

I. PSC Inspection of the Fourth Quarter of 2018

1. Overall description of PSC inspection of the fourth quarter of 2018

TOKYO MOU: About 740 CCS classed ships were inspected, 2 of which were detained. The detention rate is 0.27%.

PARIS MOU: About 79 CCS classed ships were inspected, 1 of which was detained. The detention rate is 1.27%.

USCG: About 70 classed CCS ships were inspected, none of which was detained. The detention rate is 0%.

According to the above information, altogether 889 CCS classed ships were inspected in the PSC inspection conducted by TOKYO MOU, PARIS MOU and USCG, 3 of which were detained. The detention rate is 0.34%.

In addition, none of the ships were detained in other countries or regions.

2. List of ships detained in the fourth quarter of 2018

Name of Ship	Ship Type Date of Building	Place of Detention Data	Detainable Deficiencies
A	Bulk Carrier 2008	Sweden Oct. 20	1. Quick closing valves loop 3, four (4) valves inoperative: HFO settle x 2, HFO Service x 2. 2. Quick closing valves loop 4, one (1) valves inoperative: LS Cylinder LO Tank. 3. Emergency generator - second starting device inoperative. 4. Emergency generator - inoperative (during normal start). 5. Freefall lifeboat- Multiple seatbelts not properly attached. Multiple loose bolts and missing nut. 6. Legionella bacteria found in drinking water analyze, Immingham UK. The company could not present a new report stating that the problem is solved during the PSC inspection.
B	Bulk	Korea	1. Emergency Generator engine not properly

	Carrier 2009	Nov.19	operated: --Hunting of engine RPM serious (1120~1130RPM) at idle; --Fuel oil supply valve not worked and fuel oil not supplied; --Crew not familiar with power recovery under black out. 2. Fixed local application fire extinguishing system not properly operated and readily available: --solenoid valve for protected area not worked; --crew not familiar with operation seriously.
C	Bulk Carrier 2011	AMSA Nov. 28	Seafarer's (2 AB and one oiler) repeatedly not paid wages in accordance with their Seafarer's Employment Agreement.

II. PSC Inspection of CCS classed Ships of 2018

1. Overall description:

TOKYO MOU: 3238 CCS classed ships received PSC inspection, 15 of which were detained. The detention rate is 0.46%.

PARIS MOU: 302 CCS classed ships received PSC inspection, 4 of which were detained. The detention rate is 1.32%.

USCG: about 381 CCS classed ships received PSC inspection, 1 of which was detained. The detention rate is 0.26%.

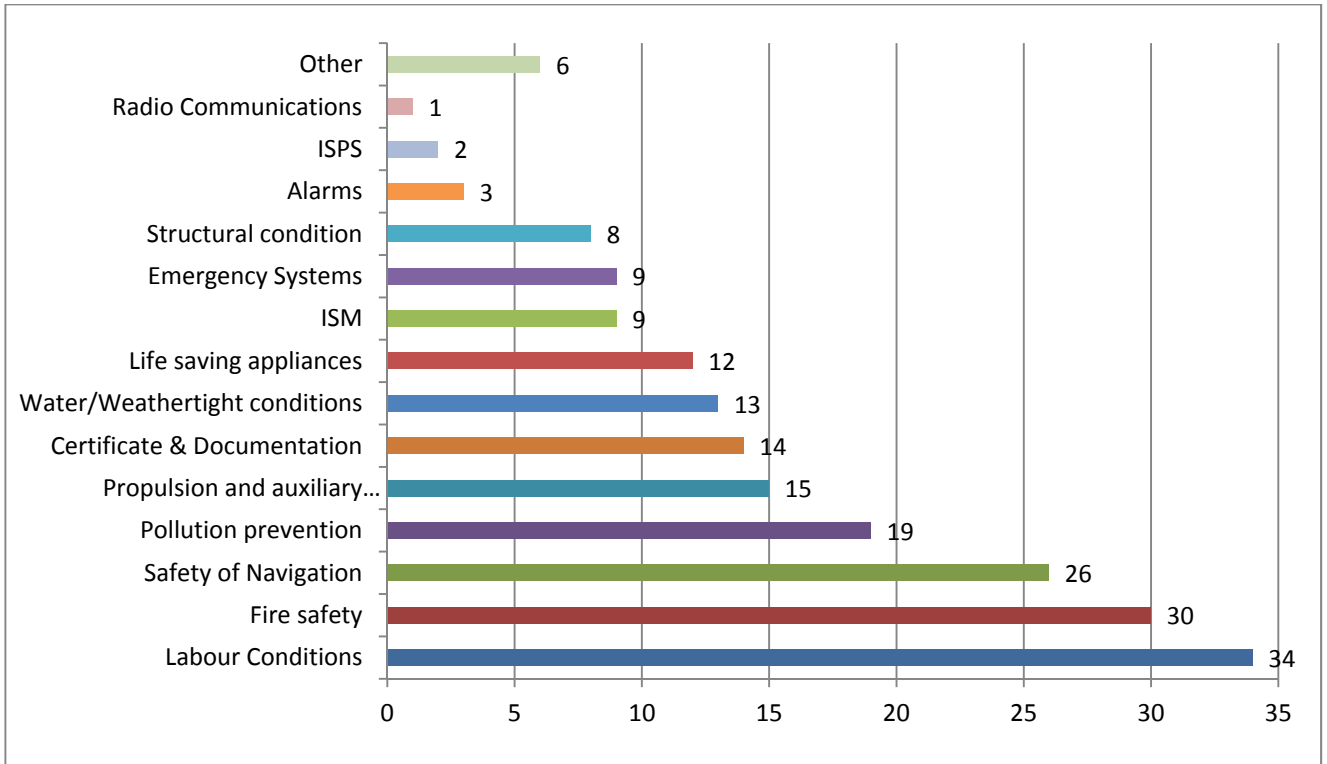
According to above information, the three PSC organizations have inspected 3921 CCS classed ships in total, 20 of which were detained. The detention rate is 0.51%.

Other PSC Regime: 1 ship was detained by Iran PSC.

2. Defect statistics of ships detained

◆ All deficiencies:

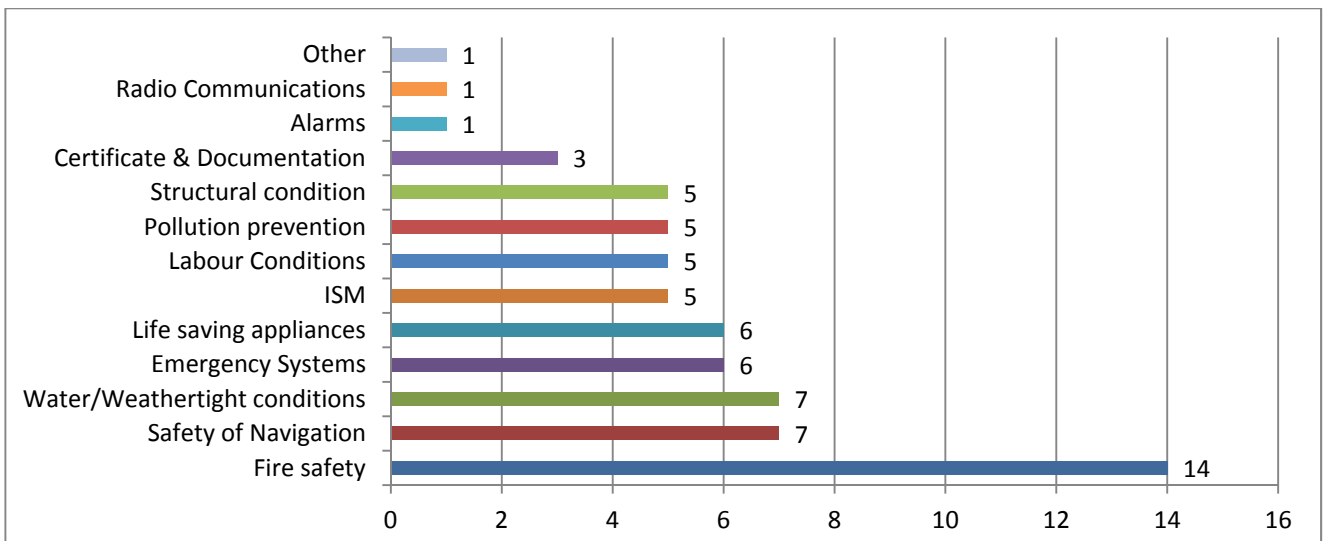
As for the 21 CCS ships with detention reports received and subject to investigation, there are altogether 201 deficiencies. The average number of deficiencies of the ships detained is 9.57.



Most deficiencies are involved in labour conditions, fire safety, safety of navigation, Pollution prevention, and Propulsion and auxiliary machinery.

◆ Detainable deficiencies

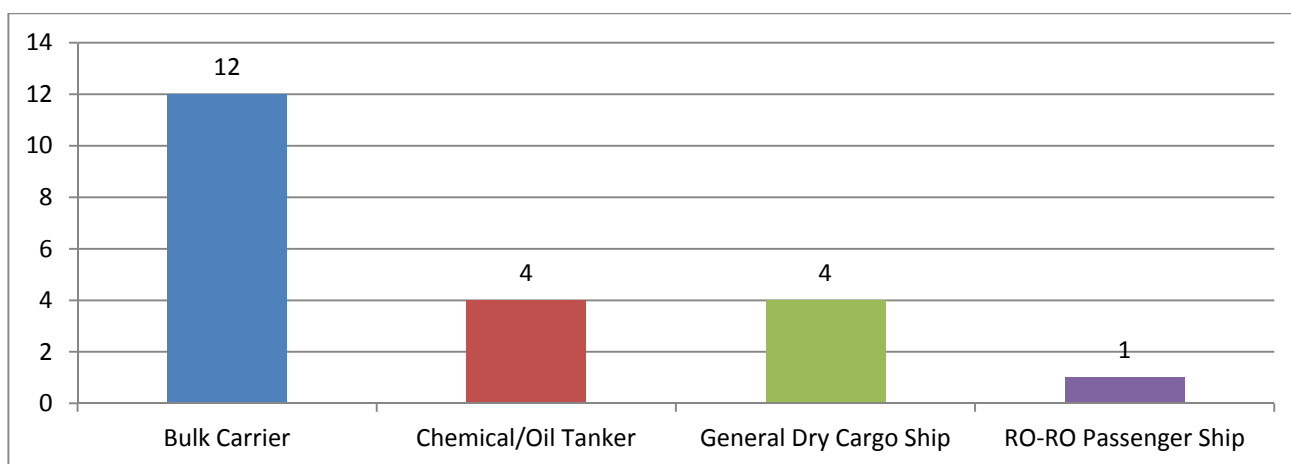
As for the 21 CCS ships with detention reports received and subject to investigation, there are altogether 66 detainable deficiencies. The average number of detainable deficiencies of the ships detained is 3.14.



Most detainable deficiencies are involved in fire safety, Water/Weathertight conditions, Safety of Navigation, Emergency Systems and life saving appliances.

◆ Distribution of types of ships detained

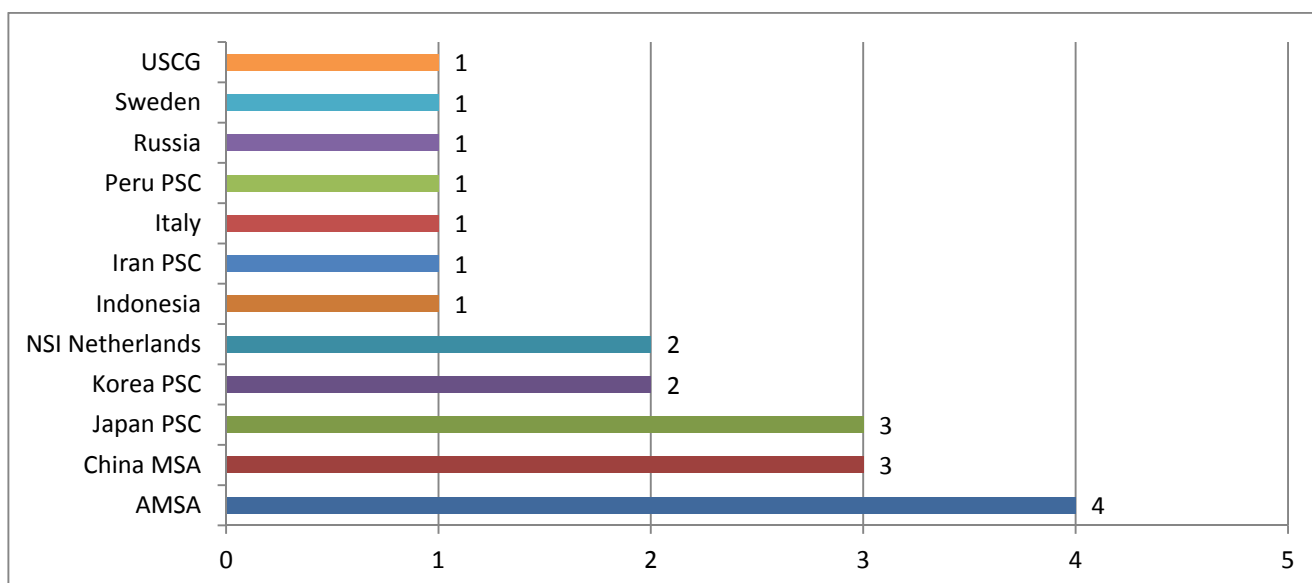
The types of the 21 detained CCS ships are distributed as shown in the figure below:



Bulk carriers, general dry cargo ships and oil/chemical tankers respectively take up 57.14%, 19.05% and 19.05% of the total number of ships detained.

◆ Distribution of regimes of detention

The regimes of detention of the 21 detained CCS ships are distributed as shown in the figure below:

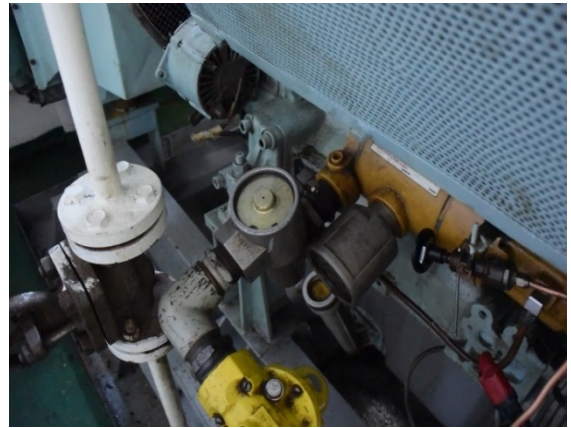


The majority detentions regimes are Australia, Japan and China. Ships of navigate in EU countries are high detention risk ships.

◆ Some deficiency pictures (only for the Fourth quarter of 2018)



Oil tank quick closing valve defective



Starting motor of emergency generator damaged



Kitchen dirty (after cleaning)



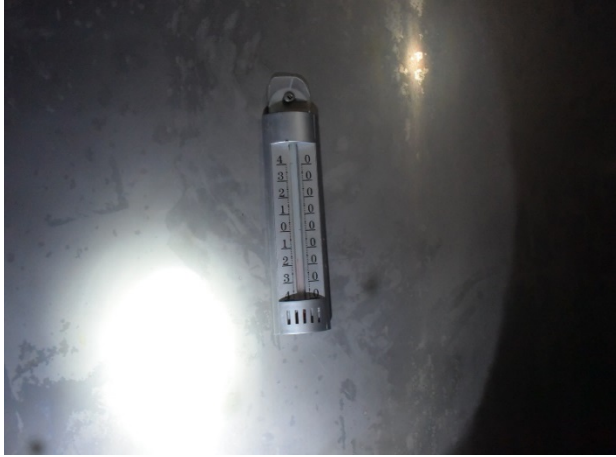
E.R. floor plates were not be fixed



Crew member cabin poor condition



Isolation packages of high temperature pipes damage



Temperature gauge of cool storage damaged



Seat belt of life boat loosen



Cargo holds smoking detecting system failure



Emergency Generator oil tank quick closing valve defective



Fixed local application fire extinguishing system failure



Cover of F.W. tank sounding pipe missing

IV. Some suggestions:

- In 2018, 3 ships were detained by AMSA due to wages of seafarers, it not only affected ships normal service, but also made a heavy burden to flag states, ROs and relevant parties. Minimum seafarer's wage should meet the national law and applicable CBA, dual agreements and false contracts are prohibited. Strictly implement SEA, shipowner should pay full amount of wages monthly, and records shall be kept onboard (Total pay amount record shall not be used to replace final paying amount), seafarer shall keep monthly payment sheet, and all records shall be signed by seafarers. Strictly record overtime job, and OT record shall be signed by seafarers, and pay OT wages accordingly; If total OT hours are more than standard OT in SEA/CBA, additional wages shall be paid and recorded in monthly payment sheet. Shipowners and ships should strengthen the learning and use of complaints procedures on board ships, strengthen communication, strive to resolve complaints at a lower level, and properly handle seafarers' complaints to the third parties, so as to avoid negative effects.
- In 2018, many ships are involved in deficiencies in labour condition, Therefore, ship companies should pay close attention to the working and living environment and facilities, benefits and rights protection of the crew to avoid any MLC deficiency or detention.
- Many ships are detained mainly caused by deficiencies in lifeboat, emergency generator, ventilator, air pipes, fixed local application fire extinguishing system, quick closing valves and pollution prevention equipment. Therefore, ship companies should strictly monitoring ship's crew members to pay special attentions to the inspection, testing and familiar with operation and pre-inspections before arrival to all key equipment and to prevent relevant deficiencies and detentions.
- Every countries paid serious attentions to prevention of pollutions from ships, more and more countries or regions jointed in the SECAs, some countries or regions have designated institutions and personnel to sample and test the fuel oil or sewage of the ship, if any problems or hidden troubles found, the ship will be detained. Relevant companies and ships shall keep in mind and fully prepared for prevention.
- The Maritime Authorities of the Tokyo and the Paris Memoranda of Understanding on Port State Control will launch a joint Concentrated Inspection Campaign (CIC) on Emergency



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(Data as of Dec. 31, 2018)

System in 2019. All relevant companies should prepared properly and strictly monitoring ship's crew members to enhance emergency system trainings, each emergency drills (especially fire-fighting and abandon ship drills), operations and tests of emergency equipment and to prevent any deficiency or detention during the CIC.

Thanks for your supporting.

Classed Ship in Service Department of CCS Headquarters

January 18, 2019