



## ICS Examiners Report

### SHIP OPERATIONS AND MANAGEMENT (SOM) 2012

#### General

Allow sufficient time to answer FIVE questions. A single answer cannot earn more than 20 marks.

Read the question carefully, satisfy yourself that you understand it and then stay on the point.

Maps – be able to map the location of key ports accurately.

The examiners are aware that there are differences in terminology and accounting practice and make due allowance when awarding marks.

#### Overall Comments

Examiners will give higher marks where evidence of wider reading /deeper understanding is demonstrated.

Some perennial points that need to be repeated; Poor spelling is not marked down but key words such as 'Principal' – as in key person / 'Owner' - should be learnt. It should be noted that ITF is not a crewing agency and that ISM is not an organisation that issues certificates.

#### Question One - Ship Types

Part 1 – description - It is important to include key characteristics of the chosen ship, ie cell guides, pumping systems etc.

The drawings - plan, profile and cross section - on the whole were poor, if it helps use a ruler and turn the page to landscape. Drawings should be clearly labelled.

Part 2 was not answered well. The requirement was to give details of one trade route or operating area for the chosen ship type. The Examiner was looking for an answer covering the reasons for the trade and why the type of ship was suitable.

The use of maps was often very poor with key ports often wrongly located. Maps need to be labelled to show relevant points. The map should be used to complement the written answer, not to replace it.

### **Question Two – Crewing**

Part 1 – The question dealt with the supply of properly trained, qualified and medically fit seafarers. Candidates needed to demonstrate knowledge of STCW, minimum international standards, White List states, revalidation of certificates etc. Reference should be made to the vessel's minimum safe manning certificate and operational needs.

Medical examinations have to be in accordance with international, national and company standards with reference to ILO requirement for medical fitness.

Reference should be made to Company procedures for recruitment including vetting and references, tying this into the safety management system.

Part 2 was generally well answered. There will be a commercial imperative to avoid delay and maintain good reputation.

### **Question Three – Management**

Part 1 required a chart showing the full range of ship management activities. To get good marks candidates needed to identify where key functions such as QA, DPA and CSA were located. There was no 'right' answer so long as the key functions were included.

Most candidates gave reasonable explanations of three departments.

Part 2 – covered the role of the DPA with reference to the ISM Code. This was not answered well. Answers should include:

The role: - to ensure the safe operation of each ship and to provide a link between the Company and those on board.  
Responsibility - A person, or persons, ashore having direct access to the highest level of management. The responsibility and authority DPA should include monitoring the safety and pollution-prevention aspects of the operation of each ship and ensuring that adequate resources and shore-based support are applied, as required.

#### **Question Four - Insurance**

This was an incident scenario question. Part 1 required knowledge of the insurances that prudent Owners / Managers would put in place. Most identified:

Hull damage - H & M policy, Cargo damage – P & I, Damage to berth – P & I FFO, Crew Injuries – P & I. Some included FDD and the possibility of an unsafe port situation.

Part 2 required knowledge of the expert assistance that could be immediately available to the Master, Technical Managers and Owners. This could include;

Attending superintendent(s), Agents: Medical Help, Hospital etc.; Local repair resources; Port Authority and Receivers.

Also: Class surveyors, Cargo consultants and other experts that might be required, various Surveyors representing Insurers and P & I including locally appointed lawyers if required and Average Adjusters as appropriate, use of media experts to handle press.

Good answers included involvement of the DPA, consideration of environment and pollution prevention and stability calculations.

#### **Question Five - Voyage Estimate**

It is important to take time to understand this question thoroughly before starting the answer. Candidates were required to show working and were marked down when this was not done. Poor layout resulted in many minor mistakes. Candidates who are attempting this question are encouraged to become thoroughly familiar with a clear calculation format.

Part one - cargo lift - most candidates were able to apply the SF and calculated that the cargo was limited by Cubic Capacity. Some then wrongly deducted bunkers and constant from the cargo lift.

Part two – questioned where to take bunkers. Almost all worked out that the ship could reach Rotterdam with a safe margin.

Part three – the calculation was not done well. Mistakes included; confusion over Shinc/Shex and charging replenishment bunkers as well as voyage bunkers.

### **Question Six – Classification**

This question looks for an explanation of the marine business of Classification Societies. A good answer would include reference to:

Classification and statutory services and assistance to the maritime industry and regulatory bodies as regards maritime safety and pollution prevention, through Rules and Type approval.

Classification of ships; setting standards of quality and reliability during design, construction and operation. Maintaining standards when vessel is in operation through survey cycles to 'maintain class'. After a casualty advising on necessary repairs.

During construction or conversion plan approval and verifying the structural strength and integrity of essential parts of the ship.

Statutory inspections for national administrations (ie trading certificates), ISM, ISPS, other services such as fuel testing.

Mention of IACS. An understanding that Classification Societies are not guarantors of safety of life or property at sea or the seaworthiness of a vessel.

In consequence: Class is a requirement of all first class Flag States before registration is allowed and is very likely to be a condition of insurance 'Loss of Class clause'. It is a requirement of First Class Charterers.

### **Question Seven – Operations - Bunkers**

Part 1 - generally answered well - Candidates needed to show understanding of procedures for ordering and supplying bunkers including:

Knowledge of the specifications required by the vessel and conformance with laws/ regulations of areas where the vessel is to trade.

Using a First class bunkers broker/ trader – if skills not in house.

Ordering to latest specification ISO 8217 2010 using a proven fuel contract.

Robust sampling and analysis, avoiding 'comingling' of separate stems.

Appointment of independent surveyor in known difficult ports.

Part 2 - looked for knowledge of the requirement for conformance with laws/ regulations of areas where the vessel is to trade, in this case the Sulphur Emission Control Area (SECA) for NW Europe.

Part 3 – required locating major bunkers ports on the map and explaining why three of them have become important. Map location was on the whole poor. Most identified reasons such as:

Located close to major refineries that can produce appropriate fuels.

Proximity to major ports with high number of vessel calls.

Located at the main choke points on the trade routes.

Located at ports where suitable bunkers may have to be obtained to comply with latest regulations.

### **Question Eight - Costs and Accounting**

**Part 1** – covered fixed costs associated with Purchasing and Owning a vessel, it was not well answered. The following could be included in a comprehensive answer.

#### **Purchasing -**

Initial survey, inspection, appraisal Class records inspection

Pre-delivery expenses: Crew costs and agency

Delivery costs: In Water Survey, dry docking

Conversion, upgrading, positioning

Arranging Financing, Taxes & registry fee, Lawyers' fees, Financing

#### **Owning –**

Finance Capital and interest - (or Demise Charter Hire)

In some Companies H & M Insurance

Annual registration

Provision for dry docking / Survey

**Part 2** looked at fixed cost elements in the operation of a vessel. It was generally well answered though there was some confusion with Voyage Costs.