

# No. 9 Procedural Requirements for ISM Code Certification

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## INTRODUCTION

The IACS "Procedural Requirements for ISM Code Certification" reflect, as applicable, the IMO Resolution A.913(22) "Revised Guidelines on the Implementation of the ISM Code by Administrations" and the IMO Resolution A.741(18) "International Safety Management (ISM) Code" as amended by MSC.104(73).

This document and its Annexes provide the IACS Societies (i.e. Members & Associates) with procedures and criteria for issuing a Document of Compliance (DOC) to a Company and/or a Safety Management Certificate (SMC) to a ship, when certifying that their Safety Management System (SMS) is in compliance with the requirements of the International Safety Management (ISM) Code, including the issuance of short term and interim DOCs and/or SMCs. Criteria are also provided for the actions to be taken by IACS Societies when problems associated with the ISM Code are identified by Port State Control Officers (PSCO).

The IACS Societies may perform the verification necessary for issuing either a DOC or a SMC on behalf of the Administration. When that occurs, certificates will comply with the format required by the Administration.

Resolution A.739(18) "Guidelines for the Authorisation of Recognised Organisations acting on behalf of the Administrations", which was made mandatory by Chapter XI of SOLAS 74 and Resolution A.740(18) "Interim Guidelines to assist Flag States" are applicable when Administrations recognise IACS Societies acting on their behalf.

The IACS Society having reasons to invalidate a certificate shall immediately notify the Company who requested the certification and, when acting on behalf of the Administration, the Administration. The Company shall be required to immediately notify all ships covered in the relevant SMS that the DOC is invalid.

The IACS Societies have agreed that statutory authorisation as a recognised organisation for ISM Code certification services will be held by the IACS Society itself rather than by one of its subsidiaries.

There may be more than one IACS society involved in the ISM Code certification process, as companies have been given a degree of choice as to which recognized organization is to perform the ISM audits of the Company and their ships.

When different IACS Societies are involved in ISM Code certification within the same Company, arrangements should be made for appropriate communications between them with regard to the exchange of the relevant information.

### Note:

- 1 This procedural requirement applies to all IACS Societies. The revisions introduced in Rev. 5 are to be implemented from 1st July 1999.
- 2 The revisions introduced in Rev.6 are to be implemented from 1 March 2001.
- 3 The revisions introduced in Rev. 6.1 are to be implemented from 01 October 2003.
- 4 The revisions introduced in Rev. 7 are to be implemented from 1 September 2005. PR 9 was re-numbered in Rev.7 in accordance with IMO Res. A.913(22). Ex-Annex 2(relation between ISM and STCW) and ex-Annex 4(FPSO and FSUs) were relocated to Recommendation No.41.

## **No. 9** 1. GENERAL

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### **1.1 Definitions**

1.1.1 "Audit" means a systematic and independent examination to determine whether the SMS activities and related results comply with planned arrangements and whether these arrangements are implemented effectively and are suitable to achieve objectives.

1.1.2 "Auditor" means a person performing verification of compliance with the requirements of the ISM Code and who fulfils the personal qualification and other pertinent requirements contained in Section 1 of PR10.

1.1.3 "Lead auditor" means an auditor who is authorised to lead a team of two or more auditors as specified in Section 1.6.2 (ii) of PR10.

1.1.4 "Branch Office" means an office that is part of the Company, under its control and covered by the same Safety Management System (SMS).

1.1.5 "Observation" means a statement of fact made during a safety management audit and substantiated by objective evidence. It may also be a statement made by the auditor referring to the SMS which, if not corrected, may lead to a non-conformity in the future.

1.1.6 "Safety Management Manual" is the documentation used to describe and implement the Safety Management System (SMS).

1.1.7 "Technical deficiency" means a defect in, or failure in the operation of, a part of the ship's structure or its machinery, equipment or fittings.

1.1.8 "Non-conformity" means an observed situation where objective evidence indicates the non-fulfillment of a specified requirement.

1.1.9 "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. Any one of these situations may be considered a major non-conformity.

### **1.2 Scope and Application**

1.2.1 Document establishes basic procedures:

- (i) for verifying that a SMS complies with the requirements of the ISM Code; and
- (ii) for the issue of a DOC to a Company and/or a SMC to a ship and the relevant periodical or intermediate verification of compliance with the requirements of the ISM Code.

1.2.2 This document is applicable for use by IACS Societies for issuing DOC and/or SMC when requested by the Company, in the voluntary phase of implementation of the ISM Code, as well as when acting on behalf of the Administration during the mandatory implementation of the ISM Code under SOLAS Chapter IX.

1.2.3 This document also establishes basic procedures for IACS Societies to follow when potential failures of the shipboard SMS are identified by Port State Control Officers.



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**No. 9** 2. VERIFYING COMPLIANCE WITH THE ISM CODE

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**2.1 Responsibilities of RO**

2.1.1 Criteria for verification of compliance with the requirements of the ISM Code shall be in accordance with the applicable sections of the IMO Resolution A. 913(22) "Revised Guidelines on the Implementation of the ISM Code by Administrations" and IMO Resolution A.741(18) "International Safety Management (ISM) Code" as amended by MSC.104(73).

2.1.2 An IACS Society performing verification of compliance with the ISM Code shall have, within its organisation, competence on:

- (i) rules and regulations with which Companies are to ensure compliance;
- (ii) approval, survey and certification activities relevant to maritime certificates;
- (iii) terms of reference of the SMS required by the ISM Code;
- (iv) practical experience of ship operation; and
- (v) assessment of management systems.

2.1.3 An IACS Society performing verification of compliance with the provisions of the ISM Code shall ensure that independence exists between personnel providing consultancy services and those providing the certification.

2.1.4 Management of ISM Code certification services shall:

- (i) be carried out by those who have practical knowledge of ISM Code certification procedures and practices,
- (ii) ensure that the auditor(s) meet the relevant education, training, work experience and verification experience specified, and
- (iii) ensure that the qualification and experience of auditor(s) is adequate and appropriate for the size and/or complexity of the Company and/or ship to be audited.

2.1.5 An IACS Society performing ISM Code certification shall have implemented a documented system for qualification and continuous updating of the knowledge and competence of personnel who are to perform verification of compliance with the ISM Code.

This system shall comprise:

- (i) theoretical training, covering all the competence requirements and the appropriate procedures relevant to the certification process, and
- (ii) practical tutored training; and provide documented evidence of satisfactory completion of the above.

2.1.6 An IACS Society performing ISM Code certification shall have implemented a documented system ensuring that the certification process is performed in accordance with this standard. This system shall inter alia include procedures and instructions for the following:

- (i) contract agreements with companies,
- (ii) planning, scheduling and performing verification,
- (iii) reporting results from verification,
- (iv) issue of DOC, SMC and Interim DOC and SMC certificates,
- (v) corrective action follow-up, including action to be taken in cases of a major non-conformity.

## **No. 9** 2.2 The ability of the SMS to meet safety management objectives

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2.2.1 Verification of compliance with the ISM Code is designed for the following purposes:

- (i) to determine the compliance of the SMS with the specified requirements of the ISM Code, and
- (ii) to determine the effectiveness of the implemented SMS in meeting specified objectives.

2.2.2 All records having the potential to facilitate verification of compliance with the ISM Code shall be open to scrutiny during an examination. For this purpose, the Company shall provide auditors with statutory and classification records relevant to actions taken by the Company to ensure that compliance with mandatory rules and regulations is maintained. In this regard, records may be examined to substantiate their authenticity and veracity. If the DOC and/or SMC are not issued by the same organisation which issues statutory and classification certificates, the Company shall ensure access to statutory and classification records. A request by the auditing Society to the Society with which the vessel is classed for a copy of the classification and statutory survey status of the vessel is to be accompanied by an authorisation from the Company for release of the information by the classing Society to the auditing Society.

2.2.3 Implementation within a SMS of codes, guidelines and standards recommended by the International Maritime Organization, Administrations, classification societies and other maritime industry organisations does not make these recommendations mandatory under the ISM Code. Auditors should encourage Companies to adopt these recommendations.

2.2.4 Specific arrangements provided by the Company (such as documented procedures and instructions and documentation of verification carried out by senior officers responsible for day-to-day operations) and objective evidence of its implementation to ensure that the ship and its equipment have been maintained and operated between statutory and classification surveys to conform with mandatory rules and regulations, shall be considered by the auditor.

2.2.5 The verification of compliance with mandatory rules and regulations neither duplicates nor substitutes surveys for other maritime certificates. The verification of compliance with the ISM Code does not relieve the Company, the master nor any other entity or person involved in the management or operation of the ship of their responsibilities.

2.2.6 The audit is based upon a sampling process. When no non-conformities have been reported, it does not mean that none exist.



**No. 9**  
cont'd**3. THE CERTIFICATION PROCESS****3.1 Certification Activities****3.1.1 Document of Compliance (DOC)**

3.1.1.1 A DOC shall be issued to a Company following an initial or the subsequent renewal verification of compliance with the requirements of the ISM Code.

3.1.1.2 The Company shall make available copies of the DOC to each office location and each ship covered by the SMS.

3.1.1.3 Reasons for which a DOC shall become invalid include:

- (i) corrective actions are not completed within the agreed schedule;
- (ii) amendments to the ISM Code are not taken into account;
- (iii) there is evidence of an unresolved major non-conformity; and
- (iv) the company does not request the annual verification.

In this case the IACS Society shall immediately notify the Company and, when acting on behalf of an Administration, the Administration. When the IACS Society is authorised by the Administration to withdraw the DOC, the IACS Society shall give a letter to the Company stating that the DOC is withdrawn from the date of signature of the letter, and request that the DOC be surrendered. A copy of the letter shall be immediately sent by the most expedient means to the Administration. The Company shall be required to immediately notify appropriate ships that the DOC is invalid.

3.1.1.4 Invalidation of a DOC shall result in the invalidation of the ships' SMCs associated with the DOC.

3.1.1.5 Where a DOC has been withdrawn, an Interim DOC should not be issued. A new DOC should be issued following an additional verification to the extent and scope of an initial verification being carried out. The new DOC shall have the same expiry date as the DOC withdrawn. The associated SMC's shall be re-issued following an additional verification to the extent and scope of an initial verification being carried out. As a minimum, verification shall be carried out on board one ship of each type operated by the Company.

3.1.1.6 Where a DOC has been withdrawn by 3.1.1.3(iv), an interim DOC should not be issued. A new DOC shall be issued following an additional verification to the extent and scope of an initial verification being carried out. The new DOC shall have the same expiry date as the DOC withdrawn. The associated SMCs shall be reinstated without any additional verification provided that any of the conditions of 3.1.1.3 were not raised by the additional DOC verification. Where any of the conditions of 3.1.1.3 have been found by an additional DOC verification, the associated SMCs shall be re-issued following an additional certification to the extent and scope of an initial verification being carried out. As a minimum, verification shall be carried out on board one ship of each type operated.

**3.1.2 Safety Management Certificate (SMC)**

3.1.2.1 A SMC shall be issued to a ship following an initial or the subsequent renewal verification of compliance with the requirements of the ISM Code.

3.1.2.2 A copy of the SMC shall be available at the Company's head office.

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3.1.2.3 The issue of a SMC is conditional upon:

- (i) the existence of a full term DOC (not interim), valid for that type of ship<sup>1</sup>;
- (ii) the maintenance of compliance with the requirements of a Classification Society which meets the requirements of IMO Resolution A.739(18) and A. 789(19), as may be amended, or with the national regulatory requirements of an Administration which provide an equivalent level of safety and
- (iii) the maintenance of valid statutory certificates.

3.1.2.4 Reasons for which a SMC shall become invalid include:

- (i) any condition in paragraph 3.1.2.3 is not met;
- (ii) corrective actions are not completed within the agreed time schedule;
- (iii) amendments to the ISM Code are not taken into account;
- (iv) there is evidence of an unresolved major non-conformity; and
- (v) the company does not request the intermediate verification for the ship's SMCs associated with the company's DOC.

In this case the IACS Society shall immediately notify the Company and, when acting on behalf of an Administration, the Administration. When the IACS Society is authorised by the Administration to withdraw the SMC, the IACS Society shall give a letter to the Master of the ship stating that the SMC is withdrawn from the date of signature of the letter, and request that the SMC be surrendered. A copy of the letter shall be immediately sent by the most expedient means to the Administration and to the classification society.

3.1.2.5 Where an SMC has been withdrawn, an Interim SMC should not be issued. A new SMC should be issued following an additional verification to the extent and scope of an initial verification being carried out on board the ship. Depending on the nature of the major non-conformity of the ship, an additional audit of the Company, with the scope of an annual audit, may need to be carried out prior to issue of the new SMC. The new SMC shall have the same expiry date as the SMC withdrawn.

### 3.1.3 Interim DOC and SMC

3.1.3.1 For a change of flag State or Company, special transitional arrangements are to be made in accordance with these requirements.

3.1.3.2 An Interim DOC may be issued to a Company following a demonstration, at the company's premises, that the Company has a documented SMS which addresses all elements of the ISM Code, and that plans exist for its implementation throughout the organisation and its fleet within the period of validity of the Interim DOC. The progress of such implementation may be reviewed and verified at intervals during the validity of the Interim DOC<sup>2</sup>.

3.1.3.3 An Interim SMC may be issued to new ships on delivery, to ships whose flag is changed and to ships which are new to the Company. In special cases the validity of the Interim SMC may be extended for a further six months.

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Footnote:

1. DOC issued by an Administration or an Organisation recognised by the Administration and applicable to the flag of the ship is recognised as being valid. DOC covering multi-flag fleet needs special consideration.
2. The time of issuing interim DOC/SMC has to be in compliance with decision of MSC.



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cont'd**3.1.4 Short Term certificates**

3.1.4.1 A short-term certificate may be issued at the closing of an ISM Code audit to cover the period until a full-term certificate is issued.

3.1.4.2 The short-term DOC or SMC may be issued provided no major non-conformities remain and the auditor formally recommends certification of the company.

3.1.4.3 The validity of the short-term DOC or SMC, as appropriate, is not to exceed five months from the date of the ISM Code audit.

**3.2 Initial verification**

3.2.1 The initial verification for issuing a DOC to a Company consists of the following steps:

- (i) Document Review (see 3.8)
- (ii) Company audit - in order to verify the effective functioning of the SMS, including objective evidence that the Company's SMS has been in operation for at least three months, and at least three months on board at least one ship of each type operated by the Company. The objective evidence is to inter alia, include records from the internal audits performed by the Company, ashore and on board, examining and verifying the correctness of the statutory and classification records for at least one ship of each type operated by the Company.

3.2.2 The initial verification for issuing a SMC to a ship consists of the following steps:

- (i) verification that the Company DOC is valid and relevant to that type of ship, and that the other provisions of paragraph 3.1.2.3 are complied with. Only after on board confirmation of the existence of a valid DOC can the verification proceed; and
- (ii) verification of the effective functioning of the SMS, including objective evidence that the SMS has been in operation for at least three months on board the ship. The objective evidence should also include records from the internal audits performed by the Company.

3.2.3 If the Company already has a valid DOC issued by another IACS Society, that DOC shall be accepted as evidence of compliance with the ISM Code, unless there is evidence indicating otherwise.

**3.3 Annual verification of Document of Compliance**

3.3.1 Annual safety management audits are to be carried out to maintain the validity of the DOC. The purpose of these audits is, inter alia, to verify:

- (i) the effective functioning of the SMS;
- (ii) that possible modifications of the SMS comply with the requirements of the ISM Code;
- (iii) that corrective action has been implemented; and
- (iv) that statutory and classification certificates are valid, and no surveys are overdue.



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3.3.2 Verification of the statutory and classification certificates is to be carried out on at least one ship of each type identified on the DOC.

3.3.3 Annual verification is to be carried out within three months before and after the anniversary date of the DOC.

**3.4 Intermediate verification of Safety Management Certificates**

3.4.1 Intermediate safety management audits are to be carried out to maintain the validity of the SMC. The purpose of these audits is, inter alia, to verify:

- (i) the effective functioning of the SMS;
- (ii) that possible modifications of the SMS comply with the requirements of the ISM Code;
- (iii) that corrective action has been implemented; and
- (iv) that statutory and classification certificates are valid, and no surveys are over due.

3.4.2 Intermediate verification is to take place between the second and third anniversary date of the SMC.

**3.5 Renewal verification**

3.5.1 Document review shall be part of the renewal verification if modifications to the Company and/or shipboard SMS have taken place.

3.5.2 When a renewal verification is completed within three months of the expiry date of the existing certificate, the new certificate should be valid from the date of completion of the renewal verification for a period not exceeding five years from the date of expiry of the existing certificate.

3.5.3 When a renewal verification is completed more than three months before the expiry date of the existing certificate, the new certificate shall be valid from the date of completion of the renewal verification for a period not exceeding five years.

**3.6 Safety Management Audits**

3.6.1 DOC and/or SMC verification shall be carried out according to the same principles given in paragraphs 3.2.1 and 3.2.2 for the initial verification, including all elements of the SMS and the effectiveness of the SMS in meeting the requirements of the ISM Code.

**3.7 Application for audit**

3.7.1 The Company's application for audit to the IACS Society, and the relevant information, must include the size and total number of each ship type covered by the SMS and any other documentation considered necessary. ►



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## **No. 9** 3.8 Preliminary Review (Document Review)

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3.8.1 In order to verify that the SMS and any relevant documentation comply with the requirements of the ISM Code, the auditor is to review the safety management manual. If this review reveals that the system is not adequate, the audit may have to be delayed until the company undertakes corrective action. Amendments made to the system documentation to correct deficiencies identified during this review may be verified remotely or during the subsequent implementation audit described in 3.2.1.

### **3.9 Preparing the audit**

3.9.1 The auditor(s) in co-operation with the Company is to produce an audit plan.

3.9.2 The audit plan is to be designed to be flexible in order to permit changes in emphasis based on information gathered during the audit, and to permit the effective use of resources. This plan is to be communicated to the company and those involved in the audit.

The audit plan shall include:

- (i) identification of the individuals or organizational units having significant direct responsibilities regarding the SMS;
- (ii) identification of auditor(s);
- (iii) the language of the audit;
- (iv) the date and place where the audit is to be conducted; and
- (v) the schedule of meetings to be held with Company's management.

3.9.3 Initial, intermediate and renewal shipboard verification audits shall be performed only under normal operating conditions, e.g. when the ship is not in dry dock or laid up. Interim audits may be conducted in circumstances other than normal operating conditions, provided that the ship is fully manned in accordance with its Safe Manning Certificate.

### **3.10 Executing the audit**

3.10.1 The audit is to start with an opening meeting, the purpose of which is to:

- (i) introduce the auditor(s) to the Company's and/or ship's management;
- (ii) explain the scope and objective of the audit;
- (iii) provide a short summary of the methods and procedures to be used to conduct the audit;
- (iv) establish the official communication line between the auditor(s) and the Company and/or the ship;
- (v) confirm that resources, documentation and facilities needed to perform the audit are available; and
- (vi) confirm the time and date of the closing meeting and any possible interim meetings.



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3.10.2 Working documents may be used to facilitate the audit and to document the results, which may include:

- (i) checklists used for evaluating SMS elements, and
- (ii) forms for reporting observations and documenting supporting evidence.

Working documents should not restrict additional activities or investigations that may become necessary as a result of information gathered during the audit.

3.10.3 The auditor(s) is to review the SMS on the basis of the documentation presented by the Company and objective evidence of its effective implementation, which shall be collected through interviews and examination of documents. Observation of activities and conditions may also be included when necessary to determine the effectiveness of the SMS in meeting the specific standards of safety and protection of the environment required by the ISM Code.

3.10.4 Annual and renewal audits of the company may include a review of non-conformities reported in relation to previously conducted company and ship audits. The auditor may select a sample of the reported non-conformities and audit the company's investigation, analysis, and resolution of the non-conformities in accordance with the requirements of sections 9 and 12 of the Code.

3.10.5 When auditing a Company managing ships classed by another society, or for which the Administration or another society performs the statutory surveys, the auditor shall, at the beginning of the audit, review the statutory and classification survey records for at least one ship of each ship type to which the DOC is to apply. These records are to be made available at the Company's office (refer to 2.2.2).

3.10.6 When auditing a ship that is classed by another society or which the Administration or another RO have performed statutory surveys or has issued the DOC to the Company, the auditor shall, at the beginning of the audit, review the statutory and classification survey records which should be made available onboard (refer to 2.2.2).

3.10.7 The auditor is entitled to acquire the information he needs from the other societies or, if relevant the Administration, in order to check the veracity of the information presented to him by the Company (refer to 2.2.2).

3.10.8 Audit findings are to be documented in a clear, concise manner and supported by objective evidence. These shall be reviewed by the auditor(s) in order to determine which are to be reported as major non-conformities, non-conformities, or observations.

3.10.9 At the end of the audit, prior to preparing the audit report, the auditor(s) is to hold a meeting with the senior management of the Company or ship and those responsible for the functions concerned. The purpose is to present major non-conformities, non-conformities and observations to the Company's and/or ship's management, in such a manner so as to ensure that they clearly understand the results of the audit.

### **3.11 Audit report**

3.11.1 The audit report is to be prepared by the lead auditor, based on information gathered by and discussed with the audit team members. It must be accurate and complete, reflecting the content of the audit, and is to include the following items, as applicable:

- (i) the date of completion of the audit and submission of the audit report;
- (ii) the scope and objectives of the audit;
- (iii) auditor(s), Company's representatives; and
- (iv) all major non-conformities, non-conformities, and observations.



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3.11.2 The audit report is to be submitted to the Company, which should be advised to provide the ship with a copy of the relevant shipboard audit report.

3.11.3 The Company is to maintain audit report records of all audits performed both ashore and aboard ship (refer to 2.2.2).

**3.12 Corrective Action Follow-up**

3.12.1 The non-conformity report (NCR) is to clearly state the fact identified as non-compliant with a requirement of the Company's SMS or the ISM Code.

3.12.2 The content of the non-conformity report is to be complete and concise, and written in such a manner to be easily understood by a second party reviewing the non-conformity report. Clarity should not be sacrificed for the sake of brevity.

3.12.3 Whenever possible auditors are to endeavour to write NCRs in reference to a requirement of the Company's SMS, and when necessary for the sake of clarity, restate the requirement.

3.12.4 Non-conformities are to be classified against the pertinent requirement of the ISM Code.

3.12.5 A DOC or SMC is not to be issued, endorsed or renewed if a major non-conformity exists. Immediate corrective action is at least necessary to downgrade the major non-conformity to a non-conformity and shall be such as to remove the serious threat to personnel or ship or a serious risk to the environment. A major non-conformity, which is raised on a ship, shall be downgraded before the ship sails. If a non-conformity remains after downgrading, a schedule not exceeding three months is to be agreed for completion of the necessary corrective actions. At least one additional audit shall be carried out within the time frame indicated in the agreed corrective action plan to verify effective actions are taken.

3.12.6 A DOC or SMC may be issued, endorsed or renewed before other non-conformities have been closed out, provided that a schedule has been agreed between the Company and auditor(s) for completion of necessary corrective actions. The Company is responsible to apply for any follow-up audit required by the auditor.

3.12.7 Additional verification(s) may be necessary to confirm the validity of a DOC and/or SMC depending on the nature of modifications or non-conformities to the Company and/or shipboard SMS. The Company shall be requested to immediately notify the IACS Society when modifications to the Company and/or shipboard SMS are introduced.

3.12.8 The Company is responsible for determining and implementing corrective action for non-conformities identified by the auditor(s). Prior to implementation, a corrective action plan is to be submitted to the auditor within an agreed time period. A schedule not exceeding three months is to be agreed for implementation of the necessary corrective actions. Verification of the effectiveness of the corrective actions shall be done not later than the next audit coming due (annual, intermediate or renewal).

3.12.9 The review of Company non-conformity resolution and verification activities performed in accordance with 3.10.4 may be used to verify corrective actions in relation to non-conformities that are not considered to be major.

**3.13 Company responsibilities pertaining to safety management audits**

3.13.1 The verification of compliance with the requirements of the ISM Code does not relieve the Company, management, officers or seafarers of their obligation to comply with national and international legislation related to safety and protection of the environment.

3.13.2 The Company is responsible for:

- (i) informing relevant employees or organizational units about the objectives and a scope of the audit;
- (ii) appointing responsible members of staff to accompany auditor(s);
- (iii) providing the resources needed by auditor(s) to ensure an effective and efficient verification process;
- (iv) providing access and objective evidence as requested by auditor(s);
- (v) co-operating with auditor(s) to permit the audit objectives being achieved;
- (vi) assigning internal audit teams such that persons in the same department ashore or persons onboard the same ship cannot audit their respective departments or ships; and
- (vii) conducting annual audits ashore and on board.

**3.14 Responsibilities of the organization performing the ISM Code certification**

3.14.1 The IACS Society performing the ISM Code certification is responsible for ensuring that the certification process is performed according to these and relevant flag state requirements. This includes management control of all aspects of the certification according to paragraphs 2.1.2 to 2.1.6 of this document.

**3.15 Responsibilities of the verification team**

3.15.1 The auditor is responsible for:

- (i) planning and carrying out assigned responsibilities effectively and efficiently;
- (ii) complying with the applicable requirements and other appropriate directives;
- (iii) reporting any major obstacles encountered in performing the audit;
- (iv) organising specialist technical assistance required to fulfil the competence requirements of the audit as and when appropriate;
- (v) communicating and clarifying the non-conformities to the Company and/or the ship immediately;
- (vi) communicating any observations;
- (vii) reporting the audit results clearly, conclusively and without undue delay;
- (viii) submitting the audit report to the Company; and
- (ix) verifying the effectiveness of corrective actions taken by the Company.

3.15.2 Personnel participating shall ensure confidentiality of documents pertaining to the certification and treating privileged information with discretion.

3.15.3 An ISM auditor identifying a technical deficiency deemed to present a serious threat to safety or harm to the environment shall:

- (i) establish if the company has taken appropriate action to correct the technical deficiency. In every case the auditor shall ensure that such technical deficiencies are dealt with by the responsible Class Society, and
- (ii) establish whether the technical deficiency constitutes or is symptomatic of a non-conformity within the SMS and, if so, follow the requirements of section 3.12 and 3.1.2.4 if applicable.

3.15.4 When there is evidence of an unresolved major non-conformity the auditor shall act as prescribed under 3.1.2.4, advising Port State authority as appropriate.

**Annex 1****COMPANY BRANCH OFFICE VERIFICATION****1 General**

1.1 Where a Company assigns SMS responsibilities to Branch Offices, the verification shall include a representative sample of those offices, such that the sample includes all appropriate offices necessary to cover each requirement of the Code.

1.2 The audit of each branch office shall address each requirement of the ISM Code relevant to that office.

1.3 The Company shall have performed internal audits of all branch offices and relevant records shall be made available to the auditors.

1.4 Where the Company assigns SMS responsibilities to Branch Offices, the list of Branch Offices shall be indicated in the DOC as an attachment.

**2 Initial DOC verification**

2.1 Where the same activities are performed by all Branch Offices, the number of Branch Offices to be verified is:

- (i) two if the total number of Branch Offices is two or three;
- (ii) three if the total number of Branch Offices is from four to six; and
- (iii) to be agreed on a case by case basis if the total number of Branch Offices is more than six.

2.2 Where different activities are performed by Branch Offices, the number of Branch Offices performing the same activities to be verified is:

- (i) two if the total number of Branch Offices performing the same activities is two or three;
- (ii) three if the total number of Branch Offices performing the same activities is from four to six; and
- (iii) to be agreed on a case by case basis if the total number of Branch Offices performing the same activities is more than six.

2.3 Notwithstanding the above, if a Company nominates an office as its head office then it will always be audited as part of the initial verification.

**3 Periodical DOC verification**

3.1 Periodical verification shall ensure that all Branch Offices are visited during the period of validity of the DOC.

3.2 If an additional Branch Office is included by the Company in its SMS during the period of validity of the DOC, it shall be verified at the next periodical verification. The additional Branch Office shall be included in the DOC, when the DOC is endorsed.



**Annex 2****COMMUNICATIONS WITH FLAG STATES AND BETWEEN IACS SOCIETIES**

1. To ensure that the requirements of SOLAS Chapter I Regulation 6(d), SOLAS Chapter IX, IMO Resolution A. 913(22) and Resolution A.741(18) as amended by Resolution MSC.104(73) are fulfilled, the following communication procedures must be followed when a DOC and/or SMC become invalid according to 3.1.1.3 and/or 3.1.2.4.
2. The IACS society identifying the reasons for invalidation of certification shall inform the Flag State using the form "Notification of Invalidation of ISM Certification" attached to this document as Annex 9 or by other means including the same information. This communication is also to be copied to the other relevant ROs (i.e. if a DOC is invalidated, the ROs issuing the SMCs under that DOC are to be informed; if a SMC is invalidated the RO issuing the DOC is to be informed). In cases where one or more of these ROs is not identifiable or is not an IACS Society, the flag Administration is to be requested to forward a copy to the relevant RO(s).
3. The communication is to be limited to the identity of the ship, the Company, the substance of the major non-conformity and the date of audit.
4. The IACS society identifying a major non-conformity during the SMC audit which was downgraded shall notify the RO or flag Administration issuing the DOC. In cases where one or more of these RO(s) is not identifiable or is not an IACS society, the flag Administration is to be requested to forward relevant information to the respective RO(s).



**PORT STATE CONTROL**

1. When attending a vessel as a result of a Port State Control action, the society that issued the SMC is to consider the objective evidence presented by the PSCO. In cases where the auditor concludes that there is a major non-conformity, the auditor is to notify the company and request corrective action. When requested by the company or Flag Administration, the auditor is to perform an additional audit for the possible downgrading of the major non-conformity to a non-conformity.
  
2. If the major non-conformity is not downgraded to a non-conformity, the auditor is to issue a major non-conformity and proceed in the same manner as when a major non-conformity is identified during a routine audit.
  
3. In cases where the PSCO alleges that there is evidence of a major non-conformity, and the auditor of the SMC-issuing society considers that there is not, the PSCO, under the authority vested in the officer by the authorities of the port, will decide what further action is to be taken.
  
4. If the auditor of the SMC-issuing society disagrees with the actions taken by the PSCO, the auditor is to document the disagreement to the PSCO and inform the flag State.



**SHIP TYPES ON ISM CERTIFICATION****1 Determination of ship types to be listed on DOCs and SMCs**

1.1 The ship types listed on DOCs and SMCs are to be consistent with the specific ship types defined in SOLAS and on pertinent SOLAS documentation aboard ship.

1.2 The ship types listed on DOCs and SMCs are to be consistent with the service in which the ship operates. Some ships are designed for use in multiple services (for example OBOs). The ship types listed on the DOC and SMC are to accurately reflect the service(s) in which the ship is actively trading, and fit to serve.

1.3 In the event that a multipurpose ship is voluntarily operated in only one of the services for which it is designed, then the DOC and SMC may list only that ship type which the ship is being operated as. In the event that the ship is to change operation to another service for which it is designed, an interim DOC and SMC, identifying the ship type appropriate to the new service may be issued to allow the vessel to operate until the SMS adequately addresses the new service. The ship may then operate for up to six months while the SMS is changed as necessary, and documentary evidence of a full three months of operation under the procedures specific to the ship type are implemented. Subsequent to satisfactory verification of the ships operation under a fully functional SMS for the additional ship type, the DOC and SMC may be reissued listing the pertinent ship types.

**2 Retention of ship types on DOCs**

2.1 The auditor is to determine at each annual audit of the Company, the ship types operated by the Company at the time of the audit. If the auditor discovers that the Company no longer operates a ship type listed on the DOC, the auditor is to document an observation, and formally (documented) request the Company to inform the issuing society should it not operate the identified ship type for a period exceeding one year. Upon receipt of this advice, the DOC shall be re-issued, no longer listing the ship type that is no longer operated.

**3 Other Cargo Ships**

3.1 The ship types listed on DOCs and SMC are to be consistent with the specific ship type(s) defined in SOLAS and on pertinent SOLAS documentation aboard ship, and the service(s) in which the ship is operating.

3.2 The SMS of a ship which is an "other cargo ship" (SOLAS IX/2.1.3) is to adequately address the specific service, operation and shipboard procedures pertinent to the particular ship.



## COMPANY CERTIFICATION SCENARIOS

	Scenario	Type of Audit	Minimum Scope of Audit	Carried Out by:	Certificate Issued
1	New Company	Interim Verification on site	– Verification of the requirements of PR9 sec. 3.1.3.2.	Auditor	Interim DOC
2	Change of Company name	Verification on site	– Verify Company organisation and responsibilities essentially unchanged. Ensure necessary changes made to SMS.	Auditor	Reissue DOC with new name. (expiry date as previous cert.)
3	Change of Company address	Verification on site	– Verify changes at next annual audit.	Auditor	Reissue DOC with new address. (expiry date as previous cert.)
4	Change to RO from Other IACS Society	Additional audit on site. (or next PVA or renewal audit)	– Based on review of previous Company and shipboard audits. – Review plans to implement changes. (minimum of 1 ship required)	Auditor	Reissue DOC (expiry date as previous cert. unless renewal)
5	Change to RO from Non IACS Society	Initial Audit	– Audit to address all elements of the ISM Code. – All previous NCN's to be verified and closed out during the audit by the gaining society (PR 18).	Auditor	Full Term DOC valid 5 years from date of audit.
6	Additional ship type on DOC	Interim Verification on site	– Review changes to SMS to accommodate new ship type. – Review plans to implement changes . (minimum of 1ship required)	Auditor	Interim DOC for new ship type.
6A	Change from Interim DOC to full DOC in Scenario 6	Additional Verification on site	– Verify additional requirements ship type implemented. – Review results of internal audit.	Auditor	DOC (expiry date as existing ship type)
7	Minor change to SMS	Verify at next audit	– Assess impact on SMS when advised. Visit may be required.		No action
8	Major change to SMS	Verify on site.	– Verify changes are appropriate and adequate for new circumstances.	Auditor	No action
9	Additional Flag WITHOUT Additional requirements	No action			If accepted by Flag, issue DOC (expiry date as other Flags)
10	Additional Flag WITH additional requirements	Verification on site	– Review changes to SMS to accommodate additional requirements. – Review plans to implement requirements on applicable ship.	Auditor	Issue Interim DOC for new Flag
10A	Change from Interim DOC to full DOC in Scenario 10	Additional Verification on site	– Verify additional Flag requirements are implemented. – Review results of internal audit	Auditor	DOC (expiry date as existing Flag State)

Note: The above shall apply in the absence of any special instructions from the Flag Administration.

## Annex 6

### SHIP CERTIFICATION SCENARIOS

	Scenario	Type of Audit	Minimum Scope of Audit	Carried Out By:	Certificate Issued
1	New Ship upon delivery	Interim Verification on board	<ul style="list-style-type: none"> <li>- Verification of the requirements of ISM Code sec 14.4 with the ship manned in accordance with Safe Manning Certificate.</li> <li>- Evidence of Owners information to Flag.</li> </ul>	Auditor	Interim SMC
2	Change of Name	Verification on board	<ul style="list-style-type: none"> <li>- Verify correct name on all Certificates and Documents.</li> </ul> <p style="text-align: center;">Note: Must be amended by issuing Ro or by special arrangement.</p>	Auditor or Surveyor	Change name on existing SMC and subsequently issue new certificate
3	Change to a Flag WITHOUT additional requirements	Verification on board	<ul style="list-style-type: none"> <li>- Valid DOC for new Flag sighted.</li> <li>- Evidence of Owners information to new Flag sighted.</li> <li>- Valid statutory certificates safe manning certificate and Flag endorsement.</li> <li>- Crew to comply with STCW and new Flag requirements.</li> </ul>	Issuing Society Auditor or Surveyor	Issue new SMC. (expiry date as previous certificate)
4	Change to a Flag WITH additional requirements	Interim Verification on board	<ul style="list-style-type: none"> <li>- Valid DOC for new Flag sighted.</li> <li>- Evidence of Owners information to new Flag sighted.</li> <li>- Valid statutory certificates, safe manning certificate and Flag endorsement.</li> <li>- Crew to comply with STCW and new Flag requirements and relevant Flag endorsement.</li> <li>- Masters awareness of, and availability of and any relevant Flag Regulation.</li> </ul>	Auditor	Interim SMC
4A	Change from Interim SMC to full SMC in Scenario 4	Additional Verification on board	<ul style="list-style-type: none"> <li>- Check additional Flag requirements are implemented.</li> </ul>	Auditor	SMC (expiry date as previous Full term SMC)
5	Change of Company	Interim Verification on board	<ul style="list-style-type: none"> <li>- Verification of the requirements of ISM Code sec. 14.4 with vessel manned in accordance with safe manning Certificate.</li> <li>- Evidence of Owners information to Flag sighted.</li> </ul>	Auditor	Interim SMC
6	Change of Owner	No action required	<ul style="list-style-type: none"> <li>- Evidence of Owners information to Flag to be verified at next visit.</li> </ul>	-	No action required
7	Change of IMO ship type	Interim Verification on board	<ul style="list-style-type: none"> <li>- Review documentation and plans for implementation of procedures relating to operation of new ship type</li> <li>- Check valid statutory certificates complying with STCW.</li> </ul>	Auditor	Interim SMC



**No. 9**  
cont'd

	Scenario	Type of Audit	Minimum Scope of Audit	Carried Out By:	Certificate Issued
8	Adding IMO ship Type (e.g. OBO in Bulk)	Interim Verification on board	<ul style="list-style-type: none"> <li>- Review documentation and plans for implementation of procedures relating to operation of new ship type.</li> <li>- Check valid statutory certificates and crew's qualification.</li> </ul>	Auditor	Interim SMC (in addition to existing SMC)
9	Change to RO from Non IACS Society	Initial Audit	<ul style="list-style-type: none"> <li>- Audit to address all elements of ISM Code.</li> </ul>	Auditor	Issue SMC (maximum 5 years from date of audit)
10	Change to RO from Other IACS Society	Additional audit on board	<ul style="list-style-type: none"> <li>- Review of previous lost society's shipboard audit reports. All previous NCNIs to be closed out.</li> </ul>	Auditor	SMC (same expiry date)
11	Change of IMO ship Type, dual to single (e.g. OBO to oil tanker)	Verification on board	<ul style="list-style-type: none"> <li>- Evidence of surrender of SOLAS or MARPOL related certificates for the original ship type. (e.g. surrender of IOPP Supp B when going from OBO to bulk on permanent basis).</li> </ul>	Surveyor	Amend SMC to reflect new ship type and subsequently issue new certificate (same expiry date)
12	Change from Non Convention to Convention	Interim Verification on Board	<ul style="list-style-type: none"> <li>- Verification of requirements of ISM Code sec. 14.4 with vessel manned in accordance with Safe Manning Certificate.</li> <li>- Check valid statutory certificates.</li> <li>- Evidence of Owners information to Flag.</li> </ul>	Auditor	Interim SMC
13	Change from Non Convention (voluntary certificate) to Convention	Additional Audit on board	<ul style="list-style-type: none"> <li>- Check differences between national and International requirements are implemented.</li> </ul>	Auditor	SMC with same expiry Date
14	Ship more than 3 Months out of service	Additional audit on board (Re-activation audit)	<ul style="list-style-type: none"> <li>- Renewal or Intermediate audit if due or within the window of such an audit, OR</li> <li>- Interim audit with requirement to comply with ISM Code sec.3, 4, 5, 6 10</li> </ul>	Auditor	Existing SMC to be endorsed
15	Ship more than 12 Months out of service	Interim Verification on board	<ul style="list-style-type: none"> <li>- Verification of the requirements of ISM Code sec. 14.4 with the ship manned in accordance with Safe Manning Certificate.</li> <li>- Evidence of Owners information to Flag.</li> </ul>	Auditor	Interim SMC

Note: The above shall apply in the absence of any special instructions from the Flag Administration.



**Notification of Invalidation of ISM Certification**

- Document of Compliance
- Safety Management Certificate (Tick as appropriate)

Ship's Name:	IMO No.
Company Name and Address	Certificate No.
	Issued by:
The audit was conducted on behalf of the government of:	
Type of audit: Annual (office) <input type="checkbox"/> Intermediate (ship) <input type="checkbox"/> Additional <input type="checkbox"/> Renewal <input type="checkbox"/> (Tick as appropriate)	

**REASON FOR INVALIDATION OF CERTIFICATION (tick as appropriate):**

Periodical verification audit not requested

Corrective action not completed within agreed schedule

Unresolved major non-conformity (copy attached)

Amendments to the ISM Code are not taken into account.

Transfer of Certification of Management System (TCMS, PR 18)

Other reason (please specify): .....

.....

.....

Name:	Position:	Society
Signature:		Date:

Receipt by company representative:

Name:	Position:
Signature:	Date:

- Distribution:
- Original to company
  - Copy to Master (SMC)
  - Copy to Administration
  - Copy to Port State Authority (if appropriate)
  - Copy to issuing organization
  - Copy (copies to RO (ROs) responsible for issue of SMC(s) (office audit)
  - Copy to RO responsible for issue of DOC (ship audit)
  - Copy to classification society (ship audit)

