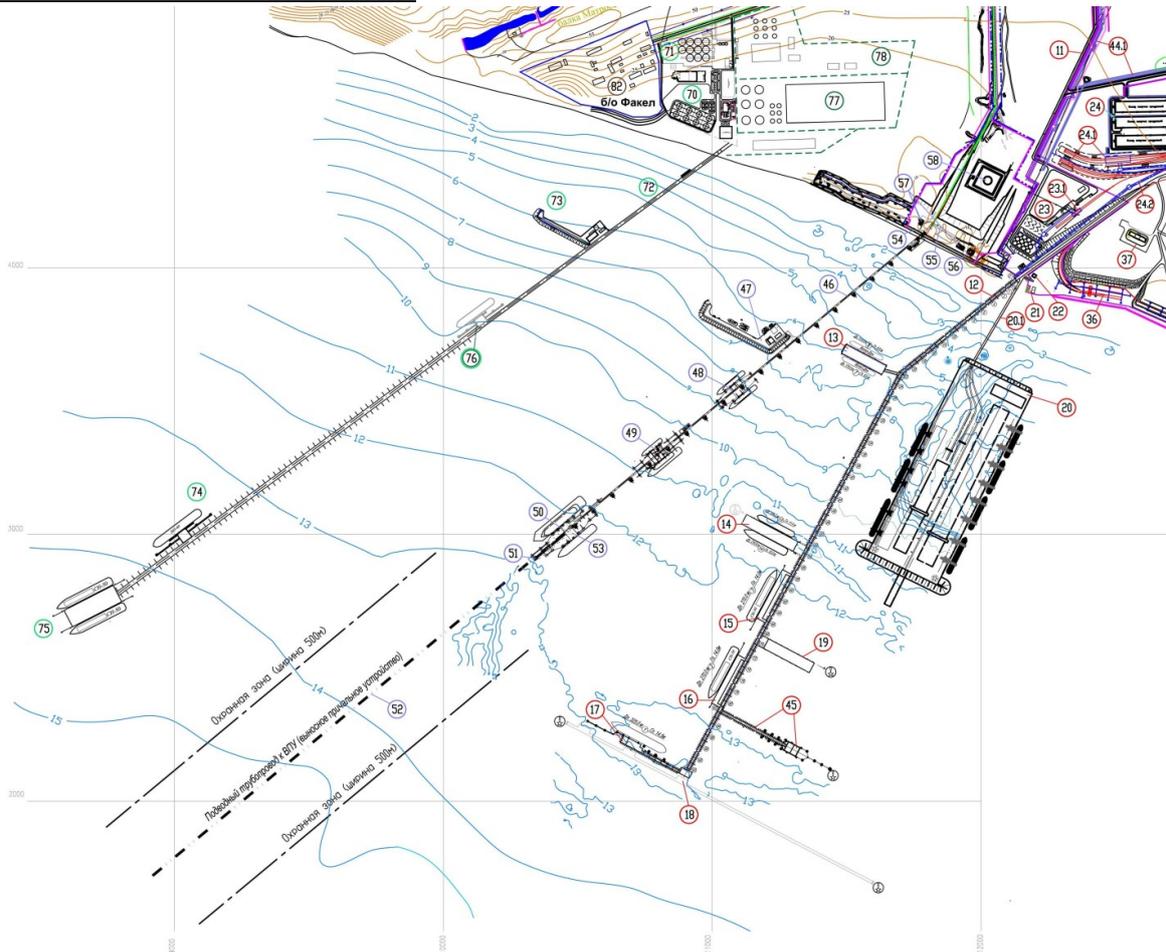
Provision of such information might be limited by authorities. We are in position to assist in such cases.

Sanctions issues

2 loading areas mentioned above are not subject to the Sanctions imposed in connection with latest developments in Crimea region.

Generally, only Crimea itself and its ports are subject to sanctions, which do not cover the places of STS operations adjacent to its territorial waters.

2. TERMINALS AT PORT OF TAMAN



All Taman port terminals are located in open sea with connection to the shore. Therefore, safety of berthing is highly depending over weather conditions, wind and swell. Staying alongside the berths of this port can be highly dangerous for the vessel. There were several cases with damages to fenders of the berths due to delayed issuance of weather warnings by port authorities to the vessels and tugs, while the Masters of vessel were noticing quick deterioration of weather.

There is a weather forecast information system in the port, however, we strongly recommend to all vessel berthed in this port to be prepared for any kind of emergency actions in respect of weather and Masters are suggested to discuss this issue with agents in advance.

The anchorage for this port is at outer road, 6 - 10 miles off the shore and it is customary for authorities, agents and surveyors to attend on board of the vessel at roads if terminals are occupied.

It is necessary to point out that managements of these terminals are extremely rough and non-cooperative when it comes to the disputes related to accidents causing damages to port's property (berths, fenders, equipment etc.). In one of the

Cases, the terminal was not accepting any kind of CLOUs requesting and insisting for advanced transfers of funds to secure their interests.

The port though is absolutely safe in respect of civil and legal situations and we suggest to the Members/Master to strictly follow the procedure provided by agents.

Regulations for the Taman port in Russian language may be downloaded from

<http://www.bsamp.ru/docs/190829532015op-taman.pdf>

Other sources of information related to the port of Taman and its terminals are:

<http://mttaman.ru/en/o-kompanii/terminal-segodnya>

("Food Ingredients" Co. resource. English/Russian language)

<http://ztkr.ru/>

(Grain Terminal devoted resource. Russian language only)

<http://www.tamanneftegas.ru/eng/>

(TMG devoted resource. English/Russian language)

<http://www.bsamp.ru/port-taman.php>

(Maritime Administration resource. Russian language only)

<http://taman-seaport.ru/>

(General review of the port place. Russian language only)

3. BALLAST CHANGE

Regulations for changing of ballast in Black sea ports are according to IMO INTERNATIONAL CONVENTION FOR THE CONTROL AND MANAGEMENT OF SHIPS' BALLAST WATER AND SEDIMENTS, 2004. All ports of Russian Federation are complying with its requirement. Masters of the vessels and Owners should follow these regulations even in absence of prior notice from agents and agents must be advised accordingly once the procedure of the change of ballast is completed. It is the obligation of the vessel to record this operations into logs accordingly.

There are no difficulties arisen in Russian Black Sea ports with PSC and Ecologists if the vessel have followed within all the procedure.

4. SEWAGE, BLACK, GREY WATER DISCHARGING

Grey water and sewage water storage facilities are not available in port of Taman or at anchorages. The volume of these waters onboard must be within the levels that would allow the vessel to leave the port without discharging.

5. TURKISH CREW PROBLEMS

We have recently received several inquiries from Turkish Members of P&I Clubs about penalties imposed by Russian Immigration authorities with regards to new form of seaman's book for the vessels with Turkish crew onboard. Russian Immigration Authorities do not accept the new form of Turkish seaman's books referring to the fact that such was not agreed with Russian Authorities and therefore is not valid in Russian Federation.

New format of seaman's book has been in force for more than a year and in the past the Authorities were accepting it. However due to recent political escalation, Russian Immigration Authorities have received orders to follow strictly the regulations and make no further compromises. Non-compliance is subject to penalty of \$50 per person and prohibition to leave the vessel in port.

6. DEATH COMPENSATIONS (DEATH AT SEA)

We have noticed a significant increase in numbers of death incidents at sea, which require correspondent's attendance for arrangements of compensations to families, which are usually stipulated as fixed amounts in Contracts of Employment (CoE) and/or Collective Bargaining Agreements (CBA). These compensations are liabilities of the Members, which are, in most cases, insured by Clubs. We wish to highlight an issue which might arise in cases where there is no CBA concluded by a Member or where the CoE articles do not stipulate the amount of compensation or an obligation to settle a compensation itself.

In above situations, the provisions of the local Law apply, but the local Law does not stipulate any kind of death compensation at all and there are a number of factors that should be taken into account when deciding how to proceed with settlement of liabilities:

- What is the country in which the Member is registered or incorporated?
- What is the residence of a family of deceased seafarer?
- Who is the next of kin?

Obviously each case should be viewed on its merits, but we may just mention a typical examples of what courses of action could be followed:

For the Russian registered Members there is risk for compensation to be claimed by a family of late seafarer in full amount under the regular rates indicated in typical ITF IBF CBAs basing on the fact that a Russian registered shipping company is to have the personal injury and death at sea insurance, which shall cover the obligations raised under a CBA. A CBA's existence itself is as well compulsory for Russian Shipowners and Shipmanagers.

The situation, however, totally differs if we refer to foreign Members. In such cases even if a claim by late seafarer's family is lodged, a Member may fully reject to settle compensation or may settle the same in an act of good will. This is possible, because under provision of Russian Law, the Employers have no obligations for citizens of Russia, when they employ them for working abroad.

7. REPATRIATIONS AND MEDICAL ESCORT

A number of cases related to the personal injury and/or death at sea requires repatriation. We will not highlight any specific problem related to such attendances, but would like to confirm that we have developed a new approach to this kind of attendances and are currently able to arrange the service of repatriation with or without medical escort from almost any country of Eurasia to Russia and to any country of the world from Russia.

Novorossiysk, 10/2016