

Resolution A.913(22)
Adopted on 29 November 2001 (Agenda item 9)
REVISED GUIDELINES ON IMPLEMENTATION OF THE INTERNATIONAL
SAFETY MANAGEMENT (ISM) CODE BY ADMINISTRATIONS



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**REVISED GUIDELINES ON IMPLEMENTATION OF THE INTERNATIONAL
SAFETY MANAGEMENT (ISM) CODE BY ADMINISTRATIONS**

THE ASSEMBLY,

RECALLING Article 15(j) of the Convention on the International Maritime Organization concerning the functions of the Assembly in relation to regulations and guidelines concerning maritime safety and the prevention and control of marine pollution from ships,

RECALLING ALSO resolution A.741(18), by which the Assembly adopted the International Management Code for the Safe Operation of Ships and for Pollution Prevention (International Safety Management (ISM) Code),

RECALLING FURTHER resolution A.788(19), by which the Assembly adopted Guidelines on implementation of the International Safety Management (ISM) Code by Administrations,

NOTING that the ISM Code became mandatory, under the provisions of chapter IX of the International Convention for the Safety of Life at Sea (SOLAS), 1974, as amended for companies operating certain types of ships, on 1 July 1998, and will become mandatory for companies operating other cargo ships and mobile offshore drilling units propelled by mechanical means of 500 gross tonnage and upwards on 1 July 2002,

NOTING ALSO that the Maritime Safety Committee at its seventy-third session, when adopting the amendments to the ISM Code by resolution MSC.104(73), agreed that the Guidelines on implementation of the ISM Code by Administrations should be revised to take account of those amendments,

RECOGNIZING that an Administration, in establishing that safety standards are being maintained, has a responsibility to ensure that Documents of Compliance and Safety Management Certificates have been issued in accordance with the Guidelines,

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RECOGNIZING ALSO that there may be a need for Administrations to enter into agreements in respect of issuance of certificates by other Administrations in compliance with chapter IX of the 1974 SOLAS Convention and in accordance with resolution A.741(18),

RECOGNIZING FURTHER the need for uniform implementation of the ISM Code,

HAVING CONSIDERED the recommendations made by the Maritime Safety Committee at its seventy-fourth session and by the Marine Environment Protection Committee at its forty-sixth session,

1. ADOPTS the Revised Guidelines on implementation of the International Safety Management (ISM) Code by Administrations set out in the Annex to the present resolution;
2. URGES Governments, when implementing the ISM Code, to adhere to the Revised Guidelines;
3. REQUESTS Governments to inform the Organization of any difficulties they have experienced in using the annexed Revised Guidelines;
4. AUTHORIZES the Maritime Safety Committee and the Marine Environment Protection Committee to keep the annexed Guidelines under review and to amend them as necessary.
5. REVOKES resolution A.788(19) with effect as of 1 July 2002.

ANNEX

REVISED GUIDELINES ON IMPLEMENTATION OF THE INTERNATIONAL SAFETY MANAGEMENT (ISM) CODE BY ADMINISTRATIONS

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INTRODUCTION

The ISM Code

The International Management Code for the Safe Operation of Ships and for Pollution Prevention (International Safety Management (ISM) Code) was adopted by the Organization by resolution A.741(18) and became mandatory by virtue of the entry into force on 1 July 1998 of SOLAS chapter IX on 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.

The Maritime Safety Committee, at its seventy-third session, adopted amendments to chapter IX of SOLAS by resolution MSC.99(73), and to sections 1, 7, 13, 14, 15 and 16 of the ISM Code by resolution MSC.104(73). As a result it is necessary to revise the previous version of the Guidelines contained in Assembly resolution A.788(19), which is being superseded by the present Guidelines.

The ISM Code requires that Companies establish safety objectives as described in section 1.2 of the ISM Code, and in addition that the Companies develop, implement and maintain a safety management system which includes functional requirements as listed in section 1.4 of the ISM Code.

The application of the ISM Code should *support and encourage* the development of a safety culture in shipping. Success factors for the development of a safety culture are, *inter alia*, commitment, values and beliefs.

Mandatory application of the ISM Code

The appropriate organization of management, ashore and on board, is needed to ensure adequate standards of safety and pollution prevention. A systematic approach to management by those responsible for management of ships is therefore required. The objectives of the mandatory application of the ISM Code are to ensure:

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

Effective enforcement by Administrations must include verification that the safety management system complies with the requirements as stipulated in the ISM Code, as well as verification of compliance with mandatory rules and regulations.

The mandatory application of the ISM Code should ensure, support and encourage the taking into account of applicable codes, guidelines and standards recommended by the Organization, Administrations, classification societies and maritime industry organizations.

Verification and certification responsibilities

The Administration is responsible for verifying compliance with the requirements of the ISM Code and for issuing Documents of Compliance to Companies and Safety Management Certificates to ships.

Resolutions A.739(18) - Guidelines for the authorization of organizations acting on behalf of the Administration and A.789(19) – Specifications on the survey and certification functions of recognized organizations acting on behalf of the Administration, which have been made mandatory by virtue of SOLAS regulation XI/1, and resolution A.847(20) – Guidelines to assist flag States in the implementation of IMO instruments, are applicable when Administrations authorize organizations to issue Documents of Compliance and Safety Management Certificates on their behalf.

1 SCOPE AND APPLICATION

1.1 Definitions

The terms used in these Revised Guidelines have the same meaning as those given in the ISM Code.

1.2 Scope and application

1.2.1 These Guidelines establish basic principles:

- .1 for verifying that the safety management system of a Company responsible for the operation of ships, or the safety management system for the ship or ships controlled by the company, complies with the ISM Code; and

- .2 for the issue and annual verification of the Document of Compliance and for the issue and intermediate verification of the Safety Management Certificate.

1.2.2 These Guidelines are applicable to Administrations with effect as of 1 July 2002.

2 VERIFYING COMPLIANCE WITH THE ISM CODE

2.1 General

2.1.1 To comply with the requirements of the ISM Code, Companies should develop, implement and maintain a safety management system to ensure that the safety and environmental protection policy of the Company is implemented. The Company policy should include the objectives defined by the ISM Code.¹

2.1.2 Administrations should verify compliance with the requirements of the ISM Code by determining:

- .1 the conformity of the Company's safety management system with the requirements of the ISM Code; and
- .2 that the safety management system ensures that the objectives defined in paragraph 1.2.3 of the ISM Code are met.

2.1.3 Determining the conformity or non-conformity of safety management system elements with the requirements specified by the ISM Code may demand that criteria for assessment be developed. Administrations are recommended to limit the development of criteria in the form of prescriptive management system solutions. Criteria for assessment in the form of prescriptive requirements may have the effect that safety management in shipping results in Companies implementing solutions prepared by others, and it may then be difficult for a Company to develop the solutions which best suit that particular Company, that particular operation or that specific ship.

2.1.4 Therefore, Administrations are recommended to ensure that these assessments are based on determining the effectiveness of the safety management system in meeting specified objectives, rather than conformity with detailed requirements in addition to those contained in the ISM Code, so as to reduce the need for developing criteria to facilitate assessment of the Companies' compliance with the Code.

2.2 The ability of the safety management system to meet general safety management objectives

2.2.1 The ISM Code identifies general safety management objectives. These objectives are:

- .1 to provide for safe practices in ship operation and a safe working environment;
- .2 to establish safeguards against all identified risks; and

¹ The ICS/ISF Guidelines on the application of the International Safety Management Code provide useful guidance on important individual elements of a safety management system and its development by Companies.

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

The verification should support and encourage Companies in achieving these objectives.

2.2.2 These objectives provide clear guidance to Companies for the development of safety management system elements in compliance with the ISM Code. Since, however, the ability of the safety management system to achieve these objectives cannot be determined beyond whether the safety management system complies with the requirements of the ISM Code, they should not form the basis for establishing detailed interpretations to be used for determining conformity or non-conformity with the requirements of the ISM Code.

2.3 The ability of the safety management system to meet specific requirements of safety and pollution prevention

2.3.1 The main criterion which should govern the development of interpretations needed for assessing compliance with the requirements of the ISM Code should be the ability of the safety management system to meet the specific requirements defined by the ISM Code in terms of specific standards of safety and pollution prevention.

The specific standards of safety and protection of the environment specified by the ISM Code are:

- .1 compliance with mandatory rules and regulations; and
- .2 that applicable codes, guidelines and standards recommended by the Organization, Administrations, classification societies and other maritime industry organizations are taken into account.

2.3.2 All records having the potential to facilitate verification of compliance with the ISM Code should be open to scrutiny during an examination. For this purpose the Administration should ensure that the Company provide auditors with statutory and classification records relevant to the actions taken by the Company to ensure that compliance with mandatory rules and regulations is maintained. In this regard the records may be examined to substantiate their authenticity and veracity.

2.3.3 Some mandatory requirements may not be subject to statutory or classification surveys, such as:

- .1 maintaining the condition of ship and equipment between surveys; and
- .2 certain operational requirements.

Specific arrangements may be required to ensure compliance and to provide for the objective evidence needed for verification in these cases, such as:

- .1 documented procedures and instructions; and
- .2 documentation of the verification carried out by senior officers of day-to-day operation when relevant to ensure compliance.

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

2.3.5 Administrations should ensure that the Company has:

- .1 taken into account the recommendations, as referred to in 1.2.3.2 of the ISM Code, when establishing the safety management system; and
- .2 developed procedures to ensure that these recommendations are implemented on shore and on board.

2.3.6 Within a safety management system, implementation of codes, guidelines and standards recommended by the Organization, Administrations, classification societies and other maritime industry organizations does not make these recommendations mandatory under the ISM Code. Nevertheless auditors should encourage companies to adopt these recommendations whenever applicable to the Company.

3 THE CERTIFICATION PROCESS

3.1 Certification activities

3.1.1 The certification process relevant to a Document of Compliance for a Company and a Safety Management Certificate to a ship will normally involve the following steps:

- .1 initial verification;
- .2 annual or intermediate verification;
- .3 renewal verification; and
- .4 additional verification.

These verifications are carried out at the request of the Company to the Administration, or to the organization recognized by the Administration to perform certification functions under the ISM Code, or at the request of the Administration by another Contracting Government to the Convention.

The verifications will include an audit of the safety management system.

3.2 Initial verification

3.2.1 The Company should apply for ISM Code certification to the Administration.

3.2.2 An assessment of the shore side management system undertaken by the Administration would necessitate assessment of the offices where such management is carried out and possibly of other locations, depending on the Company's organization and the functions of the various locations.

3.2.3 On satisfactory completion of the assessment of the shore side safety management system, arrangements/planning may commence for the assessment of the Company's ships.

3.2.4 On satisfactory completion of the assessment, a Document of Compliance will be issued to the Company, copies of which should be forwarded to each shore side premises and each ship in the Company's fleet. As each ship is assessed and issued with a Safety Management Certificate, a copy of it should also be forwarded to the Company's head office.

3.2.5 In cases where certificates are issued by a recognized organization, copies of all certificates should also be sent to the Administration.

3.2.6 The safety management audit for the Company and for a ship will involve the same basic steps. The purpose is to verify that a Company or a ship complies with the requirements of the ISM Code. The audits include:

- .1 the conformity of the Company's safety management system with the requirements of the ISM Code, including objective evidence demonstrating that the Company's safety management system has been in operation for at least three months and that a safety management system has been in operation on board at least one ship of each type operated by the Company for at least three months; and
- .2 that the safety management system ensures that the objectives defined in paragraph 1.2.3 of the ISM Code are met. This includes verification that the Document of Compliance for the Company responsible for the operation of the ship is applicable to that particular type of ship, and assessment of the shipboard safety management system to verify that it complies with the requirements of the ISM Code, and that it is implemented. Objective evidence demonstrating that the Company's safety management system has been functioning effectively for at least three months on board the ship should be available, including, *inter alia*, records from the internal audit performed by the Company.

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 Document of Compliance, and should include examining and verifying the correctness of the statutory and classification records presented for at least one ship of each type to which the Document of Compliance applies. The purpose of these audits is to verify the effective functioning of the safety management system, and that any modifications made the Safety Management System comply with the requirements of the ISM Code.

3.3.2 Annual verification is to be carried out within three months before and after each anniversary date of the Document of Compliance. A schedule not exceeding three months is to be agreed for completion of the necessary corrective actions.

3.3.3 Where the Company has more than one shore side premises, each of which may not have been visited at the initial assessment, the annual assessments should endeavour to ensure that all sites are visited during the period of validity of the Document of Compliance.

3.4 Intermediate verification of Safety Management Certificates

3.4.1 Intermediate safety management audits should be carried out to maintain the validity of the Safety Management Certificate. The purpose of these audits is to verify the effective functioning of the safety management system and that any modifications made to the safety management system comply with the requirements of the ISM Code. In certain cases, particularly during the initial period of operation under the safety management system, the Administration may find it necessary to increase the frequency of the intermediate verification. Additionally, the nature of non-conformities may also provide a basis for increasing the frequency of intermediate verifications.

3.4.2 If only one intermediate verification is to be carried out, it should take place between the second and third anniversary date of the issue of the Safety Management Certificate.

3.5 Renewal verification

Renewal verifications are to be performed before the validity of the Document of Compliance or the Safety Management Certificate expires. The renewal verification will address all the elements of the safety management system and the activities to which the requirements of the ISM Code apply. Renewal verification may be carried out from six months before the date of expiry of the Document of Compliance or the Safety Management Certificate, and should be completed before their date of expiry.

3.6 Safety management audits

The procedure for safety management audits outlined in the following paragraphs includes all steps relevant for initial verification. Safety management audits for annual verification and renewal verification should be based on the same principles even if their scope may be different.

3.7 Application for audit

3.7.1 The Company should submit a request for audit to the Administration or to the organization recognized by the Administration for issuing a Document of Compliance or a Safety Management Certificate on behalf of the Administration.

3.7.2 The Administration or the recognized organization should then nominate the lead auditor and, if relevant, the audit team.

3.8 Preliminary review

As a basis for planning the audit, the auditor should review the safety management manual to determine the adequacy of the safety management system in meeting the requirements of the ISM Code. If this review reveals that the system is not adequate, the audit will have to be delayed until the Company undertakes corrective action.

3.9 Preparing the audit

3.9.1 The nominated lead auditor should liaise with the Company and produce an audit plan.

3.9.2 The auditor should provide the working documents which are to govern the execution of the audit to facilitate the assessments, investigations and examinations in accordance with the standard procedures, instructions and forms which have been established to ensure consistent auditing practices.

3.9.3 The audit team should be able to communicate effectively with auditees.

3.10 Executing the audit

3.10.1 The audit should start with an opening meeting in order to introduce the audit team to the Company's senior management, summarize the methods for conducting the audit, confirm that all agreed facilities are available, confirm time and date for a closing meeting and clarify possible unclear details relevant to the audit.

3.10.2 The audit team should assess the safety management system on the basis of the documentation presented by the Company and objective evidence as to its effective implementation.

3.10.3 Evidence should 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 safety management system in meeting the specific standards of safety and protection of the environment required by the ISM Code.

3.10.4 Audit observations should be documented. After activities have been audited, the audit team should review their observations to determine which are to be reported as non-conformities. Non-conformities should be reported in terms of the general and specific provisions of the ISM Code.

3.10.5 At the end of the audit, prior to preparing the audit report, the audit team should hold a meeting with the senior management of the Company and those responsible for the functions concerned. The purpose is to present the observations in such a way as to ensure that the results of the audit are clearly understood.

3.11 Audit report

3.11.1 The audit report should be prepared under the direction of the lead auditor, who is responsible for its accuracy and completeness.

3.11.2 The audit report should include the audit plan, identification of audit team members, dates and identification of the Company, observations on any non-conformities and observations on the effectiveness of the safety management system in meeting the specified objectives.

3.11.3 The Company should receive a copy of the audit report. The Company should be advised to provide a copy of the shipboard audit reports to the ship.

3.12 Corrective action follow-up

3.12.1 The Company is responsible for determining and initiating the corrective action needed to correct a non-conformity or to correct the cause of the non-conformity. Failure to correct non-conformities with specific requirements of the ISM Code may affect the validity of the Document of Compliance and related Safety Management Certificates.

3.12.2 Corrective actions and possible subsequent follow-up audits should be completed within the time period agreed. The Company should apply for the follow-up audits.

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 obligations as to compliance with national and international legislation related to safety and protection of the environment.

3.13.2 The Company is responsible for:

- .1 informing relevant employees about the objectives and scope of the ISM Code certification;
- .2 appointing responsible members of staff to accompany members of the team performing the certification;
- .3 providing the resources needed by those performing the certification to ensure an effective and efficient verification process;
- .4 providing access and evidential material as requested by those performing the certification; and
- .5 co-operating with the verification team to permit the certification objectives to be achieved.

3.14 Responsibilities of the organization performing the ISM Code certification

The organization performing the ISM Code certification is responsible for ensuring that the certification process is performed according to the ISM Code and these Guidelines. This includes management control of all aspects of the certification according to the appendix to these Guidelines.

3.15 Responsibilities of the verification team

3.15.1 Whether the verifications involved with certification are performed by a team or not, one person should be in charge of the verification. The leader should be given the authority to make final decisions regarding the conduct of the verification and any observations. His responsibilities should include:

- .1 preparation of a plan for the verification; and
- .2 submission of the report of the verification.

3.15.2 Personnel participating in the verification are responsible for complying with the requirements governing the verification, ensuring confidentiality of documents pertaining to the certification and treating privileged information with discretion.

APPENDIX

STANDARDS ON ISM CODE CERTIFICATION ARRANGEMENTS

1 INTRODUCTION

The audit team involved with ISM Code certification, and the organization under which it may be managed, should comply with the specific requirements stated in this Annex.

2 STANDARD OF MANAGEMENT

2.1 Organizations managing verification of compliance with the ISM Code should have, in their own organization, competence in relation to:

- .1 ensuring compliance with the rules and regulations, including certification of seafarers, for the ships operated by the Company;
- .2 approval, survey and certification activities;
- .3 the terms of reference that must be taken into account under the safety management system as required by the ISM Code; and
- .4 practical experience of ship operation.

2.2 The Convention requires that organizations recognized by Administrations for issuing a Document of Compliance and a Safety Management Certificate at their request should comply with resolutions A.739(18) - Guidelines for the authorization of organizations acting on behalf of the Administration and A.789(19) - Specifications on the survey and certification functions of recognized organizations acting on behalf of the Administration.

2.3 Any organization performing verification of compliance with the provisions of the ISM Code should ensure that there exists independence between the personnel providing consultancy services and those involved in the certification procedure.

3 STANDARDS OF COMPETENCE

3.1 ISM Code certification scheme management

Management of ISM Code certification schemes should be carried out by those who have practical knowledge of ISM Code certification procedures and practices.

3.2 Basic competence for performing verification

3.2.1 Personnel who are to participate in the verification of compliance with the requirements of the ISM Code should have a minimum of formal education comprising the following:

- .1 qualifications from a tertiary institution recognized by the Administration or by the recognized organization within a relevant field of engineering or physical science (minimum two years programme), or
- .2 qualifications from a marine or nautical institution and relevant seagoing experience as a certified ship officer.

3.2.2 They should have undergone training to ensure adequate competence and skills for performing verification of compliance with the requirements of the ISM Code, particularly with regard to:

- .1 knowledge and understanding of the ISM Code;
- .2 mandatory rules and regulations;
- .3 the terms of reference which the ISM Code requires that Companies should take into account;
- .4 assessment techniques of examining, questioning, evaluating and reporting;
- .5 technical or operational aspects of safety management;
- .6 basic knowledge of shipping and shipboard operations; and
- .7 participation in at least one marine-related management system audit.

3.2.3 Such competence should be demonstrated through written or oral examinations, or other acceptable means.

3.3 Competence for initial verification and renewal verification

3.3.1 In order to assess fully whether the Company or the ship complies with the requirements of the ISM Code, in addition to the basic competence stated under 3.2 above, personnel who are to perform initial verifications or renewal verifications for a Document of Compliance or a Safety Management Certificate must possess the competence to:

- .1 determine whether the safety management system elements conform or do not conform with the requirements of the ISM Code;
- .2 determine the effectiveness of the Company's safety management system, or that of the ship, to ensure compliance with rules and regulations as evidenced by the statutory and classification survey records;
- .3 assess the effectiveness of the safety management system in ensuring compliance with other rules and regulations which are not covered by statutory and classification surveys and enabling verification of compliance with these rules and regulations; and
- .4 assess whether the safe practices recommended by the Organization, Administrations, classification societies and maritime industry organizations have been taken into account.

3.3.2 This competence can be accomplished by teams which together possess the total competence required.

3.3.3 Personnel who are to be in charge of initial verification or renewal verification of compliance with the requirements of the ISM Code should have at least five years experience in areas relevant to the technical or operational aspects of safety management, and should have participated in at least three initial verifications or renewal verifications. Participation in verification of compliance with other management standards may be considered as equivalent to participation in verification of compliance with the ISM Code.

3.4 Competence for annual, intermediate and interim verification

Personnel who are to perform annual, intermediate and interim verifications should satisfy basic requirements for personnel participating in verifications and should have participated in a minimum of two annual, renewal or initial verifications. They should have received special instructions needed to ensure that they possess the competence required to determine the effectiveness of the Company's safety management system.

4 QUALIFICATION ARRANGEMENTS

Organizations performing ISM Code certification should 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 should comprise theoretical training courses covering all the competence requirements and the appropriate procedures connected to the certification process, as well as practical tutored training, and it should provide documented evidence of satisfactory completion of the training.

5 CERTIFICATION PROCEDURES AND INSTRUCTIONS

Organizations performing ISM Code certification should have implemented a documented system to ensure that the certification process is performed in accordance with this standard. This system should, *inter alia*, include procedures and instructions for the following:

- .1 contract agreements with Companies;
 - .2 planning, scheduling and performing verification;
 - .3 reporting results from verification;
 - .4 issuance of Documents of Compliance, Safety Management Certificates and Interim Documents of Compliance and Safety Management Certificates; and
 - .5 corrective action and follow-up of verifications, including actions to be taken in cases of major non-conformity.
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