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OF IMO INSTRUMENTS  
7th session  
Agenda item 7

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## ANALYSIS OF CONSOLIDATED AUDIT SUMMARY REPORTS

### Analysis of four consolidated audit summary reports under the IMO Member State Audit Scheme (IMSAS)

#### Note by Secretariat

#### SUMMARY

*Executive summary:* This document contains the analysis of four consolidated audit summary reports (CASRs) from 68 audits conducted between 2016 and 2019 under the IMO Member State Audit Scheme (IMSAS)

*Strategic direction, if applicable:* 1

*Output:* 1.4

*Action to be taken:* Paragraph 2

*Related documents:* III 7/7, III 5/7, III 5/INF.3, III 5/15; MSC 101/24; MSC 102/24; MEPC 74/18; MEPC 75/18; Circular Letters Nos.3772, 3879, 4028, and 4317

1 The annex to this document is referred to in document III 7/7.

#### Action requested of the Sub-Committee

2 The Sub-Committee is invited to note the information provided in the annex to this document, in the context of its consideration of document III 7/7.

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## ANNEX

### ANALYSIS OF FOUR CONSOLIDATED AUDIT SUMMARY REPORTS FROM AUDITS CONDUCTED UNDER THE IMO MEMBER STATE AUDIT SCHEME

#### GENERAL

1 This analysis is based on four consolidated audit summary reports (CASRs) of 68 audits conducted under the IMO Member State Audit Scheme (IMSAS), containing 1,167 findings, 107 observations, and related root causes, including references to requirements of the mandatory IMO instruments, where available, and references to the III Code, as the audit standard. The information presented covers the audits of 67 Member States and one Associate Member.

2 The first CASR (Circular Letter No.3772) contains the outcome of 18 mandatory audits conducted in 2016, with 267 findings and 21 observations.

3 The second CASR (Circular Letter No.3879) contains the outcome of 15 mandatory audits, one conducted in 2016 and 14 in 2017, with 217 findings and 20 observations.

4 The third CASR (Circular Letter No.4028) contains the outcome of 17 mandatory audits, eight conducted in 2017 and nine in 2018, with 289 findings and 33 observations.

5 The fourth CASR (Circular Letter No.4317) contains the outcome of 18 mandatory audits, 11 conducted in 2018 and seven in 2019, with 394 findings and 33 observations.

6 In accordance with the established methodology for the analysis of CASRs (III 5/15, paragraph 7.28), the information presented in this analysis is based on the audit outcomes reflecting the findings and observations issued during the audits, as well as corresponding root causes as identified by the audited Member States.

7 In addition, all CASRs also include a summary of the corrective actions taken or proposed by the Member States, as well as best practices revealed in audits in order to share them among Member States, with a view to assisting them to enhance further their implementation and enforcement of the mandatory IMO instruments.

#### ANALYSIS OF CASR

8 This analysis refers to 68 audits under IMSAS conducted between 2016 and 2019 according to the *Framework and Procedures for the IMO Member State Audit Scheme* (resolution A.1067(28)) and using the *IMO Instruments Implementation Code (III Code)* (resolution A.1070(28)) as the audit standard.

9 With regard to the scope of the audits, it should be noted that, under STCW 1978, it was limited following the general stipulation in the *Framework for the IMO Member State Audit* (resolution A.1067(28), annex, part I, paragraph 7.2.2) and the areas set out in the STCW Code, section A-1/16. In addition, the scope of the audit of six Member States was limited to general obligations of the State and flag State activities only, due to their geographical location.

10 The methodology used for this analysis followed the decision of III 5 to continue applying the methodology used in the analysis of CASRs from audits under the mandatory phase of the Scheme, as presented in document III 5/INF.3, for the analysis of the outcome of mandatory audits as stipulated in paragraph 7.28 of document III 5/15. With regard to the

additional request by III 5 to provide, separately and as appropriate, information on difficulties in the implementation of identified mandatory codes, the functionalities in the Member State Audit (MSA) module in the Global Integrated Shipping Information System (GISIS) are being enhanced to support this additional element of the analysis and related data will be provided as part of a future analysis.

11 In addition, it should be noted that the terms "finding" and "observation" have been used in this document in accordance with their respective definitions in the *Procedures for the IMO Member State Audit* (resolution A.1067(28), annex, part II), as follows:

**"Finding"** A situation where objective evidence indicates the non-compliance with a mandatory requirement contained in an IMO instrument or in the audit standard; and

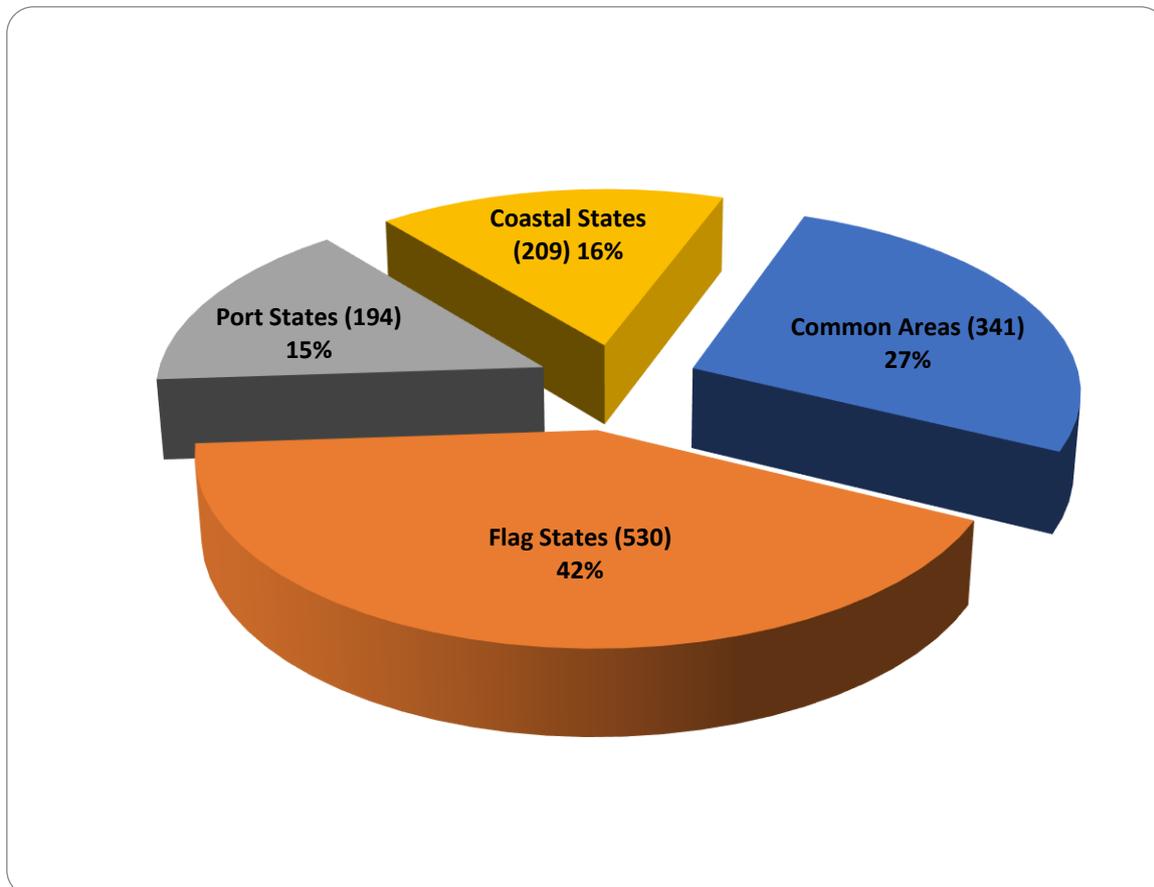
**"Observation"** A statement of fact substantiated by objective evidence, relating to a non-mandatory provision of the audit standard.

### I - ANALYSIS OF FINDINGS BY PARTS OF THE III CODE

12 Figures in this part of the analysis provide an overview of the findings and observations classified under the four parts of the III Code – Common Areas, Flag States, Coastal States and Port States.

#### General

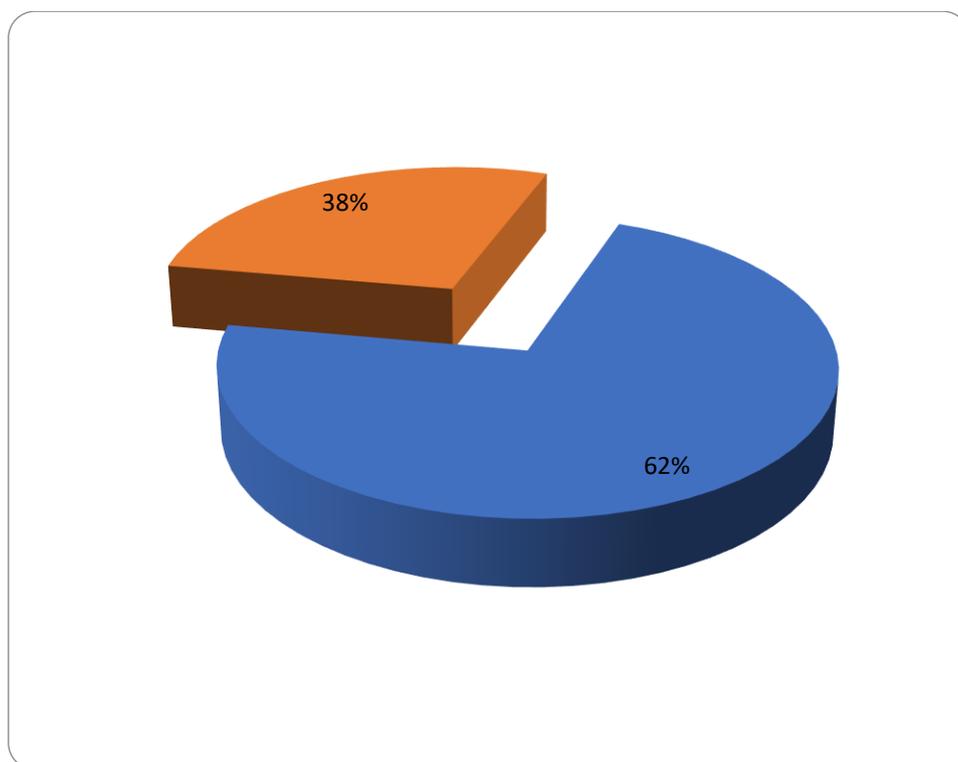
**Figure 1: Total number and percentages of findings and observations by parts of the III Code**



13 The analysis of the findings from 68 audits shows that 42% of the findings are in the area of flag State responsibilities and obligations, followed by the Common Areas – 27%, Coastal States – 16%, and Port States – 15%.

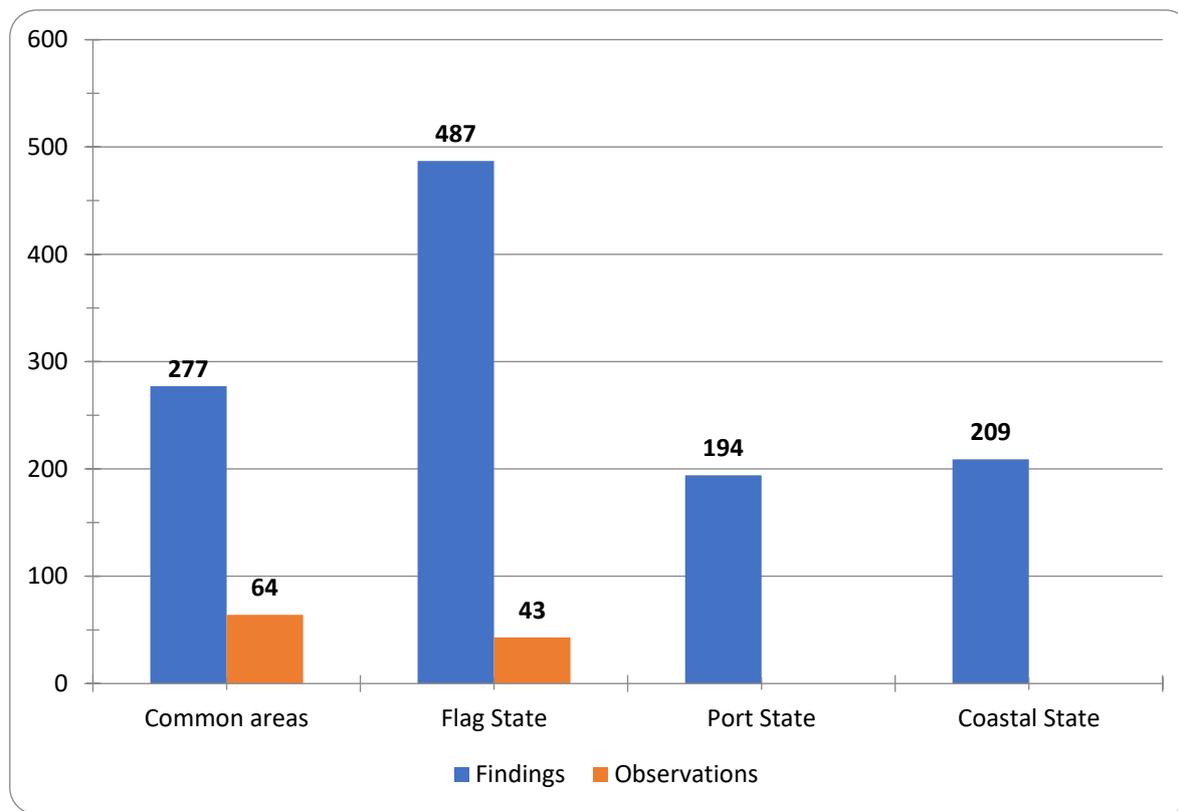
14 Each Member State views the III Code according to its own circumstances. By virtue of geography and circumstances, some States may have a greater role as a flag State than as a port State or as a coastal State and vice versa. The analysis of the findings from 67 Member States and one Associated Member, equating to about 38% of the Membership of the Organization confirms that flag State responsibilities and obligations are substantial in terms of the conventions' requirements and not necessarily a percentage term measure of implementation between the four areas covered by the III Code.

**Figure 2: Percentage of audited and unaudited Member States**



15 The 68 audits included in this analysis represent approximately 38% of the Member States and Associate Members that have been scheduled to be audited.

**Figure 3: Number of findings and observations according to parts of the III Code**

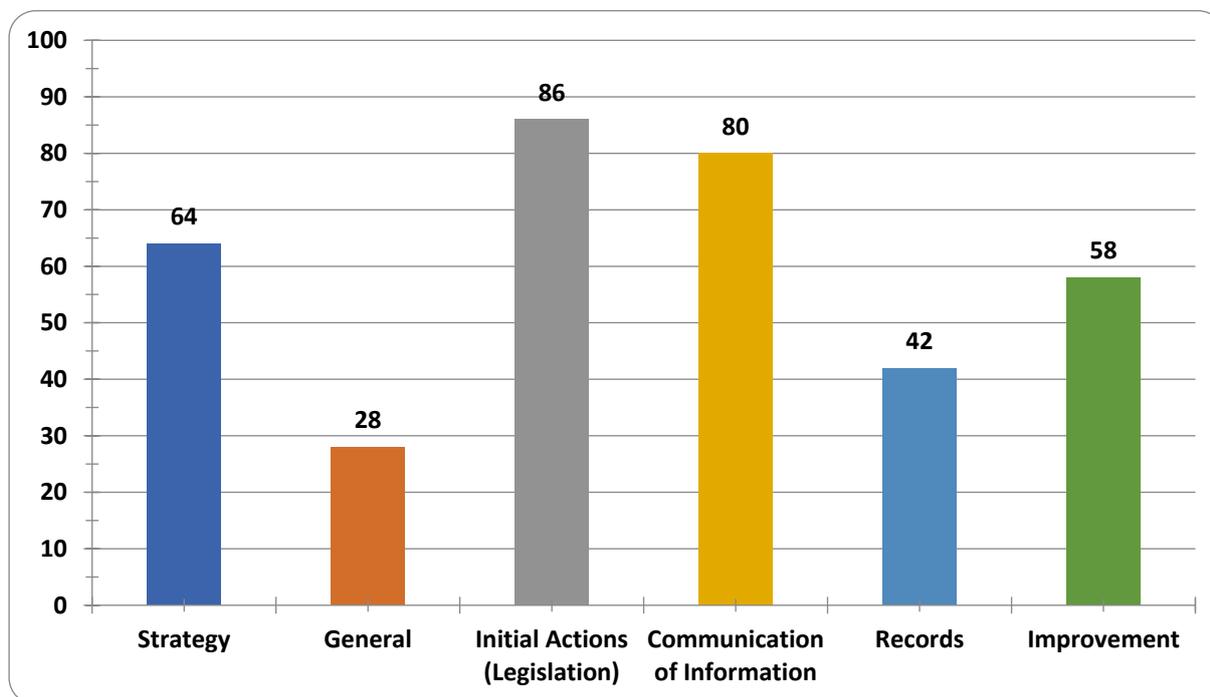


16 Figure 3 shows the distribution of the number of findings and observations amongst the four parts of the III Code.

### **Common Areas**

17 According to the sections of the III Code, findings under the Common Areas are classified in six groups, namely – strategy, general, initial actions (legislation), communication of information, records, and improvement.

**Figure 4: Number of findings and observations under part 1 of the III Code – Common Areas**



18 Figure 4 provides a more detailed view on findings classified under the Common Areas part of the III Code. It shows that, out of 358 findings and observations, 86 findings (24%) are related to initial actions (legislation), followed by 80 findings (22%) related to communication of information, 64 observations (18%) related to strategy, 58 findings (16.2%) related to improvement, 42 findings (12%) related to records and 28 findings (7.8%) related to general aspects.

19 In the area of initial actions (legislation), the main difficulties relate to the transposition of amendments to international instruments into national legislation and, in particular, late promulgation of amendments, which takes effect by the tacit acceptance procedure, lengthy time or capacity to promulgate new/amended mandatory IMO instruments and publishing of national laws in official journals. Apparent unavailability of qualified personnel to assist in the promulgation of the necessary national laws and to discharge all the responsibilities of the State, including reporting as required by the applicable mandatory IMO instruments, also accounts for a measurable number of findings.

20 In the field of communication of information, the findings are related to the communication of the texts of the majority of laws, decrees, orders and regulations and providing IMO with all the reports as required by the various mandatory IMO instruments. It should be noted that, in this analysis, only those findings that are clearly related to the lack of communication of information were associated with this area of findings, whilst those findings, where the lack of resources for reporting (with reference to paragraph 8.3 of the III Code) was the main issue, were accounted for under initial actions (legislation).

21 With respect to strategy, the main finding relates to developing an overall strategy, which is evidenced by the lack of documentation setting out the strategy, lack of coordination among the responsible entities and gaps in the assignment of responsibilities. In addition, absence of continuous review of the strategy in order to achieve, maintain and improve the

overall organizational performance and capability was observed, as well as lack of verification of the effectiveness in meeting the State's international maritime obligations, lack of assessment of the overall organizational performance and capability, and absence of an entity/dedicated unit, acting as a focal point among the different entities responsible for the coordination and monitoring of the mentioned activities.

22 In the field of improvement, the main findings are related to the lack of continual improvement of the measures taken to give effect to those mandatory IMO instruments to which the States are Parties through rigorous and effective application and enforcement of national legislation, as appropriate, and monitoring of compliance. The area of improvement is closely related to initial actions (legislation) issues, due to the fact that in cases of the absence of national legal instruments, the implementation and enforcement of the requirements stemming from the mandatory IMO instruments cannot be effective. In addition, findings in this area are related to the lack of culture which provides opportunities for improvement of performance, as well as to taking actions to identify and eliminate causes of any identified non-conformities in order to prevent recurrence.

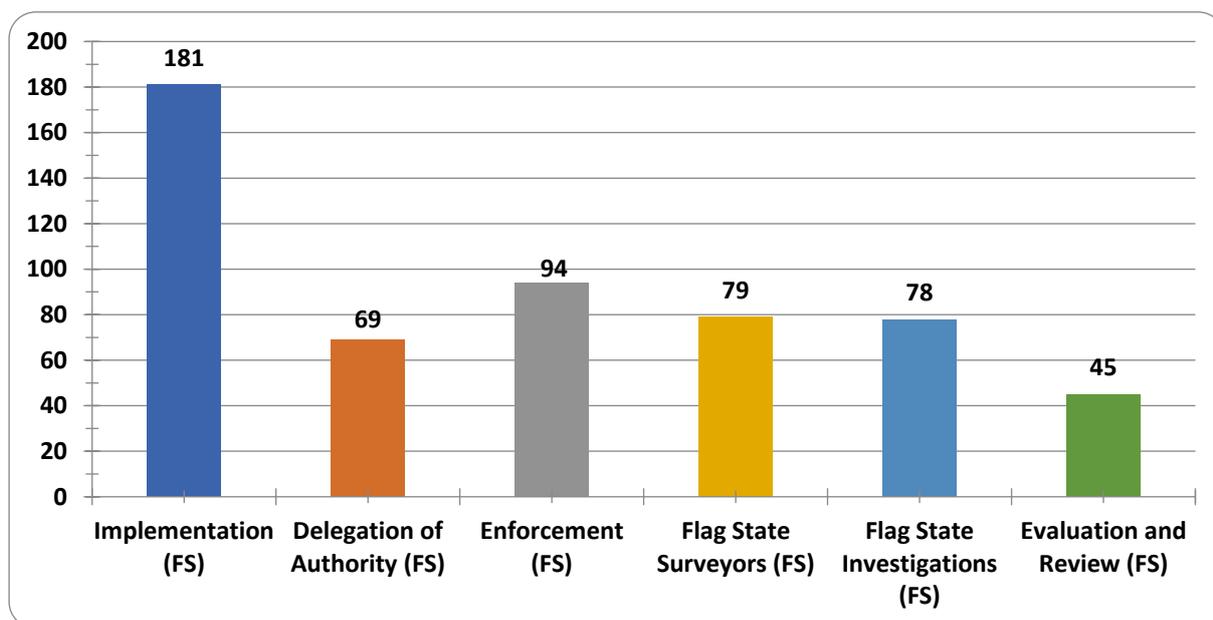
23 Findings related to records refer to lack of an effective system of record keeping providing evidence of a conformity to requirements and the effective operation of the maritime functions of the State, including documented procedure to define controls needed for the identification, storage, protection, retrieval, retention time and disposal of records.

24 Under general issues, the main findings are related to the responsibility of the States for promulgating laws and regulations and for taking all the steps to give the international instruments full and complete effect to ensure their effective implementation and enforcement.

### Flag States

25 According to the III Code, flag State's responsibilities are classified in six groups, namely – implementation, delegation of authority, enforcement, flag State surveyors, flag State investigations and evaluation and review.

**Figure 5: Number of findings and observations under part 2 of the III Code – Flag States**



26 Figure 5 depicts 546 findings classified in the six groups under the flag State part of the III Code. The number of findings reveals that most recurrent findings correspond to implementation (181 findings, 33.1%), followed by enforcement (94 findings, 17.2%), flag State surveyors (79 findings, 14.5%), flag State investigations (78 findings, 14.3%), delegation of authority (69 findings, 12.6%), and evaluation and review (45 findings, 8.2%).

27 In the area of implementation, the main findings are related to the lack of implementation of policies through issuing national legislation and guidelines and the assignment of responsibilities to update and revise any relevant policy adopted. In addition, the issuance of guidance to assist in the implementation and enforcement of the requirements, and administrative instructions to implement applicable international rules and regulations, as well as documentation and provision of guidance concerning those mandatory requirements, that are left to the satisfaction of the Administration and type approval processes, are elements that need to be addressed by flag States. Furthermore, there are some findings related to resources to ensure compliance with the requirements of the mandatory IMO instruments, as well as findings related to the determination of minimum safe manning, taking into account relevant and existing measures such as the Principles of Safe Manning adopted by the Organization.

28 In the area of enforcement, the main findings are related to the absence of appropriate national legal provisions, internal directives, and human resources to ensure effective enforcement and compliance with international obligations. In addition, the lack of penalties of adequate severity to discourage violation of international rules and standards in the national laws and regulations was observed in many findings.

29 Concerning flag State surveyors, recurrent findings refer to training programmes, qualification, authority, and interrelation among surveyors, as well as a documented system for the qualification of personnel and continuous updating of their knowledge.

30 With respect to flag State investigations, most recurrent findings are related to independence and impartiality of the investigations, decision to open an investigation, powers of the investigators, including to board a ship, to initiate an investigation, reporting to IMO, release of reports to the public, and other requirements of the Casualty Investigation Code.

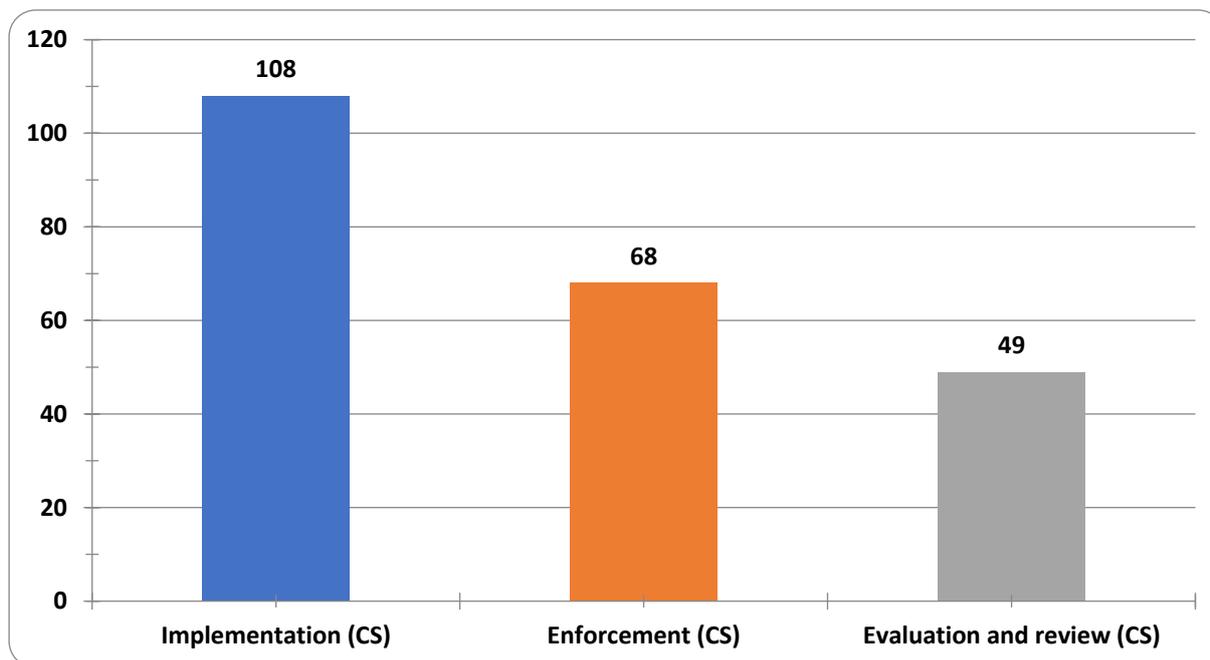
31 With respect to the delegation of authority, most recurrent findings are related to the Administration's oversight programme of recognized organizations (ROs), agreement between the Administration and the RO, as well as compliance with other relevant provisions of both the RO Code and the III Code.

32 With respect to evaluation and review, most recurrent findings are related to the absence of a system to evaluate, on a periodic basis, the performance of the State in the conduct of flag State activities, regarding the implementation of administrative processes, procedures, and resources necessary to meet its obligations as required by mandatory IMO instruments to which the State is a Party.

### **Coastal States**

33 According to the III Code, coastal States' responsibilities are classified in three main groups, namely – implementation, enforcement and evaluation and review.

**Figure 6: Number of findings under part 3 of the III Code – Coastal States**



34 Figure 6 provides an overview of 225 findings classified under the part of coastal States. The number of findings reveals that most of the recurrent findings, (108 findings, 48%) correspond to implementation, followed by 68 findings (30.2%) relating to enforcement and 49 findings (22 %) relating to evaluation and review.

35 The most common finding under implementation is the lack of implementation of policies through issuing national legislation and guidelines and the assignment of responsibilities to update and revise any relevant policy adopted.

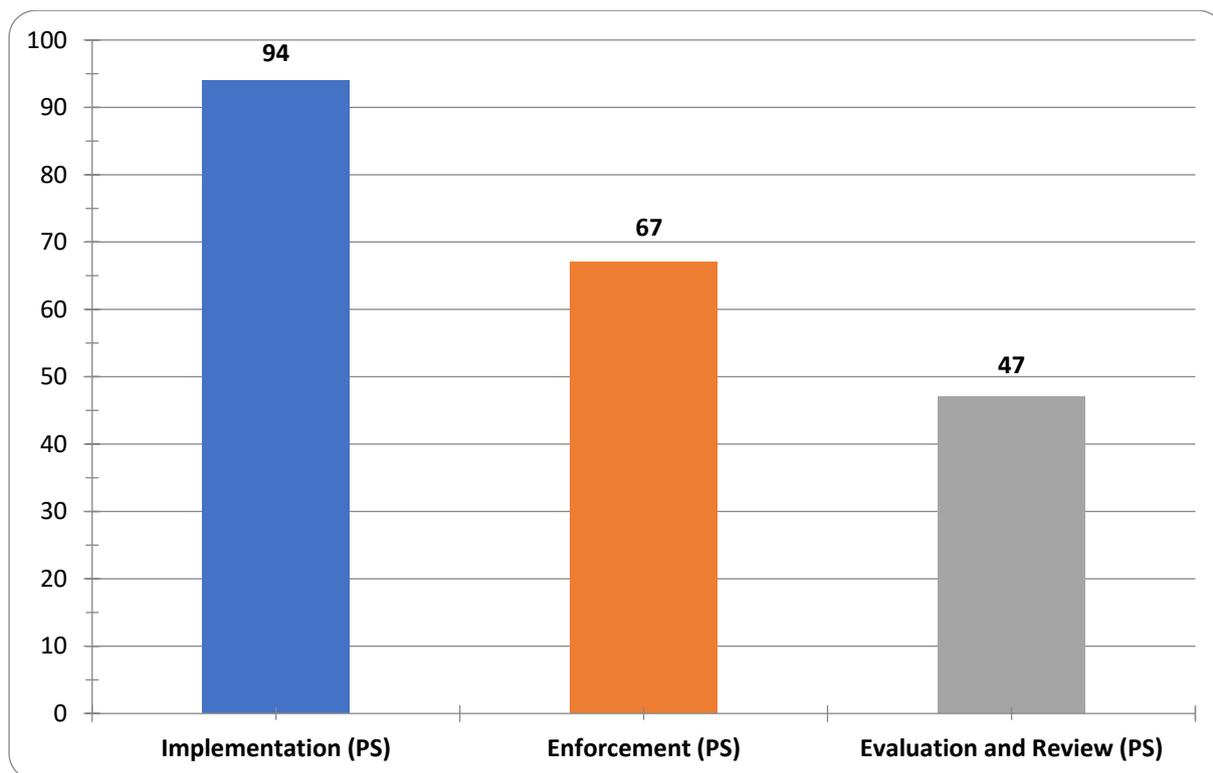
36 With respect to enforcement, the findings are related to the State taking all necessary measures to ensure the observance of international rules when exercising its rights and fulfilling obligations and to developing and implementing a control and monitoring programme.

37 In the area of evaluation and review, recurrent findings are related to the lack of evaluation of performance in relation to various coastal State activities, such as radio-communications, safety of navigation (i.e. provision of aids to navigation), response to pollution incidents and search and rescue (SAR), (i.e. periodic exercise that is required by SOLAS regulation V/7.3 with regard to ship plans for cooperation with appropriate search and rescue services in the event of an emergency).

### **Port States**

38 According to the III Code, port States' responsibilities are classified in three groups, namely – implementation, enforcement and evaluation and review.

**Figure 7: Number of findings under part 4 of the III Code – Port States**

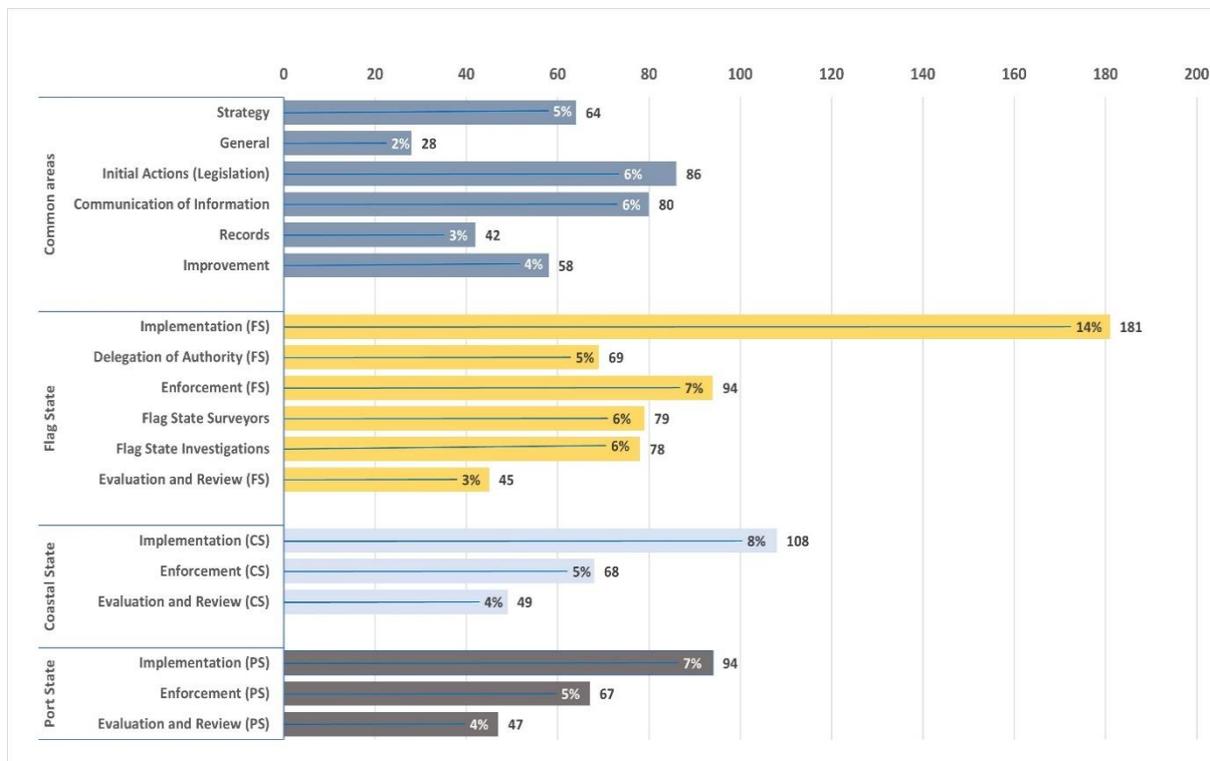


39 Figure 7 depicts 208 findings classified in the three groups under the port State part of the III Code. The number of findings reveals that most of the recurrent findings (94 findings, 45.2%) correspond to implementation, followed by 67 findings (32.2%) corresponding to enforcement, and 47 findings (22.6%) relating to evaluation and review.

40 Most of the findings relate to the provision of reception facilities and operational procedures, training of port State control officers, provisions of the IMDG Code, IMSBC Code and register of fuel oil suppliers.

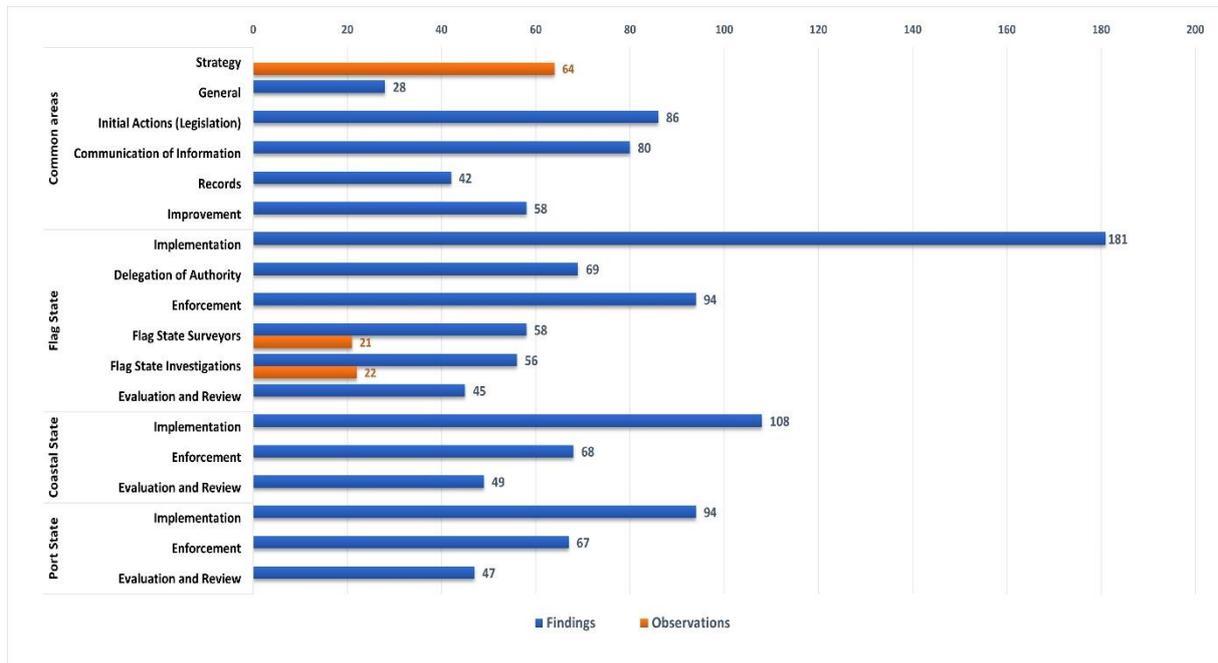
**General overview**

**Figure 8: Number and percentage of findings and observations by sections of the III Code with respect to the four areas covered by it**



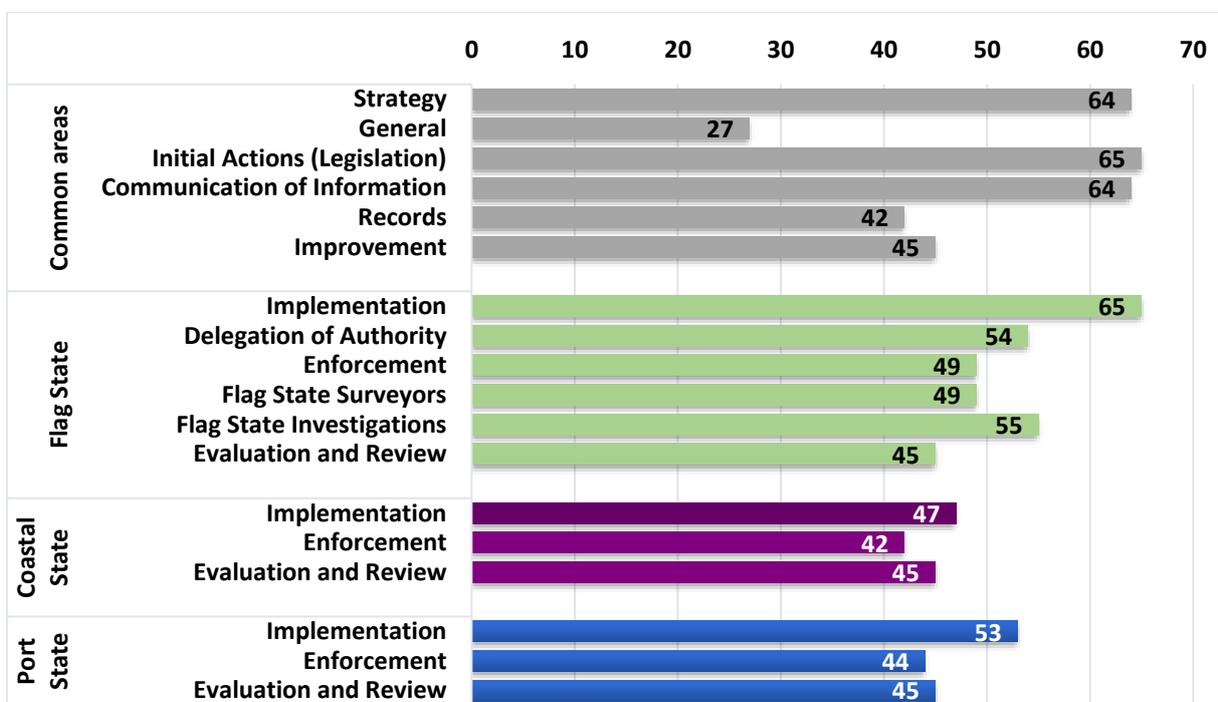
41 Figure 8 provides an overview of the findings and observations classified under the III Code and shows the findings and observations from all areas of the III Code. It also provides a general overview of the percentage of the findings and observations per subgroup under each section of the Code. The number of findings and observations per subgroup varies between the different parts and is the highest for implementation in the flag State, coastal State and port State parts; followed by enforcement in the flag State part, initial actions and communication of information in the common areas part, and flag State surveyors and flag State investigations in the flag State part.

**Figure 9: Number of findings and observations by sections of the III Code with respect to the four areas covered by it**



42 Figure 9 shows the division of findings and observations under the sections of the III Code.

**Figure 10: Number of audits with findings and observations by parts of the III Code**



43 Figure 10 provides a general overview of the number of audits with findings and observations by different sections of the III Code. It should be noted that some audits produced more than one finding/observation in each of the above subgroups. Initial actions (common

areas) and implementation (flag State), followed by communication of information and strategy (common areas), flag State investigations, delegation of authority (flag State), and implementation (port State) are the most common parts in which the 68 audited States are reported to have had some difficulties.

**Figure 11: Number of references by sections of the III Code**



44 Figure 11 provides a general overview of the number of references made to the III Code and classifies them according to the parts of the III Code. The figures show that shortcomings in implementation (flag State) of mandatory IMO instruments were the highest according to the references made to the III Code in the audit reports. The most common sections are improvement, initial actions (legislation), and communication of information under the part on Common areas; implementation, enforcement, and delegation of authority under the part on flag State; and implementation and enforcement under both coastal and port State parts.

45 The following Figures 12 and 13 provide more detailed analysis of the findings and observations based on the references made to the paragraphs and sub-paragraphs of the III Code.

Figure 12: Number of references by paragraphs of the III Code

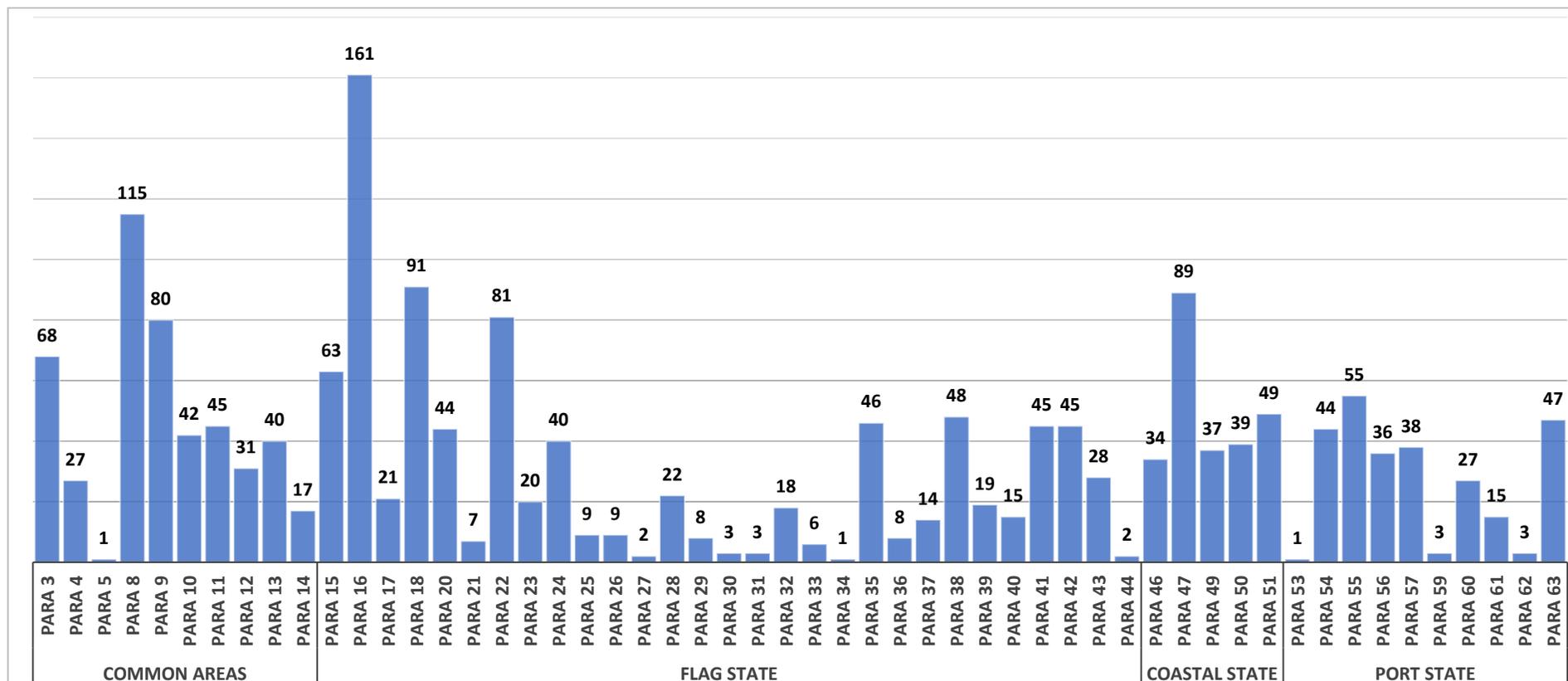
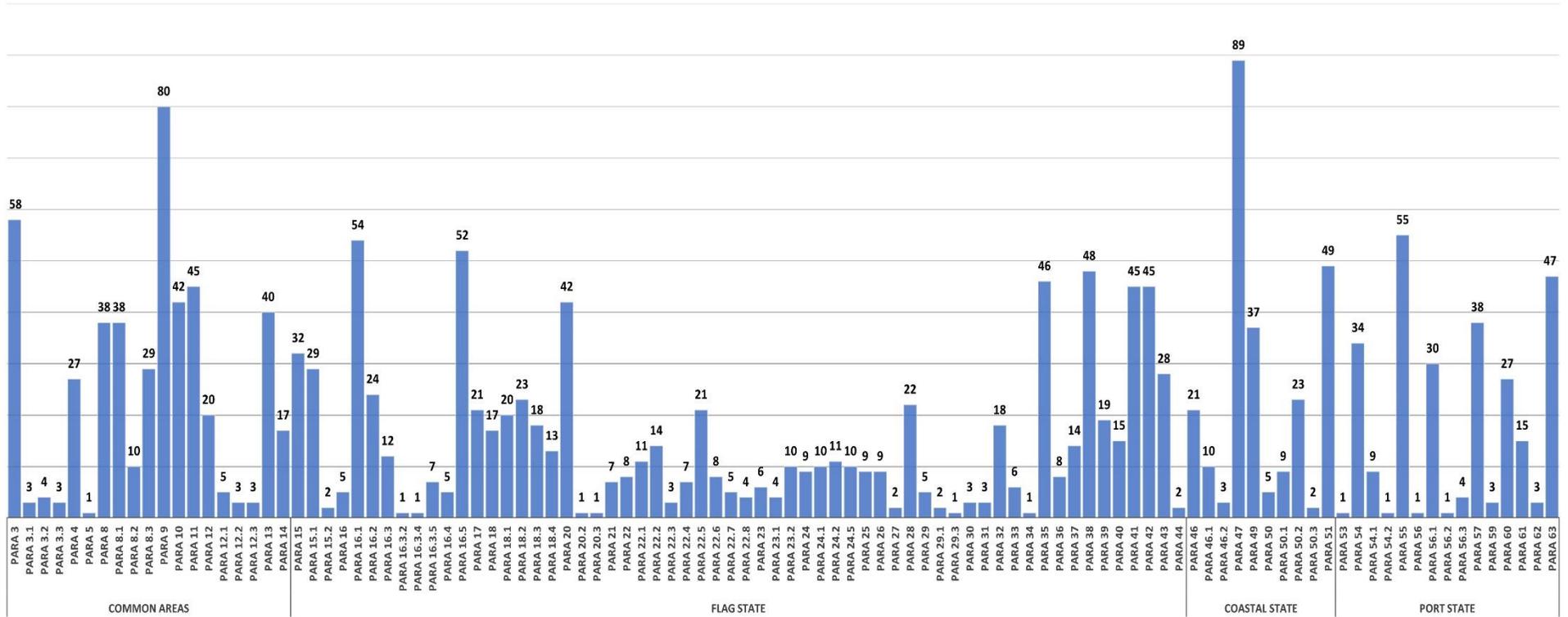


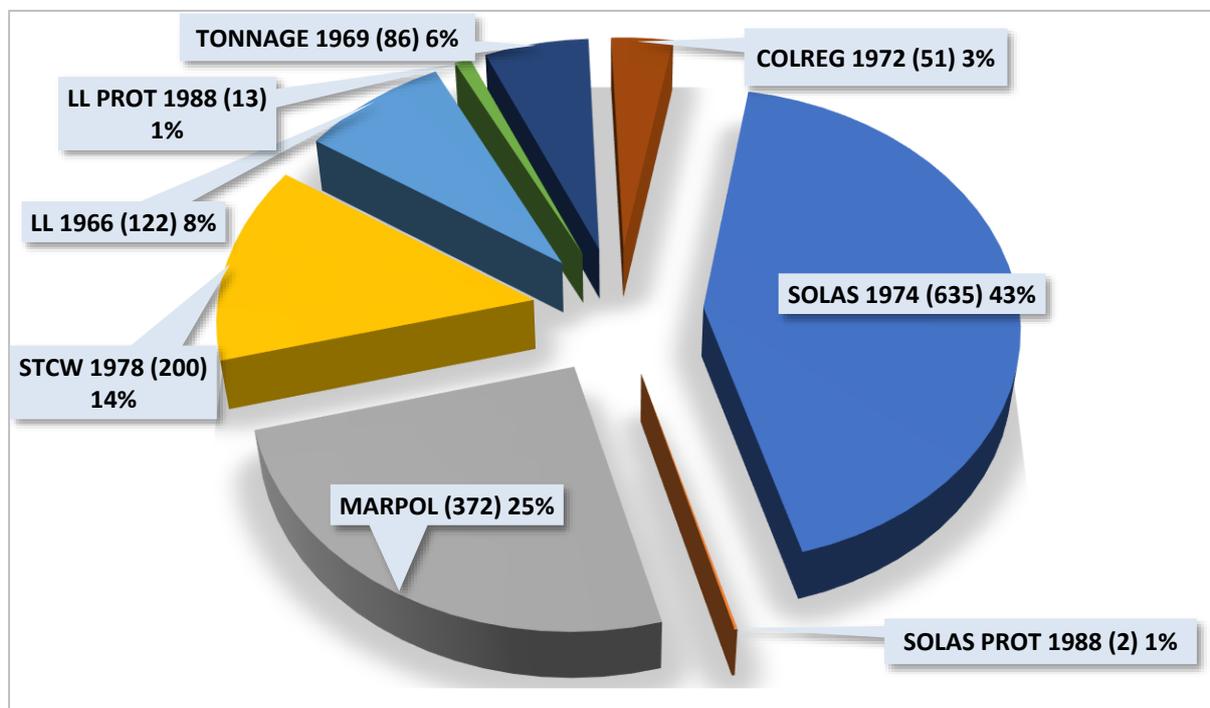
Figure 13: Number of references by sub-paragraphs of the III Code



## II - ANALYSIS OF FINDINGS BY MANDATORY IMO INSTRUMENTS

46 The following Figure 14 provides an overview of the references made to conventions in findings.

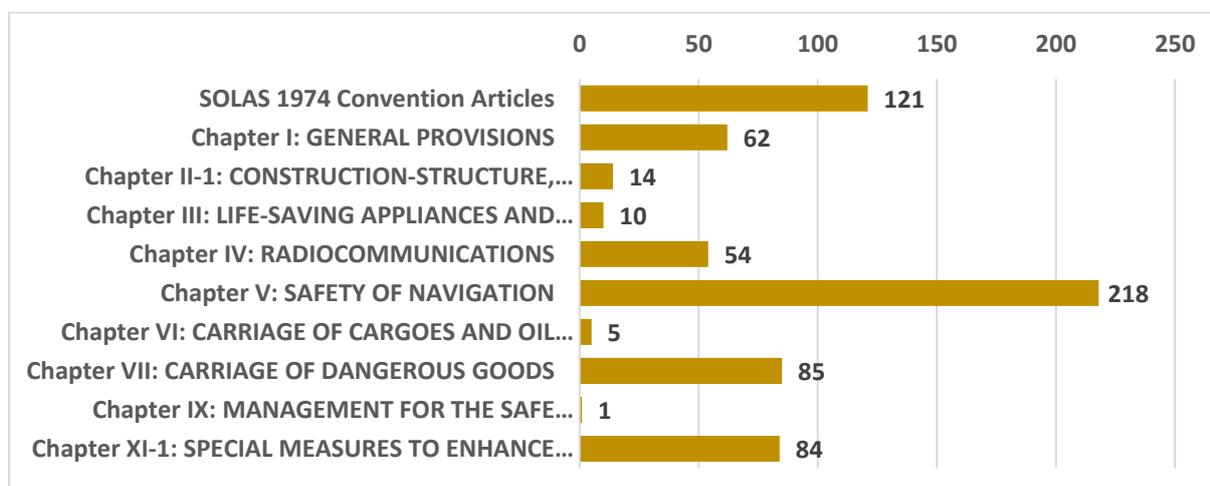
**Figure 14: Findings by mandatory IMO instruments**



47 Most of the findings are related to the lack of implementation of the requirements of SOLAS 1974 (43%) and MARPOL (25%).

48 Figures 15 to 22 provide a breakdown of references used in the findings per instrument.

**Figure 15: Number of references to SOLAS 1974 articles and chapters**



49 With respect to SOLAS 1974, the major areas identified were related to Chapter V (Safety of navigation), the articles of the Convention, as well as, Chapter VII (Carriage of dangerous goods), Chapter XI-1 (Special measures to enhance maritime safety) and Chapter I (General provisions), which were analysed in more detail in Figure 16.

**Figure 16: Number of references to SOLAS 1974 by articles and regulations in chapters with the most recurrent references (see page 17)**

50 The major areas identified under SOLAS 1974 were general obligations in accordance with article I which requires the Contracting Governments to give full and complete effect to the Convention by implementing national provisions; communication of information in accordance with article III (Laws and regulations) and authorization of ROs under regulation XI-1/1, followed by additional requirements for the investigation in accordance with regulation XI-1/6 and provisions of radio-communications services under regulation IV/5. The area of Chapter V has the most recurrent references in total.

Figure 16: Number of references to SOLAS 1974 by articles and regulations in chapters with the most recurrent references

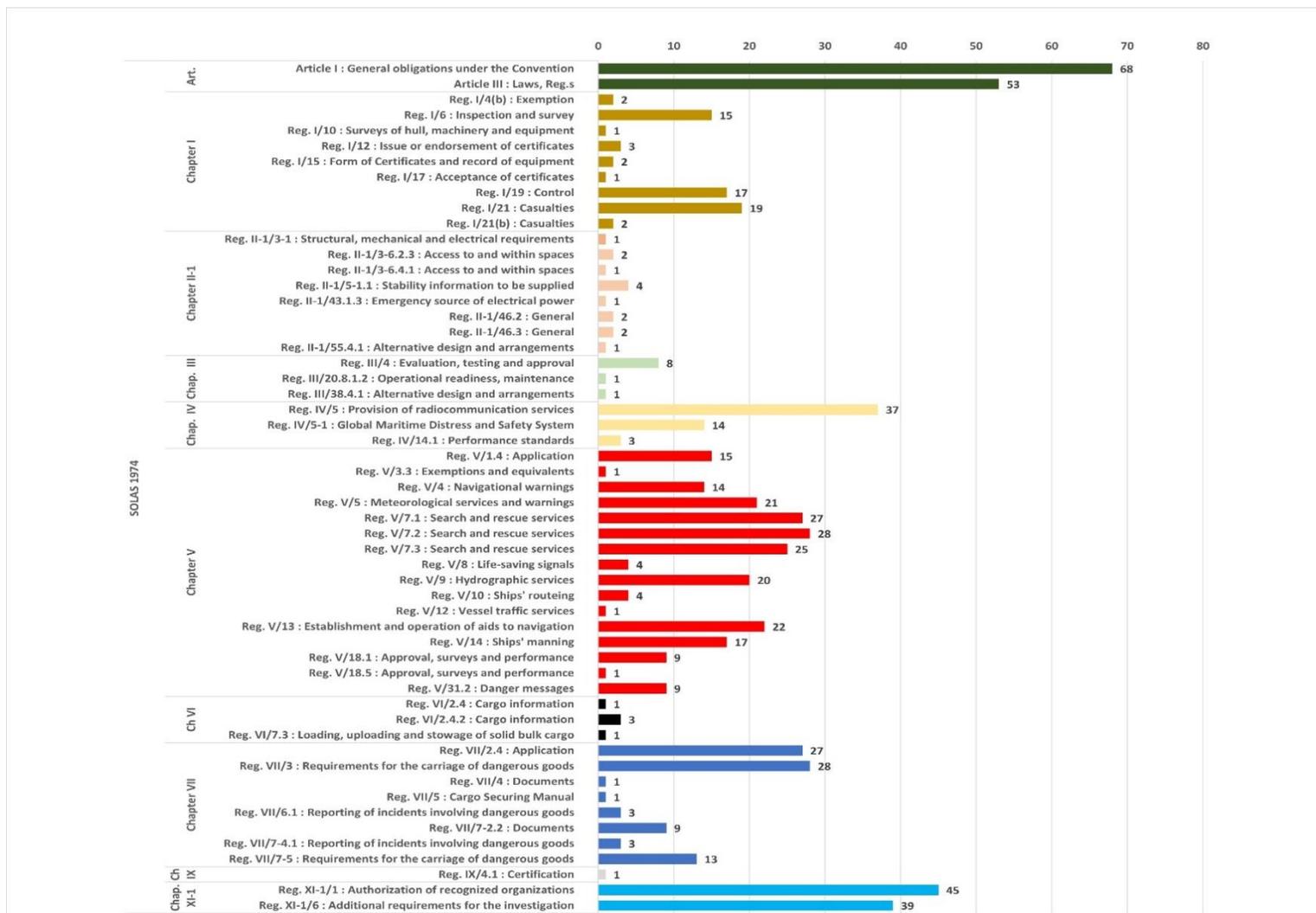
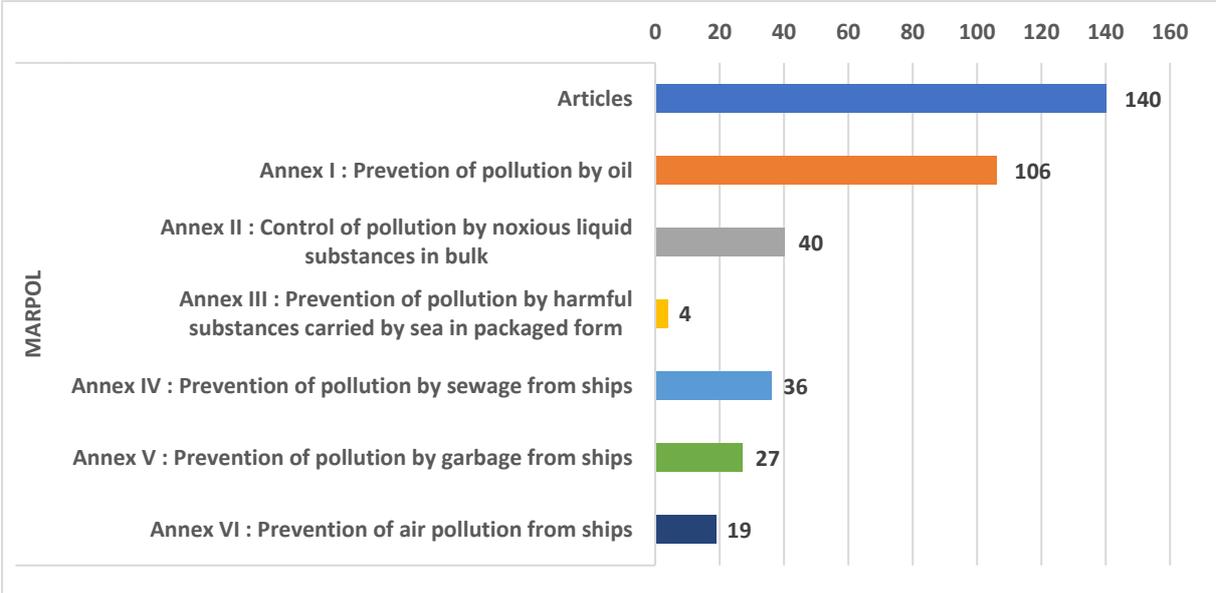
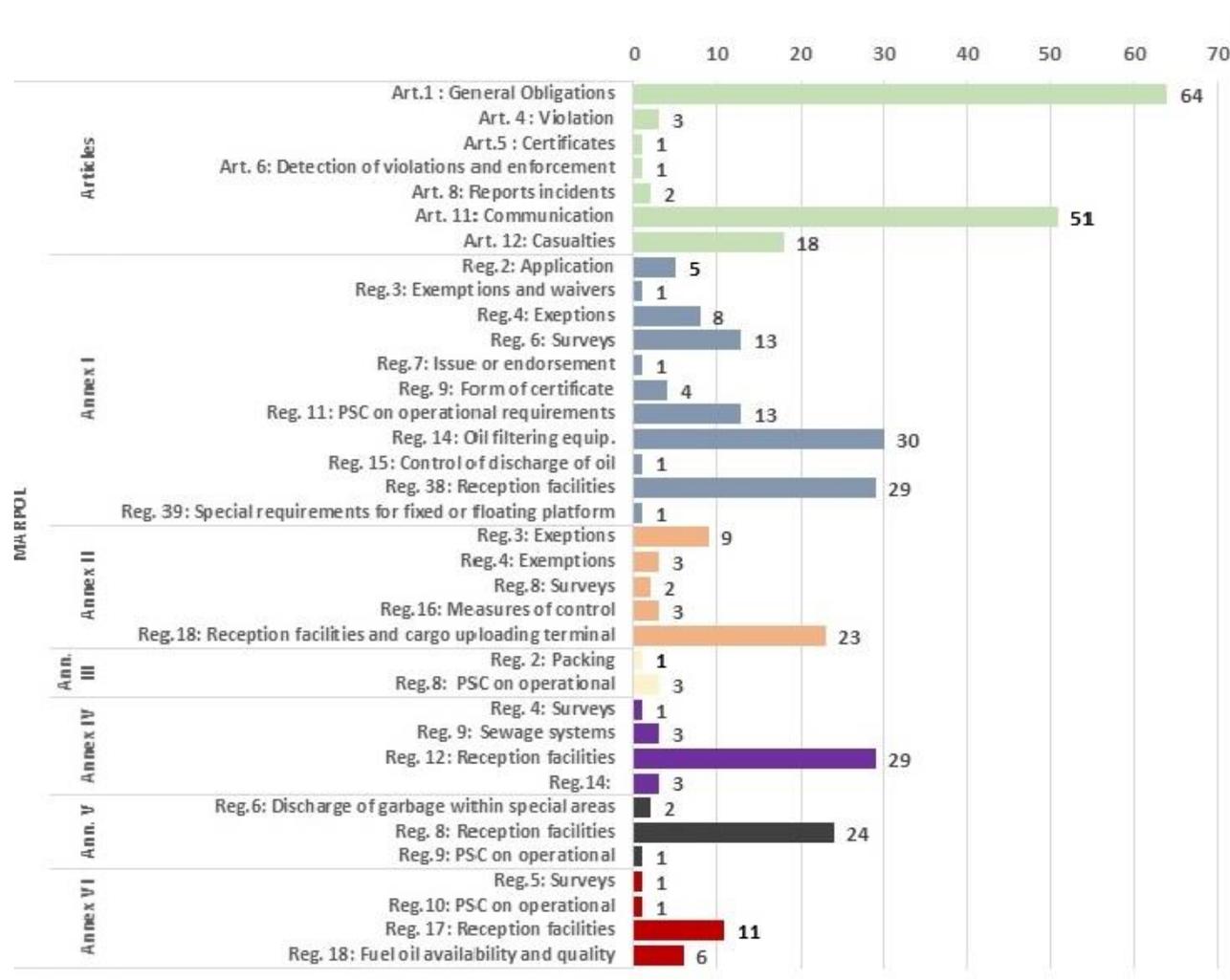


Figure 17: Number of references to MARPOL



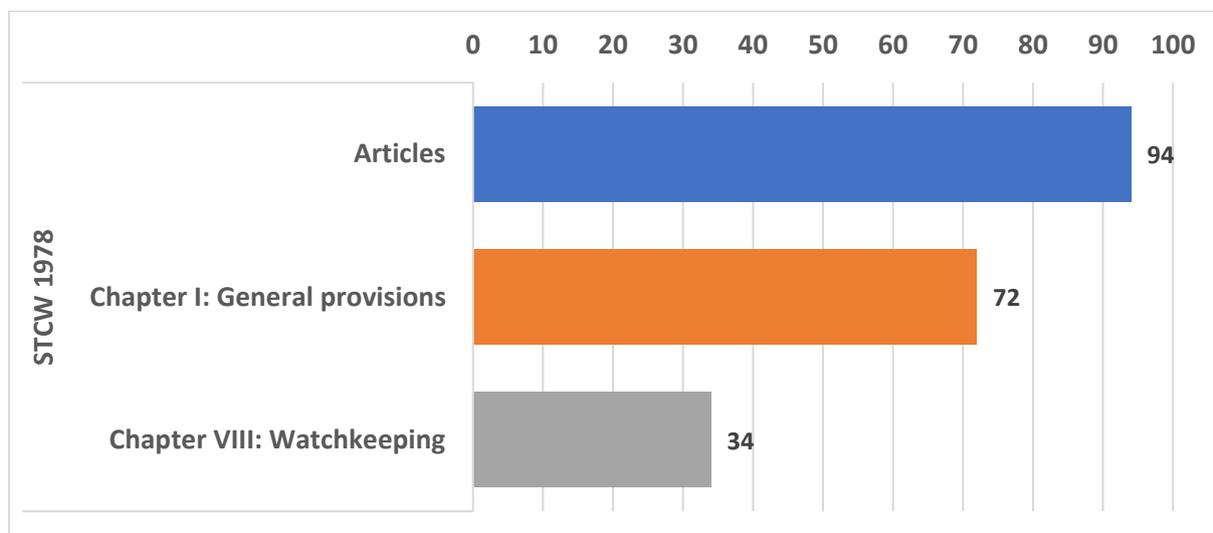
51 With respect to MARPOL, the major areas identified were under the articles of the Convention, as well as provisions of Annexes I, II, IV, V and VI, which were analysed in more detail in Figure 18.

Figure 18: Number of references to MARPOL by articles and regulations in annexes with the most recurrent references



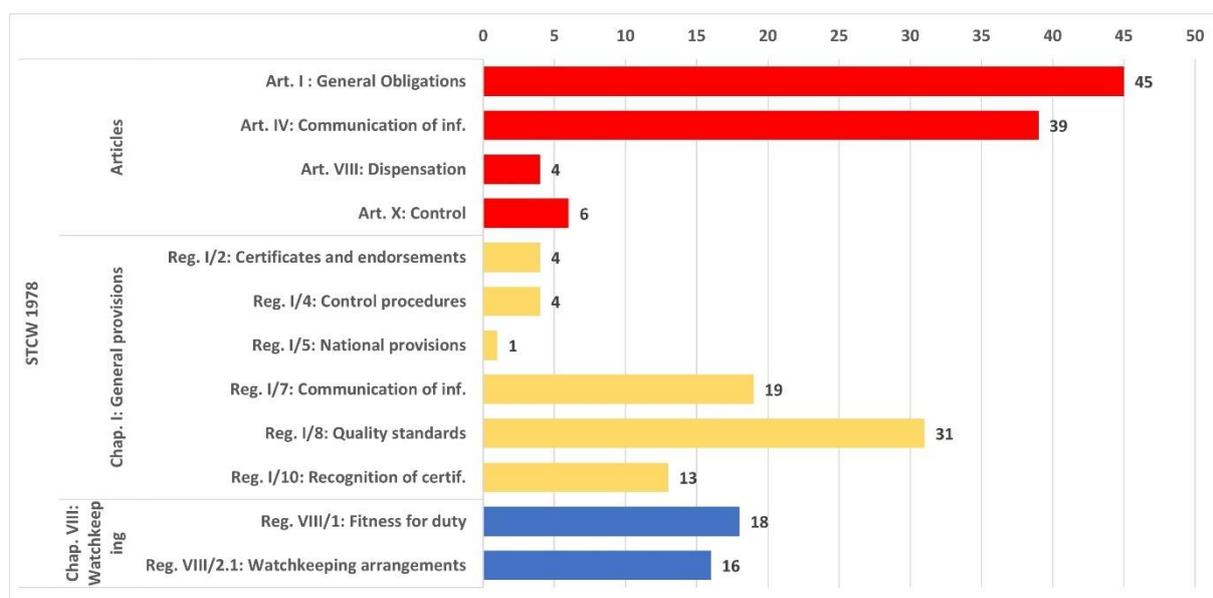
52 The major areas identified under MARPOL are general obligations in accordance with article I, which requires the Parties to give full and complete effect to the Convention and the annexes thereto by implementing national provisions; communication of information in accordance with article 11; provisions for oil filtering equipment under regulation 14 of Annex I; lack of provision of reception facilities under Annexes I, II, IV, V and VI; and casualties to ships under article 12 (obligation of investigating casualties affecting the marine environment).

**Figure 19: Number of references to STCW 1978**



53 With respect to STCW 1978, noticeable areas were found under the articles of the Convention and Chapter I, General provisions, which have been elaborated further in Figure 20.

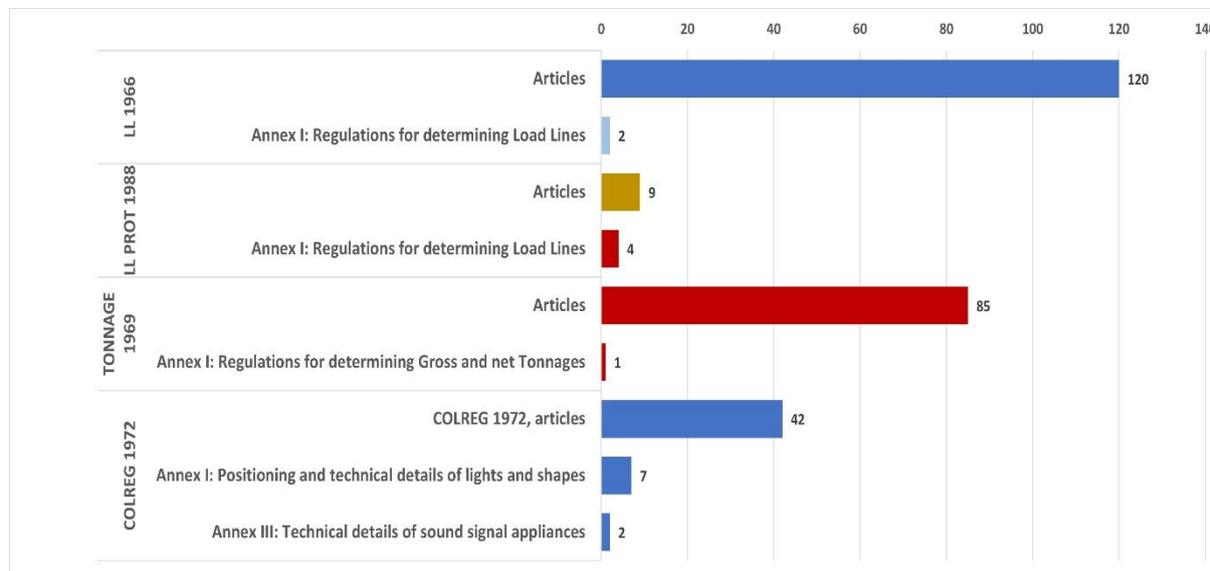
**Figure 20: Number of references to STCW 1978 by articles and regulations with the most recurrent references**



54 The major areas identified under STCW 1978 were under general obligations in accordance with article I and communication of information in accordance with article IV and

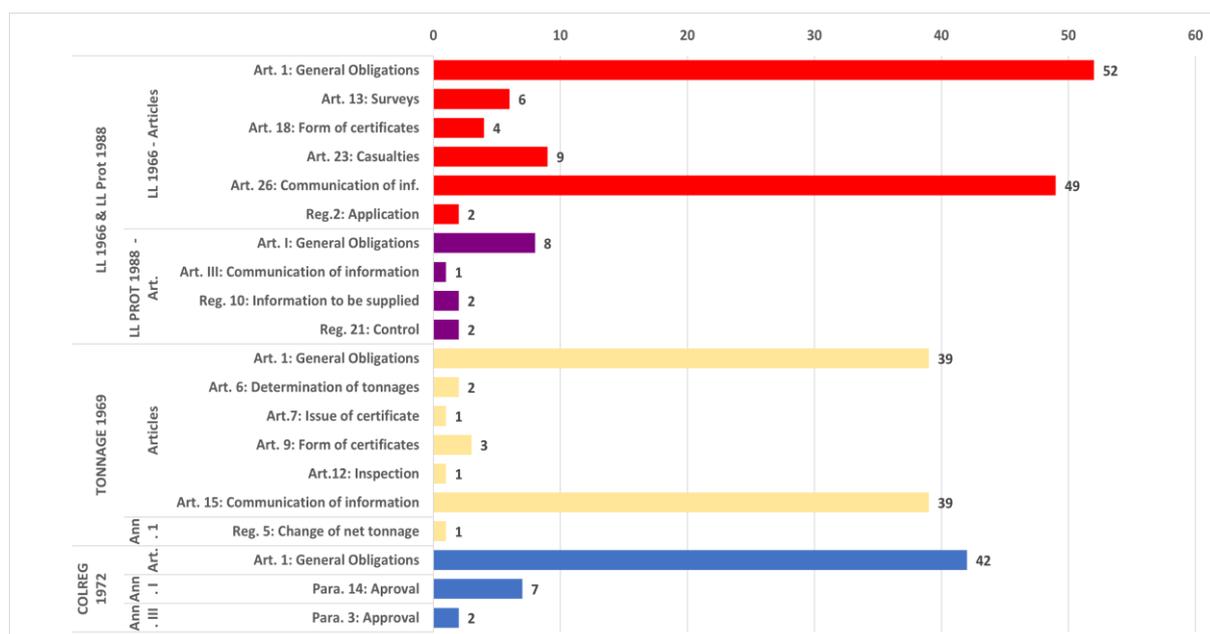
regulation I/7; followed by quality standards in accordance with regulation I/8; as well as provisions related to fitness for duty under regulation VIII/1 of the Convention.

**Figure 21: Number of references to LL 1966, PROT LL 1988, COLREG 1972 and TONNAGE 1969**



55 With respect to LL 1966, LL PROT 1988, COLREG 1972 and TONNAGE 1969, noticeable areas were found under the articles of LL 1966, TONNAGE 1969 and COLREG 1972, which have been elaborated further in Figure 22.

**Figure 22: Number of references to LL 1966, PROT LL 1988, TONNAGE 1969 and COLREG 1972 in articles and chapters/annexes with the most recurrent references**



56 The major areas identified under LL 1966, PROT LL 1988, TONNAGE 1969 and COLREG 1972 were related to the general obligations under article 1 of all said mandatory

IMO instruments, in relation to giving full and complete effect to the provisions of the Conventions. Provisions related to communication of information under article 26 of LL 1966, and article 15 of TONNAGE 1969 had also significant recurrent references.

### III – Analysis of major areas identified in the audits

57 The five most specific areas identified in 68 audits were implementation (701 references), enforcement (332 references), improvement (253 references), delegation of authority (210 references) and initial actions/legislation (191 references).

58 In relation to implementation and enforcement, findings and observations in all three parts of the III Code (flag, coastal and port State) have been included under those areas in order to capture all implementation and enforcement issues, which have later on been associated with the related root causes.

59 In addition, it has to be taken into account that many findings and observations were issued with references to whole paragraphs of the III Code, which in many cases contained multiple issues stipulated in the sub-paragraphs (for example, a finding related to initial actions with reference to paragraph 8 of the III Code may contain issues related to promulgation – sub-paragraph 8.1, enforcement – sub-paragraph 8.2, and personnel – sub-paragraph 8.3). In order to capture the actual meaning of the issues reported in audits in the most precise way, such references to whole paragraphs have been analysed at the level of sub-paragraphs of the III Code and classified as "categories of findings and observations". The categories of findings/observations in the wider areas of findings/observations and number of shortcomings reported for each category are shown in Table 1.

60 Using the methodology described above, a more detailed analysis of most recurrent shortcomings reported in audits under the five identified major areas has been presented in Figure 23.

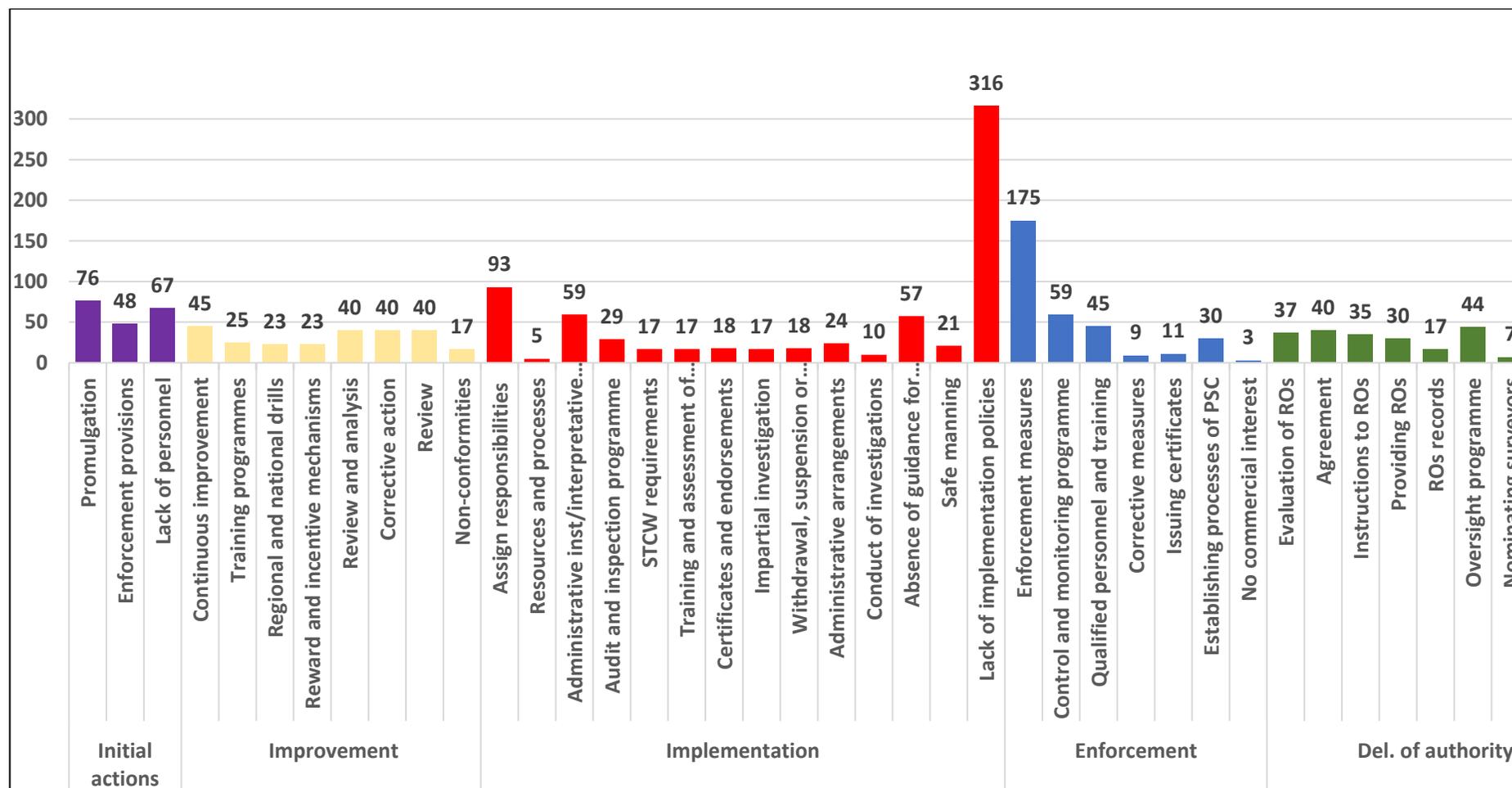
**Table 1: Number of shortcomings per areas and categories of findings**

<b>Areas of findings/observations</b>	<b>Categories of findings/observations (paragraphs or sub-paragraphs of the III Code)</b>	<b>Number of shortcomings</b>
<b>Strategy</b>	Overall strategy (3.1)	61
	Monitoring (3.2)	62
	Review and improvement (3.3)	61
Total		<b>184</b>
<b>General</b>	Promulgation of laws and regulations (4)	<b>28</b>
<b>Initial actions</b>	Promulgation (8.1)	76
	Enforcement provisions (8.2)	48
	Lack of personnel (8.3)	67
Total		<b>191</b>
<b>Communication of information</b>	Communication (9)	<b>80</b>
<b>Records</b>	Records (10)	<b>42</b>
<b>Improvement</b>	Continuous improvement (11)	45
	Training programmes (12.1)	25
	Regional and national drills (12.2)	23

Areas of findings/observations	Categories of findings/observations (paragraphs or sub-paragraphs of the III Code)	Number of shortcomings
	Reward and incentive mechanisms (12.3)	23
	Review and analysis of non-conformities (13.1)	40
	Implementation of corrective actions (13.2)	40
	Review of the corrective actions taken (13.3)	40
	Actions to prevent non-conformities (14)	17
	Total	<b>253</b>
<b>Implementation (FS, CS, PS)</b>	Assignment of responsibilities (15.2, 46.2, 54.2)	93
	Resources and processes (16)	5
	Administrative instructions/interpretative national regulations (16.1)	59
	Audit and inspection programme (16.2)	29
	STCW requirements (16.3)	17
	Training and assessment of seafarers (16.3.1)	17
	Certificates and endorsements (16.3.2)	18
	Impartial investigation (16.3.3)	17
	Withdrawal, suspension, or cancellation (16.3.4)	18
	Administrative arrangements (16.3.5)	24
	Conduct of investigations (16.4)	10
	Absence of guidance for the requirements that are to the satisfaction of the Administration (16.5)	57
	Safe manning (17)	21
	Lack of implementation policies through national legislation and guidance (15.1, 46.1, 54.1)	316
	Total	<b>701</b>
<b>Enforcement (FS, CS, PS)</b>	Enforcement measures (22, 24.1, 49, 57)	175
	Control and monitoring programme (23, 23.1, 23.2, 23.3, 50, 50.1, 50.2, 50.3)	59
	Qualified personnel and training (24.2, 24.3, 24.4, 24.5, 61)	45
	Corrective measures (25)	9
	Issuing certificates (26,27)	11
	Establishing processes of PSC (59, 60)	30
	No commercial interest for PSCOs (62)	3
	Total	<b>332</b>

Areas of findings/observations	Categories of findings/observations (paragraphs or sub-paragraphs of the III Code)	Number of shortcomings
<b>Delegation of authority</b>	Evaluation of ROs (18.1)	37
	Agreement (18.2)	40
	Instructions to ROs (18.3)	35
	Providing ROs with national legislation (18.4)	30
	ROs records (18.5)	17
	Oversight programme (20, 20.1, 20.2, 20.3)	44
	Nominating surveyors (21)	7
Total		<b>210</b>
<b>Flag State surveyors</b>	Responsibilities, authority and interrelation (28)	22
	Qualification (29, 30, 31, 32, 33, 36)	38
	Training programmes for FSS (34)	9
	Documented system for qualification and updating of knowledge (35)	46
	Identification document (37)	14
Total		<b>129</b>
<b>Flag State investigations</b>	Impartiality and objectivity (38)	48
	Knowledge and experience (39)	19
	Investigation of accidents involving personal injuries (40)	15
	Use of regulations and guidance (41)	45
Total		<b>127</b>
<b>Evaluation and review (FS, CS, PS)</b>	Evaluation and review (42, 43, 44, 51, 63)	<b>171</b>

Figure 23: Number of shortcomings reported in audits by major areas identified in the audits



61 The shortcomings identified under the area of implementation mostly comprise the following: lack of implementation of policies through the issuance of national legislation and guidance (316 instances); assignment of responsibilities (93 instances); absence of administrative instructions/interpretative national regulations (59 instances); absence of guidance for the requirements that are left to the satisfaction of the Administration (57 instances); as well as lack of an audit and inspection programme (29 instances) and absence of administrative arrangements for implementation of STCW 1978, involving training, assessment and certification activities conducted under the purview of another State (24 instances).

62 The shortcomings identified under the area of enforcement mostly comprise the following: absence of enforcement measures to secure observance of international rules and standards to ensure compliance with international obligations (175 instances); lack of, or ineffective, control and monitoring programmes (59 instances); qualified personnel and training (45 instances) and establishing processes for PSC (30 instances).

63 For the area of improvement, the reported shortcomings indicate that in many cases States lacked a methodology to improve the adequacy of the measures taken to give effect to those mandatory IMO instruments to which they are Parties, to ensure the continuous improvement (45 instances); absence of actions to identify and eliminate the cause of any non-conformities to prevent recurrence, including review and analysis of non-conformities (40 instances), implementation of corrective actions (40 instances) and review of the corrective actions taken (40 instances); and absence of mechanisms to provide opportunities for improvement of performance in maritime safety and environmental protection through training programmes (25 instances).

64 With regard to delegation of authority, the audits revealed that the most common issue faced by the States was the lack of an oversight programme in accordance with the provisions of the III Code (44 instances). Absence of formal written agreement between the Administration and ROs (40 instances); evaluation of ROs as a basis for granting the authority (37 instances); the lack of instructions issued to ROs (35 instances) and not providing ROs with national laws and interpretations thereof (30 instances) have also been identified in many audits.

65 For the area of initial actions/legislation, the reported shortcomings indicate that in many cases States were not in a position to implement and enforce the provisions of the mandatory IMO instruments due to the non-promulgation of laws (76 instances); lacked the availability of sufficient personnel to assist in the promulgation of laws and to discharge all the responsibilities of the State, including reporting to IMO (67 instances); and there was also a lack of a legal basis for the enforcement of their national legislation (48 instances). From the findings and related corrective actions, it would imply that States, which have encountered difficulty in this area, may not have established a system for analysing and integrating newly adopted amendments into their national legislation and may not have tackled the discrepancies that may exist between their domestic legislation and relevant IMO provisions.

66 Whilst the non-effectiveness in the communication of information to IMO was, for the most part, identified in all audited areas, in this particular part of the analysis the number of findings in relation to any specific clause of the III Code was not high enough to justify inserting this area in this part of the analysis. It should be kept in mind that, on the one hand, the III Code does not contain any explicit reference that could be used for the lack of reporting, and, on the other hand, most of the audit findings referring to the communication of information were identified with respect to related articles and other provisions of the mandatory IMO instruments and have been shown and discussed in the analysis in that context. Related communication issues include communication to IMO of text of laws, decrees, orders, and regulations; communication under MARPOL using MEPC.1/Circ.318; communication under STCW 1978, including independent

evaluation; casualties; dispensations; exemptions and equivalents; ROs; SAR facilities; and details of port reception facilities, to mention only the most frequent.

#### **IV – Analysis of root causes**

67 This section is based on the data stemming from 5,239 root causes associated with 1,167 findings and 107 observations, and presents the analysis of the root causes, as reported by the audited Member States, in relation to the most recurrent areas of findings/observations and references to the mandatory IMO instruments.

##### **Root causes related to major areas identified in the audits**

68 In order to identify specific difficulties reported by the audited Member States in relation to major areas identified in the audits, all root causes have been reviewed and categorized taking into account the nature of the difficulties causing non-effective implementation of a particular provision. Based on the determined categories of root causes, they have been grouped in four broad areas – legislation, policy and procedures, management and implementation. The result of such an approach is shown in Figure 24.

69 The results in Figure 24 reveal that the most frequent categories of root causes contributing to lack of effective implementation in the major areas identified in audits were related to lack of national provisions/legislation; lack of policies; lack of awareness, understanding or interpretation of the requirements; insufficient resources (both human and financial); lack of technical capability (trained personnel, hardware/equipment); lack of management system; and insufficient capacity to promulgate national legislation and to keep it updated.

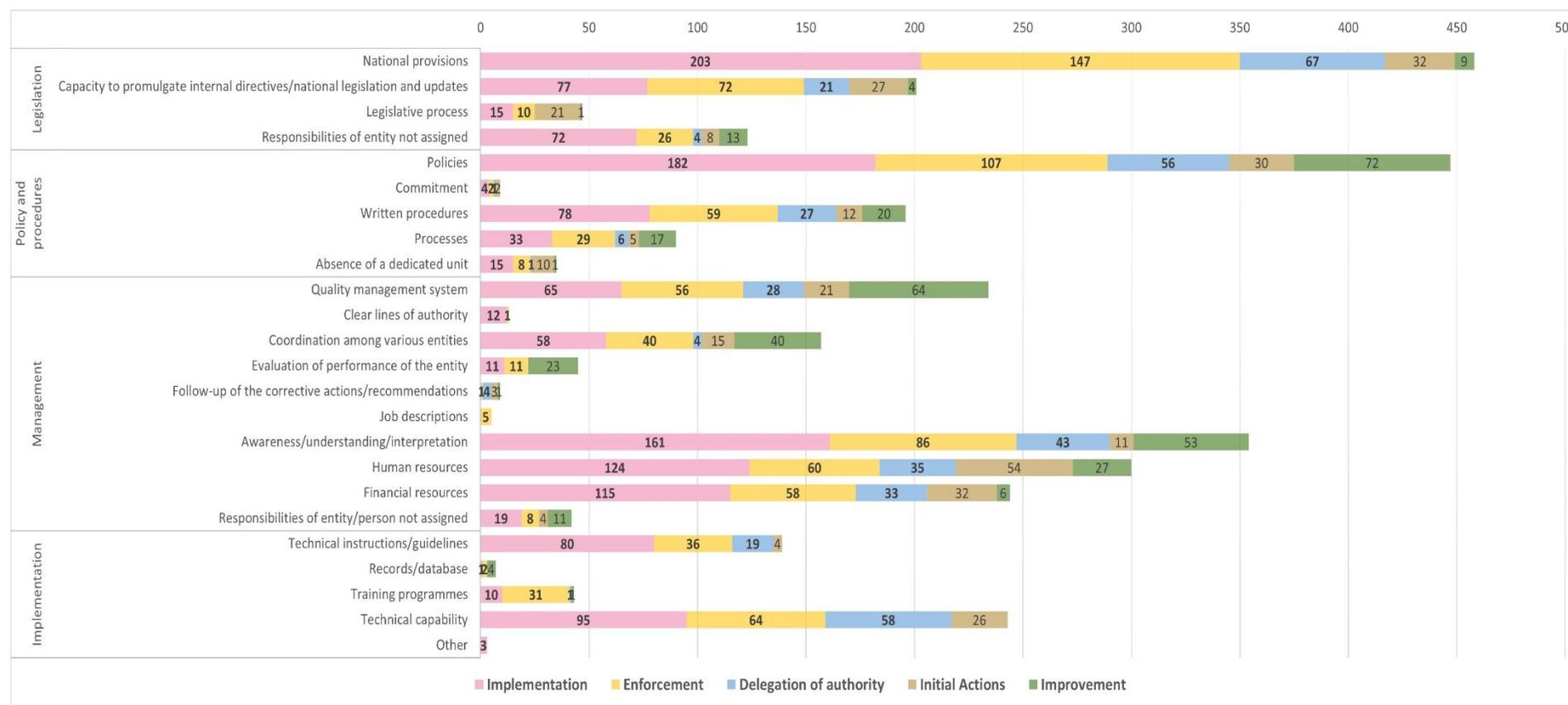
70 In relation to areas of root causes, the predominant difficulty for the audited Member States in the area of legislation was lack of national provisions and capacity to promulgate and to keep updated national legislation and internal directives, as well as a lack of assigned responsibility to entities of the State. These three categories of root causes were the most hindering factors for non-effectiveness in the implementation of requirements in the areas of implementation (flag, coastal and port State) and enforcement (flag, coastal and port State).

71 The most frequently reported category of root causes in the area of policy and procedures were lack of policies, lack of established written procedures and a lack of processes through which the State would effectively implement various requirements. The lack of policies, procedures and processes contributed the most to non-effective implementation in the areas of implementation (flag, coastal and port State) and enforcement (flag, coastal and port State).

72 In the area of management, the most frequent categories of root causes were related to a lack of awareness, understanding and interpretation of the requirements; lack of management systems; lack of resources – both human and financial; and lack of coordination among various State entities. Awareness/understanding/interpretation and management system-related difficulties were the major hindering factor for non-effective implementation and enforcement of the relevant international instruments (flag, coastal and port State); as well as requirements related to delegation of authority. In addition, human and financial resources, if taken together, present the single most frequent root cause for non-effective implementation of requirements in the area of management and the adverse effect of non-availability of sufficient resources is significant in almost all major areas of findings/observations.

73 Under the category of implementation, the most frequent categories of root cause were lack of technical capability and poor technical instructions/guidelines, as well as lack of training programmes, which significantly contributed to non-effectiveness in the areas of implementation, enforcement and delegation of authority.

**Figure 24: Areas and categories of root causes in relation to major recurrent areas of findings/observations**



### **Root causes related to most recurrent references to the mandatory IMO instruments**

74 For most recurrent references to respective mandatory IMO instruments, the areas of root causes, which contributed to the lack of effective implementation of a particular requirement, have been shown in Figures 25 to 28.

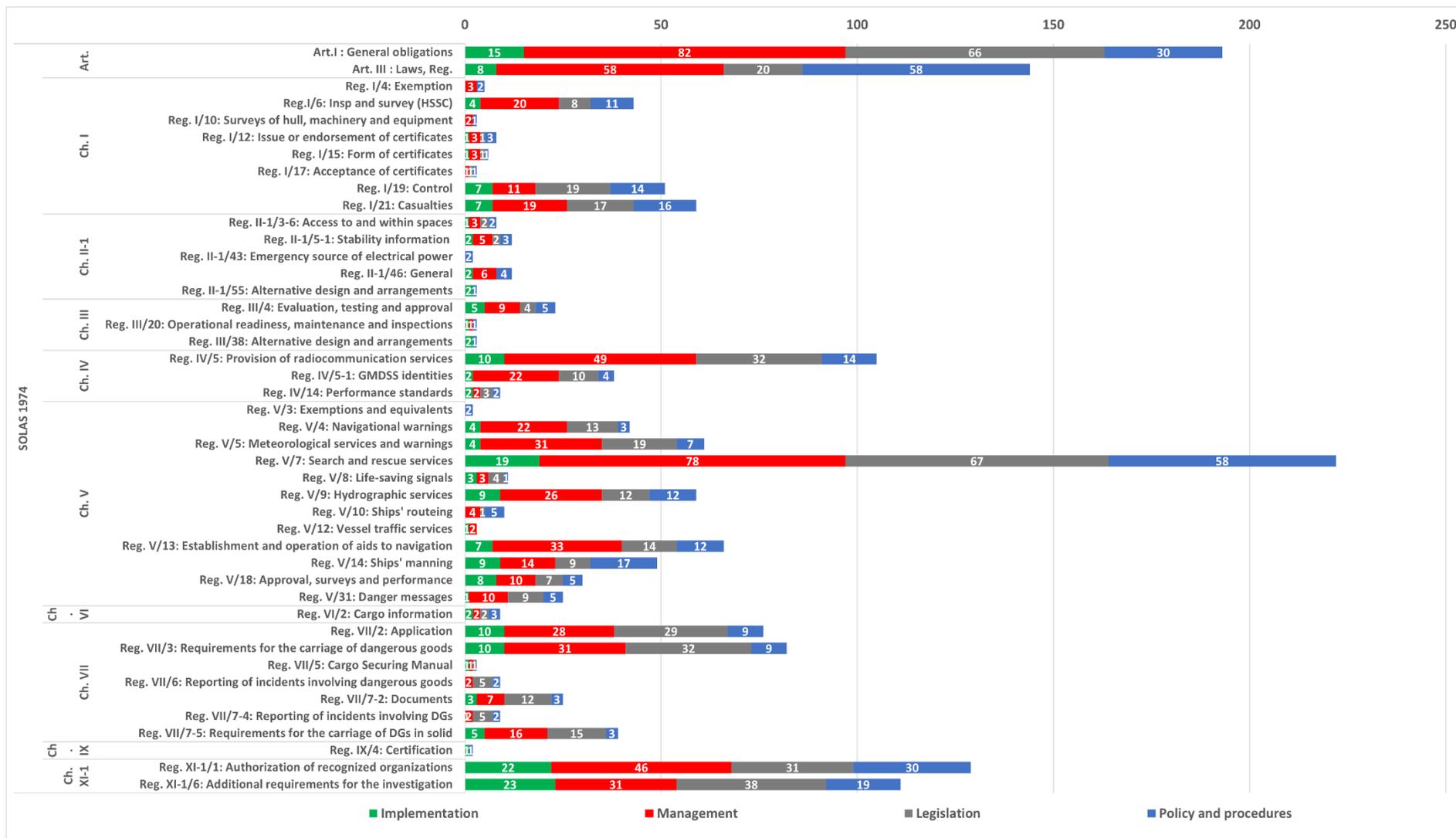
75 Figure 25 shows that, from root causes associated with reported findings under SOLAS 1974, 698 difficulties were related to the area of management, and 511 to the area of legislation, for various processes of a maritime administration and these were the main contributing factor for non-effective implementation of the most recurrent references to SOLAS 1974. These two areas of root causes were reported as underlying factors with the rate of 66.9 %.

76 In the case of SOLAS 1974, regulation V/7; root causes within the area of management, which include lack of management systems; lack of assignment or responsibilities to State entities or persons; absence of job descriptions; lack of coordination among various entities; lack of awareness/understanding/ interpretation of requirements; and lack of resources (both human and financial); were a major hindrance to effective implementation.

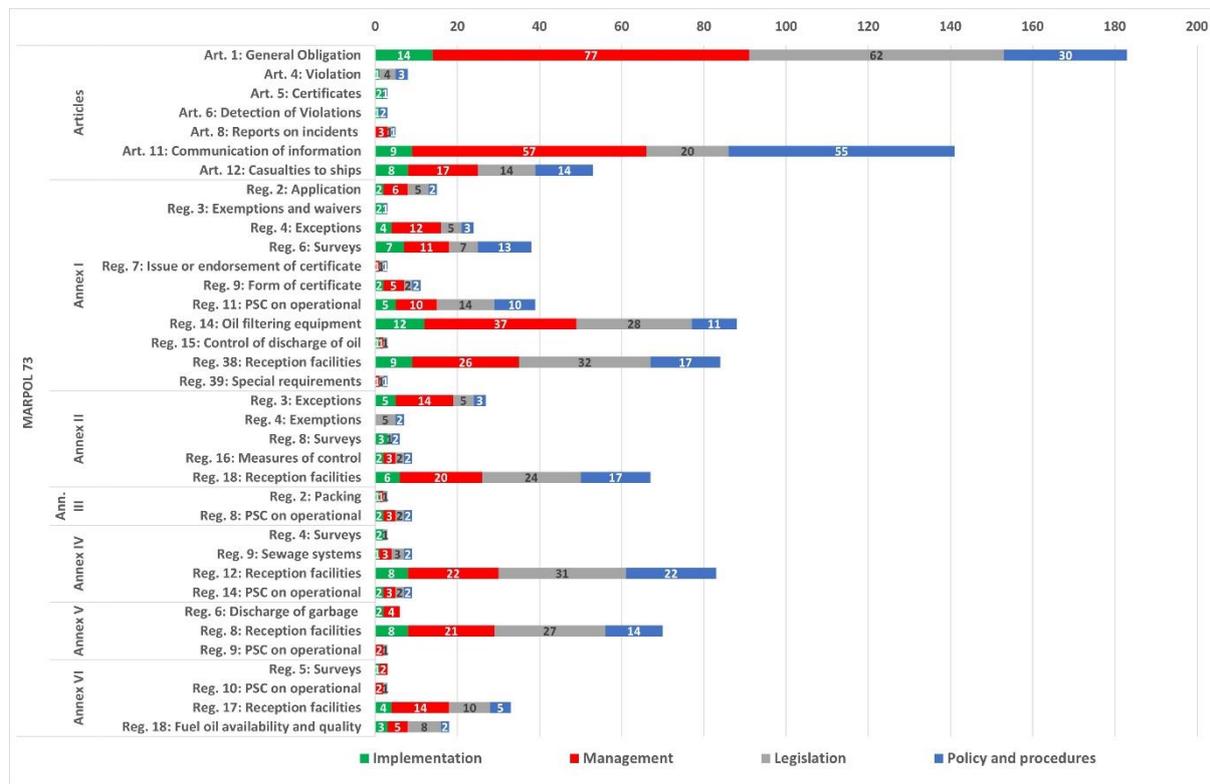
77 In the case of implementation of SOLAS 1974, article I; the area of management was also a hindrance to effective implementation followed by the area of legislation, which includes a lack of national provisions, lack of capacity to promulgate internal directives/updates and complex legislative processes.

78 In the case of SOLAS 1974, article III, root causes within the area of management and legislation were the main contributing factor that hampered the implementation. Regarding SOLAS 1974, regulation XI-1/1, out of 129 reported difficulties, 46 were related to the area of management, 31 under the area of legislation, 30 under the areas of policies and procedures and 22 under the area of implementation.

Figure 25: Areas of root causes for references to SOLAS 1974



**Figure 26: Areas of root causes for references to MARPOL**



79 Figure 26 shows that, from 1,075 root causes associated with reported findings under MARPOL, 383 difficulties were related to the area of management and 321 to the area of legislation for various processes of a maritime administration and these were the main contributing factors for non-effective implementation of the most recurrent references to MARPOL. These two areas of root causes were reported as underlying factors with the rate of 65.4 %.

80 In the case of MARPOL, article I (general obligations), the area of management, which includes lack of management systems; lack of assignment or responsibilities to entities or persons, absence of job descriptions; lack of coordination among various entities; lack of awareness/understanding/ interpretation; and lack of resources (both human and financial); as well as the area of legislation, were the main hindrance to effective implementation.

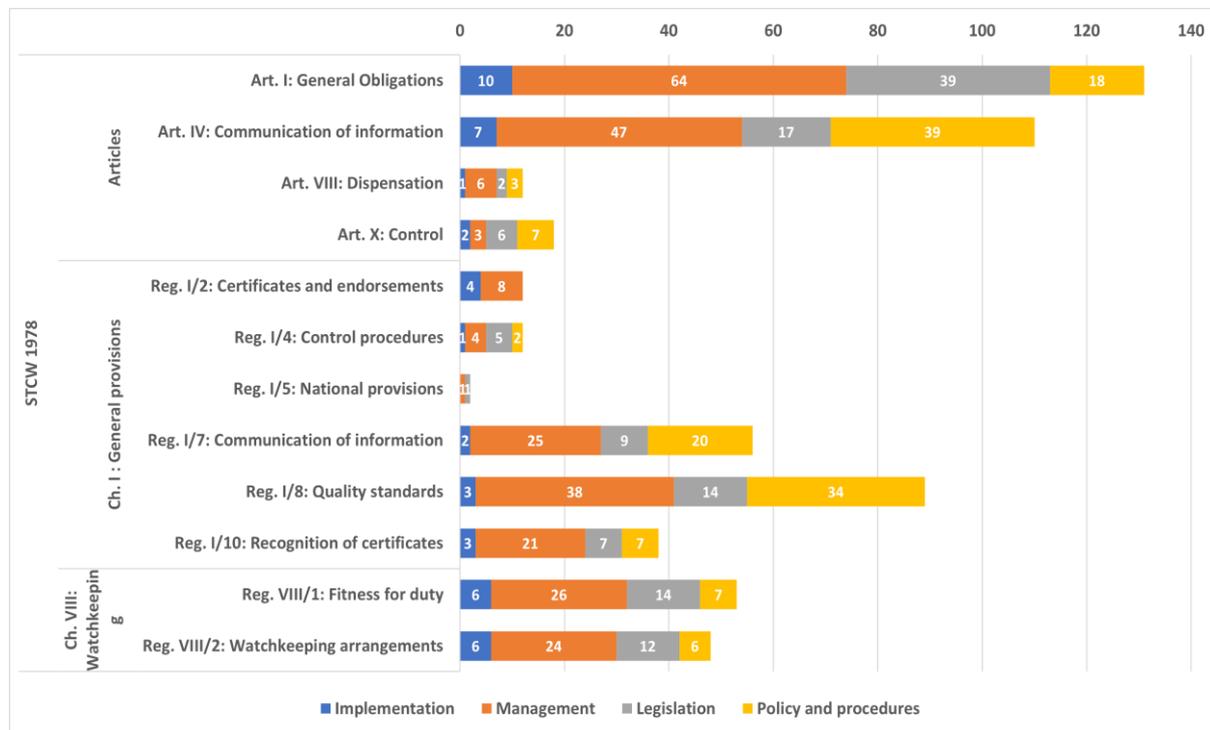
81 In relation to MARPOL, article 11 (communication of information), the area of management, followed by the area of policy and procedures, which includes lack of policies, processes, written procedures and absence of a dedicated unit with assigned responsibilities, were the main contributing areas of difficulties for non-effective implementation and enforcement.

82 In the case of MARPOL Annex I, regulation 14 (Oil filtering equipment – design approved by the Administration), the lack of provision in the area of management, as well as the absence of legislation to assist in the effective implementation, were the main contributing factors to the reported findings with reference to the mentioned regulation.

83 Regarding reception facilities under MARPOL Annex I, regulation 38; MARPOL Annex II, regulation 18; MARPOL Annex IV, regulation 12; MARPOL Annex V, regulation 8 and MARPOL Annex VI, regulation 17; out of 337 reported difficulties, 124 were under the area

of legislation, 103 were related to the area of management, 75 under the areas of policies and procedures and 35 under the area of implementation.

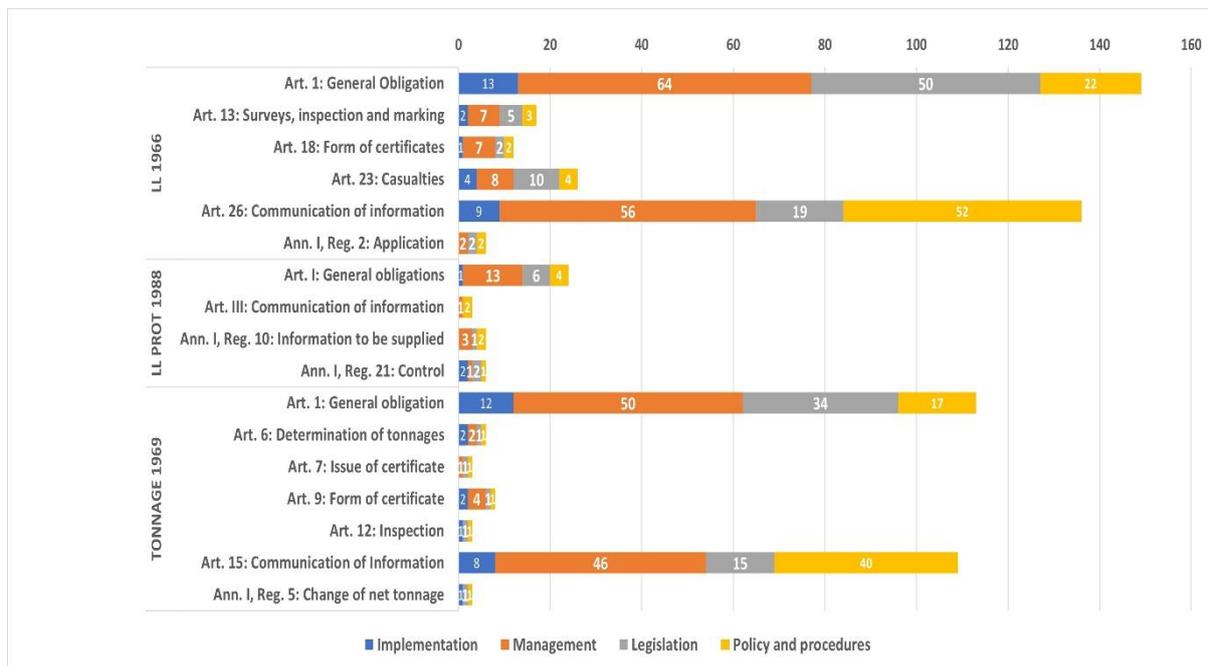
**Figure 27: Areas of root causes for references to STCW 1978**



84 Figure 27 shows that from 581 root causes associated with reported findings under STCW 1978, 267 difficulties were related to the area of management and 143 to the area of policies and procedures for various processes of a maritime administration and these were the main contributing factors for non-effective implementation of the most recurrent references to STCW 1978. These two areas of root causes were reported as underlying factors with the rate of 70.6%.

85 Difficulties related to the areas of management and policies and procedures also contributed mostly to non-effectiveness in complying with the requirements related to article I, general obligation under the Convention, communication of information under article IV, and regulations I/7 and I/8 of STCW 1978, mostly due to reported lack of a management system, lack of written procedures, absence of clear lines of authority and insufficient resources (both human and financial).

**Figure 28: Areas of root causes for references to LL 1966 and TONNAGE 1969**



86 Figure 28 shows that most of the difficulties related to non-effective implementation of the references to LL 1966, LL PROT 1988 and TONNAGE 1969, lie in the areas of management (427) and policies and procedures (250). For communication of information-related shortcomings (article 26 of LL 1966 and article 15 of TONNAGE 1969), detailed breakdown shows that difficulties under the area of management as well as the area of policies and procedures, which includes the lack of policies, lack of written procedures, lack of management system and lack of awareness of the requirements, their understanding or interpretation, were the most frequently reported root causes by the audited Member States.

87 In addition to the two areas stated above, difficulties related to the area of legislation contributed to non-effectiveness in complying with LL 1966, article I (general obligations), and TONNAGE 1969, article 1 (general obligations), which includes a lack of national provisions, lack of capacity to promulgate internal directives/updates, issues associated with legislative processes and absence of assigned responsibilities to State entities.