

Exponent[®]



Maritime Autonomous Surface Ships (MASS)

The Present and the Future

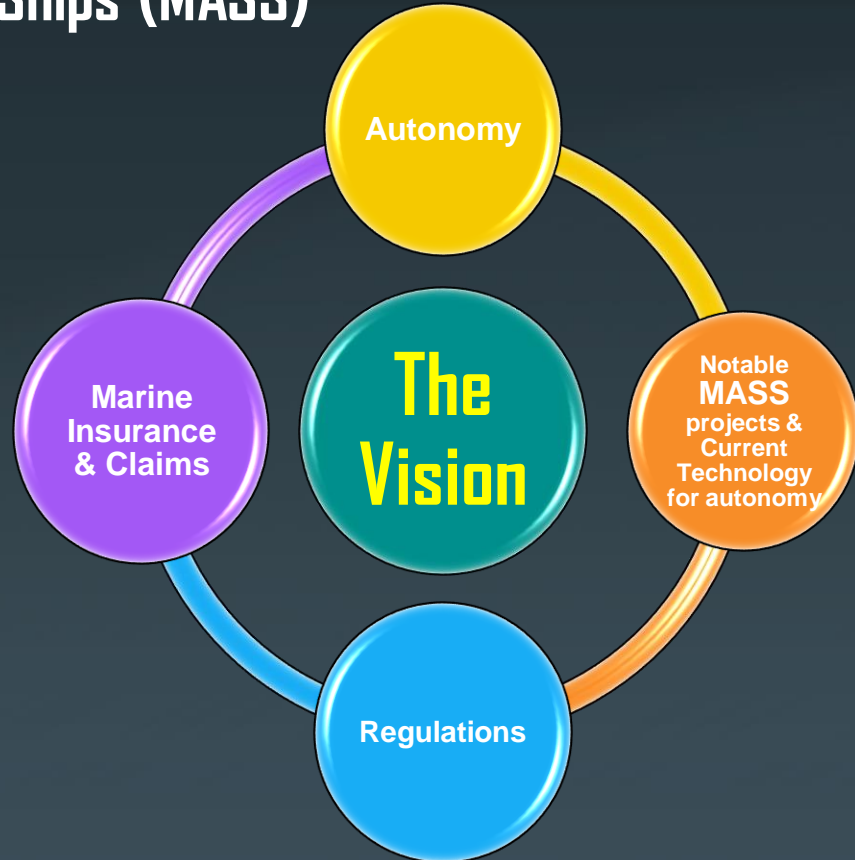
MARIA LAGOUMIDOU

Naval Architect & Marine Engineer,
CEng (MRINA)

25th September 2019

Maritime Autonomous Surface Ships (MASS) The Present and the Future

OUTLINE



THE VISION

It is almost midnight, a full moon is shining over the Thames.

The river is calm, the reflection of a ship's name is on the water: 'CREWLESS'. It is a shame that no one can see this reflection from her weather deck, there are no crew onboard.

She is an autonomous ro-ro cargo ship which just sailed from a nearby berth upstream, after a full cargo of autonomous cars and trucks loaded themselves onboard her seven decks. CREWLESS is heading towards Rotterdam where the cars and trucks will drive themselves off to their destinations without human intervention.

What does 'autonomy' actually mean?

- ➔ This word is Greek : **αυτονομία**, from **αυτος** 'self' + **νομος** 'law'.
- ➔ The Cambridge dictionary online, gives the following meaning:
'The ability to make your own decisions without being controlled by anyone else'
- ➔ For the purpose of the IMO regulatory scoping exercise:
"Maritime Autonomous Surface Ship (MASS)" is defined as a ship which, to a varying degree, can operate independent of human interaction and described 4 'degrees of autonomy'
- ➔ The Society of Automotive Engineers, SAE in US has issued SAE J3016 showing in table format
'levels of driving automation'
There are 6 levels with the 'driver support features' and 'automation features'

Are there ships realising an autonomous vision at present ?

Yara Birkerland

(Source: <https://www.yara.com/news-and-media/press-kits/yara-birkerland-press-kit/>)



Are there ships realising an autonomous vision at present ?

Folgefonn

(Source: <https://www.wartsila.com/media/news/28-11-2018-wartsila-achieves-notable-advances-in-automated-shipping-with-latest-successful-tests-2332144>)



Images : © 2019 Wärtsilä Corporation
Used with Permission

Are there ships realising an autonomous vision at present ?

Falco

(Source: <https://www.rolls-royce.com/media/press-releases/2018/03-12-2018-rr-and-finferries-demonstrate-worlds-first-fully-autonomous-ferry.aspx> and Finferries

Images : Copyright Finferries. Used with Permission.)



Are there vehicles realising an autonomous vision at present ?

VOLVO'S VERA TRUCKS

(Sources: <https://venturebeat.com/2019/06/13/volvos-vera-autonomous-trucks-will-transport-dfids-goods-on-public-roads/> and <https://www.volvotrucks.com/en-en/news/volvo-trucks-magazine/2019/jun/Veras-First-Assignment.html>)

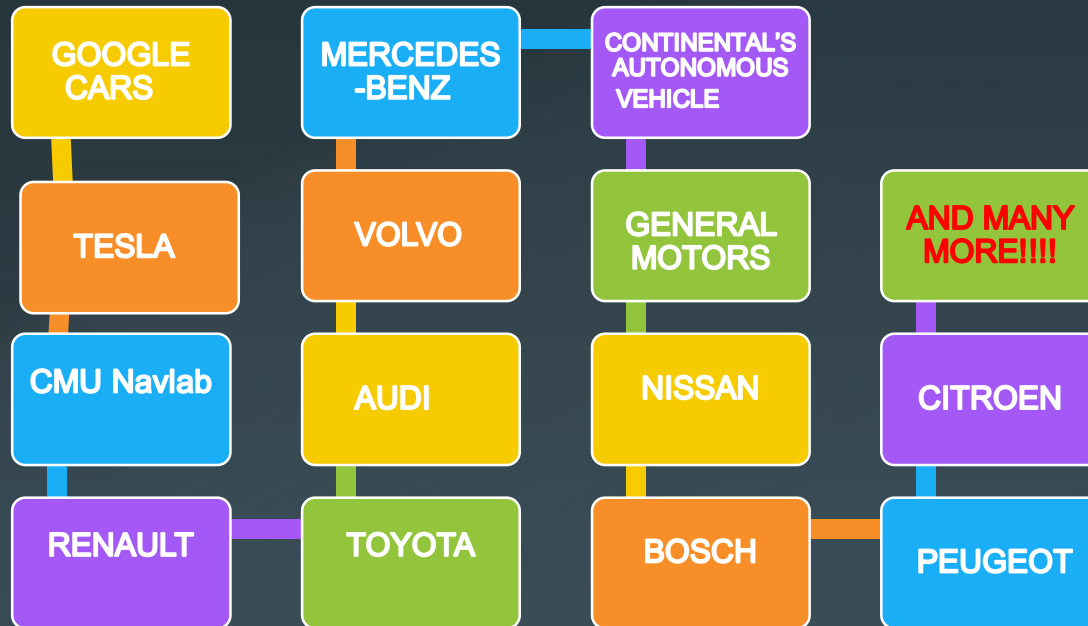


Press Images:

<https://www.volvotrucks.com/en-en/about-us/automation/vera.html>

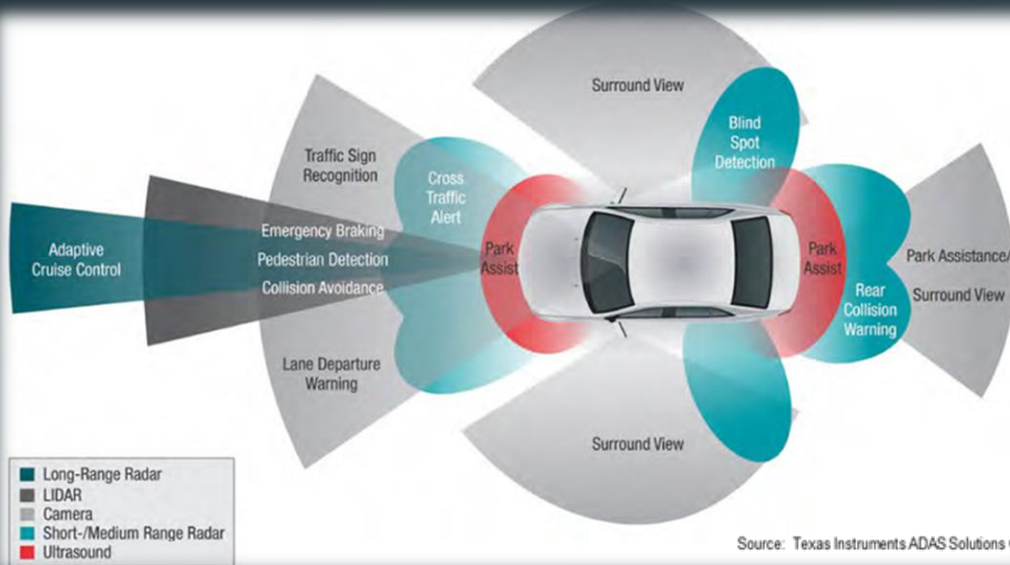
Are there vehicles realizing an autonomous vision at present ?

Autonomous cars or self-driving cars

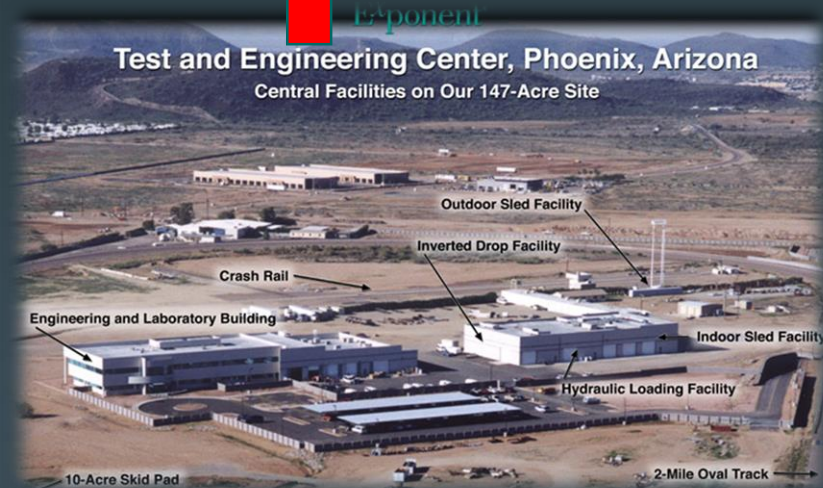


Autonomous technology for vehicles

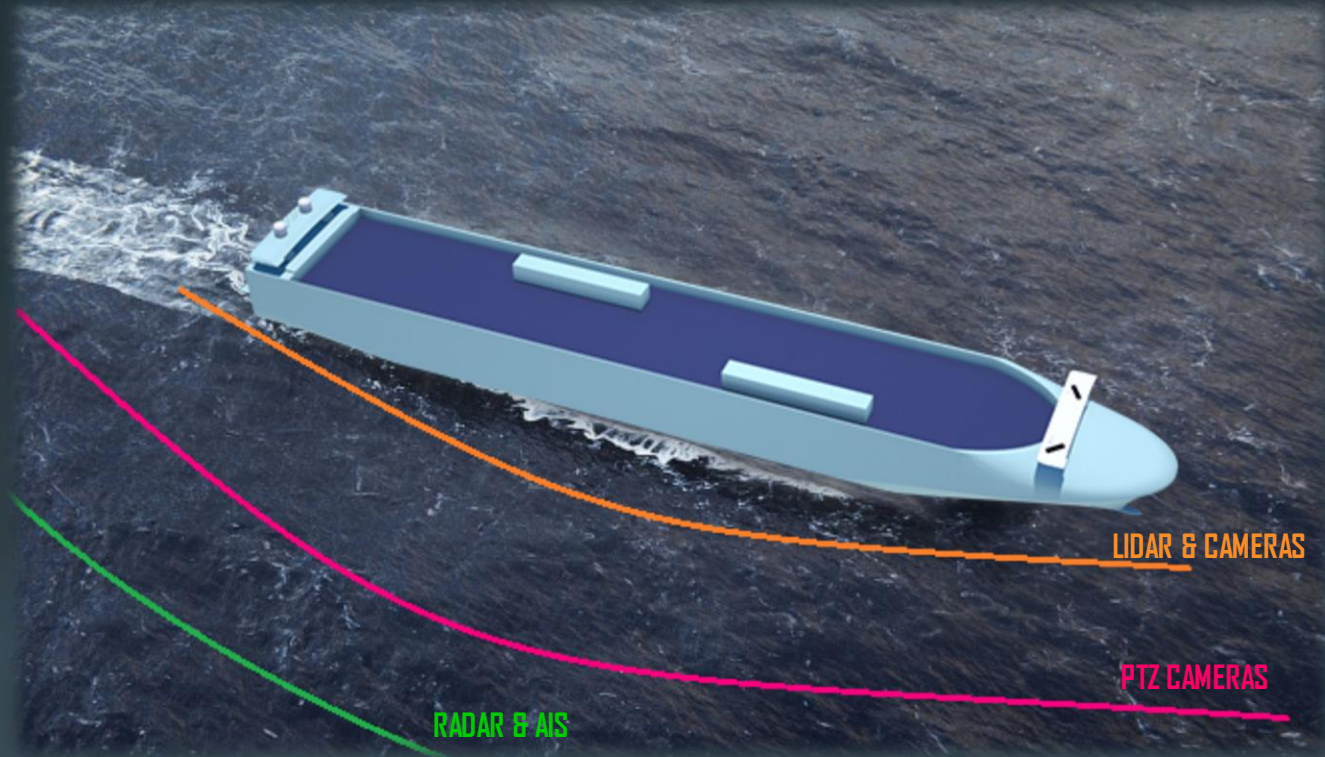
Advanced Driver Assistance Technologies (ADAS)



Source: Texas Instruments ADAS Solutions Guide



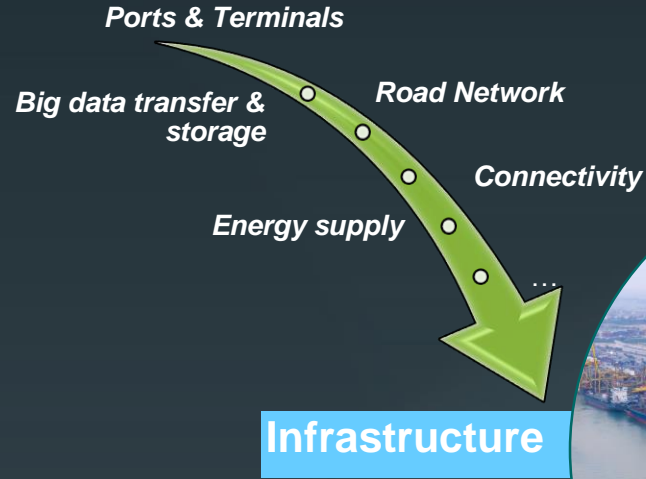
Autonomous technology for ships - Navigation



Autonomous technology for ships - Mooring



Autonomous technology for ships



Ship Main Functions

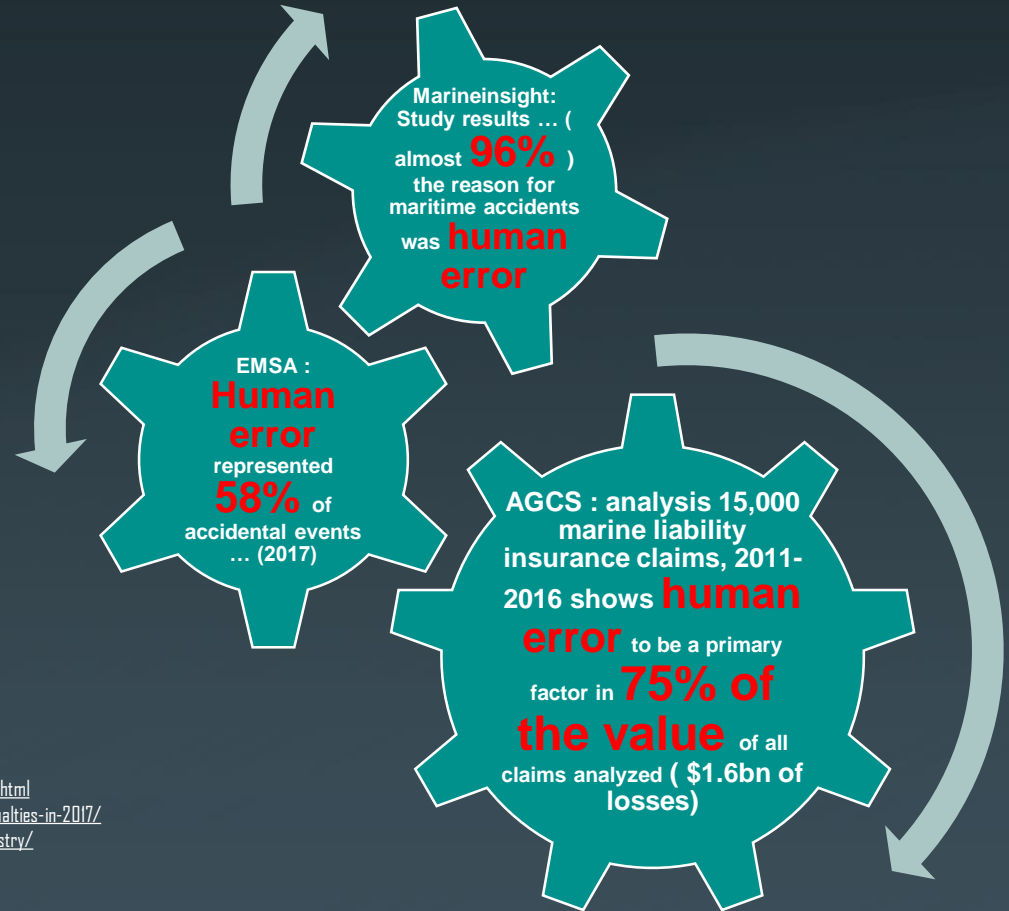
- Power Generation
- Weathertight & Watertight integrity
- Strength
- Steering
- Propulsion
- Ballasting
- Drainage & Bilge pumping
- Anchoring & Mooring
- Cargo handling
- Navigation
- Communication
- Safety systems

How increased automation and autonomous technology on ships will affect marine insurance ?

'Maritime autonomous surface ships-Zooming in on civil liability and insurance'
by CORE Advokatfirma and Cefor, December 2018

'In a global context, the increased automation and the introduction of MASS is expected to reduce the level of risks and marine casualties, while at the same introducing risks that have not previously been quantified or insured.'

'...the introduction of MASS is expected to reduce the level of risks and marine casualties.'



Sources :

<https://www.agcs.allianz.com/news-and-insights/expert-risk-articles/human-error-shipping-safety.html>

<https://www.iims.org.uk/european-maritime-safety-agency-publishes-an-overview-of-maritime-casualties-in-2017/>

<https://www.marineinsight.com/marine-safety/the-relation-between-human-error-and-marine-industry/>

*'... introduce risks that have not been previously **quantified** or insured'*

CONVENTIONAL SHIPS

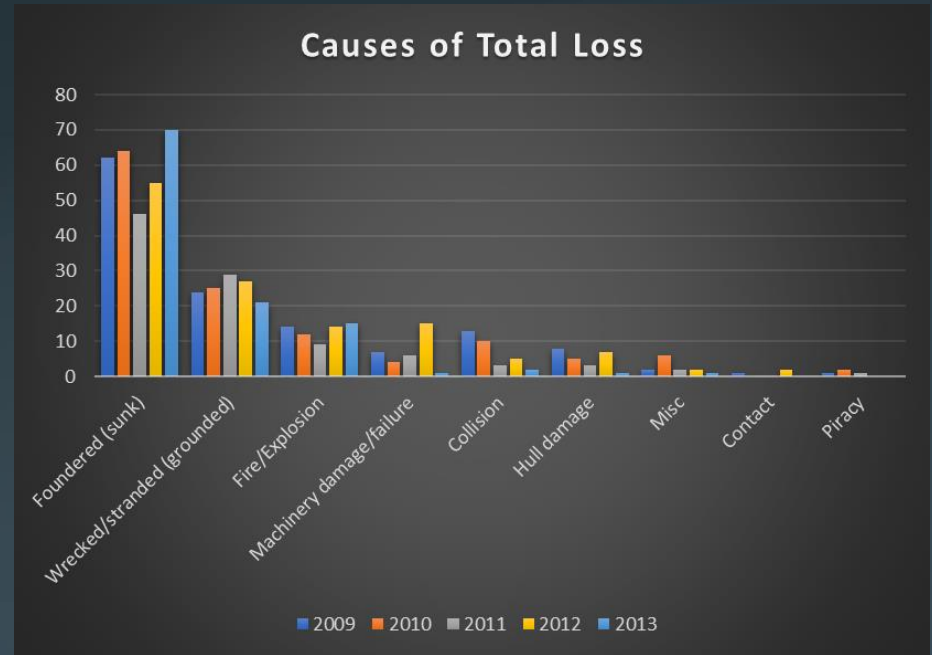
RISK PROFILE

CLAIMS HISTORY

STATISTICS

DATA ANALYTICS

...



*'... introduce risks that have not been previously **quantified** or insured'*

AUTONOMOUS SHIPS

RISK PROFILE

?

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Traditional way of assuring risk related to technology for marine insurance

**CERTIFICATES OF COMPLIANCE
TO PREDOMINANTLY
PRESCRIPTIVE REQUIREMENTS**



CLASSIFICATION RULES

STATUTORY REGULATIONS



Do we have Classification Rules and Statutory Regulations for autonomous ships?

CLASSIFICATION SOCIETIES & FRAI ADMINISTRATIONS

'CODE', 'GUIDELINE'

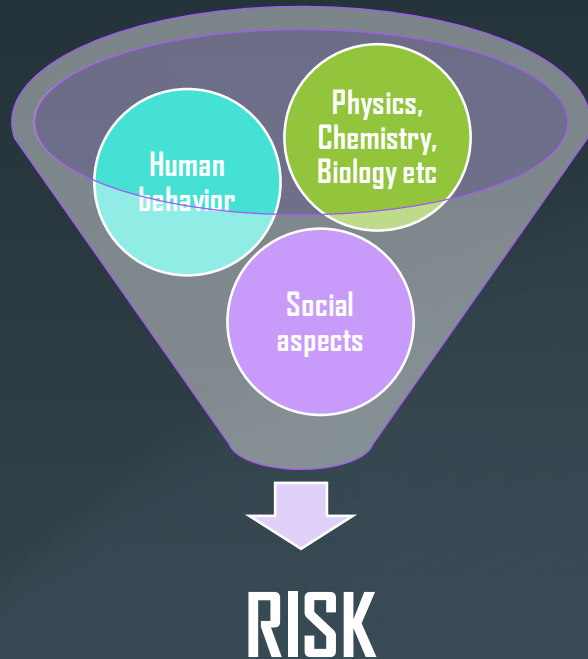
REGULATORY FRAMEWORK EXERCISE'

'INTERIM GUIDELINES FOR MASS TRIALS'

RISK ASSESSMENT



RISK as a systemic product



RISK ASSESSMENT

- **Hazard Identification**
What could possibly happen within this system which could lead to harm?
- **Risk analysis**
What are the chances of particular consequences?
- **Risk Evaluation**
What are acceptable risks and what changes do we need to make to the system, if any, to ensure that the risks are acceptable?

LLOYD'S REGISTER – Code for Unmanned Marine Systems



- structure
- stability
- control systems
- electrical systems
- navigation systems
- propulsion & manoeuvring
- fire
- auxiliary systems

Verification activities for each UMS system will depend on the Safety & Operational Levels of Integrity



Consequences based

MARINE CLAIMS – The engineering expert's perspective for MASS







Maritime Cybersecurity

Nick Batara, Ph.D.

September 25, 2019

Sonal Kothari Phan, Ph.D., P.E.,
Network+, Security+

Brian D'Andrade, Ph.D., P.E.
CISSP, CCNP-Security, PMP

Outline

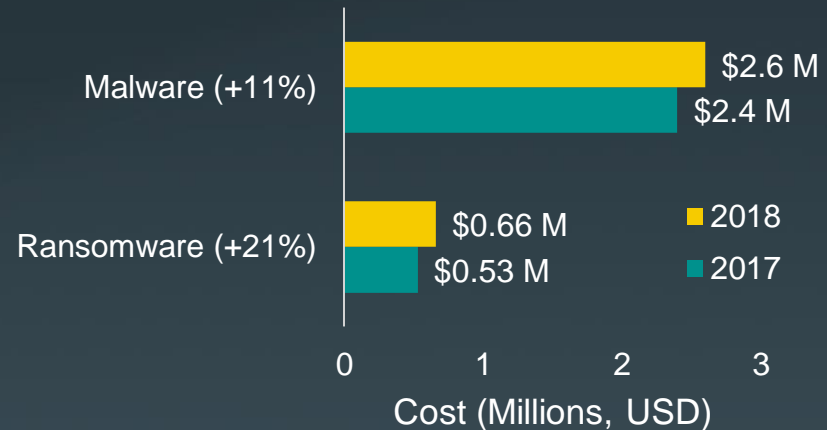
- Cybersecurity Trends
- Maritime Vulnerabilities
- Cyberinsurance Policies
- Case Studies
- Summary and Outlook



Global Trends

- USD **\$600B**: Global cybercrime cost in 2017
- Increasing complexity of attacks
- Cyberinsurance growth:
 - USD \$2.5B: Premiums in 2014
 - USD **\$7.5B**: Expected premiums in 2020

Average Annual Costs to a Company



2,647 Interviews, 355 Companies, 11 Countries

1. <https://www.mcafee.com/enterprise/en-us/solutions/lp/economics-cybercrime.html>

2. Ninth Annual Cost Of Cybercrime Study, https://www.accenture.com/_acnmedia/pdf-96/accenture-2019-cost-of-cybercrime-study-final.pdf

Poll

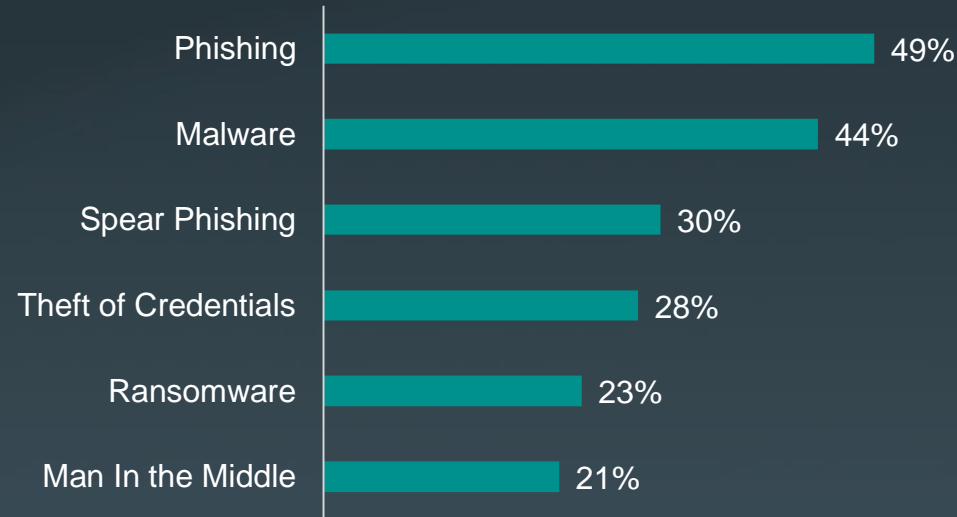
- How many maritime industry professionals have been victims of cyber crime?
 - A: 1 in 2
 - B: 1 in 5
 - C: 1 in 10
 - D: 1 in 50



Maritime Trends in Cybersecurity

- More than 1 in 5 victim of cybercrime
- **Phishing and malware attacks**
- Increased guidelines, standards, and incident information sharing

Incident Types, Past 12 Months



2018 Survey of 237 Maritime Professionals

Why Attack the Maritime Industry?

“The international shipping industry is responsible for the carriage of around 90% of world trade.”

Group	Motivation	Objective
Activists (including disgruntled employees)	<ul style="list-style-type: none"> ■ reputational damage ■ disruption of operations 	<ul style="list-style-type: none"> ■ destruction of data ■ publication of sensitive data ■ media attention ■ denial of access to the service or system targeted
Criminals	<ul style="list-style-type: none"> ■ financial gain ■ commercial espionage ■ industrial espionage 	<ul style="list-style-type: none"> ■ selling stolen data ■ ransoming stolen data ■ ransoming system operability ■ arranging fraudulent transportation of cargo ■ gathering intelligence for more sophisticated crime, exact cargo location, ship transportation and handling plans etc
Opportunists	<ul style="list-style-type: none"> ■ the challenge 	<ul style="list-style-type: none"> ■ getting through cyber security defences ■ financial gain
States State sponsored organisations Terrorists	<ul style="list-style-type: none"> ■ political gain ■ espionage 	<ul style="list-style-type: none"> ■ gaining knowledge ■ disruption to economies and critical national infrastructure

1. <http://www.ics-shipping.org/shipping-facts/shipping-and-world-trade>

2. ICS, The Guidelines On Cyber Security Onboard Ships, V3

Maritime Cybersecurity Guidance and Regulation

- International Maritime Organization (IMO)
Guidelines on maritime cyber risk management, 2017
- International Chamber of Shipping (ICS)
Guidelines on Cyber Security Onboard Ships, 2018
- Safety of Life at Sea (SOLAS) Cybersecurity Regulation, 2021

Poll #2

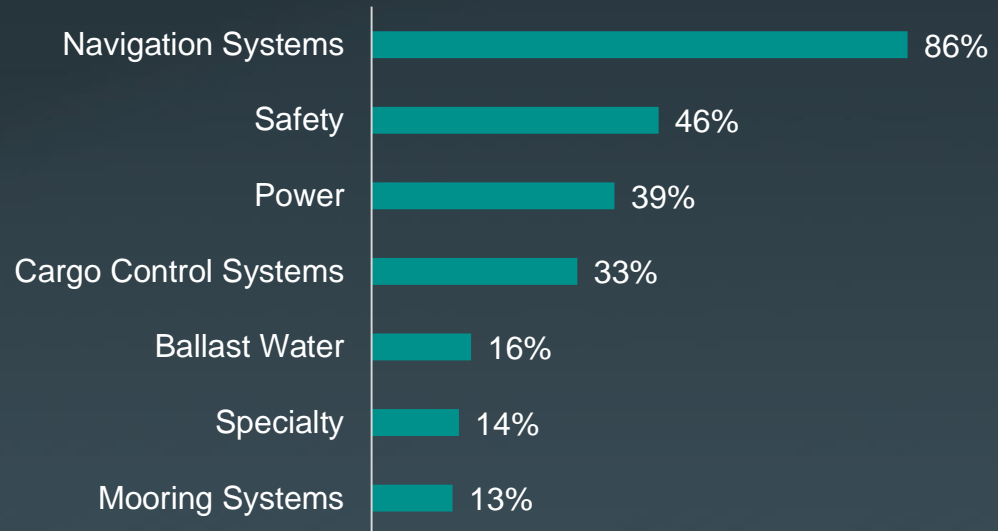
- Which shipborne systems are most vulnerable to attack?
 - A: Navigation Systems
 - B: Cargo Control Systems
 - C: Mooring Systems
 - D: Power Systems



Ship Vulnerabilities

- 8% of attacks affected shipborne systems in 2018
 - 2x increase from 2016
- Navigation and safety systems of highest concern

Ship Areas Perceived As Vulnerable to Attack



2018 Survey of 237 Maritime Professionals

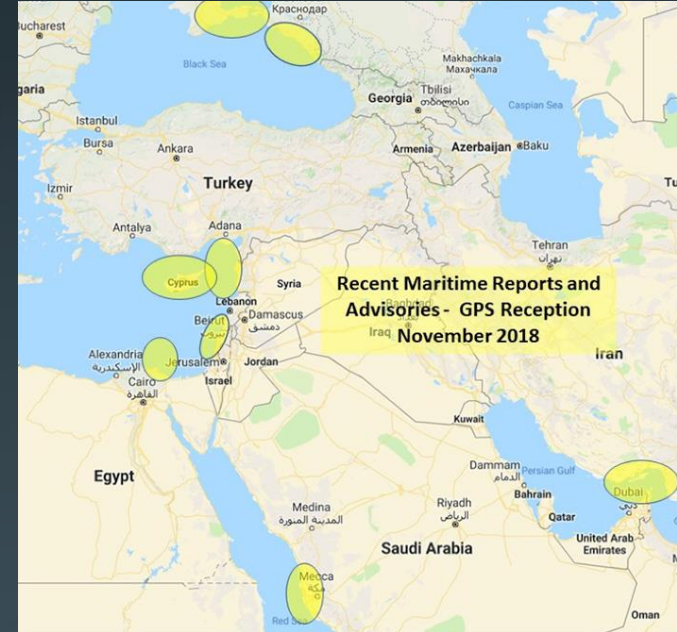
Navigation and Safety Systems

- Electronic Chart Display and Information System (ECDIS)
- Automatic Identification System (AIS)
- Voyage Data Recorder (VDR)
- Global Maritime Distress and Safety System (GMDSS)
- Integrated Bridge Systems
 - Engine control
 - Autopilot



GNSS Jamming

- GNSS jamming equipment is cheap and readily available
- GNSS jamming for illegal activities
- Loss of GNSS signal can affect navigation if undetected and degrade satcom



1. <https://www.gpsworld.com/gps-disrupted-for-maritime-in-mediterranean-red-sea/>
2. <https://www.newscientist.com/article/dn20202-gps-chaos-how-a-30-box-can-jam-your-life/>

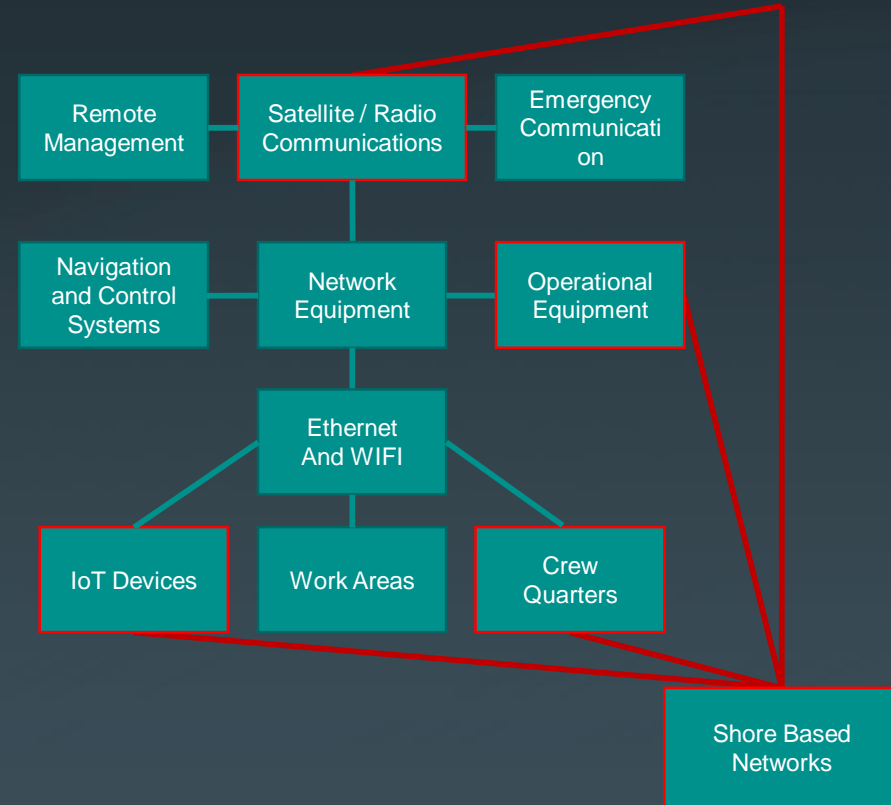
Vessel Networking

- Ships are increasingly designed as floating networks
- Wide variety of network hardware and communication protocols based on ship size and equipment:
 - Wired: Ethernet / Fiber Optic / NMEA 2000 / SCADA / Serial
 - Wireless: WiFi / 2G-5G / Satellite / Radio



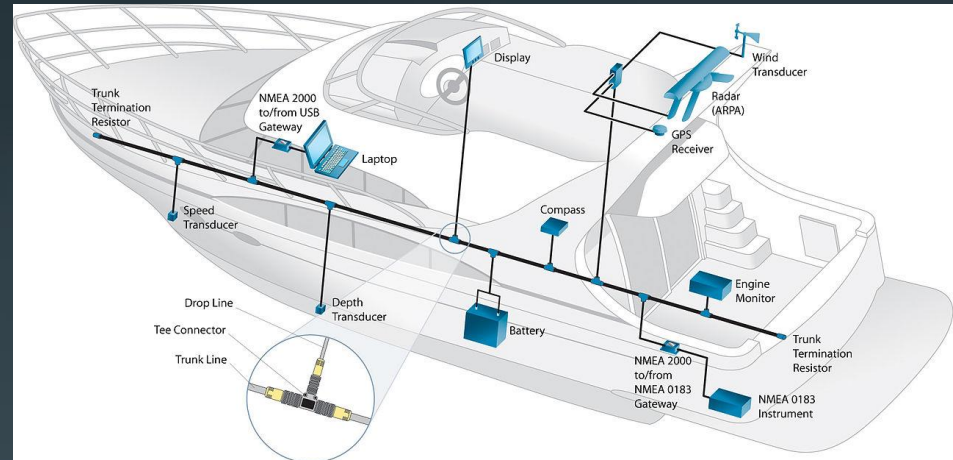
Conceptual Model of Ship Network

- Many systems connected to central network equipment
- Network configurations critical to security
- Ships are increasingly connected
 - Satellite communications at sea
 - Cellular and wifi networks near shore



NMEA 2000

- Adopted from CAN bus
- Modern standard for smaller vessels
- Used on commercial vessels



Vehicle Network Bus Vulnerabilities

- CAN bus connects sensors and control electronics
- CAN was first in cars in 1991
- No intrinsic security
- Numerous examples of vulnerabilities through connected systems in cars (entertainment system, OnStar, remote entry system)

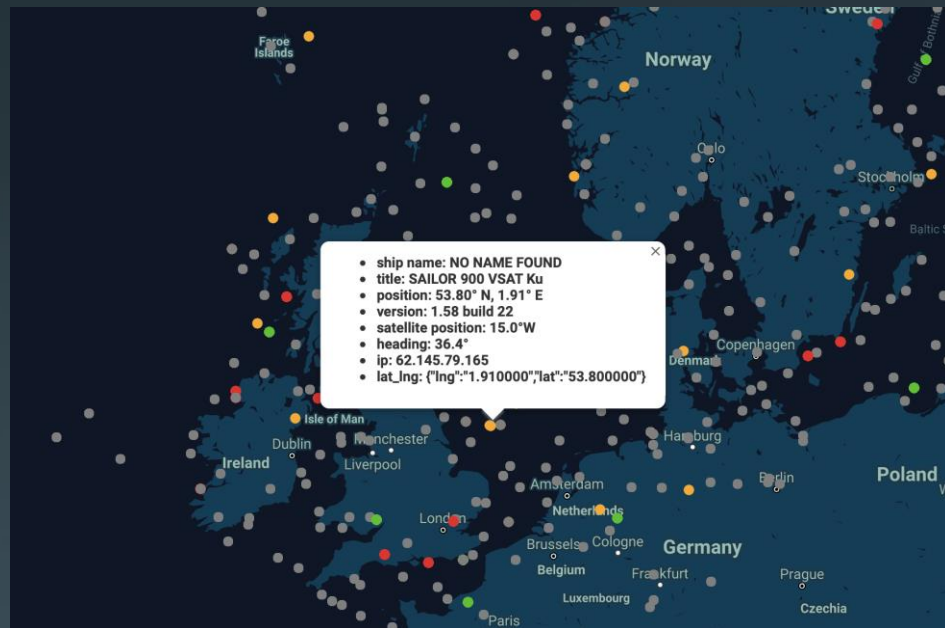
**AFTER JEEP HACK, CHRYSLER
RECALLS 1.4M VEHICLES FOR
BUG FIX**



1. <https://www.wired.com/2015/07/jeep-hack-chrysler-recalls-1-4m-vehicles-bug-fix/>

Networked Device Vulnerabilities

- Satcom web interfaces provide identifying information
- Frequently out of date software
- Default and weak passwords
- AIS ship data can be correlated to onboard networked devices



1. <https://ptp-shiptracker.herokuapp.com>
2. <https://www.pentestpartners.com/security-blog/tracking-hacking-ships-with-shodan-ais/>
3. <https://www.pentestpartners.com/security-blog/hacking-ais/>

IoT Vulnerabilities

- Increasing use of IoT devices for monitoring of equipment and cargo
- Common IoT Exploits:
 - Hijacking for DDOS attacks
 - Data interception

28 Jun 2019 | 11:44 GMT

Shipping Industry Bets Big on IoT in Bid to Save Billions

Across the shipping industry, IoT technology is finally graduating from pilots to real-world commercial products

By **Manon Verchot**



Photo-illustration: Traxens

1. <https://spectrum.ieee.org/tech-talk/telecom/internet/shipping-industry-bets-big-on-iot-in-bid-to-save-billions>

Cyberinsurance Policies, a New Insurance Offering

- 2019 Study
 - 235 Cybersecurity Policies and Associated documents from
 - California, New York and Pennsylvania
- Findings:
 - Reputable data for accurate pricing is limited
 - Insurance coverage elements more consistent than exclusions
 - Variety of pricing models

1. Sasha Romanosky, Lillian Ablon, Andreas Kuehn, Therese Jones, Content analysis of cyber insurance policies: how do carriers price cyber risk?, Journal of Cybersecurity, Volume 5, Issue 1, 2019, tyz002, <https://doi.org/10.1093/cybsec/tyz002>

Direct Losses

- Information
 - Databases and software
- Physical damage
 - Equipment and hardware controlled digitally
- Investigation challenges
 - Response time
 - Confidentiality and regulatory compliance
 - Proper evidence handling

Indirect Losses

- Business interruption
- Contract liability for delayed goods
- Investigation Challenges
 - Lengthier Timescale
 - Legal Disputes
 - Experts

Case Study: US Manufacturing Business

- Attack in July 2018
- 83 Devices Affected
 - Emotet/Trickbot Malware
 - Bitpaymer Ransomware
- Suspected attack vector: phishing email with .doc file
- Ransom of 20 bitcoins paid (Approx. USD\$140K)
- Initial investigation and remediation carried out by external vendors



Case Study: US Manufacturing Business

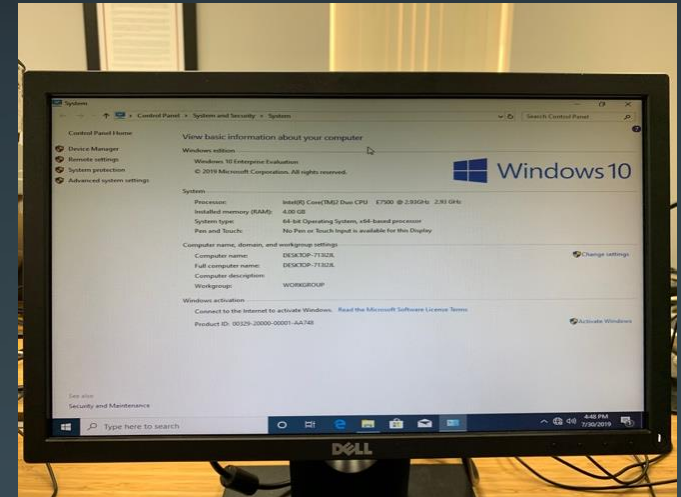
- One IT staff member at time of attack
- No systematic inventory of devices
- Manufacturing operations hobbled by attack
- insured claimed some devices to be damaged and inoperable
- Retained by insurer to investigate claim



Case Study: US Manufacturing Business

- Findings: “[no] evidence to support direct physical loss or damage to computer hardware due to the malware attack and thus, [the insured] was not required to replace hardware due to the malware attack.”

Successful Reinstallation of Software



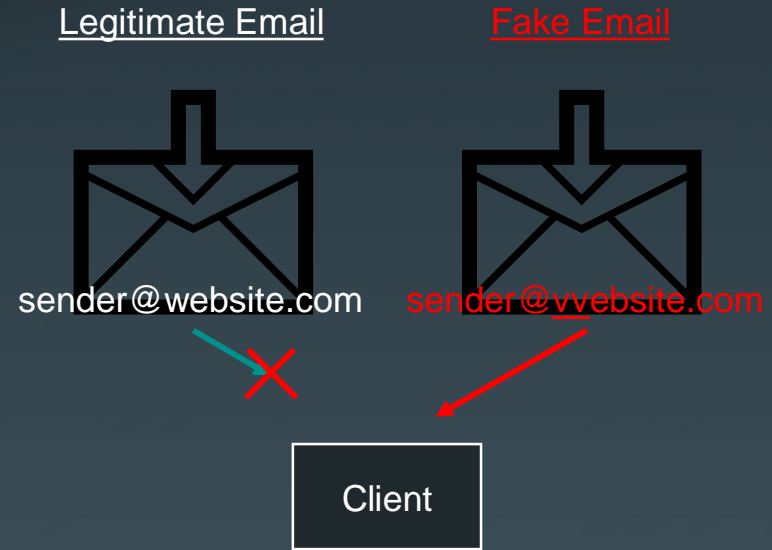
Case Study: Management Consulting Firm

- Incident December 2018 – February 2019
- Compromise of Microsoft Office 365 account
- USD \$500K paid to falsified bank account
- Claim filed for loss business income
- Retained to evaluate claim



Case Study: Management Consulting Firm

- Account operated by employee
- Email rules created to hide emails from clients
- Invoices intercepted and modified
- Modified invoices sent to clients with altered billing information
- Invoices sent using spoofed email address “VV” instead of “W”



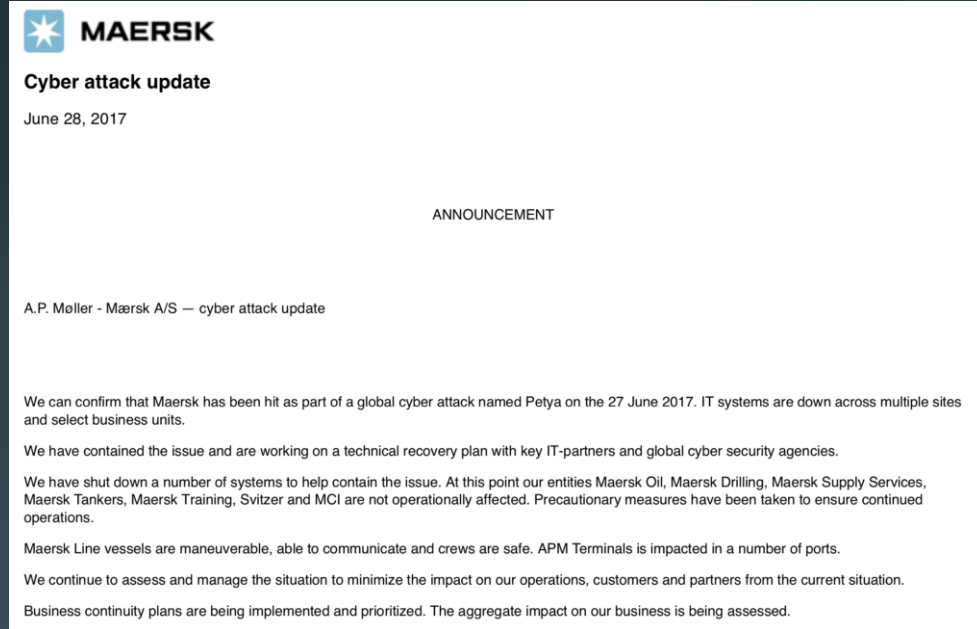
Case Study: Management Consulting Firm


- Separate Outsider and Insider Attack Coverages
- Coverage Limitations:
 - Random or multiple attacks
 - Systems not owned, operated or utilized pursuant to a written contract by insured
- Investigation Findings:
 - Attack consistent with outsider attack coverage

Case Study: Maersk 2017 Cyber Attack

- Broadly affected by malware attack starting June 27, 2017
- 4,000 servers, 45,000 PCs and 2,500 applications affected
- Cost: \$250 – 300 Million dollars

1. Securing a Common Future in Cyberspace, World Economic Forum Annual Meeting, January 24, 2018
2. <http://investor.maersk.com/node/19831/pdf>



 **MAERSK**

Cyber attack update

June 28, 2017

ANNOUNCEMENT

A.P. Moller - Mærsk A/S — cyber attack update

We can confirm that Maersk has been hit as part of a global cyber attack named Petya on the 27 June 2017. IT systems are down across multiple sites and select business units.

We have contained the issue and are working on a technical recovery plan with key IT-partners and global cyber security agencies.

We have shut down a number of systems to help contain the issue. At this point our entities Maersk Oil, Maersk Drilling, Maersk Supply Services, Maersk Tankers, Maersk Training, Svitzer and MCI are not operationally affected. Precautionary measures have been taken to ensure continued operations.

Maersk Line vessels are maneuverable, able to communicate and crews are safe. APM Terminals is impacted in a number of ports.

We continue to assess and manage the situation to minimize the impact on our operations, customers and partners from the current situation.

Business continuity plans are being implemented and prioritized. The aggregate impact on our business is being assessed.

Case Study: Mondelez v. Zurich

- Also affected by ransomware on June 27, 2017
- Claim initially denied under war exclusion clause
- Mondelez alleges a “failure to modify that historical language to specifically address the extent to which it would apply to cyber incidents”¹

Mondelez sues Zurich over \$100m cyberhack insurance claim

Zurich refused to pay out for NotPetya attack, relying on war exclusion

© Thu, Jan 10, 2019, 11:16

Updated: Thu, Jan 10, 2019, 12:26



A Cadbury chocolate egg production line. Mondelez, the US food company that owns the Oreo and Cadbury brands, is suing its insurance company, Zurich, over a NotPetya cyberattack claim. Photograph: Simon Dawson/Bloomberg

1. Mondelez International Inc., v. Zurich American Insurance Company, Complaint, October 10, 2018
2. <https://www.irishtimes.com/business/technology/mondelez-sues-zurich-over-100m-cyberhack-insurance-claim-1.3753475>

Case Study: Mondelez v. Zurich

- Litigation Ongoing
- *“the case could have wide implications for the insurance market, potentially pushing insurance buyers to either buy cyber-specific policies or demand tighter terms for their non-cyber coverage”*

Summary and Outlook

- Increasing reliance on IT
- Cybersecurity insurance premiums are growing rapidly
- Cyberattacks increasing in frequency, details remain scarce
- Expertise is essential to evaluate risks and investigate attacks

ROMAS moves engine room control to shore

June 11, 2019 in NAVIGATION AND AUTONOMOUS VESSELS



Kim Gunnar Jensen, project engineer at Fjord1, at the shore-based engine control centre used in the ROMAS project.
PHOTO: Fjord1

1. <https://smartmaritimenetwork.com/2019/06/11/romas-moves-engine-room-control-to-shore/>



Thanks! Questions?