

# CURRENT TRENDS, CHALLENGES AND DEVELOPMENTS IN THE TECHNICAL MANAGEMENT OF DRY BULK VESSELS

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One would think that the shipping industry gets along its best and most ideal era, filled with inspiration, creativity, productivity and innovations. There are a lot of reasons to substantiate this syllogism:

- o The significant growth of Chinese and Indian economies, whilst the Brazilian and Russian economies follow the same path and present their own dynamic potentials.
- o The continuous demand for the international transportation of goods by sea.
- o The constant trend for construction of, mainly, dry cargo vessels.
- o There is a lot of cash liquidity in the market, from private investors and funds willing to invest on vessels' acquisitions.
- o Seafarers' living condition standards have been considerably improved, whilst their Syndicates and Unions protect their interests.
- o Port Authorities, Classification Societies, Flag Administrations and various other organizations (I.M.O., SOLAS, MARPOL), impose new strict rules for the purpose of protecting human life, environment and generally take all measures to ensure that the sea-carriage of goods is performed safely and uneventfully.
- o The Technology now offers more advantages such as localization of each vessel through G.P.S. (Global Positioning System), prompt communication with crew (by satellite phones and Inmarsat C), prevention of casualty (automation systems in the engine room and further installation of electronic sensors which detect fire, water ingress or leakage), digital imaging, weather forecast briefing etc.

Notwithstanding the above described favorable climate, in order to maintain these conditions, the technical management of the vessels needs to be carried out only by professional individuals in the field, since shipping remains a high risk project, with a lot of unpredictable adversities which need to be efficiently handled at the time of occurrence. In the most very distant past, one master and one chief engineer, as shore-based staff, could be able to manage a few vessels with some clerical support. Nowadays a technical management company should enrich its structure by instituting various departments with specific duties and responsibilities (i.e. Operations, Marine, Technical, Quality & Safety, Legal & Claims, Insurance, Human Resources, Finance, Accounts, Internal Audit, Information Technology Depts.), consisting of highly qualified personnel.

The compliance with a safe management system under ISO 9001 (quality system), the ISO 14001 standards (environmental protection), ISM (safety system against pollution), ISPS (ship's security) and the Sarbanes-



Oxley legislation (for companies listed in the American Stock Exchange), creates high administrative costs, not to mention the vast bureaucratic system and the endless paperwork. This unavoidably leads to inflexibility and sometimes deprives the management from any prompt action in the event of a distressful situation. Another point deserving serious consideration is the role of the master when the vessel arrives at port. Apart from his administrative duties and his responsibility towards inspections of any kind (port authorities, coast guard, flag administration, Classification Societies, cargo interests, customs etc) he is now also compelled to fill a lot of statements and controlled forms, fact which restricts the time available for his proper supervision in connection with the vessel's operation (loading / discharging cargo, stowage, liaison with agents / consignees etc).

Under the present high freight rates market conditions, where vessels are not scrapped and newbuildings are continuously added, a big crew shortfall suddenly emerges. The situation is getting worse, because this shortfall is not only attributable to the quantity but also to the quality of the seafarers: they should be well educated and trained, even in the lowest ranks. We should not also forget that the majority of them comes from relatively poor countries, where the prospect of cost saving is quite appealing. But this optimistic perspective could undoubtedly be reversed by imposition of fine and / or prohibition of vessel's sailing, if discovered by third parties that the crew is uneducated and incompetent. Another substantial point is that all this newborn tonnage has also created difficulties in finding shipyards available for drydocking of vessels. Unfortunately, nowadays, the necessary time for drydocking has been almost doubled, as the shipyards are trying to accommodate more vessels and they unevenly distribute their current workers, with uncertain results. Furthermore, as a consequence of the delays during drydocking, the waiting time expectancy at the anchorage before entering in drydock area, is usually prolonged. Therefore, bookings in shipyards should now be made at a very early stage, which in practice is very difficult, since vessels are under charter obligations which do not permit to timely know their final destination.

Concluding, I would add that in a cyclical world economy, the technical management of a shipping company should be appropriately organized and primly prepared to confront a potential long-term decline in freight market, where prudence, capability, quality and effectiveness should be constantly pursued, strongly demonstrated and adequately preserved.