



CEDRE Information Day: Spill response equipment stockpiles



The vision of French industry

Thursday 11 March 2009



Summary



I- The state of the French spill industry (example of SYCOPOL)

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What is SYCOPOL?



SYCOPOL is a French association bringing together spill response equipment manufacturers and service providers.

SYCOPOL is an internationally recognised association which gathers spill response professionals.

SYCOPOL FRANCE comprises:

- equipment manufacturers
- product manufacturers
- service providers



SYCOPOL's activities



- SYCOPOL aims to promote French know-how in the field of spill response.
- This is achieved through different actions:
 - Participation in and organisation of shows and conferences
 - Organisation of demonstrations
 - Participation in training days and special events
 - Promotion between members
 - Data exchange on the different markets
 - Commercial grouping of members.



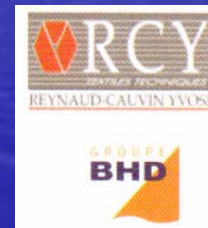
Who are the members of SYCOPOL?



- Service providers:



- Equipment manufacturers:



- Consumable goods manufacturers:





In short:



- SYCOPOL does not represent the entire French spill industry. Retailers or representatives of foreign products cannot become members of our association. Consequently, SYCOPOL is not the only industrial source of spill response means in France or indeed in Europe.
- SYCOPOL nevertheless represents the most active and most specialised players of this industry in France.
- To be more representative, this study was also conducted among non-members of SYCOPOL and even private European organisations.



Proportion of spill-related activities for SYCOPOL members (% turnover)



Proportion (%)	Number of companies
0-25	7 (50%)
25-50	4 (29%)
50-75	0
75-100	3 (21%)

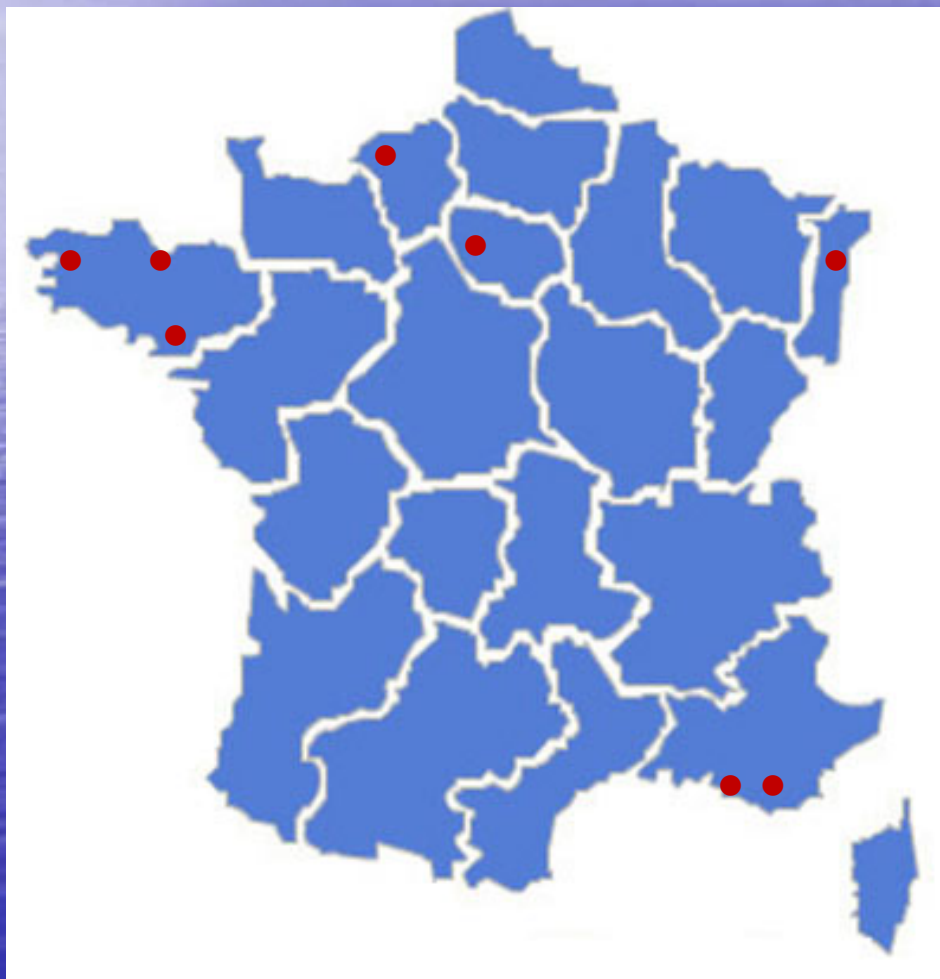
We note that for the majority of SYCOPOL members, spill response is a subsidiary activity. The production of this equipment is therefore not always a priority.

Unlike the Scandinavian countries, France has no "specialised" spill response manufacturer.

The 3 companies whose main activity is spill response are: 1 service provider, 1 boat manufacturer and 1 trawl net manufacturer.



Storage sites:



These stockpiles include:

- Response equipment
- Boats
- Sorbents
- Chemical agents.



SYCOPOL's response to small spills:



In the case of minor spills, service providers and industry have sufficient stocks to be able to respond immediately.

Within a maximum of 24 hours, initial action can be implemented by French industry in the case of a spill in mainland France. This timeframe can be reduced if the spill is near certain SYCOPOL members as they can be reached 24/7.

Within industry, spill notification occurs very rapidly so that addressing the needs generated becomes a priority.



French industry stockpiles:



Products stocked by service providers:

- Slick detection means
- Small skimmers (up to 20 m³/h)
- Quad bikes
- Power packs
- Pressure washers
- PPE.

Products stocked by manufacturers:

- Sorbents
- Boats
- Chemical products (cleaning agents and dispersants)
- Small quantities of boom
- Trawl nets.



French industry stockpiles:



Products stocked by retailers:

- Small skimmers (up to 20 m³/h)
- Sorbents
- Small booms
- Waste containers
- Tanks
- Trawl nets.

These same products are also stocked by retailers of foreign products.

Our main international competitors apply the same industrial policy.



French industry stockpiles:



Other more general, high consumption products are very often used in spill response and their stocks are very difficult to manage as they are only sold to end users via a multitude of "small" retailers. Purchasing large quantities is therefore complicated and requires a multitude of retailers to be contacted. The quantity of these products is often very variable and requires a certain adaptation on behalf of the user.

The products in question are often small consumable goods such as:

- Spades
- Bins
- Certain PPE
- Geotextile sheets
- Other.



The case of major spills: stock renewal



First, certain equipment is only hired during spill response:

- Vacuum trucks
- Most transport vehicles
- Heavy duty vehicles
- Worksite cabins
- Skips
- "Most personnel".

This requires a certain amount of organisation and a certain reaction time according to availability and the spill location.

In the case of major spills, generally at least one week is required to set up the logistics bases and worksite cabins needed to support and supervise several hundred people.



The case of major spills: stock renewal



Other equipment is only produced to order, such as:

- Large skimmers
- Dispersant arms
- Booms
- Trawl nets
- Flexible tanks.

Less and less response equipment is stored by industry as:

- Operational personnel require products adapted to suit the spill in hand.
- Consultants and operators have their know-how and/or specialities.
- Ranges of products are too wide.
- Production tools are saturated (as they are not always exclusively dedicated to this industry).
- Stockpiles are too costly (industrial margin often less than 30%).
- The majority of purchases in this industry are made via tenders.



The case of major spills: stock renewal



Time required to replace stocks by product:

Equipment	Time required
Large and small skimmers	4 weeks
Pumps and power packs	6 to 12 weeks
Booms	2 to 4 weeks
Sorbents	1 week
Chemical agents	1 week
PPE	1 week
Trawl nets	6 weeks min.
Boats	3 months min.



The case of major spills: stock renewal



These timeframes are due to the availability of raw materials:

- Suffering a shortage of raw materials is always a possibility for different reasons:
 - At times of high economic activity, certain raw materials such as solvents or metals are in short supply as they are ordered several months in advance by the largest consumers.
 - During more critical economic times, suppliers reduce their production and their stocks to daily requirements. Stockpiles are too costly (real estate, long-term investment).
 - Dependence on subcontractors (e.g. boom containers).
 - A qualified temporary workforce is required.

For products such as booms or sorbents, as consumption of the raw materials used by industry professionals for their daily activities is stable, there are no supply problems.



The case of major spills: stock renewal



Availability of production units:

For many industries, production equipment is multipurpose. When operating continuously, the end of its production cycle must be reached before it is able to produce response products. This is due to the contemporary economic concept of the 5 zero rule which most industries attempt to apply:

- Zero downtime
- Zero delay
- Zero stock
- Zero defect
- Zero paper.

This highly profitable economic system, much appreciated by industry in its everyday running, is no longer appropriate in the case of spills as a spill is never planned for in the use of production equipment.



The case of major spills: industry's alternatives



To overcome some of these industrial constraints, solutions exist based on the principle of global economy: Partnerships and rapid logistics.

How do industry professionals renew their supplies rapidly?

- Agreements with some of the main international manufacturers (even if their stocks are small, the combination of multiple sources means it is possible to rapidly obtain supplies of recognised equipment in Europe). More distant sources can also be used.
- Retrieval of products from clients (during spills, there is a certain solidarity towards victims - equipment that has already been sold to an end user can therefore be retrieved fairly easily).

Constraints:

- Customs
- Transport
- Condition of equipment
- Extra expense



The case of major spills: waste treatment



In the case of major spills, waste is a real problem and its management is complex.

For all non-recoverable waste such as oiled equipment, we call upon specialised companies who treat the waste in compliance with the legislation in force.

For waste that can be treated and decontaminated, the equipment required for treatment is often heavy-duty and is already in use. This decontamination therefore requires prior storage for a varying length of time. Industry, and in particular service providers, generally attempt, in collaboration with the polluter and local government, to arrange to find an appropriate storage area until the equipment becomes available.

For SYCOPOL, waste treatment comes under another highly specialised industry.



Conclusion:



As response to oil pollution in the marine environment is rather variable, it is difficult for industry stakeholders to make a "business plan". They have therefore been compelled to diversify their activity, which sometimes results in making this a "secondary" activity. This therefore explains the reduction in stocks.

Furthermore, as the environment is playing an increasingly important role in general government policies, and spills continue to occur, new players regularly arrive on the market. This, on top of the fact that markets are now world markets, has resulted in a sharp rise in competition and it is now increasingly difficult to conclude sales.

All these reasons go to explain the decrease in stocks maintained by industry professionals, who, to protect themselves against the possibility of an equipment shortage in case of a spill, have found ways to respond rapidly to demands both by setting up partnerships with their competitors and/or increasing their reactivity in response to critical situations.



Acknowledgements



The SYCOPOL members and various industry professionals contacted would like to thank you for your attention and for having allowed them to present their equipment supply methods for spill response as well as the different variables which influence their industrial policies.