

A SCEG Paper on the Use of Floating Armouries
Supporting PMSCs Conducting Counter Piracy Operations in the HRA

Issue

1. Floating Armouries are a key feature of Private Maritime Security Companies (PMSCs) counter piracy operations in the HRA, however BIS has yet to approve any floating armoury for the storage of weapons. This SCEG paper is designed to provide further information to the UK Government on the current use of floating armouries and indicate how, with appropriate assurances over regulation and scrutiny, BIS should be able to approve floating armouries on a case by case basis.

Timing

2. This issue requires urgent resolution. It is an operational imperative for PMSCs to use floating armouries and the companies are resolute in their determination to comply fully with UK Trade Laws. SCEG has consistently raised this issue with relevant government departments including the FCO, BIS and DfT since September 2012.

Background

3. It is estimated that fewer than 10 companies are currently operating platforms providing floating armoury services to PMSCs operating in the HRA. These platforms are known as ‘floating armouries’, although many in the industry prefer the terms Offshore Support Vessels or Offshore Logistic Support Vessels. Floating armouries provide a flexible and efficient platform to support maritime security operations. The ability to operate offshore and cross-deck men and equipment to and from a client vessel is efficient, both in terms of time and cost. Unlike some ports they provide 24 hour support to operations. They can adapt to changing schedules and client costs are reduced by avoiding course deviations and port calls. Equipment held on board by PMSCs can be efficiently maintained.

Vessel Classifications

4. The vessels used as floating armouries differ in type and include; offshore tugs, anchor handlers, research vessels, patrol boats and a roll on-roll off ferry. The anchor handler type vessels with the traditional flat stern decks are modified to take containers in order to provide secure equipment storage. Other vessel types have cabins altered to facilitate similar suitable storage. Sizes vary between 400 and 1,500 gross tons. It is possible to conduct transfers directly from some of these vessel types where sea conditions allow, but increasing wave heights necessitate the employment of RIBs. However, transfer by RIBs becomes increasingly challenging above Sea State 4 (wave heights greater than 2.5metres). Vessel speeds range from 7 to 14 knots and manoeuvrability varies considerably. The UK Government will be concerned about the classification of a floating armoury. The performance of classification societies is assessed annually by the Paris MOU. It follows that the UK Government is unlikely to approve a floating armoury that is classified with societies who score “low” or “very low” in the performance tables, with regard to the standard of seaworthiness of their client vessels. The UK Ship Registry (UKSR) and

its associated “Red Ensign” Registries principally only recognise a handful of classification societies, so operating with a Red Ensign will *de facto* limit the class options to only the most reputable.

Vessel Flags

5. Floating armouries are currently operating under several different Flags including; Cook Islands, Djibouti, Mongolia, Panama, Sri Lanka, Togo, UAE, and the UK. For the UK Government the Flag State of a floating armoury will be a critical factor in determining whether to approve that armoury. The following will need to be considered:

- A floating armoury flagged by a Schedule 2 state should not be approved - this would be a clear breach of international arms control legislation.
- The Flag State must give approval for the operation of a floating armoury which must be operated under Flag State law.
- PMSCs must operate under appropriate trade control licenses. The UK Government must approve the trade of weapons to that Flag State, using the same criteria for approval for controlled goods exported to that country.
- Flag States on the black list should not be approved as a floating armoury.
- All UK flagged vessels will meet all UK regulations for the structure, layout and operation of the ship. In addition RIB operation will be conducted under MCA regulations for workboats.

Area of Operations

6. Floating armouries are currently located in the Red Sea, the Gulf of Oman and off Sri Lanka. The areas of operation of floating armouries are critical to the concerns of the UK Government. The Red Sea and Gulf of Aden contain 4 of the 21 Schedule 2 countries (Yemen, Somalia, Eritrea and Sudan) and any movement of weapons by a PMSC into one of those countries, including its territorial waters would constitute a national breach of International Arms Control treaties. It follows that any BIS-approved armouries would not be allowed to enter or operate from the TTW of any Schedule 2 country

Vessel Security

7. Floating armouries have security vulnerabilities associated with their cargo, operating location and restricted manoeuvring. Floating armouries are routinely protected by a deployed security detachment which should be armed. In assessing that floating armouries are appropriately protected the UK government should review:

- The physical protection measures, equipment (including surveillance and early warning devices),
- Personnel procedures including the size of the security detachment, the watch system and stand to procedures

- Procedures, exclusion zone and permissions for other vessels to close with the floating armoury
- Security for craft transferring PMSC personnel with weapons embarked

Relationship with MSCHOA and UK MTO

8. The potential threat to floating armouries suggests it would be prudent if they reported to the MSCHOA and UKMTO daily. This requirement should be placed into the Floating Armoury SOPs and should be verified by BIS when they review those SOPs as part of the licensing/approval process. However previous requests to become a registered user of the MSC (HOA) secure page by PMSCs have been refused due to their status as a private security company as opposed to a commercial shipping company. The UK Government should review this position. However, on occasions when PMSCs have contacted the MSC (HOA) Duty Watch-keeper for clarification of information regarding piracy incidents they have been responsive and helpful.

9. Most PMSCs are on the distribution list for the UKMTO Weekly Report and receive regular invitations to the Maritime Information Exchange Vessel Operators Meeting (MIEVOM) which the UKMTO hosts. The UKMTO Duty Watch-keepers are responsive and helpful to requests for information.

Storage and Security of Equipment -Including Weapons and Ammunition

10. Most floating armouries provide dedicated spaces and compartments for the storage of Export Controlled items (Ordnance, Munitions and Explosives (OME), weapons and body armour), which must be separated from other security equipment. Weapons and ammunition should be stored separately in secure compartments. Ideally the armoury should be contained within the vessel's superstructure. Some floating armouries secure weapons in shipping containers on the deck of the vessel. This raises several issues of concern. These containers may affect the stability of the vessel and may render the vessel unseaworthy. They may create a hazard for the free and safe movement of personnel. Weapons secure on deck are likely to be less secure than those properly secured below deck. Storage of weapons in a weather proof, ventilated shelved and racked environment is likely to be considerably more difficult on deck. Vessels with containers on deck should be inspected and authorised by the classification society.

11. Equipment is often held in waterproof 'Pelican' style boxes these should be locked at all times during cross-decking but weapons and controlled stores must be visibly checked by serial number when taken on charge by the armoury. It is essential that PMSCs are able to demonstrate the requisite control and accountability of weapons and OME. Records should show full movement and documentation of equipment, on and off the floating armoury. Issue and receipt of weapons are to be recorded and where necessary 'handover vouchers' produced and signed by representatives; be they Masters or Team Leaders. Hard copies of the records are to be kept for a minimum of seven years. Ideally, all transactions are to be recorded onto a spreadsheet and reported to parent PMSC Operations on a daily basis. The practice of "renting weapons" is of particular concern to BIS.

12. A floating armoury that also operates a rental business is unlikely to be approved by BIS. To maintain the serviceability of; weapons, OME and associated equipment, an Equipment Care programme must be established. This will ensure the safety of weapon systems on board client vessels. Access to the weapons, OME and associated equipment will be required to allow appropriate functional checks, servicing, maintenance and repairs to be conducted.

13. The UK Government will need to consider the following:

- Procedures for taking weapons on charge and for signing them out must be robust and transparent
- Weapons must be certified as legal before being taken on charge
- The types of firearms and maximum quantity the vessel can hold must be ascertained.
- The equipment care programme which is a vital aspect of the duty and care PMSCs are required to demonstrate in order to meet client safety and reliability requirements.
- Denial of access to non-approved personnel must be assured, including the vessel's sailing crew.
- Weapon accounting and mustering must be precisely recorded, with access to those records granted for Flag State inspections, coastal state inspections and licensing/approval state inspections.
- All armoury staff and PCASPs must be vetted and appropriately trained to ISO standards
- Weapons should be secured in the hold of the vessel to approved standards
- Vessels where weapons are to be secured in containers must be subject to rigorous inspections before being approved.
- Home Office guidelines should be used when determining the suitability of an armoury and will include consideration of; construction, physical strength, approved locks, alarms and monitoring devices.
- On a UK registered vessel all weapon transactions would be subject to UK law and facilities and when practical be subject to inspection by Home Office and HMRC.

Crew and PCASP Accommodation

14. The standard and quality of both crew and PCASP accommodation must meet Flag State and class requirements. SOLAS regulations regarding life saving and safety equipment must be met. Ideally the accommodation should be segregated so that PCASPs and the crew do not impinge on each other's duties. PCASPs should not have unsupervised access to the bridge and stores areas.

Insurance Requirements

15. Floating armouries will require the following insurance (figures are illustrative):

- General Liability Policy: £10M indemnity limit, any one occurrence
- Employer's Liability Policy. £10M indemnity limit, any one occurrence
- Professional Liability Policy. £5M indemnity limit, any one claim
- Personal Accident & Travel Policy: £250K indemnity limit, per insured person

16. **A floating armoury should meet the following criteria**

- Appropriate vessel classification
- Appropriate Flag State
- Explicit Flag State authority for use as floating armoury
- All PMSCs to provide licenses to prove ownership/export/trade of all weapons to be placed on the vessel.
- Vessel must have a comprehensive security plan and appropriately trained armed guards
- Demonstrates full compliance to BIS Trade Control Licence standards
- Appropriate security arrangements for storage of weapons
- The types of firearms and maximum quantity the vessel can hold must be defined and stated on the license.
- A robust inventory and issue and receipt process in place.
- A comprehensive and certified Equipment Care programme for all equipment
- Operation of the vessel must be in accordance with MLC 2006
- Security Detachment in possession of and operating to approved RUF.
- Security Detachment certified against ISO 28007
- Comprehensive insurance policies in place

Director SCEG

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