



2014 ICS Examiner's Report

SHIP OPERATIONS AND MANAGEMENT (SOM)

General comments

Candidates are reminded that they are taking an exam and should take with them more than a single ball point pen. A ruler, a pencil, eraser and spare pens are normally essential for a well-presented paper. Candidates should attempt **five** questions and allow time for this; no more as the extra ones will not be marked and no less as this reduces the chance of success.

Most candidates made a good attempt at the paper and demonstrated a fair knowledge of the subject, although too many included extraneous and irrelevant information in their answers which wasted their time. It is essential to **read the question carefully** and understand what is being asked. Most candidates attempted five questions but not all answered the questions as asked. Shipping is an international business and a reasonable knowledge of geography is required in the exam, particularly when using maps. Many papers demonstrated little idea of the location of major ports; some seemed uncertain of the placing of whole countries, seas and canals. Poor spelling and a basic level of English were not marked down but poor writing and a confused layout may have made it difficult to gain higher marks.

Question 1

A popular question that was answered quite well. You were asked to describe the characteristics of one of the vessels which means a general description, its equipment, details of its principal dimensions and tonnages as a bare minimum. You are also asked for drawings showing a profile and cross-section and with the significant parts of the vessel named. Some students also gave a plan while others only gave a profile, but some did construct a detailed drawing of the hull construction showing longitudinal, bottom side girders etc which, while given marks, may have missed out on more by not naming other significant parts of the vessel as asked. Drawings done in pencil using a ruler and naming parts in ink received better marks. The third part of the question was generally answered well but where you are asked for one trade it is better to do one properly, with named ports and a description of how to load, carry and discharge the cargo. The naming and location of ports could be improved; it is not sufficient to say China as the discharge port and terminate the voyage in the Western Pacific or South China sea.

Question 2

The most popular question but one with which several candidates struggled. Many answers contained a full page of the history of flags of convenience which, while demonstrating knowledge of this, did not answer the question which asked for the advantages and disadvantages of using one. Others focussed on tensions that might arise employing a multinational crew which is not a disadvantage of flagging out, rather a possible disadvantage of a multinational crew. The second part of the question asked for the certificates issued by the flag. Ultimately almost all certificates are issued by the flag or under its authority by class so candidates identifying these scored well.

Question 3

A less popular question but one where demonstrating an understanding of what to do gained marks. Part (a) asked for a cargo calculation and candidates who identified that the vessel would be cubically full while still some 3,000mt light on its maximum deadweight were rewarded. Many however lost marks by then either taking off the bunkers and constant from this or applying some other correcting factors, note 10% MOLOO means 10% more or less in owner's option, so in this case the cargo could be from 36,000-44,000mt. It does not mean that the stowage factor 1.36 should be amended to $1.36 + 10\%$ ie 1.496! Part (b) required a calculation to be made of where and how much to bunker. This was generally done correctly but in an exam, candidates should avoid excessive rounding up or adding safety margins which they were specifically advised not to include. Others failed to take into account the time delay caused by bunkering at Santos and its cost in fuel and daily hire. Part (c) asked for the daily profit you anticipated and while several candidates identified that a small loss would ensue, others made serious errors with the costs of the voyage. Voyage costs are the costs of the voyage; not all the costs of the bunkers taken on the voyage should be included.

Question 4

The least popular question and one that was not generally well-answered although there were some notable exceptions. Part (a) asked for the weather likely to be experienced on the voyage and at the time of year this would firstly be the SW monsoon and cyclonic storms in the Indian Ocean north of the equator. After this fog could be a problem rounding the Western Australian coast but then the vessel would be in the violent sea, wind and swells of the roaring forties. Several candidates mentioned Willy Willys but these are not a feature of a southern hemisphere winter! Candidates should be aware that the seasons are reversed when changing hemispheres. Part (b) looked for the benefits of weather routeing and while many identified cost savings in time and fuel, many missed the safety benefits for the ship, cargo and crew. Read the question, you were asked for the benefits, not an essay on the service! Part (c) primarily was looking for anti-piracy precautions although some also identified the change in load line zones which gained extra marks.

Question 5

Another popular question which generally was well-answered, with some candidates giving quite detailed costs to be included in a budget. Merely listing the costs with only a brief explanation is not sufficient. Some candidates included bunkers in the daily operating cost (DOC) and while a small amount of hotel bunkers would be used for the vessel this is generally allowed for in the voyage cost estimate, as are port costs. The second part of the question was less well covered with some candidates focussing on controlling and reducing costs which, while admirable, was not what was required. You were asked to monitor the cost which means checking regularly through cash flow forecasts, monthly statements and noting and explaining variances. Significant variations might arise due to an accident to the vessel, a point made by some candidates, but so would a change to the trading pattern of the vessel, particularly if embarking on shorter voyages in a more expensive region. You would also be affected by changes in the exchange rates. The UK pound has strengthened against the US\$ in the last few months before the exam which could make a significant difference to the purchasing value of your earnings.

Question 6

Another quite popular question which required the candidate to act as a manager of the vessel to explain what action should be taken. There were four sections with part (a) being the action of the vessel and crew. This was well done by some candidates but many focussed on launching a boat to rescue the fishing boat crew without actually making certain that the vessel itself was safe, taken to a place of safety and the damage assessed. The vessel was entering port so there would be a lot of other resources available to help the fishing vessel. Parts (b) and (c) required the candidate to identify all the parties that needed to know and what resources were available in the management office to assist in this. It is not possible to expect the master to do this, you are the manager and you need to show management skills! The last part asked what insurances were available and this was generally well answered.

Question 7

The first part of this question asked what certificates and documentation should be on board to show compliance with the ISM and these would be a copy of the DOC showing that the company management system is compliant with the ISM code together with the SMC which shows that the vessel itself has been inspected and audited and fully operates the safety management system on board. There would also be a safety management manual and a file of audit reports and records of safety meetings and so on. Both the DOC and SMC are issued by the flag state or by an approved organisation under their authority. Several candidates included a list of the other safety certificates on board such as the Safety Equipment Certificate but these are mandatory for a vessel anyway.

The second part asked for an explanation of the role of the DPA. Most noted that the DPA is the management contact for the vessel but better marks were awarded to those who gave in depth details of this important role.

Question 8

Around half the candidates attempted this question which was designed to test their knowledge of the rapidly changing regulations in the bunker world. Bunkers are the major cost item of any voyage and a significant expense to be considered in the daily operating costs. It is important that candidates can also show a good knowledge of the precautions to take when buying bunkers and a fair idea of where such bunkers can be obtained.

Most candidates identified that LSFO would be needed for transit within the US SECA and many that LS Gasoil would be needed at Genoa but some were uncertain of the varying sulphur limits. It should have been noted that for much of the voyage the vessel could use standard HSFO and MDO as necessary. Ports chosen to bunker were generally good but some candidates chose to deviate the vessel widely when several options on the route were available. Panama and Houston were acceptable; Las Palmas would be a deviation as would New York and Rotterdam. Given that changes to the regulations are still going on, this subject should be carefully considered and candidates need to show a better understanding of geography.