



ICS Examiners Report

Ship Operations & Management 2011

Overall Comments

There were more passes this year suggesting better preparation though there were few outstanding papers. There was little evidence of reading wider than set books. Candidates should read the trade press.

The use of the maps provided was poor. This is covered at greater length in the note about Question 4.

Candidates often failed to answer the question posed or provided information not required. At the start of the examination time should be taken to read, understand and plan. It is difficult to pass if you run out of time and don't answer five questions.

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 and ISPS are not organisations that issue certificates.

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

Question One

This question was not popular and the first part not answered well. There were two parts; firstly how have shortages of crew come about and secondly how can they be overcome. Candidate needed to show an understanding of the way the crewing industry is organised.

Suggested reasons for shortages of crew would include: demands of the job, legal responsibility of senior officers and criminal charges brought against some, pay and conditions, lack of job security, insufficient training in the past, cost of training and time for training, economics - highest payers take the best crew and supply and demand. Also relevant; more ships to crew, in spite of higher levels of scrapping, and slow steaming.

The second part was better answered. Many identified the need for a greater commitment to training by Owners, crew managers, Flag states and countries of labour supply.

Question Two

Candidates should know that all trading vessels must be registered under a national flag and know about white/black or grey list flags. Part 1 covered advantages and disadvantages. Examiners looked for advantages such as; relaxed nationality requirements for ship operators/ managers and residence requirements for Owners, minimum taxation and limited regulation of crew nationality and wages scales. Disadvantages could include political considerations, commercial issues and sanctions. Also to be considered PSC and other inspections and potential problems with ITF.

Part 2 required candidates to demonstrate knowledge of the trading certificates issued by or on behalf of Flag or other authorities. A good answer also identified the conventions concerned.

Question Three

This question was generally well answered with many showing sound knowledge of the “Shipman” contract.

Candidates tend to favour their own specialisation – technical, commercial or accounting and some were weak on the fourth or fifth department selected. Each topic had equal marks.

Question Four

A straight forward question, in the first part candidates had a chance to describe ships that they really knew about and some descriptions were good. Candidates were required to identify the type of Bulk carrier/Tanker they were describing- ie product, suezmax etc. This was not always done. Drawings were generally disappointing often lacking key dimensions and not clearly labelled. Where necessary the paper can be turned lengthways to provide more space. Knowledge of approximate dimensions loa/beam/draft/dwt/cubics etc is essential.

The second part was not answered well. Candidates were required to give details of one trade route for the chosen ship. The examiner was looking for an answer covering the reasons for the trade and why the type of ship was suitable. Answers often gave details of more than one trade route, usually in very general terms and sometimes wrong. In some cases the chosen routes were not typical.

The use of the blank maps provided was often very poor with key ports wrongly positioned. Maps need to be labelled to show salient points of interest. Sections of the map should be expanded as necessary to show finer detail. The map should be used to complement the written answer, not to replace it.

Question Five

A two part question; part 1 about the success or otherwise of the ISPS code and part 2 the requirements of the code. The question was aimed at examining knowledge of this legislation, it was not answered well.

In Part 1 a good answer might cover some history and then perceived successes and failures. The examiner expected candidates to identify such matters as creating security awareness and culture and defining specific responsibilities of master, crew and shore facilities. The question asked whether security of ships and ports has been improved by implantation of the code. Candidates should also comment on perceived failings such as countering piracy and boarding by stowaways.

Part 2 required knowledge of the specific requirements for implementation of the code including knowledge of such matters as; risk assessment/security plan, Recognise Security Organisation.

Question Six

Generally well answered, it is necessary to take time to understand the question thoroughly before starting the answer. Candidates were required to show working and were marked down when this was not done. In addition poor layout resulted in many minor mistakes

Part one - cargo lift - most candidates worked out that the cargo was limited by draft. Some had difficulty applying the Stowage factor.

Part two was a voyage calculation leading to a decision as to whether this business was likely to be more profitable on Voyage or Time charter. The best scripts used a well practiced template to ensure that all elements of the calculation were covered. Common mistakes/problems included; confusion of Shinc/Shex terms and charging for total bunkers lifted rather than estimated consumption. In general bunkers should be charged using FIFO prices. Candidates should identify a safety margin but then avoid generous rounding up as this can distort the result.

The expected answer was that the business was more profitable on voyage charter, however greater value was placed on understanding the question and good layout.

Question Seven

This question examined the actions that managers would need to take in the immediate aftermath of an incident and also knowledge of the resources available to the Manager. Part 2 required knowledge of the insurance cover available.

In part 1 the best answers started by identifying the need to get reliable information. The candidate might then go on to identify the resources available to him to deal with the situation. The examiner would expect the answer to cover safety of people, safety of ship/cargo and pollution issues and consider such matters as support for master, officers and crew, use of agents, surveyors and representatives to provide expert help. It would be necessary to report to Owners, Charterers and other interested parties. Media advisers might be appointed. The answer could then be developed to cover salvage. There were a few good answers.

Part 2 was better answered with knowledge of H and M and P and I cover generally sound. General Average could also be introduced. Candidates should also know about Loss of Hire and FDD covers.

Question Eight

This was a straightforward question. Part 1 required an explanation of the differences between fixed/capital costs, voyage costs and operating/daily running costs. It was well answered though some failed to provide suitable examples.

Part 2 – required preparation of an annual budget, this was generally well done. The question also required an explanation of factors to be taken into account. Here the examiner was looking for issues specific to the ship such as age, size, type of vessel, dry dock date, trading area, insurance record, modifications etc, as well as general issues such as trends in crewing costs and prices of lubricating oils and greases.