



Malta Maritime Law Association

Tug Boats and the Towage Industry

1. Introduction:

1.1 Tug boats are a necessary evil and as a result Shipowners and other Users [eg. ship agents, terminal operators and others] avoid them, if at all possible, as one would avoid the plague.

This notwithstanding, when tugs are required for whatever reason [lack of maneuverability of the vessel, weather conditions, restricted berthing facilities etc], Users expect tugs to be immediately available, at times without any proper notice whatsoever.

For this reason, and also to be able to give an effective, reliable and efficient service, harbour tugs are readily available in both main Harbours of Malta – the Grand Harbour and Marsaxlokk Harbour – on a 24/7 basis all the year round and suitably manned at all times. Yet, tugs are only paid for their services when actually ordered and utilised.

1.2 Harbour tugs are normally associated with Port Pilots and Mooring Services and this because the respective services offered by the three entities are very much inter-linked.

However, there is one basic difference. Whereas Pilotage and Mooring Services are normally compulsory in most [if not all] Ports of Europe and Ports in other parts of the globe, [for vessels over a specific tonnage – in Malta of 500 gross tonnes and over], tugs are not compulsory and the decision to use tugs or otherwise and the number of tugs required for a particular operation, is determined only by the Master of the vessel, if necessary in consultation with the Port Pilot on duty.

The only person who is authorised by legalization to overrule this decision is the Harbour Master and this only for safety reasons.

To be fair, the Port Authority has issued guidelines for the use of tugs in the respective Ports and respective Terminals, but it is clear to all concerned that these “tugs norms” are only “guidelines” and may be ignored by the Master of the Vessel and the Port Pilot concerned.

2. Commercial Towage In Malta.



2.1 Commercial Towage in Malta commenced in the early 1960s with the formation of two ship towage Companies – Midmed Towage Company Limited and Mediterranean Salvage & Towage Company Limited.

Up to that time most of the Harbour facilities - including “Buoys” - were the responsibility of the British Admiralty and as a result commercial vessels calling at Malta and using these facilities were mostly assisted by the British Naval tugs stationed in Malta and manned by Maltese crews initially forming part of the Sea Transport Office [STO] and later the Port Auxiliary Service [PAS], both operated under the auspices of the British Admiralty but with mostly civilian personal.

The one exception were the tugs of Malta Tug & Lighter Services Limited, a Company established in 1946 after the second world war, whose tugs were primarily used to tow barges used for the discharging and loading of cargo entering or leaving Malta but which also assisted commercial vessels on some occasions, in particular when such vessels were berthed “stern to” at non-Admiralty facilities at Fish Market or at Bridge Wharf, among others.

2.2 During the days of sail, becalmed ships had to lower their rowing boats in order to move their drifting vessels, and were often unable to enter or leave port when the force and direction of the wind were adverse. The concept of using tug boats to assist such vessels only came about after the invention of the steam engines was applied to the propulsion of boats in the early 19th Century.

By the middle of that century, steam driven tugs had been introduced into the harbours of Malta by the Admiralty primarily to assist Royal Naval warships in the Grand Harbour and the Naval Dockyard. When required, these tugs also assisted merchant shipping. Right up to the 1950s, the Admiralty operated the only large tug boats and salvage vessels in Maltese ports.

2.3 Compared to the previous hundred years, the last fifty years have witnessed tremendous technological development in ocean going vessels and consequently also in the tugs that assist them. In the 1950s Admiralty tugs operating in Malta were still of the single screw type and not very maneuverable. Paddle tugs had also been introduced towards the end of the 19th Century.



The first tug boat ordered as a new building soon after Independence was the St. Elmo, a single screw tug whose propeller was housed in a Kort Nozzle that gave it improved directional propulsion. This was followed by the Felicia in 1981 – a newly built twin screw in fixed Kort Nozzles diesel tug delivered to Tug Malta. By 1991, the first Azimuth [Omni-directional] propulsion tug - the Lieni - was introduced in Maltese Harbours. Her twin screws could be directed in 360° circle making her extremely maneuverable and offer directional pull to the vessel being assisted. By this time synthetic hawsers also came on to the market; when worked off powerful winches on tugs they did away with the need for several men to handle them as had been the case with steel wire and manila ropes for the previous 150 years.

Meanwhile ships of ever increasing size were being built. The super tankers that dock in No. 6, the China Dock, the mega container ships that call at the Malta Freeport at Marsaxlokk and the cruise liners that visit today would have dwarfed the largest Royal Navy battleship or aircraft carrier that seemed so huge berthed in the Grand Harbour in between and after the two world wars. Such large modern ships necessitated more powerful tugs in addition to high maneuverability.

2.4 During the 1960s-70s when the two commercial private enterprises operated Harbour Towage sometimes jointly, at other times in competition with each other, there were, on average, about ten tugs in operation at any given time. Their bollard pull [pulling power measured in tonnes] ranged from 9 to 23 tonnes. In the 1980s, following the nationalisation of the towage industry in Malta and the setting up of Tug Malta Limited, there were, on average, five tugs in operation with bollard pull ranging from 15 to 32 tonnes and a fleet total of 108 tonnes bollard pull.

During the 1990s the number of tugs in operation rose to six with bollard pull totaling 220 tonnes and ranging from 23 to 47 tonnes on the various tugs. In the following decade the number of tugs remained unchanged but total bollard pull increased to 309 tonnes and varying from 32 to 70 tonnes on individual tugs. Today Tug Malta boasts a fleet of eight [8] tugs with a total bollard pull of 467 tonnes ranging from 32 to 83 tonnes on individual tugs. Except for one, all the rest have Azimuth [also referred to as “Omni-directional”] screw propulsion.

2.5 Modern sophisticated engine room technology combined with the efficacy of powerful winches for the hawsers have led to a reduction in manning levels on tugs. A 20 ton bollard pull tug of the 1960s would have had an eight man crew while today’s 80 ton bollard pull tug is crewed by three men: Master, Engineer and Seamen.

2.6 When the Royal Navy relinquished its dockyard and tugs in the 1960s, the private commercial interests immediately filled the void and provided the country with an efficient



towage service. Towage was nationalised as a monopoly in 1980 and privatised again after 25 years. It is now run as a commercial enterprise focused on the development of the service in order to meet the nation's requirements particularly those of the once secondary port of Marsaxlokk which today accounts for over 80% of movements in Maltese Harbours.

2.7 Between 1990 and 1996, the pattern of towage operations within the Maltese Harbours had changed radically. From well before 1960, the great majority of all tug operations was concentrated in Grand Harbour, with approximately half the work being for vessels undergoing repairs or periodical surveys at Malta Drydocks and the other half for other shipping [cargo, cruise liners, naval vessels etc] calling at Grand Harbour. The few vessels calling Marsaxlokk and requiring tugs were also serviced from tugs operating in the Grand Harbour. An appreciable number of very large vessels were handled during the '70s and '80s, but they were almost invariably in ballast, calling at Malta for surveys and repairs at Malta Drydocks

2.8 Since 1990, work at the Marsaxlokk Freeport had increased substantially and by 1995 it accounted for 60% of tug assistance given to vessels calling at Maltese Harbours. A number of the vessels handled at Freeport are large and fully laden with containers or oil products. On the other hand, Grand Harbour accounted for 30% of tug movements and Malta Drydocks was down to about 10%. As a result, it was evident that more maneuverable, powerful and dedicated tugs would be required to service the Maltese Harbours, and this resulted in the continuous investment in the tug fleet experienced in the last twenty years or so and in particular during the last seven years.

2.9 This investment in modern and powerful tugs has in turn enabled Tug Malta to venture in offshore towages in the Central and Eastern Mediterranean if and when the occasion arises. With ever larger container vessels being built I am satisfied that Tug Malta is continuing to improve on the services it offers round the clock with more powerfully tugs to enable Malta to retain its role as a vital maritime hub in the Mediterranean. Meanwhile, Tug Malta continues to keep in touch with towage and salvage developments in Europe and Internationally through its membership of the European Tugowners Association and the International Salvage Union and by actively participating in their meetings and other activities.

3 European Tugowners Association – [ETA]



3.1 ETA was established in London in 1963 and its aim is to promote the interest of the European towage industry with the focus primarily on Harbour Towage. Maltese towage Companies have been members of ETA since 1966.

ETA sees its role as being:

- The voice of the towage industry in Europe;
- A source of information for members;
- A vehicle to raise the profile of the industry in Europe and Internationally.

In order to be closer to Europe's decision making body, in 2002 ETA re-located its secretariat from London to Brussels. ETA represents 81 full Members operating from 21 European countries. Its members own or operate 700 tugs, providing towage and salvage services in European Ports. Memberships is open to all companies authorities or other bodies operating own or chartered tugs. ETA also offers Associate membership to industry related Companies.

3.2 Before the move of its secretariat to Brussels, the Association kept rather a low profile. However, since 2002, it has taken a more active role in lobbying the interest of its Members in maritime foras. This has been achieved by having continuous contact with the decision-making bodies within the European Union [eg: DG Move, European Parliament, Transport Committees, ECOSOC, EMSA etc] as well as with other maritime organisations established in Brussels [eg: Shipowners, Port Pilots, Sea Ports etc]

3.3 Over these last few years ETA has been invited by the E.U. Authorities to take positions on:

- Market access on Port Services,
- Bottlenecks;
- Mandatory tug use;
- Training;
- Tendering procedures and length of contract;
- ISPS for non SOLAS vessels;
- Ports' Policy in general;
- And others involving maritime developments including seafarers.

3.4 In recent years and months, ETA has given its attention at E.U. level to the following subjects and participated in various fora:



➤ The Working Time Directive and its implementation in national legislation with E.U. Countries:

- A working system that accommodates the highly flexible nature of the work;
- Any license period should guarantee sufficient return on investment;
- Involvement of tugowners in development of port planning and of new ships;
- Communication between port authorities, pilots and towage;
- Concessions [eg: proposed Horizontal Directive on Concessions.]

3.5 Last week ETA held its Annual Meeting in Opatija, Croatia and at the same time celebrated its 50th Anniversary of its formation. The meeting coincided with the publication of a new Ports Policy legislative initiative by the European Union and the proposed measures shall be based by way of Communication and Regulation which, if adopted, will be applicable to all European Ports and most Port Services including pilotage and towage. Remarkably, “cargo handling” [eg. Dock labour] and “passenger services” are excluded from the scope of the intended legislation which contains provisions on market access to port services, health and safety measures as well as financial transparency.

3.6 The first two attempts to introduce this legislation was opposed by the European Parliament and by most member States mostly because of a strong lobby from dock labour resulting in stoppage in most European Ports. This is possibly why “cargo handling” has been excluded from the proposed legislation. Most of other service providers, in general, are not against introducing common regulations on health and safety measures and financial transparency but do not believe that the proposed regulations on “market access” will achieve the Commissioner’s objectives in this regard. This view is shared by ETA members who will be lobbying with their respective Government to again reject this third attempt.

3.7 I am also pleased to announce that during this year’s Annual Meeting, Mr. Mario Mizzi, CEO of Tug Malta, has been appointed Deputy Chairman of ETA for the year 2013 and 2014. With your permission I wish to take this opportunity to congratulate Mr. Mizzi on this appointment.

4. International Salvage Union – [ISU]



4.1 Tug Malta is also a member of the International Salvage Union [ISU] whose Members provide essential services for the world's maritime and insurance communities and are engaged in marine casualty response, pollution defence, wreck removal, cargo recovery, towage and related activities. ISU represents the interests of some 59 Salvors worldwide. Membership of the ISU is restricted to those companies with a record of successful salvage and pollution prevention. Members are required to have the high level of expertise expected of the professional salvor.

4.2 The principles of salvage and salvage law have evolved over many centuries. A fundamental concept is that the Salvor should be encouraged by the prospect of an appropriate salvage award to intervene in any causality situation to save the ship, property and in particular, to save life and prevent pollution. The Salvor's right to a reward is based on natural equity, which allows the Salvor to participate in the benefit conferred to ship-owner, the ship itself and the ship's cargo.

4.3 Concern for the environment is rightly at the heart of all modern salvage operations. Almost all marine casualties, regardless of their cargo, represent a potential threat to the environment. Time and again the skill, commitment and equipment of the members of the ISU have prevented disaster and minimized environmental damage. In most cases there is no State provision of salvage and environmental protection services. It is only commercial Salvors who stand between a shipping casualty and an environmental catastrophe.

Today, protection of the marine environment is the dominant consideration in most salvage operations. The ISU membership's mission is to "**keep the pollutant in the ship**". Even in cases where the initial accident event – such as a collision or grounding - is severe enough to result in a release of pollutants, the Salvor has the specialised equipment and expertise to minimize the environmental consequences.

4.4 Marine salvage is carried out on a commercial basis and the legal framework under which it is conducted has evolved over centuries. The amount awarded to a salvage by arbitration, or agreed by negotiation, is based upon the nature of the salvage services and, amongst other matters, the salvaged value of the vessel and its cargo. These matters are governed by the International Convention on Salvage of 1989. Whilst the convention does take account of the Salvor's efforts to protect, avoid or minimize damage to the environment, the ISU believes its members are not always fairly rewarded for their efforts and successes in avoiding or minimizing damage to the environment. That is because some casualties which threaten the environment are of low financial value.



Attempts by ISU to include “Environmental Salvage” in the Salvage Convention did not get the expected support from other Stakeholders, in particular shipowners and P&I Clubs who in their absolute majority were against this development and persuaded their respective Governments not to support this initiative. I understand that Malta was one of the few States who were in favour of this initiative.

4.5 The salvage industry continues to experience difficult times. The global shipping community’s safety and environmental record has improved and, consequently, the demand for salvage services has declined. Yet, at the same time, successful salvage has a much greater significance today, given the importance now placed on preventing spills and protecting the environment.

4.6 Despite the many difficulties, ISU Salvors have maintained continuity of service. They stand ready to respond – round –the-clock, on a global basis – to the salvage challenge. In part, this has been made possible through a policy of closer co-operation with shipowners and their insurers [the hull and machinery underwriters and the P&I Clubs responsible for third party liabilities].

Closer integration of marine emergency response is essential, as it is now impossible to separate the salvage and pollution defence functions. ISU Salvors have always offered a total service for environmental protection and salvage, but environmental defence is now the more critical measure of operational success. In this regard, Tug Malta co-operates with other members of ISU in offering Offshore Salvage and towage as well as wreck removal in the Central Mediterranean and beyond.

Thank you for giving me this opportunity to address this distinguished gathering.

John E. Sullivan
27th May, 2013