

The Superyacht

TRUTH • OPINION KNOWLEDGE • IDEAS AND EXPERT INDUSTRY ANALYSIS



REPORT

BURGESS MARINE

After successfully restoring *Shemara*, the yard plans to replicate its hands-on business plan with Project Nelson.

Page 28

CRACKING THE CODE

Understanding the differences between private and commercial yachts carrying ≤ 12 PAX.

Page 37

A NEW DALMATIAN SPOT

TSR talks with the management team of Croatian NCP Repair Shipyard Šibenik about how it plans to attract clients.

Page 58

BUSINESS MATTERS

Covering industry developments in finance, investment, management, regulation and tax.

Page 69

		<h1 style="text-align: center;">CRACKING THE CODE</h1> <p style="text-align: center;"> Captain Malcolm Jacotine looks at some of the non-technical issues related to the Passenger Yacht Code in order to help potential owners and other stakeholders better understand the differences for private or commercial yachts carrying ≤ 12 PAX. </p>							

In November 2010, in recognition of the ever increasing size of superyachts and the desire to carry more passengers, The Code of Practice for Yachts Carrying 13 to 36 Passengers (PYC) was introduced by the Red Ensign Group (REG) as an alternative to full compliance with SOLAS 1974 and Load Line 1966 Conventions for private and commercial yachts wanting to carry up to 36 passengers.

The Code covers technical, safety and operational standards for yachts and offers rules that are more relevant to the nature of yachting whilst avoiding some of the more onerous aspects of SOLAS, such as the carriage of lifeboats, without compromising safety by use of substantial equivalence and/or improved survivability.

It is important to understand the benefits are not just the greater carrying capacity, but also increased safety due to the more stringent construction and survivability requirements, manning levels and operational practices prescribed by the Code.

CATEGORY



One of the first things that should be understood is that the Code takes a stepped approach to the requirements based on yacht size, use and voyage limitations. Tabled above are some of the issues related to the choice of category.

One of the most important decisions to be made is whether the yacht will be a Pleasure Vessel – Unlimited (private yacht not engaged in trade), or one of the commercial (charter yacht) categories: Passenger Yacht – Unlimited, PY1 or PY2.

A Passenger Yacht – Unlimited would impose a significant constraint on the total number of persons on board, unless lifeboats are carried. So, if intending to charter, careful consideration will have to be given to defined voyage limits if you are wanting to carry more than 50 people (total crew and passengers) and whether this is a practical option for the way the yacht is to be used.

Some coastal states, including Italy (post *Costa Concordia*) and Croatia, impose cruising and anchoring restrictions on Passenger Ships and as any commercial PYC compliant yacht will be defined as a Passenger Ship on the COBR those same

Category	Registration – Description on Certificate of British Registry (COBR)	Qualifications	Max persons on board PAX and crew
Pleasure vessel – Unlimited	Pleasure yacht (36G)	STCW 95 – although exceptions for OOW (deck and eng) may be considered with cruising limitations.	99
Passenger yacht – Unlimited	Passenger ship	STCW 95	50 – unless lifeboats installed
PY1 – Prescribed voyage, i.e. 200nm from port or place were PAX and crew could be landed, and max length of voyage of 1,000nm from initial departure point.	Passenger ship	STCW 95	99
PY2 – Limited to 60nm from safe haven, and not more than 20nm from land in weather not exceeding wind 6, sea state 5.	Passenger ship	STCW 95	99

While the choice of private or commercial use was relatively straightforward for private yachts or charter yachts carrying ≤ 12 PAX, it is somewhat more complicated with a PYC yacht.

restrictions would likely be applied to the yacht, which could severely impact on cruising those waters. A Pleasure Vessel would not normally be constrained in the same way; however, one agent contacted in Italy suggested that any yacht carrying >12 PAX, irrespective of the description on COBR would be subject to the Passenger Ship anchoring and cruising restrictions.

While the choice of private or commercial use was relatively straightforward for yachts carrying up to 12 PAX, it is somewhat more complicated with a PYC yacht.

MANNING



All PYC yachts will have to be manned with crew that comply with the Standards of Training Certification and Watchkeeping 95 (STCW) and the Maritime Labour Convention (MLC).

Two interesting points to note: while there is no statutory requirement for a private yacht carrying up to 12 PAX to comply with manning regulations, and is exempt from MLC, a PYC yacht, even if for private use, will have to comply with manning regulations and MLC.

The master, officers and ratings should have STCW qualifications at the appropriate level, with an exception that for yachts <3000gt yacht qualifications can be considered for junior deck and engineering watch-keeping officers subject to Flag approval and any limitations that may be imposed.

The requirements for those on the Safe Manning Document to have STCW qualifications will somewhat limit the number of available crew to those who have commercial certificates of

There are a number of PYC yachts under construction and recently launched that have very similar crew numbers despite having the potential to carry nearly double the number of passengers.

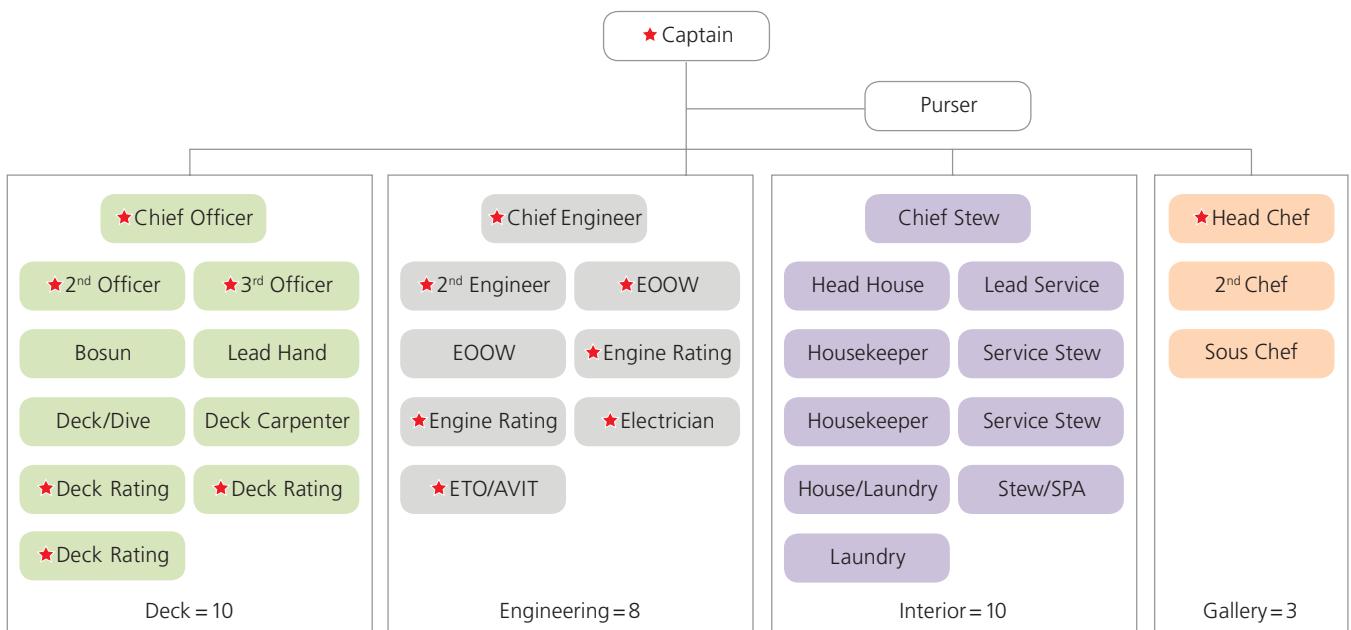
competency. Fortunately there are now a good number of experienced commercially qualified officers in the yachting industry, and this number is on the increase due those migrating to the industry, or yachting professionals who have upgraded their qualifications.

Below is an example of manning levels for a 100m+ PYC compliant vessel and the crew required by the Safe Manning Document – subject to Flag approval.

As an example of the differences between LY3 and PYC manning scales: for a commercial yacht between 500 and 3,000gt the minimum manning would be eight, and on a PYC Unlimited, the minimum manning would be 15 – all subject to application and Flag approval.

It is interesting to note that many of the recent 80–90m LY3 yachts have a crew complement of around 28, yet there are a number of PYC yachts under construction and recently launched that have very similar crew numbers despite having the potential to carry nearly double the number of passengers. Clearly this significantly reduces the crew/passenger ratio, which in turn results in higher workload for the crew, and raises issues of fatigue, safety and quality of service.

Furthermore the greater number of deck, engineering officers and ratings required under PYC, has an impact on the number of crew available on the hotel side if the overall crew numbers are not increased accordingly –



An example of manning and department structure.

★ This symbol signifies crew that are required under PYC Safe Manning Certificate (SMC) and MLC for a pleasure yacht or commercial yacht > 3,000gt. Unlimited operation. All subject to approval from Flag.
Total operational crew = 32

something I believe is poorly understood and communicated to owners. In addition, those deck and engineering officers who traditionally may have been able to assist with watersports, tender launching, etc., will have to remain on watch as the bridge will have to be manned and engine rooms will not be able to run Unattended Machinery Spaces (UMS) when there are passengers on board, further reducing available manpower for those activities.

The number and quality of the crew is a fundamental part of the safety and standards of service, and rather than trying to dilute the prescribed manning levels and the requirement for commercial STCW qualifications – as being suggested by some – the industry should embrace these standards by designing and building these yachts with the accommodation and facilities necessary to carry sufficient crew for the passenger numbers and operational profile of the yacht.

SURVEY AND CERTIFICATION



A yacht carrying ≤ 12 PAX is treated as a cargo vessel and has a programme of annual, intermediate and renewal surveys over a five-year cycle

– including two dry-docks. A PYC yacht has the same survey regime as a SOLAS Passenger Vessel; an annual survey and certification renewal with the yacht being issued with a Passenger Ship Safety Certificate (PSSC).

The PSSC survey, excluding the annual dry-docking that is also a requirement, can take up to three or four days and should be factored into the annual plans of the yacht. As an alternative to dry-docking, in-water surveys are an option, provided the vessel is constructed and classed to facilitate this. For example, tail-shaft and rudder clearances can be taken in-water.

BALLAST WATER MANAGEMENT



It is likely that the larger PYC yachts will carry seawater ballast. This will require them to comply with the requirements of the Ballast Water

Management Convention 2004.

Although this is not yet in force, a number of countries, for example Australia, USA and Canada, already have legislation in place to protect their marine environment from translocation of invasive marine species from ships.

The yacht will require a Ballast Water Management Plan that has been approved by Flag and must contain details of the actions and procedures necessary to comply with the requirements of the Convention; that is treatment or ballast water exchange. Ballast operations will need to be recorded in a Ballast Water record book and maintained for three years.

Quality Support

Our business is not only about paint or boats. It's about people. ALEXSEAL® field representatives are industry professionals with technical educations and years of hands-on marine urethane application experience. Our team is on the docks, striving to help you get the most out of the products you apply. From the lab to the field, ALEXSEAL is genuinely invested in the success of your yacht's finish.



STABILITY AND DRAFT



It is a requirement that departure draft and freeboard should be recorded in the Official Log Book (OLB) and the status of the yacht's trim and stability

ascertained and recorded. A suitably approved electronic stability and loading programme is a valuable tool for this purpose and is highly recommended; it can also be used as part of the decision support system in the event of a hull breach or water ingress.

MUSTER LIST



The muster list (an emergency plan that is displayed in prominent areas on the ship/yacht so that crew can access it easily) on a PYC yacht will need to be

approved by Flag and any changes also approved.

EMERGENCY PROCEDURES, TRAINING AND DRILLS



An abandon-ship and fire drill should take place weekly; although not all crew are required to participate, each crewmember must have

participated in at least one abandon ship and one fire drill per month. A matrix should be developed to ensure crew receive a comprehensive range of training and drills in other emergency situations, for example man overboard, damage control, davit launched life raft, grounding, security, collision, enclosed space, etc. A printed or computer-based decision support system will be required for assisting the master in emergency situations.

In addition to prescribed carriage of the International Aeronautical and Maritime Search and Rescue (IAMSAR) Manual Volume III, a PYC yacht will also need to develop and document their own approved search and rescue plan.

The safety of passengers and crew is a serious concern on passenger ships and yachts and it is only by taking a proactive approach that safety can be improved.

WATERTIGHT DOORS



All watertight doors shall be kept closed during navigation except under certain circumstances approved by Flag. Some doors may be allowed

open to allow free passage for work/access, but should be closed when finished. Doors should be open and closed daily while at sea, and all opening and closing of watertight doors must be recorded in the OLB. Drills and testing of the doors should be done weekly.

Photo Giovanni Romero / TheYachtPhoto.com

ALEXSEAL®
Yacht Coatings 2004 - 2014

ISO 9001
TS 16949
EN 9100
ISO 14001

MANKIEWICZ

ALEXSEAL.COM > EU: +49 (40) 75 10 30 > USA: +1 (843) 654 7755

Decade of Innovation

TENDER MANNING



PYC is very similar to LY3 in terms of qualifications required for tender drivers, in that there are no

formal requirements only accepted guidance and standards. Again, as with the yachting industry, due to accidents involving tenders it has been recognised that formal training and qualifications are essential.

embarking and disembarking passengers and their safety in the event of an emergency, he should also be instructed in Crowd Control as per STCW A.V/2. In addition, because of the diversity of tenders, on-board training – theory and practical – should be implemented to ensure the coxswain is fully familiar with the tender, its operation and safety systems.

administrations will certainly be very careful to who they issue a Passenger Ship DOC, so the company who provides safety management under LY3 may not be able to provide the same service for a PYC yacht.

SAFETY

Apart from the technical challenges that the Code places on design and build, the operational side is not difficult to comply with. Providing there is a clear understanding of the Code and the details are carefully considered from the design/build or purchase phase and, importantly, properly communicated to the yacht owner, there should be no difficulty in complying.

There is no doubt PYC is a significant development and is an indication of how the industry is growing and maturing. Owners of PYC yachts can not only now enjoy the benefits of increased passenger capacity, but they will also be reassured with the knowledge that as a consequence of the technical, construction, manning and operational requirements of the Code there are higher levels of safety for all on board, something that can only be seen as a positive benefit to yacht owners, passengers, crew and all within our industry. ■

Additional qualifications will be required to include crowd management, safety training, crisis management and human behaviour.

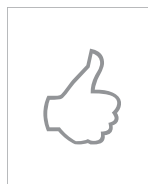
The Cruise Lines International Association and IMO are working on introducing into STCW qualification standards for Passenger Ship Tender Drivers STW 42/13/2.

As it currently stands all Administrations and IMO consider that Proficiency in Survival Craft and Rescue Boats (PSCRB) – other than fast rescue boats – provides sufficient underpinning knowledge for passenger tenders, whereas Power Boat Level II seems to be the accepted standard for yacht tenders.

Both of these are not really fit for purpose; as an example Power Boat Level II is only intended for daylight operation, and PSCRB is based on single screw lifeboats with a maximum speed of six knots with distances from ship to port generally around ½ nm in sheltered waters – neither of which reflect the real world of yachting.

Until IMO and/or Flag impose a suitable standard, a suggestion would be that PYC tender drivers have an appropriate level of qualification, either Advanced Power Boat, Coastal Skipper or Yachtmaster as a minimum. As the coxswain is responsible for safely

MANDATORY FOR PASSENGER SHIPS



Additional qualifications will be required by the master, officers and any crew designated to assist passengers

in emergency situations, provide direct services to passengers and/or have responsibility for the safety of passengers during an emergency will have to have approved training as required by Regulation A-V/2 of STCW – Crowd Management, Safety Training, Crisis Management and Human Behavior as appropriate.

SAFETY MANAGEMENT

Under the International Safety Management Code (ISM) management companies will require a Document of Compliance (DOC) specific to a Passenger Vessel. They will require the personnel, support structure and technical ability to not only understand the operation of a passenger vessel, but crucially demonstrate the ability to respond rapidly and effectively to a crisis. Given the risk, potential



TO COMMENT ON THIS ARTICLE,
EMAIL: ISSUE158@SUPERYACHTREPORT.COM
WITH SUBJECT: CRACKING THE CODE