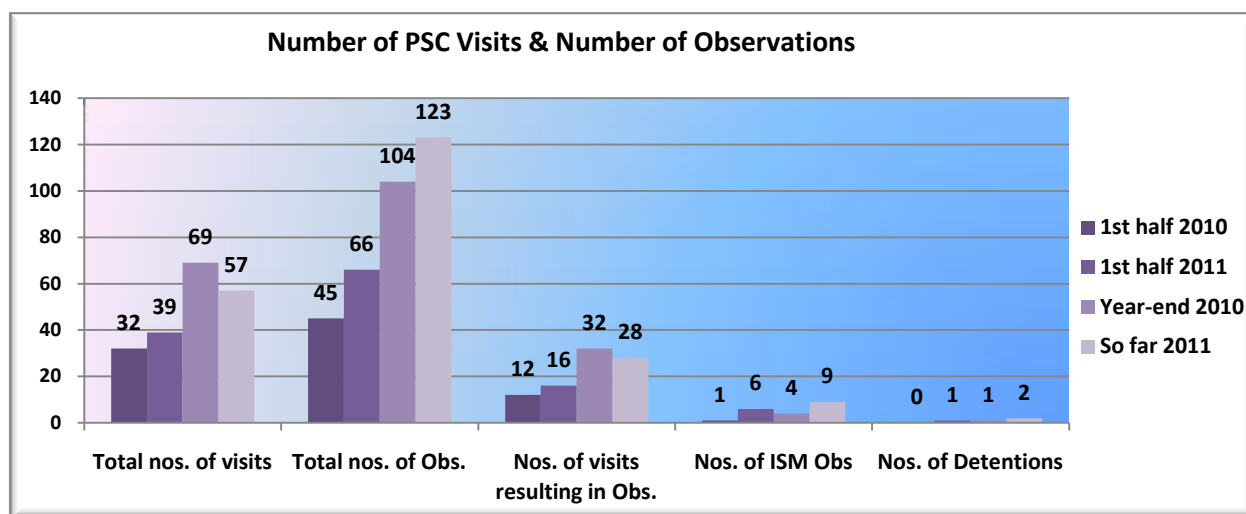


October, 2011

PSC: 3-Quarterly Follow-up – Present Situation

Reference is made to our Operational Newsletters Nos. 2 & 3/2011 regarding Port State Control preparedness and our statistics from PS inspections, respectively.

We are now three quarters into the year of 2011, which is an appropriate time to make an intermediate review of the goals set in terms of PSC results for the year. At this point our figures can be presented as in the following graph:



The graph tells us that:

1. So far we have had 57 visits, out of which 28 have resulted in observations, or further actions by the PSC authority.
2. The 57 visits so far have resulted in altogether 123 observations. This gives us an average of 2.2 observations for every visit, which is clearly above the goal of 1.5.
3. In 2010 the total number of ISM observations, i.e. the most serious kinds, was 6 out of altogether 104, i.e. 5.8%. So far in 2011 this number is up to 9 out of 123, i.e. 7.1%.
4. We have had two detentions in the fleet, one in the first half, and another now in the middle of the 3rd quarter. With the number of visits thus far, two detentions imply that 3.5% of our PSC inspections have resulted in a detention.

Re. item 3:

Given the fact that PSC inspections are more thorough under the new inspection regime, the results may be anticipated.

NB: Nevertheless, all companies should make a note of the fact that **the ISM observations in particular are regarded the primary indicator of serious problems**. Hence, each ship incurring IMS observations (Code 15) will be prone to more thorough scrutiny during the subsequent Port State inspections on board. Moreover, the situation will also have a bearing on other ships in that same fleet!

Re. item 4:

Clearly, whichever way we regard it the two detentions make us vulnerable in front of the last quarter with respect to achieving our goal. However, the goal is still within reach! Consequently, all DOC holders are encouraged to keep a close dialogue with the ships in order for us to achieve the Faroese flag being eligible for the White List of flags under the Paris MoU on 31st December, 2011.