Isle of Man Ship Registry

Annual Report 2012



Serving the maritime industry for over 25 years



'It is the policy of the Isle of Man Ship Registry to provide a high quality service dedicated to the principles of quality assurance in order to promote both the expansion and diversification of the shipping sector and the creation of employment opportunities by registering quality ships and facilitating the establishment of marine enterprises in the island.'

CONTENTS

Foreword from John Shimmin MHK, Minister for Economic Development Introduction by Dick Welsh, Director of Isle of Man Ship Registry Raising the Standards Promoting the Registry A day in the life of.... MLC 2006 Update Survey & Inspection Activity Magic Moments - Some favourite bits Registration Casualties, Accidents and Incidents Key Events Port State Control – Performance Customer Feedback 2012 Why choose Isle of Man? Contact details





FOREWORD FROM THE MINISTER FOR ECONOMIC DEVELOPMENT

John Shimmin MHK

I am pleased to introduce the Ship Registry's annual report for 2012.

This is my first full calendar year as the Minister for the Department of Economic Development of which the Ship Registry is an integral part, and I would like to emphasise that I have been very impressed with the professionalism, dedication and enthusiasm which the Ship Registry staff apply to everything that they do. This is clearly a very high performing team which monitors and measures its performance as it strives for success and client satisfaction. In many ways it is a model for others to follow.

The Register has grown steadily through the year and I am very pleased with this in what I know are very difficult times for international shipping in all sectors. I know the team are working hard at providing the vehicles and framework for new conventions and I will continue to support them in providing the resources and the commitment to get new regulations through Tynwald and enacted into Manx law in time for us to uphold our international obligations.

I am pleased to see that the Registry's client base has grown in recent years and this year is no exception, particularly into new areas in the Far East. In 2012 we have welcomed our first clients from South Korea and a great deal of new tonnage is now operated out of the key Asian shipping centres. The registration of ships continues to provide a great introduction to the Isle of Man and helps spread the word of our can-do approach to business.

I will continue to support the Ship Registry to ensure its success continues into the future. I will also look to see where the Isle of Man can provide further cost effective solutions for ship owners, yacht owners, and operators to provide a one-stop-shop for all of their needs. This fits with the Government's execution of the: Isle of Man. Where you can campaign.

http://www.whereyoucan.im/

John Shimin

John Shimmin, MHK

Minister, Department of Economic Development



INTRODUCTION FROM DICK WELSH IOM SHIP REGISTRY DIRECTOR

2012 was another very good year for the Registry, which continues to thrive, despite the very difficult economic times which our operators and the shipping industry in general continue to face. The Register finished on a new high of 15million Gross Registered Tonnes, an increase of over 8% in the year.



The team have delivered the high quality of service for which we have become renowned to a growing fleet with a gradually reducing workforce in the offices in the Isle of Man. We have been able **to achieve this by the reliance upon, and the constant development of, our 'MAVIS' electronic system** which lies at the heart of all that we do. The sheer dedication of the team to get it right and to provide the client with the very best experience makes this organisation very special indeed. It is both a privilege and a pleasure to lead. We continue to make changes to ensure our clients get the best service we can provide. We have increased the number of external surveyors in strategic locations around the world, finishing the year with nine surveyors which are fully appointed to act as Isle of Man surveyors in key locations. With the addition of registry services provided in Tokyo for the Japanese shipping community, we have moved ahead quite swiftly with expanding our global services.

This year saw the final steps taken along the long and winding MLC road. We are now close to finishing the regulations after a massive project to get the policy elements established upstream of any drafting. We will have a brand new instrument in our legislation to give effect to this important convention in 2013 and work is already underway in assessing the documentation and inspecting the ships in the run up to the **convention's entry into force date in August 2013**.

In terms of quality, the Register retained its important ISO 9001:2008 accreditation with flying colours in November and was awarded with the Investors in People (IIP) gold award as an integral part of the Isle of Man G**overnment's Department of Economic D**evelopment. We hit all of our quality targets in respect of the fleet performance and continue to monitor this closely. We maintained white list positions on the Paris and Tokyo MOUs for Port State Control and our accreditation on the USCG Qualship21 list of quality states. We cannot achieve this without the hard work and the culture of safety and quality of our owners and operators.

I would like to thank the owners and operators who choose to register in the Isle of Man and the staff for all their hard work and dedication over the year and hope you enjoy reading this report.

Dick Welsh Director, Isle of Man Ship Registry



RAISING THE STANDARDS



Ray Ferguson, Ship Registry Quality Manager, reflects on using standards for business improvement...

The Isle of Man Ship Registry registered its first ships over two centuries ago and has been operating a modern International Ship Registry since 1984. It **boasts some of the world's most highly respected shipping companies amongst** its clients so the ability to provide a high quality service is high on the agenda.

In an extremely competitive global marketplace, customer focus and quality of service are of supreme importance. Thus compliance becomes a crucial business tool as astute customers increasingly become more selective and begin to look for explicit and implicit indicators of quality before committing their business.

Fulfilling the requirements of our management system standards provide the indicators that many potential clients seek.

Although we have been an ISO9001 registered organisation since 1996, certified through Lloyd's Register Quality Assurance (LRQA), it was the introduction of the generic ISO9001:2000 standard over a decade ago that provided the emphasis on the two key features of customer satisfaction and customer focus. This change of direction away from managing individual elements to a broader "process-based" approach opened up the opportunity to develop a quality management system that could be fully integrated into our normal business operations. It was recognised quite early by the Ship Registry that with the aid of the new ISO standard we could embed an innovated and unique management system in line with our existing scope of certification but more specifically directly related to our policy statement and we could achieve this via three unequivocal steps:

- 1. Maintain and develop a first class Ship Registry
- 2. Continuously seek improvements in our performance
- 3. Encourage new shipping business



Since then, the benefits of having defined quality standards, clear objectives and improved communication have kept the Isle of Man Ship Registry highly **placed on the USCG, Paris and Tokyo MOU 'White Lists' for port state control** and has contributed to us once again being one of the Shipping Industry's Flag State Performance Table top performers. A positive managed rate of growth where we are selective in the ships we choose to register, and the operators we become associated with, emphasises the paramount importance of quality to the Registry. Isle of Man Ship Registry staff treat their customers as valued clients and approach the regulation of ships and operators with due **consideration for the commercial realities of shipping in today's world.**

An open approach that encourages and involves everyone generates a constant stream of improvement opportunities. This combination of a real customer focus and a willingness to embrace change by the whole team, backed up by a system that sets achievable objectives and monitors internal and external performances is what really works and helps set us apart from our competitors.

Our recent progression from Silver to Gold Investor in People underpins our existing practices and provides further opportunities to look at our strengths and weaknesses within a broader departmental context. IIP is a national quality framework that encourages organisations to invest effectively in their employees and in doing so continuously improve their internal operational processes and the service to all their stakeholders.

Continual internal self-assessments and performance measurements alongside regular external audits by several independent assessment bodies provide assurance that all our systems and procedures are operated in a robust and controlled manner.

At their most basic level, international, national and local standards are simply structured around the tried and tested best practices of the time and it is the adoption and development of these key elements to meet our specific business model that has a real impact on the effectiveness of our service delivery.

Our existing accreditations are much more than just decorations on the wall and our internal management standards are much more than mere work instructions – together their genuine purpose is to provide a strategic framework of contemporary management processes that support our drive towards customer excellence.



PROMOTING THE REGISTRY 2012

SHIP REGISTRY HOSTS LLOYD'S OF LONDON EVENT

The **landmark Lloyd's building in** Lime Street is one of the most iconic buildings in the City of London and provided a very impressive setting for a reception hosted by the Ship Registry.

Dick Welsh, the Ship Registry's

Director, gave a presentation to an audience of law firms, ship owners, ship managers, yacht brokers, financiers and insurers highlighting the advantages of registering under the Isle of Man flag. With emphasis on the cost savings available - particularly for larger vessels – **Dick's address** was very well received.



The London event helps keep the eyes of the shipping world focused on the quality of the Isle of Man Ship Registry



The Isle of Man team prepare for another busy day at the Monaco Yacht Show

MONACO YACHT SHOW

The yacht show was held over four days from the 19th to 22nd of September. This year the event featured 11 commercial yachts registered on the Isle of Man flag. In addition, there were at least another dozen anchored off in the bay. The opportunity was taken to visit the Isle of Man Registered yachts during the show to meet their Captains and to answer any questions or queries they had for us.

The show was very well attended with enormous activity at the Isle of Man stand. Overall, it was a much busier show than last year which is an indication that the yacht market is showing positive signs of recovery.

ACCOLADE FOR SHIP REGISTRY

The Isle of Man Ship Registry was recognised by the Korean Register of Shipping for its efforts to engage more closely with Asia. Mr Joosung Park, who is based in the Korean Register's London office, visited the Island during September to present a gold 'plaque of appreciation' to Dick Welsh.



PROMOTING THE REGISTRY 2012



SINGAPORE

Since 2009, more than 20 vessels operated from Singapore have been registered under the Isle of Man flag representing around 12% of the Isle of Man registered fleet with a total Gross Registered Tonnage (GRT) of 1.7million. No surprise then that the Isle of Man Ship Registry sees Singapore as a strategic location. **Described by Ship Registry Director Dick Welsh as 'a natural move'**

as part of a concerted effort to engage even more closely with Asian ship owners we announced in April 2012 the opening of a representative office in Singapore. The new Isle of Man Ship Registry representative offices are housed in the premises of Cains, the Isle of Man based law and professional services group and located at 19th Floor, 6 Battery Road, Singapore 049909.

During a follow up visit in September Dick maintained the Isle of Man Ship Registry's profile by visiting 20 shipping companies in the space of just four days! On his return Dick advised that new shipping businesses are establishing offices in Singapore all the time and we should continue to target new operatives who utilise the open registers.

The Isle of Man Ship Registry exhibited for the second time at the Singapore Yacht Show. **Asia's superyacht industry continues to thrive despite global economic challenges and is now** estimated to be worth some US\$346 m to which Singapore contributes US\$45 m; so there is an enormous potential market which remains largely untapped. The event was bigger than the previous year with more yachts on show including Onyx; an Isle of Man registered yacht.

CHINA

In Xiamen, China, Dick Welsh addressed the World (China) Shipping Summit 2012 speaking on the future regulatory impact on global shipping. The annual summit, sponsored and organised by COSCO shipping, was attended by over 600 delegates including many esteemed industry leaders and the occasion provided an opportunity to portray the Isle of Man Ship Registry to a wide audience.



JAPAN

The Ship Registry attended the 10th Sea Japan exhibition at Tokyo Big Sight centre. The Ship Registry first took a booth here in 2010 and decided to follow up this year. However the exhibition was relatively quiet and we saw only a few of the ship operators and managers we met there during our previous visit. On the other hand we had very useful meetings with several existing and some potential new clients while we were in Tokyo who explained some of the difficulties facing the Japanese maritime industry.



A DAY IN THE LIFE OF....

STCW Administrative Team

Endorsement activity has continued to show a steady growth throughout 2012 and keeps the small dedicated team of three staff very busy. In the past 5 years more than 16,000 applications have been processed!

The process and issuance of endorsements has been greatly improved since May 2011 with the development of the MAVIS computerised system allowing production of new style A5 endorsements and recording of **officer's details against each** application.



Our day routinely begins with the checking of emails, dealing

with any urgent requests and forwarding on emails as appropriate. It is our aim to answer and deal with any email enquiries the same day they come in. On a typical day we will receive, process and mail around 15 endorsement applications but that can rise to over 40 applications being processed daily during busy periods.

The applications for Isle of Man endorsements are received electronically, by post or courier and occasionally, if there is an urgent requirement, hand delivered by the seafarers themselves or the **shipowner's** local representative person.

If it is critical that the client requires a particularly fast turnaround we can offer an enhanced service at an additional charge where we will issue an urgent CRA, (Confirmation of Receipt of Application), and express process the endorsement through the system on receipt of the full application.

Ratings may be of any nationality provided that they have completed the basic training as required under STCW 95 and the relevant Isle of Man legislation.

Australia	Hong Kong	Portugal		
Belgium	Hungary	Poland		
Brazil	Iceland	Romania		
Bulgaria	India	Russian Federation		
Canada	Ireland	Serbia & Montenegro		
China	Italy	Singapore		
Croatia	Jamaica	Slovakia		
Cyprus	Latvia	Slovenia		
Czech Republic	Lithuania	South Africa		
Denmark	Malaysia	South Korea		
Estonia	Mexico	Spain		
Faroe Islands	Netherlands	Sri Lanka		
Finland	New Zealand	Sweden		
France	Norway	Ukraine		
Germany	Pakistan	Union of Myanmar		
Ghana	Papua New Guinea*	United States of America		
Greece	Philippines	Vietnam		

The Isle of Man does not issue its own Certificates of Competency, but issues Endorsements recognising a National Certificate of Competency. Endorsements are required for all officers sailing on Isle of Man Registered Vessels unless they hold a Certificate of Competency issued by the United Kingdom under STCW 95. UK issued Certificates of Equivalent Competency are not acceptable.

Officers serving on Isle of Man registered vessels may be of any nationality and any residency provided they are holders of Certificates of Competency issued by one of the STCW'95 'white list' countries recognised by the Isle of Man and for which it issues endorsements attesting to the recognition of such certificates.

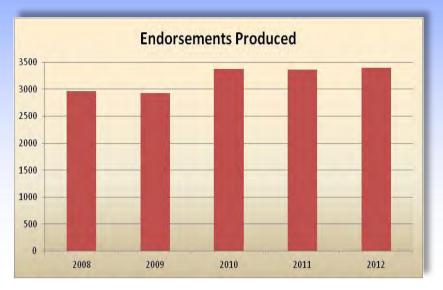




A DAY IN THE LIFE OF....

All endorsement applications are checked that accompanying documentation is fully compliant with Regulation 1/10 of the STCW Convention and is correct and acceptable to enable us to issue a CRA from our MAVIS system. **CRA's are** emailed direct to the applying client.

The CRA is then forwarded to the vessel ensuring that the officer is covered against any Port State Control checks.



When incomplete applications are received we send an e-mail to the client advising them of the reason for the shortfall and requesting the required information. The application is held pending and not progressed any further until all the information is received.

Applications that have been checked and a CRA issued are scanned for uploading against the officer's profile and all details entered onto our system to produce the endorsement. The officer's photograph and signature are also scanned and uploaded for inclusion on the documentation.

Once printed the endorsement is passed to a Principal Surveyor for checking and signing. After this verification check by the Principal the endorsement can be forwarded to the client.

On receipt of their endorsement the officer should sign it and for protection, insert it into the plastic wallet provided.

As well as the issuance of endorsements there is a requirement for the team to check 25% of all



Belinda, Scott and Sarah ensure a quality service and a speedy response.

processed applications for validity of authenticity, details of which are also uploaded into officer's profile on MAVIS.

The next day the process starts all over again!

If you have any enquiries regarding endorsement applications please contact <u>seafarers@gov.im</u>



MLC 2006 UPDATE

2012 became the year the Maritime Labour Convention (MLC) was finally ratified internationally. This occurred in August when the Philippines became the 30th country to ratify MLC which fulfilled the final condition to enable international ratification and MLC will enter into force 12 months later on 20th August 2013.

Throughout 2012 there have been two main MLC projects carried out by the Ship Registry which have been to draft the regulations and to begin ship inspections. The first task has been carried out by the legislation team and has been achieved by writing separate regulations for each of the 5 MLC titles which was completed in October. Since then the legislation manager has had the detailed task of tying all of the separate regulations into one consolidated regulation package. The consolidated draft **will be forwarded to the Attorney General's office on the Isle of Man in** early 2013 before being sent to the **UK's** Maritime and Coastguard Agency for final approval. Writing the MLC legislation has been an immense task and the largest legislation project ever undertaken at the Ship Registry.



MOL's Atlantic Explorer - our first MLC inspection

The second project has been to start the approval and inspection process on board Isle of Man registered vessels. Throughout the year we have been encouraging shipowners to forward their MLC information, including their Declaration of Maritime Labour Compliance and Seafarers' Employment Agreements (SEA) so they can be checked for MLC compliance. This started with only a few submissions earlier in 2012 but has grown significantly especially after MLC was ratified in August.

After receiving this information and checking it in the office, it has been possible to carry out **inspections on board the shipowner's vessels. The first full MLC inspection was carried out in** September on an oil tanker at Immingham which proved to be an ideal opportunity to train another surveyor in MLC requirements. Throughout the year we have carried out MLC inspections with two surveyors wherever possible. In October the second MLC inspection was carried out, this time on a commercial yacht in Imperia, Italy, which was inspected for ISM and ISPS as well as MLC.

All of the inspections have started with an opening meeting where the 14 areas that are required by MLC to be inspected are explained. Following the opening meeting all of the paperwork is checked. This includes checking one of the most important aspects of MLC compliance which is **to ensure all seafarers have a Seafarers' Employment Agreement (SEA). Many of the MLC** requirements are tied in with the SEA so it is essential that every seafarer has a copy on board. We also check that sufficient liability cover is available to ensure the seafarers are protected for sickness and injury, which is established by checking the insurance manual available on board. **The other documents required for inspection are the seafarers'** medical certification, STCW qualifications and compliance with the minimum safe manning. In addition to the MLC paperwork, during most inspections the ISM and security paperwork also has to be audited, so the morning tends to be spent on the bridge or in **the ship's office verifying all of**



MLC 2006 UPDATE

the relevant documents. The good news is that in future the traditional articles of agreement will be replaced by the SEA which will reduce some of the paperwork.

Following the paperwork check a general inspection of the crew accommodation is carried out. For MLC purposes all vessels constructed before August 2013 are considered to be 'existing ships', so the design of the crew accommodation is accepted in its present condition, although we still ensure the living standards are acceptable on the vessel. The general inspection is used as an opportunity to speak to crew members in their own work environment regarding the MLC requirements. This proves to be a good way to find out about the seafarers' understanding of their SEAs and other aspects of MLC such as knowledge of the onboard complaint procedure, and the hours of work and rest requirements.

A general health and safety inspection is also carried out; this is an MLC requirement but because vessels over 500gt have a safety management system we are able to incorporate it into the ISM inspection. There are several areas which fall into both ISM and MLC inspection requirements such as checking the duties of the safety officer, ensuring safety committee meetings are taking place and ensuring there is a system for reporting accidents. MLC also has a requirement that seafarers are protected from the harmful effects of noise and vibration and we check this has been met by ensuring a risk assessment for noise and vibration has been carried out.

For all the MLC inspections we expect as many seafarers as possible to participate in the inspection, although the process is more involved for seafarers with individual responsibilities such as the Master, Safety Officer and Medical Officer.

By the end of 2012 we had carried out 10 MLC inspections on Isle of Man registered vessels and **most of the Ship Registry's office based surveyors are now qualified** to carry out MLC inspections. Although this has been a good start we still have 530 MLC inspections to complete to ensure all Isle of Man registered vessels are MLC compliant, so 2013 is already looking like it is going to be a busy year for both shipowners and the Isle of Man surveyors.

The Isle of Man Ship Registry has a full set of Maritime Labour Notices which give advice on each of the MLC requirements and are available on our website. (<u>www.iomshipregistry.com</u>)



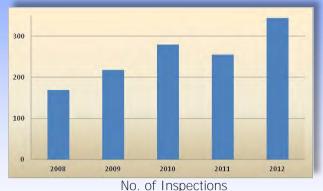
M/Y Ulysses was the first Isle of Man flagged yacht to undergo a MLC inspection

If you have any enquiries regarding MLC please contact marine.mlc@gov.im



SURVEY AND INSPECTION ACTIVITY

2012 proved to be an exceptionally busy year for our survey team with almost 350 separate ship or company visits carried out. When one considers that surveys and audits are conducted on a global scale with surveyors sometimes travelling for several days **to reach a vessel's port, a truer appreciation of the** actual volume of work can be realised. Alongside their inspection role, Isle of Man surveyors maintain



contact with clients at the building and repair yards, at conferences and International Maritime Organisation meetings and various other working groups. Responding to queries regarding regulatory and statutory requirements or simply advising on certification and training of crew keeps the surveyor fully occupied when not travelling.



---- I.O.M. SURVEYORS AT WORK ---

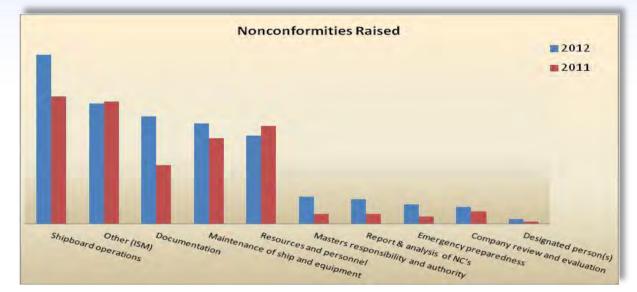
Following on from their initial Maritime Labour Convention classroom training, surveyors started to visit ships in 2012 to put the training into practice and get a practical feel for the new Isle of Man regulations in preparation for MLC coming into force. The bonus for shipowners is that the inspection report provides a pre-MLC review of the compliance of their vessel. By the time this report is issued, all Isle of Man surveyors will have completed several MLC audits.

If you have any enquiries regarding surveys please contact marine.survey@gov.im



SURVEY AND INSPECTION ACTIVITY

Over 250 non-conformance notices, (NCNs), were issued by the Isle of Man during 2012. Failure to comply with mandatory rules and regulations continues to be the headline reason for the majority of NCNs being issued. Continual analysis of the non-conformance types helps the ship registry surveyors focus on the major issues and allows awareness of specific areas to be addressed during subsequent ship and company visits. For example, an increase this year in the number of documentation faults where paperwork was incomplete or incorrectly filled in or where superseded documents were still in use onboard the vessels highlights a specific area, (documentation), where shipowners and operators need to ensure that their management systems are functioning capably.



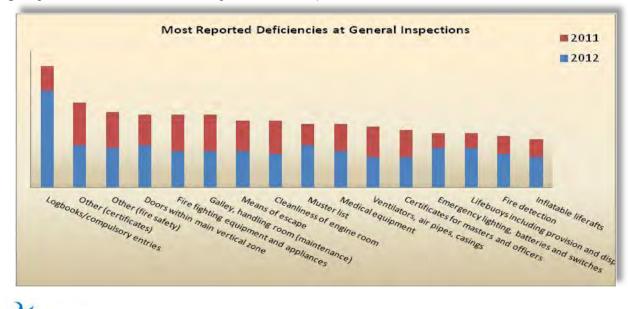
A breakdown of the top third of General Inspection deficiencies below provides a pareto ranking of the most common observations reported by Isle of Man surveyors. The ship owner/operator will normally be given one of three options to rectify the deficiency:

1 – Rectify before the vessel departs port.

Isle of Man Ship Registry

- 2 Rectify and advise IOM before Full Time Certification can be issued.
- 3 Rectify within the time specified by the IOM surveyor.

Note that in all cases it is the ship owners/operators responsibility to notify the Ship Registry as soon as the deficiency has been repaired.



SOME OF OUR FAVORITE BITS.....



HOSTING THE 2012 RED ENSIGN GROUP ANNUAL CONFERENCE

RECEIVING THE GOLD PLAQUE OF APPRECIATION FROM THE KOREAN REGISTER OF SHIPPING





SHARING THE TT EXPERIENCE WITH INVITED GUESTS IN THE COMPANY OF TT LEGEND MICK GRANT

Pictured L-R: John Ridgeway, BP Shipping. Lars Ugland, LTUgland Shipping. Dick Welsh, IOM Ship Registry. Soren Berg, J Lauritzen A/S. Mick Grant. David Morter, Deputy Director, IOM Ship Registry. T.Nishimori, MOL Tankships and Jonathan Campbell, Campbell Johnson Clark.



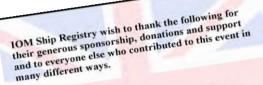
...AND MORE.....

DRESSING UP - THE SUMMER OUTFIT PROVED TO BE A BIG HIT....



RAISING CHARITY FUNDS

GOLF COMPETITION RAISES £1600 FOR KING GEORGE V FUND FOR SAILORS



Tony, Peter & the team at Rowany Golf Club (who do all the really hard work for the day)

Isle of Man Shipping Association (who make it all possible)

Bureau Veritas U.K. COVAL Equiom Trust Company Ltd Sea Breezes Publications Ltd Thomas Miller Ltd AET Tankers UK Lloyd's Register Quality Assurance Ltd d's Register Quanty Assurance Shoprite (Isle of Man) Limited Dohle Yachts Eurasia Travel (IOM) Graig Shipping Group Ernst & Young LLC IOM Steam Packet Ltd Heron and Brearley Ltd.

HAVING NO NEGATIVE INDICATORS

The International Chamber of Shipping's Flag **State Performance Table for 2012 shows the** Isle of Man continuing to have positive indicators in all categories. Of the 111 flags listed in the report only 12 achieved 'clean sheets'.



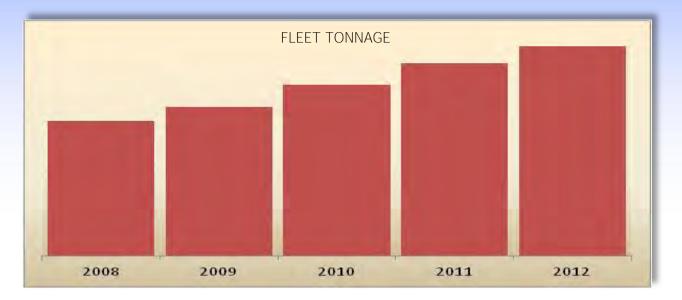




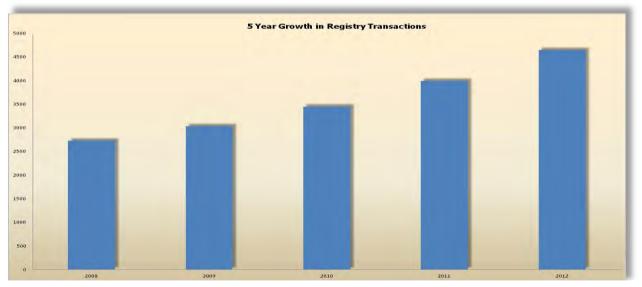
WINNERS OF THE SHIP REGISTRY CHARITY GOLF **COMPETITION – THE ISLE OF MAN STEAM PACKET TEAM**

VESSEL REGISTRATIONS

As the Registry attracts ever larger merchant vessels onto the Isle of Man flag, fleet tonnage continues to grow at a steady pace. On average we have seen an 11% year on year increase in overall GRT.



Although the total number of vessels on the register has remained relatively static for the past few years, at approximately 1050, the workload for the registrars has increased significantly and they now deal with around 10 new registrations per month. In addition to de-registration when vessels leave the register, Continuous Synopsis Records, Civil Liability Certificates and Bunker Certificates are issued and the number of everyday transactions increase proportionally as a result of the extra activity.



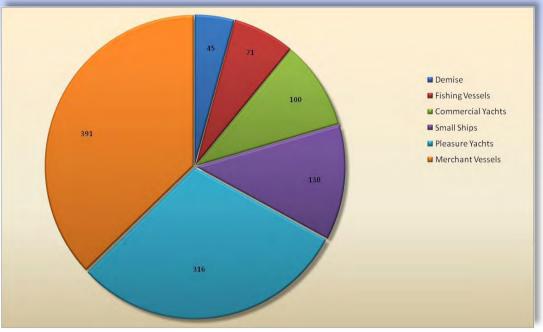
REGISTRY TRANSACTIONS EXCEEDED 4000 MAKING 2012 THE BUSIEST YEAR EVER FOR REGISTRARS

If you have any enquiries regarding vessel registration please contact registry.marine@gov.im



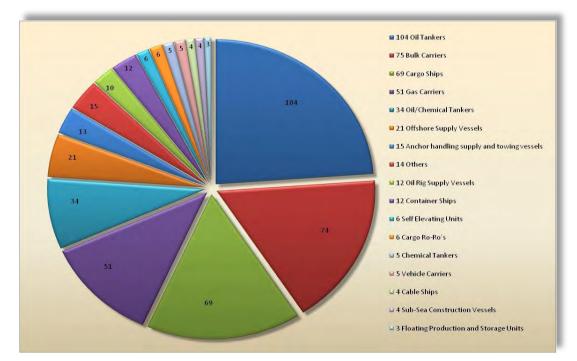
VESSEL REGISTRATIONS

The dedicated registry team is responsible for all categories of vessel registration, from **VLCC'S and superyachts to fishing boats, tugs and pleasure craft.** A 24/7 service enables vessels to be registered at any time requested by the ship owner.



BREAKDOWN OF ISLE OF MAN VESSEL REGISTERS

The expansion of the fleet continued during 2012 eventually exceeding 15mil GRT, but there was a slight slowing of growth from mid-year. This was also reflected globally as the second half of the year seen a reduction in the pace of new vessel deliveries worldwide.



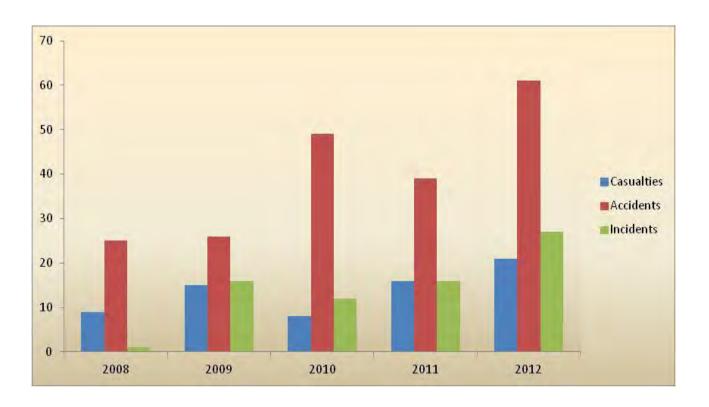
BREAKDOWN OF MERCHANT VESSEL TYPES



CASUALTIES, ACCIDENTS and INCIDENTS

The Isle of Man Ship Registry is committed to helping seafarers, managers, owners and operators of all Manx vessels achieve high standards of safety and pollution prevention. Occasionally things can go wrong and when they do the Master or operator is required to submit a report detailing what occurred. The collective data from these reports allow us to alert the maritime industry about any specific areas or activities where some additional safety controls may be needed and thus decrease the risk of similar incidents.

	2008	2009	2010	2011	2012
Other	7	16	21	19	33
Collision, Foundering or Stranding	3	7	13	18	19
Slips or falls (different levels)	2	7	3	6	11
Slips or falls (same level)	4	3	7	5	12
Fire	6	3	5	7	6
Failure of any Access Equipment	0	0	0	0	2
Incidents involving mooring ropes or hawses	2	4	7	2	5
Sudden uncontrolled release from a system or pressure vessel	2	3	1	1	7
Incidents involving lifting equipment	3	4	1	1	5
Failure of any lifting device	1	3	2	3	1
Incidents involving access to or from the vessel	1	2	1	2	2
Man Overboard	0	2	5	2	0
Pipe System: Explosion, Collapse or Bursting	0	3	1	1	2
Exposure to hazardous or toxic substances	0	0	2	2	1
Violence to the person	2	0	0	1	2
Explosion	1	0	0	0	1
Accidental ignition of flammable material	1	0	0	0	0
Electrical short circuit or overload	0	0	0	0	0
Electric shock	0	0	0	1	0





CASUALTIES, ACCIDENTS and INCIDENTS

Some of the "Other" occurrences included:-

- Main Engine failures whilst making way resulting in a hazardous situation
- Steering gear failures whilst making way resulting in a hazardous situation
- Injuries sustained through maintenance work
- Injuries sustained through moving about the vessel
- Injuries sustained from leisure activities on board
- Manual lifting injuries
- Illness resulting in crew debilitation and medical emergency
- Injuries sustained from operating hatch lids
- Water ingress to vessel
- Injuries sustained from seas on deck
- Fuel oil hose parting
- Life rafts lost overboard

Some Selected Casualties are summarised below: -

- Whilst repairing a vent on the main deck a large wave smashed the vent head into a crew member
- A vessel grounded in a harbour channel in fog
- A crew member hatch closed on fingers
- A crew member slid down a ladder where he caught a ring and removed a finger
- Waves breaking over focsle deck injuring crew
- A surveyor fell into a cargo hold between the tween decks
- A rescue boat slipped off its stowage cradle into the water from the main deck

During the year there were 15 separate occasions when considerable injuries were sustained to hands and fingers. This is a significant rise in hand wounds compared to previous years.

Some Selected Accidents are summarised below: -

- Crew members were struck by mooring line parting in strong winds
- A lifeboat davit structure collapsed during load testing
- A crew member fell through open hatch
- A crew member fell down open plating in ER
- A crew member fell from entrance ladder onto hatch opening lids

Some Selected Incidents are summarised below: -

- Robbery attack whilst the vessel was in port
- Grounding resulting from steering failure
- Strong oil cargo odour detected inside vessel's accommodation
- Helicopter tail rotor touched the vessel's funnel
- Main engine failure whilst in a narrow channel

In 2012 the Isle of Man Ship Registry attended one vessel to conduct an on board Safety Investigation.



KEY EVENTS IN 2012

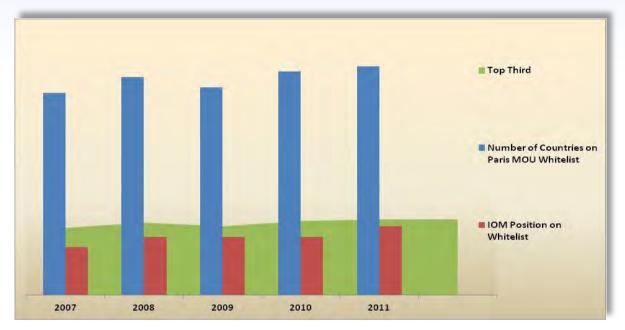
- \oplus Tonnage passes 14million GT for the first time (Feb)
- Flagged first of a series of 13000TEU container vessels for Hanjin (Mar)
- Singapore representative office opened as the Ship Registry continues to build relationships with Asian owners (April)
- Members of the Red Ensign Group Conference praised their Manx hosts after completing a busy 3 day professional and social agenda on the Isle of Man (May)
- Qualship 21 recognition by USCG (May)
- Top position on Flag State Performance table with zero negative indicators (May)
- ✤ Ship Registry hosts invited guests to the TT Senior Race Day (Jun)
- ILO MLC 2006 ratified (Aug)
- Monaco Yacht Show (Sept)
- Presentation of recognition by Korean Register of Shipping (Sept)
- £1600 presented to the King George's Fund for Sailors at the annual Trafalgar Ball (Oct)
- London reception at Lloyd's of London building to highlight the advantages of registering under the Isle of Man flag. (Oct)
- Farewell to Principal Surveyor Andy Jack who retired after 15 years sterling service to the registry (Dec)
- Tonnage exceeds 15million GT smashing end of year target (Dec)



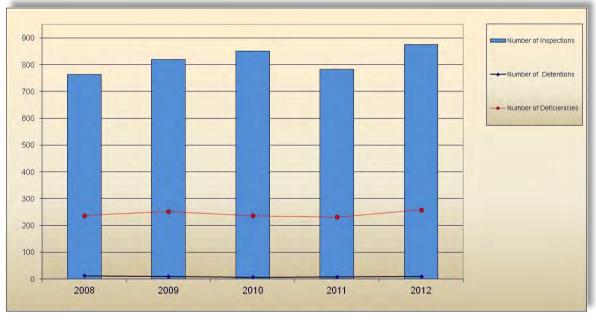
PORT STATE CONTROL PERFORMANCE

The Isle of Man Ship Registry continues to maintain a proactive approach and analyses PSC data on all its vessels. Coupled with information from our own inspections we are able to build a comprehensive overview of fleet performance. Then, through a strategy of positive engagement with shipowners, operators and seafarers, we are able to raise awareness of any potential concerns that could cause problems during Port State inspections.

As a consequence of this ongoing approach we are able to retain our high positions within the **world's top white lists for flag state performance. We are included on the list of flag states that** meet the criteria for low risk ships by Paris MOU and continue to be among the few qualifying Flag Administrations that are part of the USCG QUALSHIP 21 scheme.



REMAINING IN THE TOP THIRD OF THE PARIS MOU WHITELIST IS AN ANNUAL OBJECTIVE



5 YEAR PSC DATA ON ISLE OF MAN FLAGGED VESSELS (WORLD WIDE)



WHAT CUSTOMERS TOLD US IN 2012....

Many thanks for your help - one of the best experiences I have ever had with a government office anywhere in the world.

Your patience and service was exemplary and much appreciated. Your customer service ethic is excellent.

A skilled and authoritatively knowledgeable auditor.

Thanks for all your good assistance and congratulations on a very well run service.

IOM administration is one of the best I have seen.

That was snappy! Much appreciated.

I wish that all of our Flag States were as easy to work with as Isle of Man!

Thank you very much for that and as always the great service. There is no other registry that is even close.

Would just like to say that we have been most impressed with this series of notices – at long last some concise guidance into the minefield that is MLC!

Cannot fault the service this Administration provides in all areas.

I have to say I am fast becoming a fan of IoM...they seem to have a very customer based common sense thought process. I can't believe how quick they turned around the discharge books, as well as my endorsement...

All our personnel directly involved on scene were very impressed with the way you conducted the audits.

Thanks for all your help and patience.

Many thanks for your help and understanding of this; very much appreciated I can assure you.

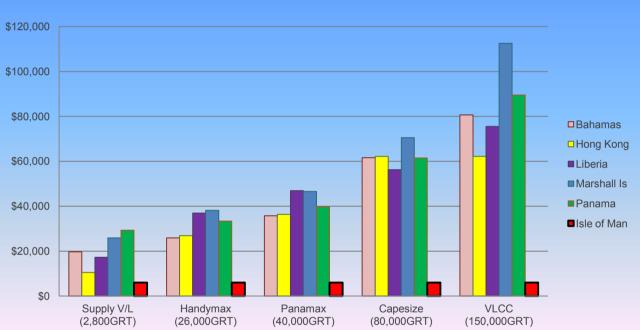
I'd like to complement you and the team at IOM; it's refreshing to come across a professional and organised outfit, which sadly isn't often the case these days!



WHY ISLE OF MAN?

A quality flag which matches client's expectations

- A centre of maritime excellence
- Delivering harmonious relationships
- Providing the ideal solution
- We put the client first
- Cost effective



Registry - 5 year cost comparison

Isle of Man offers lower risk

- The Isle of Man Ship Registry is high quality and one of the world's best flags:
 - \succ Paris MOU White List \checkmark
 - ≻ Tokyo MOU White List ✓
 - > USCG Qualship 21
- Less scrutiny of Isle of Man ships in ports around the world



CONTACT US

By Phone: +44(0) 1624 688500

By Fax: +44(0) 1624 688501

By Post: Isle of Man Ship Registry St. Georges Court Upper Church Street Douglas Isle of Man British Isles IM1 1EX

Map Coordinates: 54°9'N 4°29'W

General Enquiries: shipping@gov.im

Registry Enquiries: registry.marine@gov.im

Survey Enquiries: <u>marine.survey@gov.im</u>

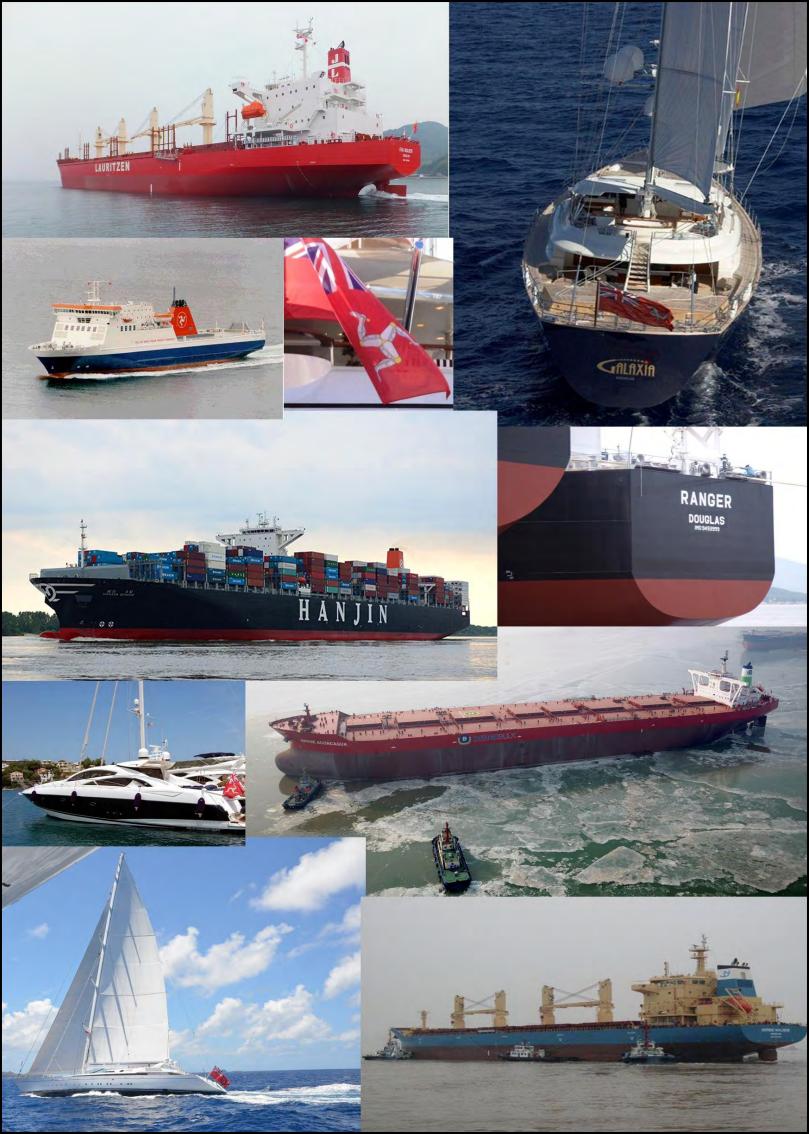
Crew & Manning Enquiries: seafarers@gov.im

MLC Enquiries: <u>marine.mlc@gov.im</u>

Website: <u>www.iomshipregistry.com</u>

Out of Hours Emergency Contact Number: +44(0) 7624 493467





www.iomshipregistry.com

Isle of Man Ship Registry St. Georges Court Upper Church Street Douglas Isle of Man IM1 1EX

Tel: +44(0) 1624 688500 Fax: +44(0) 1624 688501 Email: shipping@gov.im



Certified to the ISO9001:2008 Quality Standard and the Investor in People Gold Standard

The information in this 2012 Annual Report can be provided in large print, on request.