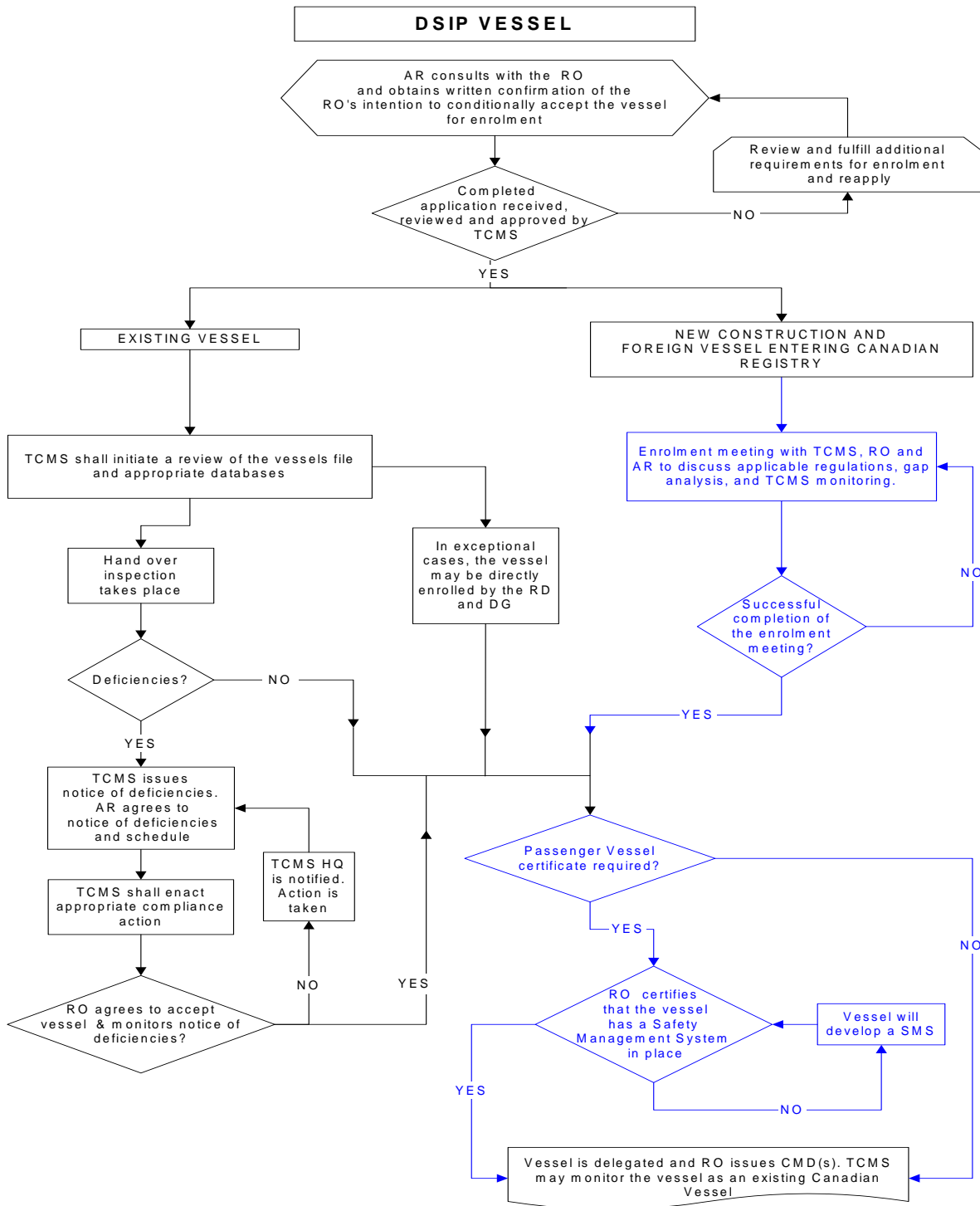


MARINE SAFETY MANAGEMENT SYSTEM TIER II – PROCEDURE

DELEGATED STATUTORY INSPECTION PROGRAM (DSIP) ENROLMENT PROCEDURE

1 Process Flowchart



2 Purpose

- 2.1 This manual describes the procedures used by Marine Safety to implement the policy on delegation of statutory inspection of vessels under the *Canada Shipping Act, 2001*, known as the Delegated Statutory Inspection Program (DSIP).

3 Authority

- 3.1 This procedure was authorized by the Marine Safety Executive on March 15, 2010.
- 3.2 This is the fourth version of these procedures, which was originally approved by MSE in December 2001.

4 Background

- 4.1 Delegated Statutory Inspection Program (DSIP) is a voluntary program wherein Transport Canada Marine Safety (TCMS) delegates authority for statutory inspections and the issuance of Canadian Maritime Documents (CMD) to classification societies known as Recognized Organizations (RO(s)). These ROs are signatory to a delegation agreement with the Minister of Transport, which defines the scope, terms, conditions, and requirements of the program.
- 4.2 DSIP was first implemented in 2001, under the *Canada Shipping Act*, to increase effectiveness in the allocation of Transport Canada resources. The delegation of these functions to ROs provides vessel owners a worldwide range of resources to enhance the efficiency and safety of vessels.
- 4.3 DSIP is available to both passenger and non-passenger vessels that are classed with a RO. Vessels may be enrolled in the program prior to or during construction, during entry into Canadian Registry, or at any time the vessel has a valid Inspection Certificate issued pursuant to the *Vessel Certification Regulations*.
- 4.4 The RO performs various TCMS functions, including plan approval and/or statutory inspections for vessels enrolled in DSIP, as stipulated in the delegation agreement.

5 Scope

- 5.1 This procedure is applicable to Transport Canada Marine Safety, Recognized Organizations, and Authorized Representatives carrying out activities specific to the inspection, operation, and certification of vessels enrolled in DSIP.

6 Responsibility

- 6.1 The Director of Operations and Environmental Programs is responsible for maintaining these procedures.
- 6.2 The Regional Directors are responsible for the implementation and promotion of these procedures in their respective regions.

- 6.3 Comments or queries related to this policy and their application should be addressed to:
Manager, Flag State Inspection Standards
AMSEH
330 Sparks Street
Ottawa ON K1A 0N8
Phone: (613) 991-3142

7 Definitions

Authorized Representative (AR) under CSA 2001

Authorized Representative is the person meeting the requirements of Section 14 of the *Canada Shipping Act, 2001*.

Authorized Representative may authorize the vessel operator to act as the signing authority under DSIP in instances where the AR is not the operator of the vessel. In the case of a vessel under construction, or being imported into Canada, this authorized person is the person intending to operate the vessel once it is registered. The individual filling the AR role must have a letter from the AR authorizing them to act as the AR for the purposes of DSIP.

DSIP Liaison Officer (DSIPLO)

The DSIP Liaison Officer is an individual, appointed by the Regional Director, who is the point of contact for all matters pertaining to DSIP.

Gap Analysis

The assessment of a design or an existing vessel with regards to Canadian Standards and regulatory requirements and identifies non-conformities associated with them.

Handover Inspection

A TCMS-led inspection completed, in consultation with the RO, in order to effectively transfer TCMS inspection functions and pertinent vessel information from TCMS to the RO, as per DSIP requirements.

Monitoring Inspection

An announced or unannounced inspection undertaken by TCMS to verify that the RO has performed the delegated duties, in accordance with the terms and policies of the delegation agreement, DSIP policy, and instructions to the RO. These inspections may also be used to verify the performance of the AR, Master or crew in fulfilling their responsibilities under the *CSA 2001*.

MTRB (Marine Technical Review Board)

The board established, pursuant to section 26 of the *CSA 2001*, to make decisions on applications for exemptions from or the replacement of, any requirement under the regulations.

Recognized Organization (RO)

Recognized Organization is a classification society that has been delegated authority by the Minister of Transport to perform inspections and/or issue Canadian Maritime Documents on behalf of the Minister and under the authority of formal legal agreements.

Regional Director (RD)

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

8 Procedures

8.1 Enrolment of Existing Canadian Vessels

- 8.1.1 The Authorized Representative (AR) must advise the Recognized Organization (RO) of the intention to enrol a vessel into the Delegated Statutory Inspection Program (DSIP). The RO must express, in writing to the AR, its willingness to consider the vessel for enrolment into DSIP.
- 8.1.2 The AR submits the Transport Canada Marine Safety (TCMS) application form to the Regional Director (RD) of the region in which the operator's corporate headquarters is located, and provides confirmation that the vessel is in class with the selected RO.
- 8.1.3 The AR must complete new applications for every vessel, and for each passenger vessel requesting to change from partial delegation to full delegation.
- 8.1.4 TCMS shall capture and record all submitted information, and complete the Ship Inspection Reporting System (SIRS) delegation section.
- 8.1.5 TCMS shall review the application and determine whether the vessel is eligible for entry into the program. TCMS will communicate in a timely manner, and in writing, the approval status of the application to the AR and RO.
- 8.1.6 If the application or vessel does not meet the conditions of DSIP, TCMS will notify the AR detailing the additional requirements for enrolment.
- 8.1.7 TCMS shall review the vessel file in preparation for the handover, and this review shall be made available to the AR and RO at the handover.
- 8.1.8 TCMS shall initiate the handover process and, in coordination with the AR and RO, propose a date for the handover inspection.
 - 8.1.8.1 In exceptional circumstances, and where there are no known safety issues with the vessel, the DG and RD may forgo a handover inspection and directly enrol the vessel. In these circumstances, the RO will issue a CMD after completing the necessary onboard inspections.

- 8.1.9 Where a handover inspection will be conducted, the AR shall ensure that the vessel is ready to be inspected on the scheduled date, in an operational status, and with a complement onboard as per the Minimum Safe Manning Document.
- 8.1.10 Where a handover inspection will be conducted, TCMS in consultation with the RO will complete an inspection and formulate a list of deficiencies, as required.
- 8.1.11 Once agreed upon by the AR and RO, any deficiencies that were discovered during the handover inspection shall be addressed using a notice of deficiencies. These deficiencies shall be noted in the vessel permanent records at TCMS, the Ship Inspection Reporting System (SIRS), and the RO database. Having accepted the presence of these deficiencies, the RO will record subsequent action regarding rectifications in their respective database.
- 8.1.12 If a deficiency is found, TCMS may detain the vessel and/or take the appropriate compliance action. TCMS shall immediately inform the AR and RO of the detention and compliance action.
- 8.1.13 The RO issues the appropriate CMDs and the delegation process is complete. The AR is notified in writing of the completion of the process.
- 8.1.14 Prior to the issuance of a passenger vessel certificate, the vessel shall have a Safety Management Certificate to the ISM code. The RO shall also assess the ability of the vessel and operating crew to accommodate the carriage of passengers in compliance with any applicable Canadian and International requirements.
- 8.1.15 Should the RO be unwilling to issue the appropriate CMDs, due to the degree and quantity of deficiencies identified by TCMS, no party shall issue a CMD. If this situation should arise, TCMS HQ is to be advised, and in coordination with TCMS Regional Office, an action plan shall be established.

8.2 Application Process For New Constructions

- 8.2.1 The AR must advise the RO of its intention to enrol a vessel into DSIP. The RO must express, in writing to the AR, its willingness to consider the vessel for enrolment into DSIP.
- 8.2.2 The AR must submit the TCMS application form to TCMS and provide confirmation that the vessel will be built to Class rules with the selected RO. This application shall normally be submitted to the RD of the region where the operator's corporate headquarters is located, or in cases where the region cannot be readily determined to TCMS HQ, who will determine the appropriate region.

- 8.2.3 An application shall be submitted prior to beginning construction, or as soon as it is practical thereafter. Failure to submit the application as early in the design phase as possible could lead to delays and necessary modifications.
- 8.2.4 The application shall include information outlining the specifications for the vessel, a preliminary construction schedule, the intended vessel operation, the intended voyage limitations and the 'gap analysis'. There must be an indication of any proposed alternatives to the regulations that would be subject to MTRB approval, and an indication of any non-regulatory issues that require input from TCMS HQ.
- 8.2.5 TCMS shall review the application for completeness. TCMS will communicate in a timely manner, and in writing, the approval status of the application, and arrange for an enrolment meeting for delegation.
- 8.2.6 The enrolment meeting shall be conducted to discuss applicable regulations and standards, including any necessary interpretations or proposed alternatives, SMS requirements for passenger vessels, and TCMS monitoring
- 8.2.7 At the successful completion of the enrolment meeting, the vessel is enrolled in the program, and the RO is authorized to perform all delegated functions relevant to the construction and eventual operation of the vessel. The AR shall be notified in writing of the successful completion of delegation process.
- 8.2.8 At the completion of the construction, the RO issues the appropriate CMDs.
- 8.2.9 Prior to the issuance of a passenger vessel certificate, the vessel shall have a Safety Management Certificate to the ISM code. The RO shall also assess the ability of the vessel and operating crew to accommodate the carriage of passengers in compliance with any applicable Canadian and International requirements.

8.3 Enrolment Process for Foreign Vessels

- 8.3.1 The AR must advise the RO of its intention to enrol a vessel into DSIP. The RO must express, in writing to the AR, its willingness to consider the vessel for enrolment into DSIP.
- 8.3.2 The AR must submit the TCMS application form to TCMS and provide confirmation that the vessel is currently in, or will be transferred into Class with the selected RO. This application shall normally be submitted to the RD of the region where the operator's corporate headquarters is located, or in cases where the region cannot be readily determined to TCMS HQ, who will determine the appropriate Region.
- 8.3.3 An application should be made at a minimum of thirty days prior to the proposed date for registration in Canada.

- 8.3.4 The application must also include information detailing the specifications for the vessel including a 'gap analysis'. There must be an indication of any timelines for rectification or any proposed alternatives that would be subject to MTRB approval and an indication of any non-regulatory issues that require input from TCMS HQ.
- 8.3.5 TCMS shall review the application for completeness. TCMS will communicate in a timely manner, and in writing, the approval status of the application, and arrange for an enrolment meeting for delegation.
- 8.3.6 The enrolment meeting shall be conducted to discuss applicable regulations and standards, including any necessary interpretations or proposed alternatives, SMS requirements for passenger vessels, TCMS monitoring, and a commitment from the AR to rectify non-conformities.
- 8.3.7 At the successful completion of the enrolment meeting, the vessel is enrolled in the program, and the RO is authorized to perform all delegated functions relevant to the operation of the vessel. The AR shall be notified in writing of the successful completion of delegation process.
- 8.3.8 At the completion of the registration process, the RO issues the appropriate CMDs.
- 8.3.9 Prior to the issuance of a passenger vessel certificate, the vessel shall have a Safety Management Certificate to the ISM code. The RO shall also assess the ability of the vessel and operating crew to accommodate the carriage of passengers in compliance with any applicable Canadian and International requirements.
- 8.3.10 All vessels registering in Canada through this process shall be identified as a priority for a monitoring inspection.

8.4 DSIP Post Enrolment Responsibilities

- 8.4.1 Once delegated, the RO shall conduct onboard monitoring activities to ensure that the rectification of deficiencies noted during the enrolment process is in accordance with the agreed upon schedule. The inability of the AR to comply with the rectification of any deficiency schedule shall be communicated by the RO to TCMS so that compliance action may be taken, if warranted. The RO shall ensure that the deficiencies and their resolution progress are recorded.
- 8.4.2 The AR must report to the RO any modifications, additions, or incidents resulting in material damage affecting the seaworthiness or the effectiveness of the hull or machinery, in addition to any applicable reporting regulations. This reporting does not negate or replace the requirement of the Master or AR to report under any other applicable regulations.
- 8.4.3 The RO shall communicate to TCMS reports of an incident regarding any material damage affecting the seaworthiness or the effectiveness of the hull

or machinery of a delegated vessel, and any associated conditions. Based on this information, TCMS may perform a monitoring inspection.

- 8.4.4 The RO shall be in attendance following a major incident/accident or major safety related issue, if the situation warrants an inspection prior to the vessel sailing. The RO shall advise TCMS of the corrective action taken prior to the vessel sailing.
- 8.4.5 At the request of the AR, the RO shall make application to the MTRB for any variance from applicable Canadian regulations in regards to construction, maintenance, or inspection frequency of vessels in DSIP.

8.5 Vessels Re-flagging into Canadian Registry

- 8.5.1 The AR should submit the TCMS application form to re-enrol in DSIP at least four weeks prior to a formerly delegated vessel re-entering Canadian registry.
- 8.5.2 The AR shall also notify TCMS, in writing, if the vessel has sustained damage affecting her seaworthiness, and/or has undergone modification or alteration since leaving Canadian registry. The notification should include the current status report of any outstanding items and supporting documentation.
- 8.5.3 Vessels entering the program in this manner should only be considered if the vessel has been registered or listed on the Canadian Registry in the twelve months prior to application and has remained in Class while registered or listed outside of Canada. Vessels applying after this time period shall be considered as "Foreign Vessels" and will follow the enrolment procedures set out in 8.3.

8.6 Removal from DSIP

- 8.6.1 An AR wishing to remove a vessel from DSIP shall make a written request to the RD for approval by TCMS.
- 8.6.2 A RO wishing to recommend the removal of a vessel from DSIP shall make a written request to TCMS HQ.
- 8.6.3 The RO is required to notify TCMS if a vessel is removed or suspended from Class.
- 8.6.4 TCMS may remove a vessel at any time based on the performance of the AR or the RO. TCMS will notify all parties regarding the reasons for removal.
- 8.6.5 The Director General must approve all requests for vessels to be removed from DSIP.

9 Related Documents

- 9.1 Publication - TP 13585 - Policy - Delegated Statutory Inspection Program (DSIP)
- 9.2 Publication - TP 13585 - Procedure - Delegated Statutory Inspection Program (DSIP) Monitoring Procedure
- 9.3 Tier III Work Instruction – DSIP Work Instructions
- 9.4 IMO Resolution A.739(18)
- 9.5 IMO Resolution A.789(19)

10 Date of Application

- 10.1 This procedure is available in both English and French on the *Marine Safety* web site and became applicable on 15 March 2010.

11 Date for Review

- 11.1 This procedure shall be reviewed twelve (12) months after its approval by MSE, and at a frequency of not less than three (3) years thereafter.

12 RDIMS Reference

- 12.1 The English version of this document is saved in RDIMS under reference number 4791259. The applied naming convention is PUBLICATION – TP 13585 – PROCEDURE - DELEGATED STATUTORY INSPECTION PROGRAM (DSIP) ENROLMENT PROCEDURE.
- 12.2 La version française du présent document est dans le SGDDI et porte le numéro de référence 5380013. La règle d'affectation des noms est PUBLICATION – TP 13585 – PROCÉDURE - LES PROCÉDURES D'INSCRIPTION AU PROGRAMME DE DÉLÉGATION DES INSPECTIONS OBLIGATOIRES (PDIO).
- 12.3 This MSE approved version replaces the previous version from 2008.

13 Keywords

- Delegated Statutory Inspection Program
- Marine Safety Procedure Manual
- Recognized Organisation
- Recognized Classification Society
- Authorized Representative
- Enrolment