



INTERNATIONAL ASSOCIATION OF CLASSIFICATION SOCIETIES

IACS PROCEDURES

Volume 3: QUALITY SYSTEM CERTIFICATION SCHEME (QSCS)

IACS PROCEDURE VOLUME 3

TABLE OF CONTENTS

(Note: Sections I & O are not used, by design.)

IACS PROCEDURE VOLUME 3

TABLE OF CONTENTS

A. INTRODUCTION

B. ORGANISATION

C. TERMS OF REFERENCE

C1. QUALITY COMMITTEE (QC)

C1.1. MEMBERSHIP AND OFFICE HOLDERS

C1.2. VOTING

C1.3. FUNCTION AND FIELDS OF COMPETENCE OF QC

C1.4. MEETINGS AND GENERAL ADMINISTRATION

C2. QUALITY SECRETARY (QS)

C2.1. RESPONSIBILITY AND AUTHORITY

C3. IACS QSCS OPERATIONS CENTRE (OC)

C3.1. RESPONSIBILITY AND AUTHORITY

C4. QUALITY ADVISORY COMMITTEE (AVC)

C4.1. MEMBERSHIP

C4.2. VOTING

C4.3. FUNCTIONS OF AVC

C4.4. MEETINGS AND GENERAL ADMINISTRATION

D. COMMUNICATION

E. DOCUMENTATION

F. DESCRIPTION OF SCHEME

G. QUALITY MANAGEMENT SYSTEM REQUIREMENTS

H. ACB RELATED PROCEDURES

H1. REQUIREMENTS FOR ACCREDITED CERTIFICATION BODIES FOR QSCS CERTIFICATION

H2. PROCEDURE FOR JUDGING IF AN ACB AUDITOR HAS SATISFACTORILY COMPLETED THE QSCS FAMILIARISATION COURSE

H3. PROCESS FOR THE MANAGEMENT OF THE PERFORMANCE OF THE ACBS

H3.1 For IACS Members

H3.2 For IACS applicants

H3.3 Methodology

H3.4 Acceptance criteria

H3.5 Consequence of not reaching the targets for any one given year

H3.6 Consequence of not reaching the targets for two consecutive years

H3.7 Improvement Action Plan (IAP)

H4. PROCEDURE TO OBSERVE ACB AUDITS OF CLASSIFICATION SOCIETIES (MEMBERS AND APPLICANTS)

H5. AUDIT FINDINGS REPORTING PROCEDURE – ACBS TO OC

H6. SHARING INFORMATION BETWEEN ACBS

J. CONTINUAL IMPROVEMENT OF QSCS

J1. GENERAL

J2. TOOLS

J3. IACS ANNUAL FOCUS AREAS

J4. COMMON PERFORMANCE INDICATORS

J5. BENCHMARKING

J6. QSCS ANNUAL REVIEW

K. VERTICAL CONTRACT AUDITS (VCA)

K1. SCOPE

K2. PLANNING

K2.1 Internal VCAs
K2.2 External VCAs
K3. EXECUTION
K4. REPORTING
K4.1 Internal VCAs
K4.2 External VCAs
K5. FOLLOW-UP

L. COMPLAINTS

M. APPEALS

N. RECORDS

P. (INTENTIONALLY LEFT BLANK)

Q. FORMATS AND TEMPLATES

Q1. FORMAT FOR ASSESSMENT OF AUDITORS PARTICIPATING IN QSCS FAMILIARISATION COURSES
Q2. FORMAT FOR REPORTING IACS QSCS OPERATIONS CENTRE (OC) OBSERVATION OF ACB AUDITS
Q3. FORMAT OF STATEMENT OF COMPLIANCE & ANNEX TO BE ISSUED BY THE ACB TO THE CS:

ANNEX 1: DESCRIPTION OF THE SCHEME – 11TH EDITION

ANNEX 2: QUALITY MANAGEMENT SYSTEM REQUIREMENTS – 11TH ISSUE

ANNEX 3: REQUIREMENTS FOR ACCREDITED CERTIFICATION BODIES FOR AUDITING CLASSIFICATION SOCIETIES IN ACCORDANCE WITH QUALITY SYSTEM CERTIFICATION SCHEME (ACB MINIMUM REQUIREMENTS)

ANNEX A: THE CONTRACTED SERVICES

ANNEX 4: IACS PROCEDURE FOR HANDLING A COMPLAINT

ANNEX 5: PROCEDURE FOR THE QUALITY ADVISORY COMMITTEE (AVC) OBSERVATION OF ACB AUDITS OF IACS MEMBERS

ANNEX 6: WORK INSTRUCTION FOR THE OBSERVATION OF ACCREDITED CERTIFICATION BODY AUDITS OF IACS MEMBERS AND APPLICANT BY THE IACS QSCS OPERATIONS CENTRE (OC)

ANNEX 7: PROCEDURE FOR THE COMPILATION, MAINTENANCE AND AVAILABILITY OF THE LIST OF RECOGNISED AUDITORS

ANNEX 8: GUIDANCE FOR CONDUCT OF QSCS AUDITS

ANNEX 9: COST SHARING OF ACCREDITED CERTIFICATION BODY AUDITORS' COURSES AND SEMINARS, INCLUDING FAMILIARISATION RE-SITS

A. INTRODUCTION

A.1 This Volume is a subset of IACS Procedures. It deals with the **Quality System Certification Scheme (QSCS)** adopted by IACS (hereinafter referred to as **QSCS**), including procedures relating to independent Accredited Certification Bodies (hereinafter referred to as ACBs). This Volume also covers procedures for processing of complaints and appeals.

A.2 This Volume applies to all the Classification Societies who are Members of IACS or those applying for membership (hereinafter referred to as CS).

A.3 This Volume is developed and maintained by the Quality Committee (hereinafter referred to as QC), with the assistance of the Quality Secretary (hereinafter referred to as QS). The contents are subject to review by the Quality Advisory Committee (hereinafter referred to as AVC), comprising of senior industry representatives and IMO Observer to QSCS and approval by the Council.

A.4 **The International Association of Classification Societies Charter** (IACS Charter) published on the IACS website takes precedence over this operational document, in case of any perceived or actual conflict between the two.

A.5 Amendments to the IACS Procedures along with their Annexes shall require the agreement of three quarters of all Council Members entitled to vote irrespective of the percentage of IACS' total registered gross tonnage that they collectively represent.

IACS Quality Policy

i) IACS promotes continual improvement of its Members' performance in the pursuit of high levels of safety of life, property and protection of the maritime environment.

IACS encourages and supports its Members to deliver:

-high levels of technical expertise and competence;

-integrity, impartiality and ethical practices; and

-excellence of services either acting as a Classification Society or as a Recognized Organization.

In striving to achieve the above objectives, IACS Members have established, implemented and work in compliance with the robust and independently audited Quality System Certification Scheme.

QSCS is continually reviewed by the QC to maintain its relevance to CS and the shipping industry, in general.

ii) The QC is supported by the QS in the management of QSCS.

iii) IACS policies on copyright, general terms and conditions and those relating to the use of IACS documents by non-members are laid out in section D of the IACS Procedures Volume 1.

iv) It is the policy of IACS to hold all information provided to it by anybody as strictly confidential. IACS will disclose such information to third parties for the purpose of QSCS audits, or where authorised by the CS or where required by law and in accordance with IACS Procedural Requirement No.3.

v) All employees of IACS Ltd are governed by signed confidentiality agreements, as are sub-contractors, if any.

vi) The Members of the IACS bodies, such as the GPG, Panels etc. and the AVC are each responsible for holding personally confidential, any information or data pertaining to CS or vessel which may come into their knowledge in the course of their activities.

vii) All authorised persons carrying out audit of QSCS files or accompanying ACB auditors during observed audits are responsible for holding personally confidential any information or data pertaining to specific CS or specific ship files or ship data seen during the course of their duties.

B. ORGANISATION

B.1) The organisation structure of IACS is available on the IACS website (www.iacs.org.uk).

B.2) QSCS is managed and operated through the following bodies:

B.3) The Council is the approving body for the QSCS. The constitution and the operational details of the Council are detailed in the IACS Charter and the IACS Procedures Volume 1.

B.4) The Sub-Committee on Quality Policy (SC/QP) has been constituted to facilitate focused Council discussions on quality matters by providing a dedicated forum in which Council Members and other relevant personnel can meet to discuss quality matters with a view to facilitate speedy decisions and approval of quality related issues and provide specific recommendations for Council's endorsement. The objective is to reinforce the centrality of quality matters within the Association and to discharge a strategic role by anticipating quality initiative for QC to follow through while maintaining the overall authority of the Council. The Terms of Reference of the SC/QP are detailed in the IACS Procedures Volume 1.

B.5) QC is the governing body which develops, maintains and manages the QSCS and its related manuals and procedures.

B.6) ACBs contracted by an individual CS directly, audit and certify / verify the CS compliance to ISO 9001:2015 and QSCS requirements.

B.7) IACS QSCS Operations Centre (OC): comprises the QS and Audit Managers, supported administratively by the Office Secretary. They observe selected ACB audits of IACS Members and Applicants.

B.8) AVC and the IMO Observer to QSCS provide the necessary industry oversight to ensure the relevance and impartiality of the QSCS.

B.9) The terms of reference of QC, QS and AVC are detailed in the next section.

B.10) The QC may interact directly with the GPG, the Panels and Expert Groups to draw upon their technical expertise, as and when necessary. All such correspondences and those concerning work programs already set up and interactions with the Panels and Working Groups are to be copied by the QC Chair to the GPG Chair Team. (Refer to C3.3 1.(2) of the IACS Procedures Volume 1).

B.11) The QC, the AVC and the QS discharge their respective functions without prejudice to the functions of each other.

B.12) The document: '**Description of Scheme**' (section F, below) details the policy and purpose of QSCS and the scheme itself.

B.13) The document: '**Quality Management System Requirements**' (which is available in Annex 2 to these Procedures) is an integral part of the QSCS. It is built upon the ISO 9001:2015 standard and details the supplementary requirements specific to CSs.

C. TERMS OF REFERENCE

C1. QUALITY COMMITTEE (QC)

C1.1. MEMBERSHIP AND OFFICE HOLDERS

1.1) As determined in the IACS Charter, the QC shall consist of one voting representative per IACS Member. Such representatives shall be quality professionals who have, or have had, management responsibility within IACS Member corporate quality management function.

1.2) The QS is non-voting Member of the QC.

1.3) The Chair of the QC shall be nominated and elected from submissions of candidates by IACS Council Members. The Chair will normally serve for a period of three years, with the possibility of extension up to one year in case of lack of candidates to take the Chair.

1.4) The QC Chair shall be impartial. The Chairing CS is entitled to nominate a voting QC representative, additional to the Chair. In such a case, the Chair will have no voting right.

1.5) The QC Chair shall act as the representative of the QC to the Council, the GPG, the AVC, the SC/QP and to such other bodies as may be required and determined by the QC or the Council, from time to time.

1.6) In case of unavailability of the Chair, the QC would select a QC member to act as the Chair for the meeting. The selected Chair will retain her/his vote.

C1.2. VOTING

1) All decisions of the Quality Committee to be adopted at meetings or by correspondence shall require the agreement of a simple majority of all Members entitled to vote on condition that the majority is comprised of Members who collectively represent fifty per-cent or more of IACS' total registered gross tonnage as defined in Volume 1 of the IACS Procedures.

A quorum comprises two thirds of the voting Members of QC.

C1.3. FUNCTION AND FIELDS OF COMPETENCE OF QC

1) The QC has the following responsibilities:

- a) Maintain effective oversight of the QSCS and to develop, document, maintain and revise the 'QUALITY MANAGEMENT SYSTEM REQUIREMENTS' (QMSR), the Annex 2 to the IACS Procedures Volume 3, quality guidelines and procedures for subsequent approval by the Council.
- b) Consult the AVC on policy, and QSCS related matters and follow-through as appropriate.

- c) Review reports and feedback from the IMO Observer to QSCS and to take appropriate actions.
- d) Consider feedback received from Members, ACBs including the audit results, the QS and AVC, in order to continually improve the QSCS and ensure its robustness, consistency and integrity.
- e) Conduct an annual review of the QSCS in entirety and follow through as necessary.
- f) Interpret the QMSR on request from Members, the QS, internal and external bodies, or as part of appeals and complaints according to relevant procedures.
- g) Review and advise the Council on complaints relating to QSCS, on the performance of the QC and the OC.
- h) Develop and maintain criteria for observing ACBs, recognition of ACB auditors and the application of QSCS on CS.
- i) Oversee the function of the QS.
- j) Establish, oversee and discontinue any ad hoc working groups set up by the QC to discharge its responsibilities.
- k) On request of GPG, review IACS PRs to ensure their auditability, prior to their adoption by GPG.
- l) Report to the Council, the SC/QP and GPG, as required.

C1.4. MEETINGS AND GENERAL ADMINISTRATION

- a) QC normally meets twice per year. Additional meetings may be called by the Council or the Chair of the QC, subject to agreement by the quorum.
- b) Four weeks' notice of a meeting is given to Members of the QC, as far as possible.
- c) Meetings of the QC will be held, unless otherwise agreed, under the auspices of the QC Chair's CS.
- d) The QC Chair shall be responsible for maintaining minutes of all meetings and for the submission and presentation of QC reports, in writing, to the Council through the SC/QP. A copy of the approved minutes of all meetings and QC Chair reports shall be held in electronic (pdf) format at the OC.
- e) The AVC Chair and the IMO Observer to QSCS are invited to attend the regular meetings of QC, as part of external oversight.
- f) QC may invite, subject to acceptance by a simple majority of all Members entitled to vote on condition that the majority is comprised of Members who collectively represent fifty per-cent or more of IACS' total registered gross tonnage as defined in Volume 1 of the IACS Procedures, other external guests or experts to specific meetings.
- g) Joint meetings with other IACS bodies may be held, if and when considered necessary by QC.
- h) The QC tracks all their actions arising out of decisions of their meetings / the Council instructions through an Action Log. The QC Chair is responsible to maintain this log. The updated copy of this log, in electronic format, shall also be maintained at the OC.

C2. QUALITY SECRETARY (QS)

The QS is an officer of the Permanent Secretariat (Refer to B.2.6.6 of the IACS Procedures Volume 1).

The main purpose of the QS is to maintain and safeguard the robustness, consistency, effectiveness and integrity of the QSCS and consequently promote and nurture a uniformly high quality standard within IACS Members.

C2.1. RESPONSIBILITY AND AUTHORITY

1.1) The QS is accountable to the Council. In the performance of his / her duties described in C2, the QS shall not be directed by any IACS Member, by the Secretary General (SG) or by any authority external to the Association in discharging his / her responsibilities.

The specific responsibilities of the QS are as follows:

- a) Assist the Council and the SG in the processing of applications for IACS membership and also in the periodic verification of IACS Members' compliance with the Membership Criteria as defined in Volume 2 of the IACS Procedures and Triennial Periodic Membership Review Guidelines (Annex 3 to Volume 2).
- b) The QS will work closely on a day-to-day basis with IACS Quality Committee (QC).
- c) Verify that the documentation, establishing the contractual arrangements between CSs and their chosen ACBs (excluding financial details), as well as non-IACS CSs at their request, whether or not they are applying for IACS membership, satisfies the minimum requirements defined in the 'Requirements for Accredited Certification Bodies for auditing Classification Societies in accordance with Quality System Certification Scheme (ACB Minimum Requirements)', the Annex 3 to these Procedures.
- d) Prepare and provide the QSCS Familiarisation Courses and ACB Auditors Seminars for ACB auditors as and when appropriate to maintain a List of Recognised Auditors and technical experts used by ACBs in their audit teams.
- e) Prepare and maintain an IACS Observation Plan that appropriately covers all ACBs and CSs and facilitate the observations detailed therein. Select, at his / her discretion scheduled ACB audits of CSs to be observed and reported, as per Annex 6 to these Procedures.
- f) Collate and review the QSCS Annual Review, based on ACB audit findings and other performance indicators including, *inter alia*, ACB audit reports of CSs, ACB feedback and other relevant inputs from CSs, AVC, IMO Observer to QSCS, published PSC data, other stakeholders and End-User Workshops, with the objective of identifying areas for continual improvements to QSCS and circulate the draft for information and possible comments to the QC and the AVC. Present the QSCS Annual Review at the SC/QP meeting prior to the Council's Summer meeting.
- g) Review audit findings submitted to him/her by ACB auditors for clarity, understandability and compliance with the guidance for drafting findings included in the Audit Reporting Software. If amendments are considered necessary, the author of the finding is to be invited to revise the finding before OC uploads the finding to the database.

- h) Provide first level interpretation of the QSCS, when so requested by any ACB and / or CS.
- i) Investigate as requested by the SG complaints accepted under Annex 4 to these Procedures.
- j) Attend meetings of the Council, the SC/QP, the QC, the AVC and other IACS bodies as required and act as Secretary to the AVC.
- k) Develop and maintain the quality related content on the IACS website, the Audit Reporting Software and such other software as may be developed from time to time, in consultation with the QC.
- l) Manage the OC's staff and finances, in close co-operation with the Permanent Secretariat.
- m) Co-ordinate, as necessary, with all interested parties – CSs, ACBs, IMO, IQARB, QACE and other industry bodies – to improve the QSCS and implementation thereof. Communication with external parties shall be governed by relevant procedures set out in the IACS Procedures Volume 1.
- n) Perform the ACB Performance Benchmarking Assessment annually.
- o) Review and endorse the annual Statements of Compliance issued by the ACBs.
- p) Perform such other tasks as may be assigned by the Council, the SG or the QC.
- q) Keep the Council and the QC fully informed of ongoing matters and of the AVC concerns, views and proposals.
- r) Keep the AVC informed on quality matters as required to support its terms of reference.
- s) Keep the SC/QP informed on quality matters as required to support its terms of reference.

1.2) The QS and his / her staff shall maintain the required confidentiality in discharging the above.

C3. IACS QSCS OPERATIONS CENTRE (OC)

The OC comprises the QS and Audit Managers, supported administratively by the Office Secretary. All personnel within the OC are members of the IACS Permanent Secretariat and the QS has the possibility to utilise additional external human resource as circumstances dictate.

C3.1. RESPONSIBILITY AND AUTHORITY

1.1) Audit Managers and the Office Secretary are directly accountable to the QS in discharging their responsibilities. Audit Managers and the Office Secretary are responsible for assisting the QS in discharging the specific responsibilities detailed in C2.1 relating to the effective operation of the QSCS.

Specific responsibilities of the Audit Managers and the Office Secretary include:

- a) Assisting in the preparation and facilitation and delivery of the QSCS Familiarisation Courses, the ACB Auditor Seminar and End-User Workshop (EUW) and maintenance of the List of Recognised Auditors and technical experts.
- b) Assisting in the preparation, maintenance and delivery of an IACS Observation Plan that appropriately covers all ACBs and CSs, conducting and reporting on the observations detailed therein*, as per Annex 6 to these Procedures.
- c) Assisting in the compilation of the QSCS Annual Review enabling the timely circulation of the draft to the QC and the AVC for information and comment with subsequent presentation by the QS at the SC/QP meeting prior to the Council's Summer meeting.
- d) Reviewing audit findings submitted by ACB auditors for clarity, understandability and compliance with the guidance for drafting findings included in the Audit Reporting Software. If OC considers amendment is necessary, the author of the finding is to be invited to revise the finding before OC uploads the finding to the database.
- e) Attending meetings of IACS and non-IACS bodies as requested by the QS.
- f) Assisting in the development and maintenance of the Quality related content on the IACS web-site, the Audit Reporting Software and such other software as may be developed from time to time.
- g) Assisting the QS in the management of OC finances, in close co-operation with the Permanent Secretariat.
- h) Supporting QS activities relating to co-ordination, as necessary, with all interested parties – CSs, ACBs, IMO, IQARB, QACE and other industry bodies – to improve the QSCS and implementation thereof.
- i) Assisting the QS in the annual ACB Performance Benchmarking Assessment.
- j) Assisting the QS in the review of the annual Statements of Compliance issued by the ACBs.
- k) Keeping the QS fully informed of ongoing matters relating to safeguarding the effectiveness, robustness, consistency and integrity of QSCS.
- l) Performing such other tasks as may be assigned by the QS.

*Note: In delivering the IACS Observation Plan the planned VCAs may inevitably have to be changed due to too short notice being provided to the OC or circumstances outside of the control of the ACB/CS.

C4. QUALITY ADVISORY COMMITTEE (AVC)

- a) The purpose of AVC is to advise the QC regarding the views of parties external to IACS and its Membership, interested in the quality management of classification and statutory services and the effectiveness of the QSCS.
- b) The AVC contributes to the improved effectiveness of QSCS and impartial certification of CS to QMSR and enhancing external understanding of the aims, standards and parameters to which QSCS operates. In pursuance of this, the AVC may also raise technical / quality issues considered by them as common to Members of IACS.

- c) The AVC provides an impartial view on the work and performance of IACS Members with respect to QSCS. The AVC may make recommendations with respect to improving policies or methods of operation for QSCS.
- d) The Chair of the AVC has the right to attend the meetings of the QC, the SC/QP when the QS presents the QSCS Annual Review and to join the quality related part of the Council meetings.

C4.1. MEMBERSHIP

- a) The AVC shall consist of between six and ten independent Members from governmental and non-governmental organisations, in the maritime industry. Identification of organisations is such as to ensure as diverse a composition of groups in the Membership, as is practicable.
- b) The organisations to be represented on the AVC shall be identified by the Council. Individual Members shall have no affiliation with an organization that has a formal relationship with IACS in respect to QSCS and shall be drawn from organisations that include, but not limited to:
 - IMO;
 - Regulatory Bodies;
 - National Maritime Administrations (flag or port States);
 - Ship Owners Associations;
 - Insurance Providers;
 - Manufacturers and Shipbuilders Associations;
 - Offshore Oil Exploration/Production Interests.
- c) The identified organisations shall be contacted by the QS or by the SG (as mutually agreed between them), to seek nominations of individuals to represent them in the AVC.
- d) The individuals proposed by the organisations to become Members of the AVC shall have an understanding of quality management system certification requirements and of classification and statutory certification services.
- e) Individuals nominated by their organisations to be Members of the AVC shall be so appointed, without substitute, formally by the Council.
- f) The term of office for a Member shall be for a period of four years. Re-appointment for a further period of four years or less is permitted.
- g) A Chair and Vice Chair of the AVC shall be elected by and from amongst the Members for a two year term. Re-election shall be possible for a further two year term of office.
- h) In case of unavailability of the Chair, the Vice-Chair shall fulfil all duties normally carried out by the Chair.
- i) Members of the AVC are responsible for maintaining strict confidentiality in respect of any information or data they become privy to in the course of their activities on the AVC.
- j) The Chair of the QC and the Chair of IACS GPG are ex-officio Members of AVC.

- k) The QS is the Secretary to the AVC.
- l) AVC membership is honorary. However, expenses connected with the meetings of the Committee shall be borne by IACS.

C4.2. VOTING

2.1) Each Member, including the AVC Chair, has one vote. Decisions shall be based on simple majority.

C4.3. FUNCTIONS OF AVC

3.1) The AVC shall actively contribute to the improvement of QSCS, by:

- a) Representing the interests of all non-IACS parties concerned with the services covered by the QSCS.
- b) Providing advice to ensure the proper and impartial application of QSMR and that no single interest predominates in the QSCS decision making process.
- c) Reviewing of the effectiveness of the QSCS, based on the data submitted by IACS, which includes, *inter alia*, statistics of results of audits, complaints and other relevant information appropriate to QSCS, including the QSCS Annual Review, observation of ACB audits as described in Annex 5 to these Procedures.
- d) Advising the QC on matters related to the development of IACS Quality Policy, QSCS and QMSR and procedures, including certification related matters.
- e) Considering proposed changes to the QSCS – policy, description, requirements, procedures etc. - and commenting on them.
- f) Reviewing the resolution, by IACS, of complaints and appeals related to QSCS.

3.2) The AVC is entitled to submit an annual report to the Council through the SC/QP prior to the Council's Summer meeting on its own activities, the QSCS Annual Review and other issues it considers appropriate.

C4.4. MEETINGS AND GENERAL ADMINISTRATION

- a) Meetings of the AVC shall be held at least once and not more than twice per year. The venue will be arranged by the QS. Extraordinary meetings beyond two meetings a year may be called by the Chair of the AVC or the Chair of the QC, subject to approval by a simple majority of Members.
- b) The quorum for a meeting shall be the Chair or Vice-Chair of the AVC, the Chair of the QC and at least Members representing two other interest bodies.
- c) The AVC Chair shall set the AVC meeting agenda but shall consider the inclusion of any agenda item requested by any Member of the AVC or by the QC which is within the functions of AVC.
- d) The proceedings of the AVC meetings shall be documented by the QS and approved by the AVC before submission to the QC.

D. COMMUNICATION

D.1) Email system shall be the general mode of communication with other IACS bodies and with external stakeholders such as IMO, flag States, EC etc.

D.2) The IACS and OC website shall be the primary means of communication of IACS reference documentation to all its stakeholders. Hard paper copies of documents are not distributed, as far as possible.

D.3) An inter-active web-based Audit Reporting Software is the primary mode of communication of audit findings by the ACBs to the QS.

D.4) All other communication with external parties shall be by the Council, or under its specific directions.

E. DOCUMENTATION

E.1) Documentation relating to the QSCS and related procedures are developed, maintained and issued in a controlled manner.

E.2) QSCS documents are developed on a need basis, as identified by the interested parties and on approval of the QC.

E.3) The QSCS documents are defined in four levels:

a. **Level 1 – Documents defining policy**

1. DESCRIPTION OF THE SCHEME (Annex 1 to these Procedures);
 2. QUALITY MANAGEMENT SYSTEM REQUIREMENTS (Annex 2 to these Procedures);
- These documents are developed by QC and approved by the Council.

b. **Level 2 – Documents implementing policy**

The QSCS (these Procedures);
These documents are developed, as necessary, by QC and approved by the Council.

c. **Level 3 – Documents supporting the QSCS**

Forms, formats and Templates (part of these Procedures);
These documents are developed by the QS/QC, as necessary, and approved by the Council.

d. **Level 4 – IACS Documents supporting the QSCS**

IACS Resolutions: URs (including CSR), PRs, UIs - these are developed and maintained by various IACS bodies, as detailed in other Volumes of IACS Procedures.

e. **Level 5 – External Documents supporting the QSCS**

ISO standards, IMO instruments etc. are referenced and used as necessary within the IACS documentation.

E.4) Approved versions of all above documents (except Level 5 – externally copy-righted documents) are maintained by the Permanent Secretariat, in the source formats (word or excel or other), in electronic form.

E.5) During development and revision of QSCS documents, adequate version control mechanisms are used by the developers to prevent the use of obsolete documents.

E.6) Currently valid versions of required documents from the above are published, in pdf format, on the IACS website, by the Permanent Secretariat.

E.7) QSCS documents (Levels 1 to 3, above) are reviewed, as and when necessary, by QC, based on inputs from all interested parties and other relevant sources, to maintain their continued relevance and validity.

E.8) AVC may choose to review the QSCS documents, as they deem fit, and provide their comments to QC, for consideration.

F. DESCRIPTION OF SCHEME

F.1) The QSCS is described in detail in the document: **Description of the Scheme**, which is available in the Annex 1 to these Procedures. This document details the purpose and policy of the scheme.

G. QUALITY MANAGEMENT SYSTEM REQUIREMENTS

G.1) The additional requirements for CS and QSCS interpretation of the requirements of the quality management standards are detailed in the document: **Quality Management System Requirements** (the Annex 2 to these Procedures). The structure of this document is similar to that of ISO 9001:2015 standard. This document is an integral part of QSCS.

H. ACB RELATED PROCEDURES

H1. REQUIREMENTS FOR ACCREDITED CERTIFICATION BODIES FOR QSCS CERTIFICATION

H1.1) All ACBs intending to be contracted by CS for the certification to QSCS requirements have to comply with the requirements detailed in the ACB Minimum Requirements which are available in Annex 3 to these Procedures.

H1.2) The 'ACB Minimum Requirements' specify qualitative requirements for the ACBs, policies on auditing, observation of audits, reporting etc. It also specifies qualification requirements, the courses and seminars provided for the ACB auditors and their assessment.

H1.3) The procedures for assessment of those ACB auditors who are to be qualified for QSCS auditing through courses, seminars and assessment are detailed in H2. below. Any auditor to be used by an ACB should not have had any affiliation with the CS being audited for a period of three years prior to the audit.

H2. PROCEDURE FOR JUDGING IF AN ACB AUDITOR HAS SATISFACTORILY COMPLETED THE QSCS FAMILIARISATION COURSE

H2.1) This procedure applies to those ACB auditors who are to be qualified for QSCS auditing through QSCS Familiarisation Courses assessment, as per 4.6 (d) of the 'ACB Minimum Requirements' referred to in H1. above.

H2.2) This procedure describes the methodology to be followed to assess, in an appropriate, transparent, fair and effective way, whether or not a delegate has successfully completed the QSCS Familiarisation Course, organised, from time to time by

the OC, for the benefit of the ACBs. The QS will inform the concerned CSs and ACBs of the results of the course.

H2.3) The QSCS Familiarisation Courses and ACB Auditors Seminars are chargeable in accordance with the procedure at Annex 9 to these Procedures.

H2.4) Upon (a): confirmation from the CS that the *Curriculum Vitae* of the ACB auditor is acceptable and (b): satisfactorily completing the QSCS Familiarisation Course and (c): verification thereof by the QS, the ACB auditor will be included on the List of Recognised Auditors maintained by the QS.

H2.5) Within two weeks of completion of a QSCS Familiarization Course, the QS shall ensure the completion of the assessment of the participant, as per the methodology in the spreadsheet, in Q1. below.

H2.6) Within three weeks of completion of a QSCS Familiarization Course, the QS shall provide a confidential but not anonymous, feedback to the relevant QC Member and relevant ACB as to whether the delegate has satisfactorily completed the QSCS Familiarization Course or has areas for further improvement of his / her knowledge with respect to the QSCS Familiarization Course.

H2.7) Should the ACB wish their auditor, who has not successfully completed the QSCS Familiarization Course, to be recognised as meeting the QSCS familiarity requirements through complying with the criteria laid down in 4.6 (d) of the '*ACB Minimum Requirements*', they must, in consultation with the QS, either arrange for their delegate to:

a) Re-attend the QSCS Familiarization Course (as and when scheduled next, by the QS) and satisfactorily complete the applicable assessment again, or

b) Re-sit only the written examination, which might be invigilated by an independent IACS Member having no contractual relationship with the concerned ACB employing this auditor. In agreement with the QS, the IACS Member will provide practical arrangements for the invigilation, receive the examination papers, and send answer papers back to the QS for assessment. In no circumstance is the invigilating IACS Member involved in the assessment of the examination itself, which is to be performed by the QS. In this event, the OC assessment component will be the same as the one used the first time – refer to the spreadsheet in Q1. below; or

c) Complete additional course work set by the QS which addresses the areas of improvement identified from the delegate's assessment. This additional course work is to be completed to the satisfaction of the QS and the delegate concerned shall be observed during subsequent audits by the OC to confirm acceptability or not, for inclusion on the List of Recognised Auditors, maintained by QS.

The QS shall inform QC, in anonymous format, of actions taken and results, thereof, regularly.

d) In all cases of QSCS Familiarisation Course the time allowed for the written assessment will be 2 hours for native speakers of English. Candidates whose first language is not English will be allowed 2.5 hrs to complete the written assessment. In all cases the candidate is permitted a maximum of two further attempts after the initial assessment. If after three attempts they have not completed the assessment satisfactorily they will be barred from becoming an auditor of QSCS.

H3. PROCESS FOR THE MANAGEMENT OF THE PERFORMANCE OF THE ACBs

H3.1 For IACS Members

1) QS and the Audit Managers assess the performance of the ACBs using the IACS approved methodology – to see the methodology follow this link <http://iacs-qscs.org.uk/acb/default.aspx> .

2) This assessment takes place annually, based on, but not limited to:

- Audit planning;
- Selection of VCAs;
- Results of audits e.g. findings;
- Observation of audits;
- General interaction with ACBs.

3) At the end of the assessment period i.e. normally at the calendar year end, the QS will ensure that the assessment has been completed as objectively as possible, impartially free from bias and without fear or favour.

4) As soon as possible, but not later than the second week of February of the following year, the QS will send to each CS and its ACB an official email showing the rating of the concerned ACB as well as an explanatory note. This email will include the Table showing the performance assessment of the particular ACB. Due consideration will be given to any comments the CS or ACB may have on the scores allocated, see 3.5 of the Annex 6 to these Procedures.

5) At the subsequent SC/QP meeting prior to the Council's Summer meeting the QS will present the results of the ACB Performance Assessment for the previous calendar year, together with actions, if any, taken by the CSs and their ACB.

H3.2 For IACS applicants

1) When authorized by Review Panel^{*1}, and upon the Applicant's written request, QS will initiate OC observations of the ACB audits with all fairness and objectivity and assess the performance of the concerned ACB along the same criteria, including targets, as for the IACS Members' ACB audits.

2) IACS will recognize the QSCS certification of an Applicant only if the concerned ACB for this particular CS meets the applicable yearly performance target (see H3.4).

3) All the costs occurred by this process shall be borne by the Applicant, in the same way they are for IACS Members.

^{*1} See IACS Procedures Volume 2

H3.3 Methodology

1) The methodology used by OC for this assessment is based on a Performance Target Methodology Table which was initially approved by the Council. This methodology is made available to the ACBs on the ACB dedicated website.

2) The methodology is reviewed by QC at each fall QC meeting and may be amended based on the proposals by QS and/or by QC Members. After approval by QC the revised Table will be submitted as an Annex to the QC Chair report to the Council through the

SC/QP with proposal for entry into force the next year. This Table will then be communicated to the ACBs via the ACB dedicated website.

H3.4 Acceptance criteria

1) QC will discuss and agree the acceptance criteria for ACBs performance for the next three years (Y1,Y2,Y3) at the fall QC meeting and the QC Chair will propose these to the Council through the SC/QP prior to the Council's Winter meeting of year 0 (Y 0).

2) Depending on the performance of the ACBs during Y1 the QC might propose different targets than the ones initially envisaged, for Y2 and Y3 or confirm these as well as propose target for Y4 during the Y1 Council's Winter meeting. Once approved by the Council the targets will be communicated to the ACBs.

These agreed acceptance criteria will be posted on the ACB dedicated website.

3) The aim is to improve the consistency of the various ACBs, relative to each other and to continually improve the robustness of the scheme. This naturally dictates that these targets should be challenging and ambitious.

H3.5 Consequence of not reaching the targets for any one given year

1) If an ACB fails to reach the target set for the year in question, the concerned IACS Member and its ACB are requested to take immediate corrective measures so that its performance meets the target set for the next year.

2) Such measures will include an official meeting, which will take place in the HO of the concerned society during the 1st Quarter of the next year and as far as possible before the start the next audit cycle, with QS (plus the concerned Audit Manager), the ACB manager and the concerned CS. The purpose of the meeting is to refine the Improvement Action Plan (IAP) previously prepared in order to improve the performance of the ACB so as to reach the target set.

3) A note of the meeting will be circulated by QS within 2 weeks after the meeting to the participants.

4) Specific IACS costs incurred for the official meeting referred to above, should be borne by the concerned CS or ACB as may be agreed between the CS and ACB.

5) Additionally in case of serious underperformance (target missed by more than 5%), it is recommended that the concerned CS shall consider sending an official letter to its ACB warning that in case of repeated underperformance at the end of the next audit cycle, the CS will commence the process to engage an ACB that either is already performing to an acceptable standard with another IACS Member or has the clear potential to do so. The IACS Member shall also inform the Council they have started to take positive action together with anticipated timescales.

H3.6 Consequence of not reaching the targets for two consecutive years

1) Should an ACB underperform for a second consecutive year the concerned CS would have to contract with an ACB whose performance has been found satisfactory by IACS or has the clear potential to do so (1.7 of Annex A to Annex 3 to these Procedures may apply).

H3.7 Improvement Action Plan (IAP)

1) The IAP must be developed by the concerned ACB (in conjunction with the CS) and submitted by the CS (after review and endorsement) to the QS ahead of any possible meeting addressing the weak points clearly identified by the OC at the time of the observations and at the time of the final assessment and benchmarking.

2) IACS has developed clear guidelines for this IAP which must be followed by the concerned ACB and its client CS. These IAP guidelines are maintained by the QS and are posted on the ACB dedicated website.

3) This plan may, amongst other measures, result in a more intensive IACS Observation Plan, which will be discussed at the time of the meeting, the cost of which will be borne by the concerned CS.

H4. PROCEDURE TO OBSERVE ACB AUDITS OF CLASSIFICATION SOCIETIES (MEMBERS AND APPLICANTS)

H4.1) The primary purpose of the OC observing audits conducted by ACBs on CSs is;

- to ensure and safeguard the robustness and integrity of the QSCS, and
- to ensure the audits are conducted consistently and are being carried out to a satisfactory level within IACS, and
- to provide guidance for improvement to the ACBs.

H4.2) The AVC Members also may observe ACB audits for themselves as detailed in Annex 5 to these Procedures.

H4.3) Observation of audits commenced in 2011 and continue.

H4.4) The year 2011 was the first year ACBs were the sole auditors of CS against the requirements of QSCS. It was also the first year the QS was required to observe such audits.

H4.5) In 2011 the QS observed, for each CS, i.e. the IACS Members and those granted "Applicant Status" and pursuing IACS membership;

- the head office audit, plus
- one survey location audit, plus
- one VCA new building, plus
- one VCA on an existing ship (not ISM or ISPS)

H4.6) For 2012 and thereafter, the extent of observation will be reconsidered based on the experience gained and performance of ACBs auditing more than one CS.

H4.7) The scope of observed audits is to be such as to be representative of;

- the number of ACBs involved with QSCS within IACS, and
- the type of audits being conducted, i.e. head office, survey location and Vertical Contract Audits, and
- the geographic spread of the audits.

H4.8) The audits to be observed should also take due cognisance of:

- the profile of the CS's fleet;
- the experience of the ACB in auditing CS against the QSCS;

- annual observation of all auditors that appear on the List of Recognised Auditors.

H4.9) The use of a language other than English during the course of the audit of a CS by its ACB is acceptable provided that the audit team, composed of one person or several, has the necessary fluency in English. The background for this is that the working language of IACS is English, its source documents are in English and the auditors will need to consult them. The ACB audit reports including findings are required to be in English.

H4.10) In the context of observed audits (by IACS Observers) the same rule applies and the team should have the necessary fluency in English, in order to allow the observer to observe efficiently and transparently the audit process. As far as practicable the English language will be used during such audits in order to ensure the most transparent possible observation process by OC, which guarantees consistency and robustness of the QSCS.

H4.11) If for some reason (for example the use of a different language as the crew working language during an ISM audit) the English language cannot be used during the ACB audit, then observed audits need not be conducted in English. In such cases, the ACB auditor (and the surveyor/auditor/CS staff) will have to explain in English, step by step to the observer, or alternatively, interpretation is made available, so that he / she can understand the proceedings fully.

H4.12) OC shall advise the ACB and the CS of a specific audit or audit type which OC desires to observe. The CS will work with the ACB, the OC and its clients to accommodate the request by scheduled audits, to minimize inconvenience to all. The appointed Audit Manager shall be notified immediately by the ACB/CS of any special visa/authorisation requirements identified by the ACB/CS for the location/site of the audit which OC desires to observe, before the audit plan is issued allowing the OC to complete any such requirement in due time.

H4.13) This activity will involve observing the audit, with the focus on identifying improvements of the ACB, audit process and the ACB auditor. During the audit the observer may ask to see documentation related to the survey for the purpose of determining the effectiveness of the audit rather than the survey.

H4.14) Reference is made to 4.7(g) to the Annex 3 to these Procedures regarding ACBs introduction of new auditors to the scheme. Based on the OC observed audit the QS will make a recommendation to the ACB with copy to the CS as to whether or not the auditor is considered capable of auditing independently or if he / she should be coached further by an experienced auditor.

H4.15) Improvements identified, by the IACS Observer, if any, shall be communicated immediately after the audit to the concerned ACB auditor outlining the OC reporting process, the ACB response / reaction process and the OC decision-making process. This should be done in the absence of the CS.

H4.16) Operations Centre Concerns¹ (OC Concerns) may be identified by:

1. The IACS Observer during an audit, and if any, shall be communicated immediately during and/or after the audit to the concerned ACB and/or ACB auditor and/or CS once the IACS Observer is satisfied that the concern is justified; and

2. The OC and raised with an ACB and/or CS following the accumulation of feedback from several audits during the audit year or as a result of the assessment of the performance of the ACB (see H3).

H4.17) While the CS and/or ACB auditor and/or ACB may ask the IACS Observer for clarification of the improvements or OC Concerns identified during an audit, the CS, the ACB, the ACB auditor will not attempt to unduly influence the IACS Observer.

¹ OC Concerns comprise of matters related, but not limited, to ethics, influencing, interference or other actions by an ACB, the ACB auditor(s) or the CS(s) that have been identified by either the QS and/or the Audit Manager(s) that have, or potentially could have, an undesired effect on the QSCS or QSCS audit(s).

H4.18) If at any time during the observation of a ACB audit the IACS Observer observes a potential condition he / she considers to be an imminent risk of high severity (e.g. health and safety or the environment or may affect the credibility and effectiveness of the audit process) the IACS Observer shall request an immediate private meeting with the audit team leader to inform him / her of the potential threat, with the expectation that the audit team leader will address the threat with the CS in accordance with the ACB's process and any legal obligation, see also 11 of the Annex 8 to these Procedures 'Critical Situations'.

H4.19) The IACS Observer shall provide a written report, in the format specified in Q2 below, to the QS within 15 days of the audit. The QS shall submit the final report to the ACB and CS within 30 working days of the audit closing meeting.

H4.20) The ACB and/or CS is responsible for taking immediate follow-up actions, to address the OC Concerns identified during an audit by an IACS Observer or identified by the OC at any time during the audit year to the satisfaction of the IACS Observer/QS as appropriate. Records of the action taken to address the OC Concerns shall be maintained by the OC (see N). If the actions taken are not to the satisfaction of the IACS Observer and the QS the OC Concerns may be escalated to the Council. OC Concerns escalated to the Council shall be notified also to the AVC and QC.

H4.21) The ACB is responsible for taking follow-up actions, if any, to the observations of the OC. The CS may be involved but is not responsible for the action(s). The action(s) shall be reported to the QS.

H4.22) If the QS is of the opinion that the action related to IACS Resolutions is not satisfactory, he / she shall so advise the ACB. If the QS is of the opinion that some action by the ACB related to quality management system audit is not satisfactory, he / she may consider addressing the situation with the QC, for subsequent follow-through, as necessary.

H4.23) If the QS concludes that the ACB is not verifying compliance with QSCS and has not responded to improvements or addressed satisfactorily identified OC Concerns, QS shall so advise the Council for its consideration, with recommendations. Recommendations may include but not be limited to further courses and seminars or specific training, audit practices changes, limiting the scope of audits an ACB auditor may perform or removal of the ACB or auditor from the List of Recognised ACBs or Auditors. The Council shall review the matter to consider these recommendations. The conclusion of the Council shall be submitted to the QC for action as appropriate. The AVC will be notified of these actions.

H4.24) The results of above observation of ACB audits shall be one of the inputs to subsequent QSCS Annual Reviews, End-User Workshops and ACB Auditors Seminars.

H4.25) Refer to Annex 6 to these Procedures for other details related to this observation process.

H5. AUDIT FINDINGS REPORTING PROCEDURE – ACBs TO OC

H5.1) The audit findings issued by the ACBs during the audits of all CS are to be submitted - after deletion of any confidential or commercially sensitive information or data - to the OC, in electronic format, by the ACB auditor via a dedicated Audit Reporting Software within 2 weeks from the last day of the audit. All findings during the year are to be reported to the OC by the 31st December.

H5.2) The ACB and/or CS shall address and provide clarification of any issues identified by the OC regarding their review of findings issued during the QSCS audits, including the categorisation and conformity with the finding drafting guidance included in the Audit Reporting Software. OC review of findings shall be completed within 2 weeks from the findings submission to the OC.

H5.3) The QS is entitled to require the ACB, in consultation with the CS, to revise the submitted findings after the OC review, before the finding is formally accepted and uploaded to the Audit Reporting Software.

H5.4) The Audit Reporting Software is available to ACBs and CSs through a dedicated website.

H5.5) All findings will be held on Audit Reporting Software operated and maintained by the OC. This enables the QS to analyse the findings and prepare the QSCS Annual Review (QSCS AR), refer to the section J6. below.

H5.6) The Audit Reporting Software also incorporates references to particular IACS Resolutions, clauses of the QMSR and the RO Code as well as particular searchable fields that enable meaningful analysis of audit findings, specific to the operations of CS/RO.

H5.7) The ACBs and CSs are responsible for completing the required root cause analysis, corrective actions and closure of all findings within a time frame set by the ACB procedures. OC shall monitor the progress of the findings closure and is entitled to require the ACB to carry out appropriate action to close the finding.

H5.8) IACS uses just two categories of finding, i.e. Observation and Nonconformity.

H5.9) These categories of findings are defined as:

H5.10) Nonconformity is the non-fulfilment of a specified requirement.

H5.11) Observation is a statement of fact made by the auditor which is based on objective evidence, but not a non-conformity:

- a) This could be because of a lack of clarity, or ambiguity, e.g. of the CS's internal procedures, the QSCS requirements or a related document;
- b) It could be a situation where a non-conformity may exist but insufficient evidence has been found to substantiate this;
- c) It could also be an indication that there is a potential for non-conformance in the future, or the potential for the degradation of service quality;

- d) It could also be an opportunity for improvement that the auditor observes that does not fit into the other items listed above;
- e) An Observation is not an opportunity for an auditor to make comparisons among CSs. However, it is acknowledged that an auditor’s experience may influence an observation.

H5.12) In order to maintain consistency with reporting during previous years and to enable future QSCS ARs to be relevant to what has previously been reported, the continued use of the two categories of finding, specifically, Nonconformities and Observations, shall be maintained by ACBs, while reporting their findings to the QS.

H5.13) The data fields within the Audit Reporting Software are shown in the table below:

Society:	Audit Ref No.	Date:	NC/Obs No.
IMO/Hull/Job No:	Flag:	Auditor:	Audit Type:
QMSR Para No.	PR No./IMO Res.	UR No.	ACB:
*System Related:	*Technical:	*Category of finding:	Finding Type:
Text of finding:			

* As defined by QC

H5.14) The fields currently used in categorising QSCS findings, shown below, will continue to be used. In that regard the two fields “System Related” and “Technical” contain headings, which can be selected from drop-down menus, as follows:

H5.14.1) System Related has five sub-categories which are:

1. Training/Resource Management
2. Normative Documentation/Instructions etc.
3. Internal Audits/Management Review/Management Communication
4. Complaints
5. Quality Objectives/Measurements

H5.14.2) Technical has 16 sub-categories:

1. Project Communication/Availability of Information
2. Acceptance Criteria
3. Contract Control
4. Job Planning/Preparation (includes plan approval, survey, audit, MLC inspection)
5. Job execution (includes plan approval, survey, audit, MLC inspection)
6. Recommendations (CoC)
7. TM Gauging/NDT
8. Regulation or Requirements Implementation including specific flag Administration requirements (Documentation inadequate)
9. Progress/Job Report
- 10.PSC
- 11.Issue and Endorsement of Certificate
- 12.Personal Safety/Work Environment
- 13.Rules/Service Development
- 14.Service Suppliers

15. Monitoring/Supervision

16. Other

H5.15) Findings categorised as "System Related" concern issues that possibly go wider than the local office and may transcend the entire organisation. "Technical" issues are generally of a local nature and related to a specific job/survey/audit. (NB: These fields have been particularly useful in analysing 8.5 of ISO 9001:2015 standard against which the vast majority of findings are allocated).

H5.16) The ACB shall contribute to the development of QSCS by directly providing the QS with any feedback on matters of interpretation or ambiguous system requirements.

H6. SHARING INFORMATION BETWEEN ACBs

6.1) The ACB can pass the information to another ACB in transfer of class where the audit trail leads to another CS/RO audited by a different ACB. The information passed on by the QS, should be limited to the IMO number, date of transfer and brief summary of the issue.

J. CONTINUAL IMPROVEMENT OF QSCS

J1. GENERAL

1.1) In pursuance of the policy of IACS to continually improve its Members services, collectively and severally, IACS endeavors to closely monitor the status of QSCS and its implementation to ensure its continued relevance and validity to the maritime industry in general and to the CS, in particular.

J2. TOOLS

J2.1) The following tools are used by IACS, for this purpose:

- a) Analysis of the findings raised by ACBs;
- b) Analysis of the outcomes of the OC's observation of ACB audits of CSs;
- c) Analysis of the results of End-User Workshops, including the proposals of ACBs, if any, for improvement of the QSCS;
- d) QSCS Annual Review, refer to J6. below;
- e) The AVC annual report on the QSCS performance;
- f) The Council's directions to the QC and the QS, for implementation, based on, but not limited to the QSCS AR and the AVC annual report on the QSCS performance;
- g) The IACS Annual Focus Areas.

J2.2) Apart from the above, the Council and / or SC/QP and / or QC and / or AVC may identify other improvements to the QSCS.

J3. IACS ANNUAL FOCUS AREAS

J3.1 Identification and development

- 1) Identification and development of IACS Annual Focus Areas shall be made by the OC by end October of a year, for the following year.
A risk-based thinking shall be followed towards identification and development of IACS Annual Focus Areas, taking into account input from the following channels:

- a) OC analysis of three years ACB audit findings and the trends analysis on the findings and ACB audits figures of recent QSCS AR;
 - b) Feedback from ACBs;
 - c) Comments received from QACE;
 - d) Specific issues, if any, raised by AVC and considered by the Council;
 - e) New requirements including changes in IACS CSR,URs, PRs & UIs;
 - f) Changes in statutory requirements;
 - g) Developments in ISO 9001/QMSR.
- 2) IACS Annual Focus Areas are established for a year, and shall generally be limited in number to not more than three. Continuation of the same IACS Annual Focus Areas(s) for more than two years should, whenever possible, be avoided.
 - 3) A list of proposed IACS Annual Focus Areas, with explanatory notes shall be circulated by the QS to QC, QACE, ACB and AVC for their feedback, if any, before the annual End-User Workshop.
 - 4) QS, taking into account the QC, QACE, ACB and AVC feedback, finalises the list of IACS Annual Focus Areas with explanatory notes.
 - 5) IACS Annual Focus Areas with explanatory notes shall be communicated by the QS to QC, ACB, QACE, AVC and the Council by end of November of a year, for the following year.
 - 6) The IACS Annual Focus Areas shall be posted on the IACS website.
 - 7) Additional focus areas may be identified by a CS, or may be decided on by the cognizant ACB for a particular CS, based on the trend analysis of audit findings of previously consecutive three years and/or specific issues/risks relevant to individual CSs. Such additional focus areas are not part of IACS Annual Focus Areas, and should be retained by the CS in question and followed up by its ACB in the following year audit.

J3.2 Implementation

- 1) IACS Annual Focus Areas for given year are meant to be verified by ACBs during the related year's annual audit programme.
- 2) The ACB auditor shall include the IACS Annual Focus Areas as an agenda item during the onsite planning meeting. The status of implementation of IACS Annual Focus Areas shall be explicitly commented on within ACB audit reports.
- 3) The IACS Observer shall verify that the IACS Annual Focus Areas are robustly audited by the ACB auditors.
- 4) The status of implementation of IACS Annual Focus Areas shall form an element of the QSCS AR.

J4. COMMON PERFORMANCE INDICATORS

- a. IACS monitors the performance of its Members, on a yearly basis, based on publicly available performance data reported by the main Port State Control regimes, in their annual reports, viz., Paris and Tokyo MoUs and the USCG.
- b. IACS has identified two such indicators as follows:
 - i. Presence in the 'high performance' category of Paris & Tokyo MoUs and USCG 'zero point' category, for a minimum of 2 out of 3 consecutive years, preceding the current year.
 - ii. 'Recognised Organisation related detentions' as a percentage of 'inspections' (Paris & Tokyo MoUs) / 'distinct arrivals' (USCG).
- c. The QS shall compile the above indicators and present them, along with trend analysis, as appropriate, in the QSCS AR.

- d. IACS encourages all CSs (Members & Applicants) to set, internally, objectives and targets, including appropriate action plans, to continually improve their performance against the aforesaid common performance indicators.
- e. IACS expects, from their Members and applicants, time-bound corrective action plans when these targets are not met. Compliance with this will be monitored through ACB audits.
- f. IACS may develop suitable targets for the above CPIs, if considered necessary and appropriate.
- g. IACS may amend the above CPIs, as appropriate and as required, to keep them relevant, current and in congruence with the practices of the reporting organisations.

J5. BENCHMARKING

IACS also encourages the CSs (Members & Applicants) to develop, in line with international best practices, their own benchmarking systems to measure their performance in various aspects of their business, as appropriate, against those of other organisations within and / or outside the marine industry, to improve their performance continually.

J6. QSCS Annual Review

J6.1) The QSCS AR provides an important contribution to the continual improvement of QSCS. The QSCS AR is based upon the findings raised during QSCS audits during the previous year.

J6.2) The QSCS AR is developed by QS, with an aim to identify possible QSCS improvement opportunities, if any.

J6.3) The QS develops the QSCS AR taking into account all aspects of QSCS including *inter alia* the IMO Observer to QSCS report on QSCS and any OC Concerns raised during the audit year. Guidance on the QSCS AR development is available at Members' Area of IACS website, Section "Quality".

J6.4) The QSCS AR is presented to the QC and the AVC in their spring meetings and the SC/QP meeting prior to the Council's Summer meeting.

J6.5) The AVC, as part of its oversight responsibilities, reviews the QSCS AR, in their spring meeting, and its conclusions and recommendations shall be submitted to the Council through the SC/QP prior to the Council's Summer meeting.

K. VERTICAL CONTRACT AUDITS (VCA)

1) Vertical Contract Audit is a combination of 'process audit' and 'product audit' with the main purpose of assessing the effectiveness of the service delivery process in ensuring product quality.

2) The purpose is also to identify possible improvements, if any, in the processes and sub-processes and their interactions with other associated processes and their interfaces, including management control.

3) Towards meeting the above purposes, VCAs assess for the selected contract/order, to the extent applicable and possible at the audit location:

- a) the effectiveness of the process, especially in the interface of various parties and locations;
- b) the correct application of the Rules and Regulations;
- c) the correct application of relevant statutory requirements and/or International Convention requirements;
- d) the conformance of the process to the CS's procedures and other pertinent documents;
- e) the correct application of acceptance criteria provided by the CS for acceptance of the request for survey / approval / inspection;
- f) the implementation of IACS Resolutions (UR, UI, PR, CSR), as applicable;
- g) the suitability of the recommendations or plan review comments and/or the instructions provided to the surveyor (the term, "surveyor", is used for all categories of a qualified plan approval engineer, ship surveyor, machinery surveyor, auditor, inspector etc.).

K1. SCOPE

1.1) The scope of the VCA will be defined by a specific contract/order for survey, audit, inspection or plan approval as applicable at the audit location.

1.2) The contract may be a contract for a new building including plan approval and surveys, a frame agreement for in-service surveys, a frame agreement for ISM audit or ISPS audit or MLC inspection, a frame agreement for survey and certification at an equipment / material manufacturer or it may be a specific request for a survey, audit, inspection or plan approval.

1.3) The scope may include relevant sub-processes or related production processes relevant for the particular contract. Typical sub-processes may be e.g. previous part surveys to the same survey, service supplier processes connected to the survey (e.g. UTM, radio inspection, diving survey), interaction between different plan approval disciplines, etc.

1.4) The scope will normally be limited to the activities carried out at the audit location, and by the activities planned at the time of the audit.

1.5) The scope of the VCA programme for any year should cover at least the following activities:

- New building(s);
- ISM Code, or ISPS Code, or MLC Convention;
- Significant equipment and/or material certification;
- Ships in service.

1.6) In addition, when selecting a suitable VCA consideration should be given to IACS Annual Focus Areas for the year in which the audit takes place.

1.7) The scope of Plan approval VCA may be completed tasks.

K2. PLANNING

i) VCAs shall be carried out both internally by CS and also by their ACBs, certifying their Quality Management System (QMS) to the QSCS.

ii) VCAs should be planned to be held at specific stages of a contract e.g. (but not limited to): planning, commencement of surveys or plan approval, other relevant in-process stages like: just prior launching/delivery, prior to undocking, on completion of approval of major drawings / calculations, prior to final test and trials etc.

K2.1 Internal VCAs

2.1.1) Internal VCA may be substituted by 'process audits' or other equivalents, which may be carried out by the CS, as per its own QMS.

2.1.2) The CS should define, in its QMS, the function responsible for planning, organizing and conducting the VCAs or equivalents and processing the findings thereof. This function may be the same as the one managing the CS's internal audits.

2.1.3) Internal VCAs should be planned to ensure a representative geographic spread and that they are representative of the CS's fleet and work profile. (Every effort should be made to avoid auditing the same location repeatedly within a short period of time. If that is unavoidable the scope (listed in K1.1 above) of VCAs should be varied).

2.1.4) Internal VCAs may be selected and administered centrally or regionally, to suit the operations of the CS.

2.1.5) The location could be a plan approval office, survey station, project site etc.

2.1.6) Internal VCAs should be considered on the basis of one or more of the following:

- a. Workload and types of work at the locations;
- b. Extent of work at geographic divisions;
- c. Importance / size / criticality of contracts;
- d. Results of previous audits, if any & relevant;
- e. Customer complaints / feedback, if relevant.

2.1.7) Internal VCAs may be held more than once on the same contract if considered appropriate and beneficial by the CS.

2.1.8) Internal VCAs may be combined with Internal Audits.

2.1.9) Internal VCAs may also be carried out at any location on its own initiative.

2.1.10) When practical, Activity Monitoring of the surveyors executing the contract/order may also be carried out concurrently with Internal VCAs.

K2.2 External VCAs

2.2.1) A Plan should be developed by the CS and its ACB for the conduct of external VCAs to ensure the quantitative requirements as determined by IACS for external VCAs are met.

2.2.2) For all CSs, the minimum total number of VCAs to be held each year is calculated by the QS, based on an empirical formula*, using the fleet data submitted by the CS at

the beginning of every year. This information is released to the relevant CS by the QS prior to end of January of each year.

- The minimum total number of VCAs shall in no case be less than six (6).
- The minimum number of VCAs on new building activity shall be calculated by the QS, based on empirical formula as indicated in footnote.
- Equipment VCAs shall constitute less than 20% of the total number of VCAs.

For CSs applying for IACS membership, the requirements set out in C I-2 1 of the IACS Procedures Volume 2 apply.

2.2.3) The scope of external VCAs should as a minimum, cover the types of activities listed in K1.5) above.

*Note: The number of VCAs to be conducted annually is calculated according to the following empirical formula (please note the second term of the equation, rounded up, gives the number of VCAs to be conducted on new building, the first term, rounded up, gives the balance of the total for the year);

$$N_{VCA} = k_1 \{(1 \times 10^{-7} E_{GRT}) + (0.002 E_N)\}^{0.5} + k_2 \{(1 \times 10^{-7} N_{CGRT} + 0.002 N_{CN})\}^{0.5}$$

Where:

- $k_1 = 2.25$
- $k_2 = 2.8$
- E_{GRT} = Gross tonnage of existing ships
- E_N = Number of existing ships
- N_{CGRT} = Gross tonnage of new building
- N_{CN} = Number of new building

The definition of “existing ships” and “new building” is:

- (i) the number and gross tonnage of existing ships for classed ocean going vessels of over 100gt as of 1 January YYYY, with those known to be dual classed with another IACS Member counted at 50% of their number and GT.
- (ii) number and gross tonnage of ships under construction for ocean going vessels of 500gt and over, contracted for class, for which the keel has been laid but the vessel has not been delivered as of 1 January YYYY.

K3. EXECUTION

3.1) Internal VCAs should be carried out by persons who have the relevant domain-knowledge, preferably with training and experience in the auditing of quality management systems and processes as described in the CS’s QMS.

3.2) External VCAs shall be performed only by those auditors meeting the qualification requirements specified in the *ACB Minimum Requirements*.

3.3) Appropriate checklists/process maps may be used to support the audit process at the auditor’s discretion.

3.4) The VCAs should cover the following activities, relevant to the main process, for the specific work under audit:

- a) Request processing
- b) Allocation of competent and qualified surveyors
- c) Review of supporting documents, ship file, relevant drawings etc.
- d) Review of the surveyor’s notes and other documentation relevant to the progress of the work
- e) Review of the actual service delivered by a visit on board ship or to the site
- f) Implementation of relevant sub-processes, as applicable
- g) Review of work / test reports and records
- h) Interviews with the attending surveyor and, if necessary, the location manager
- i) Any other matters, the auditor considers to be relevant.

K4. REPORTING

K4.1 Internal VCAs

4.1.1) Information should be recorded by CS, identifying, date and place of audit, the ships IMO number or contract / order number audited, as applicable, the status of the survey activity at time of audit, the names of auditor(s) and the attending surveyor(s). Findings are to be recorded and reported the same way as other location audits are recorded, in accordance with the CS's internal procedures.

4.1.2) This information could be either in the form of a report or an appropriate database, to suit the CS's practices.

K4.2 External VCAs

4.2.1) ACB reporting shall be in accordance with IACS Procedures and agreed contractual practice.

4.2.2) The External VCAs conducted by the ACB for each year shall be distinctly identified in respect of date, location and type of survey / audit, in their Statements of Compliance (SoC), issued to the CS, every year.

K5. FOLLOW-UP

5.1) The findings of the VCAs shall be processed and followed through, as appropriate, both at the location and at the Head / Central / Regional Office, in accordance with the CS's procedures for internal VCAs and, for external VCAs, in accordance with the ACB's practices.

5.2) The findings should be used to identify process/system improvements and, if warranted, to identify suitable future audit locations and type of VCA, both by the CS and ACB.

5.3) The findings, conclusions and actions thereof shall be one of the inputs to the CS's Management Review and for the ACB to ensure added value to the overall audit programme.

L. COMPLAINTS

L.1) IACS takes complaints seriously and shall ensure that admissible complaints are investigated according to the procedures established by the Council. IACS endeavours to give to the complainant and the defending party, if any, a comprehensive and reasoned answer, in a timely manner.

L.2) *IACS Procedure for Handling of Complaints* is available in Annex 4 to these Procedures.

M. APPEALS

M.1) QSCS provides for an appeals process to deal with differences of opinion that may arise between the CS and the ACB auditors, during the course of QSCS audits on matters of audit execution and interpretation of the QSCS documentation – such as Description of the Scheme, QMSR, URs, PRs, UIs, CSR etc. – all within the context of QSCS only.

M.2) The first level of resolution of appeals is the QS. The next and final level of resolution is the QC, who may, where necessary, draw upon the technical expertise of

other bodies of IACS. This decision shall be binding and final on all the concerned parties.

M.3) AVC reviews the impartiality of treatment of all the appeals, in its periodic meetings. To enable this, the QS prepares a brief report on all the appeals and their resolution, processed in the relevant review period.

M.4) Appeals on audits themselves and on matters relating to the interpretation of relevant and applicable ISO standards are to be dealt with as per the appeals procedures of the respective ACB, without reference to IACS.

M.5) Appeals on matters of Membership are dealt with by the Independent Appeals Board, as detailed in Annex 2 to the IACS Charter.

N. RECORDS

N.1) Sufficient and accurate records of QSCS activities are maintained as detailed in the various sections of these Procedures. Broadly, QSCS records relate to:

- a) Membership;
- b) ACB auditors' recognition, courses, seminars & monitoring;
- c) Findings analysis & annual reviews;
- d) Proceedings of meetings of QC & AVC;
- e) Proceedings of meetings and workshops with ACBs;
- f) Reports to the IACS bodies, by QC Chair & QS;
- g) Complaints and appeals;
- h) Improvements;
- i) OC Concerns;
- j) Critical situations.

N.2) Records may be maintained in paper or electronic format, and should be retained for a period of six years - unless specified otherwise elsewhere.

N.3) Records are maintained in a manner which will prevent deterioration and provide ready access for authorised personnel. Records are held secure and in confidence, as applicable.

N.4) Adequate care is taken by the holder of the records to ensure that confidentiality between CS, as applicable and agreed, is maintained. Confidentiality with respect to outsiders is maintained as per IACS policy.

N.5) Adequate back-up arrangements and disaster recovery systems, including appropriate offsite storage, are deployed to maintain electronic records.

P. (Intentionally left blank)

Q. FORMATS AND TEMPLATES

Q1.FORMAT FOR ASSESSMENT OF AUDITORS PARTICIPATING IN QSCS FAMILIARISATION COURSES

(Excel Sheet)

QSCS FAMILIARISATION COURSE ASSESSMENT SHEET

The screenshot shows the Microsoft Excel interface with the following table structure:

Delegate ID No.	AVERAGE MARK	COMBINED PRESENTERS	COMBINED PRESENTERS	CS CONFIRMED CANDIDATE ACCEPTABLE AND COPY OF CV SUPPLIED TO QS	TOTAL ASSESSMENT MARK	MARK FOR CONTRIBUTION	OVERALL COURSE MARK (ASSESSMENT + COURSE CONTRIBUTION)	OVERALL COURSE MARK (%)	Overall Course Result (Successful Completion > Benchmark of 55%)
	ASSESSMENT (Possible marks: Pt 1/[29]; Pt 2/[30]; Pt 3/[20])	COURSE CONTRIBUTION SCORE OVERALL (Immediately after course)	ENGLISH FLUENCY			BASED ON COURSE CONTRIBUTION SCORE (COLUMN E) [5=20, 4=15, 3=10, 2=5, 1=0]	Col H + Col I	(Col J)/[Possible marks] x 100	Satisfactorily Completed or Additional Course of Study required
	Pt 1 Pt 2 Pt 3	1=very poor; 5=very good							
	[30] Possible [30] Possible [20] Possible								

The screenshot shows the following table structure:

Delegate ID No.	AVERAGE MARK	ASSESSOR 1	ASSESSOR 2	ASSESSOR 3	COMBINED PRESENTERS	COMBINED PRESENTERS	CS CONFIRMED CANDIDATE ACCEPTABLE AND COPY OF CV SUPPLIED TO QS	TOTAL ASSESSMENT MARK	MARK FOR CONTRIBUTION	OVERALL COURSE MARK (ASSESSMENT + COURSE CONTRIBUTION)	OVERALL COURSE MARK (%)	Overall Course Result (Successful Completion > Benchmark of 55%)
	ASSESSMENT (Possible marks: Pt 1[30] Pt 2[30] Pt 3[20])	ASSESSMENT (Possible marks: Pt 1[30] Pt 2[30] Pt 3[20])	ASSESSMENT (Possible marks: Pt 1[30] Pt 2[30] Pt 3[20])	ASSESSMENT (Possible marks: Pt 1[30] Pt 2[30] Pt 3[20])	COURSE CONTRIBUTION SCORE OVERALL (Immediately after course)	ENGLISH FLUENCY			BASED ON COURSE CONTRIBUTION SCORE [5=20, 4=15, 3=10, 2=5, 1=0]	Col S + Col R	(Col T)/[Possible marks] x 100	Satisfactorily Completed or Additional Course of Study required (80% of 32)
	Pt 1 Pt 2 Pt 3	Pt 1 Pt 2 Pt 3	Pt 1 Pt 2 Pt 3	Pt 1 Pt 2 Pt 3	1=very poor; 5=very good							
	[30] Possible [30] Possible [20] Possible	[30] Possible [30] Possible [20] Possible	[30] Possible [30] Possible [20] Possible	[30] Possible [30] Possible [20] Possible								

* 92 was the score achieved by the outstanding candidate from the first course in London. This equates to 55% of the marks available.

Notes:

1. The actual calculation sheet is available with the QS.

Q2. FORMAT FOR REPORTING IACS QSCS OPERATIONS CENTRE (OC) OBSERVATION OF ACB AUDITS

INDIVIDUAL AUDIT PERFORMANCE OBSERVATION REPORT			
AUDIT NUMBER: AUDIT TYPE:	CLASS SOCIETY: LOCATION:	ACB Auditor:	DATE:
<i>This form is to be completed by the IACS Observer(s) after each observed audit and a copy is to be left with the ACB and Classification Society (CS).</i>			
	ASSESSMENT CRITERIA	OBSERVERS COMMENT	
1	Audit Robustness, Consistency and Integrity		
1.1	Was the audit robust and consistent with other audits of other IACS Members		
2	Audit Execution		
2.1	Has(ve) the auditor(s) prepared sufficiently for the audit e.g. aide – memoire, familiarisation with IACS / CS requirements, sample selection, questions pitched appropriately, etc.		
2.2	Were all processes of the planned audit actually audited in practice according to the audit plan		
2.3	Has(ve) the auditor(s) taken a sufficient number of samples to fully test and verify compliance of the CS processes with QSCS requirements		
2.4	Did the closing meeting provide a clear summary of the audit results		
3	VCA Selection and Execution - when applicable		
3.1	Has a meaningful VCA been selected that corresponds to guidance provided in Annex 8 to the IACS Procedures Volume 3		
3.2	Was the timing of the VCA appropriate to ensure there was sufficient surveys/audits/inspections in progress to verify CS requirements were complied with		
3.3	Were Health, Safety and Security requirements complied with		
3.4	Was the time spent on the VCA compliant with Annex 8 to the IACS Procedures Volume 3		
4	Audit Findings		
4.1	Are the Audit Findings relevant and likely to add value, and do they represent the status of the audited processes		
4.2	Are all Audit Findings clear and well drafted		
4.3	Are the pull-down menu's in respect of the IACS Resolutions, QMSR para numbers, etc. selected correctly		
4.4	Are the Audit Findings correctly categorised as Nonconformity, Observation or No finding		
5	Audit Process Improvement Actions:		
6	OC Concerns		

Rev 12.2023

Q3. FORMAT OF STATEMENT OF COMPLIANCE & ANNEX TO BE ISSUED BY THE ACB TO THE CS:

[ACB's name] ANNUAL STATEMENT OF COMPLIANCE CONFIRMING [CLASSIFICATION SOCIETY's name] COMPLIANCE WITH IACS QUALITY SYSTEM CERTIFICATION SCHEME		
Period of assessment	From 1 st January YYYY	To: 31 st December YYYY
<p>This Statement of Compliance attests that [Classification Society's name]'s internal quality management system has been verified by [ACB's name] as being in conformity with with IACS Quality System Certification Scheme.</p> <p>Scope of IACS QSCS certification covers:</p> <ul style="list-style-type: none"> • Classification of ships and mobile offshore installations in respect of both new building and in service, • Statutory work carried out on behalf of nominating flag Administrations. 		
The specific reference documents ¹ upon which IACS QSCS is based are:		
<ul style="list-style-type: none"> • QMSR² • IMO Res MSC.349(92) and MEPC.237(65) - IMO RO Code • ISO/IEC 17020:2012 	<ul style="list-style-type: none"> • IACS Procedural Requirements • IACS Unified Requirements • IACS Unified Interpretations • IACS Common Structural Rules 	
<p>The audits described in the Annex to this Statement of Compliance have been completed by [ACB's name], an Accredited Certification Body confirmed by IACS as being in compliance with the Annex 3 to the IACS Procedures Volume 3: <i>"Requirements for Accredited Certification Bodies for auditing Classification Societies in accordance with -Quality System Certification Scheme (ACB Minimum Requirements)"</i> and in accordance with the applicable requirements of [ACB's name]'s Accrediting Body, which is a Member of the International Accreditation Forum.</p>		
Signed: [ACB] Lead Auditor ³		Signed: [ACB countersignature] ³
Name:		Name:
Date:		Date:

¹ Latest version.

² Any exclusions as defined in QMSR, as amended, are to be included in separate Annex to this Statement of Compliance.

³ If appropriate, the signatures can be in accordance with ACB own procedures.

ANNEX

[ACB's name] ANNUAL STATEMENT OF COMPLIANCE CONFIRMING [CLASSIFICATION SOCIETY's name] COMPLIANCE WITH IACS QUALITY SYSTEM CERTIFICATION SCHEME		
Period of assessment	From 1st January YYYY	To: 31st December YYYY

DATE OF AUDIT	TYPE OF AUDIT ⁴	AUDIT NUMBER	LOCATION ⁵	AUDITOR	JOB NUMBER ⁶	SHIP TYPE ⁷	TYPE OF SURVEY ⁸

Reviewed by IACS QSCS Operations Centre			
	Date	Name & Signature of Quality Secretary	IACS Stamp

⁴ Head Office (HO), Controlling Office, if applicable (CO) Survey Location (SL), Plan Approval (PA), Vertical Contract Audit (VCA)
⁵ Audit location marked with an asterisk have been observed by IACS QSCS Operations Centre
⁶ VCAs only
⁷ VCAs only
⁸ VCA only, for example, Special Survey (SS), Intermediate Survey (IS), Annual Survey (AS), International Safety Management Code (ISM), International Safety and Port Security Code (ISPS), New building (NB) and Equipment Certification (EC)

ANNEX 1: DESCRIPTION OF THE SCHEME – 11th EDITION

1. PURPOSE

1.1 The purpose of this document is to provide general information on the IACS Procedures Volume 3: 'Quality System Certification Scheme (QSCS)'. Additional details regarding the QSCS requirements are available on the IACS website (www.iacs.org.uk).

1.2 For the definition of the entities or persons mentioned below, refer to the Annex 4 of the International Association of Classification Societies Charter (IACS Charter) and/or section 2 of 'Requirements for Accredited Certification Bodies (ACBs) for auditing Classification Societies (CSs) in accordance with Quality System Certification Scheme (ACB Minimum Requirements)', the Annex 3 to the QSCS.

2. ESTABLISHMENT OF QSCS

2.1 The decision to develop QSCS was made by the Council at its May 1990 meeting in Tokyo. The Scheme was approved by the Council at its meeting in Helsinki, June 1991.

2.2 QSCS is continually reviewed by the Quality Committee (QC) to maintain its relevance to the CSs and the shipping industry, in general.

2.3 This 11th Edition incorporates the changes to the Scheme, consequent to IACS's decision to make the Scheme generic to all the CSs and independently auditable by the ACBs, which becomes fully effective from 1 January 2011.

3. QSCS OBJECTIVES AND POLICY

3.1 The main objective of QSCS is to verify that:

- (i) a CS has developed its own internal quality management system;
- (ii) the system of the CS is in conformity with the requirements laid down by IACS in the QSCS and 'Quality Management System Requirements' (QMSR), the Annex 2 to the QSCS;
- (iii) the Quality Management System (QMS) of the CS is in operation as described in relevant documents of that CS.

3.2 Compliance with QSCS is mandatory for IACS Members and Applicants. Other non-IACS CSs may apply QMSR and request an ACB to certify QSCS compliance on a voluntary basis.

3.3 The only QSCS Certificate (Statement of Compliance (SoC)) recognized for IACS membership is the one issued by an ACB complying with the ACB Minimum Requirements and recognised by IACS as compliant with such ACB Minimum Requirements in accordance with the procedure that they prescribe.

3.4 The QSCS covers the following services rendered by a CS:

- Classification of ships and mobile offshore installations in respect of both new building and in service,
- Statutory work carried out on behalf of nominating flag Administrations.

4. QUALITY MANAGEMENT SYSTEMS REQUIREMENTS

4.1 To obtain the SoC by an independent ACB, the QMS of an individual CS is to comply with the QMSR.

4.2 The QMSR are built upon the requirements of the latest version of ISO 9001 standard, including, where considered necessary, additional requirements and guidelines, as deemed relevant and appropriate to CSs, resulting from the experience of application of the QSCS and specifically complying with the following:

- (i) IMO Resolution MSC.349 (92) and MEPC.237(65), as amended, applicable parts of ISO 17020:2012 standard and other applicable standards, identified from time to time;
- (ii) IACS Resolutions.

5. QUALITY MANAGEMENT SYSTEM CERTIFICATION

5.1 Issuance, by an ACB, recognised by IACS as compliant with the ACB Minimum Requirements referred to in 3.3 above, of the Quality Management System Certificate of Conformity to ISO 9001:2015 standard (*Certificate*) and a SoC, attest that the certificated CS' internal QMS has been verified as being in conformity with QSCS and that the QMS is in operation.

5.2 The SoC (refer to Q3. of the QSCS for the format of this document) consists of a main page supported by an Annex detailing the audits carried out for the year.

5.3 The SoC, as drafted by ACBs, shall be reviewed first by the respective CS and subsequently sent by ACBs to the IACS QSCS Operations Centre (OC).

5.4 As evidence of the review of the SoC by IACS, the Quality Secretary (QS) shall endorse (date, sign & stamp) the Annex to the SoC, prior to posting it on IACS website.

5.5 The QS may choose to join a scheduled ACB audit as observer, which shall be agreed to and arranged to suit the mutual convenience of the OC, the ACB and the Member.

5.6 Maintenance by a CS of the *Certificate* and SoC issued by an ACB that is recognised by IACS as complying with the ACB Minimum Requirements and in accordance with the procedures of that ACB, shall constitute evidence of continued compliance with QSCS.

5.7 Maintenance of the SoC means that the ACB continues to conduct the QSCS audits in accordance with the Annual Audit Plan and that the QSCS audits are observed by the OC in accordance with the IACS Observation Plan.

5.8 The Certificate may be suspended / withdrawn, in accordance with the ACB's documented procedures. The concerned CS and/or ACB shall inform the OC immediately, if and when such suspension / withdrawal takes place.

6. INTERPRETATION OF QSCS

6.1 The authority to interpret QSCS and its technical documents is as follows:

- (i) additional requirements specific to the operations of CSs into the QMSR: the QS is first level, followed by the QC;
- (ii) IACS Resolutions: the GPG, supported by the appropriate Panel.

6.2 If the first level interpretation does not satisfy either the Member, the Applicant, or its ACB, then the issue may be submitted, in writing, to the Council.

7. QSCS CONTINUAL IMPROVEMENTS

The following describes the various measures taken by IACS to ensure that QSCS is continually maintained, updated and improved as necessary according to documented procedures:

System Related

7.1 Development, periodic review and updating of the QSCS system documentation to maintain its applicability, relevance, adequacy, efficiency and effectiveness, are all based on one or more of the following:

- (i) improvements initiated by Members;
- (ii) QSCS Annual Review;
- (iii) IMO Observer's to QSCS report;
- (iv) comments of the Quality Advisory Committee (AVC);
- (v) appeals and complaints.

7.2 Annual collation, review and suitable analysis of ACB audit data of Members, based on ACB feedback and other inputs from Members, AVC, IMO Observer to QSCS, other stakeholders and End-User Workshops as referred to 1.4 of the ACB Minimum Requirements, for identifying improvements to the QSCS.

7.3 Maintenance of documented evidence, as required, in any suitable format and media.

7.4 Development of software tools, as necessary, to discharge the functions efficiently.

Certification Related

7.5 Maintenance and development of the ACB Minimum Requirements.

7.6 Review of the credentials of ACBs proving their compliance with the above-mentioned Requirements.

7.7 Maintenance of a publicly available List of Recognised ACBs satisfying the ACB Minimum Requirements.

7.8 Observing of audits by ACBs, of system implementation by Members and Applicants.

ACB Auditors Related

7.9 Development and periodic updating of the modules for the courses and seminars for the ACB auditors.

7.10 Courses and seminars for the ACB auditors, as and when appropriate.

Complaints Related

7.11 Consideration of requests for interpretation of QSCS requirements.

7.12 Consideration of complaints relating to the QSCS (see further section 9 below).

8. OVERSIGHT BY EXTERNAL PARTIES

8.1 The QSCS is subject to oversight by external Parties to ensure its relevance and suitability and also to identify further improvement opportunities, as follows:

- (i) the IMO Observer to QSCS periodically reviews the activities of IACS related to the implementation and continual improvement of the QSCS, including the activities of the ACBs, as deemed necessary by him/her to submit his / her periodical QSCS assessment report to the IMO;
- (ii) the AVC provides objective, independent advice, guidance and oversight from the industry in accordance with clearly defined procedures;
- (iii) representatives of flag States may also observe the ACB audits of IACS Members and provide their feedback.

8.2 The QS and QC identify and implement appropriate follow-up actions, as required.

9. COMPLAINTS

9.1 Complaints against IACS Members are processed as per the IACS Complaints Policy published on the IACS website and in Annex 4 to the QSCS.

9.2 Complaints against ACB certification are processed as per the respective ACB's procedures, and, if the ACB process does not satisfy the complaint raised the documented procedures of the relevant National Accreditation Body whose logo appears on the Certificate issued by the ACB.

10. PUBLICATION

10.1 IACS publishes, inter alia, on its public web-site www.iacs.org.uk:

- (i) this Description of the Scheme document;
- (ii) the QMSR;
- (iii) IACS Resolutions;
- (iv) the list of IACS Members;
- (v) a List of Recognised ACBs that, at the request of a CS, have been verified by IACS as compliant with the ACB Minimum Requirements.

10.2 Any CS that possesses a valid SoC issued by an ACB that appears on the List of Recognised ACBs is permitted to refer to this fact publicly.

10.3 Any ACB that appears on the List of Recognised ACBs shall be permitted to refer to this fact publicly.

11. CONFIDENTIALITY

11.1 All the Members of the QC, the AVC, the Council, the SC/QP as well as the QS, the IMO Observer to QSCS, the OC's staff, the ACBs staff and EMSA staff respect the confidentiality of any information they may receive pursuant to the implementation of this Scheme.

ANNEX 2: QUALITY MANAGEMENT SYSTEM REQUIREMENTS – 11th ISSUE

(Compatible with ISO 9001:2015)

0 Introduction

0.1 General

- a) The International Association of Classification Societies (IACS) is an Association representing the world's Classification Societies as defined in 3.1.
- b) IACS works for a uniform application of quality in ship classification and also in statutory work undertaken on behalf of flag Administrations.
- c) To achieve this objective, IACS has, since 1990, developed these Quality Management System Requirements (QMSR) which constitute the IACS interpretation of the ISO 9001 standard and additional requirements supplementing those of the ISO 9001 standard itself, as applied to Classification Societies (CS)/Recognized Organizations (RO).
- d) The achievement of the above is conditional upon continued compliance with the Rules and Regulations and proper care and conduct on the part of the Owner and Operator.
- e) This 11th issue constitutes a revision of the previous issue of the QMSR to improve visibility of the RO's role which a CS serves. For sake of introduction and clarity, in this text 'Rules' are associated with the Rules and Regulations applicable to classification services; and 'Regulations' are associated with statutory services. A previous objective was to make these QMSR equally useable by IACS Members and non-IACS CSs alike, this objective remains an important consideration as part of the release of this 11th issue.

0.2 Structure of this document

0.2.1 Commencing from Clause 4:

- a) The texts of all ISO 9001:2015 standard, clauses 4 through 10 are applicable requirements, but not repeated in this document. The numbering used aligns with the ISO 9001:2015 standard, clauses and sub-clauses should therefore be read in conjunction with the ISO 9001:2015 standard text. If only the clause number appears, the wording in ISO 9001:2015 standard is considered sufficient.
- b) Additional requirements specific to the operations of CSs are appended to the ISO 9001:2015 standard clauses, where relevant.
- c) Where necessary, non-mandatory guidance for the interpretation and application of these requirements is included as text in italics.

0.2.2 Requirements in 4.5 are in addition to ISO 9001:2015 standard and are based on applicable requirements from the included requirements listed in 2.2.

1 Scope

1.1 General

1.1.1 This QMSR document specifies applicable requirements for a quality management system which covers the following services rendered by a CS:

- Classification of ships and mobile offshore installations in respect of both new building and in service;
- Statutory work carried out on behalf of nominating flag Administrations.

1.1.2 Classification services and statutory services have much in common and both are, to a great extent, inextricably linked to each other. Therefore, the requirements specified herein are, unless specifically separated, applicable to both the services. Where deemed necessary for reasons of better clarity and or differing needs, the requirements have been documented under separate headings.

QSCS Guidance Note:

ISO 9001:2015 standard, Note 2 applies to the legal requirements a CS/RO shall comply with as a business or as an employer in various countries which CSs are also bound by relevant local and national regulations. The requirements in the Note are not those requirements, e.g. SOLAS, it applies in the course of its service provision.

1.2 Application

1.2.1 All requirements of this QMSR document are generic and are intended to be applicable to all CSs, regardless of type, size and services provided.

1.2.2 Where any requirement(s) of this QMSR document cannot be applied due to the scope of services delivered by a CS, this may be considered in 4.5, which defines conditions under which a CS can decide that a requirement cannot be applied to any of the processes within the scope of its quality management system. The CS can only decide that a requirement is not applicable if its decision will not result in failure to achieve conformity of products and services. The CS shall report all such cases to the Accredited Certification Body which issues the Statement of Compliance and to the Quality Secretary (QS).

2 References

2.1 Normative references

The appropriate versions (see Note 3, below) of the following normative documents contain provisions which, through reference in this text, constitute essential provisions for the application of these requirements.

- ISO 9000:2015 Quality management systems - Fundamentals and vocabulary
- ISO 9001:2015 Quality management systems — Requirements
- IACS Resolutions, defined as:
 - IACS Unified Requirements (UR);
 - IACS Unified Interpretations (UI);
 - IACS Procedural Requirements (PR);
 - IACS Common Structural Rules (for tankers and bulk carriers) (CSR).

NOTE 1: IACS Unified Requirements are minimum requirements. Any CS is free to set more stringent requirements. More stringent requirements will not to be construed as a reservation or exclusion. The existence of a UR does not oblige a CS to issue the respective Rules if it chooses not to have Rules for the type of ship or marine structure concerned. In

cases where a CS chooses not to offer classification for the type of ship or marine structure addressed by a UR, or group of URs, it shall be reported on Form Z: Notice of Not Applicable IACS Unified Requirements with respect to the UR(s) concerned.

NOTE 2: Latest and valid IACS Resolutions are publicly available on IACS web-site: <http://www.iacs.org.uk/publications/default.aspx>.

NOTE 3: The REGULATION (EC) No 391/2009 and the IMO RO Code refer to different versions of ISO 9001 & 17020 standards. The Quality Management System Requirements is generally updated to reflect the currently valid versions of the ISO 9001 & 17020 standards. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

2.2 Included requirements

This QMSR address applicable requirements from the following reference documents:

- ISO/IEC 17020: 2012 Conformity assessment – Requirements for the operation of various types of bodies performing inspection;
- International Maritime Organization's Code for Recognized Organizations (hereinafter referred to as '*IMO RO Code*') as adopted by:
MEPC 65 on 17th May 2013 (Resolution MEPC 237(65)) and
MSC 92 on 21 June, 2013 (Resolution 349(92)).

NOTE 1: Some of the requirements stated in the reference documents above are included in the normative references listed in 2.1.

NOTE 2: Members of IEC, ISO, IACS, IMO or national Administrations maintain registers of currently valid International Standards.

NOTE 3: IMO Resolutions A.739(18) and A.789(19) have since become part of the IMO RO Code.

3 Terms and definitions

For the purposes of this QMSR document the following terminology applies in addition or in substitution of the Terms and Definitions of ISO 9000:2015 standard, Clause 3 where these are not adequate for the work of the CSs.

Terms and definitions in Part 2 of the IMO RO Code are also applicable, in so far as they are relevant to the statutory services rendered by the CSs.

3.1 Classification Society (CS)

A legally identifiable organization which:

- a) publishes its own Rules (including technical requirements):
 - 1. in relation to the design, construction and survey of ships; and
 - 2. has the capacity to:
 - (a) apply,
 - (b) maintain and
 - (c) update those Rules and regulations with its own resources on a regular basis;
 - (d) document its experience in the above activities.
- b) verifies compliance with these Rules during construction and periodically during a classed ship's service life;
- c) publishes a register of classed ships;
- d) is not controlled by, and does not have interests in, ship-owners, shipbuilders or others engaged commercially in the manufacture, equipping, repair or operation of ships; and

e) is authorized by a flag State as a Recognized Organization.

NOTE:

"Own Rules" as stated in item (a) above include Rules given as normative references in this QMSR and Rules which the CS is legally entitled to use.

3.2 Recognized Organization (RO)

A legally identifiable organization which has been assessed by a flag State and found to comply with the applicable requirements of the IMO RO Code and is authorized by a flag State as defined in SOLAS Chapter XI-1, Regulation 1 and listed accordingly in the IMO database, Global Integrated Shipping Information System (GISIS)."

3.3 Product

The products of a CS are of the following generic categories:

- Rules in relation to the design, construction and survey of ships and other marine-related facilities
- Information (e.g. access to CS's Class database)
- Software (e.g. calculation programs related to classification/statutory compliance process developed by the CS either for internal use or made available to the public)
- Hardware (e.g. Documentation, Publications).

3.4 Services

The services of a CS addressed by these requirements are those associated with classification services and/or statutory services as noted in 3.5 and 3.6.

3.5 Classification services

The results generated by classification activities at the interface between the CS and the customer and the CS's internal activities to meet customer needs.

Note 1) For ships and mobile offshore installations in service, each CS maintains the provisions of class by way of periodical visits by its Technical Staff to the ship or mobile offshore installation as defined in its Rules in order to ascertain that the ship or mobile offshore installation currently complies with those Rules and Regulations. The forgoing is without prejudice to the obligation of the owner or operator to maintain the vessel and to report to the CS significant defects, damages or modifications in accordance with the Rules of the CS.

Note 2) A ship or mobile offshore installation is said to be in Class when the Rules which pertain to it have, in the opinion of the CS concerned, been complied with.

Note 3) Concerning the auxiliary systems, it is noted that the scope of such systems reflect the scope of the ship or mobile offshore installations classification notation. For example, a ship or mobile offshore structure which has a class notation reflective of a production system onboard would include the same within its scope of auxiliary systems.

3.6 Statutory services

a) The results generated by statutory activities as defined by the Administration at the interface between the CS and the customer and the CS internal activities to meet customer needs.

b) Statutory services address the same concepts noted under classification (3.5) except that the Regulations are defined by the Administration.

- c) For statutory requirements it is recognized that CSs traditionally have a contractual arrangement with flag Administrations to act on their behalf. This means the CS's do not design the requirements but are authorized to apply the flag State requirements provided to them either directly or by adoption of an international, regional or national published instrument. In this context a flag Administration is one of the CS/RO customers.

3.7 Evidence of service

Documents (e.g. reports, certificates, letter, electronic records etc.) which confirm that the defined services provided are in compliance with specified internal and external requirements.

3.8 Customer

Person or organization that could or does receive a product or service provided by the CS/RO.

NOTE: The customer may for example be the direct user (e.g. ship designer, engineering company, marine equipment manufacturer, ship yard, ship owner, charterer, ship-management company) or the beneficiary (e.g. national Administration, port State, underwriter, cargo interest or the public at large). See also: "Interested party" in ISO 9000:2015 standard.

3.9 Contract

Agreed and binding set of requirements between a CS and a customer transmitted by any written means.

3.10 Fundamental processes

3.10.1 Classification services

All technical and administrative processes affecting service; these include:

- a) Development of the CS's Rules for classification services, including the associated research;
- b) Publication of the CS's Rules;
- c) Application of the CS's Rules, operational instructions, and requirements, through:
 - Verification and/or approval of documents and/or drawings relevant to the design;
 - Approval and survey of materials and equipment;
 - Survey during construction and installation;
 - Survey during service;
 - Issue of class certificates and reports;
 - Maintenance of class records;
- d) Publication and maintenance of the register of ships and mobile offshore installations;
- e) Provision of a network of qualified and competent technical staff, including the related supervision and training systems.

3.10.2 Statutory services

All technical and administrative processes affecting service which, *inter alia*, include:

- a) Adoption of flag State regulations for statutory services;
- b) Application of the flag State regulations, operational instructions, through:
 - Verification and/or approval of documents and/or drawings relevant to the design;
 - Approval and survey of materials and equipment;
 - Survey during construction and installation;
 - Survey during service;

- Issue of statutory certificates and reports;
 - Maintenance of statutory records;
- c) Provision of a network of exclusive qualified and competent technical staff, including the related supervision and training systems.

3.11 Technical staff

Technical staff includes plan approval engineers, surveyors, inspectors, auditors and other technical staff (whatever be their nomenclature in different CS) who directly render the classification and statutory services of a CS.

3.12 Survey locations, controlling offices and plan approval centres

- a) Survey Locations are those that manage and execute surveys, audits, and inspections.
- b) Plan Approval Centres (if any) are those that carry out plan approval activities, including approval of designs, drawings, manuals etc.
- c) Controlling Offices (if any) are those that manage and control the proper execution (and related documentation) of the processes and related procedures and work instructions, including quality management system matters.

3.13 Site

The place at which Technical Staff deliver services in respect of a specific contract or a series of contracts (e.g. port, shipyard, firm, company, etc.). All sites are to be controlled by a location.

3.14 Vertical contract audit

VCA is a contract/order specific audit of production processes, including witnessing work during attendance at a survey, audit (including MLC inspection), or plan approval in progress and, as applicable, including relevant sub-processes, VCA is carried out at a location and/or site to verify the correct application of relevant requirements in service realization for the specific work in that contract/order, and their interactions. (Relevant sub-processes include e.g. previous part surveys or thickness measurement processes connected to the survey). Plan approval VCA may be carried out for completed tasks.

3.15 Process monitoring

Checking on a sample basis the ongoing processes that technical staff are applying (such as Rules, statutory requirements, procedures, etc.).

3.16 Activity monitoring

Activity Monitoring is an assessment by the CS of its technical staff, conducted by a Monitor - for plan approval or in the course of a survey, audit, or MLC inspection.

4 Context of the Organization

4.1 Understanding the organization and its context

4.2 Understanding the needs and expectations of interested parties

4.3 Determining the scope of the quality management system

4.4 Quality management system and its processes

4.5 Additional Classification Society / Recognized Organization specific requirements

4.5.1 Quality Management System

4.5.1.1 Classification services

As a minimum the quality management system shall ensure that:

- a) the Rules for classification services are created, maintained and published in a systematic manner, including the development of the associated research;
- b) the CS's products, including arrangements to respond to customers' valid needs, are established and maintained in a systematic manner;
- c) the Rules are complied with through:
 - 1) verification and/or approval of documents and/or drawings relevant to the design;
 - 2) approval and survey of materials and equipment;
 - 3) survey during construction and installation;
 - 4) survey during service;
 - 5) issue of class certificates and reports;
 - 6) maintenance of class records;
- d) the register of ships and mobile offshore installations is published and maintained;
- e) a network of qualified and competent technical staff, including the related supervision and training systems, is provided.

4.5.1.2 Statutory services

As a minimum the quality management system shall ensure that:

- a) the statutory requirements relevant to the work for which the CS/RO is authorized as an RO, together with any specific requirements defined in agreements with national Administrations, are implemented and maintained in a systematic manner;
- b) the statutory regulations and related requirements are complied with through:
 - 1) verification and/or approval of documents and/or drawings relevant to the design;
 - 2) approval and survey of materials and equipment;
 - 3) survey during construction and installation;
 - 4) survey during service;
 - 5) issue of statutory certificates and reports;
 - 6) maintenance of statutory records.
- c) a network of qualified and competent technical staff, including the related supervision and training systems, is provided.

4.5.2 General

- a) The CS/RO, or the organization of which it forms a part, shall be legally identifiable.
- b) A CS/RO which is part of an organization involved in functions other than services rendered by a CS, shall be identifiable within this organization.

- c) The CS/RO shall have documentation which describes its functions and the technical scope of activity for which it is competent.
- d) The precise scope of a service will be determined by the terms of the individual contract or request for service. This shall be defined in documents within the Public Domain – e.g. a CS's published Rules or an International Convention.
- e) The CS/RO, or the organization of which it forms a part, shall have liability insurance unless its liability is assumed by the State in accordance with national laws.
- f) The CS/RO shall have adequate documentation describing the conditions on which it performs its services.
- g) The CS, or the organization of which it forms a part, shall have independently audited accounts.

4.5.3 Impartiality and Integrity

- a) The CS/RO shall identify risks to its impartiality on an ongoing basis. This shall include those risks that arise from its classification and statutory activities, or from its relationships, or from the relationships of its personnel. However, such relationships do not necessarily present a CS/RO with a risk to impartiality.
- b) The CS/RO shall have a documented process to demonstrate how a risk to impartiality, when identified, will be eliminated or minimized.
- c) The personnel of the CS/RO shall be free from any commercial, financial and other pressures which might affect their judgement. Procedures shall be implemented to ensure that persons or organizations external to the CS, cannot influence the results of services carried out.
- d) The CS/RO shall be independent to the extent that is required with regard to the conditions under which it performs its services.
- e) The remuneration of the CS/RO personnel engaged in the CS/RO activities shall not directly depend on the activities carried out and in no case on their results.
- f) The CS/RO shall be governed by a *Code of Ethics / Conduct*, which shall recognise the inherent responsibility associated with delegation of authority to include assurance of adequate performance of services.

4.5.4 Independence Criteria

- a) The CS/RO shall be independent of the parties involved.
- b) The CS/RO and its staff responsible for carrying out the service shall not be the designer, manufacturer, supplier, installer, purchaser, owner, user or maintainer of the item subject to the service, nor the authorized representative of any of these parties.
- c) The CS/RO and its staff shall not engage in any activities that may conflict with their independence of judgement and integrity in relation to their service activities. In particular, they shall not become directly involved in the design, manufacture, supply, installation, use or maintenance of the items covered by the service, or similar competitive items.
- d) All potential customers shall have access to the services of the CS/RO. There shall not be undue financial or other conditions. The procedures under which the CS operates shall be administered in a non-discriminatory manner.

e) The CS/RO must not be controlled by shipowners or shipbuilders, or by others engaged commercially in the manufacture, equipping, repair or operation of ships.

f) The CS/RO is not substantially dependent on a single commercial enterprise for its revenue.

g) The CS does not carry out class or statutory work if it is identical to or has business, personal or family links to the shipowner or operator. This incompatibility shall also apply to technical staff employed by the CS/RO, who directly render service to the shipowner / operator.

4.5.5 Confidentiality

a) The CS/RO shall ensure confidentiality of information obtained in the course of its activities. Proprietary information rights shall be protected.

4.5.6 Cooperation

a) The CS/RO must allow participation in the development of its Rules, Regulations and procedures by flag Administration and other interested parties.

b) The CS/RO shall give access to, or disclose all information related to its statutory certification and services to the relevant flag State and shall communicate information to the flag State.

c) The CS/RO shall cooperate with other CSs and ROs and flag States to share relevant experience to standardize processes and services, particularly concerning statutory certification which may affect the validity of certificates issued by other ROs, as appropriate.

d) The CS/RO shall cooperate as necessary and required by statutory codes / instruments / agreements, among themselves and with flag Administrations, in cases of transfer of statutory certification from one CS/RO to another.

5 Leadership

5.1 Leadership and commitment

5.1.1 General

Guidance for application

The commitment of top management should be demonstrated and made visible by e.g.:

- *evidence for the development of clear values and expectations for the organization;*
- *acting as a role model for the organization's values and expectations, leading by example*
- *providing and receiving training;*
- *making themselves accessible, listening and responding to the organization's people;*
- *being active and personally involved in improvement activities;*
- *reviewing and improving the effectiveness of the whole management group.*

Top management should normally develop a strategy and vision for the organization. In drafting the strategy/vision for the CS, top management should take due cognizance of any IACS strategy/vision statement.

5.1.2 Customer focus

Guidance for application

See 3.8, definition of customer.

5.2 Policy

5.2.1 Establishing the quality policy

Quality, Safety, Occupational Health & Environmental Protection

The CS's policies shall refer to quality of services, safety of life (including occupational safety and health) and property; prevention of pollution and protection of the marine environment.

5.2.2 Communicating the quality policy

5.3 Organizational roles, responsibilities and authorities

The CS/RO shall have named persons who will deputize in the absence of any manager responsible for classification or statutory services and products.

Guidance for application

ISO 9001:2015 standard attempts to ensure that the ownership of the QMS does not center around a single individual; however, the IMO RO Code requires a Management Representative. CS/RO may elect to have a team of management responsible for the requirements in 5.3, however an individual should be named in order to comply with the IMO RO Code.

6 Planning

6.1 Actions to address risks and opportunities

6.2 Quality objectives and planning to achieve them

6.2.1

The CS/RO shall in its planning consider the elements identified below, and use the result to evaluate the effectiveness of its standards and procedures and their impact on safety of life and property and the marine environment:

- needs and expectations of the customers and other interested parties; e.g. feedback from IMO, flag Administrations and Industry Associations;
- performance of the products or services; e.g. Statistics from Port State Control, Casualties, loss trends; feedback on use of software and hardware obtained from internal and external users;
- performance of the QMS processes; e.g. feedback from internal audits, NCs, and internal comments;
- lessons learned from previous experience; e.g. from examination of survey reports, casualty investigations or external sources;
- other sources of information which identifies opportunities for improvement.

Guidance for Application

a) When establishing these objectives, the CS/RO should consider the current and future needs of the CS/RO and the parties influenced by its work.

b) The Quality Management Reviews, among other sources, should produce input to the establishment of quality objectives.

6.2.2

Quality planning is an integral part of the management process. The CS/RO shall implement quality planning for the activities and resources needed to satisfy the quality policy, objectives and requirements. Its output shall be documented, reviewed and revised as necessary.

Guidance for Application

a) *Considering the elements identified under 6.2.1 the primary input can also be:*

- *risk assessment and mitigation, e.g. an amalgamation of inputs from all of the above, coupled with an evaluation of the effect on safety of life, property and the marine environment. Refer to ISO 31000:2018, Risk management — Guidelines; and ISO 31010:2019, Risk management — Risk Assessment Techniques;*
- *preventive action methodologies may include risk analyses, trend analyses, statistical process control, fault tree analyses, failure modes and effects and criticality analyses.*

b) *The output of the planning should include:*

- *the responsibility and authority for developing improvement plans;*
- *skills and knowledge needed;*
- *improvement approaches, methodology and tools;*
- *the resources needed;*
- *alternative planning needs;*
- *indicators for performance achievements, and*
- *the need for documentation and records.*

6.3 Planning of changes

7 Support

7.1. Resources

7.1.1 General

In implementing the requirements of this Clause 7 the CS/RO shall take into account the whole range of resources needed to develop and maintain the quality management system and the fundamental processes.

7.1.2 People

The CS shall provide worldwide coverage and perform the work it contracts by its exclusive technical staff or, in exceptional and duly justified cases, through exclusive technical staff of other CS.

While still remaining responsible for the certification on behalf of the flag State, the CS when acting as a RO may subcontract radio surveys to non-exclusive surveyors, in accordance with the IMO RO Code.

7.1.3 Infrastructure

Systems provided to the technical staff (hardware and software) shall be identified and relevant training on their use should be carried out and documented. Special consideration should be given to the situation where technical staff are working out of a home-based office.

7.1.4 Environment for the operation of processes

7.1.4.1 Suitable lighting, ventilation and access conditions shall be made a requirement to permit safe and effective survey to take place. While it is understood that the provision of such environmental conditions is not within the supply of the CS/RO, the environmental conditions under which the survey will be permitted to take place shall be made clear to the customer prior to the service provision commencing, e.g. stating them in the Rules.

7.1.4.2 Training of staff on personal safety shall be carried out and documented.

7.1.4.3 Requirements for personal protective equipment to be used during service provision, and procedures for personal safety of the CS/RO technical staff at work shall be established and documented.

7.1.5 Monitoring and measuring resources

7.1.5.1 General

7.1.5.2 Measurement traceability

7.1.5.2.1 The provisions of 7.1.5.2 apply generally to monitoring and measuring equipment owned or leased by the CS/RO or by an external provider, to provide evidence of conformity of product to determined requirements.

7.1.5.2.2 It does not apply to equipment used by manufacturers, builders, repairers or owners (see 8.5.3).

7.1.6 Organizational knowledge

7.2 Competence

The CS/RO shall perform all its classification and statutory services by the use of competent technical staff that are duly qualified, trained and authorized to execute all duties and activities incumbent upon their employer, within their level of work responsibility.

When implementing the requirements of 7.2, a CS/RO shall consider explicitly the requirements of the IMO RO Code and the relevant IACS Procedural Requirements.

7.3 Awareness

7.4 Communication

7.5 Documented information

The provision of "documented information" shall apply to any type of document, including electronic media, IT applications, etc. where said electronic media may affect the reliability of the service or of the recorded data.

7.5.1 General

7.5.1.1 The Quality Manual or the QMS documentation shall include or reference:

- a) scope of the quality management system, including details of, and justification for any exclusions;
- b) management statement on its policy and objectives for, and commitment to, quality;
- c) description of the CS/RO's areas of activity and competence;

- d) general information about the organization and its head office (name, address, phone number, etc., and legal status);
- e) information on the CS/RO's relationship to its parent or associated organizations (where applicable);
- f) charts describing the organization's structure;
- g) management statement assigning a person designated as responsible for the organization's quality management system;
- h) relevant job descriptions;
- i) policy statement on qualification and training of personnel;
- j) documented processes established for the quality management system, or reference to them;
- k) description of the interaction between processes of the quality management system; and
- l) description of all other documents required by the quality management system.

7.5.1.2 The CS/RO shall establish a documented procedure to define the controls needed for its documented information. The documented procedure shall consider the requirements in 7.5.2 and 7.5.3 of the ISO 9001:2015 standard as well as 3.5.2 and 3.6.2 of the Part 2 of the IMO RO Code.

7.5.1.3 The provisions of 7.5.2 and 7.5.3 apply to internal documents, such as e.g.:

- Quality manual/QMS documentation;
- Procedures;
- Rules;
- Regulations;
- Register of ships and offshore installations;
- Other documented process procedures, where such are considered necessary (these include any circulars or letters, which provide the technical staff and administrative staff with up-to-date information on classification, statutory and related matters);
- Specifications and diagrams defining or amplifying service processes;
- Pro-forma reports, checklists and certificates appropriate to the activities covered by this certification.

7.5.1.4 The provisions of 7.5.3.2 apply to external documents, such as:

- National and International Standards necessary for the activities governed by this instrument;
- IMO Conventions and Resolutions;
- IACS Resolutions;
- National shipping Regulations and standards appropriate to the authorisations current with the CS/RO;
- Documents and data submitted to the CS/RO for verification and/or approval; see 8.5.2 and 8.5.3;
- Specified correspondence defined by the CS/RO to be of an important nature.

7.5.2 Creating and updating

7.5.3 Control of documented information

The CS/RO shall maintain records, demonstrating achievement of the required standards in the terms covered by Classification and statutory certification and services performed as well as the effective operation of the quality management system.

7.5.3.1 Classification services

Records shall include at least those relevant to:

- a) Rules development and associated research;
- b) Rules implementation, through:
 - verification and/or approval of documents and/or drawings relevant to the design;
 - approval and survey of materials and equipment;
 - survey during construction and installation;
 - survey during service;
 - issue of Certificates.
- c) the register of ships and mobile offshore installations;
- d) all other records required by this QMSR document.

Pertinent records from suppliers shall be an element of these data.

7.5.3.2 Statutory services

Records shall include at least those relevant to:

- a) Implementation of statutory regulations and requirements through:
 - verification and/or approval of documents and/or drawings relevant to the design;
 - approval and survey of materials and equipment;
 - survey during construction and installation;
 - survey during service;
 - issuance of certificates.
- b) Other records required by statutory regulations, in all their applicable instruments relevant to the work of the CS/RO.
- c) Records required by authorizing flag States in their agreements with the CS/RO and in normative references contained therein.

Records shall be retained for periods specified in the statutory codes; and in agreements with authorizing flag States, if applicable.

8 Operation

8.1 Operational planning and control

The CS/RO shall plan, implement and control the processes needed to meet the requirements of the following:

- a) Classification services

The requirements of the IACS Procedural Requirements, the IACS Unified Requirements, IACS Common Structural Rules (for tankers and bulk carriers) which are incorporated in its Rules or practices.

- b) Statutory services

The specific provisions of relevant and applicable statutory regulations, instruments and codes, to be met by a Recognized Organization; the requirements of the IACS Unified Interpretations.

8.2 Requirements for products and services

8.2.1 Customer communication

The CS/ROs shall implement effective communication processes amongst themselves, with flag Administrations and with interested parties: as necessary and/or as required by statutory requirements, instruments and agreements.

The CS/RO shall ensure that appropriate internal communication processes are established within the CS/RO and that communication takes place regarding the effectiveness of the classification and statutory certification and services provided.

8.2.2 Determination of requirements for products and services

8.2.2.1 Classification services

The provisions of 8.2.2, 8.2.3 and 8.2.4 apply inter alia to:

- a) contracts for classification of new building (usually between the builder and the CS);
- b) contracts for certification of equipment for ships and mobile offshore installations manufactured under type approval or similar programmes (usually between the manufacturer and the CS);
- c) contracts for classification after construction including transfers of class (usually between an owner, an owner's agent or a manager and the CS);
- d) long-term contracts or agreements for units in service (such contracts, determining fee agreements over a fixed term basis may be signed between an owner, an owner's agent or a manager and the CS);
- e) verbal or written requests for attendance, including those from national Administrations or other CSs ("service requests");
- f) agreements between the CS and other CSs laying down requirements to be followed when acting on their behalf;
- g) contracts for provision of software in connection with the classification and statutory certification of ships and mobile offshore installations.

8.2.2.2 Statutory services

The provisions of 8.2.2, 8.2.3 and 8.2.4 apply inter alia to:

- a) contracts for statutory certification of new building (usually between the builder and the RO);
- b) contracts for approval and certification of equipment for ships and mobile offshore installations manufactured under type approval or similar programmes, as per national, international and flag State codes and requirements (usually between the manufacturer and the RO);
- c) contracts for statutory certification after construction including transfers of flag (usually between an owner, an owner's agent or a manager and the RO);
- d) when implementing this paragraph, the specific requirements of the flag Administrations on whose behalf the CS/RO acts as well as any specific national interpretations of International Conventions and Codes shall be determined.

8.2.3 Review of the requirements for products and services

The provisions of 8.2.3 and 8.2.4 apply inter alia to:

8.2.3.1 Before the acceptance of a contract or order, the contract or order shall be reviewed by the CS/RO to ensure that:

- a) the customer stated requirements for product and/or services comply with the Rules and Regulations, or statutory requirements, as appropriate;
- b) the CS/RO's location has the necessary capability and resources (or has access to the necessary capability and resources elsewhere within the CS/RO), including reference documents, to meet the contract or order requirements for product and/or services.
- c) any differences between the contract or order and the applicable requirements for product and/or services shall be resolved before the work is carried out and shall be recorded.

8.2.4 Changes to requirements for products and services

8.3 Design and development of products and services

8.3.1 General

8.3.1.1 The provisions of 8.3 apply to:

- a) the design, development and publication of the Rules;
- b) the design and development of the classification and statutory services;
- c) the development and publication of supporting documentation for the effective application of statutory regulations and requirements.

8.3.1.2 The CS/RO shall include in its Rules and/or Regulations and/or procedures:

- a) requirements specified and communicated by the flag State, specifically for statutory certification and services;
- b) requirements not stated by the flag State but necessary for specified or intended use, as determined by the CS/RO;

8.3.1.3 Implementation of requirements may be in the form of adoption into the CS/RO's internal requirements or by use of the original documents from IMO or flag State.

Guidance for Application

a) When considering the design of services offered within the scope of this QMSR document, consideration should be given to staff and logistic requirements needed to fulfil the service offered. This includes a means of regularly appraising adequacy of international networks related to customers' needs and a means of assessing staff needs, both in terms of availability and competence related to specific processes or procedures, to permit satisfactory fulfilment of the stated service.

b) When developing service and service networks to satisfy the needs of flag Administrations and other customers, the degree of application of this requirement may be governed by agreement or contract with these parties, either collectively or individually. Consideration to staff and logistic requirements should be especially given when existing services are significantly modified or new services are developed (e.g. the introduction of new statutory codes).

c) The requirements of 4.5.6 should be considered when applying the requirements of 8.3.1.

8.3.2 Design and development planning

8.3.3 Design and development inputs

Inputs shall also include experience with classification and statutory services of CS/RO of ships, mobile offshore installations and their equipment obtained from within the CS/RO itself and external sources.

8.3.4 Design and development controls

8.3.4.1 Design and development validation shall not be limited to the publication of Rules but shall apply, to the extent necessary, to all other products (see 3.3).

8.3.4.2 In the case of proposed Rules, and amendments to existing ones, the CS shall submit these proposals to organizations representing material manufacturers, builders, engineering companies, owners, professional institutions and statutory authorities, as appropriate, for review and comment. These organizations may be suitably constituted Committees of the CS.

Guidance for Application

a) When developing the Rules, consideration should be given to the processes and equipment needed (by the owner or manufacturer) to build or maintain ships or mobile offshore installations or equipment in accordance with the Rules. Rules should not be developed without taking into account the availability of processes or equipment necessary for their implementation. This includes whether the Rules reflect the latest manufacturing technologies.

b) The design and development verification may include activities such as:

- performing alternative calculations;*
- comparing the new design or development with a similar proven design, if available;*
- undertaking tests and demonstrations; and*
- reviewing the design stage documents before release.*

8.3.5 Design and development outputs

8.3.5.1 Classification services

The Rules are, as a minimum, to provide for:

- a) the structural strength of (and where necessary the watertight integrity of) all essential parts of the ship or mobile offshore installation and its appendages;
- b) the safety and reliability of the propulsion and steering systems, and those other features and auxiliary systems which have been built into the ship or mobile offshore installation in order to establish and maintain basic conditions on board;

8.3.5.2 Statutory services operating instructions, procedures, reference documentation are to comply with the statutory requirements.

8.3.6 Design and development changes

8.4 Control of externally provided processes, products and services

8.4.1 General

8.4.1.1 The CS/RO's quality management system must ensure effective control of the service delivery, regardless of whether it is performed by exclusive technical staff or, where so permitted, by non-exclusive technical staff or agents, considering the specific statutory requirements regarding the use of non-exclusive technical staff for delivery of statutory services. The above provisions apply to external providers, such as:

- a) exclusive technical staff of other CSs, with which CS/RO has an agreement and which is recognized by the appropriate flag Administration;
- b) agents who provide inspection services on behalf of the CS/RO, but who are also free to work on behalf of other organizations;
- c) external providers providing services to the CS/RO such as radio expertise, NDE measurements, underwater inspections. (Note: Where the service is paid for by the owner or builder, the service is considered as customer property – see 8.5.3);

d) software houses who undertake design and development of computer software which is intended to be used in the CS/RO activities affecting quality of products.

8.4.1.2 The CS/RO shall ensure that the control applied to external providers under 8.4.1.1 a and 8.4.1.2 b is not less effective than that applied to their own staff engaged in a similar category or process.

8.4.1.3 With regard to the application of these provisions to other CS/RO, due account may be taken of quality management systems in conformance with these Requirements but the responsibility remains with the CS/RO to ensure that the supplying CS/RO provides services fully compatible with the quality policy, objectives and specific requirements of the subcontracting CS/RO (see 7.1.2).

8.4.1.4 In evaluating the type and extent of control over the external providers, the CS/RO shall take account of the level and complexity of the work assigned and its impact on the quality of the final service of the CS/RO.

8.4.1.5 Before assigning any work to an external provider, the CS/RO shall ensure that any restrictions on the use of external providers which is placed on the CS/RO by bodies such as flag Administrations are strictly complied with.

8.4.2 Type and extent of control

8.4.3 Information for external providers

8.4.3.1 When a CS/RO is engaging external providers to perform activities on its behalf, such as non-exclusive technical staff (see 8.4.1), agents and other CSs, appropriate contracts defining the scope of work they are authorized to undertake shall be drawn up. The contracts shall include duties, responsibilities, impartiality and confidentiality requirements to be complied with by the external providers. The following requirements are to be applied, as applicable:

- a) the external providers shall be provided with or have access to the relevant Rules for classification services, relevant operating instructions and procedures;
- b) purchasing documents for each job shall include instructions appropriate to the level of work authorized;
- c) such documents shall be maintained in a controlled system ensuring the external providers is always provided with applicable issues of documents appropriate to the works being undertaken; and
- d) when engaging external providers such as other CSs, the contracts or agreements shall clearly stipulate which Rules apply.

8.4.3.2 When engaging external providers, specialist, suppliers, the CS/RO shall:

- a) provide them with clear guidance on the Rules and Regulations to be applied and/or clear instructions on a case by case basis; and
- b) shall approve them in accordance with the CS/RO's requirements, considering additional and specific requirements, if any, of the flag State and other applicable statutory instruments, codes and requirements.

8.5 Production and service provision

8.5.1 Control of production and service provision

8.5.1.1 Classification and statutory services - the CS/RO shall implement production and service provision under controlled conditions, which shall include, as applicable:

- a) evidence of conformance with the acceptance criteria used shall be documented;
- b) during surveys progress shall be documented;
- c) records shall indicate the authority responsible for release of product or the evidence of service;
- d) controlled production and service operations include the following issues:
 - 1) ready access to the correct issue of the Rules, statutory requirements, standards, codes and specifications appropriate to the work to be done;
 - 2) documented process and/or instructions delineating work to be done and defining responsibilities for such work, where the absence of such procedures/instructions could adversely affect quality;
- e) evidence for work carried out shall not be released until all the activities specified in the quality plan and/or procedures and/or instructions have been satisfactorily completed. Records of the above shall be maintained; and

8.5.1.2 Statutory services- the CS/RO shall implement production and service provision under controlled conditions, which shall include, as applicable:

- a) an RO accepting a ship that was constructed without a known flag State shall conduct the statutory certification and services of the ship and shall verify, prior to certification, that the ship complies with national requirements of that flag State with which the ship is to be flagged; and
- b) the RO shall not issue statutory certificates to a ship, irrespective of its flag, which has been declassified or is changing class for safety reasons, before giving the opportunity to the Administration of the flag State to give its opinion within a reasonable time as to whether a full inspection is necessary.

8.5.2 Identification and traceability

The identification of products shall be maintained either directly or by cross-reference, for all relevant documents or data. These shall be traceable through the above identification, identity of the ship or the mobile offshore installation and/or associated equipment (e.g. register number, international code, construction number, name), customer's name or other suitable means.

8.5.3 Property belonging to customers or external providers

Services supplied on behalf of the customer witnessed by the CS/RO; where a CS/RO is verifying testing at manufacturers, builders, repairers or owners premises and reporting the same, the CS/RO shall ensure that the measuring devices used in the process are identified and that evidence of calibration is obtained; where a CS/RO is witnessing testing of service equipment installed or available onboard, a means shall be established so that the CS/RO is satisfied as to the appropriate accuracy of the measuring equipment.

Guidance for Application

Customer property includes, inter alia:

- a) documents submitted by customers to the CS/RO for verification and approval;*
- b) documents provided by customers to the CS/RO for evidence of activities performed by them, "documents provided" are those contributing to survey decisions, such as computer calculations, radio experts' reports, underwater inspection reports, NDE measurements; and*
- c) documents provided by flag Administrations relevant to services provided on their behalf.*

8.5.4 Preservation

Guidance for Application

- a) The CS/RO should provide methods for unique identification of products, evidence of services and documents;*
- b) The CS/RO should provide methods of handling products, evidence of services and documents that prevent damage or deterioration both during processing, storage, transmission or transportation;*
- c) The CS/RO should ensure appropriate conditions for storage in its locations and archives to prevent damage or deterioration of products, evidence of services and documents;*
- d) Appropriate methods for authorising receipt to and dispatch from locations and storage facilities should be stipulated;*
- e) The CS/RO should control packaging processes of products, evidence of services and documents to ensure conformance to specified requirements; and*
- f) The CS/RO should ensure protection of products, evidence of services and documents to prevent access by unauthorized persons both during processing, storage, transmission or transportation (e.g. a surveyor's recommendation should be prevented from being changed by anyone other than authorized personnel, a recommendation's fact should be preserved).*

8.5.5 Post-delivery activities

Where post-delivery activities are included in specified requirements, the CS/RO shall establish and maintain procedures for ensuring that these activities meet the specified requirements.

Guidance for Application

Post-delivery activities mentioned above refer to:

- a) Updating of drawing approval software and of other software to internal and external customers, unless they are superseding the Rules;*
- b) Updating of the Rules, Regulations and statutory requirements;*
- c) Supply of survey status and information to customers; and*
- d) Supply of information to customers and interested parties, e.g. damages, failures.*

8.5.6 Control of changes

8.6 Release of products and services

8.7 Control of nonconforming outputs

The CS/RO shall comply with the instructions of the flag State detailing actions to be followed in the event that a ship is found not fit to proceed to sea without danger to the ship or persons on board, or presenting unreasonable threat or harm to the marine environment.

The CS/RO shall cooperate with port State control Administrations where a ship to which the RO issued the certificates is concerned, in particular, in order to facilitate the rectification of reported deficiencies or other discrepancies.

The CS/RO responsible for issuing the relevant certificate shall, upon receiving a report of an accident or discovering a defect to a ship which affects the safety of the ship or the efficiency or completeness of its life saving appliances or other equipment, cause investigations to be initiated to determine whether a survey is necessary.

A documented procedure shall be established to define the controls and related responsibilities and authorities for dealing with nonconforming outputs.

Guidance for Application

Controls should provide for identification, documentation, evaluation, non-issuance or withdrawal of report or certificate, disposition (treatment) of nonconforming products, and for notification to the internal customer(s) concerned.

Identifying of nonconforming product

All people within the CS/RO should have the authority to report nonconformities at any stage of the processes to initiate prompt and appropriate action(s).

Review and disposition of nonconforming output

Review of nonconformities should be conducted by designated persons to determine whether they constitute trends or a repetition of earlier occurrences. They should be competent to evaluate the effects of the nonconformity and have the authority and resources to define appropriate action(s).

Concession

For accepting with or without correction by concession, consideration should be given to the nonconformities with the Rules or statutory requirements during:

- drawing approval;*
- survey of materials and equipment;*
- survey during construction and installation;*
- survey during service.*

With reference to ISO 9001:2015 standard, 8.7.1 d), statutory services nonconformities shall be reported for concession to the flag State.

9 Performance evaluation

9.1 Monitoring, measurement, analysis and evaluation

9.1.1 General

The CS/RO shall develop key performance indicators with respect to the performance of statutory certification and services.

Guidance for Application

Measurement, analysis and improvement should include issues such as the following:

- *monitoring, measurement, analysis and evaluation should be used to establish appropriate priorities for the CS/RO;*
- *the measurements employed by the CS/RO should be reviewed periodically, and data should be verified on a continual basis for accuracy and completeness;*
- *the benchmarking of selected processes as well as customer satisfaction should be employed as an improvement tool;*
- *the use of measurements and the generation of information are essential for good communication and they should be the basis for improvement and involvement of relevant interested parties; such information should be current, and be clear in its purpose;*
- *appropriate tools for the communication of information resulting from the analyses of the measurements should be implemented;*
- *self-assessment should be considered on a periodic basis to assess organizational performance and to define improvement opportunities.*

The implemented methods should consider:

- *accuracy;*
- *timeliness of product and service delivery;*
- *reliability;*
- *responsiveness;*
- *reaction time of staff to special requests and/or external requests;*
- *staff turnover, as it affects the delivery of products and services.*

9.1.2 Customer Satisfaction

The CS/RO shall have a documented process to receive, evaluate and make decisions on complaints and appeals.

Guidance for Application

a) The CS/RO should identify internal and external sources of customer and end – user information available and establish processes to gather, analyse and deploy this information.

Examples of customer - related information include:

- *feedback on all aspects of CS/RO's products and services;*
- *customer requirements and contract information;*
- *market needs; and*
- *product and service delivery data.*

b) The CS/RO's process for requesting, monitoring and measuring feedback of customer satisfaction and dissatisfaction should provide information, on a continual basis. It should address conformance to requirements, meeting needs and expectations of customers.

c) The CS/RO should establish and use sources of customer information and should cooperate with its customers in order to anticipate future needs. The CS/RO should plan and establish processes to listen effectively and efficiently to the "voice of the customer".

d) The CS/RO should specify the methodology and measures to be used and the frequency of gathering and analysing data for review.

e) The CS/RO should plan data collection methodologies.

f) Examples of sources of information on customer satisfaction include:

- *customer complaints;*

- *direct communications with customer;*
- *CS/RO's questionnaires for customer and own personnel;*
- *Public opinion poll;*
- *Results of service provision;*
- *Reports in various media;*
- *Studies and Publication on the Maritime and Technical Supervisory Sectors; and*
- *Different Awards for Quality.*

9.1.3 Analysis and evaluation

Guidance for Application

The implemented methods should consider appropriate data and information arising from:

- *Port State Control detentions;*
- *casualties;*
- *rework of plan approval letters and survey reports.*

9.2 Internal audit

A documented procedure shall be established to define the responsibilities and requirements for planning and conducting audits, establishing records and reporting results. Records of audits and their results shall be maintained. Audits may be conducted on site, in hybrid mode or remotely.

9.2.2.1 The audit scope shall:

- a) cover the fundamental processes for the classification and statutory services at various locations with a focus on verification of the efficient and effective implementation of the QMS and applicable work processes at the individual location. The audit periods, which may be established according to the findings, shall ensure that each location is audited at least once per three years; and
- b) cover audits at locations which also include visits to selected sites, which operate under the control of the location.

9.2.2.2 When planning the internal audits, consideration shall be given to the status and importance of the processes and areas to be audited, as well as the results of previous audits, flag State feedback, complaints (either related to the location or in general) and appeals including port State and flag State inspections, and to the operation of the locations.

9.2.2.3 The CS/RO shall evaluate and improve the effectiveness and efficiency of the internal audit process.

9.2.2.4 Internal auditors shall also look for and communicate improvement suggestions.

9.2.2.5 The CS/RO shall carry out, annually, Vertical Contract Audits for each of the following processes:

- a) plan approval;
- b) new building survey;
- c) in-service periodical survey;
- d) type approval (where applicable) or survey of other materials and equipment; and
- e) audits and MLC inspections.

Evidence of completion of VCAs and findings thereof, shall be retained.

Guidance for Application

When planning specific audits, the scope may need to have a different emphasis depending on the type of location.

9.3 Management review

9.3.1 General

The interval between the management reviews shall not be more than 13 months.

9.3.2 Management review inputs

Any output from local/regional management reviews containing information relevant to product and service provision, quality objectives, customer complaints, activity monitoring, etc., throughout the CS/RO, shall be used as input to the top management review.

9.3.3 Management review outputs

In connection with the requirements of 5.1.1, top management shall ensure that the results of the top management review of the quality management system, including the derived quality objectives, are documented and communicated throughout the organization, as appropriate.

Guidance for Application

9.3.3 covers improvement of services related to the requirements established in the authorization agreement between a flag State and the CS/RO.

10 Improvement

10.1 General

The CS/RO shall identify sources of information and establish processes for collection of information for planning continual improvement, corrective and preventive actions. The examples of such sources of information include:

- customer complaints;
- nonconformance reports;
- outputs from management reviews;
- internal audit reports;
- outputs from data analysis;
- relevant records;
- outputs from customer feedback and satisfaction measurements;
- process measurements;
- results of self-assessment; and
- in-service experience.

10.2. Nonconformity and corrective action

A documented procedure shall be established to define requirements for reviewing non-conformities, determining the cause of non-conformities, evaluating the need for action to ensure that non-conformities do not recur, determining and implementing action needed, records of the results of action taken and reviewing the effectiveness of the corrective action taken.

Guidance for Application

- a) A corrective action, being an action aimed at eliminating the causes of a nonconformity to prevent its recurrence, should apply to both the quality management system and the product or service.*
- b) When identifying the causes for nonconformities, consideration should be given to documented information, appropriate resources.*
- c) Corrective action planning should evaluate the significance of problems affecting quality in terms of their potential impact on such aspects as costs of nonconformity, performance, dependability, safety and customer satisfaction.*
- d) Appropriate CS/RO functions should be represented in the corrective action process.*
- e) Efficiency as well as effectiveness of processes should be emphasized when actions are taken and actions should be monitored to ensure that desired outputs are met.*
- f) Corrective actions should be considered for inclusion in the management review process, especially those that have a significant potential impact on customer satisfaction.*

10.3 Continual Improvement

A documented procedure shall be established to define requirements for determining potential non-conformities and their causes, evaluating the need for action to prevent occurrence of non-conformities, determining and implementing action needed, records of results of action taken and reviewing the effectiveness of the preventive action taken.

Guidance for Application

- a) The CS/RO should continually seek to improve its processes, rather than wait for a problem to reveal opportunities for improvement, through the use of the quality policy, quality objectives, audit results, analysis of data, corrective and preventive actions and management review. Actions to address the risks and opportunities should be integrated and implemented in the CS/RO's quality management system processes.*
- b) Potential improvements can range from continual activities to long-term improvement projects.*
- c) The CS/RO should have a process in place to identify and manage improvement projects.*
- d) The CS/RO may consider the analysis and trends emerging from benchmarking in its efforts towards continual improvements in its Quality Management System as relevant and as applicable.*

ANNEX 3: REQUIREMENTS FOR ACCREDITED CERTIFICATION BODIES FOR AUDITING CLASSIFICATION SOCIETIES IN ACCORDANCE WITH QUALITY SYSTEM CERTIFICATION SCHEME (ACB MINIMUM REQUIREMENTS)

1. INTRODUCTION

- 1.1 The objective of this Annex is to establish the procedure to be followed by a Classification Society (CS), whether an IACS Member or Applicant for membership of IACS (all of whom shall be referred to in this Requirement as "CSs") for selecting and contracting an independent Accredited Certification Body (ACB) with adequate capabilities for the auditing and certification of the CSs Quality Management System (QMS) in compliance with the IACS Procedures Volume 3: 'Quality System Certification Scheme (QSCS) requirements and IACS Membership Criteria.
- 1.2 The QSCS provides for audits and assessment of compliance with the QSCS to be carried out by independent external ACBs, and can be applied equally to IACS Members, Applicants and non-IACS CS.
- 1.3 The QSCS imposes no restrictions on the ability of non-IACS CSs to request ACBs to audit and assess their compliance with the QSCS or any of its individual elements, all of which are published on the IACS' website at www.iacs.org.uk and in the event of achieving certification by an ACB, to issue the QSCS Certificate (Statement of Compliance (SoC)) or such elements thereof as are satisfied.
- 1.4 IACS organises annually an End-User Workshop as a meeting platform with the ACBs with the following intent of continual improvement of QSCS by:
- Updating the ACBs regarding the forthcoming changes to the QSCS;
 - Providing feedback to the ACBs on common issues arising out of their audits;
 - Sharing experiences of ACBs in auditing as per the Scheme;
 - Soliciting feedback from the ACBs regarding QSCS.
- This EUW is normally open for participation by other stakeholders of QSCS such as the Quality Advisory Committee (AVC); the flag States; the non-IACS CSs and the ACBs; the QACE, the EMSA and the IMO.

2. DEFINITIONS

In the context of this procedure, the following definitions apply:

- 2.1 **Accredited Certification Body (ACB):** an organisation accredited to comply with ISO/IEC 17021-1:2015 standard by an accreditation body who is signatory to the International Accreditation Forum (IAF) Multilateral Recognition Arrangement (MLA).
- 2.2 **Applicant:** an organisation that has submitted, and IACS has received, its formal application to IACS for membership.
- 2.3 **IACS Common Structural Rules (CSR):** a comprehensive set of minimum requirements for the classification of the hull structures of double-hull oil tankers and bulk carriers, in relation to which the contract for construction was signed on or after 1 April 2006.
- 2.4 **IACS Ltd:** a company limited by guarantees provided by IACS Members, the sole purpose of which is to provide permanent secretariat services to IACS.

- 2.5 **IACS Member:** a member of IACS, having the rights and obligations laid down in the current IACS' Charter.
- 2.6 **IACS Resolutions:** IACS' URs, (including CSR), UIs and PRs.
- 2.7 **International Maritime Organisation (IMO):** the United Nations' organisation dealing with aspects related to safety of life at sea, security and protection of the marine environment (see www.imo.org).
- 2.8 **International Organization for Standardization (ISO):** the international organisation dealing with the development of quality and industry standards (see www.iso.org).
- 2.9 **Non-IACS Classification Society:** a CS which is not an IACS Member.
- 2.10 **IACS Procedural Requirements (PRs):** IACS Resolutions on technical matters of procedure.
- 2.11 **Quality Advisory Committee (AVC):** an external committee composed of representatives of organisations concerned with the quality of services provided by IACS Members, including the IMO Observer to QSCS (as observer), flag and Port States, international industry associations, insurers and underwriters, and which provides advice on matters related to the contents and application of QSCS.
- 2.12 **Quality Committee (QC):** a committee composed of representatives of IACS Members, responsible for QSCS development, maintenance and continual improvement.
- 2.13 **Quality Management System Requirements (QMSR):** a set of IACS requirements based on internationally recognised quality standards (i.e. ISO 9001:2015 and ISO IEC 17020:2012) and IMO Resolution MSC.349(92), as far as applicable to CSs.
- 2.14 **Quality Secretary (QS):** an officer of the Permanent Secretariat. The main purpose of this function is to promote the effective operation of the QSCS, ensuring the continued robustness, consistency and integrity of the scheme, with a uniformly high quality standard within IACS.
- 2.15 **Quality System Certification Scheme (QSCS):** the audit and certification scheme adopted by IACS and which comprises (i) the QMSR and (ii) the IACS Resolutions.
- 2.16 **IACS QSCS Operations Centre (OC):** comprises the QS and Audit Managers, supported administratively by the Office Secretary. They observe selected ACB audits of IACS Members and Applicant.
- 2.17 **IACS Unified Requirements (URs):** minimum technical requirements adopted by IACS which, subject to ratification by the governing body of each IACS Member, are to be incorporated in its Rules and practices. UR's set forth minimum requirements; each CS remains free to set more stringent requirements; each IACS Member remains free to set more stringent requirements.
- 2.18 **IACS Unified Interpretations (UIs):** IACS Resolutions on matters arising from implementing the requirements of IMO instruments. They provide uniform interpretations of Convention Regulations or IMO Resolutions on those matters

which in the Convention are left to the satisfaction of the Administration or where more precise wording is found to be necessary.

- 2.19 **Vertical Contract Audit (VCA):** A contract/order specific audit of production processes, including witnessing work during attendance at survey, audit or plan approval in progress and as applicable, including relevant sub-processes. VCAs are carried out at locations and/or sites to verify the correct application of relevant requirements in service realization for the specific work in that contract/order, and their interactions.
- 2.20 **Remote Audit:** The facilitation of audit from a location other than that being physically present.
- 2.21 **Hybrid Audit:** an audit, or a partial audit (session), where some auditees participate from a location other than that being physically present.
- 2.22 **Virtual Office:** an online environment allowing persons irrespective of physical locations to execute processes.

3. REFERENCES

- 3.1 ISO 9001:2015 Quality Management System Requirements.
- 3.2 ISO 19011:2018 Guidelines for auditing management systems.
- 3.3 ISO/IEC 17020:2012 Requirements for the operation of various types of bodies performing inspection.
- 3.4 ISO/IEC 17021-1:2015 Conformity assessment -- Requirements for bodies providing audit and certification of management systems -- Part 1: Requirements.
- 3.5 IMO Resolutions MSC.349(92) and MEPC.237(65), as amended: the International Maritime Organization's Code for Recognized Organizations (IMO RO Code).

4. ACB MINIMUM REQUIREMENTS

- 4.1 In order to audit and certify a CS's QMS against the QSCS requirements, the ACB is to meet the following minimum requirements (ACB Minimum Requirements).
- 4.2 The ACB shall be accredited to comply with ISO/IEC 17021-1:2015 standard by an accreditation body which is a signatory to the International Accreditation Forum (IAF) Multilateral Recognition Arrangement (MLA).
- 4.3 The ACB shall have worldwide recognised accreditation from among the International Accreditation Forum (IAF) QMS Accreditation Scopes No:
 - 17 - Basic metals and fabricated metal products;
 - 18 - Machinery and Equipment;
 - 19 - Electrical and optical equipment;
 - 20 - Shipbuilding;
 - 34 - Engineering services.
- 4.4 The ACB shall have access to adequate resources to carry out the QSCS audits, covering the survey network of the CS, as necessary.

4.5 The ACB shall neither be owned by, be a subsidiary body of, or affiliated, in anyway, to any CS whether an IACS Member, an Applicant or any other non-IACS CS.

4.6 The ACB shall assign to the QSCS audits teams that have:

(a) General auditing competence qualifications based on the guidance provided in ISO 19011:2018 and ISO/IEC 17021-1:2015 standards and based on the processes carried out at the location being audited;

(b) The knowledge and experience relating to the relevant International Accreditation Forum (IAF) QMS Accreditation Scopes referenced in 4.3 above;

(c) Specific QSCS knowledge and experience relevant theoretical knowledge and practical experience in applying QSCS, IACS Resolutions and the Rules and Regulations for classification and statutory service activities of not less than 2 years within the preceding 5 year period immediately prior to the auditor's recognition under this scheme. Knowledge and experience will be accepted if gained through:

(i) working for an IACS Member in a position of responsibility dealing with;

- technical matters, or
- quality management, or
- office/plan approvals, or
- internal quality auditing, or
- marine surveying, or
- marine management systems auditing, or

(ii) working for the OC as an IACS QSCS Audit Manager, auditor or sub-contract auditor, or

(iii) working for a flag Administration, as a port State or flag State inspector, or

(iv) auditors that joined the Scheme prior to January 2012¹ and have maintained their eligibility to carry out QSCS audits including completing the ACB Auditors Seminar at least once a calendar year, will continue to be accepted.

(d) QSCS courses and seminars

(i) all audit team members must have attended and satisfactorily completed the –QSCS Familiarization Course. Auditors with previous QSCS experience, recognized in accordance with 4.6 (c) (ii), may however be exempted from the familiarization course by QC,

(ii) all audit team members must have attended and satisfactorily completed the ACB Auditors Seminar at least once a calendar year. The QC will give consideration to justified deviation(s) on a case by case basis.

¹ Condition will be removed when the auditor pool no longer meets the condition.

(e) English language

Fluency in oral and written English: when necessary (e.g. in case of audits observed by OC) a provision should be made by the CS for translation into English, in accordance with IAF guidelines and ISO/IEC 17021-1:2015 standard requirements.

4.7 Clarifications

In the context of these requirements, the following clarifications apply:

(a) An audit team comprises one or more member(s)/auditor(s) who conduct a QSCS audit of any part of a CS, irrespective of its geographical/physical location or organizational nomenclature (head office /controlling office/plan approval office/survey location/station etc.);

(b) Composition of audit teams shall be in accordance with the following table:

Audit type / requirement	Office audit	VCA
4.6 (a) and (b) General auditing competence	Formal qualification required for all team members	General knowledge required, Ref. ISO 19011:2018
4.6 (c) QSCS knowledge and experience	at least one team member	at least one team member
4.6 (d) QSCS courses and seminars	all team members	all team members
4.6 (e) English language	at least one team member	at least one team member

(c) To maintain their eligibility to carry out QSCS audits, all QSCS auditors shall:

(i) complete as a minimum 7 audits or 20 audit days per calendar year (VCAs will be counted). The QC will give special consideration to instances where, in any given calendar year, this has not been achieved, and

(ii) be subject to observation by the OC.

(d) ACBs should plan the rotation of audit team leaders and auditors as appropriate for a given CS, audit location, department, etc., recognizing the value of, and need to develop, knowledge of applicable CS's processes and procedures but also the need for fresh perspective.

(e) ACBs and audit team members shall identify and declare to the applicable CS and the QS any real or potential conflict of interest and have in place procedures to prevent and remove any such conflict of interest.

(f) Where a National Accreditation Body, e.g. China Certification and Accreditation Association (CCAA), requires that auditors of ISO 9001 audit teams that provide audit services in the areas under its jurisdiction shall be registered with the authority subject to its relevant requirements, such additional auditors may be exempted from the QSCS qualification requirements only if their audit time is not considered in computing the audit time and or team composition requirements

prescribed in the QSCS.

(g) New auditors that have satisfactorily passed the QSCS Familiarisation Course assessment will accompany a more experienced auditor, as a trainee to gain experience in the conduct, execution and reporting of QSCS audits. When the ACB considers the new auditor is capable of working independently, arrangements will be made for the OC to observe the new auditor on his / her first independent QSCS audit, which he/she shall lead, after satisfactorily completing the QSCS Familiarisation Course.

- 4.8 Subsequent to satisfactorily agreeing and establishing contractual arrangements with their chosen ACB, the CS shall send to the QS all the information necessary to enable the QS to verify that the documentation provided by the ACB in question satisfies the ACB Minimum Requirements. In submitting information to the QS, the CS shall identify any information which it regards as confidential.
- 4.9 The QS shall respect the confidentiality of any information provided pursuant to 4.8 above.
- 4.10 Where the QS is satisfied that the ACB satisfies the ACB Minimum Requirements, the QS shall include the ACB in question on the List of Recognised ACBs² as compliant with the ACB Minimum Requirements in 4.1 above.
- 4.11 Any ACB that appears on the List of Recognised ACBs that have been verified as compliant with the ACB Minimum Requirements shall be permitted to refer to this fact publicly.
- 4.12 Any CS that possesses a valid SoC issued by an ACB that appears on the List of Recognised ACBs that have been verified as compliant with the ACB Minimum Requirements shall be permitted to refer to this fact publicly.
- 4.13 During the periodical verification of membership (every three years) or when deemed necessary, IACS may request any Member to provide any information to verify that its ACB continues to satisfy the ACB Minimum Requirements.
- 4.14 The CS responsibility
- (a) The CS has primary responsibility to ensure the individual auditors and the audit teams comply with the above requirements. Towards this, each CS shall, inter alia:
 - (b) satisfy itself that the requirements specified above are met by each individual auditor and each audit team, as a whole, appointed to carry out a specific audit of the CS;
 - (c) verify that each auditor has not been employed or contracted, for whatever purpose, by the CS during the three years immediately prior to the audit;
 - (d) transmit, in a timely manner, details of the audit team, agreed audit schedule and each individual audit plan and for every audit i.e. not just those being observed by OC, to the QS or the appointed Audit Manager.

² List of recognised ACBs is available on the IACS web site – www.iacs.org.uk

4.15 The QS responsibility

(a) The QS has the responsibility, shared with QC, to monitor and verify compliance by each IACS Member with these requirements in order to ensure uniformity and consistency of implementation across the IACS membership. Consequently, the QS shall, inter alia:

(b) submit, along with the recommendation of OC, in an anonymous format, the nominated auditors' qualification and experience data to QC for review, immediately on request and receipt of such nominations from each IACS Member;

(c) formally advise the CSs and its ACB of the outcome of that review, as soon as QC has concluded the review;

(d) maintain a List Recognised Auditors eligible to be used for auditing QSCS, including their qualification, experience and QSCS auditing data;

(e) post on the ACB dedicated web-site the List of Recognised Auditors.

4.16 The QC responsibility

(a) The QC shall monitor the above mentioned compliance verification on the basis of information provided by the QS. Reference is also made to C1.3.1) d) and h) of the QSCS.

(b) The QC can recommend, when found necessary, changes to any requirement laid down in this Annex.

5. THE CONTRACTED SERVICES

5.1 The CS shall enter into a contract with its chosen ACB which includes provisions which are the same as or equivalent to those set out in this Annex.

5.2 The QS shall be permitted to request the CS to provide him with a copy of the contract except for those provisions relevant to audit fees and expenses. The QS shall respect the confidentiality of the contract and shall not communicate it to any third party.

6. NON-IACS CLASSIFICATION SOCIETIES

6.1 Any non-IACS Classification Society may:

- i. request the QS to verify that the necessary information attesting that an ACB selected by it satisfies the ACB Minimum Requirements, unless the ACB already appears on the List of Recognised ACBs as compliant with the ACB Minimum Requirements;
- ii. if in possession of a SoC issued by an ACB which appears on the List of Recognised ACBs that have been verified as compliant with the ACB Minimum Requirements, publicly refer to this fact;
- iii. include in its contract with its chosen ACB provisions which are the same as or equivalent to those set out in the Annex A hereto.

7. FEES

- 7.1 Requests for the QS to verify an ACB satisfies the ACB Minimum Requirements, made by any CS, whether an IACS Member, an Applicant or Non-IACS CS, will be subject to reasonable charges levied at an hourly rate and will include associated travel and subsistence costs.
- 7.2 ACB auditors' attendance of the QSCS Familiarisation Course and ACB Auditors Seminar (see 4.6 (d) above) will be subject to a reasonable and proportionate fee.

ANNEX A: THE CONTRACTED SERVICES

1. Audit Process

- 1.1 The Accredited Certification Body (ACB) shall conduct the audits in accordance with ISO 19011:2018 standard to verify compliance with the ISO 9001:2015 standard and the IACS Procedures Volume 3: 'Quality System Certification Scheme (QSCS)' requirements and in accordance with 'Guidance for conduct of QSCS audits' the Annex 8 to the QSCS.
- 1.2 The ACB shall issue/reconfirm validity of the Certificate of Conformity to ISO 9001:2015, as well as the QSCS Certificate (Statement of Compliance (SoC)), which shall be submitted to Quality Secretary by 31st January each year, upon positive outcome of its audit process.
- 1.3 The audit by the ACB shall cover, as a minimum, the scope of certification in accordance with 1.1 of the 'Quality Management System Requirements' (QMSR), the Annex 2 to the QSCS.
Note: For the purpose of the periodical verification of IACS Members' compliance with the membership criteria, the ACB audits are used to confirm a number of the evaluation criteria which are specified in Triennial Periodic Membership Review Guidelines (Annex 3 to Volume 2 of the IACS Procedures).
- 1.4 Audits shall include audits at Head Office, Controlling Offices (if any), Plan Approval Centres (if any) and Survey Locations of the CS's network selected by the ACB, as well as VCAs, noting that;
 - (a) The Head Office and at least one Controlling Office (if any) shall be audited annually;
 - (b) One (1) Plan Approval Centre (if any) shall be audited annually, ensuring coverage of Plan Approval Centres in Europe, Asia and Americas over a three year period. If the CS does not have Plan Approval Centres in each of Europe, Asia and Americas, the full extent of its plan approval activities should be covered in any three year period;
 - (c) The sampling number of additional locations shall be determined by ACB according to their accredited sampling requirements.
 - (d) The minimum number of VCAs which IACS Members and Applicants are to undergo per year will be determined by the requirements laid down in 2) of K2.2 'External VCAs' of the QSCS. The scope of VCAs shall cover new building, ships in service, ISM/ISPS/MLC certification and material and equipment inspection (see K.1.5) of the QSCS).
- 1.5 IAF MD5:2019, as may be amended from time to time, (used to determine the number of audit days for purely ISO 9001 audits) will be used to calculate the number of audit days with additional time added for sampling in order to accommodate the QMSR and IACS Resolutions. This is expected to be in the order of an increase of 20%.
- 1.6 In any given audit cycle, whether a surveillance year or a recertification year, no more than 30% of the total annual office locations required by IAF MD5:2019 and IAF MD 1:2018 in the overall office audit program may make use of remote audits, rounded up to the next whole number.

1.7 Eligibility for remote audits are as follows:

- (a) Head Office: not eligible.
- (b) Controlling Office (if any): eligible.
- (c) Plan Approval Centre (if any): eligible.
- (d) Survey location: eligible.
- (e) VCA, ISM DOC or Equipment Material: eligible (not counted in the office remote audit percentage ref. to 1.6 above).
- (f) VCA, other than ISM DOC or Equipment Material: not eligible.

Audit sessions may be carried out in a hybrid mode to expand participation due to the geographic spread of the organization, such sessions will not be counted as a remote audit.

- 1.8 Where possible and cognisant of the required number of VCAs declared (see 1.4_(d) above) as part of the audits at survey locations the ACB shall perform VCAs relating to selected processes where work is being carried out by an employee (surveyor or auditor or inspector) of the CS in the field (e.g. on board ships or at the manufacturers works, shipyards, workshops, etc.) under a contract between the CS and its customer.
- 1.9 The ACB must have provisions in its contract with the CS to cover the cases of contract discontinuation. In the case of contract discontinuation between an ACB and a CS, the QS may have to ensure the continuity of the certification of the concerned CS for a period of time until a new ACB is contracted by the said CS.

2. Reporting and Filing

- 2.1 The ACB shall contribute to the development of QSCS by directly providing the QS with any feedback on matters of interpretation or ambiguous system requirements.
- 2.2 The ACB shall not reveal in the audit reports any information that is sensitive, such as financial information, data containing specific prices or rates, supply or name CS personnel or performance related information. Ships and companies may be identified by IMO or company number.
- 2.3 The ACB shall notify the CS which it audits without delay of any matter which adversely affects the certification.
- 2.4 Audit reports shall be in the English language.
- 2.5 The ACB shall report to the QS audit findings in accordance with the QSCS.

3. Participation of external observers in ACB audits

- 3.1 The ACB shall allow the participation of external observers during the conduct of audits, e.g. by national Administrations, EU/EMSA, the IMO Observer to QSCS and/or QS and/or IACS Observer(s).
- 3.2 The CS shall provide assistance and facilitate any planned external observers participation pursuant to 3.1 above.

ANNEX 4: IACS PROCEDURE FOR HANDLING A COMPLAINT

1. INTRODUCTION

This procedure for handling a Complaint is without prejudice to any right that any party may have pursuant to the International Association of Classification Societies Charter (IACS Charter) and its Annexes to submit an appeal to the Independent Appeal Board (IAB).

- 1.1 IACS takes complaints seriously and shall ensure that admissible complaints are handled according to the procedures established by the Council. IACS endeavours to give to the complainant and the defending party, if any, a comprehensive and reasoned answer, in a timely manner.
- 1.2 IACS shall uphold the principles of fairness and objectivity in the handling of complaints and shall respect the right of appeal.
- 1.3 All complaints should be addressed to the Secretary General (SG) in writing, clearly, explaining the nature of the complaint in detail and attaching any supporting evidence.
- 1.4 The English language is to be used for all documents and communication. Electronic transmission of documents is recommended.
- 1.5 The SG will conduct an initial review of the complaint and refer it according to the following guidelines.

2. ADMISSIBILITY GUIDELINES

- 2.1 A complaint, defined as an allegation made in writing concerning IACS Resolutions or services provided by IACS or by IACS Member will be considered by IACS pursuant to this procedure subject to the complainant having fulfilled all the following provisions:
 - (i) the complaint having been fully pursued with the Member(s), at all appropriate levels, as per the Members' complaint handling procedures;
 - (ii) the complaint is not the subject of existing legal or arbitration proceedings neither are there threats to commence such legal or arbitration proceedings;
 - (iii) there being prima facie evidence of direct involvement of the activities of IACS or its Members;
 - (iv) the complaint concerning the application of contracts between parties, of which at least one must be an IACS Member;
 - (v) the complaint being against an IACS Member(s) in its activities as covered by the scope of the IACS Procedures Volume 3: 'Quality System Certification Scheme (QSCS)';
 - (vi) the complaint being received by IACS not more than three years after the occurrence of the events to which they refer.

3. RESPONSIBILITY FOR COMPLAINT REVIEW

- 3.1 Complaints relating to the obligations of IACS and its Members under the QSCS and its related requirements (PRs, URs, CSRs and UIs) will be reviewed by the SG and subsequently referred to either the Quality Secretary (QS), Quality Committee (QC) or General Policy Group (GPG), as appropriate.
- 3.2 Complaints relating to the performance and behaviour of the Quality Committee (QC) and the Quality Advisory Committee (AVC) will be referred to the QC and AVC respectively and subsequently, to the Council.
- 3.3 Complaints relating to the performance and behaviour of the GPG will be referred to the GPG and subsequently, to the Council.
- 3.4 Complaints relating to the performance and behaviour of the Council will be referred to the Council.
- 3.5 Complaints relating to the performance and behaviour of the IACS QSCS Operations Centre (OC) staff, in relation to the QSCS, will be referred to the QS and subsequently, to the QC.
- 3.6 Complaints relating to the performance and behaviour of the QS will be reviewed by the QC, in relation to the QSCS, and by the SG, for any other matter.
- 3.7 Complaints relating to the performance and behaviour of the SG will be reviewed by the Council.
- 3.8 Complaints relating to membership of IACS will be reviewed by the Council. This is without prejudice to any rights or obligations regarding membership which are included in the IACS Charter and in the Volume 2 of the IACS Procedures.

4. PROCEDURE FOR HANDLING A COMPLAINT

- 4.1 The SG will, on receipt of the complaint, refer to the above and consider whether the complaint is admissible pursuant to the guidelines. If the complaint is admissible the complainant and any other party against which the complaint is made will be advised of the person/body that will consider the complaint.
- 4.2 If the complaint is not admissible, the SG will respond to the complainant stating the reasons why the complaint is not admissible. The non-admissible complaint will be kept in the IACS files in case of an appeal.
- 4.3 The person/body responsible for considering the complaint will be entitled to have access to all relevant evidence, as determined by such person/body and will prescribe the procedure for such determination, e.g. by correspondence or personal attendance.
- 4.4 The person/body responsible for the handling of the complaint shall consider the complaint fairly, objectively and as expeditiously as possible. No directly interested party shall be entitled to be a member of the body, neither be the person, considering the complaint. Directly interested party means being an employee or former employee (by less than 5 years) of one of the IACS Members against which the complaint is made.

- 4.5 The person/body responsible for the handling of the complaint shall, prior to issuing its decision, inform in writing the complainant and any other party against which the complaint is made about the conclusions reached so that final observations can be made by the complainant and defending parties (the latter being entitled to the last answer) within a time frame set by the person/body responsible for the consideration of the complaint.
- 4.6 The decision of the person/body handling the complaint will be issued in writing and reported directly to the SG who will then inform all interested parties.
- 4.7 The QS will report complaints according to IACS Procedures to the Council, the QC and the AVC.
- 4.8 The direct costs and expenses associated to the handling of the complaint if incurred will be borne initially by the SG who will subsequently apportion it at his / her discretion.

5. APPEALS

- 5.1 Complaints handled according to this procedure and communicated through the SG may be appealed. Such appeals shall be dealt with as per guidance in section 3 above.

6. CONFIDENTIALITY

- 6.1 All involved parties are bound to respect the confidentiality of any information they may receive in the execution of the requirements of this procedure.

ANNEX 5: PROCEDURE FOR THE QUALITY ADVISORY COMMITTEE (AVC) OBSERVATION OF ACB AUDITS OF IACS MEMBERS

1. Purpose of AVC observation ACB audits

1.1 To enable AVC Members to observe at first hand the conduct of audits of Classification Societies (CS)¹, in order to assist the AVC in fulfilling its responsibilities in advising the Quality Committee (QC) in enhancing the effectiveness of the IACS Procedures Volume 3: 'Quality System Certification Scheme (QSCS)'.

1.2 Promote transparency and continual improvement of QSCS.

2. Co-ordination of AVC observations

2.1 AVC Members requests to observe an audit (excluding shipboard VCA for reasons of safety) should be made through the AVC Chair to Quality Secretary (QS). The QS will then liaise with the QC to ensure a rational and cost effective approach to observations and thus avoid an excessive number of observers attending any one audit noting that other parties also have obligations to observe the Accredited Certification Body (ACB) audits.

2.2 All parties will endeavour to keep associated costs to an absolute minimum and it is anticipated that no more than two observations will be conducted per year.

2.3 Associated costs will be for IACS QSCS Operations Centre (OC) account (budget agreed annually by the Council at its winter meeting).

2.4 When a suitable audit has been identified and agreed between the ACB, AVC Member and the CS it will be for the AVC Member to agree practical arrangements in direct liaison with the CS.

3. Reporting

3.1 On completion of the observation the AVC Member will provide verbal feedback to the CS at the conclusion of their observation and before departing the audit. In principle the observation will not impose or require any direct action or follow up to be taken by either the ACB or CS.

3.2 The AVC Member will provide a short and timely written report to the next scheduled meeting of the AVC, QC and/or joint AVC/QC meeting (copied to IACS QS) regarding their observation. The AVC and QC will take whatever action, if any, they consider appropriate.

3.3 The AVC observers are bound by confidentiality as an AVC Member (see Functions of AVC).

¹ Classification Society means IACS Member and Applicant

ANNEX 6: WORK INSTRUCTION FOR THE OBSERVATION OF ACCREDITED CERTIFICATION BODY AUDITS OF IACS MEMBERS AND APPLICANT BY THE IACS QSCS OPERATIONS CENTRE (OC)

1. Purpose

1.1 To supplement with required and detailed instructions for the IACS Observers, the procedure "QUALITY SECRETARY' OBSERVATION OF ACB AUDITS OF IACS MEMBERS AND APPLICANTS" as was agreed at the 2010 ACB End-User Workshop.

1.2 To attain as great a degree of objectivity and consistency in the observation process as possible, in order to;

- a) Contribute to the IACS philosophy of continual improvement of the IACS Procedures Volume 3: 'Quality System Certification Scheme (QSCS)' with a view to maintain the robustness, integrity and consistency of the Scheme;
- b) Provide meaningful feedback to the Accredited Certification Bodies (ACB), individual ACB auditors and Classification Societies (CS)¹ in the context of the audits;
- c) Provide constructive input to End-User Workshops and QSCS courses and seminars.

2. Methodology

2.1 Audits to be observed will be selected by the Quality Secretary (QS) together with the Audit Manager(s) on the basis of type, date and location of planned audits submitted by ACB/CS to the OC.

2.2 Each ACB shall submit to the OC their Annual Audit Plan, by 31 December each year for the following year. The Annual Audit Plan shall include the planned dates and locations of all Head Office, Controlling Offices (if any), Plan Approval Centres (if any), Survey Locations, new building and ship in service VCAs.

2.3 OC shall be notified promptly, i.e. within 1 week, of all subsequent updates to the Annual Audit Plans. ACB and CS are to inform the OC and the appointed Audit Manager immediately when the Annual Audit Plans are changed, along with details of which audits are changed and reasons for the change. This will allow the OC to ensure its observations are planned efficiently and the changes do not impact the IACS Observation Plan.

2.4 Individual audit plans shall be forwarded to OC for all audits at the same time they are issued to the CS:

- a) Head Office, Controlling Offices (if any), Plan Approval Centres (if any), Survey Locations – at least two (2) weeks prior to the scheduled date of the audit;
- b) New building and DOC ISM VCAs - at least two (2) weeks prior to the scheduled date of the audit;
- c) Ship in service and ISM Code (except DOC), or ISPS Code, or MLC Convention and equipment and/or material certification VCAs – as soon as possible.

OC shall be notified immediately on all subsequent updates to the individual audit plans.

¹ Classification Society means IACS Member and Applicant

2.5 The OC will maintain a calendar detailing all known audit details in order to plan observations as economically as possible.

2.6 The QS and the Audit Managers will be allocated lead responsibility for certain CSs but will observe audits of other CSs also to promote consistency and homogeneity in approach and implementation.

2.7 The QS will arrange an annual meeting of Audit Managers at the end of the year which will include a review of observation related matters.

2.8 The number of IACS Observers at all audits will be in principle limited to one unless there are special reasons which will be discussed and agreed with the concerned CS.

2.9 IACS Observers shall declare any conflict of interest and ensure that all audit related information is kept confidential between the OC, CS and ACB.

3. Reporting

3.1 The IACS Observer will make no comment during the closing meeting. IACS Observer(s) will refrain from intervening, offering advice or expressing an opinion during the audit unless specifically invited to do so by the ACB or CS, or that in the professional judgement of the IACS Observer, it would be appropriate to do so.

3.2 If in the course of his / her observation, the IACS Observer identifies a critical situation, as defined in section 11 of the Annex 8 to the QSCS, which in his / her opinion is not dealt with appropriately, the IACS Observer will draw privately, as soon as possible the attention of the ACB auditor and suggest clearly an appropriate course of action. Later on the IACS Observer will document this fully in his / her debriefing and in his / her observation report.

3.3 If in the course of his / her observation, the IACS Observer identifies a concern (OC Concerns), he / she shall communicate the OC Concerns immediately during and/or after the audit to the concerned ACB and/or the ACB auditor and/or the CS and request appropriate course of action. Later on the IACS Observer will document this fully in his / her debriefing and in his / her observation report.

3.4 The ACB Team Leader will provide details to the IACS Observer about what nonconformities and other findings (e.g. observations, Areas of Concerns, etc.) are to be issued by the audit team, latest at the time of the closing meeting.

3.5 The IACS Observers debrief each ACB auditor during a meeting which will take place after the closing meeting of the concerned audit with adequate time being allotted for each observed auditor.

3.6 To improve this feedback process and reinforce its objectivity the IACS Observer will provide any comments on the audit planning, preparation and execution of the audit, areas observed, findings raised, conclusions of the audit and any improvement opportunities identified.

3.7 The formal written observation report, in the format specified in Q2 from the QSCS shall be submitted by the IACS Observer to the QS not later than 15 days after the closing meeting of the observed audit.

3.8 The final written observation report will be forwarded by the QS to the ACB and CS's representative not later than 30 working days after the closing meeting of the observed audit.

4. Costs associated with IACS QSCS Operations Centre (OC) observation

4.1 Travel, subsistence expenses at cost, accommodation and other sundry expenses necessarily and reasonably incurred by OC personnel in fulfilling their responsibility of observing ACB audits of CSs will be borne by the CS under audit.

4.2 Travel by air will be business class (under 4 hours flight to be economy); ferry and rail first class. Hotel accommodation will be business class standard.

4.3 Wherever practicable the CS under audit will arrange and pay directly for hotel accommodation. Alternatively, where subsistence expenses at cost, accommodation and other sundry expenses are paid by the OC staff directly, the expense will be reimbursed in accordance with IACS accounting procedures. Wherever possible receipts will be provided but if not available the QS endorsement of the costs will be accepted.

ANNEX 7: PROCEDURE FOR THE COMPILATION, MAINTENANCE AND AVAILABILITY OF THE LIST OF RECOGNISED AUDITORS

1. Purpose:

1.1 To describe the processes by which the Quality Secretary (QS) compiles, maintains and makes available the *List of Recognised Auditors* to each Classification Society (CS)¹ and its chosen Accredited Certification Bodies (ACB).

2. Responsibilities:

2.1 Primary responsibility to ensure only suitably qualified auditors are used for the audit of CS under the IACS Procedures Volume 3: 'Quality System Certification Scheme (QSCS)' lies with the ACB.

2.2 The CS contracting with its chosen ACB for the conduct of audits under QSCS is responsible to ensure the ACB satisfies the ACB Minimum Requirements as described in Annex 3 to the QSCS.

2.3 The QS is responsible for verifying that the requirements have been fulfilled to ensure consistent application of the requirements amongst the CS.

3. Compilation of the list:

3.1 The CV of potential auditors shall be submitted by the ACB to its CS. The CS will then send the CV in both full and anonymous format to the QS.

3.2 The QS will then circulate the anonymous CV, with his / her recommendation, to the Quality Committee (QC) for its consideration and decision.

3.3 Auditors recognised by the QC as meeting the criteria described in H1. of the QSCS and 4.6(d)(i) and/or (ii) of Annex 3 to the QSCS, shall be included on the List of Recognised Auditors.

3.4 The QS will maintain the List of Recognised Auditors, referred to in 3.3 above, on the ACB dedicated web-site, and so advise both the CS and its ACB.

4. Maintenance of the list:

4.1 The *List of Recognised Auditors* consists of audit details, QSCS courses and seminars and compliance status.

4.2. The ACB auditors are responsible to provide details of all their audits (with data such as audit type, days, hours and others as relevant) to QS.

4.3 The QS will update and maintain the *List of Recognised Auditors*, in all aspects.

4.4 This list is subject to periodic review by QC.

4.5 CSs and their chosen ACB are required to regularly review the *List of Recognised Auditors* (in accordance with Annex 3 to the QSCS) and advise the QS accordingly of any required changes together with supporting documentation as may be required.

¹ Classification Society means IACS Member and Applicant

5. Availability of Consolidated List of Recognised Auditors:

5.1 On request and on a confidential basis, and under advice to the concerned CS the *List of Recognised Auditors* for any given CS will be made available to:

- a) flag Administrations,
- b) QACE,
- c) EMSA,
- d) IMO Observer to QSCS, and
- e) Quality Advisory Committee Members

ANNEX 8: GUIDANCE FOR CONDUCT OF QSCS AUDITS

1. Definition

1.1 The audit days are audit man days; they are considered as being the time required to perform audits according to the IACS Procedures Volume 3: 'Quality System Certification Scheme (QSCS)' requirements. Travel time is not included in these figures.

2. Initial QSCS certification

2.1 Initial QSCS certification shall be conducted in two stages in accordance with applicable ISO_17021-1:2015 standard requirements.

2.2 Review of the documented information of the applicant shall be conducted in accordance with the applicable ISO 19011:2018 standard requirements.

3. Preparation time for audits

3.1 Indeterminate as it depends on the knowledge and how familiar the Accredited Certification Body (ACB) auditor is with the systems and practices of the Classification Society (CS)¹ and whether she/he has a sound understanding and knowledge of the work of CS. However, half a day should be allowed to prepare for audits. In the case of head office audits, the lead auditor should allow 2 days to prepare and team members between 0.5 – 1.0 day.

3.2 For any audit where the audit is either conducted in a language other than English or the audit documents and/or records are not in English the audit time will necessarily increase at the auditors discretion.

4. General remarks on VCAs

4.1 In addition to K2.2.2) and K2.2.3) of the QSCS, defining the number of VCAs to be carried out yearly (including the number of VCAs on new building) the following should be considered when establishing the planning and selection of VCAs.

4.2 The VCAs should preferably be spread out over the network of the CS, with an adequate balance, taking into account the locations to be subjected to office audits.

4.3 The number and selection of activities prone to VCAs shall take into account:

- The number of VCAs indicated in 4.1;
- The activity predominant in selected locations/sites;
- The focus on ship in service VCAs versus the other activities.

4.4 The project selected for the VCA should, as far as possible:

(a) for a ship in service, be representative of type of surveys being carried out in the selected location. When practicable (depending on availability of such projects at the planned location and planned period) surveys should be on: ships 10 years of age and over, for a flag where the CS has delegation to perform most types of Convention surveys, and being within scope of annual, intermediate or class renewal surveys, and corresponding statutory surveys. It should preferably be done at an advanced stage of the survey when adequate assessment of the parts of the ship to be inspected including hull thickness measurements, and definition of repairs has started, as applicable.

¹ Classification Society means IACS Member and Applicant

Note: Where annual surveys are selected, first annual survey after class renewal or the last annual survey before class renewal would be a good manner to assess condition of ship resulting from the last class renewal survey or its condition immediately after the 4th annual survey for the year leading up to its upcoming class renewal survey.

(b) for ISM, or ISPS, or MLC VCA's to cover one or a combination of the following jobs:

- ISM Initial, Intermediate, or Renewal audit on board of ship (SMC);
- ISM Initial, Annual, or Renewal audit of a Company (DOC);
- ISPS Initial, Intermediate, or Renewal verification on board of ship;
- MLC Initial, Intermediate, Renewal inspection on board of ship (full scope).

(c) for new building, the VCA should be performed on ships for which the CS has preferably authorization from the intended flag to perform most types of Convention surveys, not at the earliest stage of new building (i.e. before keel laying) or at the later stage (i.e. after sea trial).

(d) for certification of material and equipment, selection should be on significant jobs including some drawing review to check interface with this process.

4.5 There should be a clear distinction between a survey location/office audit and a VCA, especially in instances where a VCA is done immediately before or after an office audit.

4.6 As general practice a VCA should not be performed at the earliest stage of new building (i.e. before keel laying), or ship in service survey (i.e. before adequate assessment of the parts of the ship to be inspected including TM and definition of repairs).

4.7 New building VCA's will encompass the drawing review process with possible link to the performance of a plan approval office which may be subject to a different specific audit.

4.8. Selection of new building VCA project(s) shall be done as far as practicable at early stage of yearly audit plan schedule. Then, sampling of drawing review file done at time of Head Office audit or in plan approval center (if the selected Plan approval center is in charge of one of the project selected for new building VCA), should include one of the selected VCA new building project.

5. Auditor Guidance on VCAs

5.1 In respect of all VCAs the ACB auditor shall not question the customer's representative (i.e. shipyard or ship owner/manager/superintendent), or hold discussions with customers on the technicalities of the work or make comments on the surveyor's work in presence of persons other than the CS's representatives. The customer must not be left with the opinion that two surveys have been carried out.

5.2 It is important that the surveyor adopts a flexible approach to attend surveys when they are conducted and does not cancel or postpone planned surveys because of the audit, the surveys are what the auditor should witness.

5.3 The CS's representatives shall not give any indication to the customer that any subsequent actions, findings or recommendations are a consequence of the IACS audits.

5.4 Relevant generic aspects such as checking surveyor training and monitoring/supervision, etc. is equally applicable to all VCA's.

5.5 There should be a clear distinction between a survey location/office audit and a VCA, especially in instances where a VCA is done immediately before or after an office audit.

6. VCA New building

Total days: 1.5 to 2.0 days

Sufficient time at Site Office at shipyard to review files relevant to key processes and sub-processes, stage of the survey progress, check welders, surveyor training and monitoring, drawings, etc. Not necessarily split evenly in office and at yard, it depends on circumstances found at audit how the time is actually allocated. However adequate time on the building site should be spent observing practice. New building VCAs may also encompass the drawing review process with possible link to the performance of a plan approval office which may be subject to a different specific audit.

7. VCA Ship in service

Total days: 1.5 – 2.0 days

Good practice is to spend some time with the surveyor who is actually doing the survey, discussing the program, what the stage of the survey progress is and what is planned for the day. Significant time should be spent on the ship, observing the surveyor going about his / her work.

8. VCA Equipment and/or materials

Total days: 1.0 day

Good practice is to spend some time with the surveyor who is actually doing the survey, discussing the program, what the stage of the survey progress is and what is planned for the day. Significant time should be spent on site, observing the surveyor going about his / her work.

9. VCA ISM/ISPS or MLC

Total days: 1.0 day

Sufficient time for preparation and discussion of the program with the auditor/inspector and check relevant documentation.

For VCAs on ISM audits the ACB auditor should accompany the CS's auditor, being cognisant of IACS Recommendation 41 Annex 1 regarding ISM audit duration.

10. Audits of Head Office Functions

10.1 General

10.1.1 Head Office Functions of the CS, by definition, are common to all. These are independent of the size of the CS. The impact of size is only in terms of the number of people / locations involved in discharging these functions. Smaller CSs will probably discharge all the functions from one central location with fewer personnel, whereas, larger CSs are likely to have many personnel discharging these functions from more than one location.

10.1.2 Auditing one case or example of any one of the function, say *Rule development* or *Approval of Service Supplier* or *Type Approval*, will, presumably, take the same time whether it is in a large CS or a smaller CS, since the process steps are the same for both the CSs. The only difference arising from the 'size' of a CS is in the 'population' size of such cases.

10.1.3 Significant differences in the audit times is not expected between the CSs of different sizes, since ACBs do not audit these processes on any 'sample' size dependent on 'population' size. Therefore, the ACB practice of allocating audit time strictly on the basis of number of people working in the Head Office (or Controlling Office, as applicable) tends to be insufficient.

10.1.4 Admittedly, it is difficult to specify the minimum time required to audit any one sample in any one process. This is dependant to a great extent on the complexities of the process itself, the ability of the CS to present documents/records in English, preparation by the auditor and his / her foreknowledge of the processes. In this respect, following the 'audit trail' is very important and doing so can often increase the audit time for any process.

10.2 Auditable Processes

Apart from the general ISO 9001:2015 standard topics (addressed in sections 4, 5, 6, 7,8,9 & 10 of the Standard) the following "processes" (10.2.1 through 10.2.8 inclusive) and "subprocesses" (bullet points to the eight processes) are common to all CSs irrespective of their size.

10.2.1 Rule development:

- Management of external inputs – IACS, IMO, flag States, other stakeholders;
- Management of internal inputs – own experience data;
- Drafting, review (internal & external), verification and validation;
- Publication & maintenance.

10.2.2 Development, publication and maintenance of instructions, guidelines and circulars for its survey and plan approval staff for ships in service and new building activities (including implementation of flag instructions and important processes such as follow up of comments resulting from plan approval process).

10.2.3 Plan / design approval:

- Classification: hull; machinery; electrical;
- Statutory: Structural fire protection; Fire fighting systems and appliances; lifesaving systems; stability assessment.

10.2.4 Evaluation of survey and supporting documentation and final decision for:

- Approval of service suppliers;
- Type approval of products;
- Process for certification of Material & equipment surveys.

10.2.5 Evaluation of survey and supporting documentation and final certification decisions for Fleet Management:

- Transfers of Class inc. from non IACS Members;
- Transfers of ISM/ISPS/MLC certifications;
- Periodical and occasional surveys;
- Periodical and occasional audits/inspections – ISM / ISPS / MLC etc.;
- Major conversions;
- New building;
- Material & equipment surveys.

10.2.6 Fleet Monitoring

- Port State Control and detention management;
- Fleet monitoring and resulting actions;
- Class suspension and class withdrawal procedures;
- Reporting of possible Safety Management System Failures.

10.2.7 Data management – register books, internal & external databases.

10.2.8 Resource management:

- Service network;

- Safety of personnel;
- Competency management – qualification, training and monitoring of technical staff;
- Software and production tool management;
- Lessons learned from previous experience; e.g. from examination of survey reports, casualty investigations or external sources.

10.3 Audit Planning

10.3.1 It is important for ACBs to plan the audits of HO functions of CSs to:

- In the initial audit of all new applicants to IACS membership to cover all the above processes and sub-processes, 10.2.1 through 10.2.8 inclusive, at the Head Office and all Controlling Offices, if any;
- For existing IACS Members, cover all the processes and sub-processes listed in 10.2.1 through 10.2.8 inclusive above (except those sub-processes listed in 10.2.3 and 10.2.4), at the Head Office and at, at least, one Controlling Office, if any, every year. In any three-year period, the sampling of “sub- processes” listed in 10.2.3 and 10.2.4 should cover a broad range of activities/subjects, the aim being to cover all these sub-processes over a period of 3 years, across the CS;
- Cover all Controlling Offices, if any, over a period of 3 years;
- Allocate sufficient time for auditing sufficient samples (typically 3 to 4) in each of the processes selected for the audit; the basis for time allocation being this guideline supplemented by the auditor experience with the CSs. Consideration of 4.8 (new building VCA projects) shall be taken into account in the selection of drawing review sampling;
- Address the IACS Annual Focus Areas as identified by the Quality Secretary (QS) for the current year.

10.3.2 Considering all the aforesaid, the audit time only for the above specific topics (not including preparation time) is expected to be in the range of 8-12 man-days per CS per year.

10.3.3 Additional time will have to be considered for the other general topics.

10.3.4 In all cases, time allotted to ISO 9001:2015+QSCS audits should not be less than that indicated in 1.5 of Annex A to Annex 3 to QSCS.

11. Critical Situations

11.1 Critical situations are those where, in the judgment of the ACB auditor(s), the robustness of the QSCS might be compromised.

11.2 Examples of such situations and the recommended responses are as follows:

- a. Evidence of gross non-conformity with class/statutory requirements which may lead to potential threat of danger for the safety of life at sea or of damage to the environment (typically such cases might be encountered during VCAs particularly for ships in service inc. ISM VCAs).
- b. Evidence of significant failings on the part of the surveyor/auditor/ Plan approval engineers and/or inadequate scope of survey /plan review or audit (typically such cases might also been encountered during VCAs particularly for ships in service inc. ISM VCAs).
- c. Repetitive cases of inadequate processes of the concerned CS either locally or globally.
- d. Substantial lack of commitment to quality either at local or HO level particularly at the management level of the concerned CS.

11.3 In all cases the ACB auditor shall:

- a. escalate the problem to the local manager of the CS, and,
- b. inform the IACS Observer, in the situation the audit is observed, and,
- c. if adequate and timely action is not taken by the local manager, formally notify the HO Quality representative of the concerned CS complete with detailed information, and,
- d. inform, in accordance with their internal communication procedures, the QS for the purposes of his / her monitoring and appropriate follow up with QC, as necessary.

ANNEX 9: COST SHARING OF ACCREDITED CERTIFICATION BODY AUDITORS' COURSES AND SEMINARS, INCLUDING FAMILIARISATION RE-SITS

1. Purpose:

1.1 To describe the process by which the preparation and delivery, including assessment as applicable, of QSCS Familiarisation Courses and ACB Auditors Seminars are costed and subsequently accounted for.

2. Principles

2.1 IACS will bear the costs of the IACS QSCS Operations Centre for the travel and subsistence, the time involved in developing courses and seminars material, individual courses and seminars preparation time, delivering the courses and seminars and marking assessment papers, as applicable.

2.2 Where the course or seminar is hosted by an IACS Member, that Member will bear the venue costs, inclusive of lunch and tea/coffee breaks.

2.3 Where the course or seminars is not hosted by an IACS Member, cost of the venue, inclusive of lunch and tea/coffee breaks, will be included in total costs described in 2.5 and 2.6 below.

2.4 The total cost of any particular QSCS Familiarisation Course¹ will be shared equally between the candidates attending the course and charged to the Accredited Certification Bodies (ACBs) concerned.

2.5 The total cost of each ACB Auditors Seminar² will be shared equally between the Auditors attending the seminar and charged to the ACBs concerned.

3. Responsibilities

3.1. The Quality Secretary (QS) will estimate the cost of each course and seminar and notify the Quality Committee (QC), ACBs, candidates, prior to the course and seminar.

3.2. The QS will advise the Secretary General (SG) of the actual cost of each course and seminar, after the course and seminar, as well as any particular invoicing instructions as may be advised by the Classification Societies, ACB or individual candidate or auditor.

3.3. SG verifies costs and arranges for invoicing in accordance with IACS accounting procedures, noting any particular invoicing instructions.

¹ QSCS Familiarisation Courses are demand led and the total cost will consequently be based on the number of new ACB auditors nominated for course by the ACBs/CSs.

² ACB Auditors Seminars are scheduled at least annually and at the discretion of QC based on feedback received from QC Members, ACBs, audit results, QS, AVC, etc., in order to continually improve the QSCS and ensure the scheme's robustness, consistency and integrity.

Revision 1 January 2012

1. H.1 editorial amendments.
2. H.2 additional explanation regarding Refresher Training.
3. H.3 additional explanation regarding possible actions resulting from ACB audit Observations J. 4 and 5 added concerning Common Performance Indicators and Benchmarking
4. Q2 Format for QS to record 'gauging' of candidates performance during refresher training included.
5. Annex 1 Paragraph 3.4 aligned with paragraph 1.1 of Annex 2
6. Annex 3 Complete and significant revision of paragraph 4.1(v) regarding requirements of ACB auditors. Also new paragraphs 4.8, 4.9 and 4.10 added stating responsibilities of Classification Societies, Quality Secretary and Quality Committee, respectively.
7. Annex 6 editorial amendments/minor modifications
8. Annex 7 New annex describing the procedure for compilation, maintenance and availability of the list of recognized auditors.

Revision 2 March 2013

1. C2 paragraph 1(g) clarification that audit findings to be submitted to QS by the ACB.
2. H2.2 Clarification on information transmitted to CS and ACB about results of trainings
3. H2.3 Familiarisation and Refresher training will be chargeable from 1st February 2013 and cross references new Annex 9 concerning cost sharing.
4. H2.7 clarification of duration of Familiarisation assessment and that a maximum of two re-sits are possible after the initial assessment.
5. H3 new section explaining the management of the performance of ACBs, including ACBs used by IACS applicant classification societies.
6. K2.2 – review of text for clarification and editorial corrections concerning the VCA formula.
7. Q3 Spreadsheet on VCA Formula deleted (formula available in K2)
8. Q4 – QC action log format deleted as no longer used.
9. Q6(now renumbered Q4) format of Statement of Compliance revised to reflect current practice and explicitly harmonise scope with QSCS.
10. Annex 2 (table of content deleted for simplification purpose) paragraph 3.8 – definitions of Survey Location, Plan Approval Centre and Controlling Office revised.
11. Annex 3 paragraph 1.5 deleted to remove reference to the transition period.

12. Annex 3 paragraph 4.1 (v) 3 b) Precision on mandatory periodical attendance of refresher training course for recognized auditors
13. Annex 3 paragraph 4.1(vii) new sub-paragraph added to explain conditions of use of National auditors for ISO-9001 audits (e.g. China).
14. Annex 3 paragraph 4.9(v) Reference given to a consolidated list of all recognized auditors made available to ALL CS and ACBs.
15. Annex A of Annex 3, paragraph 1.1 cross reference to the new Annex 8 regarding guidance for preparation time and conduct of QSCS audits.
16. Annex A of Annex 3 paragraph 1.2 – Statement of Compliance to be submitted by 31st January each year.
17. Annex 4 – complaint handling procedure revised.
18. Annex 6 – requirements for OC observation reporting at individual audits revised to require scoring for the audit in accordance with the IACS agreed methodology.
19. Annex 6 paragraph 3.2 to 3.5. Revision/addition of these paragraphs to give precision to the process of debriefing the auditors by IACS Observers. Paragraph 11 is giving the possibility to the Observer to draw attention of the auditor privately and during the course of the audit in case of critical situation found during the audit.
20. Annex 8 – new annex setting out guidance for preparation time and conduct of QSCS audits.
21. Annex 9 – new annex setting out cost sharing of IACS training of ACB auditors.
22. Whole document: Numbering of paragraphs has been reviewed for consistency and easier reference.
23. Whole document: References to ISO Standard corrected to avoid referring to a specific revision (replaced by "as amended")

Revision 3 September 2013

1. C3 item b - possibility for AVC to raise technical/quality issues considered by them as common to Members of
2. C3.1. item j) - GPG Chair becomes an ex-officio member of AVC
3. Q4 – Annex to Statement of Compliance revised to include the review by IACS OC
4. Annex 1 - paragraphs 2.4 and 2.5 related to transition period deleted
5. Annex 1 paragraph 5 – text revised to take into account the new format of the Annex to Statement of Compliance in Q4
6. Annex 2 QMSR becomes 8th issue due to changes as indicated below to align it with IMO RO Code as adopted in 2013:
 - Paragraphs 4.3.2, 4.3.5 (Code of Ethics and Cooperation with Flags and other ROs)

- Paragraph 5.3 (Class Society policy)
 - Paragraph 6.2.2 (Competence of CS Surveyors and Auditors)
 - Paragraphs 7.3 and 7.5.1 (Inclusion of Flag State requirements in CS documents, specific requirements for issue of statutory certificates)
 - Paragraphs 8.2.3 and 8.3 (Monitoring of processes and Control of non-conforming products)
7. Annex 3 Paragraph 1 (requirements for ACBs) – modification and rewording for clarification and fitness for use
 8. Annex 3 whole text - deletion of the wording "as amended" when reference made to ISO documents
 9. Annex 7 Paragraph 4 – revision of the process for maintenance of the Consolidated list of recognised ACB auditors
 10. Annex 8 section 8 – new section for planning and scope of audit of CS Head Office functions
 11. Annex 8 section 9 – new section describing ACB Auditor possible action in case of critical situation found during audit
 12. Whole document - wording "continuous" replaced by "continual" more adapted to the intent
 13. Whole document – wording "Society" replaced by "CS" for consistency

Revision 4 April 2014

Subject no:13184_IGi

1. B. ORGANISATION - B10) "four Panels" became "five Panels" following splitting of Statutory Panel into Environmental and Safety Panels.

Revision 5 December 2014

Subject no:14021aIGc & 13170dICi

1. Reference in section H5.5 corrected to read 8th issue rather than 7th
2. Section Q3 - Revised OC observation reporting format inserted
3. Section K2.2, subparagraph 2.2.2 cross reference to Volume 2 included in respect of the observation of VCAs for applicant societies
4. Annex 2, Paragraph 3.12.1 inserted "inspection, or" to include MLC work
5. Annex 3, paragraph 4.1(v)(5)(c), the number of QSCS audits/audit days has been revised for auditors to maintain their place on the list of recognized auditors.
6. "Permanent Secretary" has been replaced by "Secretary General" throughout the document.

Revision 6 (December 2016)

1. Section C.3.1(b) clarified conditions of AVC members.
2. H4. Procedure to Observe ACB Audits Of Classification Societies- reorganized to improve readability, H4.1 & H4.17 clarified OC, H4.15 added, H4.16 clarified, renumbering as appropriate.
3. H5. AUDIT FINDINGS REPORTING PROCEDURE – ACB’s TO QS- H5.5 deleted cite of IQMSR version, H5.11 data fields within the *IACS Audit Manager* software updated, H12.2 items 4 & 5 added MLC inspection.
4. K. GUIDANCE FOR VERTICAL CONTRACT AUDITS (VCA)- renamed section, 3.g added inspector, K1 1.1 added inspector, K1 1.2 expanded on type of audit or inspection, K1.1.5 clarified activities within the scope of VCA programme, K2.2 2.2.2 added “total” and clarified the extent/distribution of VCAs, K2.2 2.2.4.
5. Q4 FORMAT OF STATEMENT OF COMPLIANCE & ANNEX TO BE ISSUED BY ACB’S TO CS- added and improved footnotes.
6. ANNEX 1: DESCRIPTION OF THE SCHEME – 11th EDITION- 4.2 changed reference to MSC.349(92).
7. ANNEX 2: Changes to clarify roles, ANNEX 2 renamed to ANNEX 2-A for retention during transition and ANNEX 2-B added for transition to ISO 9001:2015.
8. ANNEX 3: REQUIREMENTS FOR ACCREDITED CERTIFICATION BODIES FOR AUDITING CLASSIFICATION SOCIETIES IN ACCORDANCE WITH QSCS QUALITY MANAGEMENT SYSTEM CERTIFICATION- 2.13, 3.5, and 3.6 changed reference to MSC.349(92). Improved numbering scheme of section 4, added 4.7(f), former paragraph 4.1(v)(2)(d) (current 4.6(b)(iv)) deleted reference and set January 2012 for application of requirement.
9. ANNEX A: THE CONTRACTED SERVICES- 1.4 text improved for ease of maintenance and refers to the location of the requirement, associated footnote deleted. 1.6 added inspector.
10. ANNEX 6: WORK INSTRUCTION FOR THE OBSERVATION OF ACB AUDITS OF IACS MEMBERS AND APPLICANT SOCIETIES BY IACS OPERATIONS CENTRE- 3.6 updated format reference.
11. ANNEX 8: GUIDANCE FOR CONDUCT OF QSCS AUDITS- Section 3 added, subsequent sections renumber, section 4 renamed and kept old section 3 text partially, section renumbered as 8 updated to include MLC, split “Auditable Processes” into its own section, 10.3.1 provided drawing sampling note.
12. Editorial improvements throughout, including reformat of footer, updating of cites where section renumbering was implemented.

Revision 7 (December 2018)

1. Section B.7) and ANNEX 3: REQUIREMENTS FOR ACCREDITED CERTIFICATION BODIES FOR AUDITING CLASSIFICATION SOCIETIES IN ACCORDANCE WITH QSCS QUALITY MANAGEMENT SYSTEM CERTIFICATION- 2.16 new definition of

the QSCS Operations Centre (OC).

2. H3.2 – changed to align with IACS Procedure Vol. 2, G Annex 1 regarding the rule of Review Panel.
3. H5.2 – audit finding to be reported to OC by 31st December.
4. H6. – new section describing the process of sharing information between ACBs.
5. J2.1 – paragraph g) deleted as the “Operational Review” is no longer required.
6. K2.2.2 – cross reference to IACS Procedure Vol. 2, section C I-2, paragraph 1 updated accordingly.
7. Q4. – IMO NUMBER deleted from the ANNEX to the format of the Statement of Compliance.
8. ANNEX 2: QUALITY MANAGEMENT SYSTEM REQUIREMENTS- ANNEX 2-A deleted and ANNEX 2-B renamed to ANNEX 2.
9. ANNEX 6: WORK INSTRUCTION FOR THE OBSERVATION OF ACB AUDITS OF IACS MEMBERS AND APPLICANT SOCIETIES BY IACS OPERATIONS CENTRE- 3.2 cross reference to Annex 8, Chapter 10 regarding the definition of Critical Situations added.
10. ANNEX 8: GUIDANCE FOR CONDUCT OF QSCS AUDITS- Section 9.2 and 9.3 text revised with regard to processes and sub-processes, section 10.3 item b. added.
11. Throughout the document the word ‘technical’ has been deleted when used between ‘IACS’ and ‘Resolution’ for consistency.

Revision 8 (October 2019)

1. B10) – number of panels deleted.
2. J2.1) – paragraph d) amended as a consequence of deletion of the Q1.
3. J3. – new procedure for development of Focus Areas.
4. Q1. – deleted.
5. ANNEX 2: QUALITY MANAGEMENT SYSTEM REQUIREMENTS- ANNEX 2- improved numbering of section 7.5.3.
6. ANNEX 3: REQUIREMENTS FOR ACCREDITED CERTIFICATION BODIES FOR AUDITING CLASSIFICATION SOCIETIES IN ACCORDANCE WITH QSCS QUALITY MANAGEMENT SYSTEM CERTIFICATION- 4.3 and 4.6 (a) updated references to International Accreditation Forum (IAF) QMS Accreditation Scopes No, 4.6 (b) word ‘technical’ has been deleted when used between ‘IACS’ and ‘Resolution’ for consistency.
7. ANNEX A to ANNEX3: THE CONTRACTED SERVICES- 2.5 audit finding to be reported to OC by ACB.

8. ANNEX 8: GUIDANCE FOR CONDUCT OF QSCS AUDITS- Section 2. Initial QSCS certification added.
9. Harmonisation of the use of 'Secretary General' throughout the document.
- 10.Changed reference to ISO/IEC 17021-1 throughout the document.
- 11.Updating of cites where section renumbering was implemented.

Revision 9 (March 2021)

Subject no: 19170_, 19171_, 20113_, 20147_.

1. C1. – QC Vice Chair deleted.
2. H5. and J2. – references to Quality Management Review (QMR) deleted.
3. J3. – requirement for the Council approval of the IACS Annual Focus Areas deleted.
4. J6. – new procedure for development of QSCS Annual Review.
5. Q1. and Q2. – Formats updated.
6. ANNEX 2: QUALITY MANAGEMENT SYSTEM REQUIREMENTS – 11th Issue – updated based on the Gap analysis between the RO Code and QMSR (10th issue).
7. ANNEX 3: REQUIREMENTS FOR ACCREDITED CERTIFICATION BODIES FOR AUDITING CLASSIFICATION SOCIETIES IN ACCORDANCE WITH QUALITY SYSTEM CERTIFICATION SCHEME (ACB MINIMUM REQUIREMENTS) – title updated, 2. Definitions harmonised with IACS Charter.
8. ANNEX 5: PROCEDURE FOR THE QUALITY ADVISORY COMMITTEE (AVC) OBSERVATION OF ACB AUDITS OF IACS MEMBERS – title updated.
9. ANNEX 6: WORK INSTRUCTION FOR THE OBSERVATION OF ACCREDITED CERTIFICATION BODY AUDITS OF IACS MEMBERS AND APPLICANT BY THE IACS QSCS OPERATIONS CENTRE (OC) – title updated.
- 10.ANNEX 7: PROCEDURE FOR THE COMPILATION, MAINTENANCE AND AVAILABILITY OF THE LIST OF RECOGNISED AUDITORS-- title updated.
- 11.ANNEX 9: COST SHARING OF ACCREDITED CERTIFICATION BODY AUDITOR COURSES AND SEMINARS, INCLUDING FAMILIARISATION RE-SITS – title updated.
- 12.Updated references to the ISO Standards and IMO Resolutions through the document.
- 13.Harmonisation of the use of 'ACB Auditors Seminar', 'ACB Minimum Requirements', 'Charter', 'Classification Society', 'IACS Annual Focus Areas', 'IACS Member', 'IACS Observer', 'IMO Observer to QSCS', 'End-User Workshop', 'QSCS Annual Review', 'QSCS Familiarisation Course', 'Quality Advisory Committee (AVC)' and 'Quality Secretary' throughout the document.

- 14.Updating of cites where section renumbering was implemented.
- 15.Updating punctuation, grammar and section numbering where needed.

Revision 10 (July 2021)

Subject no: 19171_, 20223_.

1. Introduction – Paragraph five (A.5) was added.
2. Extraordinary Council Meeting – Nov 2020 - Council took the decision to change the word “Chairman” in the procedures to the gender-neutral word of “Chair”.
3. B.10 The position of GPG Vice Chair was discontinued and replaced by GPG Chair Team.
4. C1.2.1 VOTING – Voting rules were updated.
5. C1.4 a), C3.4 c), Annex 5 2.1 & Rev.3 item2 – The word “Chairman” was replaced by “Chair”.
6. C1.4 f) voting as in introduced C1.2.1 was included (replaced the words “two-thirds of the members”).

Revision 11 (December 2021)

Subject no: 18105a.

1. C2.1, 1.1, a) – references to Volume 2 of the IACS Procedures and Triennial Periodic Membership Review Guidelines (Annex 3 to Volume 2) were added.
2. ANNEX 3, 2.1 and 4.2 – the name of Multilateral Recognition Arrangement was updated.
3. ANNEX 3, 2.14 – the definition of Quality Secretary was amended to bring in line with the IACS Charter.
4. ANNEX A to ANNEX 3, 1.3 – a note referring to Triennial Periodic Membership Review Guidelines (Annex 3 to Volume 2) was added.

Revision 12 (January 2023)

Subject no: 22179_.

1. C2. Complete and significant revisions of the Quality Secretary Terms of References.
2. New C3. IACS QSCS OPERATIONS CENTRE (OC) Terms of References added.
3. H2. References to the ACB Auditors Seminar assessment and gauging deleted.
4. H4. Complete and significant revisions introducing the Operations Centre Concerns (OC Concerns), strengthening the QS and the OC power and responsibilities for the observation of the QSCS, clarifying the

responsibilities of ACBs, the ACB auditors and the CSs.

5. H5. Complete and significant revisions clarifying the responsibilities of the QS, the OC, the ACBs and CSs for the audit findings reporting. References in the Audit Reporting Software to particular clauses of the RO Code added.
6. J6. References to the OC Concerns added.
7. N.1) Improvements, OC Concerns and critical situations added to the records of the QSCS activities.
8. Q1. and Q2. – Formats updated.
9. Annex 3: REQUIREMENTS FOR ACCREDITED CERTIFICATION BODIES FOR AUDITING CLASSIFICATION SOCIETIES IN ACCORDANCE WITH QUALITY SYSTEM CERTIFICATION SCHEME (ACB MINIMUM REQUIREMENTS) – 4 ACB MINIMUM REQUIREMENTS: modified and reworded for clarity. The requirement for the ACBs to plan the rotation of the audit team leaders and auditors added.
10. ANNEX 6: WORK INSTRUCTION FOR THE OBSERVATION OF ACCREDITED CERTIFICATION BODY AUDITS OF IACS MEMBERS AND APPLICANT BY THE IACS QSCS OPERATIONS CENTRE (OC) – 2. Methodology: complete and significant revisions of the QSCS audit planning and observation procedure.
11. Updating citations where section renumbering was implemented.
12. Updating punctuation, grammar and section numbering where needed.

Revision 13 (January 2024)

Subject no: 24003_.

1. Alignment of the IACS Procedures Volume 3 with IACS Procedures Volume 1: Sub-Committee on Quality Policy (SC/QP).
2. H3. Extension of the deadline for the performance assessment of the ACB by QS.
3. ANNEX 1: DESCRIPTION OF THE SCHEME – 5. QUALITY MANAGEMENT SYSTEM CERTIFICATION: modified and reworded for clarity regarding the maintenance of the Statement of Compliance.
4. ANNEX 2: QUALITY MANAGEMENT SYSTEM REQUIREMENTS – 4.5.3 Impartiality and Integrity: the impartiality and integrity requirements improved.
5. ANNEX 2: QUALITY MANAGEMENT SYSTEM REQUIREMENTS – 9.2 Internal audit: on site, in hybrid mode or remote execution of internal audit introduced.
6. ANNEX 3: REQUIREMENTS FOR ACCREDITED CERTIFICATION BODIES FOR AUDITING CLASSIFICATION SOCIETIES IN ACCORDANCE WITH QUALITY SYSTEM CERTIFICATION SCHEME (ACB MINIMUM REQUIREMENTS) – 2. DEFINITIONS: Remote Audit, Hybrid Audit and Virtual Office definitions added.
7. ANNEX A: THE CONTRACTED SERVICES to the ANNEX 3: REQUIREMENTS FOR ACCREDITED CERTIFICATION BODIES FOR AUDITING CLASSIFICATION SOCIETIES IN ACCORDANCE WITH QUALITY SYSTEM CERTIFICATION SCHEME (ACB MINIMUM REQUIREMENTS): established the eligibility of audit types and the percentage of office locations that can be audited remotely.

8. ANNEX 8: GUIDANCE FOR CONDUCT OF QSCS AUDITS – 4. General remarks on VCAs: Note to item 4.4 (a) modified and reworded regarding the VCAs on the annual surveys.
9. Updating citations where section renumbering was implemented.
10. Updating punctuation, grammar and section numbering where needed.