Maritime and Coastguard Agency

International Management Code for the Safe Operation of Ships and for Pollution Prevention
The ISM Code

Instructions for the Guidance of Surveyors

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CHAPTER 1

INTRODUCTION AND BACKGROUND

1.1   Object of the Instructions

These Instructions to surveyors have been produced by the Maritime and Coastguard Agency (MCA), an executive agency of the Department for Transport, for the guidance of surveyors auditing the safety management systems of ships, both at sea and ashore. In addition, they provide guidance for ship owners, operators and others concerned on the procedures adopted for carrying out audits for compliance with the ISM Code.

1.2   The ISM Code

The International Management Code for the Safe Operation of Ships and for Pollution Prevention (ISM Code) was adopted by the IMO as Resolution A.741(18), in November 1993. It came into force on 1 July 1998 as SOLAS Chapter IX, ''Management for the Safe Operation of Ships''. The ISM Code provides an international standard for the safe management and operation of ships and for pollution prevention.

1.3   Why is there an ISM Code?

The origins of the ISM Code go back, internationally, to the late 1980s when there was mounting concern about poor management standards in shipping. It is estimated that a high proportion of maritime accidents (80%–90%) are attributable to human error. Investigations into accidents highlighted shortcomings on the part of ship management both at sea and ashore. In 1987 the IMO Assembly adopted Resolution A.595(15) which called upon the Maritime Safety Committee to develop guidelines concerning shipboard and shore-based management to ensure the safe operation of roll-on/roll-off (Ro-Ro) passenger ferries. The tragic loss of the Herald of Free Enterprise in 1987 was a catalyst in this process.

Following this, the UK unilaterally introduced, for UK passenger ships of Classes II and IIA, The Merchant Shipping (Operations Book) Regulations 1988 (S.I.1988 No.1716). These regulations, which are now superseded by S.I. 1997/3022 and S.I. 1998/1561, were developed around the two central tenets that;

such ships carry a book (called the operations book) containing instructions and information for safe and efficient operation;

and

owners of ships nominate a person (known as the Designated Person) to oversee the operation of their ships and to ensure proper provisions are made so that the requirements of the operations book are complied with.

These requirements are also fundamental provisions of the ISM Code. The ISM Code seeks to address the human element of ship operations.

After the loss of the Estonia in 1994 the Council of the European Union adopted Council Regulation (EC) No. 3051/95 of 8 December 1995 on the safety management of roll-on/roll-off passenger ferries. From 1 July 1996 this Regulation made compliance with the ISM Code mandatory for seagoing passenger Ro-Ro ferries operating a regular service to or from a port of a EU Member State. The Merchant Shipping (ISM Code) (Ro-Ro Passenger Ferries) Regulations 1997 (S.I. 1997 No. 3022) provide for the enforcement of this Council Regulation. At the Conference of Contracting Governments to the 1974 Safety of Life at Sea (SOLAS) Convention, held in May 1994, a new chapter (Chapter IX) was added to the Convention which made compliance with the ISM Code mandatory, from either 1 July 1998 or 1 July 2002 depending on ship type. The ISM Code itself was adopted on 4 November 1993 under Resolution A.741(18).

1.4   UK and IMO measures towards Safe Management of Ships

As a result of the major incidents detailed above, a number of measures were taken both nationally and internationally:

- Resolution A.596 entitled "Safe Management and Operation of Ships" was adopted in 1987;
- the UK implemented the Merchant Shipping (Operations Book) Regulations, S.I. 1988 No. 1716 (now superseded);
- Resolution A.647 "IMO Guidelines on Management for Safe Operation of Ships and for Pollution Prevention" was adopted in 1989 (superseding A.596)
- a further Resolution, A.680, entitled "IMO Guidelines on Management for the Safe Operation of Ships and for Pollution Prevention" was adopted in 1991, superseding A.647; and
- Resolution A.741 "International Management Code for the Safe Operation of Ships and for Pollution Prevention", the ISM Code, was adopted in 1993.

1.5   Principles and Objectives of the ISM Code

Given that no two shipping Companies or ship managers are identical and that ships operate under a wide range of different conditions, the ISM Code is expressed in broad terms and based on general principles and objectives. This provides Companies with the scope to develop their own safety management system (SMS) whilst meeting the provisions of the ISM Code. The Code imposes no prescriptive measures and takes a holistic view of a Company and the way in which it operates its ships.

The objectives of the ISM Code are to ensure safety at sea, prevention of human injury, loss of life and the avoidance of damage to the environment, in particular to the marine environment. The ISM Code requires owners and operators of ships to set in place a Safety Management System (SMS). The introduction of a SMS requires a Company to document its management procedures to ensure that conditions, activities and tasks, both ashore and afloat, affecting safety and environmental protection, are planned, organised, executed and checked in accordance with legislative and Company requirements. The mandatory application of the ISM Code will help to ensure:

- compliance with mandatory rules and regulations related to the safe operation of ships and protection of the environment; and
- the effective implementation and enforcement thereof by Flag State Administrations.

1.6   The Safety Culture

The Code aims to support and encourage the development of a safety culture within the shipping industry whilst improving compliance with the requirements of international conventions. The Code requires that Companies establish safety and pollution prevention objectives and that they develop, implement and maintain a SMS and a systematic approach to the safe management of ships by those responsible, both ashore and afloat.

1.7   The Safety Management System (SMS)

The SMS allows a Company to measure its performance against parameters set within a documented system. The SMS will enable a Company to identify areas for improvement in safety practice and pollution prevention measures. The effective implementation of a safety culture should lead to an improvement in safety consciousness and safety management skills.

1.8   The UK Policy

The UK Administration recognises that the ISM Code represents significant progress towards an enhanced safety and pollution prevention culture within the shipping industry. Therefore it was decided that the UK (as a Flag State Administration) would retain direct responsibility for the assessment and audit of UK shipping companies and ships against the ISM Code. To this end, a Marine Guidance Note, MGN 40 (M), entitled "International Safety Management (ISM) Code" was issued providing UK operators with an introduction to the ISM Code and detailing arrangements for application and certification, both statutory and voluntary. This MGN was withdrawn since much of the information and guidance became irrelevant after 1 July, 2002. All UK flag vessels would be expected to have the Safety Management System (SMS) Manual written in or translated into English to enable MCA Auditors to carry out audits.

1.9   The Audit for Compliance

The audits will be carried out to verify compliance with the ISM code in accordance with the "Guidelines on Implementation of the ISM Code by Administrations", IMO Resolution A.788 (19). In addition, the International Chamber of Shipping in association with the International Shipping Federation, has produced "Guidelines on the Application of the IMO International Safety Management (ISM) Code". It is recommended that surveyors become familiar with both these publications as they establish underlying principles for verifying that a shipping Company's SMS complies with the ISM Code.

1.10   Index of Documents

The following documents are particularly relevant to the ISM Code:

- The ISM Code: IMO Resolution A.741 (18), adopted in November 1993.
- Guidelines on the implementation of the ISM Code by Administrations:
- IMO Resolution A.788 (19), adopted in November 1995.
- Guidance to Companies operating multi-flagged fleets and
- Supplementary Guidelines to Administrations: IMO MSC/Circ. 762 of 11 July 1996.
- The Merchant Shipping (ISM Code) (Ro-Ro Passenger Ferries) Regulations 1997 (S.I. 1997 No. 3022).
- Guidelines on the application of the IMO International Safety Management (ISM) Code, third edition, published jointly in 1996 by the ICS/ISF.
- The Merchant Shipping (International Safety Management (ISM) Code) Regulations 1998 (S.I. 1998 No. 1561).
- IMO Circular MSC/Circ. 762 : Guidance to companies operating multi-flagged fleets and supplementary guidelines to administrations
- Guidance on the Qualifications, Training and Experience necessary for undertaking the role of the Designated Person under the provisions of the International Safety Management Code(ISM). IMO Circular (MSC-MEPC.7/Circ. 6 19 October 2007)
- Guidelines for the Operational Implementation of the International Safety Management (ISM) Code by Companies. IMO Circular MSC-MEPC.7/ Circ 5 19 October 2007)
- Regulation(EC) No. 336/2006 on the implementation of the ISM code within the community

CHAPTER 2

LEGISLATIVE REQUIREMENTS

2.1 Definitions

''International Safety Management (ISM) Code'' means the International Management Code for the Safe Operation of Ships and for Pollution Prevention as adopted by the International Maritime Organization (IMO) by Resolution A.741(18), as may be amended by the Organization (1.1.1 of the code).

''Company'' means the owner of a ship or any other organization or person such as the manager, or the bareboat charterer, who has assumed the responsibility for operation of the ship from the ship-owner and who, on assuming such responsibility, has agreed to take over all duties and responsibility imposed by the ISM Code (1.1.2 of the code).

''Administration'' means the Government of the State whose flag the ship is entitled to fly (1.1.3 of the code).

''Safety Management System (SMS)'' means a structured and documented system enabling Company personnel to effectively implement the Company's Safety and Environmental Protection Policy (1.1.4 of the code).

''Document of Compliance (DOC)'' means a document issued to a Company which complies with the requirements of the ISM Code (1.1.5 of the code).

''Safety Management Certificate (SMC)'' means a document issued to a ship which signifies that the Company and its shipboard management operate in accordance with the approved SMS (1.1.6 of the code).

''Safety Management Audit'' means a systematic and independent examination to determine whether the SMS activities and related results comply with planned arrangements, whether these arrangements are implemented effectively and whether they are suitable to achieve the objectives of the ISM Code.

''Observation'' means a statement of fact made during a Safety Management Audit and sustained by objective evidence (1.1.8 of the code).

''Objective evidence'' means quantitative or qualitative information, records or statements of fact pertaining to safety or to the existence and implementation of a SMS element, which is based on observation, measurement or test and which can be verified (1.1.7 of the code).

"Non-conformity" means an observed situation where objective evidence indicates the non-fulfilment of a specified requirement of the ISM Code (1.1.9 of the code).

"Major non-conformity" means an identifiable deviation which poses a serious threat to the safety of personnel or the ship or a serious risk to the environment that requires immediate corrective action and includes the lack of effective and systematic implementation of a requirement of this Code (1.1.10 of the code).

"Designated Person" is defined in Section 4 of the ISM Code.

"Ro-Ro passenger ferry" means a seagoing passenger vessel with facilities to enable road or rail vehicles to roll on and roll off the vessel and which carries more than twelve passengers.

"Anniversary date" means the day and month of each year that corresponds to the date of expiry of the relevant document or certificate (1.1.11 of the code).

"Convention" means the International Convention for the Safety of Life at Sea, 1974, as amended (1.1.12 of the code).

2.2   International Legislation

The new Chapter IX of SOLAS '74, Management for the Safe Operation of Ships, requires the mandatory application of the ISM Code on ships engaged on international voyages.

2.3   European Union Legislation

The Council of the European Union adopted Council Regulation (EC) No. 3051/95 in December 1995, which required advance mandatory application of the ISM Code for all sea going passenger roll-on/roll-off ferries operating a regular service to or from a port of a Member State of the European Community, regardless of the vessel's flag. The Regulation entered into force on 1 July 1996.

EC Reg. 336/2006 repeals the above regulation (3051/95) and requires certain domestic cargo & passenger vessels to comply with ISM Code not later than 24 March 2008. This Regulation requires the following vessels to comply with the ISM Code: a) Cargo ships over 500 gt in domestic waters which ply in categorised waters (EU Class A, B, C & D waters) b) All ro-ro passenger ships which ply in categorised waters(EU Class A, B, C & D waters) c) Passenger ships which ply in categorised waters (EU Class A & B waters)

2.4 Merchant Shipping (ISM Code) (Ro-Ro Passenger Ferries) Regulations 1997

The Merchant Shipping (ISM Code) (Ro-Ro Passenger Ferries) Regulations 1997 provide for the enforcement of the Council Regulation (EC) No. 3051/95, which implements SOLAS Chapter IX, Management for the Safe Operation of Ships.

2.5 Merchant Shipping (ISM Code) Regulations 1998

The Merchant Shipping (ISM Code) Regulations 1998 (S.I. 1998 No. 1561) provide for the application of SOLAS Chapter IX on all vessels to which the SOLAS Convention applies, other than those ships for which legislation has been provided under the Merchant Shipping (ISM Code) (Ro-Ro Passenger Ferries) Regulations 1997 .

2.6 The ISM Code: Basic Competence for Performing Verification

2.6.1 Minimum Educational Requirements

In accordance with the requirements of the ISM Code, appendix "Standards on ISM Code certification arrangements" sections 3 and 4, prospective MCA ISM Code auditors must have a minimum of formal education comprising of the following:-

> (i) qualifications from a tertiary institution recognised by the MCA within a relevant field of engineering or physical science (minimum two year programme), or
> (ii) qualifications from a marine or nautical institution and relevant seagoing experience as a certified ship's officer.

2.6.2 Each application for Lead Auditor training will be reviewed on a case by case basis. In general the minimum standard of certification from a tertiary institution will be Higher National Diploma (or equivalent) in a relevant engineering or technical subject.

2.6.3 The minimum level of certification from a marine college will be either Master (Unlimited) STCW II/2 or Chief Engineer (Unlimited) STCW III/2.

2.6.4 Minimum Training Requirements

Provided that prospective ISM Code Lead auditors meet the educational standards as detailed above, the following minimum standard of training must be met in order to ensure an adequate level of competence and skills particularly with regard to:-

> (i) knowledge and understanding of the ISM Code
> (ii) mandatory rules and regulations

(iii) the terms of reference which the ISM Code requires that the Companies take into account

(iv) assessment techniques of examining, questioning, evaluating and reporting

(v) technical and operational aspects of safety management

(vi) basic knowledge of shipping and shipboard operations; and

(vii) participation in a minimum of three Safety Management System audits

2.6.5 Theoretical Training

All prospective auditors must achieve a pass grade from either the MCA Lead Auditor Course or an acceptable equivalent.

2.6.6 Practical Training

In general the practical phase of training will not commence until the theoretical phase has been completed.

Three supervised audits are to be successfully completed prior to qualification, this is the absolute minimum. It is to be expected that some candidates will need to fulfil in excess of three audits before qualifying as Lead Auditor. There is no maximum number of audits after which a candidate automatically qualifies.

In general the three minimum audits will comprise one DOC, one SMC and one more of either.

Initial or Renewal audits may only be conducted by auditors who have completed their three initial or renewal audits under supervision. The trainee's performance will be recorded on the Auditor Assessment Form. Instructions for completion of these forms are printed on the reverse.   Interim/Additional Audits would not be considered as Qualification Audits for a Lead Auditor

Interim Audits may be conducted by all auditors qualified in either Initial, Renewal, Annual or Intermediate verifications.

Some Marine Office surveyors may have little or no opportunity to take part in DOC audits, in that case they may qualify as SMC auditors only.

New entrants into the MCA who have qualified as Lead Auditors with any of the 7 recognised classification societies and have maintained their continuous professional development need not attend the MCA Lead Auditor Course. They will however need to conduct a minimum of two audits under supervision in order that familiarity with MCA requirements and procedures may be verified.

2.7　　The Document of Compliance (DOC)

A Document of Compliance (DOC) will be issued to a Company when the shore side aspects of the Safety Management System are found to fully comply with the requirements of the ISM Code. The DOC is specific to the ship type(s) operated by the Company and for which the SMS is implemented at the time of the audit. During an SMC audit on board a ship, a DOC should be accepted as evidence that the Company's shore-side management structure complies with the requirements of the Code. A copy of the DOC should be placed on board each of the company's ships, it is not necessary for this copy of the DOC to be authenticated in any way.

2.8　　The Safety Management Certificate (SMC)

Subsequent to a successful audit a Safety Management Certificate (SMC) will be issued to each individual ship provided that the company holds a valid DOC. A copy of each SMC should be retained in the company's office records, the original being placed on board and filed along with all other statutory certificates.

CHAPTER 3

THE CERTIFICATION PROCESS

3.1 The Document of Compliance (DOC)

Headquarters

Applications for the initial, annual or renewal verification audits of a Company, in respect of the DOC, should be made in writing to ISM/ISO Branch at the Spring Place Headquarters of the MCA. ISM/ISO Branch E-Mail: Quality.Assurance@mcga.gov.uk

Marine Offices

Exceptions to this general rule are those companies whose DOC audit function has been devolved to a Marine Office. In these cases the company will apply direct to the relevant Marine Office. The MO will then contact HQ in order to raise the file.

A Database is being maintained in ISM/ISO Branch at HQ for all audits conducted by MCA. To enable entry into this database, all requests for audits by clients should also be copied to HQ by the Customer Service Manager /Surveyor In-Charge or concerned Auditor/Surveyor.

3.2 The Safety Management Certificate (SMC)

Applications for initial audit, intermediate and renewal SMC verification should be made to the company's Customer Services Manager at the appropriate Marine Office in. Companies certificated to ISO 9001/14001 would need to apply direct to MCA QA.

Requests for SMC audits should also be copied in to the ISM/ISO branch at HQ for entry into the database.

3.3 Document Review and Planning

The first stage of a DOC audit will be the document review. The purpose of the document review is to verify that the Company has a SMS that addresses the requirements of the ISM Code prior to an Initial DOC audit. Following the receipt of an application requesting an Initial DOC audit and the appropriate fees, the MCA will review the SMS documentation as part of the pre-audit assessment. The document review may take one of two forms and the decision generally rests with the Company:

- a pre-audit visit to the Company's principal place of business to review documents on site; or
- submission of documents and manual(s) to MCA.

The documents used to define and implement the SMS may be described as the Safety Management System (SMS) Manual. It may be more than one Manual and take the form that the company considers most appropriate. As a basis for planning the audit, the auditor should review the Safety Management Manual to determine the adequacy of the SMS in meeting the requirements of the ISM Code. The documents submitted should be the latest revision issued by the Company. The document review should take place at least two weeks prior to the proposed audit. If it is established that the System is inadequate, the audit may be delayed until the Company has undertaken corrective action. The document review will provide an overview of the management structure and SMS used by the Company and assist the auditor(s) in developing an audit plan.

The KISS (Keep it Short and Simple) principle should be fully embraced as excessive documentation may hinder the effectiveness of the SMS. Care should be taken to limit the SMS documentation to that needed to adequately cover its application to safety and environmental protection. Companies should structure their documentation in the way they find most effective and ensure that its implementation is demonstrated by objective evidence.

The ISM Code presents a challenge to the management of ships, both ashore and afloat, it must provide a reasonable balance of procedures and records etc. If the documentation is insufficient, the requirements of the SMS will not be adequately met; if it is too burdensome, the SMS will overwhelm the users and be counter productive to safety.

When a SMC audit has been requested for a ship which operates under a DOC issued by, or on behalf of another Administration, a copy of that DOC and sufficient previous DOC Audit Reports should be obtained for review prior to the audit. In addition, copies of the SMS Manuals may be requested.

3.4   Initial Audits

Initial audits will generally be in two phases:

- an audit of the Company's shore-based management organisation for compliance with the requirements of the ISM Code. Following the satisfactory completion of this audit a Document of Compliance (DOC) will be issued to the Company.
- an audit of the Company's ships in order to verify compliance with the requirements of the ISM Code. This will include a verification that the DOC for the Company, which is responsible for the operation of the ship, is applicable to that particular type of ship and that a copy is held on board. Upon successful audit of each ship a SMC will be issued.

In general an Initial or Renewal audit can be expected to be completed in one man-day however it could take more than one man-day. The time-scale would vary in accordance with the size, type of ship and the nature and size of the company.

A rule of thumb for calculating man-days is as follows:

Companies operating cargo vessels	
Document review (cargo)	2 - 4 hrs
DOC Interim audit (cargo)	4 - 6 hrs
DOC Initial audit (cargo)	6 - 8 hrs
DOC Annual audit (cargo)	6 - 8 hrs
SMC Interim audit (cargo)	4 - 6 hrs
SMC Initial audit (cargo)	6 - 12 hrs
SMC Intermediate audit (cargo)	6 - 10 hrs
Companies operating passenger vessels	
Document review (passenger)	6 - 8 hrs
DOC Interim audit (passenger)	8 - 12 hrs
DOC Initial audit (passenger)	12 - 16 hrs
DOC Annual audit (passenger)	8 - 12 hrs
SMC Interim audit (passenger)	6 - 8 hrs
SMC Initial audit (passenger)	32 - 48 hrs
SMC Intermediate audit (passenger)	16 - 24 hrs

3.5 The Declaration of Audit and issue of certificates

On successful completion of the DOC audit a Declaration shall be completed by the Lead Auditor and the DOC issued. All ships are required to hold a copy of the DOC; this copy need not be certified in any way (Section 13.6 of the ISM Code refers).

Similarly, subsequent to a successful SMC audit, a Declaration shall be completed and the SMC issued. The original shall be retained on board and a copy in the company office files. Companies should acknowledge the safe receipt of DOCs and SMCs.

The Lead Auditor should complete an audit report—see paragraphs 4.11, 4.12 and 4.13 of these Instructions.

3.6 The Document of Compliance (DOC) Audit

The DOC audit will take place at the company's principal place of business. This will normally be the office from which the Designated Person operates. If a Company operates from more than one location where different safety management functions are performed then these other locations may need to be visited. All records within the Company should be available for examination during an assessment. These can include records of all relevant ship types operated by the Company, statutory and classification records, personnel records and records of ship maintenance etc.

The purpose of the audit and the task of the auditor is to assess the ability of the SMS to meet the provisions of the ISM Code and to ensure that these are fully implemented and understood at all levels within the Company. These include:

- compliance with mandatory rules and regulations; and
- that Codes, guidelines and standards recommended by the IMO, MCA, or other industry bodies have been taken into consideration. These documents may be incorporated into the Company's SMS.

The auditor should also be satisfied that personnel, both ashore and afloat, have received training and are competent to perform their duties within the SMS. The manner in which the auditor assesses the ability of the Company to meet the objectives of the ISM Code is as follows:

- by a review of the Company's documentation i.e. the SMS;
- by discussion and interview with members of staff at all levels of the management team holding responsibility for functions within the SMS;
- by observation of documentary evidence (e.g. records, log books, checklists and reports concerning UK flag vessels); and
- by observation of working practices.

A DOC will be issued following a successful audit of the shore side aspects of a Company's SMS. Objective evidence should be available to demonstrate that the Company has been operating the SMS for a minimum of three months ashore and on board their ships. Records of internal audits would need to be verified.

The development of prescriptive management or packaged systems produced by consultancy firms should be discouraged. Such systems may result in Companies implementing requirements which are not suited to their operation and in so doing undermining the philosophy of the ISM Code. The SMS needs to be specific to the vessel and to their type of operation (Section 11.3 of the ISM Code refers).

Auditors are reminded that they are attending for the purpose of verifying compliance with the ISM Code and not to criticize the methodology a company has adopted in achieving compliance.

A DOC is issued in respect of the type(s) of ship(s) operated by the Company at the time of initial verification and for the type of ships they intend to operate in the near future and which are covered within the SMS. Should the Company wish to extend the scope of management at a later stage to include additional ship types a further audit should be carried out and, if successful, the DOC replaced. See section 3.9 of these Instructions.

The renewal verification should include an assessment of each element of the SMS and its effectiveness in meeting the objectives of the ISM Code. A renewal audit is required prior to the expiry date of the existing DOC.

When a major non-conformity is raised a DOC or SMC cannot be issued. Similarly, an existing certificate cannot be endorsed for either annual or intermediate verification and may be withdrawn until sufficient corrective action has been taken to either correct the major non-conformity completely or to downgrade it.

When non-conformities are found a timescale for the implementation of corrective action should be agreed. Several non-conformities in the same area of operation may be raised as a single major non-conformity. Similarly a number of observations under the same section of the Code may be issued as a single non-conformity.

The following arrangements, if put in place by the Company, will assist the auditor(s) in carrying out the audit;

- The appointment of an individual, who is fully conversant with the Company's SMS, to act as audit guide. It is anticipated that the guide should make any introductions necessary, arrange for meetings and interviews with Company personnel, act as a guide around the offices and make available the Company's files, reports and other documents as requested.
- The allocation of office space, ideally separate from that used by company personnel, for use by the auditor(s).
- Access to all relevant documents. Where documentation is stored electronically access to a computer terminal is essential.

Although these arrangements would be beneficial, it might not always be practical to be provided with the same.

3.7 Companies operating a multi-flagged-fleet

When a Company operates a multi-flagged fleet it should propose a plan of action to the relevant Flag Administrations and secure a consensus on the audit process. A single DOC should be issued by one of the Flag States, a consensus having been reached by the other Flags involved. The IMO has issued a MSC Circular entitled "Guidelines to Companies operating multi-flagged fleets and Supplementary Guidelines to Administrations" (see MSC/Circ. 762).

If UK flag ship(s) form a minor proportion (< 50%) of a multi-flagged fleet, the MCA will accept the DOC issued by the predominant Flag State. If the UK flag is the predominant flag then the MCA will issue the DOC.

3.8 DOC issued by another Administration

The UK may accept a DOC issued by another Flag Administration which is on the Paris MOU White list, or by a recognised organisation on behalf of that Administration, following examination of the most recent audit report and evaluating the status of any non-conformities raised. In such circumstances the MCA (ISM Branch) will issue a Letter of Acceptance. A DOC issued by a

Grey listed Flag Administration may also be accepted subject to additional sanctions (eg. attending annual DOC audits), on a case by case basis. A typical text for such a letter is shown at Annex A. A copy of the Letter of Acceptance should be retained on board along with the recognised DOC. A fee for one hour should be charged to the company for issuance of a Letter of Acceptance for DOC.

3.9   Amending the DOC to include new ship types

When a company decides to expand its scope of operations to include additional ship type(s) an Interim audit will be required prior to issuance of a DOC for that ship type(s). This audit is intended to ensure that the necessary provisions are in place within the SMS to manage the additional ship type(s). Following a successful audit an Interim DOC, valid for no more than 12 months, should be issued to cover the new ship type(s). The existing DOC will remain unaffected for the period of validity of the Interim DOC (see paragraph 3.11 of these Instructions).

When sufficient objective evidence has been compiled to provide evidence that the SMS is effectively implemented in respect of the new ship type(s), the Company should be revisited prior to the expiry of the Interim DOC. Following a successful audit, both the Interim and full term DOC's should be withdrawn and a new DOC issued that includes all the additional ship type(s) should be issued. The expiry date of the new DOC should coincide with the expiry date of the original full term DOC.

During the period of validity of the Interim DOC the new ship types will carry a copy of the Interim DOC together with their Interim SMC's. It must be noted that only an Interim SMC can be issued on the back of an Interim DOC. The existing ships of the fleet will be unaffected and will hold copies of the full term DOC.

If during an annual DOC audit, it is noticed that the company has not operated a particular ship type for the last two years, removal of the ship type from the DOC should be considered. This needs to be done in consultation with MCA HQ.

3.10   The Safety Management Certificate (SMC) Audit

The audit for the issue of a Safety Management Certificate (SMC) should only be carried out on a ship operated by a Company which holds a valid DOC relevant to that ship type. If there is any doubt in this regard MCA, HQ should be contacted. Objective evidence should be available to demonstrate the effective implementation of the Company's SMS over a period of at least three months. This should include records of the Company's internal audit of the vessel.

Co-operation between the MCA and the Company/ships is essential in order to establish an audit timetable which is convenient to all parties concerned. In order to assess the implementation of the Safety Management System on

board, sufficient time must be allowed for an effective audit to be conducted. The scope of the SMC audit will cover all aspects of the vessel's operation and will include verification of compliance with documented procedures, the interview of a random sample of personnel, the examination of documentation and records etc.

The SMC is valid for five years from the date of completion of the initial audit. However, an intermediate verification is required between the second and third anniversaries. The intermediate audit should determine the effective functioning of the SMS and ensure that any amendments made since the previous verification comply with the requirements of the ISM Code. Depending on the nature of any non-conformity identified the MCA may consider it necessary to increase the frequency of intermediate verifications. The Company should conduct audits of its ships at a frequency, dependent on the size of the fleet, which allows for a meaningful assessment of the effectiveness of its SMS. The renewal verification should include an assessment of each element of the SMS pertaining to that vessel and the effectiveness of the SMS in meeting the objectives of the ISM Code. The fees charged for ISM audits should be based on the time taken by surveyors to complete all aspects of the work at the hourly rates as applicable at the time of audit. Estimated fees are payable in advance of audits.

SMC audits should not be carried out when the vessel is in dry dock/extensive refit as the ship is not considered operational during that time.

3.11   Interim DOC and SMC

An Interim DOC may be issued to facilitate initial implementation of the Code when:-

- a company is newly established,
- new ship types are to be added to an existing DOC

An Interim SMC may be issued:-

- to new ships on delivery,
- when a company takes on responsibility for the operation of a ship which is new to the company; or
- when a ship changes flag

An Interim DOC, valid for a maximum of twelve months, may be issued provided that the Company can demonstrate that its SMS meets the objectives of paragraph 1.2.3 of the ISM Code. The Company will need to prove that measures are in place to implement the full requirements of the ISM Code within the period of validity of the Interim DOC. When conducting Interim DOC audits consideration should be given to Section 14.4 of the ISM Code that stipulates the requirements in respect of Interim SMC audits.

An Interim SMC, valid for not more than six months, may be issued to a new ship on delivery and when a Company takes on responsibility for the

management of a ship which is new to the Company. In special circumstances the Interim SMC may be extended for a further six months. This is only to be done in consultation with the ISM Branch in HQ. When an interim SMC is extended, the full term SMC which would be issued further to the subsequent initial audit would be dated from the expiry of the first interim certificate.

Before an Interim SMC is issued the auditors should satisfy themselves that:

- the DOC or Interim DOC is relevant to that ship;
- key elements of the ISM Code have been included in the shipboard SMS and have been assessed during the audit of the Company's SMS;
- the Master and officers are familiar with the SMS and arrangements for its implementation;
- instructions which have been identified as being essential have been provided prior to sailing;
- there are plans in place for the Company to carry out an internal audit of the ship within three months
- relevant information on the SMS is given in a working language understood by the ship's personnel.

3.12   DOC and SMC Renewal Audit

The audit for the renewal of a DOC or SMC should be carried out prior to the expiry date of the existing certificates. If the renewal audit is conducted within three months of the expiry date of the existing certificate, the new certificate will run for a period of no more than five years from the date of expiry of the existing certificate. In this case a certificate may appear to have been issued with a validity of more than five years. The auditor must ascertain the circumstances under which the certificate was issued. If the audit is conducted more than three months prior to the expiry date of the existing DOC or SMC then the new certificate will be valid for a period of no more than five years from the date of completion of the audit. The renewal DOC or SMC audit should include an assessment of all elements of the SMS relating to the ship and shore management, address all sections of the ISM Code and evaluate the effectiveness of the SMS in meeting the objectives of the ISM Code.

NB A Full Term SMC cannot be issued if the company holds an Interim DOC only.

3.13   Annual Verification (DOC) and Intermediate Verification (SMC) Audits

A DOC is valid for a period of up to five years and is subject to annual verification in order to ensure that the Company is continuing to operate its SMS in accordance with the requirements of the ISM Code and to verify any amendments made to it. The verification should include the examination of statutory and class records relating to at least one ship of each type to which

the DOC applies. All sections of the Code must be addressed. The Annual Verification must be carried out within a six month envelope that falls three months either side of the anniversary date of the DOC.

In general annual and intermediate verification audits will follow the same process and methodology as the Initial or renewal audits. The main difference being that a smaller sample of records will be taken.

CHAPTER 4

CONDUCTING THE AUDIT

4.1 The Safety Management System

In order to comply with the requirements of the ISM Code every Company should develop, implement and maintain a SMS. The SMS should embrace the objectives of the Code to ensure safety at sea, prevention of human injury or loss of life, and avoidance of damage to the environment, in particular, to the marine environment, and to property. Compliance with the requirements of the ISM Code should be verified by determining:

- that the SMS meets the requirements of the ISM Code; and
- that the objectives laid down in paragraph 1.2.1 of the ISM Code are met.
- that personnel have received the appropriate training and familiarisation in the tasks for which they are responsible
- that they are carrying out their work in accordance with the Company's procedures
- that tasks are being carried out with due regard for safety?

4.2 The Audit Plan

In preparation for the audit the lead auditor should prepare the audit plan given in the Annex B and forward it to the Company prior to the commencement of the Audit.

An audit plan for DOC & SMC Audits can be found at Annex B. The auditors should examine the Company's documentation, files and procedures taking into consideration that auditing is a sampling process and that not every file and procedure can be examined within the time allocated for the audit. In addition to the audit of files and other appropriate documentation, time must be allocated for interviews and discussions with members of the management team. The time allocated for the audit will be dependent upon the size and complexity of the Company and the number of ships in the fleet. A fire/boat drill should be carried out as far as practicable as part of SMC Audits on board and time should be allocated in the Audit Plan.

4.3 Responsibilities of Lead Auditor

The responsibilities of the lead auditor include the following:

- liaising with the Company
- ensuring fees are received prior to audit
- reviewing the Company's documentation
- raising the company /ship file

- preparing an audit plan and sending it to the company prior to the audit
- selecting the audit team, including verifying their auditor qualifications
- chairing the Opening Meeting
- co-ordinating the audit
- chairing the Closing Meeting
- agreeing corrective action with the Company and the timescale for completion
- completing the declaration
- preparing the certificate(s) for issue
- preparing the audit report within 15 days from date of audit completion as far as practicable.
- completing the Job Control Sheet
- returning the file complete with all necessary paperwork to HQ for quality control
- ensuring compliance with service standards
- After completion of the audit report the auditor should send the audit report with non conformity notes to HQ ISM/ISO Branch by fax or e-mail prior to sending the complete file. The file should be sent after closure of all non-conformities.
- The SIC needs to review audit reports of all auditors on a random basis.

4.4   Typical Agenda for Opening and Closing Meetings

A typical Opening Meeting Agenda will include the following elements and be applicable to both DOC and SMC audits. The meeting should be chaired by the lead auditor.

Introductions should be made between members of the audit team and the Company's management. A record of Company personnel who attended the meeting should be kept and included in the Audit Report. The purpose and scope of the audit should be explained e.g. the ISM Code. The authority of the MCA to conduct the audit on its own behalf, or on behalf of another Flag State, should also be emphasised. The audit plan, drawn up in advance, should now be reviewed and any changes agreed between the company and the auditors. This will include, but not be limited to, the sites/areas to be visited, persons to be interviewed, documentation to be reviewed and the timing of meetings and meal breaks. Flexibility is essential. It should be made clear that the audit will work around the demands of the Company, movements of personnel, meetings and any other requirements. The Lead Auditor should ensure that in a SMC audit the Safety of the vessel should not be compromised at any time and the audit should not affect vessels normal operation like Cargo commitments, crew rest periods, doctor party going ashore etc.The method of carrying out the audit should be outlined and will include, but not be limited to, the following:

- interviews with key members of the management team as laid down in the audit plan

- a detailed examination of the SMS; familiarity with and understanding of the safety and environmental policy, manuals, procedures and instructions, working practices, recruitment and training records, management reviews, internal audits, classification records, accident and non-conformity reports
- discussions with members of staff at all levels
- findings which may result in the raising of a specific non-conformity should be promptly drawn to the attention of a Company representative, preferably at the time this is identified
- the categories of non-conformities should be explained
- All non conformities or observations found during the audit must be brought to the attention of the auditees as soon as they are identified and not to be kept as a surprise till the closing meeting.
- It should be emphasised that a ship audit should not be rushed for completion due to vessel's cargo commitments/schedules. If there is insufficient time for completion of the audit the Owners/Managers must make arrangements to carry out the audit at a later date and bear the added expenses.

The Lead Auditor may not continue with an audit if the following conditions prevail:

a) Insufficient time to complete the audit

b) The conduct and support from the auditees are not acceptable

c) A major incident/accident has occurred on board/company which might affect conducting the audit.

A note giving reasons for not completing the audit must be mentioned in report MSF 1602/1603

Confidentiality of the audit between the Company, MCA and any other responsible Administration(s) should be confirmed. This is important as the auditor(s) will require access to a wide range of files and documents which support the SMS. The disclaimer should be clearly explained in as much as that if no non-conformities are identified in a particular area it does not necessarily mean that none exist. Similarly if non-conformities are raised it does not necessarily mean that these are the only ones in that particular area. Auditing is a sampling process and the auditor(s) may not identify all existing non-conformities. Company representatives should be given an opportunity to raise questions. The meeting should be formally closed.

4.5   Assessing the Safety Management System

The objective of the audit is to verify that the SMS has been effectively implemented within the Company's management structure both ashore and on board. The methodology of the assessment will include the verification of compliance with procedures by means of interviews with personnel at all levels within the organisation and the examination of records etc. During the

course of the audit the auditor(s) may raise non-conformities against the SMS. Non-conformities are identifiable deviations within the SMS. All non-conformities and observations must be supported by irrefutable objective evidence. Any perceived non-conformities and observations must be discussed with the Company's representatives before a Non-Conformity Note is raised. Non-conformities fall into three categories, details of which are outlined below and in "Definitions".

4.6   Human Element

The objectives of the ISM Code are to ensure safety at sea, prevention of human injury or loss of life, and avoidance of damage to the environment, in particular, to the marine environment and to property. The achievement of these goals is heavily dependent on the human element i.e. the people who operate the system. The knowledge and experience of the officers and crew, their familiarity with the Company's SMS, their training and records thereof should be checked by observation and interview. Where practicable, the auditor(s) should witness as many on board procedures as practicable and these may include, but are not limited to:

- pre arrival and departure checks on the Bridge and in the engine control room;
- securing the vessel for sea;
- voyage planning;
- navigational briefing;
- mooring stations fore and aft;
- bridge procedures in harbour;
- engine room operations;
- preparation of machinery for sea
- machinery maintenance including system preparation
- anchor stations;
- bunkering operations;
- pilot embarkation/disembarkation;
- passenger musters and handling;
- cargo operations/handling;
- watch handover;
- onboard training;
- new joiner (crew) instructions;
- emergency drills;
- safety committee meetings;
- routine inspections;
- navigation under pilotage; and
- watch keeping at sea.

The above onboard procedures when sampled during audit must be reported in section 7 of the ISM Report form MSF1911

In the normal course of events a General Inspection will be conducted in parallel with the SMC audit. An emergency drill should be witnessed as far as

practicable. Since it is likely that UK ships, other than passenger ships, may not be visited by MCA Surveyors for intervals of up to three years the SMC audit should take into consideration the MCA's Survey and Inspection Policy with regard to the conduct of emergency drills and exercises. In the case of passenger ships that undergo a Passenger Safety Certificate Survey on an annual basis, if a drill has been conducted within the last 12 months, the requirement for a drill may be waived. In the case of ships other than passenger ships an emergency drill should be witnessed at the time of the SMC audit. The company must be made aware of this requirement prior to the audit in order that appropriate arrangements may be made.

4.7   Observation

An observation means a statement of fact made during a safety management audit and substantiated by objective evidence. The company/ship is not liable to provide evidence of the corrective action taken for an Observation.

4.8   Non-Conformity

A non-conformity means an observed situation where objective evidence indicates the non-fulfilment of a specified requirement of the ISM Code. A non-conformity should be normally closed out within three months from the date of the audit.

4.9   Major Non-Conformity

A major non-conformity means an identifiable deviation which poses a serious threat to the safety of personnel or the ship or a serious risk to the environment and requires immediate corrective action and includes the lack of effective and systematic implementation of a requirement of the ISM Code.

A major non-conformity on ship audits requires downgrading to a non conformity in order to allow the vessel to sail (Ref. MEPC/Circ 1059 of 16-12-2002).

4.10   Non-Conformity Note

Non-conformities should be recorded on the form MSF 1902 ("Non-Conformity Note"). The form is in duplicate. The top copy should be given to the Client, the second copy for the MCA's file. Auditors should refer to the guidelines for filling up the form given at the back of the form

4.11   Audit Report

An audit report should be completed to record the audit findings within 15 days from the date of the audit. The report is confidential between the Company, MCA and any other responsible Administration(s) bearing in mind the requirements of the Freedom of Information Act. When the MCA has been requested to carry out the audit on behalf of another Administration the report should be copied to that Administration. The report provides useful information

for future audits. The Company should receive a copy of the report and a further copy should be held on the appropriate MS file (for DOC audits) or the CM file (for SMC audits). When another Administration requests a copy of the report, as might be the case with a multi-flagged fleet, it should be issued providing the Company is in agreement. The audit report must be reviewed by the Surveyor In-charge or any other ISM Lead Auditor prior being sent to the client. The file must then be sent to MCA ISM/ISO Branch/QA in Headquarters.

4.12   Audit Report for Document of Compliance Audit

The report should include the following:-

- a list of the audit team members;
- a list of personnel interviewed and positions held within the Company;
- an assessment of compliance with each relevant section of the ISM Code;
- Opening & Closing meeting details.
- the types of ships managed by the Company;
- the operational patterns of the Company's ships; and
- any non-conformities and observations raised
- Audit plan
- Positive and negative findings

4.13   Audit Report for Safety Management Certificate Audit

The report should include the following:

- names and ranks of auditees
- names of audit team members;
- an assessment of compliance with each relevant section of the ISM Code;
- Opening & Closing meeting details
- the type of ship and employment patterns; and
- any non-conformities and observation raised
- Positive findings

4.14   Close-out of Non-Conformities

When a major non-conformity is raised corrective action must be implemented before a new certificate can be issued or an existing certificate endorsed at annual (DOC) or Intermediate (SMC) verification. A major non-conformity may be down graded to a minor as soon as appropriate initial corrective action has been taken. Corrective action against this minor non-conformity may then be agreed and a corrective action time-scale agreed. A significant number of minor non-conformities identified against the same section of the ISM Code may be issued as a single major non-conformity. When an auditor identifies a major non-conformity, agreement MUST be sought immediately from the head of the department concerned or ISM/ISO Branch at HQ since it may be

possible for corrective action to be implemented prior to the conclusion of the audit. Where a major non conformity is downgraded in a SMC or DOC Audit, at least one additional audit should be carried out within the time frame indicated in the agreed corrective action plan to verify that effective actions are taken. (Ref: MSC Circ. 1059)

When an auditor identifies a potential minor non-conformity, agreement must be reached with the manager of the department or area concerned that the perceived non-conformity actually exists. Agreement should be reached prior to the closing meeting. Suitable corrective actions and appropriate corrective action time-scales must also be discussed and agreed with the company. Auditors are reminded that corrective action times cannot exceed three months. In the event that a company cannot complete a corrective action within the maximum time of three months, the non-conformity note is to be closed out and another raised (National Audit Office instructions).

4.15   Corrective Action

The Company is responsible for ensuring that the agreed corrective actions are completed by the agreed dates. Failure to correct non-conformities may affect the validity of certificates. Corrective action and possible follow-up audits should be completed within the agreed timescale.

Closing-out of minor non-conformities will not normally require a revisit by an auditor. Written notification of the completion of corrective action, accompanied where possible by objective evidence, shall be forwarded to the lead auditor through the Designated Person. This should be accompanied by the appropriate copy of the Non-Conformity Note. When the lead auditor is satisfied that the agreed corrective action has been completed the Non-Conformity Note will be closed out, signed and returned to the Designated Person. During annual audits the opportunity should be taken to confirm that non-conformity notes raised at the previous audit have been closed out on time. The corrective actions may also be verified. In the case of SMC audits the foregoing may be achieved during either the next Intermediate audit or a General Inspection.

4.16   Cancellation or Suspension of DOC or SMC

Only the issuing Administration may cancel or suspend a DOC or SMC. When a major non-conformity has been identified the Administration may either suspend or cancel the DOC and require such a certificate to be surrendered. In this case all SMCs associated with the DOC will likewise be invalidated rendering the ship(s) liable to detention. If the MCA considers that a Company, notwithstanding that it holds a Document of Compliance, is unable to operate ships without creating a risk of:

- serious danger to safety of life or
- serious damage to property or
- serious harm to the environment or that
- the Company does not hold a Document of Compliance

an authorised person (S.I. 1998 No.1561 Reg. No. 16(b)) may suspend the operation of ships by that Company until such time as any such risk is removed or a valid Document of Compliance is held.

4.17   Confidentiality of Audit

The audit and the subsequent reports are confidential between the Company and any other Flag State Administration on whose behalf the MCA may have been requested to act. A statement to this effect should be made at both the Opening and the Closing Meetings. However, the auditor should not sign the Company's confidentiality forms or contracts. The confidentiality clause must be included in all audit reports.

CHAPTER 5

PART A – IMPLEMENTATION

1   GENERAL

1.1   Definitions

The following definitions apply to parts A and B of this Code.

- *International Safety Management Code (ISM) Code* means the International Management Code for the Safe Operation of Ships and for Pollution Prevention as adopted by the Assembly, as may be amended by the Organisation.
- *Company* means the owner of the ship or any other organisation or person such as the manager, or the bareboat charterer, who has assumed the responsibility for operation of the ship from the ship-owner and who, on assuming such responsibility, has agreed to take over all duties and responsibility imposed by the Code.
- *Administration* means the Government of the State whose flag the ship is entitled to fly.
- *Safety Management System* means a structured and documented system enabling Company personnel to implement effectively the Company safety and environmental protection policy.
- *Document of Compliance* means a document issued to a Company which complies with the requirements of the Code.
- *Safety Management Certificate* means a document issued to a ship which signifies that the Company and its shipboard management operate in accordance with the approved safety management system.
- *Objective Evidence* means quantitative or qualitative information, records or statements of fact pertaining to safety or to the existence and implementation of a safety management system element, which is based on observation, measurement or test and which can be verified.
- *Observation* means a statement of fact made during a safety management audit and substantiated by objective evidence.
- *Non-conformity* means an observed situation where objective evidence indicates the non-fulfilment of a specified requirement.
- *Major non-conformity* means an identifiable deviation that poses a serious threat to the safety of personnel or the ship or a serious risk to the environment that requires immediate corrective action and includes the lack of effective and systematic implementation of a requirement of this Code.
- *Anniversary date* means the day and month of each year that corresponds to the date of expiry of the relevant document or certificate.
- *Convention* means the International Convention for the Safety of Life at Sea, 1974, as amended.

1.2   Objectives

1.2.1 The objectives of the Code are to ensure safety at sea, prevention of human injury or loss of life, and avoidance of damage to the environment, in particular to the marine environment and to property.

1.2.2 Safety management objectives of the Company should, inter alia:

.1   provide for safe practices in ship operation and a safe working environment

.2   establish safeguards against all identified risks and

.3   continuously improve safety-management skills of personnel ashore and aboard ships, including preparing for emergencies related both to safety and environmental protection

1.2.3 The safety management system should ensure:

.1   compliance with mandatory rules and regulations; and

.2   that applicable codes, guidelines and standards recommended by the Organization, Administrations, Classification Societies and maritime industry organizations are taken into account.

The company Safety Management System (SMS) should provide for methods of identification of risks and establishment of safeguards against the same. This shall be verified during the course of audits of the company for issuance of Document of Compliance and the company should be able to provide evidence of following the risk assessment procedures. During the safety management system audits on board, a few risk assessments need to be randomly sampled and verified for effectiveness. Inadequacies in the general standard of risk assessment should lead to closer examination of on board risk assessments and the related procedure. While selecting the sample, auditors should be guided by incidents/ accidents on board the vessel and other vessels in the fleet.

1.3   Application

The requirements of this Code may be applied to all ships.

1.4   Functional requirements for a Safety-Management System

Every company should develop, implement and maintain a Safety Management System (SMS) which includes the following functional requirements:

.1 a safety and environmental protection policy

.2 instructions and procedures to ensure safe operation of ships and protection of the environment in compliance with relevant international and flag State legislation

.3 defined levels of authority and lines of communication between and amongst, shore and ship board personnel

.4 procedures for reporting accidents and non-conformities with provisions

.5 procedures to prepare for and respond to emergency situations; and

.6 procedures for internal audits and management reviews.

The objectives lay down clear guidelines for the development of a Safety Management System that complies with the ISM Code. The Company's policy statement is fundamental to the system and should be examined during the document review. Some Companies have a single policy statement while others have a number of statements which together comprise the Company's safety and environmental protection policy. The statement(s) describe how the objectives of the Code will be met and also serve to demonstrate the Company's commitment to its SMS and the ISM Code.

2 Safety and Environmental Protection Policy

2.1 The Company should establish a safety and environmental protection policy which describes how the objectives given in paragraph 1.2 will be achieved.

The policy statement(s) should be clear and concise, with emphasis being placed on the Company's commitment to safety and the environment. It should identify a strategy by which the Company aims to achieve its policy objectives and include methods to encourage improvement in safety awareness and safety management skills. The policy should be endorsed (not necessarily signed) by the Senior Management of the company

2.2 The Company should ensure that the policy is implemented and maintained at all levels of the organization, both ship based as well as shore based.

The strategy for implementation of the policy should be clear so that it can be understood at all levels within the Company. Members of the Company's management team should be interviewed during an assessment. This is an effective means of establishing whether there is commitment to the Safety Management System at the highest levels within the Company. Personnel to be interviewed should include, but not be limited to, the following:

Shore	*Ship*
Managing Director	*Master*
Operations Manager	*Chief Engineer*

Technical Managers   Safety Officer
Designated Person   Chief Officer/Mate
Quality Manager   Training Officer
Safety Manager   Engineer / Deck Officers
Personnel/Training Manager Bosun / CPO
Superintendents   Sample of Deck / Engine / Catering Ratings
Other Office Staff   Cook & Galley Staff

Junior personnel should be interviewed on a random basis concerning their responsibilities within the Safety Management System. They must have the background and experience appropriate to their role, received suitable training, and possesses adequate knowledge of the SMS. There should be procedures in place to ensure that adequate training is provided as required.

3   Company Responsibilities and Authority

3.1 If the entity that is responsible for the operation of the ship is other than the owner, the owner must report the full name and details of such entity to the Administration.

It is incumbent on the operator to ensure that the owner fulfils the requirement of this section of the Code. These details should be reported to the MCA. The identification of the Manager on the Continuous Synopsis Record issued by the MCA should be considered as evidence of compliance with this requirement.

3.2 The Company should define and document the responsibility, authority and interrelation of all personnel who manage, perform and verify work relating to and affecting safety and pollution prevention.

It is necessary to document responsibilities and authorities so that personnel involved in the SMS know what is expected of them and to ensure that the safety and environmental functions have been allocated. The Company's documented management system should contain clearly worded, descriptions of the responsibilities and authorities together with the reporting lines of personnel within the management structure. Schematics or flowcharts to document lines of authority and inter-relations between roles would be acceptable.

3.3 The Company is responsible for ensuring that adequate resources and shore-based support are provided to enable the Designated Person or persons to carry out their functions.

It must be established whether the Company is committed to providing the support necessary for the Designated Person to fulfil his / her duties. This may include reviewing correspondence between the Designated Person and the management board, the budget for safety training and the attitude towards

safety issues at management level. Commitment must start at the top and be prevalent throughout the Company.

4 Designated Person(s).

To ensure the safe operation of each ship and to provide a link between the Company and those on board, every company, as appropriate, should designate a person or persons ashore having direct access to the highest level of management. The responsibility and authority of the Designated Person or persons should include monitoring the safety and pollution prevention aspects of the operation of each ship and ensuring that adequate resources and shore based support are applied, as required.

In order for any system of management to be adequately maintained it is essential that it is monitored at regular intervals. This will ensure that:

- *implementation is verified;*
- *deficiencies are reported; and*
- *those responsible for corrective action are identified and that appropriate action is taken.*

The task of implementing and maintaining the SMS is a management responsibility however, the Designated Person holds a key role in the monitoring process. Designated Persons should be suitably qualified (refer to MSC-MEPC.7/Circ.6) and experienced in ship operations or management systems and be fully conversant with the Company's safety and environmental protection policies and Safety Management System. It is essential that they have the independence and authority to report to the highest level of management. Their responsibilities may include the organisation of the Company's safety audits.

5 Master's Responsibility and Authority

5.1 The Company should clearly define and document the master's responsibility with regard to:

.1 implementing the safety and environmental-protection policy of the Company

.2 motivating the crew in the observation of that policy;

.3 issuing appropriate orders and instructions in a clear and simple manner;

.4 verifying that specified requirements are observed; and

.5 reviewing the SMS and reporting its deficiencies to the shore based management.

The responsibility for overseeing and implementing all relevant aspects of the Company's SMS on their vessels rests with the Master. Clear guidance should be provided to Masters concerning their responsibility on matters affecting the safety of the ship, its passengers and/or cargo and the environment.

5.2 The Company should ensure that the SMS operating on board the ship contains a clear statement emphasizing the master's authority. The Company should establish in the SMS that the master has the overriding authority and the responsibility to make decisions with respect to safety and pollution and to request the Company's assistance as may be necessary.

Masters should expect support and encouragement from the Company at all times. There must be a clear statement in the documented management system that the Master has overriding authority to deviate from the documented system in time of crisis and seek assistance from the Company if required. Both statements must be clear and unequivocal with the appropriate emphasis placed on the Master's overriding authority.

6   Resources and Personnel

6.1 The Company should ensure that the Master is:

.1 properly qualified for command;

.2 fully conversant with the Company's SMS; and

.3 given the necessary support so that the Master's duties can be safely performed.

6.2 The Company should ensure that each ship is manned with qualified, certificated and medically fit seafarers in accordance with national and international requirements.

The Company has a clear responsibility to employ properly qualified and medically fit seafarers and to be satisfied that they are familiar with the management system operated by the Company. The company should be able to satisfy the auditors, by whatever means, that this requirement of the Code is being adequately addressed. Copies of certificates may be held on file in the office or it may be necessary to have a random sample of certificates faxed in from a cross section of the fleet. Some companies maintain electronic data bases as opposed to a paper filing system. In this case a random sample of certificates should be obtained by fax in order to verity the accuracy of the database.

6.3 The Company should establish procedures to ensure that new personnel and personnel transferred to new assignments related to safety and protection of the environment are given proper familiarization with their duties. Instructions which are essential to be provided prior to sailing should be identified, documented and given.

STCW A-I/14 (Responsibilities of Companies) requires the Company to provide written instructions to the Master setting forth the policies and procedures to be followed to ensure newly joined seafarers are familiar with their duties before they are assigned to tasks on board. This shipboard familiarisation should include sufficient time to become acquainted with:

- *emergency / evacuation procedures and arrangements to perform assigned duties properly.*
- *ship specific duties related to the role the seafarer will fulfil onboard*
- *ship specific knowledge of any safety and environmental protection procedures with which the seafarer should be acquainted*

A knowledgeable crew member should be designated to ensure that essential information is provided to newly joined seafarers in a language they understand. The STCW Code requires mandatory training in crowd management for some personnel serving on passenger ships. Records of familiarisation and instructions received by crew members should be available for examination by the auditor(s).

6.4 The Company should ensure that all personnel involved in the Company's SMS have an adequate understanding of relevant rules, regulations, codes and guidelines.

While there are no new legislative requirements introduced by the ISM Code the SMS must embrace all existing International Conventions, national rules and regulations, industry guidelines and codes of practice. It is acceptable for the SMS to encompass such documents as the Code of Safe Working Practices for Merchant Seamen, the Bridge Procedures Guide and the Tanker Safety Guide etc.

6.5 The Company should establish and maintain procedures for identifying any training which may be required in support of the SMS and ensure that such training is provided for all personnel concerned.

The means of identifying the training needs of individuals, both ashore and onboard, is for the Company to address. This may be achieved by a staff appraisal, the end of contract report for seagoing staff, by results of internal audits, drills and analysis of accidents. Training requirements could be met by refresher training courses and on the job experience.

6.6 The Company should establish procedures by which the ship's personnel receive relevant information on the SMS in a working language or languages understood by them.

The SMS, in whatever form, must be available to all personnel, both ashore and afloat. It is the responsibility of the Company to ensure that the Manuals are in a language(s) understood by the crew. Many Companies employ the services of manning agencies, often in several countries world-wide. The Company's procedures should detail the process by which crew members are

selected and detailed to its ships and are familiarised with their responsibilities prior to taking up a position on board.

6.7 The Company should ensure that the ship's personnel are able to communicate effectively in the execution of their duties related to the Safety Management System.

The ability of crew members to communicate effectively is fundamental to the safety of the ship. This should be assessed at the recruitment stage and manning agencies should be vigilant in this exercise. The Company should ensure that there are procedures in place to monitor the manning agencies which they use.

7 Development of Plans for Shipboard Operations

The Company should establish procedures for the preparation of plans and instructions, including checklists as appropriate, for key shipboard operations concerning the safety of the ship and the prevention of pollution. The various tasks involved should be defined and assigned to qualified personnel.

The Company should establish the key shipboard operations and ensure that procedures and instructions are laid down for carrying out these operations. While shipboard operations will vary from ship type to ship type, it is suggested that plans and instructions for the following operations should be documented:

- *general shipboard operations*
- *port operations*
- *preparation for sea*
- *conduct of the voyage*
- *preparation for arrival in port and*
- *emergency response organisation*

The auditor(s) should verify that the operations established by the Company are pertinent and comprehensive for the ship type(s) that the Company operates.

8 Emergency Preparedness

8.1 The Company should establish procedures to identify describe and respond to potential emergency shipboard situations.

The procedures should integrate the response to potential emergencies by shore-side and shipboard operations. The Maritime Safety Committee of the IMO has developed "Guidelines for an Integrated System of Contingency Planning for Shipboard Emergencies", produced as MSC/Circ. 760. This circular is not intended to impose a new system or supersede existing systems which are tried and tested, such as SOPEP, however the Guidelines may be of assistance to Companies in developing an integrated emergency response system.

Contingency Plans may include:

- *the role and responsibilities of shore and ship personnel at the time of an emergency*
- *a list of names and contact numbers of all relevant parties*
- *procedures to be followed in response to varying emergency scenarios*
- *procedures for communication between ship and shore*
- *a database of plans, particulars of vessels, emergency response capabilities, damage stability information and pollution prevention equipment*
- *checklists for a range of emergencies (the use of checklists is strongly encouraged)*
- *procedures for notifying next of kin*
- *guidelines for liaising with the press and media; and. procedures for requesting emergency services from third parties*

Emergency scenarios for which contingency plans might be developed, include, but are not restricted to:

- *structural failure;*
- *main engine failure;*
- *failure of steering gear;*
- *failure of electrical power;*
- *collision;*
- *grounding;*
- *shift of cargo;*
- *pollution (spillage of oil or other cargo);*
- *fire;*
- *flooding;*
- *abandon ship;*
- *man overboard;*
- *entry into enclosed spaces;*
- *terrorism or piracy;*
- *helicopter operations for medical evacuation;*
- *heavy weather damage; and*
- *treatment of serious injury.*

8.2 The Company should establish programmes for drills and exercises to prepare for emergency actions.

The drill programme should exercise the emergency plans listed in 8.1 above and where appropriate, mobilise the shore-side emergency contingency plans.

8.3 The SMS should provide for measures ensuring that the Company's organization can respond at any time to hazards, accidents and emergency situations involving it ships.

Drills should be carried out at regular intervals in order to test the Company's emergency response organisation and the competence of those who will be

called upon in a real emergency. The ability of the personnel ashore to respond to emergencies should also be tested periodically. Records of all drills and exercises should be kept and be made available for examination. In the event of the Company having to respond to a real emergency this may be considered in lieu of an exercise drill, providing that records have been retained and analysed.

9 Reports and Analysis of Non-conformities, Accidents and Hazardous Occurrences

9.1 The SMS should include procedures ensuring that non-conformities, accidents and hazardous situations are reported to the company, investigated and analyzed with the objective of improving safety and pollution prevention.

9.2 The Company should establish procedures for the implementation of corrective action.

The SMS should contain procedures that require reports to be prepared and forwarded to the Company on all accidents, hazardous occurrences and non-conformities. They should be monitored by the Designated Person and the appropriate corrective action determined with the ultimate aim of avoiding a recurrence of the incident or non-conformity.

Any deviation from the SMS procedures and instructions, that represents a non-conformity, should be recorded, raised on a non-conformity note and forwarded to the Designated Person. The system should be designed to allow for continual updating, amendment and improvement as a result of the reporting procedures.

The reports should be recorded, investigated, evaluated, analysed and acted upon as necessary. There should be procedures for feedback to the reporting ship and for circulation around all appropriate areas. Motivation is a significant factor in the success of the management system and feedback is a powerful motivator. Feedback should be recorded. Evaluation and analysis may lead to:

- *identification and implementation of corrective action;*
- *benefits to the whole Company;*
- *amendments to existing procedures;*
- *development of new procedures.*

The Accident Reporting and Investigation Regulations (S.I. 2005 No. 881) define accidents, serious injuries and dangerous occurrences along with statutory reporting requirements.

10 Maintenance of the Ship and Equipment

10.1 The Company should establish procedures to ensure that the ship is maintained in conformity with the provisions of the relevant rules and

regulations and with any additional requirements which may be established by the Company.

10.2 In meeting these requirements the Company should ensure that:

    .1 inspections are held at appropriate intervals;

    .2 any non conformity is reported, with its possible cause, if known;

    .3 appropriate corrective action is taken; and

    .4 records of these activities are maintained.

Procedures should be developed to ensure that maintenance, surveys, repairs and dry-docking are carried out in a planned and structured manner with safety as a priority. All personnel responsible for maintenance should be suitably qualified and familiar with national and international legislation as well as classification society requirements. The shore-side management team ashore shall provide technical support and advice to the seagoing staff.

Maintenance procedures should include:

- *hull and superstructure;*
- *life saving, fire fighting and anti-pollution equipment;*
- *navigational equipment;*
- *steering gear;*
- *anchors and mooring equipment;*
- *main engine and auxiliary machinery including pressurised systems;*
- *cargo loading and discharge equipment;*
- *tank venting and inerting systems;*
- *fire detecting systems;*
- *bilge and ballast pumping systems;*
- *waste disposal and sewage systems;*
- *communications equipment;*
- *emergency lighting; and*
- *gangways and means of access.*

Maintenance procedures must also include work instructions to ensure that machinery or systems undergoing maintenance have been rendered safe prior to starting work i.e. that systems under pressure such as engine cooling water, oil fuel and steam systems have been securely isolated and de-pressurised.

The Company should arrange for inspections of its vessels to be carried out at regular intervals. These inspections should be executed in compliance with the appropriate procedures by competent and qualified personnel. Records of maintenance, inspections, certificates and reports may be maintained both on board ship and ashore if considered appropriate by the company.

There should be procedures for reporting non-conformities and deficiencies that should include a time scale for completion of corrective action. It is the Company's responsibility to ensure that reports are investigated and feedback provided to the reporting officer. The Company should be seen to be providing support to enable the SMS to function effectively.

10.3 The Company should establish procedures in its SMS to identify equipment and technical systems the sudden operational failure of which may result in hazardous situations. The SMS should provide for specific measures aimed at promoting the reliability of such equipment or systems. These measures should include the regular testing of stand-by arrangements and equipment or technical systems that are not in continuous use.

These equipments are commonly referred to as 'critical equipment'.

10.4 The inspections mentioned in 10.2 as well as the measures referred to in 10.3 should be integrated into the ship's operational maintenance routine.

It is the Company's responsibility to identify critical systems and equipment. Once the critical systems have been identified, procedures should be developed to ensure reliability of these systems or the provision of alternative arrangements in the event of sudden failure. The procedures implemented should include the regular testing of stand-by systems in order to ensure that one failure does not result in the total loss of that critical function. Maintenance routines should include the regular and systematic testing of the all such critical and stand-by systems.

Critical equipment listings may include:

- *navigational aids including radar;*
- *fire pumps including emergency fire pump(s);*
- *generators including emergency generator;*
- *steering gear;*
- *fuel systems;*
- *lubricating oil systems;*
- *emergency stops and remote closing devices;*
- *communications systems;*
- *main engine propulsion systems.*

The auditor(s) should examine the measures which have been developed to promote reliability including records, frequency of inspection/testing and maintenance procedures.

11   Documentation

11.1 The Company should establish and maintain procedures to control all documents and data which are relevant to the SMS.

11.2 The Company should ensure that:

.1 valid documents are available at all relevant locations;

.2 changes to documents are reviewed and approved by authorized personnel; and

.3 obsolete documents are promptly removed.

Procedures should be in place for the control of all documentation, which should be approved prior to issue and assessed for its user friendliness. This is an essential element of any SMS Personnel at all levels within the Company should be familiar with the procedures and with the latest version of the documentation. Obsolete documentation should be removed from all locations, otherwise, there is the risk that superseded procedures may remain in use.

Companies should be encouraged to limit their documentation to that which is necessary to meet their safety and environmental protection requirements. The Keep it Short and Simple (KISS) principle should be promoted in the development of procedures and instructions. The documentation developed by the Company should be that which is most effective for its operation. Excessive documentation may be counter productive to the effective functioning of a SMS and will certainly be more cumbersome for the personnel implementing the system.

11.3 The documents used to describe and implement the SMS may be referred to as the Safety Management Manual. Documentation should be kept in a form that the Company considers most effective. Each ship should carry on board all documentation relevant to that ship.

The Company's SMS should encompass all the elements of the ISM Code. The use of a matrix to identify relevant sections is a simple and effective method. The Company may consider appointing a person ashore with responsibility for control, amendment, approval and distribution of SMS documentation, which should be monitored by the Designated Person. On board ship, the control of documentation will normally lie with the Master.

12   Company Verification, Review and Evaluation

12.1 The Company should carry out internal safety audits to verify whether safety and pollution-prevention activities comply with the SMS.

Internal audits should be conducted in order to verify that the SMS is functioning effectively. All sections of the SMS should be audited on a regular basis. While there is no stated period for audit, most Companies opt to audit each office or vessel annually. The company must complete internal audit procedures prior requesting for an External Audit.

12.2 The Company should periodically evaluate the efficiency of and, when needed, review the SMS in accordance with procedures established by the Company.

A periodic review of the SMS should be carried out by company management. This review will form part of the safety management strategy of the Company and will be conducted in accordance with documented procedures. Minutes of the management review meetings should be recorded and corrective actions allocated to appropriate members of the management team with a view to improvement. The management review should be an opportunity for a critical review by the company and ship of the performance of the SMS over the past year, or other period. Audit reports, inspection reports, non-conformities, accident reports, risk assessments, permits to work, near miss reports, defect lists, complaints, etc should be reviewed with the object of identifying trends, root causes, areas of concern, etc with a view to continually improve the operation of the SMS both ashore and on board.

12.3 The audits and possible corrective actions should be carried out in accordance with documented procedures.

Procedures and instructions for carrying out audits should be incorporated into the SMS and the audits should be conducted according to these procedures. Checklists are useful as an aid to the auditor and may be used as appropriate.

12.4 Personnel carrying out audits should be independent of the areas being audited unless this is impracticable due to the size and the nature of the Company.

Internal auditors should be Independent of the operation being audited however this may not always be possible in small companies with limited management resources. Wherever practicable, the auditor should not normally be involved in the working of the area being assessed. Personnel carrying out internal audits should, have received appropriate training.

12.5 The results of the audits and reviews should be brought to the attention of all personnel having responsibility in the area involved.

12.6 The management personnel responsible for the area involved should take timely corrective action on deficiencies found.

In order to improve the SMS it is important that the results of the Company's internal audits and reviews are promulgated to all persons having responsibility for the SMS. Findings, conclusions and recommendations should be recorded. The persons with responsibility for that area should take timely corrective action.

PART B – CERTIFICATION & VERIFICATION

13   CERTIFICATION AND PERIODICAL VERIFICATION

13.1 The ship should be operated by a company which has been issued with a Document of Compliance or with an Interim Document of Compliance in accordance with paragraph 14.1, relevant to the ship.

This is self explanatory; ships over 500GT engaged in international trade should not operate if the company does not hold a DOC or Interim DOC.

13.2 The Document of Compliance should be issued by the Administration, by an organisation recognised by the Administration or, at the request of the Administration, by another Contracting Government to the Convention to any Company complying with the requirements of this Code for a period specified by the Administration which should not exceed five years. Such a document should be accepted as evidence that the Company is capable of complying with the requirements of this Code.

The period of validity of a DOC must not exceed 5 years (except when the renewal audit is carried out in the 3 month window prior to the expiry of the certificate) and, during PSC inspections etc, should be accepted as evidence that the company complies with the Code unless there is evidence to the contrary.

13.3 The Document of Compliance is only valid for the ship types explicitly indicated in the document. Such indication should be based on the types of ships on which the initial verification was based. Other ship types should only be added after verification of the Company's capability to comply with the requirements of this Code applicable to such ship types. In this context, ship types are those referred to in regulation IX/1 of the Convention.

The company must only operate the ship types that are on the DOC and the initial verification must have included these ship types. If the company wants to operate a ship type not included on the DOC an additional interim verification audit must be done. In this case an Interim certificate carrying the new ship type alone will be issued. An audit of procedures and records relevant to the new ship type must be completed before the full term DOC may be amended.

13.4 The validity of a Document of Compliance should be subject to annual verification by the Administration or by an organisation recognised by the Administration or, at the request of the Administration, by another Contracting Government within three months before or after the anniversary date.

The validity of the DOC is subject to annual verification the window for which is three months either side of the anniversary date. The annual verification should include an examination of:

- *the reports of internal audits of offices and ships;*
- *follow up of corrective action and closing out of non-conformities;*
- *records of management reviews;*
- *reporting of accidents, hazardous occurrences and non-conformities;*
- *amendments to procedures, instructions and revisions to documentation;*
- *recruiting and training records of staff, ashore and seagoing;*
- *reports of inspections of ships;*

Non-conformities may be issued during the annual verification. The SMC must be revalidated between the second and third anniversaries. Certificates should be endorsed after verification.

Word of warning — when verifying the anniversary date, work BACKWARDS from the expiry date. The issue date has little relevance in this context since the certificate may have been reissued due to a change of company name or address etc

13.5 The Document of Compliance should be withdrawn by the Administration or, at its request, by the Contracting Government which issued the Document when the annual verification required in paragraph 13.4 is not requested or if there is evidence of major non-conformities with this Code.

Quite straight forward, if the annual verification is not requested or if there is evidence of major non-conformities then the DOC can be withdrawn. This should only be done in consultation with the ISM/ISO branch at MCA HQ.

13.5.1 All associated Safety Management Certificates and/or Interim Safety Management Certificates should also be withdrawn if the Document of Compliance is withdrawn.

Self explanatory.

13.6 A copy of the Document of Compliance should be placed on board in order that the master of the ship, if so requested, may produce it for verification by the Administration or by an organisation recognised by the Administration or for the purposes of the control referred to in regulation IX/6.2 of the convention. The copy of the Document is not required to be authenticated or certified.

A copy of the DOC must be placed on board and produced on request. It need not be certified or authenticated in any way.

13.7 The Safety Management Certificate should be issued to a ship for a period which should not exceed five years by the Administration or an organisation recognised by the Administration or, at the request of the Administration, by another Contracting Government. The Safety Management Certificate should be issued after verifying that the Company and its shipboard management operate in accordance with the approved safety management system. Such a Certificate should be accepted as evidence that the ship is complying with the requirements of this Code.

SMC valid for 5 years from date of completion of the initial audit, issued only after confirmation of issuance of full term DOC. SMC should be accepted as

evidence that the ship complies with the Code unless there is evidence to the contrary.

13.8 The validity of the Safety Management Certificate should be subject to at least one intermediate verification by the Administration or an organisation recognised by the Administration or, at the request of the Administration, by another Contracting Government. If only one intermediate verification is to be carried out and the period of validity of the Safety Management Certificate is five years, it should take place between the second and third anniversary dates of the Safety Management Certificate.

At least one Intermediate Verification is required (which implies that the flag can insist on more than one), and the SMC is valid for 5 years (which implies that it may be for a shorter period). If only one Intermediate Verification is required then it must be done between the 2nd and 3rd anniversaries of the EXPIRY of the SMC.

13.9 In addition to the requirements of paragraph 13.5.1, the Safety Management Certificate should be withdrawn by the Administration or, at the request of the Administration, by the Contracting Government which has issued it when the intermediate verification required in paragraph 13.8 is not requested or if there is evidence of major non-conformity with this Code.

The SMC can be withdrawn if the verification audit is not requested or if there is evidence of major non-conformities.

13.10 Notwithstanding the requirements of paragraphs 13.2 and 13.7, when the renewal verification is completed within three months before the expiry date of the existing Document of Compliance or Safety Management Certificate the new Document of Compliance or the new Safety Management Certificate should be valid from the date of completion of the renewal verification for a period not exceeding five years from the date of the expiry of the existing Document of Compliance or Safety Management Certificate.

If the renewal audit is conducted within the three month window, the new DOC or SMC is valid from the expiry date of the old one.

13.11 When the renewal verification is completed more than three months before the expiry date of the existing Document of Compliance or Safety Management Certificate, the new Document of Compliance or the new Safety Management Certificate should be valid from the date of the completion of the renewal verification for a period not exceeding five years from the date of completion of the renewal verification.

If the renewal audit is conducted prior to the beginning of the three month window then the new DOC or SMC will be valid from the date of completion of the audit.

14 INTERIM CERTIFICATION

14.1 An Interim Document of Compliance may be issued to facilitate initial implementation of this Code when:

.1 a Company is newly established

.2 new ship types are to be added to an existing Document of Compliance,

following verification that the Company has a safety management system that meets the objectives of paragraph 1.2.3 of this Code, provided the Company demonstrates plans to implement the safety management system meeting the full requirements of this Code within the period of validity of the Interim Document of Compliance. Such an Interim Document of Compliance should be issued for a period not exceeding 12 months by the Administration or by an organisation recognised by the Administration or, at the request of the Administration, by another Contracting Government. A copy of the Interim Document of Compliance should be placed on board in order that the master of the ship, if so requested, may produce it for verification by the Administration or by an organisation recognised by the Administration or for the purposes of the control referred to in regulation IX/6.2 of the Convention. The copy of the Document is not required to be authenticated or certified.

Interim DOC's may be issued to a new company or when new ship types are to be added to an existing DOC. After an interim audit and Document Review an Interim DOC may be issued provided that:-

1. The company can demonstrate plans to implement the system within the term of the Interim DOC.

2. Term not to exceed 12 months.

3. A copy of the Interim DOC to be placed on board (it does not have to be certified).

14.2 An Interim Safety Management Certificate may be issued:

.1 to new ships on delivery

.2 when a company takes on responsibility for the operation of a ship which is new to the company; or

.3 when a ship changes flag.

Such an Interim Safety Management Certificate should be issued for a period not exceeding 6 months by the Administration or an organisation recognised by the Administration or, at the request of the Administration, by another contracting government.

Self explanatory

14.3 An Administration or, at the request of the Administration, another Contracting Government may, in special cases, extend the validity of an Interim Safety Management Certificate for a further period which should not exceed six months from the date of the expiry.

SMC valid for 6 months, possible to extend a further 6 months.

14.4 An Interim Safety Management Certificate may be issued following verification that:

.1 the Document of Compliance, or the Interim Document of Compliance, is relevant to the ship concerned;

.2 the safety management system provided by the Company for the ship concerned includes key elements of this Code and has been assessed during the audit for issuance of the Document of Compliance or demonstrated for issuance of the Interim Document of Compliance;

.3 the Company has planned the audit of the ship within three months

.4 the master and officers are familiar with the safety management system and the planned arrangements for its implementation;

.5 instructions which have been identified as being essential, are provided prior to sailing; and

.6 relevant information on the safety management system has been given in a working language or languages understood by the ship's personnel.

Self explanatory

15   VERIFICATION

15.1 All verifications required by the provisions of this Code should be carried out in accordance with procedures acceptable to the Administration, taking into account the guidelines developed by the Organisation.

16   FORMS OF CERTIFICATES

16.1 The Document of Compliance, the Safety Management Certificate, the Interim Document of Compliance and the Interim Safety Management Certificate should be drawn up in a form corresponding to the models given in the appendix to this Code. If the language used is neither English nor French, the text should include a translation into one of these languages.

Self explanatory

16.2 In addition to the requirements of paragraph 13.3, the ship types indicated on the Document of Compliance and the Interim Document of Compliance may be endorsed to reflect any limitations in the operations of the ships described in the safety management system.

Self explanatory

LETTERS OF ACCEPTANCE ETC

The MCA has taken note of MSC Circular 762 regarding Companies that operate multi-flag fleets and accepts the principle that we will co-operate with other flag Administrations. This means being involved in the audit process and reaching agreement with the other Flag States as to who will carry out the DOC audit. In such cases, HQ should be informed. The MCA may recognise the DOC issued on behalf of another flag state, see 3.7 and 3.8. A Letter of Acceptance will then be issued (if the number of ships flying the UK flag is <50%). Letters of Acceptance are issued by the MCA QA after examination of the audit reports from the other flag or class society. Only if the audit has been conducted in accordance with UK standards will a letter be issued. The letter is valid only for the span of the existing DOC. A replacement certificate must be applied for on DOC renewal. All annual verification audit reports and copies of the DOC must be submitted to MCA QA in order that the MCA can verify that the Safety Management System continues to function effectively.

Every ship should carry a copy of the DOC (certified copies are not necessary).

Companies are required to have a periodic verification of the DOC annually and at least one periodic verification on each ship between the second and third anniversary dates for the SMC.

EXTENSION OF CERTIFICATES/AUDITS NOT REQUESTED ON TIME

Extension of any ISM certificate should not be encouraged as owners/ managers have ample opportunity to get these organised. The ISM code allows the extension of the validity of an Interim SMC for a further period of 6 months. This should only be done, if for some reason the MCA cannot put a surveyor on board before the expiry of the Interim Certificate, although the company had given appropriate notice for carrying out the audit. Any such extension is to be given only after consulting MCA HQ.

No extensions are permitted to the full term certificates.

If during an initial audit (DOC or SMC) it is found that the company/ship does not merit the issuance of a full term certificate due to the number of non-conformities, a short term certificate valid for 3 months is to be issued so that another audit can be carried out prior to the issuance of a full term certificate. This is to be done in consultation with MCA HQ.

If the company/ship fails to request the initial/intermediate/renewal audits and the DOC/SMC does not get endorsed or expires, the certificate becomes invalid. The company needs to provide written explanation for allowing the certificate to lapse and the auditor should consider further action in consultation with the ISM/ISO branch. In such a case an audit to the scope of a renewal audit is to be carried out and a new certificate issued. For all such cases a new certificate would need to be issued with the same expiry date as the earlier certificate.

CHAPTER 6

REPORTING & FILING ETC

6.1 Reporting & Quality Control Procedures (DOC & SMC)

Prior to the commencement of the audit the surveyor should retrieve the appropriate Audit file, either DOC (MS) or SMC (CM). In general DOC and SMC files are stored in either MCA QA Branch, HQ; in Marine Offices or at Central Registry.

DOC files are prefixed/ suffixed MS 166/004/XXX and SMC files CM XXXXX/48/01.

At the conclusion of the audit the following documents should have been added to the file MS Series file (DOC) or the CM Series file (SMC):-

- Application for Survey Form (MSF 5100)
- Any correspondence between MCA and Company
- Audit Plan
- Contemporaneous notes
- Audit Report
- Non-conformity Notes (if appropriate)
- Job Control Sheet
- Copy of DOC / SMC (Initial / Renewal Audits)
- Endorsed Copy of DOC / SMC (Annual / Intermediate Verifications)

On completion of the audit a copy of the audit report along with NCN's should be sent to the ISM/ISO Branch. Data will be extracted for the various data-bases, surveyor training records up-dated and the file archived. After closure of all non-conformities, the file should be sent to ISM/ISO branch in HQ for quality control purposes.

6.2 SIAS/SIRENAC

Before visiting a vessel, it is useful, though not essential, to obtain the latest SIAS/SIRENAC printouts. SIRENAC is the means by which deficiencies identified during ship inspections are recorded for Port State Control purposes. Non-conformities raised during the course of SMC audits are to be considered deficiencies in this context. Therefore, in addition to the Audit Report, Safety Management Certificate Audits must be reported to the Directorate of Maritime Operations (Survey & Inspection) on forms MSF 1602 and, when applicable, MSF 1603. Any non-conformity raised during the audit being listed on form MSF 1603. Detailed reporting on these forms is unnecessary: the non-conformity note(s) will provide all that is required. A statement as to the number and grade of non-conformities is sufficient.

CHAPTER 7

PORT STATE CONTROL

7.1   Examination of Certificates

The DOC and SMC are statutory certificates which will be examined, along with other certificates, by Port State Control Inspectors. Each ship should carry the original SMC and a copy of the DOC. The copy DOC need not be authenticated in any way.

7.2   Application

The ISM Code now applies to the following ships engaged in international voyages:

- passenger ships including passenger high speed craft
- oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500grt and over and
- other cargo ships and mobile offshore drilling units of 500grt and over

and to the following ships on domestic voyages:

- cargo ships of 500 gt and over in sea areas EU Class A, B, C and D waters
- mobile offshore drilling units of 500 gt and over flying the flag of an EU member state, wherever they may be
- ro-ro passenger ships in sea areas EU Class A, B, C and D waters
- passenger ships in sea areas EU Class A and B waters

If after an initial inspection there are clear grounds for believing that the SMS on board does not meet the relevant requirements of the ISM Code a more detailed inspection should be carried out. Such an inspection may include, but not be limited to, checks on the following:

- company Safety and Environmental policy statement on board the vessel;
- master's familiarity with and understanding of the SMS;
- crew familiarity with the relevant sections of the SMS;
- clear statement in SMS regarding Master's authority;
- certification and training of officers and crew;
- familiarization and instructions for new joining crew members;
- shipboard procedures and instructions clearly laid down;
- programme of drills in place;
- maintenance carried out in a planned and structured manner;
- adequacy of language communication on board;
- validity of documentation; and

- system of reporting accidents, non-conformities.

Inspectors should also observe the guidance included in the Manual for Port State Control Officers and the Paris MOU Manual for Surveyors

CHAPTER 8

PARTICULAR ISSUES

8.1 Laid up ships

Vessel secured alongside berth / at anchor – live ship

- SMC to remain valid and audits to be carried out as required by the ISM Code.
- The Safety Management System may need to be revised to cover the activities required during the lay-up period.
- The Safety Management System will require amendment to cover the procedures that will be required for the ship to come back into full operation.

If the lay-up lasts for longer than three months, or a different crew takes the ship back into operation, an additional ISM audit will be required.

Vessel Secured alongside berth / at anchor – dead ship

- The SMC and ISSC will be withdrawn
- The procedures required for the ship to come back into full operation will need to be established
- On reactivation the ship would be treated as a new ship to the company and following successful interim audit Interim SMC will be issued.

8.2 Submersible craft

- It needs to be borne in mind that the operation of a submersible craft is very different from conventional ships.
- Some of these would have a Mother craft associated with its operations
- The so called Master of the submersible might be on the Mother craft, the submersible being operated by the Pilot
- In such cases compliance with section 5 of the ISM code needs to be verified
- Guidance on the operational aspects is available in SI 1987 no. 311

8.3 CEC audits in conjunction with ISM audits

During and ISM audit (DOC or SMC), if there are concerns regarding the standards of competency, knowledge of the English language or the knowledge of the UK legal and administrative processes (UKLAP), then these need to be fed back to the Seafarers Training and Certification branch. The CEC audit forms (MSF 4267, 4268 and 4269) are available on Formflow.

These need to be completed and sent to the Seafarers Training and Certification branch.

ANNEX A

Dear Sirs

INTERNATIONAL SAFETY MANAGEMENT CODE

Company Identification Number: xxxxxxx

The Maritime and Coastguard Agency (MCA) has issued Safety Management Certificates (SMC's) on behalf of the Government of the United Kingdom and Northern Ireland to ships operated by (**Shipping Company name)**. A condition of issue of such certificates being that the company maintains possession of a valid Document of Compliance (DOC).

The MCA has accepted the DOC issued by **(Class Society Name)**, under the authority of the Government of the **(Flag State Administration),** to **(Company Name & Address),** in accordance with IMO Circular MSC 762. The continued validity of this DOC will be reviewed on a regular basis, for which purpose the company must submit the DOC Annual Verification and Renewal Audit Reports to the MCA.

Copies of both the DOC and this letter must be retained onboard. The validity of this letter is coincident with the time-span of the current DOC, that is, up to and including **(Date of Expiry of DOC)**.

Should the DOC be withdrawn, suspended or otherwise be rendered invalid, the SMC's will likewise become invalid. In such circumstances the owners should immediately notify the MCA at the above address.

Yours faithfully

ISM/ISO Branch, HQ

ANNEX B

<table>
<tr><td colspan="2">AUDIT PLAN
DOCUMENT OF COMPLIANCE INITIAL/ANNUAL AUDIT

Date:</td></tr>
</table>

<table>
<tr><td>DATE / Times (approx. duration)</td><td>LEAD AUDITOR:</td></tr>
</table>

<table>
<tr><td></td><td>OPENING MEETING</td></tr>
<tr><td></td><td>General Review of the Company Policy/Procedures/Manual</td></tr>
<tr><td></td><td>Document Review office and ships</td></tr>
<tr><td></td><td>Interview: DPA- Responsibilities/Meetings
Review Internal Audits Office & ship, DPA Responsibilities, Resources & Personnel,</td></tr>
<tr><td></td><td>Interview: MD/President/Vice President/Director (any one person involved in Safety Management System of Co.</td></tr>
<tr><td></td><td>Interview: Technical/Finance Manager</td></tr>
<tr><td></td><td>Interview: :   Tech./Marine Superintendents</td></tr>
<tr><td></td><td>Interview: Fleet/Managers(Personnel) Crewing Department
Crew Records and crewing procedures</td></tr>
<tr><td></td><td>Interview :Admin Staff involved in ISM Procedures
Documentation verification- records office & ships</td></tr>
<tr><td></td><td>Internal/External audit-Corrective actions/Emergency Preparedness & Drills</td></tr>
<tr><td></td><td>Follow-up & prepare findings</td></tr>
<tr><td></td><td>Closing Meeting</td></tr>
<tr><td></td><td>Due to size of office personnel involved in the audit, the above timings may reduce.</td></tr>
</table>

Notes:

1. The above is a guide plan, but may be altered as circumstances dictate. Times are given for guidance, but please ensure the main persons identified will be available for interview.

- Normal office Lunch hours will be maintained.

AUDIT PLAN
SAFETY MANAGENT CERTIFICATE   INTERIM /INITIAL /INTERMEDIATE/ADDITIONAL AUDIT
                        VESSEL NAME: **IMO NO. :**
                        LOCATION:

Date:

DATE / Times (approx. duration)	LEAD AUDITOR:		AUDIT TEAM MEMBERS
	OPENING MEETING		
	General Inspection of Vessel		
	Document Review- SMS		
	Interview: Master Master's Review, Internal Audits, Ship's SMS File, Resources & Personnel, Documentation		
	Interview: Chief Engineer SMS System, Maintenance of Ship & Equipment, Emergency preparedness, Shipboard Operations, Section 9 – Defect Reporting		
	Interview: Chief Officer Deck Maintenance, Shipboard Cargo Operations, Maintenance of Ship & Equipment, Emergency Preparedness		
	Interview Deck Officer/Deck Crew		
	Interview Engineer Officer/Engine Crew		
	Interview Cook/Catering Staff		
	Shipboard Operations, Emergency Preparedness		
	Assessment		
	Emergency Drill (to be carried out preferably in day light)		
	Follow-up & prepare findings		
	Closing Meeting		

Notes:

2. The above is a guide plan, but may be altered as circumstances dictate. Times are given for guidance, but please ensure the main persons identified will be available for interview.

3. Please ensure that the following documents (relevant to your vessel) are made available for the audit:-

- Ships Statutory Certificates
- Class Certificates & Survey Status Reports & Conditions of Class
- Stability Book
- Oil Record Book Part 1
- Garbage Record Book
- Officer Certificates of competency and Certificates of equivalent competency
- Crew Agreement
- Safety Management Manuals
- Training & Familiarisation records
- Record of Drills
- Details of Accidents, non-conformities and hazardous occurrences
- Minutes of Safety Meetings
- Planned Maintenance Records
- Cargo Loading/ Discharge Plans
- Permit to work records
- Records of Previous internal audits
- Hours of Work records
- Port State Control Inspection Records

ANNEX C

MCA Audit Opening & Closing Meetings
Attendance Record

The following representatives of _____ were in attendance at the opening and closing meetings as indicated below:

Opening Meeting Time: _____   Date: _____

Closing Meeting Time: _____   Date: _____

Name:	Department	Opening	Closing
1. _____	_____	☐	☐
2. _____	_____	☐	☐
3. _____	_____	☐	☐
4. _____	_____	☐	☐
5. _____	_____	☐	☐
6. _____	_____	☐	☐
7. _____	_____	☐	☐
8. _____	_____	☐	☐
9. _____	_____	☐	☐
10. _____	_____	☐	☐
11. _____	_____	☐	☐
12. _____	_____	☐	☐
13. _____	_____	☐	☐
14. _____	_____	☐	☐
15. _____	_____	☐	☐
16. _____	_____	☐	☐
17. _____	_____	☐	☐
18. _____	_____	☐	☐

ANNEX-D

MCA Audit Interviewee List

The following persons were interviewed during the management system audit of:

_____ on _____
Name of Company   Date

Name: Department

1. _____   _____ |

2. _____   _____ |

3. _____   _____ |

4. _____   _____ |

5. _____   _____ |

6. _____   _____ |

7. _____   _____ |

8. _____   _____ |

9. _____   _____ |

10. _____   _____ |

11. _____   _____ |

12. _____   _____ |

13. _____   _____ |

14. _____   _____ |

15. _____   _____ |

16. _____   _____ |

17. _____   _____ |

18. _____   _____ |