

**Axel Luttenberger**

University of Rijeka, Faculty of Maritime Studies, Rijeka, Croatia

## **CLASSIFICATION SOCIETIES WITHIN MARINE REGULATORY ENVIRONMENT OF THE EUROPEAN UNION AND NATIONAL PERSPECTIVE OF THE REPUBLIC OF CROATIA**

*Key words: classification societies, regulatory environment, Croatian Register of Shipping, ship inspection, technical rules*

### **ABSTRACT**

*Classification societies, as organisations which develop and apply technical standards to the design, construction and assessments of ships and other facilities, are important for compliance with international conventions on safety at sea and prevention of marine pollution. The paper deals with provisions of Council Directive 94/57/EC of 22 November 1994 on common standards for ship inspection and survey organizations and for relevant activities of marine administrations and Commission Decision 2002/221/EC of 14 March 2002 amending Decision 96/587/EC on publication of recognized organizations which have been notified by Member States in accordance with Council Directive 94/57/EC. An analysis is made on the Act on Croatian Register of Shipping OG 81/96 the mission of which in the field of classification and statutory certification is to promote the highest international standards adopted concerning the safety of life and property at sea and inland waterways, as well as protection of the sea and inland waterways environment. In author's opinion present non-recognition by the European Union of the Croatian Register of Shipping is a challenge for the Croatian Register of Shipping to get prepared for a new assessment cycle as an independent, non profit but common welfare oriented Croatian public entity.*

### **1. INTRODUCTION**

Classification societies, as organisations which develop and apply technical standards to the design, construction and assessments of ships and other facilities, contribute to maritime safety and regulation through technical support, compliance verification and research and development.

However, there is a number of existing classification societies which ensure neither adequate implementation of the rules nor reliability, when acting on behalf national administrations, as they do not have adequate structures and experience to be relied upon and enabling them to carry out duties in a highly professional manner.

## **2. INTERNATIONAL SOURCES OF LAW**

### **2.1. Revised Survey Guidelines under the Harmonized System of Surveys and Certification, IMO A 23 Res.948 10 March 2004**

The Survey Guidelines under the auspices of the International Maritime Organization (IMO), as a specialized agency of the United Nations (UN), which is of utmost importance for globalized shipping industry, supersede the guidelines adopted by resolution A.746 (18) and take account of the Harmonized System of Surveys and Certification in the following instruments:

1. International Convention of Safety of Life at Sea (SOLAS), 1974 as modified by its Protocol and as amended by resolutions MSC.92(72) and MSC.100(73) (SOLAS 74/88/00);
2. International Convention on Load Lines (LLC), 1996 as amended and as modified by its 1988 Protocol (LL 66/88);
3. International Convention for the Prevention of Pollution from Ships, 1973 and of the Protocol of 1978 relating thereto (MARPOL 73/78), as amended by resolution MEPC-39(29) (MARPOL 73/78/90);
4. International Code for the Construction and Equipment of Ships Carrying Dangerous Chemicals in Bulk (IBC Code), as amended by resolutions MEPC.40(29), MSC 16(58), MSC.28(61), MSC.50(66), MSC.58(67) and MSC.102(73) (IBC Code 83/90/00);
5. International Code for the Construction and Equipment of Ships Carrying Liquefied Gases in Bulk (IGC Code), as amended by resolutions MSC.17 (58), MSC.30 (61), MSC.59 (67) and MSC.103 (73) (IGC Code 83/90/00); and
6. Code for the Construction and Equipment of Ships Carrying Chemicals in Bulk (BCH Code), as amended by resolutions MEPC.41 (29) and MSC.18 (58) (BCH Code 85790).

Various types of surveys include an initial survey, a periodical survey, a renewal survey, an intermediate survey, an annual survey, an inspection of the outside of the ship's bottom, an additional survey and completion of surveys.

In Annex 1 Survey Guidelines under SOLAS Convention, as modified by the Protocol relating thereto, cover guidelines for surveyors for the cargo ship safety equipment certificate, for the cargo ship safety construction certificate, for the inspection of cargo ship the outside of ship's bottom, for cargo ship safety radio certificate and for passenger ship safety certificate.

Annex 2 deals with Survey Guidelines under the 1966 Load Line Convention as modified by the 1988 Protocol relating thereto, in particular with Guidelines for surveyors for the International Load Line Certificate or International Load Line Exemption Certificate.

The title of Annex 3 is Survey Guidelines under 1973/78 MARPOL Convention with Guidelines for surveyors for the International Oil pollution Certificate and Guidelines for surveyors for the International Pollution Prevention Certificate for the Carriage of Noxious substances in Bulk.

Annex 4 is regulating Survey Guidelines under mandatory codes with Guidelines for surveyors for the International Certificate of Fitness for the Carriage of Dangerous Chemicals in Bulk or Certificate of Fitness for the Carriage of Dangerous Chemicals in Bulk, as well as Guidelines

for Surveyors for the International Certificate of Fitness for the Carriage of Liquefied Gases in Bulk.

## **2.2. Council Directive 94/57/EC of 22 November 1994 on common standards for ship inspection and survey organizations and for relevant activities of marine administrations**

The European Directive lays down measures to be observed by Member States of the European Union (EU), and organizations concerned with the inspection, survey and certifications of ships for the compliance with the international conventions on safety at sea and prevention of marine pollution, while furthering the objective of freedom to provide services. This method includes the development and implementation of safety requirements for hull, machinery and electrical and control installations of ships falling under the scope of international conventions.

International conventions mean the International Convention on Safety of Life at Sea (SOLAS), 1974, International Convention on Load Lines (LL), 1966 and the International Convention for Prevention of Pollution from Ships (MARPOL), 1973/78, together with the protocols and amendments thereto, and related codes of mandatory status for all Member States, in force at the date of adoption of the Directive. Moreover, organization means a classification society or private body carrying out safety assessment for the administration.

In assuming their responsibility and obligations Member States shall ensure that their competent administrations can assure an appropriate enforcement of the provisions of international convention, in particular with regard to the inspection and survey of ships and the issue of certificates and exemption certificates.

Member States may recognize such organizations which fulfil the minimum general and specific criteria set out in Annex of the Council Directive 94/57/EC.

## **2.3. Annex of the Council Directive 94/57/EC of 22 November 1994 on common standards for ship inspection and survey organizations and for relevant activities of marine administrations**

Member States may only recognize such organizations which fulfil the general and specific minimum criteria set out in the Annex.

General minimum criteria:

1. The recognized organization must be able to document extensive experience in assessing the design and construction of merchant ships.
2. The organization should have in its class a fleet of at least 1000 ocean-going vessels (over 100 GRT) totalling no less than 5 million GRT.
3. The organization must employ a technical staff commensurate with the number of vessels classed and a minimum of 100 exclusive surveyors
4. The organization should have comprehensive rules and regulations for a design, construction and periodic survey of merchant ships, published and continually upgraded and improved through research and development programmes.
5. The organization should have its register of vessels published on annual basis.

6. The organization should not be controlled by shipowner and shipbuilders, or by others engaged commercially in the manufacture, equipping, repair or operation of ships. The organization should not be substantially dependent on a single commercial enterprise.

Specific minimum criteria:

1. The organization is established with a significant technical, managerial, support and research staff commensurate to tasks and to the vessels classed, catering also for capability – developing and upholding rules and regulations, as well as world-wide coverage by its exclusive technical staff or through exclusive technical staff of other recognized organizations.
2. The organization is governed by the code of ethics.
3. The organization is managed and administered in such a way as to ensure the confidentiality of information required by the administration.
4. The organization is prepared to provide relevant information to the administration.
5. The organization's management has defined and documented its policy and objectives for, and commitment to, quality and has ensured that this policy is understood, implemented and maintained at all levels in the organization.
6. The organization has developed, implemented and maintains an effective internal quality system based on appropriate parts of international recognized standards.
7. The organization must demonstrate ability to develop and keep updated a full and adequate set of own rules on hull, machinery and electrical and control equipment and to carry out all inspections and surveys.
8. The organization is subject to certification of its quality system by an independent body of auditors recognized by the administration of the State which is located.
9. The organization should allow participation in the development of its rules and/or regulations by representatives of the administration and other parties concerned.

### **3. ASSESSMENT OF THE CLASSIFICATION SOCIETIES**

#### **3.1. The role of the International Association of Classification Societies**

The rationale of the International Association of Classification Societies IACS is to work towards the improvement of standards of safety of sea and the prevention of pollution of marine environment, to provide for communications and co-operation with relevant international and national maritime organization and to co-operate closely with the marine industries of the world.

IACS consists of 10 member societies:

1. American Bureau of Shipping (ABS),
2. Bureau Veritas (BV),
3. China Classification Society (CCS),
4. Det Norske Veritas (DNV),
5. Germanischer Lloyd (GL),
6. Korean Register of Shipping (KR),
7. Lloyd's Register of Shipping (LR),
8. Nippon Kaji Kyokai (NK),
9. Registro Italiano Navele (RINA) and

10. Russian Maritime Register of Shipping (RS).

In addition, Indian Register of Shipping (IRS) is an associate member.

Therefore, more than 90% of the world's cargo carrying tonnage is covered by the classification design, construction and through-life compliance rules and standards set by ten Member Societies and one Associate of IACS,

### **3.2. Assessment procedure of classification societies by European Maritime Safety Agency**

The main EU legislation which deals with classification societies requires that the EU recognized classification society is assessed once every 2 years, and the European Maritime Safety Agency (EMSA) has been entrusted with carrying out the task on behalf the European Commission. It is obligatory for EMSA to organise assessments, which cover both head offices and selected regional offices, and also include visit to specific ships.

EMSA also carries out special assessments of classification societies for which EU recognition is being requested by one or more (new) Member States.

### **3.3. Commission Decision of 14 March 2002 amending Decision on the publication of recognized organizations which have been notified by Member States in accordance with Council Directive 94/57/EC**

First of all, Member States may only recognize such organizations which fulfil the criteria set out in the Annex. Thus, the organization shall submit to the Member States from which recognition has been requested complete information concerning, and evidence of, compliance with these criteria and the Member States will notify the organizations in an appropriate manner of their recognition.

Based on the evaluation procedure by European Maritime Safety Agency, organisations recognized by the Commission Decision on basis of Article 4(1) of Directive 94/57 are:

1. American Bureau of Shipping (ABS),
2. Bureau Veritas (BV),
3. China Classification Society (CCS),
4. Det Norske Veritas (DNV),
5. Germanischer Lloyd (GL),
6. Korean Register of Shipping (KR),
7. Lloyd's Register of Shipping (LR),
8. Nippon Kaji Kyokai (NK),
9. Registro Italiano Navale (RINA) and
10. Russian Maritime Register of Shipping (RS).

Additionally, Member States may submit to the Commission a request for the recognition for three years for organizations which meet all the criteria of the Annex other those set under paragraph 2 and 3 of the General minimum criteria set out in the Annex of the Council Directive 94/57/EC.

Organizations recognized by the Commission Decision on the basis of Article 4(3) of Directive 94/57 are:

1. Hellenic Register of Shipping (recognition is limited to Greece)
2. Registro Internacional Naval (recognition is limited to Portugal).

#### **4. THE STATUS OF THE CROATIAN REGISTER OF SHIPPING**

Croatian Register of Shipping (CRS) is an independent, not for profit but for common welfare oriented, public foundation performing classification of ships, statutory certification of ships on behalf the national maritime administrations, statutory certification of marine equipment, statutory certification of recreational crafts and certification / registration of quality management systems.

The present status of CRS is defined by the Law on Croatian Register of Shipping (OG 81/95) and the Charter of CRS.

Within the scope of the basic activities CRS has established the system of Technical Rules encompassing Rules for classification of sea-going ships, Rules for technical supervision (statutory certification) of sea-going ships, Rules for tonnage measurement of sea-going ships, boats and yachts, Rules for technical supervision of containers, Rules for statutory certification for boats and yachts, Rules for technical supervision (statutory certification) of inland navigation ships and Rules for tonnage measurement of inland navigation ships and boats.

Rules for technical supervision (statutory certification) of sea-going ships are also prescribing relevant requirements with respect to management for safe operation of ships and ship security.

Technical Rules of CRS are continuously updated and regularly published in Croatian and English.

CRS mission in the field of classification and statutory certification is to promote the highest internationally adopted standards for safety of life and property at the sea and inland waterways, as well as protection of the sea and inland waterways environment.

The present situation is that the Croatian Register of Shipping is neither member of the International Association of Classification Societies, nor the organization recognized by the Commission Decision.

#### **5. CONCLUSION**

Classification societies live on their own reputation and acceptance of their technical work can only be maintained by continuously proving integrity and competence. The decisive bodies by which demand for service and therefore the existence of a classification society is ultimately governed are national administrations.

The societies cover fields within their classification work which are theirs for historic reasons, some of which would, however, otherwise be within the responsibility of national administrations.

Classification is a part of the required care for the overall safety of ships for which national administrations have traditionally accepted responsibility and recognized classification societies' basic requirements for structural strength, mechanical and electrical system, which have thus been made mandatory.

Competition between Societies shall be based on services (technical and field) rendered to the marine industry but must not lead to compromises on safety of life and property at sea or the reduction of technical standards.

In author's opinion present non-recognition by the European Union of the Croatian Register of Shipping is a challenge for the Croatian Register of Shipping to get prepared for a new assessment cycle of the European Union. Also, in author's view the Croatian Register of Shipping has accomplished general and specific minimum criteria set out in the Annex, with the exemption of rule obliging the organization to have in its class a fleet of at least 1000 ocean-going vessels (over 100 GRT) totalling no less than 5 million GRT and duty of the organization to employ a minimum of 100 exclusive surveyors.

For that reason, Republic of Croatia is in a position of assuming the responsibility and obligations that its competent administrations can assure a proper enforcement of the provisions of international conventions, in particular with regard to the inspection and survey of ships and the issue of certificates and exemption certificates, satisfying the criteria for organizations recognized by the Commission Decision on the basis of Article 4(3) of Directive 94/57.

## **REFERENCES**

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