

The Nautical Institute Annual Report – 2023



John Lloyd FNI
Chief Executive and Company
Secretary on behalf of the
Executive Board

The Nautical Institute maintained the momentum of events and activities generated throughout our Golden Anniversary Year with signature events hosted in Antwerp, Cape Town, London, Hamburg, Singapore, Sharm el-Sheik and many other locations thanks to the commitment and leadership from our branches. Many meetings were in person with the added value of wider engagement through hybrid meetings being exploited where possible.

One particularly prominent event was held during London International Shipping week in collaboration with the UK's Merchant Navy Training Board and Trinity House. During this event the UK's Maritime Minister announced a package of training support for seafarers from Ukraine which helped raise the profile and status of this industry engagement.

Objectives and activities

This report identifies the key activities and developments at the NI during 2023 and serves as a useful reference of progress against the Strategic Plan.

The work of the Institute continues to provide a public benefit to the maritime community by helping improve safety and enhancing the flow of information and knowledge in key areas of global significance. These include areas such as protections of the marine environment, the implications of the next generation of fuels and a range of safety and operational issues. Sharing lessons learned through MARS, providing updates on best practice in *Seaways*, through webinars and Branch meetings and in our publications, all form part of this programme. In the past year, this has included work on areas such as maintaining lookout, reducing the need for entry into enclosed spaces, the risks of gantry cranes, bridge procedures, use of AIS and other areas where industry reports have indicated a need for improvement. This sharing of information is central to our role of raising professional standards and improving safety.



Human element

The Nautical Institute has always maintained a highly technical focus but in 2023 we have engaged much more closely in the 'human side' of discussions, conscious that approximately 47% of our membership (2020 figures) are full or part time seagoing seafarers, including our current President and Senior Vice President. The views of our seagoing members have been represented at all levels, at IMO and at various high level global speaking opportunities, and through strong collaboration with seafarers' charities.

Our future as an Institute (and that of the maritime industry) rests primarily with our ability to attract and retain high quality, professional, younger members. We can achieve this through a number of means but our greatest success in 2023 has been the over 2500 students that have joined us, enjoying free membership through their studies and the first year of their employment, helping us surpass our strategic plan target of 10,000 members, which many thought unachievable.

Throughout our many conferences and social functions cadets have played a great part and are always encouraged to engage and speak up on their needs, expectations, and concerns. Gaining sea time after academic studies remains a challenge for cadets in many parts of the world. Our President has gained first-hand experience of this by visiting academic training establishments globally and at every opportunity. By understanding the real world situation, The Nautical Institute can develop and advise on strategies to ensure that every cadet who wants to sail can do so.

The NI continues to encourage active participation from all sectors of our maritime community and encourages women maritime professionals to be a key part of our success story. This includes contributions to publications, articles in *Seaways* and appointments to Council, YMC and speaking panellists at conferences and webinars.

MEMBERSHIP AND BRANCHES

As the leading professional organisation in the maritime community, membership is central to our activities, priorities and engagement. Having a strong presence globally helps ensure key professional messages are shared effectively and is one reason why membership growth is important and branch activities effective.

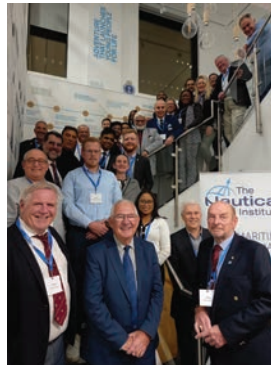
Membership during 2023 reaped the benefit of significant exposure during the year and at the end of the year, total membership stood at 11,258, of whom 2,915 were student members.

The decision to offer free student membership from late 2022 has been a key driver of growth, while special promotions such as offers to Dynamic Positioning Operators (DPOs) and specific branch promotions have helped to deliver significant numbers of new paid memberships.

Improving retention is a key priority. In late 2023 the membership team issued the first Dynamic Positioning (DP) Bulletin e-newsletter, designed to support members of the NI who are also DPOs. This



NI President Andre LeGoubin FNI at sea



First ever joint meeting of the Executive Board, Council and Younger Members' Council



The Younger Members' Council



CMMar presentation ceremony 2023

was extremely well received, and we are confident future issues will play a key role in convincing DPOs of the value of continued NI membership.

We continue to seek ways of enhancing the value of membership through our member benefit offers. New developments in this area include:

- An exclusive discount of 15% for members opting to study for an MSc or MBA qualification with MLA College.
- Free access to the Marine Society's Learn@Shore courses.

2023 also saw the broadening of the NI's membership criteria to welcome mariners from the fishing and inland waterway communities. We are delighted to have been given the opportunity to provide mariners working in these fields with access to professional body membership.

As well as our traditional seagoing membership base, the NI continues to attract members from maritime shore management positions, Vessel Traffic Service Operators (VTSOs), academics and others from our professional community.

A joint meeting of the Executive Board, Council and Younger Members' Council at NI HQ in December 2023, the first such meeting the NI has ever held, offered immense value in terms of the chance to learn from each other and exchange and develop ideas for the future of the Institute.

NI Branches

A new Baltic Branch was launched in Riga in June, bringing together delegates from Latvia, Lithuania, Estonia and Finland for a lively conference in the heart of the old city. The branch committee is now busying themselves for a programme of events and activities in 2024.

Key activities included revitalising branches such as The Netherlands, which hosted a packed re-launch event in September to much local industry acclaim. A similar effort in Indonesia continues to gain traction following a set of physical meetings in the second half of the year, putting the branch on track to re-launch in 2024. With one of the fastest growing memberships, it is now among the five largest branches by member count.

Work into 2024 will include supporting the launch of brand new branches in Turkey and Georgia in the late Spring, as well as Italy later in the year. Other focus areas include Mexico, Egypt and South America.

Younger Members' Council

The Younger Members' Council (YMC) had a strong year in 2023. Activities included:

- Designing and hosting a series of webinars;
- Creating video content;
- Writing articles for *Seaways*;
- Engaging more closely with branches and local colleges and events;
- Raising the profile of individual members.

The YMC's main priority for 2024 will be the formation and support of a global base of Younger Member Ambassadors (YMAS) tasked with engaging students and cadets at the local level. These YMAS will be key drivers of recruitment and central players

in the retention and conversion to full members of the existing student member cohort.

Chartered Master Mariner (CMMar)

We continue to support the Honourable Company of Master Mariners (HCMM) in this programme, indicating the highest levels of achievement in the seagoing profession. Many awards of CMMar are made to our senior members from around the world.

Armillary Club

This alumni group for long-term members and supporters of The Nautical Institute continues with its successful programme of light-touch technical meetings with an opportunity for engagement and networking. Meetings are held 3-4 times per year, and key presentations are repeated at different times of day to ensure members have a chance to attend no matter which time zone they are in. The Club remains open to new members, and we are grateful for their ongoing support of NI initiatives, particularly in the field of training and education.

RESEARCH AND RELATIONSHIPS

The Nautical Institute's technical engagement is led from the Research and Relationships area of the organisation and helps ensure that our world-leading expertise is delivered and understood in the right forums at the right time.

IMO

The NI remains committed to its role as a Non Governmental Organisation (NGO) at the IMO. During 2023 we have been represented at all appropriate meetings including:

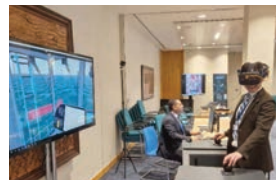
- The main policy-making Committees:
 - FAL (Facilitation);
 - LEG (Legal);
 - MEPC (Marine Environment Protection);
 - MSC (Maritime Safety Committee).
- The technical Subcommittees:
 - SDC (Ship Design and Construction);
 - HTW (Human Element, Training and Watchkeeping);
 - SSE (Ship Systems and Equipment);
 - PPR (Pollution Prevention and Response);
 - NCSR (Navigation, Radiocommunications and Search and Rescue);
 - III (Implementation of IMO Instruments); and
 - (Carriage of Cargoes and Containers).
- Working groups specialising in Maritime. Autonomous Surface Ships, Greenhouse Gas reduction and the revision of STCW.

The Institute has submitted papers, participated actively in discussions and in correspondence groups. The commitment to the IMO and physical attendance at meetings is crucial to our impact in this forum. Huge thanks must be given to Captain Robert McCabe FNI (Past President) for his commitment to this work as Chairman of our IMO Committee.

We share regular reports of our activities in *Seaways* and through webinars. Our newest Vice President Neil Dulling, FNI gave a video interview updating our members on changes in regulations governing



Neil Dulling (right) presents a video with David Patraiko



Aly Elsayed and Ericsson Kwan preparing to demonstrate VR training aids at the IMO Maritime Safety Committee in June 2023



Navigator readers at sea

Green House Gas (GHG) emissions (<https://tinyurl.com/NIHGIntro>)

The NI also formed a special focus group to support our involvement in the STCW review, led by Dr Malek Pourzanjani FNI.

IALA

The NI continues to work closely with IALA and is represented by Jillian Carson-Jackson FNI (Past President) who chairs working groups in the VTS Committee and Digital Technology Committee. We maintain a close relationship and the IALA secretariat continue to offer contributions to NI publications.

OCEAN Project

The OCEAN (Operator-Centered Enhancement of Awareness in Navigation) Project is a three year EU Horizon project to improve navigational safety (<https://ocean-navigation-awareness.eu>). The NI leads two work packages in this project. One focuses on 'Enhanced Professional Standards for Situation Awareness' and will result in a report on improved professional standards, a series of videos highlighting improved training standards, and research into improved operator decision making.

The Nautical Institute is taking the lead on dissemination, communication and exploitation of the project findings, making use of a range of media including reports, press releases, website hosting, webinars, social media, and policy papers.

Progress this year included a report on identification of the root causes of navigational accidents, a report on improved operator decision making, and numerous activities to try to reduce whale strikes. The website <https://ocean-navigation-awareness.eu> contains many resources including reports, videos and news about the project.

As part of the project, work related to reducing whale strikes has resulted in the Institute's Senior Technical Adviser, Capt Aly Elsayed AFNI being elected by the International Whaling Commission (IWC) to represent shipping issues at their forums.

The Navigator

The Navigator continues to receive a wide range of praise from many readers, principally from the target audience of junior officers but also from more senior officers, Masters and shore management. The Council are grateful for the support from IFAN and the many other financial contributors to this project.

Focus areas for *The Navigator* in 2023 included risk management, shipping and the environment and the hot topic of AIS, with contributions from the IALA and International Chamber of Shipping (ICS) secretariats. Council thanks all those who contributed to *The Navigator* with articles, letters, distribution, funding and not least the steady stream of 'NavSnap' contributors who constantly amaze us with the creative photos sent in from the readers.

Membership and industry engagement

The NI continues the drive to engage our members and the wider community to share ideas and learn from each other. Webinars in 2023 attracted 5,000

participants and the feedback from Q&A and engagement polls feed into areas like *Seaways* articles and IMO input.

The Institute's Technical LinkedIn Group is managed by Capt Elsayed, and now has over 30,000 members who debate areas of interest from a wide range of subjects. Regular written surveys help shape our thinking on topics such as (in 2023) the use of simulation, shiphandling training and leadership issues, and we would like to thank all who take part.

INFORMATION AND PUBLICATIONS

In the first half of 2023, interim cover was provided by the Chief Executive who oversaw several book reprints and the launch on 1 June of the 13th edition of *The Admiralty Manual of Seamanship* (AMOS) – a signature title authored by The Royal Navy, with whom the Institute holds a close association.

A webinar supporting the launch was attended by more than 450 people, far more than would be expected at a physical book launch. Further webinars are planned for each new book to launch in 2024.

A new Head of Information and Publications joined the Institute on 1 June 2023, and has spent the first six months setting the department's priorities and developing an ambitious work plan to the end of 2024.

A new quarterly publications newsletter featuring new and existing titles was established in August, targeting the businesses that account for more than 90% of NI book sales. Already this has been instrumental in driving pre-orders and bulk purchases.

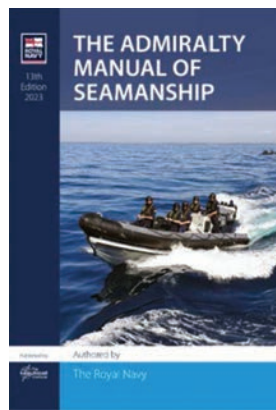
In October 2023, the Institute was pleased to launch the 3rd edition of *Bulk Carrier Practice* (BCP). A new publication *Maritime Security – A Practical Guide for Mariners* (Marsec) was published in December 2023.

Together these books, along with our existing titles, delivered the highest annual gross sales of publications in the Institute's publishing history.

In 2023, we entered into a second agreement with a provider of maritime e-books who will host NI digital publications on their platform. At least two further agreements are planned for 2024 upon which we expect to witness a slow but steady increase in e-book sales. Currently e-books account for 5% of NI book sales but this is likely to be closer to 10% in 2024.

Seaways

Over the years, *Seaways* has reflected the lives and concerns of our members, and is closely integrated with the wider concerns of the Institute. In 2023,



this has inevitably meant a focus on topics such as decarbonisation, digitisation, shipboard operations, safety of navigation and autonomous shipping. In all that we do, we aim to share and amplify the voice and concerns of seafarers especially when key conventions such as STCW are under review.

From cadet to Master, all NI members have access to *Seaways*, both as a means of professional development and as a platform to be heard. From first person interviews sharing what it is like to be at sea – or coming ashore – today to detailed reporting from IMO meetings, technical articles on DP drive-offs and tug manoeuvres, updates on NI initiatives such as the green curriculum, discussion on the risks and responsibilities of autonomous shipping, and studies of management onboard and off, *Seaways* gives a voice to our members, and expresses the depth of knowledge and diversity of opinion to be found within The Nautical Institute.

Every month, the Focus article and one other major feature are shared free on The Nautical Institute's website. Articles are selected to promote discussion, share important safety information, and highlight the range of topics covered in this magazine.

In 2024, we will be embarking on a programme to refresh the appearance of *Seaways* to take us through the next decade of delivering this widely respected, authoritative and learned industry journal.

MARS 2023

The NI's Mariners Accident Reporting Scheme (MARS) published a total of 58 reports in 2023. Of these, 20 reports were from private individuals; a further 38 reports were edited from National Investigative Agencies.

This is an increase of private source reports over 2022, and the trend toward fewer reports from private sources seems to have now stabilised, although it is still lower than we would wish. We do have some 'super-contributors' supplying us with reports, but our goal is to broaden the report source pool further. The important goal for MARS of sharing lessons learned with mariners is nonetheless well served.

The MARS Nautical Affiliates sponsorship scheme remains strong, with 52 sponsors at the end of 2023. These sponsors represent a truly global group that is a reflection of our membership.

QUALIFICATIONS

Our Dynamic Positioning (DP) accreditation and certification activities remain central to our contribution to wider maritime safety, and the process is kept under continual review.



Attendees at the DP Regional Training Providers event

Close cooperation with our stakeholders is a key stage in this process, and we were delighted to host our third face-to-face Regional Training Providers event in Sharm-El-Sheikh, Egypt, in September 2023. The two-day conference discussed safe DP operations, improvement in training standards, and the NI mandatory CPD Scheme (see below) and its implementation. Approximately 100 delegates attended the conference, including 43 training centre representatives.

Introducing CPD for DPO revalidation

As part of the ongoing review of the DP qualification process, The Nautical Institute is changing the requirements for revalidation of the NI DPO and Dynamic Positioning Vessel Maintainer (DPVM) certificates. To make sure that DP operators keep pace with developing standards in a fast-changing industry, DPOs and DPVM certificate holders renewing their certificates as of 1 January 2024 will now be asked to demonstrate either NI-approved Continuing Professional Development (CPD) or to complete the DP Refresher and Competency Assessment Course. This is in addition to the mandatory 150 days of DP sea time. The website has been updated with all the required information and FAQs.

The NI has approved two CPD Suppliers, IMCA & Keelson, and six further applications from CPD suppliers are in progress.

DP certification and accreditation

Over the course of 2023, we received 7,167 online applications for DP certification, of which 2,606 were new applications, 4,533 were for revalidation, and 28 were for conversion.

The Key Performance Indicator (KPI) for processing DP certification applications is ten working days from receiving the application. The team is performing above this, at six working days from date of receipt.

Approved training centres

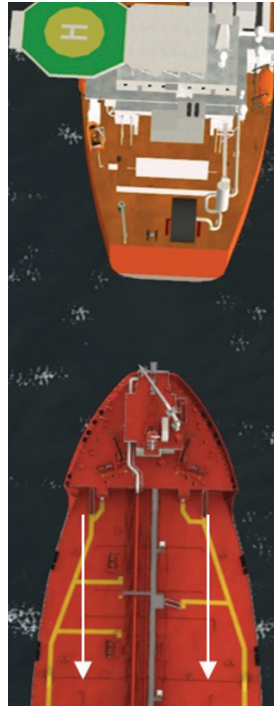
We currently have:

- 80 accredited DP training centres worldwide (Americas 19, Asia & Australasia 28, Europe and Africa 33);
- 50 training centres approved for the Revalidation Course;
- 21 training centres approved for the DP Vessel Maintainer (DPVM) Scheme;
- 26 training centres approved for the Sea Time Reduction (STR) Course;
- 26 training centres approved for the DP Refresher and Competency Assessment Course;
- 5 training centres approved for the Shuttle Tanker Course;
- 4 training centres approved for the DP Emergency Ship Handling Recognition Course.

26 Accreditation and reaccreditation audits were scheduled for 2023, of which 21 were completed.

DP Vessel Maintainer Training and Certificate Scheme (Engineers)

The DP Vessel Maintainer Scheme for engineers was introduced in 2021 and continues to progress well. By



Sharing DP expertise in Seaways



the end of 2023, 2,500 DPVM logbooks have been issued, and 433 DPVM certificates have been issued. The grandfathering process for experienced engineers closed on 31 December 2023.

Ballast Control Operator Accreditation Scheme

The Nautical Institute's Ballast Control Operator (BCO) Scheme is stable, and we have issued 38 BCO certificates this year. One approved training centre in Poland was reaccredited in February 2023.

Oil Spill Response Accreditation Scheme

The Oil Spill Response Accreditation Scheme now covers companies providing training and/or responder services. In 2023, we accredited the first oil response company outside the UK, and our expertise in responder accreditation was sought out by regulators in Australia looking to establish their own scheme. A series of fact finding meetings was held with regulators and peers to review options for the development of the services going forward.

In 2023, 51 companies were accredited to provide training, and four to provide oil spill response services. Over the course of the year, 17 training companies were re-accredited and two new members joined the scheme.

The Nautical Institute Vessel Traffic Services (VTS) Accreditation Scheme (IALA R0103)

The IALA VTS accreditation scheme is stable with one approved training provider in Finland. We are in communication with a training centre in Thailand for the accreditation process.

The Nautical Institute Ice Navigation Scheme

The NI Ice Navigation Scheme continues to offer qualifications to officers who meet the standard. An additional training centre in Canada was approved in 2023.

Captain Duke Snider FNI (Past President) represented the NI at the IMO Polar Code Workshop meeting in Argentina. The IMO Circular HTW/10/6, November 2023, section 6, recognised The Nautical Institute Ice Navigation Scheme.

NAUTICAL INSTITUTE ACADEMY

The Nautical Institute Academy (NIA) has had a busy year, with several key milestones achieved on the path to creating a portfolio of courses designed to develop and nurture both seafarers and those employed ashore through focused professional development.

Maintaining the impetus to identify training needs, the Academy has widened the course portfolio. Additionally, the number of course dates (both open and company courses) continues to grow in response to customer confidence and market demand.

Some courses are proving more popular than others, with those courses that enable the student to develop employment pathways being in the highest demand (the ISM Lead Auditor, Designated Person Ashore, and Navigation Assessor courses leading the way).

All new instructors have been through a NIA 'Train the Trainer' Course, equipping them to teach our students effectively and in line with our specific mode and style of delivery. The vast majority of courses are delivered virtually and student feedback across the year has confirmed that this is the preferred mode of delivery. However, we have conducted company courses on a face-to-face basis this year, in accordance with client preference. Moving into 2024, one new client has requested face-to-face training at their Greek and Croatian offices and we are well placed to deliver this training due to the increase in the lecturer pool.

The NIA developed and ran a diploma course based on behavioural competency for the British Marine Aggregate Producers Association (BMAPA). The course received high praise from Cemex and Tarmac delegates and BMAPA is keen for it to be extended to European operators.

The Nautical Institute gained approved status in February 23 as a training centre of the Institute of Leadership and Management (ILM). The Command Diploma Scheme was used as the assessment vehicle and successful students on the scheme now get an OfQual Level 7 (post-graduate) vocational qualification (RQF).

The Seafarers Charity (TSC) funded the development of a Leadership and Management Course portfolio during 2023. The courses require the application of theory to practice and involve reflective thinking, thereby driving the student to think about their work environment in their current and future ranks.

Activities in 2023 have created a solid base for further development in 2024. In particular, the Academy will be working to develop courses on alternative fuels and bulk cargo vetting (Rightship), while also developing more human element focused courses.

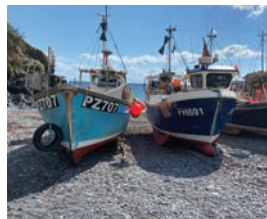
SAFETY AND ENVIRONMENT

The safety of people, ships and the protection of the environment are at the heart of everything we do as an Institute. During 2023, there was again a particular focus on improving safety in the fishing sector and in areas related to the introduction of new fuels. Numerous articles on fishing and the green curriculum were contributed to *Seaways* and *The Navigator*. Social media activities included a number of podcasts.

Fishing safety

On the fishing side, we were delighted that the fishing safety initiative was embraced by the NI Board. In January 2023 the NI opened membership to all professional fishers on an equal basis. An NI Fishing Safety Advisory Group (FSAG) made up of NI fishing safety experts held its inaugural meeting in November. This group coordinates NI fishing initiatives such as IMO representation and safety initiatives and promotes the profession of fishing.

The NI proposed a recommendation to the IMO to endorse the UK Fishing Safety Management (FSM) Code, which was warmly received.



The ISM Lead Auditor (Fishing) course was successfully drafted and implemented for the international fishing industry and the commercial sector. The Seafarers' Charity is generously funding four of these courses, and gave a £30,000 grant to the NI Academy.

The Green Curriculum

We continue to work towards the introduction of a common, recognised training programme to ensure crews have the knowledge and skills to handle innovative fuels safely. A revised position paper setting out the thinking behind our 'Green Curriculum' was published in January 2023.

The initiative gained momentum throughout 2023, and the NI was invited to contribute to several high-level global groups concerned with seafarer training in these fuels. This included the Maritime Technologies Forum (MTF) and the UN Global Compact Just Transition (UNGC). Our CEO was invited to the MTF conference as a panellist during Singapore Maritime Week in May 2023. We remain engaged with both groups, taking part in workshops that will produce reports to be submitted to the IMO.

FINANCE

The significant success achieved in various areas of the Institute's operations has been reflected in the corresponding financial results for the year. Income for 2023 significantly exceeded budget as activity levels remained strong across the entire portfolio of activities. An operating income of £5.3 million has been achieved against expenditure of £4.3 million resulting in an operational surplus of £1 million.

The operating surplus reflects a very successful year across the board, especially in the areas of Qualifications and Information & Publications. Although the return to physical meetings for the Executive Board, Council and various committees resulted in greatly increased travel costs during 2023, overall expenditure for the year remained close to budget due to effective cost control.

The management of the investment portfolio was kept under regular review in what was generally a steady market for investments. The balanced low-medium risk portfolio invested through Rathbones performed satisfactorily against market comparators. The Capital Reserve Fund value at year end was £4.0 million, which includes an additional £1 million invested in December 2023, and resulted in a total return of £180,000 for the financial year which is a return of 6.28% on the original investment.

The Reserves policy has proved to be effective and ensures the NI has adequate cover as a going concern.

STAFFING

The NI continued to take its responsibilities as an employer to its workforce seriously, investing in staff training and development needs, and offering benchmarked pay and flexible working arrangements whenever feasible.

In addition to regular staff engagement activities, the management team had an away day in August reflecting on the Institute's five-year strategy at its



The Nautical Institute HQ summer barbecue 2023



Staff development event 2023

mid-point. All-staff events took place in July and December to further enhance inter-departmental staff engagement and collaboration and celebrate mid-year and end of year achievements.

Staff retention remained satisfactory during 2023 with the total number of employees increasing from 35 at the beginning of the year to 36 at the end of the year. The major new appointment in 2023 was the new Head of Information and Publications in June. Our significant operational and financial success in 2023 and our continued ambition to grow further means we will continue to invest in our workforce with our headcount expected to reach around 40 in 2024.

The ISO 9002:2015 QM certification audit was once again held on site with no non-conformities reported. The internal audit process and clear evidence of member and customer engagement seem to be key factors in the positive report from the auditor.

NAUTICAL INSTITUTE FOUNDATION

The Nautical Institute Foundation is an independent charity governed by five trustees, three of whom are independent trustees and two who are officials of The Nautical Institute (the CEO and the Hon Treasurer). The Foundation CEO is currently the only employee.

The Foundation's role is to be supportive of Nautical Institute programmes and ethos, but it plays a unique role in being able to support educational needs for the wider maritime community, not just NI members. It aims to raise funds from industry participants and other maritime NGOs to develop and deliver its programmes and has no recourse to permanent funding from the NI itself.

The NI Foundation seeks to engage with industry leaders/partners to identify educational needs and develop learning solutions to meet these needs. Of particular interest at this time is a programme of activities designed to understand and provide visibility of the challenges of leadership today, both at sea and in the office.

The NI Foundation aims to conduct a large cross-industry research study this year to understand the challenges more clearly. On the back of that data, it will develop tools to prepare the industry to thrive once again. The work will lead to improved work styles and reduce the stress being levied on senior leaders, including Masters and Chief Engineers, energising them for this new world of disruption and change, and helping to address employee attrition in the industry.

The industry survey will open many other opportunities for the NIF and NI to develop tools for the shipping community. Working with the wider community is the only way to understand the challenges and opportunities that lie ahead.

Understanding the values of the Foundation is important and readers should read last year's report to remind themselves of those values. 🌊