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Expert calls for tighter surveillance of ship-to-ship oil transfers

By Luqman Hakim October 10, 2025 @ 3:40pm



Malaysia must strengthen maritime surveillance and enforcement to detect suspicious ship-to-ship (STS) oil transfers amid allegations that its waters are being used to facilitate the movement of sanctioned Iranian oil, an academic says. - BERNAMA PIC

KUALA LUMPUR: Malaysia must strengthen maritime surveillance and enforcement to detect suspicious ship-to-ship (STS) oil transfers amid allegations that its waters are being used to facilitate the movement of sanctioned Iranian oil, an academic says.

Nazery Khalid, adjunct professor at Universiti Malaysia Terengganu (UMT) and Taylor's University, said authorities should step up patrols and use satellite technology and intelligence-sharing to identify suspicious vessel movements.

"The Coast Guard should step up surveillance to keep an eye on ships behaving suspiciously," he said at a forum titled "Strengthening Malaysia's Downstream Petroleum Value Chain and Identifying Gaps and Enabling Factors Within Malaysia Regulatory Landscape.

The forum was organised by Maritime Network, together with UMT.

Nazery said STS transfers were legitimate and highly regulated maritime operations, but must comply with national rules and international safety and environmental standards.

He said satellite monitoring could help authorities identify vessels remaining close to one another for extended periods, while specialised service providers could assist enforcement agencies in detecting suspicious activities.

"We need to ensure that ship-to-ship transfer is done in accordance with national rules, in designated areas, and ensuring that it adheres to high safety and environmental standards," he said.

Another panellist, Orkim chief executive officer Captain Cheah Sin Bi, said vessels with suspicious histories and operating practices could provide warning signs of potentially illicit transfers.

He cited vessels that had changed names repeatedly, switched registrations between countries and switched off equipment during transfers.

"The name has changed like 15 times. The registry has changed about five different countries, and then the equipment has been switched off during the transfer, so you think that something is not right," he said.

Cheah said shipping operators should conduct proper know-your-customer checks, scrutinise contractual arrangements and consult their Protection and Indemnity clubs when uncertain about a transaction.

He also urged operators to question unusually lucrative offers that deviated from prevailing market rates.