

FAS – Quality, Reliability and White Listed

In for the last month of 2011 our anticipation is that when the Paris MoU regime issues their new three-year summary at the turn of the year, the Faroese flag will be included in the White List of flags on the high seas.

Approaching year-end, we would take yet another opportunity to remind our customers of a couple of vital aspects to our struggle to accede the white list of flags.

For your ships to be categorised 'low risk' there are a couple of parameters to consider:

- Type and age of ship
- Number of deficiencies
- Number of detentions
- Performance of ship's flag
- Performance of the Recognised Organisation (RO)
- Performance of the Company responsible for the ISM
- Management (holder of Document of Compliance)

| Generic Factors | Historical Factors | Risk Assessment Matrix |
|---|--|---|
| <ul style="list-style-type: none"> - Type of ship - Flag - RO - Company | <ul style="list-style-type: none"> - Deficiencies - Detentions | Determination of SRP: <ul style="list-style-type: none"> ▪ Low Risk Ships are ships which meet all criteria of the low risk parameters ▪ High Risk Ships are ships with 5 or more points ▪ Standard Risk Ships are ships which are neither LRS nor HRS |
| HRS – High Risk Ship SRS – Standard Risk Ship LRS – Low Risk Ship (SRP is re-calculated on a daily basis) | | |

At the following links you may make calculations for your fleet ships and company, respectively:

- http://www.parismou.org/Inspection_efforts/Inspections/Ship_risk_profile/Ship_risk_profile_calculator/
- http://www.parismou.org/Inspection_efforts/Inspections/Ship_risk_profile/Company_performance/Company_performance_calculator/

Note I:

1. From our side the one important parameter is now in place in order for you to achieve the low risk profile, i.e. **the voluntary flag state audit by IMO**.
2. Another vital parameter is **your choice of classification society** (RO), i.e. it must be one of the classification societies with high performance (DNV, BV, Lloyds, ABS, etc.)
3. The final and pivotal aspect is your struggle for the **best result only during each and every PSC** forthcoming.

Note II:

At present the figures are on our side as the excess factor (EF) is at –0.17 at present (the limit is –0.01). With no more inspections we will remain there, and the result is acceptable. However, it is considered an unlikely situation that we will have no more inspections in December.

→ Hence, only your continued endeavours for **0 observations** will move us onto the next White List overview from Paris MoU.

Tórshavn, 5th December, 2011
Tommy Petersen, (sign.)
Director General