

Strengthening of ClassNK's System of Compliance

Amended Rules and Guidance

Regulations for the Classification and Registry of Ships

Guidance for the Classification and Registry of Ships

Reason for Amendment

ClassNK continuously endeavors to ensure that all its operations are conducted in accordance with a system it has established to ensure compliance with various national and international laws and regulations, international conventions and treaties as well as societal norms and common practices.

In recent years, the United Nations and some national governments have imposed certain types of sanctions upon ships owned or operated by countries, organizations, or individuals which have been designated as being threats to the peace and safety of international society. Moreover, any individuals or organizations, etc. seen as using their ships to provide assistance to those subject to such sanctions may also find themselves being subjected to similar sanctions. Under such circumstances, the classification and survey services that the Society provides to its clients are highly unlikely to be considered acceptable exemptions permitted under such sanctions.

There has also been in recent years an increased international focus on the problem of substandard ships. Although the Society has undertaken efforts to reduce the number of such ships, reports have been received about ships repeatedly ignoring requests made by Society surveyors related to improving ship conditions. This, in turn, has actually led to the detention of some substandard ships by PSC authorities.

The continued registration of the types of ships referred to in the previous two paragraphs not only damages the social credibility of the Society, but also negatively impacts the reputation of ClassNK ships as a whole.

Accordingly, for the reasons given above as well as from the general viewpoint of ensuring compliance, relevant requirements are amended to clearly specify that ship classification or installation registration may be refused or revoked in cases where the Society deems that providing such services will be to its detriment. Furthermore, relevant requirements are also amended to clarify the period between the suspension of class due to not being carried out of surveys and the termination of class, based on the IACS Procedural Requirements 1C.

Outline of Amendment

- (1) Specifies that the Society may refuse to provide ship classification or installation registration services, and revoke existing ship classifications or installation registrations, with referring to 1.4-3 of the "Conditions of Service for Classification of ships and registration of installations", in cases where a particular circumstance will expose the Society or ships classed with the Society to loss of social credibility or other adverse effects. For instance, the following circumstances are included:
 - the ship is subject to sanctions by UN Resolutions, etc.; and
 - the ship is suspected of non-compliance with its Rules and Regulations or is not

properly maintained and operated by the shipowner, and subsequently verified its suspicions through surveys conducted to detect any non-compliance with its Rules and Regulations.

- (2) Specifies that the period from the suspension of class due to the non-conducting of surveys to the termination of class does not exceed six (6) months.

Amended Requirements

Regulations for the Classification and Registry of Ships: 2.1.1, 2.7, 3.1.1, 3.7

Guidance for the Classification and Registry of Ships: 2.7