

Subject :

*Guidelines for Port State Control Inspection
on ISM Code*

NKTECHNICAL INFORMATION

No. : 226

Date : 1 October 1997

To Ship Owners and Ship Management Companies concerned

Dear Sir(s)

The ISM Code will become mandatory by virtue of the entry into force on 1 July 1998 of SOLAS Chapter IX on Management for the Safe Operation of Ships.

ClassNK had already issued Documents of Compliance (DOCs) for 206 Companies and Safety Management Certificates (SMCs) for approximately 900 ships by the end of September 1997.

We would enclose the Guidelines for Port State Control on the ISM Code which had been issued by PSC Committee of the European Commission, USCG and Australian Maritime Safety Authority (AMSA) for your reference.

And USCG has sent the letter to the Chairman of IACS which mentioned that "beginning January 1, 1998, Coast Guard PSC Officers will begin conducting checks for ISM Code compliance as part of all general PSC examinations". Also we would enclose such letter for your reference.

If you need more information about these matters, please do not hesitate to contact us. (ClassNK Ship Management Assessing Division, Head Office, Tokyo, Tel: 81-3-5226-2034, Fax: 81-3-5226-2030)

Attached

1. Comparison Table
2. Provisional Guidelines for the Control on the ISM Code
(Port State Control Committee of the European Commission)
3. Enforcement of the ISM Code
(USCG)
4. Assistant Commandant for Marine Safety and Environmental Protection
(USCG)
5. Verification of Compliance with ISM Code under Port and Flag State Control Procedures
(AMSA)

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Comparison Table

	<i>PSC Committee of European Commission</i>	<i>USCG</i>	<i>Australian Maritime Safety Authority</i>
1. Initial Inspection	1.1 Copy of DOC & SMC (Valid for ship type) 1.2 Company's particular are the same on DOC/SMC	2. Copy of DOC & SMC (Valid for ship type)	3. Copy of DOC & SMC (Valid for ship type) Manuals are kept onboard, Functional requirements are documented, Relevant ship's staff are aware of their responsibilities and duties.
2. Detailed Inspection required	2. Absent / inaccurate ISM certificate, detainable deficiencies, and non-detectable deficiencies by Officer's professional judgement	3. Condition of the vessel, its equipment, or crew do not correspond substantially with ship's certificates. Serious structural deficiencies / significant problems in lifesaving, firefighting, machinery or pollution prevention, poorly maintained equipment/structure and inadequate training	3. Crew are not aware of their responsibilities, Certificates are not in order, Ship and equipment are not in a satisfactory condition.
3. Document Review		4. Refer to 4.1-1 to 4-5	
4. Detailed Inspection	Refer to 2. 2.1 - 2.16	4. 5-1 to 5-7 (Operational requirements)	3. More comprehensive inspection for documents, Thorough ship inspection to verify the extent of NC.
5. Major Non-conformity	3.3 Refer to A.788(19)	7. (1) A lack of the required certificates, (2) lack of a Safety Management Manual, (3) major system deficiencies	
6. Detention	3.3 Major non-conformity has to be rectified before sailing 3.1 No ISM certificates on board 3.2 No valid ISM certificates on board 3.3 Non-conformity has to be rectified within 3 months	6. Serious non-conformities with the implementation of the ISM Code. Not allowed to transfer cargo/passengers in US ports. Flag state/issuing organization will be notified and asked to attend the vessel to verify the proper functioning of SMS.	5. Ship and equipment are not in a satisfactory condition, Master & crew are not familiar with essential procedures, Ship's certificates are not in order
7. Interim SMC	1.3 To be issued in accordance with A.788(19), Documented system should be in place	8. Will not be accepted as a means to extend. Careful in accepting Interim SMC.	
8. Follow up			5. Escalating program of inspections All ships owned or managed by the operator may be targeted

Provisional Guidelines for the Control on the ISM Code

Port State Control Committee of the European Commission

PSCC30/04/WP2

The Following should be considered as a guidance for Port State Control Officers for controlling the implementation of the ISM-Code¹⁾.

1. Initial inspection

1.1

The PSCO will at the initial inspection examine the copy of the Document of Compliance (DOC) issued for the Company, and the Safety Management Certificate (SMC) issued for the ship. A SMC is not valid unless the operating company holds a valid DOC for that shiptype. (13)

1.2

The PSCO should in particular verify that the type of the ship is included in the DOC, and that the Company's particulars are the same on both the DOC and the SMC.

1.3

If a vessel has been issued with interim certificates the PSCO should check whether it has been issued in accordance with the provisions of Res. A.788 (19). Though the Safety Management System may not meet all the items listed below, a documented system should be in place and the PSCO should use his professional judgement in deciding whether a more detailed inspection is necessary.

2. More detailed inspection

A more detailed inspection of the SMS shall be carried out when clear grounds are established. Clear grounds include absent or inaccurate ISM certification or detainable deficiencies in other areas. Non-detainable deficiencies may also be evidence of a deficient management system and the PSCO should use his professional judgement in deciding whether these warrant a more detailed inspection. When carrying out a more detailed inspection the PSCO may utilize the following to verify compliance with the ISM Code²⁾

1. Is the crew familiar with the safety and environmental-protection policy of the Company (2.2)?
2. Who is responsible for the operation of the ship (3.1)?
3. Can crew members identify their tasks and are these tasks documented (3.2)?
4. Who has been appointed as <designated person> and how can this person be contacted (4)?

Note ¹⁾ References to the relevant paragraphs of the ISM Code are given *italic* print between brackets.

²⁾ Evidence of compliance can be verified by interview as well as by examining documents.

5. Can the master provide documented proof of his responsibilities and explain these responsibilities if so requested (5.1)?
 6. Can the master indicate and explain his overriding authority (5.2)?
 7. How have new crew members been made familiar with their duties if they have recently joined the ship? Are instructions which are essential prior to sailing in place? Which procedures has the Company established for that purpose (6.3)?
 8. Can operational deficiencies be linked to resources or personnel (6.4 - 6.7)?
 9. Are appropriate plans and instructions for key shipboard operations available onboard (7)?
 10. Is a list indicating telephone numbers and/or contact points of the responsible persons to be reached during/outside office hours available (8.1, 8.3)?
 11. Are programmes for emergency actions available on board (8.2)?
 12. How have non-conformities, accidents and hazardous situations been reported to the Company and what corrective action has been taken by the Company (9.1, 9.2)?
 13. Is there a planned maintenance system available on board (10.1, 10.2)?
 14. Have operational maintenance routines and inspections of all identified equipment and technical systems been followed (10.3, 10.4)?
 15. Have procedures for maintaining the relevant documentation been followed (11)?
 16. What procedures are in place for internal audits and have these been carried out (12)?
- PSCOs should not normally scrutinise the contents of any NCN resulting from internal audits.

3. Follow-up action

3.1 No ISM certificates on board

1. If the ship is not provided with ISM certificates, it shall be detained until such certificates or *acceptable information regarding the ISM implementation process* have been provided.
2. When the flag State or the Company do not or cannot provide evidence on the implementation of an SMS, the detention may be raised, provided that the rectification of other detainable deficiencies is not outstanding and the ship shall be refused access to all MOU ports until valid ISM certificates can be provided.

3.2 No valid ISM certificates on board

When the ship's ISM Certificates are invalid, e.g. a periodic verification has not taken place or discrepancies exist between the DOC and the SMC, the flag State and the Company will be requested to take appropriate rectifying action. The principles outlined in Section 9 of Annex 1 to the MOU with regard to detention and rectification of deficiencies are applicable.

3.3 Detainable deficiencies in hardware and/or operational areas

- The normal procedure in accordance with Section 9 of Annex 1 to the MOU will be applicable.
- Detainable deficiencies may indicate a failure of the Safety Management System. The PSCO should examine the relevant areas of the system to identify non-conformities.
- Non-conformities shall be recorded on the PSC inspection report as indicated in paragraph 4.

The PSCO shall ask the flag State to issue and follow up non-conformity notes.

- Prior to the detention being raised, the Company shall report to the port State Authority which corrective action will be taken regarding the non-conformities which have been reported.
- Until it has been established that the non-conformities have been rectified, the ship is eligible for a more detailed inspection in other MOU ports.
- Non-conformities have to be rectified within 3 months.
- Major non-conformities, as defined in Res. A.788(19), have to be rectified before sailing.

4. SIRENAC Codes

The following deficiencies codes should be used in relation with ISM non-conformities:

- 2500 ISM related deficiencies (even codes are major non-conformities)
- 2501 Safety and environmental policy
- 2502 Company responsibility and authority
- 25.. Designated person(s)
- 25.. Masters responsibility and authority
- 25.. Resources and personnel
- 25.. Development of plans for shipboard operations
- 25.. Emergency preparedness
- 25.. Reports and analysis of non-conformities, accidents and hazardous occurrences
- 25.. Maintenance of the ship and equipment
- 25.. Documentation
- 25.. Company verification, review and evaluation
- 25.. Certification, verification and control

following code for action taken should be used in relation with ISM non-conformities:

- 18 rectify non-conformity within 3 months
- 19 ship banned for not having ISM Certification



Coast Guard Port State Enforcement of ISM Code

- ❖ Verification of Safety Management System
 - Checked as part of Routine PSC Exam
 - No special "ISM Code" boardings
 - Exams can be expanded

All Foreign flag vessels of greater than 500 GTs, calling at U.S. ports must also be in compliance with the ISM Code. We will verify that valid Safety Management Certificates are held on board foreign vessels calling at U.S. ports and that the procedures of the safety management system are being properly used. This will be accomplished as a part of our current Port State Control Program. No special "ISM Code" boardings will take place. After the **effective dates**, conformity with the ISM Code will be verified during routine Port State Control examinations. However, routine examinations will be "expanded" and focus on the implementation of the safety management system, if a number of non-conformities with international conventions are found.

(Effective Dates: - Passenger ships and high speed craft -Jul/98
- Oil, Chem. tankers, Gas and Bulk Carriers >500 GT -Jul/98
- Other cargo ships and MODUs > 500 GT - Jul 2002)



Document Check

- ❖ Safety Management Certificate
 - Vessel
- ❖ Document of Compliance
 - Company



The Safety Management Certificate represents the flag State's verification that the vessel has an adequate safety management system in place which complies with the ISM Code. Under the Port State Control Program, this certificate, required by Chapter IX of SOLAS, will be examined along with the vessel's other required international certificates. In addition, a copy of the company's Document of Compliance, issued to the owner, manager, or bareboat charterer, will be examined during the boarding. Of course, a company must hold a valid Document of Compliance endorsed for specific vessel types before a Safety Management Certificate can be issued to its vessels.



Expanding the Port State Control Examination

- ❖ Clear Grounds
- ❖ Limited in Scope
- ❖ Question Validity of Safety Management Certificate ?
 - ◆ SMC/DOC not properly endorsed
 - ◆ No / Incomplete safety management manual

Upon completion of the document check, the boarding officers will conduct a general walk through of the vessel as part of the Port State Control examination. If, during the general examination, the boarding team establishes "clear grounds" to believe that the condition of the vessel, its equipment, or crew do not correspond **substantially** with the particulars of the vessel's certificates, the validity of the safety management system will be questioned and the examination will be expanded into the area of ISM Code compliance.

The expanded examination will generally be limited to the area of concern. Serious structural deficiencies or significant problems in lifesaving, firefighting, machinery or pollution prevention, along with poorly maintained equipment, structures, and inadequate training will give the boarding team cause to question the validity of the ship's safety management system.



Safety Management Manual

- ❖ Safety and Environmental Protection Policy
- ❖ Emergency Situation Procedures
- ❖ Designated Company Coordinator
- ❖ Accident/Non-Conformity Procedures
- ❖ Written Operational Procedures
- ❖ Maintenance System

The first part of the expanded ISM Code examination will involve a review of the vessel's safety management manual. The following items will be checked for inclusion in the manual:

1. The Company's safety and environmental protection policy;
2. Procedures for preparation and response to emergency situations including steering failures, loss of bridge control, fire, abandon ship, grounding, flooding, collision, medical emergencies, oil spills, and emergency drills;
3. The Company's "Designated Person" for the safety management system;
4. Procedures for reporting accidents and non-conformities with the provisions of the Code to the "Designated Person"; and finally
5. Written operational procedures and maintenance manuals required by the Safety Management manual are onboard and understood by the responsible crew members.



Operational ISM Requirements

- ❖ Officers and crew are familiar with the Safety Management System.
- ❖ Vessel Familiarization training
- ❖ Evidence that Internal Audits
- ❖ Results of External Audits

During an expanded examination, the following operational requirements of the ISM Code will also be verified:

1. The officers and crew are familiar with the Safety Management System and procedures relating to their duties;
2. The company training program is in place for all personnel including new and transferred persons and that all personnel are familiar with their duties;
3. The officers are familiar with the schedule of internal audits that is specified in the Safety Manual and can verify that internal audits have taken place. The PSCO will not examine the results of internal audits, he/she will only verify that they are being conducted.
4. The PSCO will however, examine the results of the last external audit performed by the organization issuing the ISM Certificates including the status of any open nonconformities;



Additional ISM Operational Requirements

- ❖ Procedures are Documented
- ❖ Maintenance is Scheduled, Performed and Recorded
- ❖ Non conformities are Written

Additionally,

5. The PSCO will verify that the procedures relating to the deficient system(s) are documented as required by the Safety Manual and that the appropriate individuals are familiar with the procedures.

6. If routine maintenance is required, the PSCO will verify that maintenance was performed and recorded as required.

7. The expanded exam will then be concluded by verifying that the appropriate nonconformities are documented and the Safety Management System is in fact put to use for the continuous improvement of vessel operations.



Detention Authority for Non-Compliance with ISM Code

- ❖ Verification and Control
 - ◆ SOLAS Chapter IX Regulation 6
- ❖ P SC on Operational Requirements
 - ◆ SOLAS Chapter XI Regulation 4
- ❖ Control
 - ◆ SOLAS Chapter I Regulation 4

Regulation 6 of Chapter IX of SOLAS, authorizes control of a vessel for non-compliance with the vessel's Safety Management Certificate in accordance with Chapter XI and I.

Vessels will only be detained under this authority if the required certificates are not on board or an expanded ISM Code examination reveals serious non-conformities with the implementation of the ISM Code.



Serious Non-Conformities with ISM Code

- ❖ No SMC or DOC
- ❖ No Safety Management Manual
- ❖ Major Safety System Deficiency

- ❖ Notification
 - ◆ Company
 - ◆ Organization issuing SMC and DOC
 - ◆ Registrar

Serious non-conformities with the ISM Code include: 1) a lack of the required certificates attesting the validity of the SMS; 2) lack of a Safety management manual; or 3) major safety system deficiencies where for instance critical systems procedures required by the Safety Manual are not on board and the systems in question are severely deteriorated such to make the vessel unseaworthy or constitute a threat to the crew or the marine environment.

If a determination like this is made, the vessel will not be allowed to transfer cargo or passengers in U.S. ports, and the flag State, the organization issuing the ISM Code certificates, and the organization's registrar will be immediately notified and asked to attend the vessel to verify the proper functioning of the vessel's safety management system.



Interim Certificates

❖ SMC

- ◆ New Vessels
- ◆ Newly Acquired Vessels

❖ DOC

- ◆ "New Companies" - Case-by-Case Basis

Interim Safety Management Certificates will be accepted for new vessels recently delivered or when a company takes on the responsibility for the management of a vessel new to the company. The interim certificates should not be valid for more than six months and will not be accepted as a means to extend the current IMO implementation dates. For this reason, we will be very careful in accepting interim certificates and will do so only on a case-by-case basis.

Assistant Commandant for Marine Safety and Environmental Protection

United States Coast Guard

September 8, 1997

The upcoming entry into force of the International Safety Management (ISM) Code in July 1998, provides the opportunity to greatly enhance the safety of international shipping and protection of the marine environment. To make the most of this opportunity, I firmly believe it will be essential for the key players involved in the implementation of the ISM Code to cooperate to the fullest extent possible to ensure international consistency in the application of the Code. I recognize the International Association of Classification Societies (IACS) and its members as some of those key players with which the U.S. Coast Guard should seek to build such cooperation. It is for this reason that I am writing to you.

The U.S. Coast Guard intends to fully enforce the provisions of the ISM Code, through its Port State Control (PSC) Program beginning on July 1, 1998. This includes detaining foreign ships found to not be in compliance with the ISM Code while in U.S. ports and denying entry to those that are known to not be in compliance that attempt to enter U.S. ports. At the same time, the U.S. Coast Guard does not want to unnecessarily burden not delay those foreign ships that are in compliance. To achieve these objectives, we are attempting to determine which ships are currently in compliance with the ISM Code and those that will be prior to the ode's entry into force.

Beginning January 1, 1998, Coast Guard PSC Officers will begin conducting checks for ISM Code compliance as part of all general PSC examinations. This information will be used to update our own information databases in preparation for the upcoming entry in to force of the ISM Code. The U.S. Coast Guard will also be sharing this information with other PSC organizations to ensure consistent enforcement on an international scale. However, since we are limited to checking only those foreign vessels that are boarded for PSC examinations during the first six months of 1998, we will not have adequate information on the status of ISM Code compliance for the vast majority of foreign vessels entering U.S. ports after July 1, 1998.

In an attempt to improve our information on those ships that are in compliance with the ISM Code, we are asking IACS and its members to supply lists of those ships which have already received is Code CERTIFICATION. If possible, this information would be most useful if provided in an electronic format compatible with Microsoft Excel. The specific information we are requesting is the vessel's name, IMO number, and the following information for both the Safety Management Certificate (SMC) and Document of Compliance (DOC); Issuing Organization, date of issue, and date of expiration.

With the assistance of IACS and its members, the U.S. Coast Guard will be able to implement a consistent and sensible enforcement policy under its Port States Control Program that will only target those foreign vessels not in compliance with the ISM Code.

ClassNK

MARINE NOTICE

8/1997

VERIFICATION OF COMPLIANCE WITH THE INTERNATIONAL SAFETY MANAGEMENT (ISM) CODE UNDER PORT AND FLAG STATE CONTROL PROCEDURES

General

This Marine Notice is to advise shipowners, shipping companies, ship operators and ship's crews on a range of strategies that AMSA will be using to verify shipboard compliance with the ISM Code.

The ISM Code was adopted by the International Maritime Organization in 1993 to provide an international standard for the safe management and operation of ships and for pollution prevention. Its objectives are to ensure safety at sea, prevention of human injury and loss of life and avoidance of damage to the environment.

The ISM Code will allow seafarers to play an active and central role in the safety management of their ships and will promote the development of a safety culture both ashore and on board. In addition, the ISM Code notes the responsibilities and accountabilities of shore management and its essential role in the development and management of a safety culture.

Application

SOLAS Chapter IX 'Management for the Safe Operation of Ships' applies the ISM Code to ships as follows:

1. Passenger ships, including high speed craft, not later than 1 July 1998;

2. Oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 gross tonnage and upwards, not later than 1 July 1998; and
3. Other cargo ships and mobile offshore drilling units of 500 gross tonnage and upwards, not later than 1 July 2002.

A ship arriving in Australia without the required ISM Code certification after the implementation date applicable to that class of ship will be viewed as being in probable contravention of the SOLAS Convention. The ship will then be subject to a stringent port State control inspection which may lead to the detention of that ship.

Port State Control (PSC) inspections on foreign vessels

After the implementation dates specified above, AMSA surveyors will conduct shipboard inspections to confirm compliance with the ISM Code as part of normal PSC inspections. It is currently not AMSA's intention to board ships specifically to conduct ISM Code inspections. These inspection procedures will supplement the procedures currently used in relation to PSC procedures.

During the PSC inspection, AMSA surveyors will check that the ship holds a valid Safety Management Certificate and that it has a copy of the company's Document of Compliance. The surveyors

will also check that all relevant ISM Code manuals are on board. In particular, surveyors will make random checks to ensure that the following functional requirements of the company's safety management system are documented and that relevant ship's staff are aware of their responsibilities and duties in accordance with the documented procedures and instructions:

- a safety and environmental protection policy
- instructions and procedures to ensure safe operation of ships and protection of the environment in compliance with relevant international and flag State legislation
- defined levels of authority and lines of communication between, and amongst, shore and shipboard personnel; this will include the company designated person
- procedures for reporting accidents and non-conformities with the provisions of the ISM Code
- procedures to prepare for and respond to emergency situations, and
- procedures for internal audits and management reviews, including evidence that these functions are being carried out.

Where, during a PSC inspection, it is found that the crew are not aware of their responsibilities under the ISM Code, the ship's ISM Code and other statutory certificates are not in order or that the ship and equipment are not in a satisfactory condition, then the ISM Code inspection will be expanded. During the expanded inspection, AMSA surveyors will perform a more comprehensive inspection of ISM Code documents and procedures and carry out a thorough ship inspection to verify the extent of non-compliance with the ISM Code.

Flag State inspections on Australian Vessels

AMSA surveyors will visit the ship jointly with the organisation approved to conduct ISM Code audits on AMSA's behalf during the initial, intermediate and renewal audits for the Safety Management Certificate.

AMSA will also carry out routine ISM Code inspections during ship visits for issue of other statutory certificates or as part of its safety oversight program. AMSA surveyors will ensure that the safety management system is being maintained in accordance with the ISM Code and that the master and crew are aware of their responsibilities.

As with foreign flag ships, the ISM Code inspection will be expanded if it is found that the crew are not aware of their responsibilities under the ISM Code, the ship's certificates are not in order or that the ship and equipment are not in a satisfactory condition.

Actions taken as a result of PSC and Flag State inspections

AMSA is of the opinion that major deficiencies found in the ship's structure, main and auxiliary machinery, safety equipment, and crew competence contravenes both the requirements of the relevant statutory certificate and the spirit and intent of the ISM Code. Such defects indicate a serious failure or breakdown within the ship's safety management system.

Where there is objective evidence for believing that the master and crew are not familiar with essential shipboard procedures relating to the safety of the ship or that the ship's certificates, including ISM Code certificates, are not in order, then AMSA will hold the ship to be in breach of the Australian Navigation Act and/or international regulatory requirements. AMSA will then take appropriate action, which in certain cases will mean that the

ship will be detained until the situation is corrected.

As part of AMSA's total commitment to the implementation of the ISM Code, ships found to be in contravention of the ISM Code will be subject to the following escalating program of inspections:

- After the first infringement, even if the ship was not initially detained, all ships owned or managed by that operator may be targeted for inspections until AMSA is satisfied that the infringement was an isolated case, and
- Where during subsequent inspections further deficiencies are revealed, each ship owned or managed by that operator

may be subject to inspection at their first or subsequent port of call.

AMSA reiterates its commitment to the implementation of the ISM Code and for stringent PSC and flag State inspections to ensure compliance.

It needs to be recognised that it is the management ashore together with the master and crew of their ships who are responsible for the effective operation of the safety management system. Both groups must share the responsibility for failings in the operation of the vessel's safety and environmental protection systems.



P M McGrath
Chief Executive
11 April 1997

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