

Subject :

*Guidance for IACS Auditors to the ISM  
Code(Revision)(Year-2000 Problems)*

# **NKTECHNICAL INFORMATION**

No. : 302

Date : 10 March 1999

To Ship Owners and Ship Management Companies concerned

Dear Sir(s)

As informed by Class NK Technical Information No.229 (1 October 1997), "Guidance for IACS Auditors to the ISM Code (April 1997)" has been established by IACS (International Association of Classification Societies). Recently the Guidance was revised and an "Annex" for Year-2000 Problems was newly added.

This Annex shall be attached for your reference.

Other amendments are minor ones such as changes of words, etc. Therefore, sending of these amendments was omitted.

Attached

1. ANNEX TO RECOMMENDATION NO.41-GUIDANCE FOR IACS AUDITORS TO THE ISM CODE  
(February 1999)

Addressing Potential Year-2000 Software and Hardware Problems in the Context  
of the ISM Audit.

If you need more information about these matters, please do not hesitate to contact us.  
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## **ClassNK**

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## ANNEX TO RECOMMENDATION NO.41 - GUIDANCE FOR IACS AUDITORS TO THE ISM CODE

February 1999

**Addressing Potential Year-2000 Software and Hardware Problems  
in the Context of the ISM Audit.**

1. ISM Auditors should not comment, or attempt to give advice on the technical aspects of Year-2000 problems, nor on their possible solutions, but should restrict themselves to an examination of the steps taken by the company to address such problems from the safety management point of view.
2. Auditors should treat this subject as they would any other in the context of a safety management audit. That is to say, by verifying compliance with the requirements of the ISM Code with respect to such matters as the establishment of safeguards against all identified risks, maintenance, the formulation, implementation and verification of corrective and preventive action, and the identification and description of, and response to potential shipboard emergencies.
3. The following basic elements will normally form the basis of any systematic approach to the identification and solution of potential Year-2000 problems. Verification of their existence within the company's Year-2000 programme, together with evidence of their implementation, should be regarded as the minimum necessary to establish confidence that the company has responded adequately.

i) **RESOURCES**

The allocation of qualified and experienced personnel, with appropriately defined responsibilities and authorities, and other resources. (As an alternative, the company may have hired the services of a third-party specialist.)

ii) **INVENTORY**

A complete list of all the hardware and software items whose components could give rise to Year-2000 problems. Has the company asked the question "What programmable systems do we have, and where are the embedded chips?"?

iii) **RISK ANALYSIS**

The identification of the systems that are likely to fail, the associated hazards and their possible consequences. In other words, the establishment of priorities for the inventory.

iv) **REMEDIAL ACTION**

Action based on the priorities established above, and appropriate to each system, and the verification of the effectiveness of such action

v) **PROCEDURES**

Systematic procedures and instructions for the implementation of the remedial action.

vi) **CONTINGENCIES**

Despite the company's best efforts, there may still be failures. What preparations have been made to deal with such failures?

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4. A note is to be included in the audit documentation to the effect that these matters have been considered as part of the audit process.
5. Any non-conformities or observations raised should address only the management system elements described in paragraph 3 above and the appropriate clauses of the ISM Code. No attempt should be made to include technically specific comments.

VOID