

Is the German armed guard accreditation worth it?

PMSCs on German ships must apply for a costly and demanding new licence



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FROM December 1 this year, companies offering security services for German-flagged vessels need to be licensed by German authorities.

This costly and demanding accreditation surpasses the new industry standard ISO PAS 28007. Therefore it is important to ask: is the German accreditation worth it?

German owners are suffering from the current shipping crisis.

Tonnage-tax funded KG entities, the German tax-saving model which gave German owners the third-largest merchant fleet in the world, struggle because the promised revenue targets cannot be reached.

German banks are reluctant to grant urgently needed loans. And now the cost for the private maritime security company accreditation has risen to €17,000-€24,000 (\$21,800-\$30,700).

There is a strict requirement to employ teams of four guards with a high standard of training. Can German owners still pay for this? Or will this be the final nail in the coffin for the German flag?

Let's start with a few facts. As of May this year, 3,438 vessels were registered by German owners, with 416 vessels flying the black, red and gold flag.

According to the International Maritime Bureau, roughly 1,700 transits were made through the high risk area in 2011.

In 2012, four out of five German owners hired armed guards. At least six German vessels were hijacked. Piracy hit and still hurts Germany and German owners.

Until this year, Germany had no specific rules for maritime security. The industry simply followed the rules that applied for any security service.

These requirements are considered relatively low-standard and are more relevant to guards patrolling malls, for doormen, not for security under fire on board a vessel.

Germany decided to impose a much higher framework. The law was amended in December last year.

It is based on the advice of the International Maritime Organization's Maritime Safety Committee, partly on the BIMCO standard contract Guardcon. It strongly mirrors the International Organisation for Standardisation's ISO PAS 28007 but has extra, unique requirements.

How does it work?

A company files an application with the German Federal Office of Economics and Export Control (BAFA).

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BAFA checks the submitted documents for compliance with legal requirements and discrepancies. It asks the federal police for an opinion on the rules on the use of force and on the standard operating procedure of the company.

BAFA neither goes on board a vessel nor visits the company. False statements can (and will) be fined heavily. In that respect BAFA has a sharper sword than auditors working for P&I insurers.

The requirements are two-fold. First, there is an enhanced quality management system for a maritime security company.

All processes have to be documented; from the choice of personnel, operational conduct and after-deployment reporting structures. The master's authority shall be guaranteed. Warning shots shall be fired prior to firing first at a skiff's hull and only then at the pirates.

The second core element — the German element — is the personal requirements for guards and leading employees. Both must be reliable, apt and competent.

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and Watchkeeping for Seafarers 95, first-aid and weapons training.

It also demands 30 hours' training in those German legal provisions connected with maritime security, especially with the guard's competences and the limits of self-defence.

The company needs compulsory liability insurance with a minimum of €5m for personal and property damages and €500,000 for financial losses. The latter is less than Guardcon demands.

Several points may pose an obstacle, especially for foreign companies. Independent, one-man subcontractors are commonly used as guards. As the law assumes the use of employees, several provisions simply do not fit for subcontractors.

Moreover, if the wording of the law was to be applied strictly, the one-man subcontractor would "offer guarding services on board German-flagged vessels" and would need a German licence. It would be very difficult for him to meet the above requirements.

Due to the very strict German weapons law, floating armouries will not be possible.

German companies will have a

GERMAN ACCREDITATION: THE FACTS

Who has to apply?

All German maritime security companies; any foreign company who wish to guard German-flagged vessels.

Who is in charge?

BAFA supported by Federal Police & Weapon authority Hamburg.

Is it compulsory to hire a German intermediate for the application?

No. There is neither a governmental mandate nor a recommendation for any German firm. It may help, though.

Can the application be submitted electronically?

Yes. BAFA has launched an informative English-language website with good available documentation and even a checklist: http://www.bafa.de/bafa/en/other_tasks/pmsc/index.html.

How much does it cost, and how long is it valid?

€17,000-24,000; two years.

Minimum team size and what weapons?

Four guards, one rifle and one handgun each.

Main differences to ISO PAS 28007?

First, it is a national regulation and no industry standard; violations will attract a fine. Second, the guards' requirements are far more detailed; the law mentions 14 sections of different compulsory training fields with 110 hours total.

Is it worth it?

That depends. A company active on board German-flagged vessels has no choice. The same is true for companies wanting to enter the German market. For all other companies, "approved by the German government" may be a unique selling point. ■

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