



## Key Issues

# Classification Society Issues

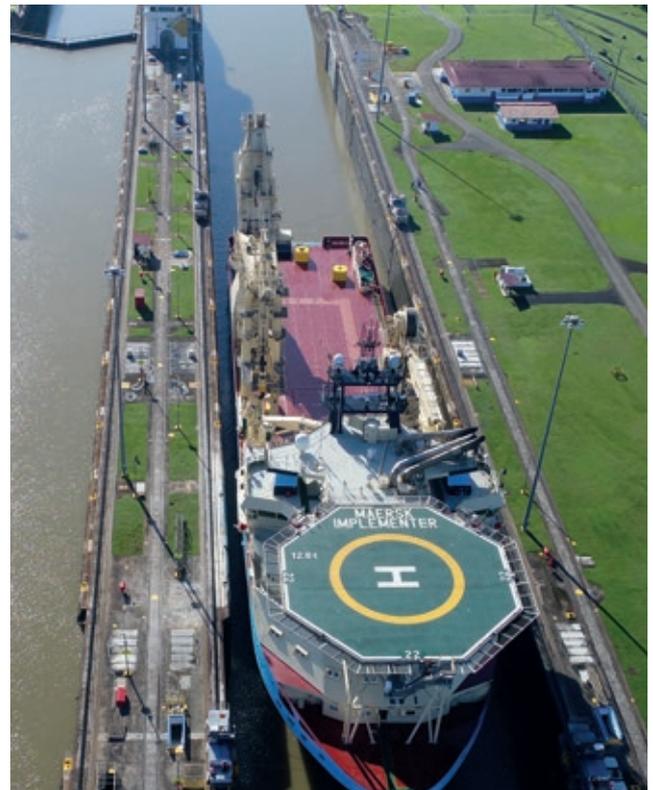
In December 2018, ICS was pleased to attend a special dinner to mark the 50th anniversary of the International Association of Classification Societies (IACS). ICS works very closely with IACS to ensure that services provided by class societies to shipowners and shipbuilders – and statutory inspections of ships conducted on behalf of flag states, in their capacity as Recognized Organizations (ROs) – continue to meet the high expectations of all stakeholders in maintaining the safety of ships and the protection of the environment.

Essential to underpinning the quality of services delivered is the IACS Quality System and Certification Scheme (QSCS) against which its twelve class society members must be audited and certified. ICS currently provides the Chairman of the IACS Quality Advisory Committee (AVC), which comprises independent representatives of governments, insurers, shipowners and shipbuilders, as well as an observer from IMO.

Over the past year, the AVC has continued to provide IACS with an impartial view on the work and performance of class societies with respect to quality in general, raising specific technical/quality issues of common relevance to all IACS members and providing recommendations for improving the effectiveness of the QSCS. The AVC Chairman, currently the ICS Principal Director (Marine), presents a report each year to the IACS Council providing observations and recommendations to improve the QSCS and the quality performance of IACS members. The next report will be presented to the IACS Council in June 2019 in Busan, South Korea.

As part of its ongoing commitment to continuous improvement, IACS made important proposals to the IMO Maritime Safety Committee (MSC) in December 2018 for investigating whether moves towards a fully independent quality assessment review body might further strengthen maritime stakeholders' confidence in the IACS QSCS, while also facilitating IMO Member States' awareness of the quality of the performance of classification societies delegated to conduct ship inspections on their behalf.

The IMO MSC agreed to the establishment of a fully independent International Quality Assessment Review Body (IQARB) for the review of the QSCS for an initial trial phase. IQARB, an advisory body, is now tasked with independently reviewing the adequacy of the QSCS in meeting the objectives set for ROs by IMO, flag states and industry. As well as the performance of the audit bodies, this includes checking against the criteria of the QSCS, the nature of non-compliances and, most importantly, the robustness



and effectiveness of agreed corrective actions against audit findings. ICS was invited by the Chair of the newly established body to participate as a member of IQARB during the trial phase in its capacity as a representative of shipowners, and ICS was honoured to attend its first meeting held at the end of February 2019 at the IMO headquarters.

ICS, and its Construction & Equipment Sub Committee, are also engaged in the work of the IACS External Advisory Group (EAG) on the Common Structural Rules (CSR) for Tankers and Bulk Carriers. In 2018, following a request from ICS, IACS re-established the EAG to provide initial technical and operational feedback on possible Rule Change Proposals (RCPs) being considered for the CSR. As well as ICS, the EAG comprises nominees from the Active Shipbuilding Experts' Federation (ASEF) and other international shipowner associations. On the basis of the feedback provided by the EAG, IACS then considers whether or not to progress the individual RCPs or review them further and provide additional information for consideration before making a decision. In January 2019, ICS representatives attended a meeting in London where the potential RCPs for 2019 were tabled and initial feedback was provided for further consideration by IACS.



Meanwhile (in conjunction with the European Community Shipowners' Associations) ICS has been engaged in discussions with the European Commission about the new EU Regulation for the Mutual Recognition by EU Recognized Organizations (EU ROs) of class certificates for materials, equipment and components. ICS participated in a workshop on the subject of mutual recognition of class certificates by EU ROs in Hamburg in September 2018, and accepted an invitation from the European Commission's Directorate-General for Mobility and Transport (DG MOVE) to discuss this issue further at a meeting in Brussels in March 2019.

The agreed position of ICS is that the choice of class society for the classification of a ship must ultimately be made by the shipowner and is a private arrangement covered by contract. It is therefore expected that the chosen class society will conduct the required surveys and tests – and

issue related certificates – for equipment being fitted and materials being used in the construction of the ship, upon which the ship's Class Notations are assigned. ICS is concerned that this important principle should not be undermined by the EU requirement for a class society to accept installation into a ship of equipment or materials certified by a different class society simply on the basis that the other class society has the status of being an EU RO.

Notwithstanding this position, ICS has not objected to the level of mutual recognition of equipment certificates agreed by the EU ROs to date, as this has so far been limited to certain type-approved equipment. However, ICS has made it clear that it would strongly object to mutual recognition being extended to safety-critical equipment where class society rules require each piece of equipment to be individually surveyed and certified.

