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United States Coast Guard

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NAVIGATION AND VESSEL INSPECTION CIRCULAR NO. 2-95, Change-1

Subj: US COAST GUARD'S ALTERNATE COMPLIANCE PROGRAM

1. PURPOSE. This Circular discusses a voluntary program available through authorized classification societies for owners, operators, designers and builders of US flag vessels to comply with US Coast Guard design and inspection regulations. The Coast Guard's Alternate Compliance Program (ACP) is intended to reduce the regulatory burden on the maritime industry while maintaining existing levels of safety, and provide the maritime industry with more flexibility in determining how to build and operate US flag vessels. As this is a voluntary program, vessel owners, operators, and builders may continue to use the Coast Guard to conduct plan review or inspection of their vessels in accordance with applicable provisions of the Code of Federal Regulations (CFR) and existing Coast Guard publications and directives.

2. DIRECTIVES AFFECTED. The original issue of NVIC 2-95 (COMDTPUB 16700.4) dated 5 June 1995 is superseded.

3. AUTHORITY. Title 46 U.S.C. 3316 authorizes the Coast Guard to accept plan reviews, inspections and examinations performed by a classification society in determining compliance with Coast Guard Rules and regulations of classed and unclassed vessels. The Commandant also has the authority to grant equivalencies to Coast Guard Rules and regulations. Public Law 104-324 amended 46 U.S.C. 3316 to allow the use of foreign classification societies that are interested in participating in the ACP. 46 CFR Parts 8, 31, 71, 91 and 107 are being developed for the implementation of the ACP and recognition of classification societies. Coast Guard policy guidance is provided in Chapter 32 of the Marine Safety Manual, Volume II, Materiel Inspection.

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4. APPLICABILITY. Owners or operators of certain US flag tank vessels, passenger vessels, cargo vessels, miscellaneous vessels and mobile offshore drilling units (MODUs) may enroll in the ACP by means of the procedures described in this Circular.

5. BACKGROUND.

a. A Coast Guard Regulatory Reform Initiative was begun to enhance the competitive position of the US maritime industry through elimination of unnecessarily duplicative regulations and increased acceptance of international and third party standards determined to provide a level of vessel safety and environmental protection equivalent to current Coast Guard regulations. As part of the review of its regulatory approach, the Coast Guard created a joint task force with the American Bureau of Shipping (ABS) in 1992 to compare the requirements in the CFR with ABS Rules, the 1974 Safety of Life at Sea Convention as amended (SOLAS 74/78) and the International Convention for the Prevention of Pollution from Ships (MARPOL 73/78. The task force determined that many of the CFR requirements examined could be satisfied by compliance with ABS Rules, SOLAS 74/78, and MARPOL 73/78. A US supplement to ABS Rules for Classification of Steel Vessels (US Supplement) was developed to address those areas in which current Coast Guard requirements were not embodied in either ABS Rules or international conventions or, in the case of international conventions, those areas requiring interpretation by a flag administration. The Coast Guard and the ABS executed a Memorandum of Understanding (MOU) which, among other things, delegated authority to the ABS to inspect appropriate vessels utilizing an approved ACP. A pilot program, referred to as the Coast Guard's ABS based ACP, was announced in the Federal Register, February 3, 1995 (60 FR 6687). The pilot program terminates on July 31, 1997.

b. The Coast Guard concluded that the design requirements and survey provisions of ABS Rules and applicable international codes and convention regulations, in conjunction with its US supplement, provided a level of safety and environmental protection equivalent to corresponding federal regulations which govern the inspection of US vessels. Regulations on the ACP and recognition of classification societies was published as an interim rule in the Federal Register on December 27, 1996. The program was expanded to include other authorized US and foreign classification societies. The ACP allows those participating US flag vessels, which are designed, equipped, maintained and surveyed in accordance with applicable ACP requirements to satisfy certain periodic Coast Guard test and inspection requirements. The ACP allows the Coast Guard to shift emphasis from providing a quality control service to the maritime industry to evaluating the human factors elements in maritime operations, which statistics indicate account for more than eighty percent of all marine casualties. Additionally, the ACP allows the Coast Guard to shift its resources to port state enforcement without diminishing the level of safety on US vessels. Finally, the ACP lessens regulatory

burdens on the US maritime industry and reduces the duplication of effort between the Coast Guard and classification societies.

6. IMPLEMENTATION. The program described in this Circular is in effect. Under the terms of the ACP, the Coast Guard will accept surveys performed by a classification society that has been delegated authority under the ACP as equivalent to tests and examinations required for initial and in-service inspections for certification, periodic reexamination, and dry-dock examinations. Participating vessel owners and operators may cite the successful completion of these activities by the ACP classification society as satisfactory for issuance of a Coast Guard Certificate of Inspection (COI).

a. Plan Review. The Coast Guard will accept ACP classification society plan review as evidence of compliance with the applicable US and international codes and convention regulations for all participating vessels designed to the applicable classification society class standards, including vessels being reflagged. The ACP classification society will review plans on behalf of the Coast Guard for compliance with the applicable international codes and convention regulations, the class society's class Rules, and its US supplement. Procedures for submission of plans are described in enclosure (2).

(1) Equivalent Standards. When applicable Coast Guard regulations include detailed minimum design requirements, which often cite specific standards, the regulations also provide for the acceptance of equivalent designs, components, and materials. When reviewing plans to ascertain compliance with the applicable international codes and convention regulations, class Rules, and its US supplement, the ACP classification society is authorized to evaluate and approve, on behalf of the Coast Guard, the application of an equivalent "component" level or "system" level standard. Equivalency evaluations will be reviewed and forwarded by the classification society, with its comments and recommendations, to the Coast Guard Marine Safety Center for final approval.

(2) Reflaggings. Navigation and Vessel Inspection Circular (NVIC) 10-81, Change-1, provides guidance to owners, builders, and designers of vessels being reflagged. The Coast Guard will plan review done by an authorized ACP classification society for all participating vessels being reflagged. However, if a vessel being reflagged under NVIC 10-81 (Change-1), has been approved and constructed to the Rules of an International Association of Classification Societies (IACS) member) and is being transferred to an ACP classification society, through a Transfer of Class Agreement, the reviewing classification society may determine the extent of hull and machinery plan review. A vessel being reflagged and reclassed by an ACP Classification Society, that was not approved and constructed to the Rules of an International Association of Classification Societies (IACS) member may be required to undergo full plan review.

b. New Construction/Conversion Inspections. Owners or operators of vessels designed to the applicable ACP classification society standards may elect to have their vessels surveyed by that classification society for compliance with the applicable international codes and convention regulations, its class Rules and its US supplement in accordance with the procedures outlined in enclosure (4).

c. Inspections and Examinations. Owners and operators of vessels that meet the criteria for enrollment in the ACP may participate in a cooperative inspection program. ACP details, including responsibilities of participating owners/operators, the ACP classification society, and the Coast Guard are contained in enclosure (4). In brief, under the ACP, authorized classification society surveys performed as a requirement for classification, to verify compliance with international codes and convention regulations, and to verify compliance with the requirements of the ACP classification society's US supplement will satisfy the majority of Coast Guard test and inspection requirements for certification.

(1) Certificate of Inspection (COI). The Coast Guard issues all COIs. Applications for COI must be made to the Coast Guard. The scope of the Coast Guard inspection will be similar to the examinations conducted by the Coast Guard on comparable foreign flag vessels. In brief, the cognizant Officer-in-Charge, Marine Inspection (OCMI) will review the ACP classification society's reports and records of the various tests and examinations required as a condition of classification, and to verify compliance with international codes and convention regulations and the requirements of the ACP classification society's US supplement. Coast Guard marine safety personnel will then board the vessel and hold drills to evaluate the proficiency of the vessel's crew in dealing with likely shipboard emergency situations. During the course of the drills, Coast Guard personnel will observe the vessel's various systems in operation, and evaluate the vessel's materiel condition.. Coast Guard personnel will also examine crew licenses and documents, vessel manuals, and maintenance records.

(2) Annual Examinations. Participating vessels will be subject to Coast Guard boardings of a scope comparable to annual foreign flag vessel examinations. This will ensure consistent treatment between US and foreign flag vessels. Annual examinations will typically be conducted during a two month window on either side of the vessel's COI anniversary date. Vessels that operate in foreign locations not easily accessible to Coast Guard marine safety personnel and, therefore, are not required by law to undergo an annual examination, may defer the annual Coast Guard boarding until a time mutually convenient time for the Coast Guard and the vessel owner. The vessel's Master in this situation must attest to the cognizant OCMI that the vessel is in compliance with all applicable laws and regulations, and the ACP classification society must verify that the

vessel is in compliance with those items which have been delegated to it under the ACP.

(3) Periodic Reexaminations. The Coast Guard conducts reexaminations to ensure that a vessel has remained in compliance with appropriate US laws or international conventions between annual examinations. Enclosure (4) to this NVIC outlines Coast Guard duties and responsibilities for reexaminations. Chapter 32 of Volume II of the MSM also discusses this topic. Chapter 32 contains the "ACP Reexamination Matrix" which should be used to help determine boarding priorities between annual boardings for ACP participating vessels. The matrix uses a point system that includes risks based on serious conditions of class.

(4) Dry-dock Examinations and Internal Structural Exams (ISE). Dry-dock examinations and ISEs shall be conducted at the intervals prescribed by the ACP class society's class Rules and its US Supplement. Owners and operators of participating vessels must schedule dry-dock examinations and ISEs with the ACP classification society. Coast Guard inspectors will attend dry-dock examinations and ISEs on approximately 10 percent of the participating vessels based on factors such as vessel type, age, route, service, deficiency record, pollution/ casualty history, extent of work to be performed and Coast Guard training needs. Requests to participate in the Underwater Examinations in lieu of Dry-docking (UWILD) must be submitted to the ACP classification society, which will forward it the Program Manager, Commandant (G-MOC), with a recommended action. Enclosure (5) contains details on UWILDs. The Program Manager retains the authority to approve or deny such requests. Upon approval by the Program Manager to allow a vessels to conduct Under Water survey in Lieu of Dry-docking, the classification society is delegated authority to perform the underwater examination in accordance with enclosure (5) and its class Rules.

(5) Damage surveys and Marine Casualties. Nothing in the ACP shall be interpreted as limiting or restricting the authority of the Coast Guard's Captains of the Port (COTP) or Officers in Charge of Marine Inspection (OCMI) to exercise control over vessels as provided in existing laws and regulations. The Coast Guard will conduct marine casualty investigations as authorized and required by federal law. Notwithstanding requirements imposed by the classification society to report damages to classed vessels, owners, agents, Masters or persons in charge of an ACP participating vessel that is involved in a reportable marine casualty shall report to the Coast Guard as required by 46 CFR 4.05-1. Following any marine casualty, participating vessel owners may have the ACP classification society assess the materiel condition of the affected vessel and approve repairs. Generally, OCMIs will accept the classification society's approval of recommended repairs in non-reportable marine casualties. In cases

involving reportable marine casualties, the OCMI in whose zone the casualty occurred may take into account the classification society's repair recommendations. However, the OCMI retains ultimate authority to review and approve temporary repair proposals in cases in which damage to the vessel involves or is likely to result in a pollution incident, or poses a hazard to the safety of a US navigable waterway. Generally, OCMIs will accept the classification society's approval of recommended permanent repairs when the vessel no longer poses an immediate pollution or navigation safety threat. Enclosure (9) provides the points of contact and approval authority for common situations encountered by ACP participants.

(6) Inspection Activities Retained by the Coast Guard. The Coast Guard retains authority for the following marine inspection activities:

(a) All manning issues;
(b) Dry dock extensions beyond 90 days;
(c) Permits to Proceed;
(d) Load Line exemptions;
(e) Excursion permits;
(f) Changes of employment;
(g) Critical Area Inspection Plan (CAIP) enrollment/examinations, and
(h) Approval of a vessel's enrollment in the Underwater survey in Lieu of Dry-docking (UWILD) program.

Owners or operators of ACP participating vessels must apply directly to the cognizant OCMI for items (a) and (b) above. Owners or operators of ACP participating vessels must apply directly to the local OCMI (i.e., the OCMI in whose zone the proposed activity will occur or originate) regarding items (c) through (f). CAIP issues, item (g), shall be handled as outlined in appropriate NVICs. The local OCMI will conduct the appropriate inspection or evaluation and issue Coast Guard certificates, amendments, letters, or permits, as necessary. Requests for UWILD participation are submitted to G-MOC via the ACP classification society per enclosure (5).

d. Issuance of Documents and Certificates. The Coast Guard will issue ACP the participating vessel's Certificate of Inspection, Certificate of Documentation, and Certificate of Financial Responsibility. The Stability Letter may be issued by the ACP classification society when authorized (See NVIC 3-97). Procedures for issuing COIs under the ACP are discussed in enclosure (3). The ACP classification society will issue the international convention certificates identified in Chapter 32 of Volume II of the MSM and also in enclosure (4) of this Circular to vessels participating in the ACP. As provided by 46 CFR 170.120(b), if the classification society includes pertinent information from the vessel's Trim and

Stability Manuals on the Load Line Certificate, the vessel does not need a Coast Guard-issued Stability Letter.

e. Revocation of a COI and Detentions. The Coast Guard retains the authority to deny or revoke certification, and to detain participating vessels based upon such factors as: the vessel's involvement in a marine casualty or pollution incident; failure to correct an ACP classification society's condition of class, statutory deficiencies or Coast Guard marine inspection deficiencies (CG-835); unreasonable delays in complying with conditions of class or in correcting statutory deficiencies or Coast Guard marine inspection deficiencies; or, expiration or invalidation of required documents. A detention may result in a vessel being assigned a higher reexamination boarding priority by the Coast Guard. Enclosure (3) to this NVIC discusses revocations of a COI and detentions for participating vessels.

f. Civil Penalties. Compliance with conditions of class and/or deficiencies issued to participating vessels by the classification society is required as a condition of ACP participation. Failure to comply with duly issued classification society requirements may result in the vessel being disenrolled from the ACP. Disenrolled vessel will then be inspected for compliance with applicable Coast Guard regulations. Owners or operators who fail to comply with applicable Coast Guard marine inspection requirements may be subject to civil penalty action as provided in existing regulations.

g. Appeals. Appeals will be handled as specified in enclosure (6).

h. Oversight. The Coast Guard's ACP oversight program is designed to ensure that participating vessels maintain a level of safety equivalent to non-participating certificated vessels. Coast Guard oversight activities have been designed to identify and correct programmatic discrepancies while minimizing duplication of effort and avoiding interruption of vessel schedules. ACP oversight activities also assess human factors and capabilities of the ship's crew. ACP oversight will consist of a cumulative evaluation of activities delegated to the ACP classification society through: annual examinations and reexaminations that are analogous to port state control examinations; through limited attendance and review of dry-docking, new construction, and underwater surveys in lieu of dry-docking; evaluation of plan review activities; and quality process audits of the ACP classification society.

i. Request To Participate. Interested owners or operators are referred to enclosure (1) for specific instructions on enrollment procedures. Participation in the ACP does not relieve vessel owners or operators of their statutory responsibility to maintain their vessels in compliance with applicable domestic and international requirements. This ACP does not in any way limit the Coast Guard's authority to verify that vessels of the United States are designed, built, equipped, maintained and operated in accordance with all applicable requirements. Participating

classification societies will have a written agreement with the Coast Guard. An example of such an agreement is provided as enclosure (7). Enclosure (8) provides information on ACP classification society Coordinators.

7. ACTION. Vessel designers, builders, owners and operators, or their representatives, are encouraged to take advantage of the procedures and guidelines detailed in this Circular. District Commanders, Commanding Officers of Marine Safety Offices and the Commanding Officer, Marine Safety Center are encouraged to bring this NVIC to the attention of appropriate individuals in the marine industry.

R. C. NORTH
Rear Admiral, U.S. Coast Guard
Assistant Commandant for
Marine Safety and Environmental Protection

Encl:
(1) Enrollment Procedures and Conditions for Participating Vessels
(2) Procedures for Plan Submittal and Approval
(3) Procedures for Issuing Certificates of Inspection to Vessels Enrolled in the Alternate Compliance Program
(4) Procedures for Inspections and Examinations
(5) Guide for Conducting Underwater surveys in Lieu of Dry-docking (UWILD)
(6) Appeals, Interpretations and Equivalencies and Exemptions from Requirements of International Conventions
(7) USCG/ABS Memorandum of Understanding dated January 12, 1995
(8) ACP Classification Societies and Coordinators
(9) ACP Decision Management Matrix

Non-Standard Distribution:

B:c CCGD13 (15); CCGD8(14); CCGD7(11); CCGD9 (8); CCGD5 (7); CCGD1, 17 (6); CCGD2, CCGD11 (5); CCGD14 (4); MLCLANT, MLCPAC (1).
C:e New Orleans (90); San Francisco (42) Puget Sound (40); Morgan City (30); Los Angeles/Long Beach (27); Baltimore (22); Anchorage (20); Houston (19); Mobile (18); Portland OR, Hampton Roads, Honolulu (16); Miami, Boston (15); Portland ME (14); Port Arthur, Tampa (13); Chicago, (10); Savannah (9); Paducah, St. Louis, Providence, Louisville, Wilmington, San Juan (8); Memphis, Pittsburgh (7); Charleston, Milwaukee, San Diego, Buffalo, Juneau (6); Duluth, Detroit, Toledo, Huntington, Valdez (5); Cleveland, Sault Ste. Marie (4).
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NOAA Fleet Inspector (1)
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World Maritime University (2).
U.S. Merchant Marine Academy, Kings Point, NY (1).

Enclosure (1) to NVIC 2-95

Enrollment Procedures and Conditions for Participating

Overview

Introduction

Participation in the ACP is voluntary for US vessels. However, a vessel must be enrolled by its owner or operator to become a participating vessel.

Where to apply

Owners, operators, or builders who wish to enroll a vessel in the ACP should apply by submitting an Application for Inspection of US Vessel (CG-3752) to the cognizant OCMI. The form must indicate the owner's desire to have a vessel become a participating vessel and the name of the ACP class society that will verify compliance of the vessel with ACP requirements. The applicant must individually identify each vessel proposed for enrollment. For new construction, applications are required from both the builder and the eventual owner.

When to apply

Make applications for:

- vessels under construction at the time the building contract is signed, or as soon thereafter as practicable.
- existing certificated vessels at any time.

Obtaining information

Enclosure (8) contains a list of ACP Classification Societies. Each ACP classification society appoints an ACP Coordinator who is responsible for overseeing and managing ACP activities of the classification society.

For additional application procedures or questions concerning ACP duties, responsibilities, practices and procedures in carrying out the program, contact the cognizant OCMI or the classification society's ACP Coordinator.

Conditions of enrollment

Existing US vessels must:

- have a Coast Guard Certificate of Inspection(COI)
- have valid international convention certificates, and
- be classed by an ACP classification society. (Generally, a valid certificate for hull and machinery issued by the class society is evidence that a vessel is "classed.")

Note

For new construction or for vessels being reflagged US, the Program Manager (G-MOC) may enroll vessels into ACP that are in the process of obtaining all of the above.

Continued on next page

Overview, Continued

Conditions of enrollment (continued)

Owners or operators of vessels participating in the ACP must advise crew members when the vessel to which they are assigned is participating in this program. Owners or operators of vessels participating in the ACP must accept the ACP classification society as the issuing authority for their vessels' international convention certificates.

Authorizing the Coast Guard

Applicants must authorize the Coast Guard access to any and all:

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

held or issued by the ACP classification society to perform ACP activities that the Coast Guard deems necessary to monitor the condition of the vessel during its participation in the ACP. This authorization will remain in effect as long as the vessel is enrolled in the ACP.

Applicants must abide by the appeal procedures established in enclosure (6) to this NVIC.

Reimbursing the Coast Guard

For activities performed by Coast Guard personnel at foreign locations, applicants must reimburse the Coast Guard for expenses incident to:

- new construction inspections,
- inspections for certification,
- periodic reexaminations,
- dry dock examinations,
- damage surveys, and
- oversight.

Continued on next page

Overview, Continued

Period of enrollment

Vessels remain enrolled in the ACP unless:

- disenrollment is requested by the vessel's owner or operator,or
- the vessel is disenrolled for cause by the Program Manager.

Vessel owners or operators may voluntarily disenroll a vessel from this program by making a written request to the OCMI.

The Program Manager (G-MOC) shall consider a participating vessel for disenrollment (for cause) after being notified of, or receiving one or more of, the following:

- Two or more detentions reported to the Program Manager by OCMIs over the course of one year.
- A disenrollment recommendation from the Coast Guard's Quality Assurance/Traveling Inspection Staff (G-MO-1) after an oversight visit.
- A disenrollment recommendation from the OCMI with supporting documentation from the OCMI.
- Notification of removal from Class.
- A recommendation from the ACP class society to disenroll the vessel.

The vessel owner or operator may request disenrollment from ACP during the anniversary window date of the COI. The owner will submit an Application for Inspection of US Vessel (CG-3752) to the cognizant OCMI that indicates the request to disenroll from ACP.

- A vessels that is disenrolled from ACP <u>at the owner's request</u> may not request to enroll in the Streamlined Inspection Program (SIP) or reenroll in the ACP until the next anniversary window date of the vessel's COI.
- A vessel that is disenrolled from the ACP <u>by the Coast Guard</u> (for cause) may not request to enroll in the SIP or to reenroll in the ACP for a period of three years or until after the next dry-docking, whichever is longer.
- A vessel being disenrolled from the ACP will receive an inspection for certification conducted by a Marine Inspector with an invitation given to the ACP class society surveyor to attend.
- An administrative charge may be incurred from the class society for the transfer of records back to the USCG due to disenrollement..

Enclosure (2) to NVIC 2-95

Procedures for Plan Submittal and Approval

Overview

Scope

An ACP classification society may be authorized to perform plan review on behalf of the Coast Guard for all aspects of:

- design,
- construction,
- conversion (major and minor),
- reflagging, and
- repairs.

Plan review may be conducted at any technical office of the class society provided that the technical office maintains an ISO 9000 or other equivalent quality standard, that the technical office participates in the interpretations of the class Rules, and that copies of approved plans are maintained within the US

The Coast Guard retains plan review authority for any area identified as being of particular concern.

Exceptions

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

Plan submittal and review procedures

Plan review conducted by an ACP classification society will be done by employees that it certifies as qualified to perform the specific plan review function.

Step	Action
1	**Vessel owner**: forward a list of plans intended to be submitted to the classification society. Note: Prepare and submit plans in accordance with the instructions in the appropriate classification society's Rules or guides.
2	**Classification Society**: Review the plan list and identify to the submitter any additional plans that may be required.

Continued on next page

Overview, Continued

Plan submittal and review procedures (continued)

Step	Action
3	**classification society**: Stamp the plans to indicate: • Classification society action taken on behalf of the Coast Guard (e.g., APPROVED, EXAMINED, or RESUBMISSION REQUIRED) • Plans have been reviewed to all of the standards that apply to the ACP (indicate by stamp OR correspondence). • ACP classification action (optional).
4	**classification society:** When plan review is completed, note the results of the review in the letters or on the plans.
5	**classification society:** Forward one copy of the review letters and plans to the cognizant ACP class society field office.
6	**classification society:** Provide a listing of all plans reviewed (with results) on a monthly basis to the Marine Safety Center for oversight.

Reflagging

If . . .	Then . . .
the vessel being reflagged is being enrolled in the ACP,	the owner of the vessel may use the plan submittal procedures in the steps above for *Plan submittal and review procedures.*

Oversight

The MSC may request certain plans for oversight review. Plan review oversight 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 oversight by the Coast Guard.

Enclosure (3) to NVIC 2-95

Procedures for Issuing Certificates of Inspection

Overview

Introduction

46 U.S.C., Chapter 33 requires that certain vessels possess a Certificate of Inspection (COI). The Coast Guard retains the final authority for the issuance or revocation of a COI. The ACP class society may not endorse or issue a COI.

In this enclosure

This enclosure discusses these topics:

Section	Topic	See Page
A	Duties and Responsibilities of the Cognizant OCMI	3-2
B	Administrative Actions Affecting Certification	3-10
C	Duties and Responsibilities of the Program Manager (G-MOC)	3-12

Section A

Duties and Responsibilities of the Cognizant OCMI

Overview

Introduction The cognizant OCMI retains a crucial, active role under the ACP.

In this section This section discusses these topics:

Topic	See Page
Certificates of Inspection/Annual Examinations	3-3
Applications for Inspection	3-4
Administrative Review of ACP class society surveys	3-6
Record Keeping Requirements	3-8
Issuing the COI and MSIS Data Entry	3-9

Certificates of Inspection/Annual Examination

Verification

Under the terms and conditions of the ACP, the cognizant OCMI is responsible for issuing COIs to participating vessels. The certification process involves verifying that the participating vessel is in compliance with applicable design, construction, equipment, operational, and maintenance requirements.

Verification is accomplished by:

- administrative review of the classification society'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 OCMI may request copies of any ACP class society Report if there are areas of particular concern.)
- vessel annual examinations.

Scope

Vessel annual examinations are to be conducted in a manner and scope comparable to foreign vessel examinations on similar vessels. During an annual examination, Coast Guard marine safety personnel will observe the vessel's equipment, components, and systems in operation, and perform those functions that have not been delegated to the classification society.

Functions retained by the Coast Guard 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 operators 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.

Communication

Frequent communication among all involved parties is very important. Frequent, timely communication can prevent small problems from reaching crisis proportions. To facilitate the communication process and aid in effectively carrying out the ACP, a cognizant OCMI shall designate a qualified individual as the unit's ACP Officer.

Applications for Inspection

General Under the terms of this program,

Step	Action
1	Application: Vessel owner or operator applies (CG-3752) to the cognizant OCMI to become a participating vessel.
2	Eligibility & Data Transfer: Once the OCMI determines that the vessel meets the participating vessel criteria, a copy of the vessel's MSIS record (VFLS, VFCP, MISN & MIPIP product set) and a copy of the CG-3752 is sent to the ACP class society coordinator..
3	Processing: The ACP class society coordinator has the appropriate MSIS details entered into the vessel's class computer record (especially pending CG-835's and inspection notes). When the computer details are correct, make arrangements for the hand-over survey.
4	Hand-over survey: The hand-over survey is conducted by an ACP class surveyor and a CG Inspector. The survey consists of the mandatory annual survey for the Cargo Ship Safety Construction Certificate (SLC), Safety Equipment Certificate (SLE) and the IOPP Certificate (MARPOL). surveys required for certificates due for renewal or annual class surveys due will be completed as part of the hand-over survey. USCG issued SLE and MARPOL certificates with a remaining validity of more than 15 months may be retained by the vessel and the class society will be authorized to endorse the certificates at the next annual survey. Other certificates that have less than five (5) months of validity remaining must be renewed as part of the hand-over survey. It is expected that the owner's representative will try to schedule the hand-over survey at a time that harmonizes with the vessel's window of surveys. The Inspector and the surveyor shall co-sign or endorse any certificates on board with the exception of the COI, which is signed, issued and endorsed only by the Coast Guard. After a successful hand-over survey, the OCMI notifies G-MOC.
5	Notification of Enrollment: G-MOC notifies the vessel's owner by letter (with a copy to the class society's ACP Coordinator and the OCMI) of the vessel's enrollment into the ACP.

Refer to The Marine Safety Manual, Volume II, Chapter 32, for more information regarding "hand-over surveys," which are joint surveys conducted by the Coast Guard and the ACP classification society upon receipt of an application for ACP enrollment. The Marine Safety Manual is available on the World Wide Web at the following cite:
http://www.dot.gov/dotinfo/uscg/hq/g-m/nmc/pubs/msm/Default.htm#V2

Applications for COI renewal/endorsement after initial ACP enrollment will be handled in the same manner as for Non-ACP ships.

Administrative Review of ACP Surveys

General

As established in the ACP, the surveys performed by, and the international certificates issued by, the classification society may be accepted as satisfactory evidence that the vessel is entitled to a COI. The classification society may develop certain forms, reports and checksheets that document the status of its various surveys. The Commandant has determined that these forms, reports and checksheets (hereinafter documentation) establish *prima facie evidence* of the actual occurrence of the survey they report.

Note

Prima facie evidence: Evidence sufficient to establish a fact or to raise a presumption of fact.

Documentation

Examples of accepted documentation are:

- Vessel Computer (survey Status) Reports from the ACP classification society, and
- reports pertaining to conditions of class or statutory deficiencies.

Vessel Computer (survey Status) Reports are similar to an MSIS Marine Inspection Pre-Inspection Package (MIPIP). 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 analogous to a Marine Inspection Narrative Supplement (MINS). They are narrative reports prepared by the attending surveyor that describe in detail the condition of the item surveyed and any corrective actions required.

Access to documentation

Under the ACP, the classification society is to provide the Coast Guard with access to any and all documentation it has issued incident to performing ACP surveys. Vessel Computer (survey Status) Reports may be obtained from the local classification society surveyor-in-charge.

Continued on next page

Administrative Review of ACP Surveys, Continued

Information needed during new construction

New construction involves many variables, which dictate the degree of information the cognizant OCMI needs in order to verify that the vessel is being constructed in accordance with the terms and conditions of the ACP. The amount of information required for review by the OCMI should be based on several factors including the type of vessel under construction, prior experience with the builder, the vessel's owner and operator, and OCMI's own "comfort level" with the various parties involved in the project. The OCMI is expected to perform ACP oversight on about 10% of the items surveyed by the ACP classification society during new construction.

Cognizant OCMIs may focus on the following items:

- status of applicable plan review and equipment approval;
- 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 classification society'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 classification society inspection and test;
- if the project is on schedule with regard to delivery date;
- status of items under appeal by the vessel's owner; and
- status of any items that may be left outstanding when the initial COI is issued.

Cognizant OCMIs shall decide the most effective means of determining this information based upon their experience and judgment, and the particular circumstances of the project.

At the minimum, the cognizant OCMI should include review the classification society's acceptance of critical vessel systems (refer to the class society's US Supplement) such as:

- lifesaving (primary lifesaving must be CG approved),
- firefighting/fire detection/ structural fire protection,
- cargo transfer,
- pollution prevention,
- steering and propulsion, and
- hull structure.

Record Keeping

Information needed to document inspections

OCMIs shall document ACP examinations on the corresponding examination booklet from the Marine Safety Manual, Chapters 20, 21 or 22. These may be reproduced locally. Information on this form should:

- 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 the 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 incident to 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 ACP and is fit for its intended route and service; and
- update MSIS with International Certificate data.

Note

Chapter 32 of the Marine Safety Manual, Volume II, provides further instructions for the OCMI.

Issuing the COI and MSIS Data Entry

When to issue a COI

A COI may be issued after:

- completing the crew proficiency drills,
- completing license and document check,
- completing the annual exam;
- verifying all applicable ACP classification society documentation, and
- confirming the status of any conditions of class.

A temporary COI may be issued at the scene by the attending Coast Guard marine safety personnel. An MSIS computer-generated COI is to be issued under the signature of the cognizant OCMI following final administrative case review.

When possible, vessel representatives should be encouraged to request a COI renewal/endorsement to coincide with the vessel's Annual or Special survey. The intent is to harmonize the Class surveys and COI due dates to lessen the vessel's down time for surveys.

Entries in the VFOD

Make the following entry in the Vessel File Operating Details (VFOD) for inclusion on the COI:

"This vessel has been inspected and certificated in accordance with the terms and conditions specified in the US Coast Guard's Alternate Compliance Program (ACP). Date of ACP enrollment: (DDMMYY)."

Note

Cognizant OCMIs must update the Vessel File Licenses and Documents (VFLD) field to indicate the status of certificates such as COFR and any international certificates required by SOLAS, Appendix 3.

Data captured in the classification society Vessel survey Status report is equivalent to that provided in an MSIS MIPIP. Therefore, in lieu of entering information in all of the various MIPIP fields, it will be sufficient to make the following entry in the VFOD:

The vessel's Class ID Number is _____."

Section B

Administrative Actions Affecting Certification

Materiel condition deficiencies

Deficiencies detected by Coast Guard personnel vessel shall be reported to the classification society as outlined below. when detected during:

- ACP examinations,
- casualty investigations,
- oversight activities, or
- any other Coast Guard activity involving a participating

Step	Action
1	The surveyor-in-charge shall be notified prior to any action against the vessel's COI, or any action against the vessel's owners or operators, based on the vessel's materiel condition.
2	The OCMI may issue deficiencies to the Master, which are recorded on CG-Form 835 (Record of Deficiency). The OCMI shall provided copies of these "835s" to the ACP classification society's local office. The class society's local office will forward the 835 to the classification society's central record division for inclusion into the vessel's status (computer record) as a "Condition of Class". The society will then return the 835 and a copy of the "Condition of Class" to the issuing OCMI.
3	The ACP classification society's surveyor may extend or modify an 835 with permission from the issuing OCMI via the local OCMI. The surveyor may, after verifying that an 835 item has been resolved, "clear" the 835 by simply drawing a line through the item and signing the 835. Afterwards, the surveyor will provide the original 835 to the local OCMI for disposition.

Denying or revoking a COI

Cognizant OCMIs may deny or revoke a COI 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. A civil penalty action may also be initiated if the vessel is operated without a valid COI.

Administrative Actions Affecting Certification, Continued

Major materiel 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 materiel condition deficiencies are those that, if discovered on a foreign flag vessel, would justify a Port State Control detention.

Upon detection of a major materiel condition deficiency,

Step	Action
1	The OCMI shall promptly contact the vessel's owner or operator and the classification society surveyor-in-charge, inform them of the specific nature of the deficiency and ascertain their proposed corrective action.
2	The OCMI may issue a detention order (per SOLAS, Regulation 6 or MARPOL, Article 6), which will be reported to the Program Manager.
3	Deficiencies shall indicate that the item must be completed to the satisfaction of either the OCMI or the ACP classification society.
4	OCMIs may deny or revoke a participating vessel's COI for noncompliance with the terms and/or conditions of deficiencies as provided in existing policies.

Civil penalty action may also be initiated for noncompliance as provided in existing policies.

Appeals and interpretations

OCMIs shall advise participating vessel owners and operators to follow the procedures provided in enclosure (6) to this NVIC.

Coast Guard personnel who question the validity of any classification society activities or administrative matters pertaining to the execution of the ACP shall seek resolution with the classification society at the lowest level practicable, and elevate only as needed (e.g., attending Inspector/ attending Surveyor, ACP Officer/ lead surveyor, cognizant OCMI, District (m), Program Manager/ Surveyor-in-charge, or Commandant/ Survey Manager.)

Section C

Duties and Responsibilities of the Program Manager

Overview

General

The Program Manager (G-MOC) is responsible for the overall administration of ACP. Refer to "Duties and Responsibilities of the Program Manager," in Chapter 32, MSM Volume II for further guidance.

Procedures for Inspections and Examinations

Overview

Introduction

Owners or operators of vessels may elect to have their vessels surveyed by an authorized classification society as outlined in this enclosure.

In this enclosure

This enclosure discusses these topics:

Topic	See Page
Duties and Responsibilities of Vessel Owners and Operators	4-2
Duties and Responsibilities of the ACP classification society	4-5
Duties and Responsibilities of the Coast Guard	4-10

Duties and Responsibilities of Vessel Owners and Operators

General

Vessel owners and operators may cite the successful completion of certain activities performed by ACP classification societies as satisfactory evidence of compliance with ACP requirements. Vessel owners and retain responsibility for ensuring their vessels comply with applicable US laws and regulations and international codes and conventions.

Enrolling in the ACP

See enclosure (1) for enrollment procedures to participate in the ACP.

Scheduling Coast Guard inspections

A vessel owner or operator wishing to have a vessel inspected under the ACP may apply by submitting an Application for Inspection of US Vessel (CG-3752) to cognizant OCMI:

Initial enrollment: "Hand-over survey":

Annual Examination:

- provide minimum of 30 days notice
- CG-3752 is required at the COI renewal

The Application must:

- indicate the vessel's enrollment or examination in the ACP, and
- the name of the ACP class society that will verify compliance with ACP requirements.

Scheduling ACP surveys

Contact the ACP classification society to schedule the following:

- surveys required as a condition of classification,
- surveys for the issuance of international convention certificates, and
- surveys to verify compliance with requirements of the ACP class society's US Supplement.

Notice of marine casualties

In the event of a marine casualty, owners, agents, Masters, operators or persons-in-charge of a vessel involved shall report all information required by 46 CFR 4.05-1 to the Coast Guard. A class surveyor or a Coast Guard boarding officer will obtain form CG-2692 for reportable casualties reported by vessel personnel during the course of a survey or examination and forward it to the local OCMI for disposition.

Continued on next page

Duties and Responsibilities of Vessel Owners and Operators, Continued

Special inspection activities

Contact the local OCMI for:

- all manning issues,
- dry-dock interval extensions (beyond 90 days),
- Underwater survey in Lieu of Dry-docking (UWILD) participation,
- permits to proceed,
- load line exemptions,
- excursion permits,
- changes of employment, and
- Critical Area Inspection Plan (CAIP) examinations.

Access to reports and records

During the vessel's participation in the ACP, the Coast Guard 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, and
- similar material held or issued by the ACP classification society.

International convention certificates

The ACP classification society may be authorized to issue certain international convention certificates. (See the next section, *Duties and Responsibilities of the ACP classification society*, for a list of these certificates). To apply for equivalencies to, and extensions of, international convention certificates, contact the ACP classification society.

Notification to vessel's crew

Vessel representatives shall advise the vessel's crew members that the vessel is participating in the ACP.

Duties and Responsibilities of the ACP Classification Society

General

The ACP classification society conducts surveys to assess a vessel's compliance with that society's class Rules, its US supplement and international conventions. The Rules are established by committees serving the classification societies. The US supplement is developed by the ACP class society and approved by Commandant (G-MSE).

Program administration

- Follow the steps below when enrolling vessels into the ACP.
- Coordinate the initial "hand-over survey" with the OCMI upon enrollment.
- Provide the Coast Guard access to any and all of the following information which the Coast Guard has deemed necessary to monitor the condition of vessels participating in this program and to fulfill the United States' international convention reporting obligations:
  - records,
  - files,
  - reports,
  - documents,
  - certificates, and
  - similar material.

Continued on next page

Duties and Responsibilities of the ACP Classification Society, Continued

ACP surveys

In accordance with the policies and procedures established to carry out the ACP, an ACP classification society will perform surveys for:

- classification,
- compliance with the US supplement, and for
- the issuance of certain international maritime safety and pollution prevention certificates.

When the vessel's survey window allows, a participating owner or operator may request that the classification society perform surveys to coincide with Coast Guard inspections or re-examinations.

International certificates

Depending on the specific delegations, a classification society may be authorized to issue, endorse or extend, the following international certificates, in accordance with the provisions of each convention, to participating vessels :

- International Load Line Certificate
- International Tonnage Certificate
- SOLAS Cargo Ship Safety Construction Certificate
- SOLAS Cargo Ship Safety Equipment Certificate
- SOLAS Certificate of Fitness for the Carriage of Dangerous Chemicals in Bulk
- SOLAS Certificate of Fitness for the Carriage of Liquefied Gasses in Bulk
- SOLAS Mobile Offshore Drilling Unit Safety Certificate
- MARPOL 73/78 International Oil Pollution Prevention Certificates:

ANNEX I:	full authorization
ANNEX II	full authorization
ANNEX III	full authorization
ANNEX IV	(see note below)
ANNEX V	full authorization
ANNEX VI	to be developed

- MARPOL 73/78 International Oil Pollution Prevention Certificate for the Carriage of Noxious Liquid Substances in Bulk
- ISM Document of Compliance (Procedures to be developed)

Notes: The USCG has not endorsed ANNEX IV, however the USCG expects compliance with the Marine Sanitation Device regulations in 33 CFR 159

The ACP class society may extend international certificates up to the last day of the third month from the date of expiration of the full term certificate.

Extensions beyond this time frame must be approved by the Program Manager.

When authorized, the classification society 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 the CG. (See enclosure (6).

Continued on next page

Duties and Responsibilities of the ACP Classification Society, Continued

Notification requirements

Notify the local OCMI whenever:

a survey involves dry-docking (including Underwater survey in Lieu of Dry-docking) or internal structural examination. (Provide the completion dates of dry-dockings and internal structural exams.)

- any survey reveals evidence of:
  - an apparent violation of any applicable law or regulation on the part of a participating vessel's owners, operators, or licensed or documented personnel (e.g., presence of oily residue in a segregated ballast tank may be evidence of an apparent violation of pollution prevention regulations); or
  - previously unreported vessel damages
- extending to a participating vessel:
  - a classification certificate;
  - an international convention certificate as noted above; or
  - equivalencies to international codes and conventions (See enclosure (6) for procedures).
- a certificate should be revoked or withdrawn . (Only the Coast Guard OCMI or CG District Commander may revoke an international certificate. The OCMI may also need to revoke or suspend the COI also depending on the severity of the item(s) causing the international certificate(s) to be revoked or withdrawn.)

Liaison with the Coast Guard

The ACP classification society will establish and maintain liaison with the Coast Guard in accordance with the terms and conditions specified in the MOU (See enclosure (7)). Among other things, this promotes effective communication at all appropriate levels of the respective organizations, and facilitate sharing written and computer information relevant to the vessels participating in this program. All local Coast Guard Marine Safety Offices have an ACP Officer and the Coast Guard has assigned an active duty Captain to the ABS Americas in Houston, Texas.

Confidentiality

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

Duties and Responsibilities of the Coast Guard

General

The Coast Guard will maintain its authority and responsibility to verify that vessels of the United States are designed, built, equipped, maintained, and operated in accordance with all applicable international and domestic requirements. The ACP is one method by which the Coast Guard satisfies this responsibility. The Coast Guard will conduct administrative reviews and periodic examination of participating vessels as required to satisfy its statutory responsibilities.

Certificates of Inspection

A COI is issued to a vessel only when the cognizant OCMI is:

- in receipt of a properly completed and timely submitted application for inspection,
- satisfied that the vessel is in substantial compliance ACP requirements, and
- satisfied that the vessel is fit for its intended route and service.

The OCMI will conduct an annual examination of ACP participating vessels of a scope analogous to a Port State Control examination prior to issuing or endorsing the COI. The OCMI may rely on reports obtained from the ACP class society and other information prior to issuing or endorsing the COI.

Annual Examinations

The purpose of the annual examination is to carry out activities that the ACP classification society is not authorized to perform under the terms and conditions of the ACP. The scope of the examination is analogous to a Port State Control annual examination. It will include drills to assess the crew's proficiency in handling likely shipboard emergencies such as:

- fires,
- abandon ship,
- failures of critical safety systems, and
- pollution incidents.

Continued on next page

Duties and Responsibilities of the Coast Guard,
Continued

Periodic Reexaminations

A re-examination is an examination by the Coast Guard to ensure that a vessel and its crew have remained in compliance applicable ACP requirements between annual examinations. It shall normally consist of an examination of the vessel's certificates, licenses and documents, and a general examination conducted by walking through the vessel. Except aboard passenger vessels for which quarterly reexaminations are mandatory, a reexamination will not normally include operational testing or drills. A re-examination may be expanded as necessary if clear grounds exist to indicate that a vessel is not in compliance with applicable ACP requirements.

The OCMI will determine if a re-examination will be conducted based on available resources and risk factors found in The Coast Guard's Marine Safety Manual, Volume II, Chapter 32. The OCMI will notify the participating owners or operators when the vessel is due for a periodic re-examination.

Coast Guard personnel should verify the following during a boarding, by visual observation of the vessel's equipment, components and systems:

- the conditions documented in the various international certificates and ACP class society's reports accurately reflect the actual condition of the vessel, and that
- no unsafe conditions exist.

During any examination, the OCMI will notify the ACP classification society if an ACP vessel is unsafe to proceed to sea, or if it presents a serious threat to life, property, or to the marine environment.

Dry dock examinations

The Coast Guard may attend dry-dockings, internal structural examinations or underwater surveys (and UWILDs) conducted by a ACP classification society under the terms and conditions of this program.

Continued on next page

Duties and Responsibilities of the Coast Guard, Continued

Special inspection activities

The Coast Guard retains the authority for the following special inspection activities:

- all manning issues,
- dry-dock interval extensions (over 90 days,
- Underwater survey in Lieu of Dry-docking (UWILD) enrollment,
- permits to proceed,
- load line exemptions,
- excursion permits,
- changes of employment, and
- Critical Area Inspection Plan (CAIP) examinations.

Marine casualties and damage surveys

The OCMI maintains the authority to review and approve repair proposals in cases where :

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

The OCMI will:

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

Liaison with the ACP classification society

The Coast Guard will establish and maintain liaison with the ACP class society in accordance with the terms and conditions specified in the MOU (See enclosure (7)). Among other things, this promotes effective communication at all appropriate levels of the respective organizations, and facilitate sharing written and computer information relevant to the vessels participating in this program. All local Coast Guard Marine Safety Offices have an ACP Officer and the Coast Guard has assigned an active duty Captain to the ABS Americas in Houston, Texas.

Enclosure (5) to NVIC 2-95

Guide for Conducting Underwater surveys In Lieu of Dry-docking (UWILD)

Overview

Introduction

Underwater surveys in lieu of dry-docking (UWILDs) are conducted only after approval by Commandant (G-MOC). A classification society may conduct such a survey, upon Coast Guard approval, in accordance with this enclosure and its class Rules.

In this enclosure

This enclosure discusses these topics:

Topic	See Page
General Guidelines	5-2
Conditions	5-4
Underwater Conditions	5-7
Physical Features	5-8
Procedures	5-12
Alternatives	5-13

General Guidelines

Underwater survey

An underwater survey shall be done by a diver operating in compliance with 46 CFR Subchapter V (Marine Occupational Safety and Health Standards) when the UWILD is done in the US. When the UWILD is conducted outside the US, the diver must be acceptable to the classification society. A UWILD

- can be equivalent to an out-of water Dry-docking survey and
- may be considered at alternate Dry-docking survey due dates.

This alternative ***will not be available*** for the Dry-docking survey that is required for the Special survey of Hull.

The survey must cover all items that would normally be examined if the vessel was in dry-dock out of the water.

- A UWILD is an alternative to a Dry-docking survey.

UWILD General Guidelines

Exceptions

If . . .	Then . . .
at any time during the UWILD, conditions are found that warrant more detailed examinations,	and an internal structural examination of the areas of concern will be required,.
the internal structural examination of the areas of concern are unsatisfactory,	the vessel is ineligible for a UWILD and the vessel will be directed to proceed to a dry dock for an out-of-water examination.

Continued on next page

UWILD General Guidelines, Continued

Examinations

Divers conducting UWILDs must examine these parts:

- keel,
- stern,
- stern frame,
- rudder,
- propeller, and
- all openings and plugs in the vessel's plating and outside of side and bottom plating

Parts must be cleaned as necessary and examined together with:

- bilge keels,
- thrusters,
- exposed parts of the stern bearing and seal assembly (see Tailshaft surveys Section below)
- sea chests, and
- rudder pintles and gudgeons together with their respective securing arrangements.

All non-metallic expansion pieces in the main and auxiliary water cooling and circulating systems must be externally examined.

Requirements

All vessels on which a UWILD is conducted must have permanent bottom markings to allow for orientation of the divers. The vessel must also have:

- safe access to the internals of the sea chests. and
- an original video or photographic evidence of the vessel to provide a baseline for comparison of present conditions found.

This evidence is to be maintained on the vessel and by the ACP classification society that must be located within in the US for review by the Coast Guard during Quality Audits.

UWILD Conditions

Limitations

A UWILD is an alternative to an out-of-water dry-docking. A dry dock is a facility where extensive repairs may be completed. Therefore, vessels 15 years of age or over will be subject to the following before being permitted to conduct a UWILD:

- A review of the vessel's maintenance and repair history to ensure that no unusual repairs have been required or made to the vessel.
- A review of the vessel's most recent gaugings to ensure that there are no areas of accelerated corrosion or tanks with poor or no coatings.
- An internal examination of representative tanks or cargo tanks, or cargo holds.

The UWILD may be canceled or denied where there is a record or indication of abnormal deterioration or damage to a vessel's:

- underwater body,
- rudder,
- propeller, or
- any other appendages.

Existing outstanding recommendations

The UWILD may be denied when there are any outstanding recommendations for repairs to the vessel's:

- propeller,
- rudder,
- stern frame,
- underwater structure, or
- sea valves.

Thickness gauging and non-destructive testing

The vessel must have the approved gaugings from the last Special survey of Hull available. The gaugings of the vessel's underwater body are to be current. For all vessels, the as-built scantlings are to be available.

The divers must be qualified to do underwater gaugings and be certified to ASNI level II or equivalent status for any non-destructive examinations that may be necessary to investigate areas of concern found during the UWILD.

Continued on next page

UWILD Conditions, Continued

Thickness gauging and non-destructive testing (continued)

Areas of concern include, but are not limited to:

- suspected fractures,
- pitting, and
- accelerated corrosion.

Note

Gaugings of the underwater body, that are required for the Special Survey of Hull, are to be taken out of the water. These gaugings are to be taken in conjunction with a Surveyor's visual examination of the areas gauged.

Tailshaft surveys

Tailshaft surveys are not covered by this NVIC. Tailshafts are to be dealt with in accordance with the most current and applicable class Rules. For the purpose of a UWILD, it is understood that obtaining stern bearing clearances of oil lubricated bearings may be awkward or could contaminate the stern bearing oil supply. The judgment of the divers and the attending surveyors is to be given due consideration. It is expected that the vessel's Master and Chief Engineer will provide an affidavit attesting to the satisfactory operation of the tailshaft, stern bearing and propeller.

Markings and other information to be provided

Since permanent markings must be welded to the vessel's bottom plating, preparations for the UWILD shall be made at a dry-docking preceding the UWILD. The following items must be present at the time of the UWILD:

a. Plans must be available showing the location marks and the bottom shell welded seams and butts. This plan must also show the existence of any doublers, straps, and bottom plugs and the locations of all sea intakes, sea valves and discharges. The plan must show the locations of any known damage previously accepted for continued service and any areas of suspected damage. The details of the rudder surfaces and access to the pintle securing arrangements must also be shown.

b. Permanent Marks on the vessel to orient the diver and allow for identifying video tapes. These marks must include specific areas of plating, the location of bulkheads, the location of tanks, and the location of all sea intakes, sea valves and discharges. The details of the rudder surfaces and access to the pintle securing arrangements are also to be shown.

c. Reference Data for the diver that describe safe access to the rudder bearings, tailshaft bearings and strut bearings.

UWILD Conditions, Continued

Markings and other information to be provided (continued)

d. Video Tape Equipment that will be used to record the UWILD. A proper video monitor and video tape will to be made available. Still photography may be used as a base-line in certain areas. Still photography is not meant to replace video tape.

e. The most current Gaugings and Gauging Review Letter must also to be available.

UWILD Underwater Conditions

Cleanliness

The areas to be examined are to be sufficiently cleaned to permit a meaningful examination. In order for the diver to determine the actual average condition of the underwater body of the vessel, the following areas must be cleaned:

- the flat keel plating full length,
- the bilge keels and their attachments full length,
- the shell plating in way of orientation marks,
- all sea chests, and
- all accesses to the rudder and propeller and sufficient sections of the bottom plating.

The areas must be cleaned to the extent that video evidence accurately shows the conditions of the bottom plating.

Visibility

As a minimum, the diver must be able to see the full height of the rudder and the full diameter of the propeller. For all other parts of the vessel the diver is to be able to see from the flat keel to the turn of the bilge, or 5 meters (16 ft), whichever is the lesser.

Safety

At all times that a diver is in the water, concern for the safety of the diver is paramount. The diver is not expected to do the UWILD in conditions of heavy currents and under other unsafe conditions.

Planning

It is required that a pre-dive meeting will take place during which:

- the responsibilities of the vessel owner's representatives, the vessel's crew, the diver and the surveyors are discussed and agreed upon;
- communications between all participants are agreed upon; and
- the schedule for the dive and operation of the ship's inlets and discharges are determined.

UWILD - Vessel's Physical Features

General

In order to facilitate a UWILD, the following features are to be incorporated into the vessel's design. When these items are verified, a note describing them will be placed in the vessel's computer record by the ACP class society.

Stern bearing

Means are to be provided for determining that the clearance or wear down of the stern bearing is not excessive. For oil bearings, see the discussion on tailshaft surveys above. For wood or rubber bearings, access must be provided through the bearing protection, sufficient to allow the clearance to be accurately determined.

Rudder bearings

Means of access must be provided sufficient to determine the condition and clearance of the rudder bearings. This access must also allow for verification of the securing arrangements of the pintle and gudgeon. The diver and the surveyor are to satisfy themselves that the nuts on the rudder stock and the pintle are up hard and properly secured. The UWILD will not be credited if the security of the arrangements is not verified. Also, the UWILD will not be credited if excess clearances or slackness in the securing mechanism are found.

Sea suction and discharges

Means must be provided to allow the diver safe access to the internals of the sea chests. This is an owner's option. It is usually done by providing hinged grids. The following areas are to be thoroughly cleaned for the UWILD:

- sea chests, and
- all openings in the grids and the spool pieces to the sea inlets and sea discharges.

A variety of blanks must be readily available so that sea valves may be opened for internal examination.

The surveyor is to examine all parts of the sea chests from within the vessel. Particular attention is to be given to the condition of the spool piece and the attachments of the sea valve. If necessary, the spool piece may require ultrasonic gauging and the fastenings may require renewal.

Sea valves

A plan must be developed to allow the diver to video the opening and closing of the sea valves. If the valves are power-actuated, this opening and closing is to be done both locally and remotely. The proper operation of the valves must be reported by the surveyors as part of the machinery items for classification. (Sea valves are required to be opened once in a five-year period.)

Continued on next page

UWILD - Vessel's Physical Features, Continued

Flexible non-metallic expansion pieces

Examine the flexible nonmetallic expansion pieces externally. The pieces must have less than ten years service life in the system and show no signs of apparent deterioration. The vessel's records will be used to determine the service life of the pieces. The expansion pieces must be identified by the manufacturer so that the name of the manufacturer and the date of manufacture are know. All pieces with more than ten years service life are to be renewed. Minor repairs may be made to these expansion pieces, provided they are conducted by the manufacturer's representatives. Major repairs, such as recapping the pieces, will be subject to the specific approval of the Commandant (G-MOC). The following is an excerpt from the Marine Safety Manual:

"The life expectancies of nonmetallic expansion joints depend upon their applications and the surrounding environments, A complete internal examination should be made of nonmetallic expansion joints when external inspections reveal excessive wear or other signs of deterioration or damage. If an adequate external or internal examination cannot be conducted the expansion joint shall be removed for inspection. Following are various problem areas associated with rubber expansion joints, their probable causes and recommended repairs:

a. Leaks At The Flange: Retaining ring splits should be as close together as possible, and flat stool washers should be used on the bolts over the splits. The bolts should be tightened uniformly by moving alternatively around the flange from bolt to bolt until the rubber on the joint flange bulges slightly and uniformly between the steel retaining ring and the piping flange.

b. Cracks at Base of Arch or Flange: These are caused by unexpected pipe movements that put excessive stress on the joint (which is most commonly caused by misalignment at the time of installation). Excessive pipe movements, improper anchorage or failure to use control rods also cause problems. If such cracks are severe enough to interfere with the integrity of the joint, it must be replaced after the cause of the damage has been corrected.

c. Ballooned Or Otherwise Deformed Arches: These indicate interior displacement of reinforcing rings or wire, usually because of higher than recommended pressures. (The joint must be replaced if either of these conditions exist.)

Continued on next page

UWILD - Vessel's Physical Features, Continued

Flexible non-metallic expansion pieces (continued)

d. Loose Outer Body Fabric: A feeling of softness or looseness near the surface of the arch indicates a loss of adhesion between fabric plies. If plies have separated, the joint must be replaced,

e. Spongy Feeling of The Joint Body: This is caused by moisture penetration and deterioration of the fabric, usually from loose bolts or deterioration of, or physical damage to, the bolt hole sealant. Operating conditions should be checked and the joint replaced.

f. Hardness and Cracking Of Its Cover: This is caused by exposure to extreme heat, chemical fumes, ozone, and other elements in service condition. The joint should be replaced after the cause has been determined and corrected.

g. Cuts and Gouges in The Cover: These are caused by careless handling or damage from tools. If the damage is no deeper than one ply, repairs may be made with a self-vulcanizing material."

UWILD Procedures

Exposed areas

The UWILD should be conducted at light draft during daylight hours. The surveyor must be given safe access to:

- all parts of the exposed side shell and bottom shell plating; and
- the exposed parts of the propeller, rudder and rudder bearings.

The surveyor will witness all exposed clearances and verify the securing arrangements and include these items in the UWILD survey report..

Underwater areas

A diver is to conduct the examination of all parts of the underwater body. The diver is to be equipped with two-way communications. A video camera is to be provided to allow the surveyor to review the progress of the dive and any areas of concern that are found. The dive is to be recorded on video tape. The original tape is to be retained on the vessel and by the ACP classification society at a central document control office located within in the US for review by the Coast Guard during Quality Audits.

Video Tape & Progress of the dive

The progress of the dive is to be orderly and planned. Those areas seen, that have no obvious deterioration need not be recorded. However, the following must be included as a matter of record on the video tape:

- time that the dive commences,
- point of commencement,
- time viewed,
- conditions of the hull markings,
- random areas of plating,
- all sea chests,
- all inlets and discharges,
- rudder,
- pintles,
- propeller, and
- time and point of completion of the dive.

Diver's report

The video tape is to be supplemented with a diver's report. The diver's report must contain a summary of the conditions and times of the dive, and a validation that the vessel is fit to proceed. The original copy of the diver's report is to be given to the attending surveyor for the classification society's records. The classification society will distribute copies of the surveyor's report and a copy of the diver's report to the vessel owner's representatives.

Continued on next page

UWILD Procedures, Continued

Areas of concern

When areas of concern are found, they are to be examined to the maximum extent possible. Areas of concern include, but are not limited to, **damage** and **corrosion**. These areas are to be recorded on video. If necessary, they may be cause for the vessel to proceed to an out-of-water dry-docking. The recommendations for dealing with these areas of concern will be dealt with by the attending surveyor in consultation with the owner's representative and the survey manager. The ACP classification society class Rules will be the standard basis for determination of the severity of areas of concern.

Alternatives

General

There may be alternatives allowed to any or all of the above guidance. All requests for alternative UWILD procedures shall be made to the classification society's ACP Coordinator. The ACP Coordinator will, in turn, make a recommendation to the Commandant (G-MOC). G-MOC will give appropriate comments and/or issue final approval.

Enclosure (6) to NVIC 2-95

Appeals, Interpretations, and Equivalencies and Exemptions from Requirements of International Conventions

Overview

Introduction

The process for appealing the decision of a classification society acting on behalf of the Coast Guard is established in 46 CFR 1.03-35. This enclosure provides vessel owners, operators and builders with:

- alternative procedures for appealing decisions of the Coast Guard and the ACP classification society; and
- procedures to obtain interpretations of and an equivalency determinations for:
  - ACP classification society class Rules,
  - US supplement, and
  - international codes and conventions.

In this enclosure

This enclosure discusses these topics:

Topic	See Page
Appealing ACP classification society Decisions Pertaining to ACP Classification Rules	2
Appealing ACP classification society Decisions Pertaining to its US Supplement or the International Codes and Conventions	3
Appealing Coast Guard Decisions	5
Interpretations Defined	6
ACP class Rules	7
ACP US Supplement	8
International Codes and Conventions	9
Requesting an Equivalency to an ACP Class Rule	10

Appealing Classification Society Decisions Pertaining to ACP Classification Rules

Plan review

Persons aggrieved by an ACP classification society's decision pertaining to the application of a classification rule under the ACP are encouraged to resolve the matter at the most immediate level practicable (i.e., with the attending surveyor or surveyor-in-charge).

An aggrieved party should appeal to the ACP classification society. The ACP classification society will specify the procedures to follow to file the appeal. Failing resolution at the most immediate level, an aggrieved party may appeal to the Vice President of Engineering at the ACP classification society. The decision of the ACP classification society's Vice President of Engineering is final. The ACP classification society will notify the Coast Guard of its decision. The ACP classification society's decisions may be adopted as Coast Guard policy.

New construction and conversion

Persons aggrieved by an ACP classification society's decision pertaining to the application of a classification rule under the ACP 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 appeal to the ACP classification society. The ACP classification society will specify the procedures to be followed to file the appeal. Failing resolution at the most immediate level, an aggrieved party may appeal to the survey manager at the ACP classification society. The decision of the ACP classification society's survey manager is final. The ACP classification society will notify the Coast Guard of its decision. The ACP classification society's decisions may be adopted as Coast Guard policy.

Appealing Classification Society Decisions Pertaining to the US Supplement or International Codes and Conventions

Plan review

Owners or operators of participating vessels aggrieved by an ACP classification society's decision on matters involving its US Supplement 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 ACP classification society. The ACP classification society 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 Vice President of Engineering at the ACP classification society. If resolution is achieved, the ACP classification society will notify the Coast Guard of its decision.

Failing resolution with the ACP classification society, an aggrieved party may appeal the matter to the Coast Guard in accordance with the procedures in 46 CFR 1.03-35(a). The Coast Guard may issue an interim response in complex cases in which final resolution requires extensive research or deliberation. All decisions of Commandant (G-MSE) are final and may be applied as Coast Guard policy.

Step	Action
1	Address appeal in writing to Commandant (G-MSE) via the Vice President of Engineering at the ACP classification society with a copy to the Coast Guard Liaison Officer (if assigned).
2	The ACP classification society forwards the appeal, along with its comments, to Commandant (G-MSE) within five working days of receipt.
3	Commandant (G-MSE) should respond to the appeal within ten working days of receipt from the ACP classification society.
4	The Coast Guard will notify the ACP classification society of its decision.

Continued on next page

Appealing Classification Society Decisions Pertaining to the US Supplement or International Codes and Conventions, Continued

surveys and examinations

Owners or operators of participating vessels who are aggrieved by an ACP classification society's decision on matters involving its US supplement 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 ACP classification society. The ACP classification society will specify the procedures to be followed to file the appeal. Failing resolution at the most immediate level, an aggrieved party may appeal to the survey manager at the ACP classification society. If resolution is achieved, the ACP classification society will notify the Coast Guard of its decision.

Failing resolution with the ACP classification society, an aggrieved party may appeal the matter to the Coast Guard. Decisions of the Commandant may be applied as Coast Guard policy.

Step	Action
1	Failing resolution by the ACP class society, the vessel's representative shall submit the final appeal to Commandant (G-MOC)
2	Commandant (G-MOC) should respond to the appeal within ten working days of receipt from the ACP classification society. All decisions of Commandant (G-MOC) are final.
3	The Coast Guard will notify the ACP the vessel's representative and the ACP classification society of its decision.

Appealing Coast Guard Decisions

General

Persons aggrieved by a decision of the Coast Guard may appeal in accordance with the procedures contained in 46 CFR 1.03. The Coast Guard will notify the ACP classification society of its decisions. Decisions may be applied as Coast Guard policy.

Interpretations Defined

General

An interpretation is policy by a cognizant 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 ACP classification society is the cognizant authority for interpretations pertaining to those classification Rules that are part of the ACP requirements. The Coast Guard is the cognizant authority for interpretations of the ACP class society's US supplement and international codes and conventions.

ACP Classification Rules

Plan review

Interpretations by an ACP classification society are final.

Step	Action
1	Apply to the ACP classification society for interpretations of classification Rules.
2	ACP classification society shall make the interpretation, and notify the applicant.
3	ACP classification society will notify the Coast Guard of its interpretation.

New construction or conversion

Same as above for plan review.

Interpretations of ACP Class Society's US Supplement

Plan review

All interpretations by the Coast Guard are final.

Step	Action	
1	Apply to the ACP classification society for interpretations of items in the US supplement.	
2	ACP classification society will inform the MSC of its proposed interpretation.	
3	IF . . .	THEN . . .
	the MSC accepts the interpretation	the ACP classification society will inform the applicant.
	the ACP classification society's interpretation is not accepted	MSC will provide an interpretation to the ACP classification society, and the ACP classification society will inform the applicant.

Inspection and examination

All interpretations by the Coast Guard are final.

Step	Action	
1	Apply to the ACP classification society for interpretations of items in its US supplement.	
2	Classification society will inform Commandant (G-MOC) of its proposed interpretation.	
3	IF . . .	THEN . . .
	the Coast Guard accepts the interpretation	the ACP classification society will inform the applicant.
	the ACP classification society's interpretation is not accepted	Commandant (G-MOC) will provide an interpretation to the ACP classification society, and the ACP classification society will inform the applicant.

Interpretations of International Codes and Conventions

Plan review

Apply to the ACP classification society for interpretations of requirements in an international code or convention.. All interpretations by the Coast Guard are final.

Step	Action	
1	The ACP classification society will specify the procedures to be followed.	
2	The ACP classification society will inform the MSC of its proposed interpretation.	
3	IF . . .	THEN . . .
	the MSC accepts the interpretation	the ACP classification society will inform the applicant.
	the ACP classification society's interpretation is not accepted	the MSC will provide an interpretation to the ACP classification society, and the ACP classification society will inform the applicant.

Inspection and examination

Apply to the ACP classification society for interpretations of items in an international code or convention. All interpretations of the Coast Guard are final.

Step	Action	
1	The ACP classification society will specify the procedures to be followed.	
2	The ACP classification society will inform Commandant (G-MOC) of its proposed interpretation.	
3	IF . . .	THEN . . .
	the Coast Guard accepts the interpretation	the ACP classification society will inform the applicant.
	the ACP classification society's interpretation is not accepted	Commandant (G-MOC) will provide an interpretation to the ACP classification society, and the ACP classification society will inform the applicant.

Requesting an Equivalency to an ACP Classification Rule

Plan review

Apply to the ACP classification society to request an equivalency determination. The ACP classification society will notify the Coast Guard of equivalency approvals.

Inspection and examination

Apply to the ACP classification society to request an equivalency determination. All determinations by the Coast Guard are final.

Step	Action	
1	The ACP classification society will specify the procedures to be followed.	
2	The ACP classification society will review the equivalency request and inform the Marine Safety Center of its proposed determination	
3	IF . . .	THEN . . .
	the Coast Guard accepts the interpretation	the ACP classification society will inform the applicant.
	the ACP classification society's interpretation is not accepted	the Marine Safety Center will provide an interpretation to the ACP classification society, and the ACP classification society will inform the applicant.

MEMORANDUM OF UNDERSTANDING BETWEEN THE UNITED STATES COAST GUARD AND THE AMERICAN BUREAU OF SHIPPING CONCERNING DELEGATION OF VESSEL INSPECTIONS AND EXAMINATIONS, AND TONNAGE MEASUREMENT, AND ACCEPTANCE OF PLAN REVIEW AND APPROVAL

I. This Memorandum of Understanding (MOU) delegates authority and set. forth guidelines for cooperation between the United State. Coast Guard and the American Bureau of Shipping (ABS) with respect to the initial and subsequent inspections for certification and periodic reinspections or examinations of vessels of the United States, as defined by 46 U.S.C. § 2101(46), both in the United States and in foreign countries, in the review and approval of plans, the tonnage measurement of vessels, and in associated activities. Nothing in this MOU alters in any way the statutory or regulatory authority of the Coast Guard or the Rules, services and responsibilities of the ABS related to vessel classification.

II. Parties.

A. The Coast Guard is statutorily authorized to administer laws and promulgate and enforce regulations for the promotion of the safety of life and property at sea and the protection of the marine environment. In accordance with the authority granted by 46 U.S.C. § 2104 and § 3316, the Coast Guard is authorized to delegate to the ABS the inspection and examination of vessels of the United States. The Coast Guard also has statutory authority under 46 U.S.C. Part J -Measurement of Vessels, for the measurement and the certification of tonnages for vessels required or eligible to be documented as vessels of the United States. Under 46 U.S.C. § 14103, the Coast Guard may delegate the authority to measure certain vessels to qualified persons. Further, under 46 U.S.C. § 3316, the Coast Guard is authorized to accept the review and approval of vessel plans performed by the ABS.

B. The ABS is a not for profit corporation chartered under the laws of the State of New York. The ABS is chartered for the purpose of promoting the security of life and property on the seas, and protection of the marine environment. The ABS is maintained as an organization having no capital stock and paying no dividends. The Secretary of Transportation appoints two active representatives, one of which is the Commandant of the Coast Guard, to represent the US Government on the ABS Council or Board of Directors. Affected American interests and members of the Coast Guard serve on technical and special committees of the ABS and have a voice in the development of Rules for classification published by the ABS. A standing committee of personnel from the Coast Guard and the ABS periodically reviews the relationships between the organizations.

III. Delegation of Vessel Inspections and Tonnage Measurements and Acceptance of Plan Review. and Approvals

A. Delegation

1. The Coast Guard delegates to the ABS, as its agent, the authority to conduct the initial inspection for certification, subsequent inspection for certification, periodic reinspection and examination, including dry-dock examinations, and the authority to issue and endorse certain certificates for vessels documented, or to be documented, as vessels of the United States, both in the United States and in foreign countries.

2. The ABS is a qualified person for the purposes of measuring vessels and issuing certificates in accordance with 46 U.S.C. Part J and is delegated the authority to conduct tonnage measurement services in accordance with federal regulations as part of the Coast Guard vessel certification process.

B. Acceptance of Plan Reviews and Approvals.

1. The Coast Guard will accept the review and approval of vessel plans by the ABS in the same manner as if approved by the Coast Guard.

C. Terms.

1. The Coast Guard and the ABS will meet periodically, at all levels, to promote cooperation and handle matters of interpretation and policy concerning the subjects of this agreement.

2. In carrying out this agreement, the ABS will,

(i) provide written confirmation, in a mutually agreed format and media, of the results of inspections, examinations, reviews and approvals conducted on behalf of the Coast Guard, and provide the Coast Guard access to information concerning deficiencies identified by the ABS, related to functions delegated under this MOU. Subject to agreement of the vessel's owner, the ABS will provide the Coast Guard access to information concerning deficiencies related to classification by the ABS which have not been fully corrected;

(ii) in accordance with 46 U.S.C. §§ 3310 and 3316(c)(2), maintain in the United States records of all inspections, examinations, measurements, review., and approval. done on behalf of the Coast Guard and make such records available to the Coast Guard upon request;

(iii) be subject to a mutually acceptable oversight program administered by the Coast Guard to determine that the functions delegated under this MOU are being carried out;

(iv) designate appropriate persons in the ABS to serve as points of contact with the appropriate Coast Guard personnel on matters of interpretation, policy, and the working relationship;

(v) submit proposed changes to the ABS Rules and the associated ABS quality system procedures and process instructions related to functions delegated under this MOU to the Coast Guard for review and comment to determine that these documents, read together with the US Supplement to the ABS Rules, are consistent with US law, regulation, and policy. Where the ABS adopts ABS Rule changes which are determined by the Coast Guard not to be consistent with Coast Guard regulation and policy, corrective provisions will be made in the US Supplement to the ABS Rules;.

(vi) submit for approval by the Coast Guard proposed changes to the US Supplement to the ABS Rules; and

(vii) make available to the Coast Guard copies of the ABS guidelines, procedures, and work instructions which are related to the performance of the delegated functions.

3. In carrying out the delegated functions and services outlined in paragraph III.A.1, the ABS will also:

(i) ensure that its employees engaged in the performance of functions delegated under this MOU are familiar with and require compliance with applicable laws and regulations and Coast Guard policies, interpretations, and instructions, provided to the ABS by the Coast Guard, interpreting and applying those applicable laws and regulations including (1) the International Convention for the Safety of Life at Sea (SOLAS), and, where authorized, other applicable international conventions to which the United States is a party; (2) United States statutes; (3) federal regulations; (4) the ABS Rules; and (5) the US Supplement to the ABS Rules;

(ii) promptly notify the Coast Guard at any time the ABS cannot fulfill its responsibilities under this MOU for any reason;

(iii) Unless otherwise specifically agreed in writing, conduct delegated inspections, examinations and plan review using only exclusive employees of the ABS;

(iv) ensure that, when an employee of the ABS is performing a function delegated under this MOU on board a vessel of the United States, the employee will promptly notify the cognizant Officer in Charge, Marine Inspection of any condition of the vessel or its equipment that does not correspond substantially with the particulars of the certificate of inspection or is such that the vessel is not fit to proceed to sea without danger to the vessel or persons on board to allow the Coast Guard the opportunity to conduct a timely investigation or examination as appropriate;

(v) ensure that, when an employee of the ABS attends a vessel to carry out delegated functions and finds that vessel is not in compliance with applicable requirements, the ABS employee will promptly notify the responsible vessel representative of the findings and that corrective action to rectify the deficiency must be taken. If the responsible vessel representative refuses to accept the findings and to undertake corrective action, the ABS employee is to advise the vessel representative of the appeals procedure and is to promptly notify the cognizant Officer in Charge, Marine Inspection, of the situation;

(vi) accept all requests to perform delegated services, on vessels classed by the ABS, without regard to the vessel's location, unless prohibited to do so under the laws of the United States or under the laws of the jurisdiction in which the vessel is located; and

(vii) provide the Coast Guard with current schedules of inspection 1 examination, survey and plan review fees and related charges and provide copies of changes when they occur.

4. In carrying out the delegated functions and services outlined in paragraph III.A.2., the ABS will also:

(i) ensure that its employees engaged in the performance of functions delegated under this MOU are familiar with and require compliance with applicable laws and regulations and Coast Guard policies, interpretations, and instructions, provided to the ABS by the Coast Guard, interpreting and applying those applicable laws and regulations pertaining to the vessel measurement function, including the International Convention on Tonnage Measurements of Ships, 196g, and all tonnage measurement interpretations and policies of the Coast Guard within the scope of the authority delegated that would normally be applied to US flag vessels;

(ii) conduct tonnage measurement on behalf of the Coast Guard using exclusive employees of the ABS or part time employees or independent contractors specifically designated by the ABS to provide measurement services under the Convention, Standard, or Dual Measurement Systems;

(iii) not use an employee or contractor to measure and certify the tonnage of a vessel if that employee or contractor is acting or has acted as a tonnage consultant for the same vessel;

(iv) physically conduct a compliance inspection before issuing each tonnage certificate;

(v) accept all requests to perform delegated services without regard to the vessel's location, unless prohibited to do so under the laws of the United States or under the laws of the jurisdiction in which the vessel is located;

(vi) notify the Coast Guard of scheduled meetings that may take place between the ABS and other vessel tonnage measurement organizations pertaining to tonnage measurement of US vessels or to the systems under which US vessels are measured; and

(vii) provide the Coast Guard with current schedules of measurement fees and related charges.

5. In carrying out this agreement, the Coast Guard will:

(i) provide the ABS with policies, interpretations, and instructions necessary to perform the delegated functions;

(ii) review and comment on proposed changes to the ABS Rules and the associated ABS quality system procedures and process instructions related to functions delegated under this MOU to determine that these documents, read together with the US Supplement to the ABS Rules, are consistent with US law, regulation, and policy. Where the Coast Guard determines that an ABS Rule

is not consistent with Coast Guard regulations and policy, the Coast Guard will define, together with the ABS, corrective provisions to be made in the US Supplement to the ABS Rules;

(iii) approve proposed changes to the US Supplement to the ABS Rules.

(iv) designate appropriate persons to serve as points of contact for periodic review, clarification, and reinforcement of the working relationship between the Coast Guard and the ABS; and

(v) process appeals resulting from the actions of the ABS in accordance with pertinent Coast Guard procedures.

IV. Non-exclusivity. Nothing in this MOU shall be construed to limit the delegation of any function to a classification society other than the ABS to the extent allowed by law.

V. Effective Date. This memorandum shall become effective upon authorized signature of both the Coast Guard and the ABS.

VI. Termination. As of the effective date of this MOU, the previous MOU between the Coast Guard and the ABS concerning plan review and inspection of vessels under construction certificated by the Coast Guard and the tonnage measurement of vessels is superseded and canceled. This MOU may be terminated by one party upon written notice to the other party. Termination will occur sixty days after written notice is given from one party to the other party. This MOU should be reviewed annually by both parties.

Robert E. Kramek
Commandant
United States Coast Guard

Date: JAN 12 1995

Frank J. Iarossi
Chairman and
Chief Executive Officer
American Bureau of Shipping

Date: JAN 12 1995

Enclosure (8) to NVIC 2-95

List of ACP Classification Societies and Coordinators

ACP Class Society	Class Society's ACP Coordinator
American Bureau of Shipping (ABS)	ABS survey Manager ABS Americas 16855 Northchase Drive Houston, TX 77060-6008 *Tel: (281) 877 6555* *Fax: (281) 877 5943*
(NOTE: The Coast Guard may add other ACP Classification Societies to this enclosure with subsequent changes to this NVIC).	

ACP DECISION MANAGEMENT MATRIX

SITUATION TO BE CONSIDERED	Class surveyor	CG Marine Inspector	Class surveyor in Charge	OCMI	Class survey Mgr.	Class VP Engineering	USCG Liaison	Class Corp. Ofc	USCG Washington (G-MOC)
Routine Maintenance And Repairs	A								
Damage Repairs Not Affecting Fitness To Proceed Or Hazards To The Environment	A	I	C						
Damage Repairs Affecting Fitness To Proceed Or Hazards To The Environment	R	I	C	A	I				
Loss Of Life -Boat To Be Replaced With Life Rafts	R	I	I	A	C		I		
Permission To Do An UWILD			I		R		I		A
Extensions Of Trading Certificates >90days			C		R		I		A
Unusual Conditions Of Damage, Perhaps Due To Design	C	C	C	C	I	R	I	A	C

R = Recommends, A = Approves, I = Informed, C = Consults