

Keynote Speech to the Lloyds Register Foundation
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Good Morning.

Thank you very much for asking me to speak to you today.

To deliver the keynote address is a great honour for me.

I thank you Aisling. And I thank you Captain Stavrakakis.

If you look around this incredible room, you will see the reason why London remains the world's maritime centre and why the UK remains a lead maritime nation.

Look above me and at the top of the ceiling you will see the name of one of our world's greatest physicists – Newton. Can any of you tell me what his 3rd law is [for every action there is an equal and opposite reaction]. That completes our Brexit moment!

Many of us here today view the work of government through the prism of what we hear in the news. And it is no surprise if we do that, that we conclude EU Exit has blocked all other good work. But how many of us here today would know that this government has applied some of the greatest strategic thought I have seen from any in 25 years? The Export Strategy from DIT. The Industrial Strategy from BEIS. The Environment Strategy from DEFRA. And in our own industry Maritime 2050 – a 30-year strategy – from DfT.

If I ask how many of us in this room have read them – or even 1 of them – how many of us could raise our hands to say that we have?

So, I offer a simple thought.

Look above you now. Read the words on the walls in this room. It says:

They that go down to the sea in ships, that do business in great waters.

We do business in ships. We do business in great waters. We in this room contain some of this great country's maritime leaders.

And we are here in London. In the world's maritime centre.

So please read Maritime 2050 and respond to the call of our government to play your part in a spirit of public service to help implement it.

You have heard this morning from the Health & Safety Executive. Our Civil servants are the jewel in our national crown. I wish to thank the HSE for their fine presentations.

But can any of you recall the slide describing what percentage of UK companies had a written procedure on confined space entry [31%] and how many of those companies who do implemented it [0%]?

So, what does that tell you as the maritime professional you are? Is the problem one of regulation or implementation [implementation]. And if it is the latter might each of us ask whether now is not the time to exert our own leadership in our own industry?

No need to answer me. Just ask yourselves – what are the qualities and characteristics of leadership? It can consist of a wide spectrum. From bravery and courage [I have seen it as a former soldier. I am not saying I was any of those things myself; but I did witness them when a young Greenjacket Officer]. It can be subject matter expertise. And the ability to influence those around you. And a hundred other things in-between.

Are we acting as leaders in our industry? Is Government leading us as the maritime nation we are?

Why are ships still lost at sea? Why is sinking the No 1 reason for it still? Why is fire the No 2 reason still?

And why are hundreds of seafarers and maritime professionals still dying in peace time?

Why are the worst operators in our global industry still employing people in a state of modern slavery on our worst ships?

Think in your minds of a definition of a company. There are hundreds.

After 25 years in business I offer to you mine. [A definition of a company or an organisation is that it is the sum of the individuals within it].

If you think I lack authority in this then prey don't. I speak with the authority of a recently established Visiting Professor of Durham Business School.

Think now of a definition of the CEO of your organisation. Mine is to create a happy and dynamic environment for the individuals within it, so as to create a sustainable and profitable one.

So how have we arrived at the point we have in shipping where the assets we have in our ships are crewed, in some of them, by some of the cheapest labour on earth recruited 1,000 miles from a coastline?

I used to be a soldier. My regiment, the Greenjackets, is a rifle regiment and the sister regiment to the Gurkha's.

Years ago, I was attached to them and had the privilege of seeing the recruitment of young Gurkha riflemen from the foothills of the Himalayas. In Nepal. Some had never seen running water from a tap or tied a bootlace.

We hold them in the highest regard. There are no bad Gurkha soldiers. Just bad leaders.

Yet in our pursuit of the cheapest, Nepali's are now recruited to go to sea – and with many others from other developing countries - being employed in a state of modern poverty on some very poorly run ships.

Is that not above all a failure of leadership in our industry by some of our peers?

I began in shipping over 25 years ago. I had grown up in port cities in Australia, Canada and Singapore. My father had been in submarines. He was the basis of what we have today.

But when we began, I visited your peers. I met some of the finest Master Mariners and Chief Engineers in the world.

And some far less so too.

In those days the world fleet consisted of 40,000 ships. Operated by 8,000 ship owners. Over 5 years I visited nearly 3,000 of them.

Many of your predecessors listened to our ideas. Some were engaged. Others less so. Some even swore at the very idea itself. That they should be concerned their ships would not extinguish the fires they had on their vessels or in the cargoes they carried.

But today we are in service with 10,000 ships. Nearly 20% of the world fleet are sufficiently concerned. But they are the best operators. Those who care. [They] Are the same ones who lead.

The world fleet is now 55,000. So that leaves 35,000 vessels that have no concerns at all that their CO2 system – the very system that protects their ship from fire - the No 2 reason for ships loss at sea - have insufficient contents to extinguish a fire if it occurs.

The regulations are clear that every ship must “have the means [for the crew] to check the contents” of the CO2 system”. It is clear why. No one ashore can when the ship is at sea. Anything pressurised can leak. CO2 is at 720 psi. That is 45-50 bar of pressure.

It will leak and sometimes accidentally discharge. The failure of 35,000 ships in our world fleet not to be so equipped is a failure of leadership. And one of the reasons why every week we read of yet another ship with an uncontrollable fire.

And I have travelled to 30+ countries annually for 25 years ever since. Away 4-5 months a year. More time by far than when I served in the military.

Meeting some of the world's leading former Master Mariners and Chief Engineers and they guided and assisted us. Assisted me.

To become who we are today – the world's leading manufacturer of systems to protect ships.

In service aboard those 10,000 ships, the world's top Navies, half of the world's offshore oil and gas operators and 1 of the 4 offshore renewable manufacturers.

Some of you are here today and together we are now Fellows of the Institute for Marine Engineering, Science & Technology and Fellows of the Royal Institution of Naval Architects.

You are my fellow Fellows of our industry.

We are meant to be learned.

And we are our industry's leaders.

But 2 years ago I stopped flying. I wanted to support government. To use the time I used to spend overseas seeing what I could do in public service. I have now supported in modest ways 5 departments of state. And in a very modest way I supported our 30-year maritime strategy too – Maritime 2050. And 4 of the 5 UK core values in it – apply to us here today in this incredible room where we say that men go to the sea.

The 1st of these in Maritime 2050 is that the government was determined that the UK maintains itself in our global industry as “a premium brand uncompromising on safety”.

The 2nd: Making a commitment to the rules-based system.

The 3rd: Within the context of a Global UK.

The 4th: And a government-industry partnership.

So why do you not call the Maritime Team at DfT to see how you can assist our government to implement Maritime 2050? Let us see how we in this room can support government.

Let us take as an example 3 issues and examine the synergies they have in their safety outcomes and identify what we can do to resolve them.

I have chosen 3:

1. In confined space entry the regulations state every ship must have aboard oxygen monitors and flammable & toxic gas monitors.

- So we have the kit on board to protect life at sea. We have written the procedures for their use, based on the fundamental underlying science, and their engineering and technical implications.
- So why are mariners losing their lives every year at sea when they enter a confined space and stay there? Dead.
- If the kit is aboard, and the procedures for their use are written. The only reason they die is in our industry's failure in leadership - whether from Master's and Chief Engineers aboard the vessel.
- Or from their head office ashore.

- That is the consequence of poor leadership.

2. In CO2 contents at sea. A ship depends on its CO2 system to protect against fire at sea. Stored in up to 600x 45KG cylinders. CO2 is stored under pressure.

- The Master and Chief Engineer are trained of its location, what its effect on fire is. How to actuate it and to conduct a simple visual inspection of it.
- Yet few of them understand the science behind it or its physical characteristics. They understand it can asphyxiate. Yet we still have mariners dying at sea because of it.
- We know it is a liquid gas stored under pressure and that it vaporises on discharge and expands by volume.
- Yet we also know – because we supply the marine servicing companies the equipment to test for contents – that in Dubai they report that the average CO2 contents deficiency is 20%.
- So that leaves the ship below the threshold at which sufficient design concentration can be generated in the event of fire to put it out. Why?
- Because our worst ship owners do not want the CO2 system maintained. They want the certificate issued by the company to say that it was. For insurance purposes.
- And in China we know that 80% of Chinese flagged vessels are deficient in their CO2 systems. And every year mariners die, ships are lost. To fire.
- I wonder whether you study the MCA accident investigation reports. The MCA have some of the best in the world. How many of the accident reports reference the contents of the CO2 system?
- All of these combine – not to a lack of regulations nor to the written procedures – but to a lack of leadership.

3. In the way we crew our vessels, some of our worst operators think that the cheapest crew is best.

- And some think that they should be worse than that. To allow mariners to exist in the state of modern slavery that they do is the opposite of good leadership.
- Which is why in Maritime 2050 our government has committed to eradicate it in the next 10-15 years.
- I believe we will be the first nation on earth to do that combining our maritime with our fine naval traditions that abolished slavery in the 19th century and to eradicate its modern form today – that is an act of leadership.
- By our government. And all of us in this room can play our part to inform, advise and command. To work with government. As a core UK value.
- That is leadership.

So here is some data and the following slides are available for any of you.

[now go to the presentation and slides]

So you see.

There is a connection.

In all 3 cases.

Your peers had the wherewithal to identify problems and generate the policies that led to the regulations at home in our MCA and globally at the IMO.

Of which our country is the lead maritime nation.

And the reason its headquarters are in London.

Just across from Parliament.

We sit on its committees.

But the regulations generate the equipment that are the tools to solve the problems.

And in turn the regulations and the equipment generate the working procedures so that both combine to a cohesive whole.

To preserve safety of life at sea. It is called SOLAS.

And the best of our operators sail in good faith that their mariners will be safe.

For when we go on great ships to do great business we have enough risk to cater for from winds and seas.

But our greatest failures lie in our worst practices.

And that is about us and whether we can look the world in the eye.

And say we led.

Thank you all and let me offer my best wishes to you all.

CSPH

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[almost direct transcript]