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PROPOSED IMO MODEL AUDIT SCHEME

Proposal for the introduction of an IMO Model Audit Scheme

Submitted by Belize

SUMMARY

Executive summary: With reference to section 4.1 of document C 88/WP.6, the Council Chairman's summing up at C 88 on the discussion on actions requested of the Council in document C 88/13/2, Belize proposes, in general terms, how an IMO Model Audit Scheme could be developed

Action to be taken: Paragraph 5

Related documents: C 88/WP.6, C 88/13/2

1 BACKGROUND

We are mindful of the fact that:

- .1 There are other priority matters currently being addressed by the Organization, especially the "Prevention and Suppression of Acts of Terrorism against Shipping" which are both time-consuming and costly.
- .2 The overall statistics reflect that there has been an improvement in the last 10 years in the number of casualties, albeit that judging by the statistics of the MOUs, there are still a substantial number of substandard ships trading.
- .3 The vast majority of the port State control detentions involve matters which are covered by statutory certification.
- .4 In admitting vessels into their ports, Member States are accepting at face value the validity of the statutory certificates issued by other Member States. However, the port State control detention records have proved that this reliance has, all too often, been misplaced.
- .5 Most of the flag States whose vessels have poor detention records and are targeted by port State control delegate the issuance of statutory certification to recognized organizations. There are some 150 such recognised organizations worldwide of which 10 are full members of IACS.

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- .6 As a consequence of sub-paragraph .5 above, the efficacy of the selection and delegation of the responsibilities by a targeted flag State to its recognized organizations as well as the monitoring of their performance, coupled with the ability of many of the latter to perform the duties entrusted to them, may rightly be called into question.
- .7 Flag States which have or are in the process of improving the efficacy of their enforcement obligations have found, quite often, that substandard tonnage which they have de-registered or which has left them has “hopped” to other flags, the common denominator being their recognized organization. On other occasions, such vessels have “hopped” both flag and recognized organization at the same time in the event that the latter have also improved the efficacy of their inspections.
- .8 According to the indication given at the Council’s eighty-eighth session, only approximately 40 out of 163 Member States have submitted “to the Organization a copy of their Self-Assessment Report in order to enable the establishment of a database which would assist the Organization in its efforts to achieve consistent and effective implementation of IMO instruments.”

2 OUTLINE OF PROPOSAL

In our view, there is clearly a need for an IMO audit scheme. However, there is also a compelling need to conserve resources by focusing such an audit on the area(s) which are most likely to identify and subsequently to rectify in a timely and efficient manner the already perceived deficiencies for the reasons described in paragraph 1 above. The brief outline of our proposal is therefore as follows:

- .1 The submission of the Self-Assessment Reports to the Organization should be made mandatory within a fixed time frame – say, by 30 June 2003.
- .2 The Organization should submit to each Member State its recommendations concerning its Self-Assessment Report by, say, 31 December 2003.
- .3 The voluntary IMO audit should be restricted to section 8, subsection 4 on page 3 of document C 88/13/2 which should be amended to read as follows:

“Assess how Member States control and monitor the work of their recognized organizations to which certain functions are delegated with a view to the latter being assessed for inclusion on an IMO Approved List of Recognized Organizations which Member States may continue to appoint.”

Member States volunteering for an IMO audit should have already submitted their Self-Assessment Reports.

3 ADVANTAGES OF THE FOCUSED APPROACH

3.1 Avoidance of duplication

3.1.1 The Self-Assessment Report and the Organization's recommendations relating thereto should adequately identify any improvements which are required other than the practical, technical aspect of statutory certification itself which requires detailed probing in view of considerations outlined in paragraphs 1.4 to 1.7 above.

3.1.2 The STCW Convention regulation I/8 already requires the auditing of related procedures. **Many Member States have already been audited by external auditors for this purpose as well as for other registration related procedures and have attained ISO 9002 accreditation.**

3.2 Conservation of resources

A comprehensive IMO model audit scheme would require the involvement of auditors for several specialities (mainly legal, technical and administrative) visiting each flag State which volunteers for such an IMO audit. The focused IMO audit scheme would involve technical staff only and would therefore be less costly.

3.3 Consistency

The focused IMO audit on the Member States as well as their recognized organizations would create a level playing field in the practical application of the criteria and method of assessment of all recognized organizations. This would reduce if not eliminate "flag hopping" and "recognized organization hopping" since there would be no benefit to be derived therefrom.

3.4 Efficiency

The result of the IMO audit as to the acceptability of a particular recognized organization would not only apply to the Member State being audited but also to all Member States utilizing that recognized organization with immediate effect. For example, if a recognized organization is found to be deficient in resources (e.g. qualification and number of staff) then it would not be placed on the IMO Approved List of Recognized Organizations and no other Member State would delegate responsibilities to it.

3.5 Reduced reliance on port State control

By focusing on the main area of deficiency of a substandard ship, the result is likely to be an early reduction on the present reliance on port State control which, after all, should only act as a safety net. This lesser reliance would in itself result in a reduction in the duplication of surveys on board vessels as well as in savings for the port States themselves, thus enabling them to divert some of their resources from the pursuit of substandard shipping to port security.

4 CONCLUSION

Although our Administration would have preferred a mandatory rather than a voluntary IMO audit scheme, we submit for consideration the above proposal which entails a mandatory element as well as a focused voluntary IMO audit scheme.

5 ACTION REQUESTED OF THE COUNCIL

The Council is invited to consider the above proposal and take action as appropriate.
