



MARINE SAFETY

Marine Safety Policy Manual

Volume 2 Operations
Part 2 Ship Surveys and Inspections
Section 2.4 Delegated Statutory Inspection Programme

Responsible Authority	Approved by
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1 PARTICIPATION PROCEDURES AND CONDITIONS

1.1 Introduction

The *Delegated Statutory Inspection Programme* is a programme wherein the inspection and certification required by Statute, Regulation or Convention is performed by a delegated organization in place of *Marine Safety*.

Participation in the *Delegated Statutory Inspection Programme* is voluntary. Therefore, a vessel must be enrolled by its owner or authorized representative to become a participating vessel.

1.2 Definitions

Delegated organization means an organization that has been delegated authority by Transport Canada to perform inspections or issue certificates on behalf of Transport Canada.

Regional Director means a *Marine Safety* Director of a *Transport Canada* Region, or a person authorized to act on behalf of the Director.

Interpretation means an expression of policy by a competent authority that establishes acceptable methods of compliance with applicable Rules, regulations or standards for which there may be a variety of possible approaches to compliance. The delegated organization is the authority for interpretations pertaining to those classification Rules that are part of the *Delegated Statutory Inspection Programme* requirements. *Marine Safety* is the authority for interpretations of the Canada Shipping Act, regulations, standards, *Marine Safety* interpretations and international codes and conventions.

For *Marine Safety* an interpretation shall only be

1. issued by a *Marine Safety* Director, or
2. published on the *Marine Safety* web site and authorized by a *Marine Safety* Director.

1.3 How to apply

Owners, authorized representatives, or builders who wish to enrol a vessel in the *Delegated Statutory Inspection Programme* shall apply by submitting a duly completed *Application for Participation of a Ship in the Delegated Statutory Inspection Programme* form (Appendix B) to the *Regional Director* of the region in which the vessel will primarily be inspected. The form must indicate the owner's desire to have a vessel become a participating vessel and the name of the delegated organization that will verify compliance of the vessel with the *Delegated Statutory Inspection Programme* requirements. A vessel changing its name does not need to reapply. For a ship under construction, the keel of which is laid or that is at a similar stage of construction, or an existing ship, any part of the hull, equipment or machinery of which is being altered or renewed, on or after September 1, 2000, applications are required from both the builder and the owner or authorized representative.

1.4 When to apply

Make application for:

- a vessel under construction at the time the building contract is signed, or as soon thereafter as is practicable,
- an existing vessel at any time.

1.5 Obtaining information

Each delegated organization shall appoint a *Delegated Statutory Inspection Programme* co-ordinator who is responsible for overseeing and managing the *Delegated Statutory Inspection Programme* activities of the organization.

For additional application procedures or questions concerning *Delegated Statutory Inspection Programme* duties, responsibilities, practices and procedures in carrying out the program, contact the *Regional Director* or the delegated organization's *Delegated Statutory Inspection Programme* Co-ordinator.

1.6 Conditions of enrolment

Existing Canadian-registered vessels must:

- have, or had within the previous year, a valid inspection certificate, appropriate to vessel type and intended voyage, issued by Transport Canada, and
- be in class with a delegated organization.

New construction or for vessels being flagged Canadian must:

- be in the process of obtaining Class, or
- be in Class

Owners or authorized representatives of vessels participating in the *Delegated Statutory Inspection Programme* must accept the delegated organization as the sole issuing authority for vessels' certificates.

An existing Canadian ship that has not had an inspection certificate issued in the previous year will be specially considered in association with the delegated organization with which it is in class.

1.7 Authorizing Marine Safety

Applicants must authorize *Marine Safety* access to any and all:

- records
- files,
- reports,
- documents, and
- certificates, etc.;

held or issued by the delegated organization that *Marine Safety* deems necessary to monitor the condition of the vessel during its participation in the *Delegated Statutory*

Inspection Programme. This authorization will remain in effect as long as the vessel is enrolled in the *Delegated Statutory Inspection Programme.*

Applicants must abide by the appeal procedures established in this manual.

1.8 Reimbursing Marine Safety

Applicants shall reimburse *Marine Safety* for any overtime expenses incurred as a result of activities performed by *Marine Safety*, whether within Canada or at a foreign location. For activities performed by *Marine Safety* personnel at foreign locations, applicants must reimburse *Marine Safety* for expenses relating to:

- new construction inspections,
- inspections for certification,
- periodic re-examinations,
- dry dock examinations,
- damage surveys, and
- monitoring.

All fees are set in accordance with the *Board of Steamship Inspection Scale of Fees Regulations*

1.9 Period of enrolment

Vessels remain enrolled in the *Delegated Statutory Inspection Programme* unless:

- removal is requested by the vessel's owner or authorized representative, or
- the vessel is removed for cause by the Director, *Marine Safety*, Ships & Operations Standards.

Vessel owners or authorized representatives may voluntarily remove a vessel from this programme by making a written request to the *Regional Director*.

The Director, *Marine Safety*, Ships & Operations Standards shall consider a participating vessel for removal (for cause) after being notified of, or receiving one or more of, the following:

- Two or more detentions reported to the Director, *Marine Safety*, Ships & Operations Standards over the course of one year.
- A removal recommendation from *Marine Safety's* Quality Assurance or Inspection Staff after a monitoring visit, with supporting documentation.
- A removal recommendation from the *Regional Director* with supporting documentation.
- Notification of removal from Class.
- A recommendation from the delegated organization to remove the vessel.

The vessel owner or authorized representative may request removal from the *Delegated Statutory Inspection Programme* during the anniversary window date of the inspection certificate. The owner or authorized representative will submit an application for inspection by *Marine Safety* to the *Regional Director* that indicates the request to be removed from the *Delegated Statutory Inspection Programme.*

A vessel that is removed from the *Delegated Statutory Inspection Programme* at the owner's or authorized representative's request may not be requested to reenroll in the *Delegated*

Statutory Inspection Programme until the next anniversary date of the vessel's inspection certificate.

A vessel that is removed from the *Delegated Statutory Inspection Programme* by Marine Safety, and that has not changed ownership, may not be re-enrolled in the *Delegated Statutory Inspection Programme* for a period of three years or until after the next dry-docking, whichever is longer.

A vessel being removed from the *Delegated Statutory Inspection Programme* must receive an inspection for certification conducted by a Marine Safety Inspector with a class society surveyor attending.

1.10 Transfer of Class

At any time that a vessel is transferred from one of the delegated organizations to another delegated organization,

- Full particulars of the intended change must be provided to the *Regional Director*.
- Re-inspection of the vessel by the new organization is required.
- All statutory certificate issued shall run from the anniversary dates of the previous certificates issued.
- All transfers are to be in accordance with IACS standards.
- A transfer inspection shall be jointly conducted by the two classification societies involved, *Marine Safety* may monitor this transfer inspection.

1.11 Change of ownership or nationality

A vessel in the programme that changes ownership has to be enrolled in the programme by the new owner or authorized representative if continuation of the programme is required.

The owner or authorized representative of any vessel in the programme shall inform the *Director, Marine Safety, Ships and Operations Standards* in the event that the ship leaves Canadian registry or changes ownership.

2 PROCEDURES FOR PLAN SUBMITTAL AND APPROVAL

2.1 Scope

A delegated organization may be authorized to perform plan review on behalf of *Marine Safety* for all aspects of:

- design,
- construction,
- conversion (major and minor),
- flagging Canadian, and
- repairs

Plan review may be conducted at any office of the class society provided that the technical office maintains an ISO 9001 or other equivalent quality standard, and copies of approved plans are made available to the requesting Transport Canada Marine Safety Director within two clear business days of notification.

Marine Safety retains plan review authority for any area identified as being of particular concern.

2.2 Exceptions

When *Marine Safety* does not have regulations or policies developed for a particular application, such as for novel or especially complex vessel designs or operations, *Marine Safety* may choose to do preliminary concept review to determine the standards that will apply.

2.3 Plan submittal and review procedures

Only employees, who are exclusive surveyors to the organization and that it certifies as qualified to perform the specific plan review function, shall do plan review conducted by a delegated organization.

The delegated organization shall ensure that each of their surveyors who may examine or approve plans or other document under the delegation has knowledge of the Canadian requirements. These may be set out by Statute, in regulation or standard and any interpretation or other document that has been provided to the organization's *Delegated Statutory Inspection Programme* co-ordinator for the purpose of informing on these requirements or for uniform application of the requirements. They shall also ensure that each such surveyor has ready access to this information.

Step	Action
1	Vessel owner, authorized representative or builder: forward a list of plans intended to be submitted to the delegated organization. Note: Prepare and submit plans in accordance with the instructions in the appropriate delegated organization's Rules or guidelines.
2	Delegated organization: Review the plan list and identify to the submitter any additional plans that may be required
3	Delegated organization stamp the plans to indicate: <ul style="list-style-type: none"> • delegated organization action taken on behalf of Marine Safety (e.g., APPROVED, EXAMINED, or RESUBMISSION REQUIRED) • Plans have been reviewed to all of the standards that apply to the <i>DELEGATED STATUTORY INSPECTION PROGRAMME</i> (indicate by stamp OR correspondence). • <i>DELEGATED STATUTORY INSPECTION PROGRAMME</i> classification action (optional).
4	Delegated organization: When plan review is completed, note the results of the review in the letters or on the plans.
5	Delegated organization: Forward one copy of the review letters and plans to the delegated organization field office.
6	Delegated organization: Provide a listing of all plans reviewed (with results) on a monthly basis to the regional <i>Marine Safety</i> office for monitoring.
7	Delegated organization: Provide two copies of plans listed in Appendix A with relevant correspondence to the regional <i>Marine Safety</i> office for monitoring.

The Delegated Organizations must provide copies of any approved plans and all relevant correspondence, when requested by the Director, *Marine Safety*, Quality Assurance, or the Regional Director.

2.4 Reflagging

The owner or authorized representative of a vessel transferring to Canadian registry may use the plan submittal procedures outlined above if the vessel is being enrolled in the *Delegated Statutory Inspection Programme*. A former Canadian vessel being reflagged Canadian, does not require re-examination of plans except when changes to the vessel are made while outside Canadian Registry.

2.5 Monitoring

Marine Safety may carry out a monitoring review. Plan review monitoring will focus on plans detailing systems that are novel or incorporate special features.

Vessel systems requiring extensive equivalency determinations will also be subject to plan review monitoring by *Marine Safety*.

3 PROCEDURES FOR INSPECTIONS

3.1 *Duties and Responsibilities of Vessel Owners, Authorized Representatives and Builders*

3.1.1 *General*

Vessel owners, authorized representatives and builders may cite the successful completion of certain activities performed by classification societies as satisfactory evidence of compliance with *Delegated Statutory Inspection Programme* entry requirements. Vessel owners retain responsibility for ensuring their vessels comply with Canadian statutes, regulations, standards and applicable international codes and conventions.

3.1.2 *Scheduling hand-over inspections*

A vessel owner or authorized representative wishing to have an existing vessel inspected under the *Delegated Statutory Inspection Programme* shall apply by submitting an "Application for Entry of a Ship into the *Delegated Statutory Inspection Programme*" (*Appendix B*) to the *Regional Director*.

Transfer will only be through a "hand-over" inspection.

The hand-over inspection must be arranged between *Marine Safety* and the delegated organization, so that inspectors or surveyors from both entities attend at a mutually convenient time when the ship is ready in all respects for the inspection. The hand-over inspection will cover all elements of the inspections being delegated, irrespective of date of the last inspection of the vessel by Transport Canada Marine Safety.

Hand-over inspection shall not normally be conducted while the vessel is underway, or during cargo operations. The *Regional Director* shall make the decision if such inspection may proceed.

At least 4 weeks notice shall be provided of the intent to enrol in the programme to both *Marine Safety* and the delegated organization.

If the hand-over inspection is not completed within 4 weeks after the anticipated date, the vessel owner or authorized representative shall provide a new anticipated date with not less than 2 weeks notice.

3.1.3 *Scheduling inspections (after hand-over)*

The owner or authorized representative shall contact the delegated organization to schedule the following:

- inspections required as a condition of classification,
- inspections for the issuance or endorsement of *Marine Safety* certificates.

3.1.4 *Special inspection activities*

The vessel owner or authorized representative shall contact the local marine Transport Canada Centre for:

- all crew, and safety and health issues,
- underwater inspection interval extensions beyond 2 months,
- alternate underwater survey procedures in place of dry-docking,

-
- any crew exemption, and
 - changes of vessel trading limits.

3.1.5 Access to reports and records

During the vessel's participation in the *Delegated Statutory Inspection Programme*, a Director in *Marine Safety* must have unrestricted access to review any and all of the following items necessary to monitor the vessel's condition:

- records,
- files,
- reports,
- documents,
- certificates

3.1.6 Exemptions, Equivalencies and Extensions to Certificates

Application for exemptions, equivalencies and extensions of inspection certificates, other than those relating to crewing, shall be made to the delegated organization.

3.1.7 Notification to vessel's crew

The Owner or authorized representative should advise the vessel's crew members that the vessel is participating in the *Delegated Statutory Inspection Programme*.

3.2 *Duties and responsibilities of the delegated organization*

3.2.1 *General*

The delegated organization shall conduct surveys to assess a vessel's compliance with the appropriate Rules, Statutes, regulations, standards and Marine Safety interpretations.

3.2.2 *Programme administration*

The delegated organization shall follow the steps below, during and after enrolling vessels into the *Delegated Statutory Inspection Programme*.

- Participate in an initial "hand-over inspection" with the *Regional Director* upon approval for enrolment.
- Provide *Marine Safety* access to any and all of the following information which *Marine Safety* has deemed necessary to monitor the condition of vessels participating in this programme and to fulfil Canada's international convention reporting obligations:
 - records,
 - files,
 - reports,
 - documents,
 - certificates, and
 - similar material

3.2.3 *Delegated Statutory Inspection Programme surveys*

In accordance with the policies and procedures established to carry out the *Delegated Statutory Inspection Programme*, a delegated organization will perform surveys for:

- classification,
- compliance with the Statutes, regulations, standards and Marine Safety interpretations, and for
- issuance of certain safety and pollution prevention certificates.

Every effort shall be made to harmonize inspections so that the number of visits to a vessel is minimized.

3.2.4 *International Convention certificates*

Depending on the specific delegations, a delegated organization may be authorized to issue, endorse or extend, the following Safety Inspection Certificates (SIC), in accordance with the provisions of any applicable convention or regulation, to participating vessels:

International Load Line Certificate

International Tonnage Certificate - Form # 85-0391

SOLAS Cargo Ship Safety Construction Certificate – SIC 03

SOLAS Cargo Ship Safety Equipment Certificate - SIC 04

SOLAS Certificate of Fitness for the Carriage of Dangerous Chemicals in Bulk – SIC 47

SOLAS Certificate of Fitness for the Carriage of Liquefied Gases in Bulk

SOLAS Mobile Offshore Drilling Unit Safety Certificate

MARPOL 73/78 International Oil Pollution Prevention Certificates: - SIC40

ANNEX I: full authorization - FORM A

ANNEX II full authorization – FORM B

MARPOL 73/78 International Oil Pollution Prevention Certificate for the Carriage of Noxious Liquid Substances in Bulk – SIC 43

When authorized, the delegated organization may:

- issue short term or interim international certificates for participating vessels
- grant extensions (see above) to international convention certificates, and
- accept equivalencies to international codes and convention regulations based on interpretations published by *Marine Safety*.

3.2.5 Non-Convention certificates

A delegated organization may be authorized to issue the following certificates: -

Inspection Certificate SIC 17 – for a ship to which the Safety Convention does not apply plying as a non-passenger ship or carrying not more than 12 passengers

Inspection Certificate SIC 22 – for a ship not exceeding 150 tons gross tonnage plying as a non-passenger ship

Inspection Certificate SIC 24 – for a barge, scow or like vessel carrying passengers and ...

Inspection Certificate SIC 26 – for a barge, scow or like vessel carrying a crew but no passengers

Inspection Certificate SIC 27 – for a non-self propelled vessel carrying a crew but no passengers during operations

Inspection Certificate SIC 28 – for a non-self propelled vessel carrying a crew but no passengers and being towed or pushed in voyages

Inspection Certificate SIC 29 – for a commercial fishing vessel not exceeding 150 tons gross tonnage

Inspection Certificate SIC 30 – for a commercial fishing vessel fitted with a boiler having a working pressure in excess of 103 kPa and not exceeding 150 tons gross tonnage

Inspection Certificate SIC 31 – for a commercial fishing vessel exceeding 150 tons gross tonnage

3.2.6 Notification requirements¹

The delegated organization shall notify the *Regional Director* of any major deficiency, safety-related issue, major nonconformity, dangerous occurrences, accidents, or machinery or structural breakdowns or failures on any vessel enrolled in this programme, as per the reporting requirements specified in the formal delegation agreement. The delegated organization must notify and obtain the approval of the *Regional Director* whenever:

- extending a vessels underwater inspection interval two months beyond the due date of periodic inspection on non-passenger vessels, or any extension on a passenger vessel.
- extending a vessel's inspection certificate more than two months beyond the due date of inspection
- a certificate should be revoked or withdrawn as only the *Minister of Transport* may revoke a certificate.

3.2.7 Confidentiality

Except as otherwise required by law, delegated organization surveyors shall not divulge the identity of persons who report deficiencies on participating vessels without that person's express permission.

¹ See Hull Inspection Regulations section 22

3.3 Duties and Responsibilities of Marine Safety

3.3.1 General

Marine Safety maintains its authority and responsibility to verify that Canadian vessels are designed, built, equipped, maintained, and operated in accordance with all applicable international and domestic requirements. The *Delegated Statutory Inspection Programme* is one method by which *Marine Safety* satisfies this responsibility. *Marine Safety* will conduct administrative reviews and periodic examination of participating vessels as required to satisfy its statutory responsibilities.

3.3.2 Announced Verification Inspections

Marine Safety will conduct inspections of *Delegated Statutory Inspection Programme* participating vessels of a scope equivalent to a Port State Control inspection. *Marine Safety* will also carry out activities that the delegated organization is not authorized to perform under the terms and conditions of the *Delegated Statutory Inspection Programme*. A scheduled time for these inspections will be co-ordinated with the ship owner or operator. These may include drills to assess the crew's proficiency in handling likely shipboard emergencies

3.3.3 Unannounced Verification Inspections

An unannounced inspection is an inspection by *Marine Safety* to ensure that a vessel and its crew have remained in compliance with the applicable requirements of the *Delegated Statutory Inspection Programme* and the regulations. It shall normally consist of a verification of the vessel's certificates, licenses and documents, and a general examination conducted by walking through the vessel. An unannounced inspection may include operational testing and drills. It may be expanded as necessary if clear grounds exist to indicate that a vessel is not in compliance with applicable *Delegated Statutory Inspection Programme* requirements or Statutes, regulations or standards or *Marine Safety* policies and interpretations.

The *Regional Director* will determine when an unannounced inspection will be conducted based on available resources and risk factors.

Marine Safety inspectors should verify by visual observation of the vessel's equipment, components and systems that:

- the conditions documented in the various inspection certificates and delegated organization reports accurately reflect the actual condition of the vessel, and
- no unsafe conditions exist.

The *Regional Director* will notify the delegated organization if a *Delegated Statutory Inspection Programme* vessel is unsafe to proceed to sea, or if it presents a serious threat to life, property, or to the marine environment.

3.3.4 Dry dock examinations

Marine Safety may attend dry-dockings, internal structural examinations or underwater inspections conducted by a delegated organization under the terms and conditions of this program.

3.3.5 *Special inspection activities*

Any statutory function or inspection activity not explicitly transferred to a delegated organization in the formal delegation agreement signed with Transport Canada shall remain the responsibility of Marine Safety.

3.3.6 *Marine casualties and damage surveys*

The *Regional Director* maintains the authority to review and approve repair proposals in cases where:

- damage to a vessel involves a pollution incident, or is likely to result in a pollution incident; or
- poses a hazard to the safety of a Canadian navigable waterway.

The *Regional Director* maintains the authority to review and approve salvage and towing plans.

The *Regional Director* maintains the authority to:

- investigate reportable marine casualties in accordance with current policies and procedures,
- determine whether to accept the delegated organization's temporary and/or permanent repair recommendations.

3.3.7 *Liaison with the delegated organization*

Marine Safety will establish and maintain liaison with the delegated organization in accordance with the terms and conditions specified in the agreement. The *Regional Director* shall designate in their Region one or more *Delegated Statutory Inspection Programme* Liaison Officers.

4 PROCEDURES FOR ISSUING INSPECTION CERTIFICATES

4.1 *Duties and Responsibilities of the Regional Director*

The Regional Directors retain a crucial, active role under the *Delegated Statutory Inspection Programme*. They shall maintain overall regional shipboard programme monitoring. Various requirements expressed in these procedures as being the responsibility of the Regional Director may be delegated to properly trained and authorized subordinates.

4.1.1 *Certificates of Inspection and Annual Examination Verification*

Under the terms and conditions of the *Delegated Statutory Inspection Programme*, the delegated organization is responsible for issuing inspection certificates to participating vessels. The certification process involves inspecting and verifying that the participating vessel is in compliance with applicable design, construction, equipment, operational, and maintenance requirements.

Marine Safety inspectors may board any vessel at any time to review and verify the conditions on board to ensure that they are in accordance with the provisions of the *Canada Shipping Act*.

4.1.2 *Marine Safety Verification*

Marine Safety will make an administrative review of the delegated organization's reports, computer records and other evidence to determine if the vessel's equipment, components and systems have been examined in accordance with approved procedures at appropriate intervals. (Note: The *Regional Director* may request copies of any *Delegated Statutory Inspection Programme* delegated organization report if there are areas of particular concern.)

4.1.3 *Scope*

Vessel unannounced checks are to be conducted in a manner and scope comparable to foreign vessel examinations (port state control inspections) on a similar type of vessel. During an unannounced check visit, *Marine Safety* inspectors will observe the vessel's equipment, components, and systems in operation, and may also perform those functions that have not been delegated to the delegated organization such as *Marine Occupational Safety and Health* requirements.

Marine Safety will focus on "human factors," i.e., the proficiency of the vessel's crew to deal with likely shipboard emergencies and the ability of the vessel's owners and authorized representatives to maintain the vessel properly. A determination of the vessel's fitness for route and service should be based upon the overall impression of the vessel's condition.

The *Marine Safety* inspector may require that fire drill, boat drills or other checks or examinations be carried out.

Marine Safety inspectors shall inform the *Regional Director* if they identify any instances where they consider based on objective evidence that the *Delegated Statutory Inspection Programme* has been compromised by the action or inaction of the delegated organization.

4.1.4 Applications for Inspection

Under the terms of this program,

Step	Action
1	Application: Vessel owner or authorized representative or builder applies to the appropriate <i>Regional Director</i> to enrol a vessel in the programme by submitting a duly completed form <i>Application for participation of a ship in the Delegated Statutory Inspection Programme</i> . (Appendix B)
2	Eligibility & Data Transfer: The Regional Director determines that the vessel meets the criteria to participate in the programme, and forwards the completed application form to the Chairman of the Board, with a recommendation for enrolment. The Chairman approves or rejects the application, and returns it with a covering letter to the Regional Director, who will notify the owner accordingly. A copy of the application, signed by the Chairman, is sent to the Delegated Statutory Inspection Programme Liaison Officer.
3	Processing: The <i>Delegated Statutory Inspection Programme</i> Liaison Officer shall determine that the appropriate inspection details are entered into the vessel's computer record (especially taking notice of any reports of deficiencies issued and inspection notes) and prepare such other hand-over documentation as is required. When the details are correct, the delegated organization shall be contacted and arrangements made for a hand-over inspection and shall be provided with a copy of the current inspection record and a copy of the approved application.
4	Hand-over inspection: A hand-over inspection shall be conducted by personnel from <i>Marine Safety</i> , and attended by personnel from the delegated organization. It is expected that the owner or authorized representative will attempt to schedule the hand-over inspection to coincide with the vessel's periodic inspection. The inspection shall cover all elements required for the annual endorsement or issue of the required statutory certificates (this may require re-inspection of items recently inspected). <i>Marine Safety</i> will issue all the necessary certification, and provide copies of all necessary documentation for the delegated organisation to start recording the vessels status in their system, which shall include an updated SIRS record reflecting the final inspection status.
5	After the hand-over survey is successfully completed, and the delegated organization have entered all required information into their systems and <i>Marine Safety</i> has verified this to their satisfaction, the Marine Safety personnel shall notify the Regional Director in writing, and the Regional Director shall ensure that a record of the enrolment is entered in the SIRS record for the ship.
6	Notification of Enrolment: The <i>Regional Director</i> notifies the vessel's owner, authorized representative or builder by letter (with a copy to the <i>Delegated Statutory Inspection Programme</i> Liaison Officer and the Director, Ships & Operations Standards) and the delegated organization that the hand-over has been effected, and of the vessel's satisfactory enrolment into the <i>Delegated Statutory Inspection Programme</i> and that until further notice, all subsequent inspections will be carried out solely by the delegated organisation.

4.1.5 Administrative Review of Delegated Statutory Inspection Programme Surveys

The Regional Director shall perform administrative review as follows.

Computer and other records of the vessel's status and copies of certificates issued shall be verified at or prior to the hand-over inspection. The vessel's IMO number shall be confirmed.

Examples of accepted documentation are:

Vessel Computer (survey status) Reports from the delegated organization, and reports pertaining to conditions of class.

Vessel Computer (survey status) Reports issued by a organization are similar to a SIRS report. They provide:

- the vessel's particulars,
- identify outstanding requirements, statutory deficiencies or conditions of class, and
- indicate the survey due dates for the vessel's equipment, components, and systems.

Reports pertaining to conditions of class or statutory deficiencies are comparable to information that may be in the X, Y or Z SIRS records. They are narrative reports prepared by the attending surveyor that describe in detail the condition of the item surveyed and any corrective actions required.

4.1.6 Access to documentation

Under the *Delegated Statutory Inspection Programme*, the delegated organization is to provide a Director in *Marine Safety* with access to any and all documentation it has issued as a result of performing any *Delegated Statutory Inspection Programme* surveys. Vessel Computer (survey status) Reports may be obtained from the local delegated organization surveyor-in-charge, or where possible through the delegated organizations on-line computer recording system. The *Delegated Statutory Inspection Programme* liaison officer shall verify that adequate information is being entered into the delegated organizations computer system to meet obligations under the regulations for recording of inspection particulars.

4.1.7 Information needed during new construction

New construction involves many variables, which dictate the degree of information the *Regional Director* needs in order to verify that the vessel is being constructed in accordance with the terms and conditions of *Delegated Statutory Inspection Programme*. The amount of information required for review by the *Regional Director* should be based on several factors including the type of vessel under construction, prior experience with the builder, the vessel's owner or authorized representative, and the *Regional Director's* assessment of the various parties involved in the project. The *Regional Director* is expected to perform *Delegated Statutory Inspection Programme* monitoring on about 10% of the items surveyed by the delegated organization during new construction.

Regional Directors may focus on the following items:

- status of applicable plan review and equipment approval;

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- status of procedures that require qualification to an established standard (e.g. weld procedures and welder qualifications, NDT test procedures and technician qualifications.);
 - approval status of applicable material or equipment;
 - number and identities of the delegated organization's surveyors on the job site at any given time;
 - particular equipment, components or systems scheduled for survey, test, inspection or examination at any given time;
 - which equipment, components or systems have successfully passed final delegated organization inspection and test;
 - if the project is on schedule with regard to delivery date;
 - status of items under appeal by the vessel's owner or authorized representative; and
 - status of any items that may be left outstanding when the initial certificate is issued.

Regional Directors shall decide the most effective means of determining this information based upon their experience and judgement, and the particular circumstances of the project.

At the minimum, the *Regional Director* should include review of the delegated organization's acceptance of critical vessel systems.

4.1.8 Record Keeping

Marine Safety inspectors shall document all their *Delegated Statutory Inspection Programme* inspections, examinations and other verifications that are relevant to the delegation; this also includes delegated organisation training. Information recorded shall:

- identify the documentation that has been reviewed;
- indicate the date the documentation was received and the date it was reviewed;
- identify the individual(s) who conducted the review;
- indicate the results of the review;
- describe any drills that were conducted and comment on the crew's performance;
- describe the condition of the equipment, components and systems that were observed in operation during the drills;
- record the status of any conditions of class;
- cite any other factors relevant to supporting the finding that the vessel is in compliance with the *Delegated Statutory Inspection Programme* and is fit for its intended route and service; and
- verify, and if necessary update, SIRS data.

4.2 Duties and Responsibilities of the Delegated Organization

4.2.1 General

The delegated organization shall maintain records, perform inspections and issue certificates in accordance with written instructions or procedures that have been issued by *Marine Safety*.

The delegated organization shall afford *Marine Safety* free and ready access to all their records, instructions, procedures and other information that is relevant to the delegation activities.

The delegated organization shall provide to *Marine Safety* as soon as possible after issue or endorsement of a certificate, a copy of that certificate or endorsement. Particulars of any certificate or endorsement issued shall be entered into *Marine Safety's* electronic database by the delegated organization within two clear business days of issue of the certificate.

The delegated organization shall maintain a computer based reporting system that contains particulars of all delegated inspections and the items inspected, deficiencies found and the means by which deficiencies were corrected.

The delegated organization, following enrolment, shall provide the vessel master with a copy of the survey checklist and a list of any deficiencies as established by the *Marine Safety* inspection, for retention on board the vessel.

4.2.2 Delegated Statutory Inspection Programme Co-ordinator

The delegated organization shall appoint a *Delegated Statutory Inspection Programme* co-ordinator responsible for overall co-ordination of the delegation in their organization and to act as a point of contact with *Marine Safety*.

4.2.3 Provision of Canadian Statutes, regulations, standards & interpretations

The delegated organization shall ensure that each of their surveyors, who may inspect or issue any certificate or other document under the delegation, has knowledge of the Canadian requirements. These requirements may be set out by Statute, in regulation or standard and any interpretation or other document that has been provided to the organizations co-ordinator for the purpose of informing on these requirements or for uniform application of the requirements. They shall also ensure that each surveyor has ready access to this information.

4.2.4 Issuing the inspection certificate²

An inspection certificate may be issued by the delegated organization only after:

- completing crew proficiency drills, in the execution of fire drills, boat drills, and any other drills that may be set out in any statutorily required safety management system or similar that the vessel has;
- completing personnel competency and document checks;

² Only the Chairman of the Board of Steamship Inspection, as defined in the Canada Shipping Act, is authorized to issue Safety Convention certificates on passenger vessels.

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- completing other document or certification checks;
 - completing the inspection, the requirements of which are set out in the *Canada Shipping Act*, the *Hull Inspection Regulations*, the *Marine Machinery Regulations*, the applicable load line regulations, and any other regulation or standard that sets out inspection requirements;
 - verifying all applicable delegated organization documentation; and
 - confirming the status of any conditions of class.

Certificates shall be issued on the *Marine Safety* approved form, and shall be issued in the language of choice (English or French) of the owner or authorized representative.

All certificates shall have a unique serial number to identify them, taken from the series issued to the delegated organization by *Marine Safety*.

4.2.5 Inspections or issue of certificates outside of Canada

Any inspection made or certificate issued outside of Canada by a delegated organization shall be made under the same terms and conditions as if it were done in Canada.

4.2.6 Exemptions and exceptions

Although exemption requests (except for crewing issues) are made by the owner to the delegated organisation the following applies:

- Exemption certificates may only be issued by *Marine Safety*.
- No certificate may be issued before any required exemption certificate is issued.
- No certificate may be issued that has a period of validity greater than the validity of any associated exemption certificate.

Where an exemption certificate is required, the owner, authorized representative or builder should be encouraged to request the presence of a *Marine Safety* inspector well in advance so that any inspection required may be carried out during the presence of the delegated organization surveyor.

4.3 Administrative Actions Affecting Certification

4.3.1 Materiel condition deficiencies

Deficiencies detected by *Marine Safety* inspectors shall be reported to the delegated organization as outlined below. They may be detected during:

- casualty investigations,
- monitoring activities, or
- any other *Marine Safety* activity involving a participating vessel.

Step	Action
1	The <i>Marine Safety</i> Inspector may issue deficiencies to the Master, which are recorded on a deficiency form (Form SI 7).
2	The <i>Marine Safety</i> Transport Canada Centre office manager shall be notified prior to any action against the vessel's inspection certificate or any action against the vessel's owners or authorized representatives, based on the vessel's physical condition.
3	Copies of the deficiency forms shall be provided to the delegated organization's local office. The delegated organization's local office shall forward the deficiency form to the delegated organization's central record division for inclusion into the vessel's computer record.
4	The delegated organization's surveyor may only extend or modify an deficiency form with permission from the issuing <i>Marine Safety</i> Inspector's <i>Marine Safety</i> Transport Canada Centre Manager. The surveyor may, after verifying that an deficiency item has been resolved, "clear" the deficiency form by simply drawing a line through the item and signing the form. Afterwards, the surveyor will provide the original deficiency form to the local <i>Marine Safety</i> Transport Canada Centre Manager for disposition.

4.3.2 Denying or revoking an inspection certificate

The *Minister of Transport* may deny or revoke an inspection certificate to a participating vessel for non-compliance with the terms of duly issued conditions of class or for failure to correct statutory deficiencies, as these actions are considered a failure to operate the vessel in accordance with the terms and conditions of its certificate. An administrative or prosecutorial action may also be initiated if the vessel is operated without a valid inspection certificate.

4.3.3 Major physical condition deficiencies

Any deficiency that poses a direct and immediate threat to the vessel's crew, the safety of navigation or the marine environment is considered a major materiel condition deficiency. Major physical condition deficiencies are those that, if discovered on a foreign flag vessel, would justify a Port State Control detention.

Action upon detection of a major physical condition deficiency:

Step	Action
1	The <i>Regional Director</i> may issue a detention order, which shall be reported to the Director, Ships & Operations Standards and to the <i>Delegated Statutory Inspection Programme</i> Co-ordinator.
2	It must be indicated on the Deficiency list that deficiencies shall be completed to the satisfaction of either the <i>Regional Director</i> or the delegated organization.
3	The <i>Regional Director</i> shall promptly contact the vessel's owner or authorized representative and the delegated organization's surveyor-in-charge, inform them of the specific nature of the deficiency and ascertain their proposed corrective action.
4	<i>Regional Directors</i> may deny or revoke a participating vessel's inspection certificate for non-compliance with the terms, conditions or deficiencies as provided in existing policies.

An administrative or prosecutorial action may also be initiated for non-compliance as provided in existing policies.

4.3.4 Appeals and interpretations

Regional Directors shall advise participating vessel owners, authorized representatives and builders to follow the procedures provided in Part 5.

Marine Safety personnel who question the validity of any delegated organization activities or administrative matters pertaining to the execution of the *Delegated Statutory Inspection Programme* shall seek resolution with the delegated organization at the immediate working level practicable, and elevate only as needed (e.g., attending Inspector, attending Surveyor, *Delegated statutory inspection programme* Officer, Marine Safety Transport Canada Centre Manager, Regional Director, Director, Ships & Operations Standards).

4.4 Duties and Responsibilities of the Director, Ships & Operations Standards

The Director, Ships & Operations Standards is responsible for the overall administration of the *Delegated Statutory Inspection Programme*.

4.5 Duties and Responsibilities of the Director, Quality Assurance

The Director, Quality Assurance is responsible for overall monitoring of the *Delegated Statutory Inspection Programme*, including the review of regional monitoring operations and audit of delegated organization shore operations.

5 APPEALS, INTERPRETATIONS, EQUIVALENCIES AND EXEMPTIONS

5.1 Introduction

The process for appealing decisions of *Marine Safety* and of delegated organizations acting on behalf of *Marine Safety* is set forth herein. It provides vessel owners, authorized representatives and builders with:

- procedures for appealing decisions of *Marine Safety* and the delegated organization; and
- procedures to obtain interpretations of, equivalency to or exemptions from:
 - Statutes, Regulations, Standards and *Marine Safety* interpretations,
 - International Conventions and Codes.

5.2 Appealing Delegated Organization Decisions Pertaining to Statutes, Regulations, Standards, Marine Safety Interpretations or International Codes and Conventions

Persons aggrieved by a delegated organization decision on matters involving their application of the Statutes, Regulations, Standards, *Marine Safety* interpretations or International Codes and Conventions are encouraged to resolve the matter at the most immediate level practicable (i.e., with the attending surveyor or surveyor-in-charge).

Aggrieved parties must first appeal the matter to the delegated organization. The delegated organization will specify the procedures to be followed to file the appeal. Failing resolution of the matter at the most immediate level, an aggrieved party may appeal to the senior country level of the delegated organization. If resolution is achieved, the delegated organization will notify *Marine Safety* of its decision.

Failing resolution with the delegated organization, an aggrieved party may appeal the matter to *Marine Safety*, who may issue an interim response in complex cases in which final resolution requires extensive research or deliberation.

Step	Action
1	Failing resolution by the delegated organization, aggrieved party shall submit the final appeal to Director, Ships and Operations Standards, <i>Marine Safety</i>
2	The Director, Ships and Operations Standards, <i>Marine Safety</i> should respond to the appeal within ten clear business days of receipt from the delegated organization.
3	<i>Marine Safety</i> will notify the aggrieved party and the delegated organization of its decision.

5.3 *Appealing Marine Safety Decisions*

Persons aggrieved by a decision of *Marine Safety* may appeal to the Chairman of the Board of Steamship Inspection. *Marine Safety* will notify the aggrieved party and the delegated organization of its decisions. Decisions may be applied as *Marine Safety* policy.

5.4 *Requesting Delegated Organization's Interpretations of the Statutes, Regulations, Standards, or International Codes and Conventions*

Interpretations by *Marine Safety* are final.

Step	Action	
1	Apply to the delegated organization for interpretations of items relating to the Statutes, Regulations, Standards, or International Codes and Conventions.	
2	The delegated organization will inform the Director, Ships and Operations Standards, <i>Marine Safety</i> of its proposed interpretation.	
3	IF . . .	THEN . . .
	<i>Marine Safety</i> accepts the interpretation	the delegated organization will inform the applicant.
	the delegated organization's interpretation is not accepted	The Director, Ships and Operations Standards, <i>Marine Safety</i> will provide an interpretation to the delegated organization, and the delegated organization will inform the applicant.

5.5 *Requesting an Equivalency to or an Exemption from the Statutes, Regulations, Standards, or Interpretations*

Step	Action	
1	Address request in writing to the Surveyor in charge.	
2	The Surveyor in charge will forward the request together with the delegated organization's recommendation and/or comments to the appropriate Regional Director.	
3	IF . . .	THEN . . .
	The request is of a local nature	the Regional Director produces a Board Decision and forwards it to the Chairman for review
	The request is of a national nature	the Regional Director forwards the request along with their recommendations and comments to the Chairman for review.
4	Upon Board review and approval or otherwise	The Director, Ships and Operations Standards will advise the delegated organization of the Board's decision who in turn will inform the applicant.

6 APPENDIX A - PLANS TO BE SUBMITTED

Delegated organizations are required to provide two copies of any of the following plans with relevant correspondence within one month of their approval to the Regional *Marine Safety* office:

Hull

1. General Arrangement
2. Mid Ship Section
3. Profile and Deck Plans
4. Shell Expansion
5. Capacity Plan
6. Damage Control Plans
7. Intact Stability Data
8. Subdivision and Damage Stability

Fire Protection and Extinguishing

1. Fire Control Plans

Lifesaving

1. The data required by Regulation 24-4 of Part B of Chapter III of SOLAS relating to emergency plans
2. Lifesaving Plan, Muster Lists and Emergency Instructions

Electrical

1. Single Line Diagram of Main and Emergency Distribution Systems
2. Hazardous Zone Plan (including type and classification of all electrical equipment therein)
3. Fault current analysis

Machinery

1. General Arrangements of Machinery Spaces
2. Bilge, ballast and cargo pumping plans.

7 APPENDIX B - APPLICATION FOR PARTICIPATION OF A SHIP IN THE DELEGATED STATUTORY INSPECTION PROGRAMME

[SEE NEXT PAGE]

APPLICATION FOR PARTICIPATION OF A SHIP IN THE DELEGATED STATUTORY INSPECTION PROGRAMME

Enquiries and submission of completed applications shall be sent to:

The Regional Director
Marine Safety
Transport Canada

Name and Address of Applicant

Registered Name of Ship and Official No.

Anticipated date for hand-over inspection. †

Name and Address of Owner (if different from applicant)

Organization which will perform the delegated inspections

Application is hereby made for participation of the above named ship in the Delegated Statutory Inspection Programme. By signing this application I hereby acknowledge that I am properly authorized to make this application, and accept the terms of the programme as expressed in the Delegated Statutory Inspection Program chapter of the Marine Safety Policy Manual, and as amended from time to time.

Date _____ Signature of Applicant _____

Approved: _____

Chairman of the Board of Steamship Inspection

Date _____

Note: Information made available, pursuant to the administration of the Delegated Statutory Inspection Programme may be subject to public disclosure in accordance with the Federal Access to Information laws of Canada

† In the event that the hand-over inspection is delayed for more than 4 weeks, the applicant shall provide the Regional Director with not less than 2 weeks notice of the revised anticipated date.

