

ClassIBS

ISTHMUS BUREAU OF SHIPPING

ANNUAL REPORT 2015

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April 2016

Profile

Established on May 10 1995, Isthmus Bureau of Shipping, better known as ClassIBS or simply IBS,

Is an international classification society dedicated to safeguarding life and property at sea. ClassIBS provides a broad spectrum of services as an independent third party, non-profit organization, including survey & certification services.

The Society's expert technical staff primary work is to undertake surveys on vessels to ensure their full compliance with classification rules. The rules cover hull structure, safety equipment, cargo handling gear, engines, machinery, and electrical and control systems.

ClassIBS also conducts a wide range of statutory surveys on behalf of 15 flag states around the world.

Although based in Panama as our Head Office, ClassIBS has representation through a network of exclusive surveyor sites in 47 countries.

ClassIBS surveyors work in ports across the globe, wherever they may be called upon to examine the condition of a ship, so that all of the Society's services are available worldwide.

Managing Director's Message

Welcome to our Annual report, 2015 saw uneven economic growth worldwide, with Oil prices reaching a record low, economic slowdown in China, uncertainty in the Eurozone, limited financing options, overcapacity maintaining low freight rates, all of which has adversely affected shipping markets and industries, creating an even more competitive business environment for Classification societies.

ClassIBS is not unaffected by these challenges, however despite these turbulent market conditions I am pleased to report that ClassIBS has been able to produce positive results, and continue to deliver high quality services.

This has been achieved through the traditional classification segment, and to the well-planned business strategies for sustainable growth.

We at ClassIBS, will continue to review the strategy of our organization in terms of the markets in which we operate, measuring our performance, identifying our risks, and planning for the future, in order to position ourselves to add value for our clients. We are convinced that ClassIBS has a fantastic opportunity ahead and we are an organization that is well suited to meet new challenges.

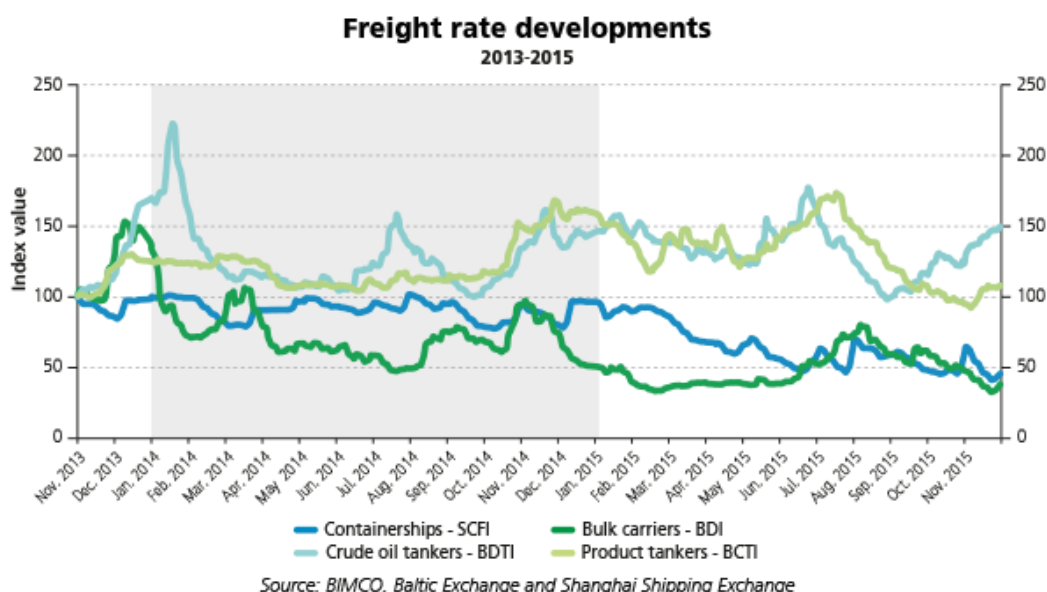
2015 has marked our 20th anniversary. I extend my sincerest gratitude and appreciation to our staff, surveyors worldwide, customers and partners throughout the industry, who have contributed to ClassIBS' success over the last 20 years. Together, you have enabled us to reach the position we now enjoy.

On behalf of the management and staff of ClassIBS my most sincere Thanks and we look forward to your continued support for our activities.

Industry Overview

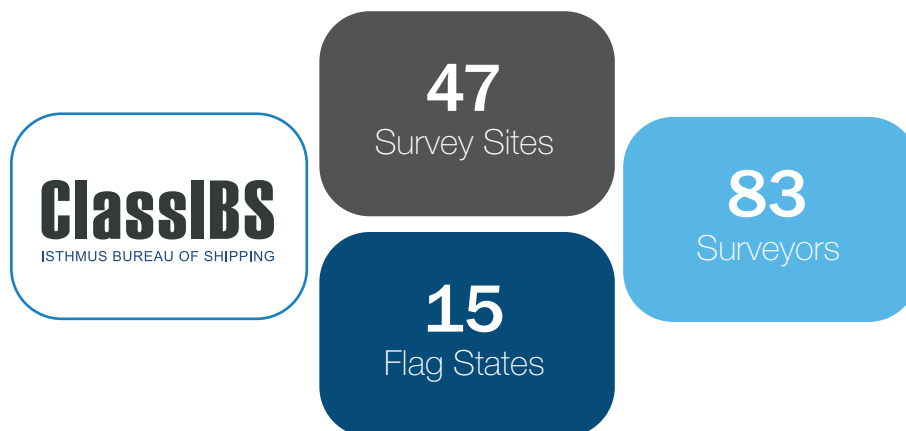
Shipping is one of the world's most important industries: more than 90% of the world's goods are transported by sea. It is also the lifeblood of many local economies, particularly in Asia where just three countries – South Korea, Japan and China – account for 94% of the world's shipbuilding in terms of gross tonnage. Shipping accounts for more than 25% of Hong Kong's GDP; and in the Philippines, the maritime industry employs more than half a million seafarers.

With projections suggesting that global seaborne trade could double by 2030, the role of shipping in driving local, regional and global economic growth can only continue to increase.

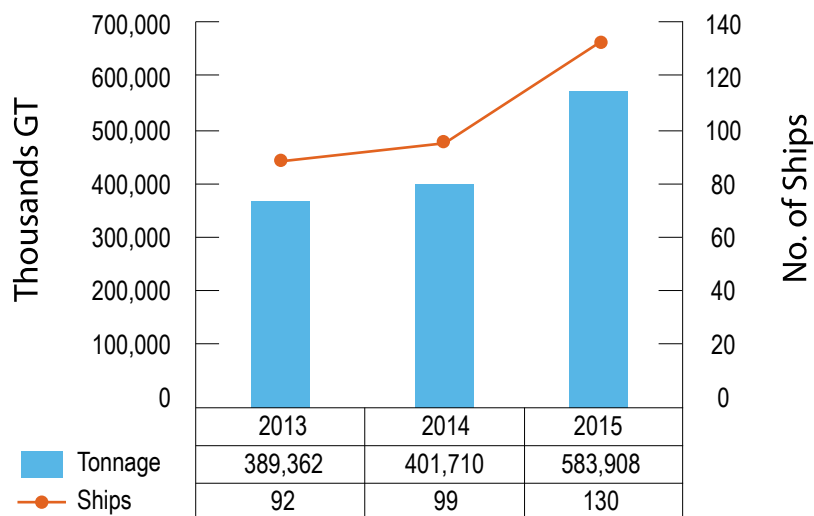


https://www.bimco.org/Reports/Market_Analysis/2016/0104_Reflections2016.aspx

At a Glance



CLASS IBS FLEET 2013 - 2015



Worldwide Services Network

Location of Survey Sites



America

1. Argentina
2. Brazil
3. Canada
4. Colombia
5. Cuba
6. Ecuador
7. Mexico
8. Panama
9. Paraguay
10. Peru
11. Uruguay
12. United States
13. Venezuela

Europe

14. Denmark
15. Finland
16. Germany
17. Greece
18. Italy
19. Latvia
20. Netherlands
21. Romania
22. Russia
23. Spain
24. Turkey
25. Ukraine
26. United Kingdom

Middle East

27. Egypt
28. Israel
29. United Arab Emirates

Asia

30. China
31. Hong Kong-Sar
32. India
33. Indonesia
34. Japan
35. Pakistan
36. Philippines
37. Singapore
38. South Korea
39. Taiwan
40. Thailand
41. Vietnam

Oceania

42. Australia

Africa

43. Ghana
44. Ivory Coast
45. Nigeria
46. Senegal
47. South Africa

The Rules

Since the core of a ship classification society's technical credibility is its rules, ClassIBS is constantly revising its technical Rules and Regulations.



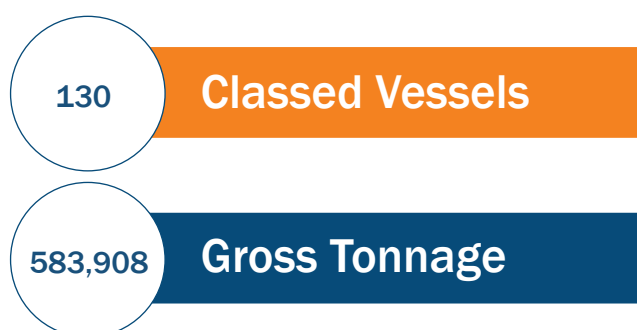
In 2015 we updated the following parts:

- Part 1A General Regulations
- Part 1B Class Survey Regulations
- Part 2 Hull Construction
- Part 6 Fire Protection

Class and Statutory Surveys

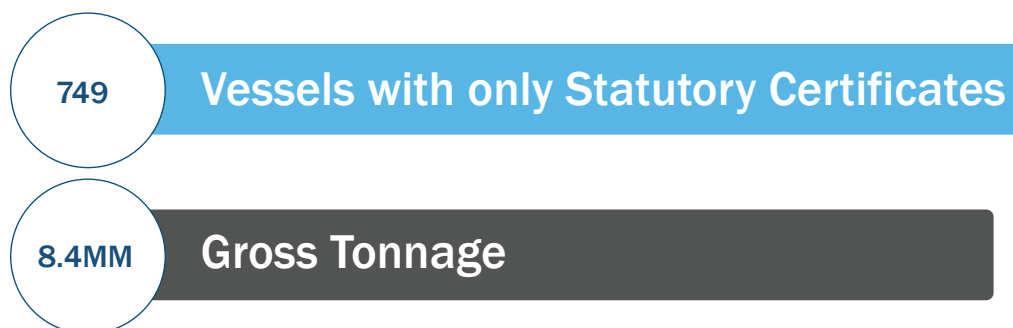
Class Surveys

Thanks to an increase in number of existing vessels transferring from other classification societies to register with ClassIBS, the Society's registered vessels has continue to rise. As of the end of year 2015, the society had 130 vessels classed with a total of 583,908 gross tons.



Statutory Surveys

As of the end of 2015, ClassIBS is authorized to carry out surveys and issue certificates on accordance with international and national conventions by 15 flag state administrations around the world. Statutory certificates are based on International Tonnage, International Load line, SOLAS, MARPOL, Anti-fouling system, ISM, ISPS and MLC.



Port State Control (PSC)

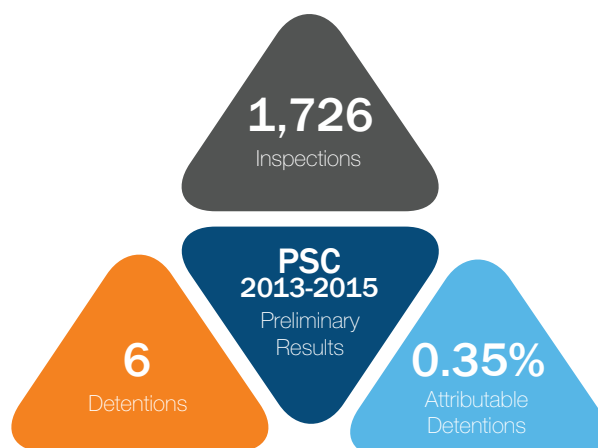
As with previous years, ClassIBS continues to work with the managers and owners of detained vessels to help improve ships conditions. To this end ClassIBS prepares a detailed PSC annual report performance 2013-2015 with analysis of related statistics for the previous years in order to reduce the detention ratio of ClassIBS ships.

PSC Results (Preliminary Figures):

PSC RESULTS PER MOU 2013 - 2015										
	INITIAL INSPECTIONS				ATTRIBUTABLE DETENTIONS					
	2013	2014	2015	TOTAL INSP. PER MOU 2013-2015		2013	2014	2015	TOTAL ATT. PER MOU	% ATT PER MOU 2013-2015
USCG	17	10	11	38		0	0	0	0	0.00
TOKYO MOU	470	498	549	1,517		2	0	2	4	0.26
PARIS MOU	64	63	44	171		0	2	0	2	1.17

TOTAL PSC RESULTS											
TOTAL INSP. PER YEAR				TOTAL ATT. DET. PER YEAR							
2013	2014	2015	TOTAL INSPECTIONS 2013-2015		2013	2014	2015	TOTAL ATT. DET. 2013-2015			
551	571	604	1,726		2	2	2	6			
								% ATT. DET PER YEAR		TOTAL ATT. DET. 2013-2015 (%)	
								0.36	0.35	0.33	0.35

MOUs included in this report are those showing a significant number of inspections for the last three years



A Statistical Outline of IBS Classed Ships

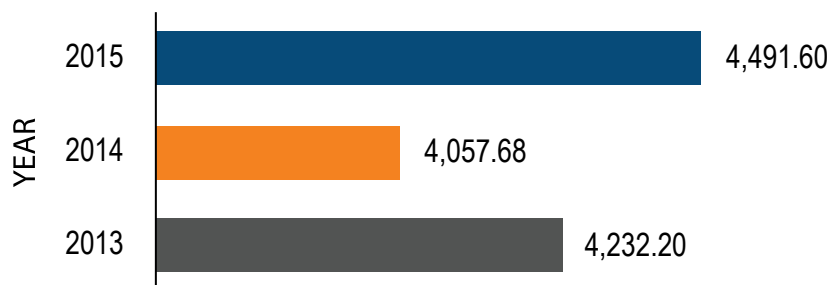
NUMBER OF CLASSED VESSELS BY YEAR



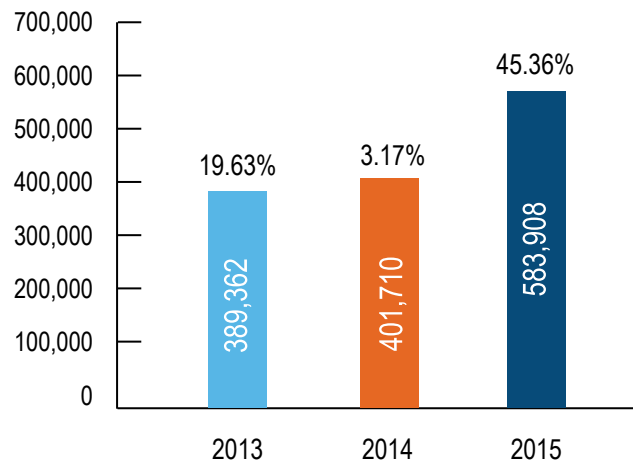
TOTAL GROSS TONNAGE OF CLASSED VESSELS 2013 - 2015



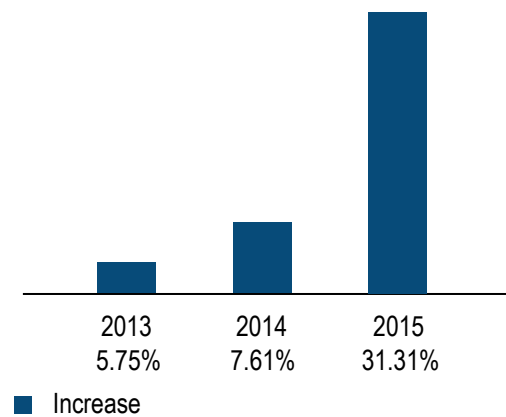
CLASSED VESSELS-AVERAGE GROSS TONNAGE 2013 - 2015



INCREASE OF TOTAL GT OF CLASSED VESSELS 2013 -2015



INCREASE OF TOTAL NUMBER OF CLASSED VESSELS 2013 -2015



VESSELS IN CLASS BY SHIP'S AGE 2013 - 2015

Number of Vessels			
Ship's Age	2013	2014	2015
0-10 years old	21	27	32
Over 10 and up to 20	15	17	33
Over 20 and up to 30	17	18	25
Over 30	39	37	40
Total	92	99	130

VESSELS IN CLASS BY FLAG STATE 2013 - 2015

Number of Vessels			
Flag State	2013	2014	2015
Panama	59	66	86
Belize	14	13	15
Ecuador	1	1	1
Peru	12	13	5
Jamaica	3	3	7
Turkey	1	1	1
Honduras	1	1	2
Ghana	1	1	0
Guyane	0	1	1
Tanzania	1	1	0
Taiwan	0	1	2
Uruguay	0	1	2
Kiribati	0	0	7
Paraguay	0	0	1
Total	92	99	130

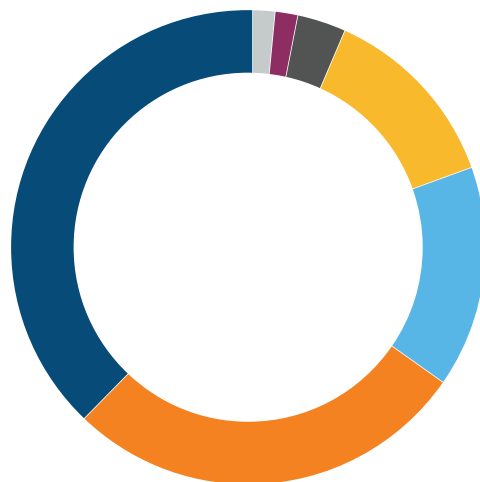
VESSELS IN CLASS BY SHIP TYPE 2013 - 2015

Ship Type	Number of Vessels		
	2013	2014	2015
Bulk Carrier	15	14	16
General Cargo	35	38	20
Container Carrier	0	0	0
RO-RO Ship	0	0	1
Reefer Carrier	0	0	0
Oil Tanker	7	7	14
Chemical Tanker Gas Carrier	4	4	0
Passenger	2	1	0
Other Cargo Ship	29	35	59
Barge	0	0	18
Gas Carrier	0	0	2
TOTAL	92	99	130

VESSELS IN CLASS BY GROSS TONNAGE 2013 - 2015

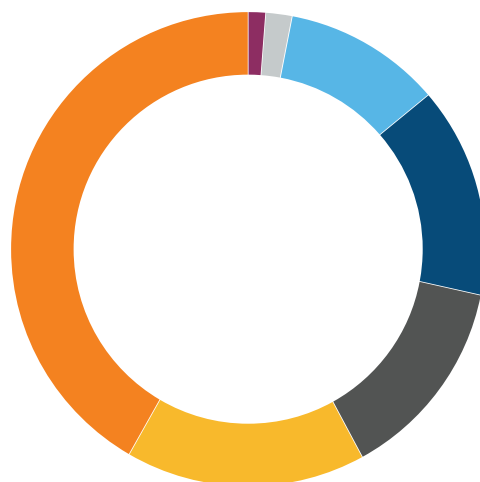
Gross Ton (x1,000)	Number of Vessels		
	2013	2014	2015
Up to 5	67	71	96
Over 5 and up to 10	17	18	19
Over 10 and up to 20	7	9	11
Over 20 and up to 30	0	0	2
Over 30	1	1	2
TOTAL	92	99	130

CLASSED VESSELS 2015 DISTRIBUTION OF SHIPS TYPES (BASED IN GT)



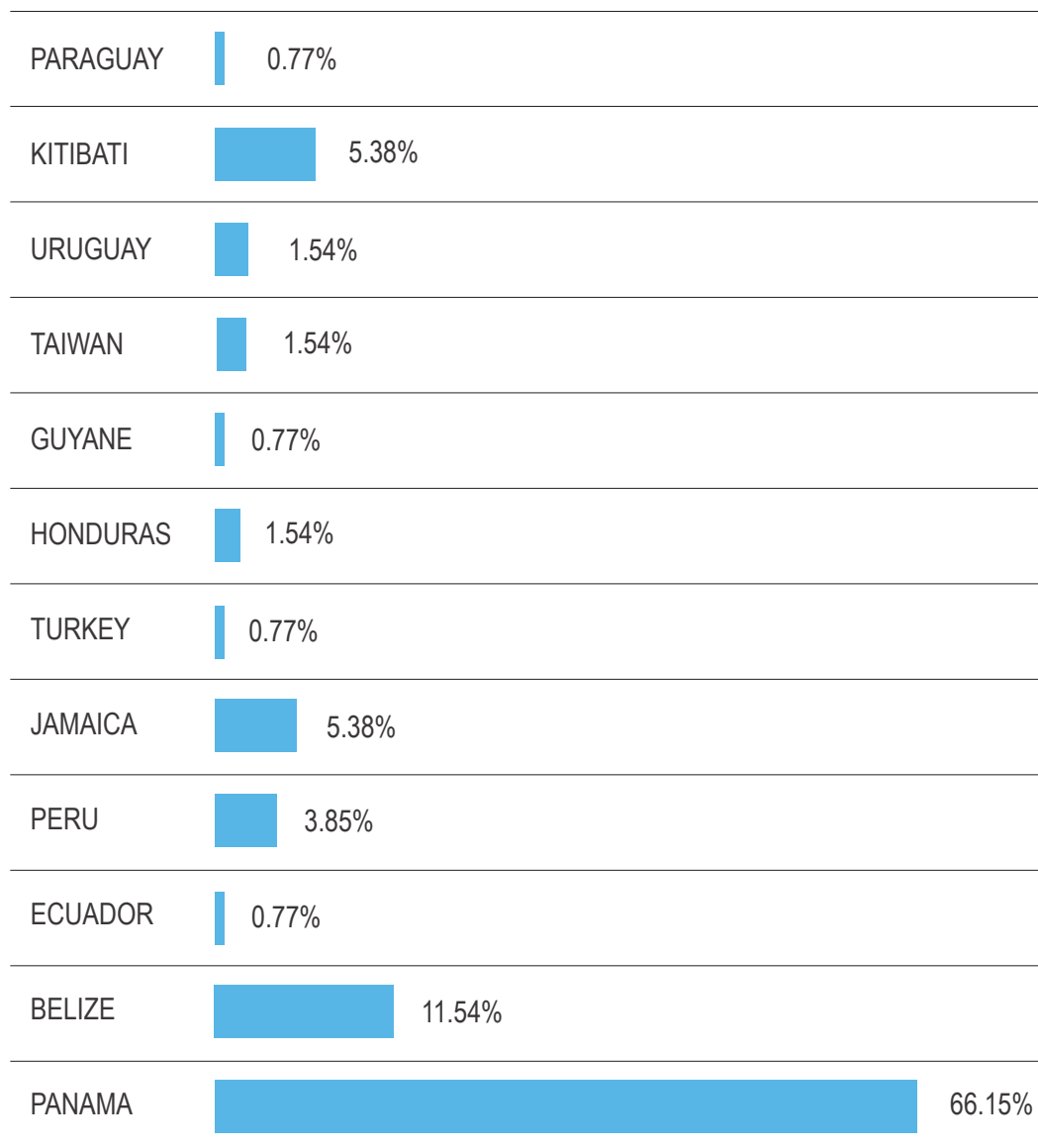
- Gas Carrier 1.25%
- RO-RO Ship 1.26%
- Barge 3.39%
- General Cargo 12.32%
- Oil Tanker 13.30%
- Other Cargo Ship 25.95%
- Bulk Carrier 42.53%

CLASSED VESSELS 2015 DISTRIBUTION OF SHIPS TYPES (BASED IN NUMBER)

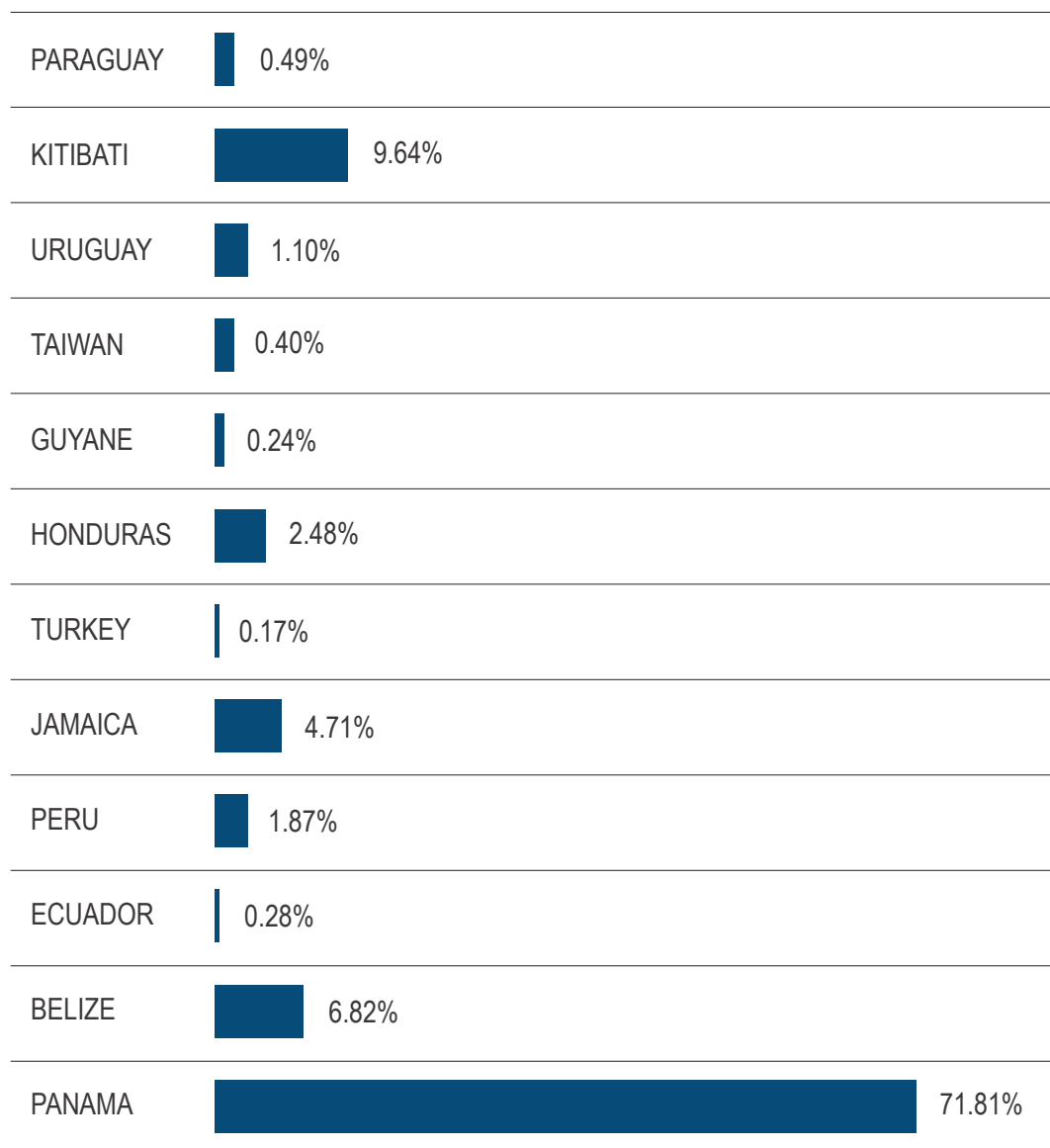


- RO-RO Ship 0.77%
- Gas Carrier 1.54%
- Oil Tanker 10.77%
- Bulk Carrier 12.31%
- Barge 13.85%
- General Cargo 15.38%
- Other Cargo Ship 45.38%

CLASSED VESSELS BY FLAG 2015 (NUMBER OF SHIPS)



CLASSED VESSELS BY FLAG 2015 (GT)



Cooperative Technical Agreements

ClassIBS has signed bilateral cooperation agreements with the following Organizations:

- Indian Register of Shipping
- The International Maritime University of Panama
- Vietnam Register
- Russian River Registry
- Cuban Register of Shipping



ClassIBS Quality System Assessments

It has been a busy year for ClassIBS as it underwent a range of audits conducted by various external entities to assess the operations and quality system of the Society. These included external government in addition to SGS (Societe Generale de Surveillance) who is our ISO 9001-2008 certification society with accreditation Body by UKAS.

These audits, combined with our internal audits carried out by ClassIBS internal auditors throughout the year, reflect how dedicated we are in order to continuously achieve our quality objectives every year.



Training

ClassIBS strongly believes in actively training both inside and outside the Society. These range from training surveyors within the Society, to sending surveyor to specific courses on MLC 2006, ISM, ISPS, Marine Surveying, etc.

This year we establish our new Educational and Training Services “IBS ACADEMY” to conduct regular training in order to ensure that our surveyors and auditors can provide services to meet the diversifying needs of our customers.



IBS Academy

15

Training Modules
for Surveyors

625

Training Certificates
Issued

ClassIBS in International Affairs

ClassIBS maintains active engagement with various organizations in the international maritime industry. ClassIBS is an active member of the International Association of Technical Survey and Classification Institutions (TSCI).

ClassIBS has authorization from numerous flag states to carry out surveys on their behalf, which is a testament of the trust that the society has been able to build over the years.

International Association of Technical Survey and Classification Institutions (TSCI)

The association was founded in 1961, the date and of signing of the Intergovernmental Agreement on cooperation in the sphere of technical supervision over ships and their classification by authorized representatives of the governments of Bulgaria, Hungary, GDR, Poland, Romania, USSR and Czechoslovakia

ClassIBS participated in the following meetings in 2015:

- Annual Council Meeting
- 13th Research and Development Group Meeting
- 19th Quality Committee Meeting



Authorization granted to ClassIBS from Flag States:

Instrument / Certificates and Documents - Required to be carried on board according International / National requirements		Authorization Granted to ClassIBS														
		PANAMA	TOGO	PARAGUAY	ECUADOR	DOMINICA (See Note 1)	BELIZE	HONDURAS	MOLDOVA	VANUATU (See Note 2)	JAMAICA	COSTA RICA	TANZANIA	COLOMBIA	BOLIVIA	KIRIBATI (See Note 3)
ITC Convention	International Tonnage Certificate (1969)	●	●	●		●	●	●	●	●	○	●	●	●	●	○
LL Convention	International Load Line Certificate	●	●	●		●	●	●	●	●	●	●	●	●	●	○
	International Load Line Exemption Certificate	○	○	○		○	○	○	○	○	○	●	○	○	○	○
SOLAS 1974	Document of Compliance - Reg. IX/4 / ISM Code	●	●			●	●	●	○	●	●	●	●	●	●	○
	Safety Management Certificate	●	●			●	●	●	○	●	●	●	●	●	●	○
	Int. Ship Security Cert. (ISSC) or Interim ISSC	●	●			○	●	●	○	●	●	●	●	●	●	○
	Ship Security Plan Approval	●	●			○	●	●	○	●	●	●	●	●	●	○
	Exemption Certificate	○	○	○		○	○	○	○	○	○	●	○	○	○	○
	Intact Stability/Damage Stab. Booklet/Loading Manual - Approval	●	●			●	●	●	●	●	●	●	●	●	●	○
	Cargo Security Manual - Reg.VI/5.6 and VII/5	●	●			●	●	●	●	●	●	●	●	●	●	○
	Passenger Ship Safety Certificate					●	●	●	●	●	○	●	●	●	●	○
	Cargo Ship Safety Construction Certificate	●	●	●		●	●	●	●	●	●	●	●	●	●	○
	Cargo Ship Safety Equipment Certificate & Record	●	●	●		●	●	●	●	●	●	●	●	●	●	○
	Cargo Ship Safety Radio Certificate & Record	●	●	●		●	●	●	●	●	●	●	●	●	●	○
	Certificate of Compliance for the carriage dangerous goods	●	●			●	●	●	●	●	○	●				○
	Document of Authorization for the Carriage of Grain	●	●			●	●	●	●	●	●	●	●	●	●	○
	Special Purpose Ship Safety Certificate	●							●	○	○	●				○
	MODU '79, '89, '09	Mobile Offshore Unit (MOU)	●				●	●		●	●	○			●	○
	Mobile Offshore Drilling Unit Safety Certificate	●				●	●		●	●	○			●	○	
MARPOL	International Oil Pollution Prevention Certificate	●	●			●	●	●	●	●	●	●	●	●	●	○
	SOPEP Approval - Annex I/Reg.37	●				●	●	●	●	●	●	●	●	●	●	○
	Condition Assessment Schem (CAS) - SOC	●					●			○	○					
	International Sewage Pollution Prevention Certificate	●	●			●	●	○	●	●	○	●	●	●	●	○
	Annex V - Statement of Compliance	●				●	●	●	●	●	●	●	●	●	●	○

Instrument / Certificates and Documents - Required to be carried on board according International / National requirements		Authorization Granted to ClassIBS													
		PANAMA	TOGO	PARAGUAY	ECUADOR	DOMINICA (See Note 1)	BELIZE	HONDURAS	MOLDOVA	VANUATU (See Note 2)	JAMAICA	COSTA RICA	TANZANIA	COLOMBIA	BOLIVIA
	International Air Pollution Prevention Certificate	●	●			●	●		●	●	●	●		●	○
	International Energy Efficiency Certificate	●	●			●	●		●	●	●	●		●	○
	Engine International Air Pollution Prevention Certificate	●	●			●	●		●	●	●	●		●	○
	Int. Poll. Prev. Cert. for the C. of Noxious Liquid Substances in Bulk (NLS)	●	●			●	●	●	●	●	●	●	●	●	○
	Exemption Certificate	○				○	○	○	○	○	●	●	○	●	○
	Certificate of Fitness for Offshore Support Vessels								○		●		●	●	○
AFS Convention	International Anti-fouling System Certificate / SOC	●	●			●	●	○	●	●	○	●		●	○
	Declaration on Anti-fouling System	●					●	○	●	●	○				
BWM Convention	BWM Plan Approval / SOC	●					●		●	●					
Bunker Convention	Cert. of Insu. or Other Fin. Sec. in Res. of C.L. for oil pollution damage							●				●	●		○
BCH Code	Certificate of Fitness for the Carriage of Dangerous Chemicals in Bulk	●	●			●	●	●	●	●	○	●	●	●	○
IBC Code	Int. Cert. of Fitness for the Carriage of Dangerous Chemicals in bulk	●	●			●	●	●	●	●	○	●	●	●	○
GC Code	Certificate of Fitness for the Carriage of Liquefied Gases in Bulk	●	●			●	●	●	●	●	○	●	●	●	○
IGC Code	Int. Cert. of the fitness for the Carriage of Liquefied Gases in Bulk	●	●			●	●	●	●	●	○	●	●	●	○
HSC Code	High Speed Craft Safety Certificate		●			●	●	●	●	●		●	●	●	○
	Permit to Operate High Speed Craft		●			●	●	●	●	●		●			○
OTHERS	Cargo Ship Safety Certificate ≤ 500 GT	●	●	●		●	●	●	●	●	○	●	●		○
	Cargo Ship Safety Radiotelephony Certificate ≤ 300 GT	●	●	●		●	●	●	●	●	○	●	●		○
	Caribbean Cargo Ship Safety Certificate	●	●				●	●		●	○				○
	Crew Accommodation Certificate	●	●				●	●	●	●	○	●	●		○
	Fishing Vessel Safety Certificate	●	●				●	●	●	●	○	●	●		○
	Pleasure Craft Safety Certificate	●	●				●	●	●	●	○	●	●		○
	Seaworthiness Certificate	●						●		●	○	●	●	●	○
	Class Certificate	●			●			●		●			●		○

Instrument / Certificates and Documents - Required to be carried on board according International / National requirements		Authorization Granted to ClassIBS														
		PANAMA	TOGO	PARAGUAY	ECUADOR	DOMINICA (See Note 1)	BELIZE	HONDURAS	MOLDOVA	VANATU (See Note 2)	JAMAICA	COSTA RICA	TANZANIA	COLOMBIA	BOLIVIA	KIRIBATI (See Note 3)
		○	○	○			○	○	●	○	○	○	○	○	○	○
		●	●	●		●	●	●	●	●	●	○	○	○	●	○
		●	●			●	●		●	●	○	●				○
													●			
		○									●		●			○
									●		●					○
		○	○	○		○	○	○	○	○	○	○	○	○	○	○
		○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
		○	○	○	○		○	○	○	○	○	○	○	○	○	○
		●				●	●	●		●	○	●		●		○
	Type Approval	●							●							○
	Service Suppliers	●	○	○	○	○	●	○	○	●	○	●	○	○	○	○
	Statement of Compliance	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○

- Full Authorized to carried out Class/Statutory services on behalf of Flag
 - Partial or case by case authorization to carried out Class/Statutory services, Issuance of Provisional/Short term certificate only
- "Blanks" means the certificate is not required by flag, or is not ratified or authorization is not granted

- (1) DOMINICA: Only vessel with Class Certificate
ISM, ISPS, MLC can be carry out on ships classed by another Society with prior notification.
- (2) VANUATU: Ships ≤ 1000 GT
- (3) KIRIBATI: Authorization on a Case by case basis

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