Vanuatu International Shipping Registry (VISR)
Quality Management System (QMS)
Policy Suite: FSIs, ROs and Special Agents

Issued by the Maritime Administrator

Document Control

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Introduction:

This document presents a comprehensive suite of operational policies for the Vanuatu International Shipping Registry (VISR). These policies establish a robust framework for flag State oversight, reflecting international best practices and complying with IMO Instruments Implementation Code (III Code) and IMO Member State Audit Scheme (IMSAS) expectations. The policies cover the appointment and management of Flag State Inspectors (FSIs), the vetting and approval of Recognized Organizations (ROs), competency standards for key personnel, performance monitoring through Key Performance Indicators (KPIs), procedures for suspension or withdrawal of authorizations, and stringent records management. All policies are aligned with Vanuatu's obligations under international conventions and are designed for formal sharing with the Vanuatu Maritime Safety Authority (VMSA) and other stakeholders.

1. Policy on Appointment of Flag State Inspectors (FSIs)

1.1 Purpose and Scope:

This policy governs the selection, appointment, and oversight of Flag State Inspectors (FSIs) responsible for inspecting Vanuatu-flagged vessels. It applies to VISR-appointed FSIs, who conduct inspections on Vanuatu ships worldwide on behalf of the Registry. The goal is to ensure all FSIs meet high standards of professionalism and integrity so that Vanuatu can effectively fulfill its flag State duties under international law. In line with UNCLOS Article 94 and relevant IMO conventions, Vanuatu must *"ensure that each ship, before registration and thereafter at appropriate intervals, is surveyed by a qualified surveyor"* and *"periodically inspected"* to verify that the ship's actual condition conforms to its certificates. Accordingly, this policy sets out a consistent process for FSI appointment and management.

1.2 Criteria for Appointment:

All FSIs must meet stringent qualification and experience criteria (detailed in Section 3) to ensure they are competent *"qualified surveyors"* as required by international standards. Key criteria include:

- **Professional Qualifications:** A valid Certificate of Competency as a master or chief engineer (management level) with substantial seagoing experience, **or** a relevant tertiary degree in naval architecture, marine engineering or equivalent. Candidates with an equivalent accredited surveyor qualification (through a formal training program) may also be considered.
- **Experience:** At least 3 years of relevant experience is required (e.g. a minimum of 3 years as a senior ship's officer for mariners, or 3 years in ship surveying or a related technical field for degree-holders). Prior experience conducting vessel inspections, surveys, or audits (ISM/ISPS/MLC) is highly desirable.
- **Knowledge:** Thorough understanding of IMO conventions, Vanuatu maritime legislation, and international safety, security, and environmental standards. Candidates should be familiar with survey/inspection procedures and the objectives of applicable instruments (SOLAS, MARPOL, STCW, MLC, etc.). They must also have up-to-date knowledge of ship operations and safety management.
- **Integrity and Independence:** FSIs must be persons of good repute, demonstrating integrity, impartiality, and no conflicts of interest. They must be independent of any ship they inspect (e.g. not employed by the ship's owner or involved with its Recognized Organization). They are required to adhere to a strict code of conduct, avoiding any behavior that could compromise the quality or objectivity of inspections.

1.3 Appointment Procedure:

VISR, shall follow a transparent procedure to vet and appoint FSIs:

1. **Application/Nomination:** Candidates are either invited to apply or nominated (for example, by virtue of holding certain positions or having relevant credentials). They must submit a detailed CV, copies of certificates, and any supporting documentation of qualifications and experience.
2. **Evaluation:** The VISR Technical Department will review applications against the criteria above. This includes verifying certificates, checking references, and assessing the candidate's knowledge of regulations. An interview or written test may be conducted to gauge the candidate's familiarity with flag State responsibilities and inspection practices.
3. **Approval:** Candidates who meet requirements are recommended for appointment. The Maritime Administrator or designated authority at VISR will formally approve the appointment.
4. **Appointment Letter and ID:** Each approved FSI is issued an official Letter of Appointment signed by the Maritime Administrator or by Direction of the Maritime Administrator, detailing the scope of their authority (e.g. types of vessels they may inspect, any geographic or regulatory limitations) and their duties. They are also issued official identification (ID card or badge) certifying them as a Flag State Inspector for Vanuatu.
5. **Induction and Training:** Newly appointed FSIs must undergo an induction program covering VISR's inspection procedures, reporting requirements, and administrative protocols. They will receive the VISR Flag State Inspection manual, checklists, and guidance on areas of emphasis (such as PSC prevalent deficiencies). They are also required to familiarize themselves with national regulations and any specific Vanuatu requirements. If needed, initial inspections may be carried out under the supervision of an experienced inspector as a trial period.
6. **Listing and Notification:** VISR will maintain an up-to-date register of all authorized FSIs. VMSA and the Maritime Administrator will coordinate to ensure all FSIs operating under this policy are known to both entities. Relevant stakeholders (e.g. Deputy Commissioners, ship owners, masters) can verify an inspector's credentials against this official list.

1.4 Roles, Responsibilities, and Oversight:

Flag State Inspectors are empowered to board and inspect any Vanuatu-flagged vessel worldwide to verify compliance with international and national requirements. When performing inspections, FSIs act as representatives of the Vanuatu Maritime Administration and must enforce applicable IMO convention requirements and Vanuatu regulations impartially. Key responsibilities include:

- **Conducting Scheduled Inspections:** Carrying out annual flag State inspections, pre-registration surveys, renewal verifications, and other inspections as directed by the Maritime Administrator. All vessels under the flag are subject to inspection at intervals determined by law or risk assessment. FSIs must plan and execute inspections thoroughly, covering safety, pollution prevention, security, and crew

welfare items. They should verify that the ship has all required valid certificates, is properly manned and equipped, and that crew operations (drills, etc.) are satisfactory.

- **Reporting:** After each inspection, the FSI must produce a timely report using the approved format. The report documents any deficiencies or non-conformities found, actions taken on the spot, and recommended corrective actions or follow-ups. Reports are submitted to the VISR Technical Department for review. The FSI must also notify the Administration immediately if any serious deficiency ("major non-compliance" or detainable item) is found, so that urgent corrective measures can be taken or the ship detained if necessary.
- **Deficiency Rectification and Follow-up:** If deficiencies are found, FSIs issue instructions or recommendations to the vessel's master/owner for rectification. Critical deficiencies must be rectified before departure; others may be assigned appropriate deadlines. The FSI is responsible for verifying corrective actions (through document review or re-inspection) by the due dates. VISR will *"monitor vessels that have been inspected and found to have deficiencies that need to be rectified"*, and FSIs play a key role in that follow-up process.
- **Enforcement Actions:** FSIs have the authority to detain or recommend detention of a vessel that is unsafe or non-compliant to a degree that poses danger to the ship, crew, or environment. Such actions should be coordinated with the Maritime Administrator. FSIs can also require rectification of deficiencies on the spot, and verify compliance with any conditions of operation imposed by the Administration.
- **Coordination and Communication:** FSIs must coordinate with ship owners, managers, port authorities, and local agents to facilitate inspections at mutually convenient times and ports. They should keep the Maritime Administrator informed of inspection schedules and any problems encountered. They are also expected to liaise with Port State Control (PSC) officers when necessary. Good communication skills and professionalism are essential, as FSIs represent the image of the Vanuatu flag.
- **Compliance with Guidelines:** FSIs must carry out inspections in accordance with VISR's inspection checklists and any specific guidance (e.g. focusing on areas identified by trend analysis such as lifeboat maintenance or MARPOL compliance). They should stay updated on changes to international conventions or Vanuatu regulations. The Maritime Administrator will provide regular circulars/Safety Letters or training updates to all FSIs to ensure consistency in inspections.
- **Ethical Conduct:** While on duty, FSIs must uphold the highest ethical standards. They shall not solicit or accept any inducements, gifts, or hospitality that could influence their judgment. Any attempt by others to unduly influence an inspection must be reported to the Maritime Administrator immediately. FSIs also have a duty of confidentiality with respect to any proprietary information of vessels or companies they learn during inspections, except for reporting requirements to authorities.

1.5 Oversight and Review of FSIs:

The Maritime Administrator will exercise close oversight of all appointed FSIs to ensure performance and integrity. The Technical Department is responsible for: *"granting authorizations and issuing appointment letters to FSIs, reviewing inspection reports, and monitoring follow-up of deficiencies"*. Every inspection report submitted is reviewed for quality and consistency; feedback is provided to the FSI if any gaps are noted. FSIs who consistently deliver sub-standard reports or miss critical findings will be subject to retraining or increased supervision or termination. Section 4 of this document details the performance monitoring and KPIs used to evaluate FSIs. Additionally, FSIs are required to attend periodic meetings or training seminars (in-person or online) organized by the Maritime Administrator to discuss performance, update them on new requirements, and share lessons learned.

Finally, as part of the IMSAS obligations, Vanuatu will maintain evidence of the qualifications, training, and activities of all FSIs to demonstrate effective oversight. The Administration recognizes that effective flag State inspections are a cornerstone of upholding Vanuatu's excellent safety record and its responsibilities to IMO.

2. Policy and Procedure for Vetting and Approving Recognized Organizations (ROs)

2.1 Purpose:

This policy establishes a rigorous procedure for the recognition and authorization of Recognized Organizations (ROs) – typically classification societies or similar entities – which the Vanuatu Administration may empower to carry out statutory surveys, inspections, and certification on its behalf. While international conventions permit flag States to delegate such tasks to ROs, Vanuatu remains fully responsible for the enforcement of standards on its ships. Therefore, the vetting process for approving ROs is designed to ensure that only competent, reputable organizations with independent and impartial judgment are authorized. This policy aligns with the IMO *Code for Recognized Organizations (RO Code)*, which became mandatory in 2015 and provides standardized requirements for flag State oversight of ROs. All steps from initial application to periodic review of ROs are documented to meet IMO audit expectations.

2.2 Recognition Criteria (Eligibility Requirements):

Any organization seeking authorization as an RO for Vanuatu must demonstrably meet the following criteria in line with international best practices and RO Code provisions:

- **Competence and Experience:** The organization must have extensive expertise in ship survey and certification services. It should ideally be a well-established classification society with a proven track record in implementing IMO conventions (SOLAS, MARPOL, Load Line, etc.). Preference is given to organizations that are members of the International Association of Classification Societies (IACS) or can show equivalent standards. The RO must have technical competence covering the types of vessels in the Vanuatu registry and the scope of statutory work to be

delegated. Its surveyors and auditors must be *"duly qualified, trained and authorized"* to perform all duties to the required standards. In particular, the RO is expected to employ only exclusive surveyors for statutory work – i.e. persons solely employed and controlled by the RO. No sub-contracting of surveys, except as may be allowed for radio inspections.

- **Quality Management System:** The organization must operate an effective quality management system (QMS) covering its survey and certification processes, in line with ISO 9001 or equivalent standards. Compliance with the RO Code is mandatory; the RO should be able to demonstrate that it meets all Part 2 requirements of the Code, including organizational structure, training of personnel, control of documents, internal audits, and corrective actions. Any RO accredited under the International Quality Assessment Review Body (QARB) or IACS Quality System Certification Scheme (QSCS) will have an advantage.
- **Independence and Integrity:** The RO must be free from undue commercial, financial, and other pressures that could influence its technical decisions. As required by Regulation 5.1.2 of MLC 2006, ROs must be *"recognized as competent and independent"* by the flag State.The organization should have a governance structure that prevents conflicts of interest (for example, not being controlled by ship owners or operators) and a code of ethics for its surveyors.
- **Legal Standing:** The RO should be incorporated as a legal entity that can be held accountable. It must carry sufficient professional liability insurance or demonstrate financial capacity to cover potential claims arising from its duties. The RO must also agree to Vanuatu's jurisdiction for any disputes related to delegated work.
- **Performance History:** Past performance of the organization will be scrutinized. This includes its record in Port State Control (PSC) regimes; detention rates of ships it classed or certified, any history of serious incidents or casualties linked to survey failures, and any prior suspension by other flag States. The RO should not be on any *blacklist* of poor-performing organizations in major PSC MoUs. It should provide evidence of positive performance – e.g., PSC statistics demonstrating that ships under its class have a detention rate below the average.
- **International Recognition:** Ideally, the organization should already be authorized by a number of other reputable flag States, and be in good standing with them. References or performance feedback from those Administrations may be considered. If the organization is relatively new or smaller, it must compensate with strong quality proofs in other ways.
- **Resources and Coverage:** The RO must have adequate survey staff and offices in the geographic areas where Vanuatu-flagged ships operate. This is to ensure timely service to shipowners, the ability to attend vessels in major ports worldwide for inspections. It should also have the capability to handle specialized ship types or systems if it seeks authorization in those areas.
- **Technical Standards and Rules:** If the organization is a classification society, it must have its own published rules for ship construction and maintenance that are

widely recognized. Those rules must meet at least the IMO minimum requirements. The RO should also show that it actively participates in the international regulatory framework (attends IMO meetings or IACS working groups, if applicable), staying current with changes in regulations.

- **Commitment to Flag Requirements:** The RO must formally agree to comply with all additional Vanuatu-specific requirements, policies, and directives. For instance, the RO must consent to provide the Maritime Administrator with access to survey reports, notify the Administration of any major deficiencies or safety issues on Vanuatu ships, and carry out any special inspections the Administration may request. The RO should be ready to refuse certification or report to the flag if a ship does not meet standards, even under commercial pressure, in order to uphold Vanuatu's obligations.

2.3 Vetting and Approval Process:

The procedure for evaluating and approving a Recognized Organization is as follows:

1. **Application Submission:** An organization interested in becoming an RO for Vanuatu must submit a formal application to the Office of the Maritime Administrator. The application should include a comprehensive profile addressing all criteria in 2.2, such as corporate details, a description of experience, copies of quality certification (ISO certificates or equivalent), sample class rules, documented internal procedures, lists of surveyor qualifications, financial statements or insurance cover, and a record of performance (PSC statistics, existing flag authorizations, etc.).
2. **Preliminary Review:** VISR's technical and legal teams will conduct a preliminary review of the submission to verify completeness and prima facie eligibility. If obvious deficiencies in meeting the criteria are found (no evidence of a QMS or poor PSC record), the application may be rejected at this stage with reasons given. Otherwise, the process proceeds.
3. **Detailed Evaluation:** A detailed due diligence is carried out on the candidate RO. This may involve:
4. Checking references with other flag States that recognize the RO.
5. Reviewing the RO's survey procedures and rules to ensure they align with IMO requirements.
6. Assessing the qualifications and training programs for the RO's surveyors and auditors.
7. Ensuring the RO's exclusivity of surveyors policy (no subcontracting except where allowed) is in place.
8. Analyzing the RO's performance data (comparing its detention ratio with industry averages).
9. Verifying that the RO's insurance or financial guarantees are sufficient.
10. **On-Site Audit (if required):** The Maritime Administrator may conduct an on-site audit/inspection of the RO's head office or regional office as part of the vetting. During this audit, flag State inspectors or auditors will verify the implementation of

the RO's quality system, interview key personnel, and possibly witness the RO's survey or audit process. This step ensures the RO's practices meet the standards described in their application. Any non-conformities found are to be addressed before proceeding.

11. **Recommendation and Approval Decision:** The findings from the evaluation and audit are documented in a report. If the RO is found to meet all requirements, the VISR technical department will recommend to the Maritime Administrator that the organization be formally recognized. A formal Authorization Instrument will then be issued. This instrument specifies the scope of delegation (which conventions and certificates the RO may handle on behalf of Vanuatu). If there are any limitations or conditions (initial probation period, or restriction to certain ship types), these will be clearly stated. In cases where an application is denied, the organization will be informed of the reasons and may be given an opportunity to reapply in the future after improvements.
12. **Agreement and Undertaking:** Upon approval, the Maritime Administrator and the RO will sign a formal Agreement governing the delegation. This agreement (the RO Agreement or Memorandum of Understanding) incorporates all obligations from IMO Resolution A.739(18) and the RO Code. It typically includes clauses that:
13. Require the RO to perform statutory certification *"in conformity with all relevant international requirements and the requirements of the RO Code"* and applicable Vanuatu laws.
14. Stipulate that the RO must allow oversight and inspections by Vanuatu (including access to ships, office audits, and provision of records) at any time.
15. Require the RO to *"cooperate with port States"* on inspections, especially in cases of detention or reported deficiencies on Vanuatu ships.
16. Define reporting requirements (RO must report to the Maritime Administration any refusals of certification, significant deficiencies, or suspensions of class for Vanuatu ships, and provide periodic activity reports).
17. Clarify financial arrangements (fees for surveys, who bears the cost of oversight audits, etc.).
18. Contain termination and withdrawal clauses (linked to Section 5 of this policy) giving Vanuatu the right to suspend or revoke authorization if performance is unsatisfactory or non-compliant. Both parties will sign the agreement, after which the RO is officially empowered to act on behalf of Vanuatu within the agreement's scope.
19. **Notification and Publication:** VISR will notify IMO and ILO of the new RO recognition as required. IMO's GISIS (Global Integrated Shipping Information System) will be updated with the list of ROs acting for Vanuatu, including the specific responsibilities delegated. Similarly, pursuant to MLC Regulation 5.1.2, Vanuatu will provide the International Labour Office with an updated list of ROs authorized for maritime labour inspections/certifications. VISR will publish the list of Recognized Organizations on its website and/or in a circular, so that ship owners, Port State authorities, and other stakeholders are aware of which organizations are authorized to issue Vanuatu certificates.

2.4 Oversight of Recognized Organizations:

Granting recognition is not the end of Vanuatu's responsibility – continuous oversight is critical. VISR shall implement a monitoring program (detailed in Section 4) to regularly assess each RO's performance. Key aspects include:

- **Annual Reporting:** Each RO must submit an annual report to the Office of the Maritime Administrator summarizing surveys and certificates issued to Vanuatu ships, any significant incidents or problems encountered, and any changes in their organization (personnel, accreditation) that could affect their performance.
- **Port State Control Monitoring:** the Maritime Administrator will track the Port State Control results of Vanuatu ships by RO. If an RO's ships show an upward trend in detentions or severe deficiencies related to areas under RO survey (hull, machinery, safety equipment, etc.), the RO will be notified and required to analyze the causes and take corrective action. Persistent poor PSC performance may trigger special audits or restrictions (see Section 5).
- **Audit of ROs:** The Administration will carry out periodic audits of each RO (at least once every 3 years or more frequently if warranted). These audits assess whether the RO is fulfilling all obligations in the RO Agreement and maintaining the standards of the RO Code. The audit can include office audits and witnessing surveys on Vanuatu ships. Findings will be documented, and the RO must address any non-conformities. A *"zero tolerance"* approach is taken for any serious lapses (issuing certificates to substandard ships, or failure to report issues).
- **Communication and Coordination:** Regular technical liaison meetings will be held (possibly annually or semi-annually) between VISR Technical Department and all recognized ROs to discuss regulatory updates, clarify interpretations, and share Vanuatu-specific concerns. The ROs are expected to attend and contribute to enhancing the safety performance of Vanuatu's fleet.
- **Data Sharing:** Recognized Organizations are required to maintain detailed records of all surveys, audits, and certificates for Vanuatu ships and make them available to the Administration on request. This ensures that the Maritime Administration has access to data needed to interpret requirements and verify compliance. Increasingly, the Maritime Administrator may implement electronic information-sharing (requiring ROs to input survey reports into a central database or provide electronic copies of certificates). Such transparency allows Vanuatu to effectively oversee what the ROs are doing on its behalf.

3. Competency Requirements for FSIs, RO Surveyors, and Special Agents

This section defines the minimum qualifications and experience requirements for three critical categories of personnel involved in flag State operations: (a) Flag State Inspectors (FSIs), (b) Recognized Organization (RO) Surveyors/Auditors, and (c) Special Agents who represent the Registry. Ensuring high competency standards for these individuals is

essential for regulatory compliance and credibility. All qualifications here reflect international benchmarks and are subject to verification prior to appointment.

3.1 Flag State Inspectors (FSIs):

FSIs must have a strong maritime background and technical expertise to effectively assess vessel compliance. The requirements are:

- **Certificates and Education:** An FSI should possess *either* an appropriate certificate of competency as a ship's officer at management level (Master (STCW II/2) or Chief Engineer (STCW III/2) license) with relevant seagoing experience, *or* a university degree (or equivalent tertiary qualification) in naval architecture, marine engineering, maritime operations, or a closely related field.In cases where an individual does not have the above credentials, completion of a formalized surveyor training program (leading to an accreditation or certification as a ship surveyor) can be accepted if it achieves equivalent competency.
- **Professional Experience:** Practical experience is critical. FSIs who come via the seagoing route must have at least 3 years of seagoing service at the management level (e.g., as Chief Officer/Master or Second Engineer/Chief Engineer). Those coming from a shore-based technical route (e.g., naval architects or ex-class surveyors) should have a minimum of 3 years work experience in ship surveys, audits, or marine engineering roles. Experience should be relevant to the scope of inspections – for instance, exposure to safety inspections, ISM/ISPS audits, or port state control will be viewed favorably.
- **Training and Skills:** An FSI is expected to be trained in international maritime conventions and inspection techniques. They should have completed or eventually complete courses such as IMO Convention implementation, Flag State implementation (if available), and auditor training for ISM, ISPS, and MLC. Familiarity with PSC procedures and common deficiencies is important. Skills in report writing and use of inspection IT tools (databases, electronic reporting) are required. The Administration will provide initial and periodic training to FSIs to update their knowledge (on new regulatory amendments or revised inspection checklists).
- **Personal Attributes:** Inspectors must demonstrate attention to detail, strong communication abilities (to explain deficiencies and required corrections), and sound judgment. Given that safety oversight can involve subjective decisions, FSIs should be decisive yet fair, and able to withstand commercial pressure. High ethical standards and consistency are mandatory – all FSIs will abide by a Code of Conduct emphasizing integrity, objectivity, and confidentiality. They should also be physically able to perform shipboard inspections (e.g., climbing ladders, entering confined spaces safely) and have valid medical fitness if required.

3.2 RO Surveyors and Auditors:

Recognized Organizations are responsible for assigning qualified surveyors and auditors to conduct statutory tasks on Vanuatu's behalf. The flag State expects ROs to ensure that their personnel meet or exceed the following competency standards:

- **Qualifications:** RO surveyors must hold appropriate technical qualifications, typically similar to those required of FSIs. This means a surveyor would usually have either a maritime officer background (with a license and experience as senior ship officer) or an engineering/naval architecture degree. Many RO surveyors are naval architects, marine engineers, or master mariners by training. In addition, they often undergo the RO's internal training and certification process to be authorized as a class/statutory surveyor. The RO should employ only exclusive surveyors and auditors for statutory work (i.e., full-time employees not freelancers) who are *"duly qualified, trained and authorized to execute all duties"* within their responsibility level. Specialized surveyors (for example, for radio, ISM, MLC) should have the specific required qualifications (e.g., radio surveyor certificate, ISM lead auditor training, etc.).
- **Experience:** Each surveyor should have substantial experience relevant to the survey types they perform. As guidance, an RO surveyor should have at least 5 years of combined seagoing and/or surveying experience.
- **Knowledge of IMO and Vanuatu Requirements:** RO surveyors must be thoroughly familiar with all international conventions, codes, and resolutions relevant to their duties. They should also be instructed on any Vanuatu-specific interpretations or national requirements. As part of initial approval and thereafter, Vanuatu will provide ROs with any national regulations or policy notices that differ from generic convention requirements. Surveyors should be tested or briefed on these nuances before performing work on Vanuatu ships.
- **Ongoing Training:** Recognized Organizations are expected to continually train and update their surveyors. This includes new rule updates, lessons learned from casualties, and changes in IMO requirements. Vanuatu encourages ROs to have a continuous professional development program. Surveyors involved in Vanuatu surveys/audits might periodically attend joint workshops or seminars that VISR conducts with ROs to harmonize understanding.
- **Performance and Ethics:** Each surveyor/auditor must carry out their duties with impartiality and diligence. The flag State relies on ROs to enforce standards as strictly as it would itself. Surveyors must not be overly tolerant of substandard conditions; they are empowered to require rectification of deficiencies and even recommend detention or withdrawal of certificates if safety is compromised. They must also avoid conflicts of interest. ROs should implement internal measures (like rotation of surveyors, and supervisors' review of survey reports) to ensure consistency and integrity of their staff.

3.3 Special Agents (Registry Agents/Representatives):

“Special Agents” are individuals or companies appointed by the Maritime Administrator to act as local representatives of the registry in various regions. They often facilitate vessel registrations, documentation, and liaison with ship owners, and may also have limited authority to issue certain certificates or coordinate inspections. The competency requirements for Special Agents focus on administrative and regulatory knowledge, as well as reputation:

- **Professional Background:** A Special Agent should have a solid background in the maritime industry, maritime law, or ship registration services. This could be demonstrated by prior work as a shipping agent, naval officer, maritime lawyer, or similar roles. Many Special Agents are maritime consultants or firms with experience in dealing with flag administrations. A relevant university degree (e.g., in maritime studies, business, or law) is advantageous.
- **Knowledge of Flag State Procedures:** Agents must be intimately familiar with VISR’s registration processes, documentation requirements, and fee schedules. They should know the provisions of the Vanuatu Maritime Act and regulations pertaining to registration, mortgages, crew documentation, etc. Training will be provided to new agents on the specific procedures and standards of VISR. They should also understand IMO convention certification at a basic level (for instance, knowing what certificates a vessel should have and the process to obtain a Minimum Safe Manning certificate, etc.), since they often guide owners through these processes or coordinate between owners and ROs/FSIs.
- **Networking and Accessibility:** Because Special Agents serve as the “face” of the registry in their locale, they must have good connections in the maritime community and be accessible to ship owners/operators. Language skills appropriate to their region and strong communication skills are important. They should be responsive and able to act promptly on requests (e.g., arranging an inspection or couriering documents).
- **Integrity and Compliance:** Special Agents handle sensitive transactions and must be trustworthy. They are expected to comply with all ethical guidelines set by the Maritime Administrator/VISR – for example, not engaging in fraudulent issuance of certificates or unauthorized fee mark-ups. A due diligence (background check) is performed before appointment to ensure the agent (or the principals of a firm) have no history of malpractice. Agents should be persons of good standing; typically, references from industry or other flags are required.
- **Capability and Infrastructure:** An agent should have the necessary office infrastructure and personnel to carry out their functions. This includes secure handling of paperwork (original registration certificates, crew endorsements, etc.), means of communication (24/7 contact ability for emergencies), and preferably some staff with maritime expertise. In some cases, special agents might also be authorized to conduct limited inspections or attend surveys (if they have individuals qualified as surveyors). If so, those individuals must meet the competency standards akin to FSIs or RO surveyors.

- **Training and Updates:** VISR will provide Special Agents with initial training on its systems (for example, use of any online registration portal, formats of documents, etc.). Agents are also kept updated via circulars or webinars on changes in requirements (such as new IMO amendments affecting certification, changes in national fees, or procedures). They are expected to continuously learn and maintain up-to-date copies of all relevant VISR publications (circulars, manuals, forms).

In summary, Special Agents must combine administrative proficiency with maritime knowledge to effectively serve ship owners while protecting the flag's interests. They act under the authority of the Maritime Administrator and thus must exhibit the same professionalism and adherence to regulations as would an official in the central office.

4. Performance Monitoring and KPI Framework for Oversight

To maintain high standards and continuous improvement, the Maritime Administrator has implemented a performance monitoring and Key Performance Indicator (KPI) framework covering Flag State Inspectors, Recognized Organizations, and Special Agents. This framework provides systematic oversight of each entity's activities and outcomes, ensuring accountability and allowing the Administration to identify and address any weaknesses. It also aligns with IMSAS principles that require flag States to evaluate the effectiveness of their enforcement and delegation arrangements. Regular monitoring and analysis of KPIs will demonstrate VISR's proactive approach to compliance and safety.

4.1 Monitoring of Flag State Inspectors:

Each FSI's performance is reviewed on a regular basis (at minimum annually, and additionally at contract renewal or after any significant incident). The following aspects and KPIs are used to gauge FSI performance:

- **Inspection Coverage and Timeliness:** FSIs are expected to complete all assigned inspections within the stipulated schedule. A key metric is the percentage of required annual inspections completed on time. For example, if 50 inspections were planned in a year, the target might be to achieve >95% on-time completion. Delays or missed inspections are flagged for investigation.
- **Report Quality and Deficiency Detection:** VISR will evaluate the quality of each inspection report. KPIs include average number of deficiencies reported per inspection (to gauge thoroughness, though this must be interpreted in context of ship condition), and critical findings identified. A crucial measure is whether FSIs are effectively identifying non-compliance: if a vessel inspected by an FSI is later detained by Port State Control for issues that should have been caught, that is a negative mark. Supervisors perform periodic audits of inspection reports for completeness and correctness.
- **Follow-up and Closure Rate:** This measures how diligently an FSI ensures closure of deficiencies. For example, % of reported deficiencies that are rectified and verified within the set deadline. A high closure rate indicates effective follow-up. If

deficiencies linger unaddressed or are repeatedly extended, it may indicate poor oversight by the FSI.

- **Professionalism and Communication:** Qualitative feedback is also gathered. Ship owners/operators and Port State Control officers may provide feedback on the inspector's professionalism, fairness, and communication. KPIs in this realm include responsiveness, and cooperation (reports of any conflicts or complaints). Internally, VISR measures if inspectors promptly submit reports.
- **Availability and Reliability:** As part of contract review, VISR considers factors like the FSI's availability for assignments and willingness to travel on short notice if needed. A metric used is whether the inspector was generally reachable and *"available to carry out inspections when requested"*. Punctuality in attending scheduled boardings is another metric.
- **Compliance with Procedures:** Through internal audits, VISR Technical Department checks if FSIs are following all required procedures (e.g., using updated checklists, taking photographs of deficiencies, issuing inspection memoranda to the Master). A compliance score can be assigned based on adherence to the Flag State Inspection Guidelines.

VISR compiles these performance data for each inspector. At least once every year, a formal performance review is conducted wherein the FSI receives feedback and a rating. For any performance below expectations, an improvement plan is put in place – which may include additional training or closer supervision on the next inspections. Conversely, high-performing inspectors may be given letters of commendation or other recognition. Ultimately, an FSI's continuation of appointment is tied to satisfactory performance. As noted earlier, availability, responsiveness, punctuality, and communication are fundamental criteria in these assessments, along with the technical criteria of finding and addressing deficiencies. VISR Technical Department shall submit an annual FSI's evaluation report to the Office of the Maritime Administrator.

4.2 Monitoring of Recognized Organizations:

The performance of each RO authorized by Vanuatu is continuously tracked to ensure they are meeting their obligations. Key elements of the RO performance monitoring program include:

- **Port State Control (PSC) Performance Indicator:** VISR uses PSC outcomes as an objective measure of RO effectiveness. A primary KPI is the detention rate of Vanuatu ships per RO. a 10% detention rate – is considered very high rate. We compare each RO's figures against the overall Vanuatu average and against global averages. The number of RO-responsible deficiencies (deficiencies attributed to class or statutory survey issues in PSC reports) is also tracked. If an RO consistently has higher detention/deficiency rates than others, this triggers a warning and review.
- **Audit Results and Non-Conformities:** As mentioned in Section 2, we conduct periodic audits of ROs. The findings from these audits form a performance metric. KPIs include number of major non-conformities (e.g., failures to follow the RO Code

or our Agreement) and number of minor non-conformities or observations found during audits. The speed and effectiveness of corrective actions by the RO are also noted (for instance, if an audit finds a procedural lapse, does the RO fix it within the agreed time?). An RO with repeat findings on successive audits demonstrates a lack of improvement and will be flagged.

- **Incident Reports and Response:** If a Vanuatu-flagged vessel is involved in a marine casualty or incident, any role of the RO is examined. The KPI here could be qualitative: e.g., *"RO adequately performed its duties prior to the incident?"*. If investigations find that, say, structural failure was due to a survey miss by the RO, that is a severe performance issue. Additionally, the RO's responsiveness to incidents is measured – did they promptly send surveyors, cooperate with investigations, and assist the owner and Administration?
- **Certification and Survey Management:** VISR may track data like occurrence of overdue surveys or certificates on Vanuatu ships under each RO. Ideally, there should be zero cases where a ship's certificate expires or a survey window is missed due to RO oversight. Any such case is recorded and investigated. The timeliness of RO in issuing certificates (e.g., after survey completion) is another KPI from a client service perspective.
- **Communication and Reporting:** ROs are expected to communicate regularly. KPIs include on-time submission of annual reports (as required in Section 2.4) and prompt notification of significant issues (e.g., if a ship is not seaworthy or has its class suspended, did the RO inform VISR immediately?). The quality of these communications is reviewed. Additionally, cooperation with PSC – per RO Code, ROs must *"*cooperate with port States… in case of detention or reported deficiencies"*; if we receive any reports that an RO was uncooperative or unresponsive to a PSC authority regarding a Vanuatu ship, that will count negatively.
- **Fleet Quality Indicators:** Over time, VISR may develop a "scorecard" for each RO. This could incorporate the average age of ships they class (since older fleets might have more issues), **how many newbuildings they bring under Vanuatu** (indicating quality attraction), etc. While not direct performance measures, these give context. A specific indicator used by some flags is the casualty rate – number of serious casualties per 1000 vessels per RO – to monitor if any RO's ships have unusual safety issues.

The Administration will hold review meetings with each RO to discuss their KPI results. If an RO is found underperforming, a formal warning or corrective action request is issued. For instance, if an RO's detention rate exceeds a set threshold (say above 3% in a major MoU), we may require them to implement an improvement plan and report progress.

4.3 Monitoring of Special Agents:

The Maritime Administrator also monitors the activities and service quality of its Special Agents, as they are often the first point of contact for ship owners and play a role in the flag's reputation. The performance framework for agents includes:

- **Transaction Efficiency:** A key measurable is the turnaround time for registry services handled by the agent. For example, how quickly do they process a registration or issue provisional certificates? VISR may set benchmarks (e.g., provisional registration should be completed within 24-48 hours if all documents are in order). Agents will be asked to report their processing times which are then averaged and compared. Delays attributable to the agent (not the owner) will be scrutinized.
- **Accuracy and Compliance:** The error rate in documentation submitted via the agent is tracked. This might include the frequency of incomplete applications, mistakes in certificates prepared, or non-compliance with procedural requirements (like missing a required owner's signature). A low error rate is expected since agents are supposed to be knowledgeable in these matters. Frequent errors cause delays and could indicate insufficient competency or care by the agent.
- **Client Feedback:** Feedback from ship owners and operators about each agent's service is valuable. VISR may implement a simple feedback form or survey for clients who engage through agents. Metrics such as customer satisfaction score or number of complaints received per agent per year are recorded. Complaints might be about unresponsiveness, unprofessional behavior, or improper charges. Any serious complaint is investigated by VISR.
- **Adherence to Fee Schedules:** Special Agents must follow the official fee schedule for services (no gouging) and handle funds appropriately (remitting registry fees to VISR, etc.). The Administration might audit an agent's financial dealings to ensure transparency. A KPI here is timely and correct remittance of fees (no late payments or discrepancies found in audits). Any hint of fraudulent practices (like issuing unofficial discounts or overcharging clients) is taken very seriously.
- **Engagement and Cooperation:** Agents are expected to cooperate with VISR initiatives (such as implementing new electronic systems or participating in training).
- **Activity Level:** While not exactly a performance metric in quality, VISR will also keep track of how active each agent is (number of ships registered through them, or number of seafarer documents processed). This helps identify if an agent is disengaged (very few transactions could mean they are not promoting the registry or are inactive). Extremely low activity agents may be reconsidered during renewal of appointments, unless there are special circumstances (such as a very niche location).

All Special Agents will receive an annual performance review report from VISR Technical Department summarizing these indicators. In a joint meeting or call, the Maritime Administrator will discuss any areas needing improvement. Agents who perform excellently (high client satisfaction, zero errors, fast processing) will be commended and possibly given preference for referrals. Those with issues will be warned and guided on how to improve. Consistent failure to meet expectations can lead to suspension or revocation of the agent's appointment (Section 5).

4.4 Internal Oversight and Reporting:

The KPI data and performance reviews for FSIs, ROs, and agents will be periodically compiled into an internal oversight report for senior management. This report helps ensure that the flag State's overall oversight system is functioning and allows leadership to allocate resources or make policy adjustments (for example, if KPIs show a certain deficiency trend across many inspections, the Administration might launch a focused campaign on that issue. Additionally, having this performance monitoring in place addresses IMSAS requirements by providing evidence that Vanuatu actively supervises its delegates and enforces standards. The III Code calls for flag States to *"continually improve the adequacy of the measures"* and monitor compliance; this KPI framework is part of that continuous improvement cycle.

5. Procedures for Suspension and Withdrawal of Authorization / Recognition

Despite careful selection and monitoring, situations may arise where the Maritime Administrator must suspend or revoke the authority of an FSI, RO, or Special Agent. This section outlines the formal procedures to do so, ensuring due process, fairness, and alignment with any legal requirements. The guiding principle is that the safety of ships and compliance with regulations take priority – if an entity's continued authorization poses a risk to safety or the flag's reputation, decisive action will be taken. At the same time, the procedure allows the entity an opportunity to be heard and, if appropriate, to correct issues before final revocation.

5.1 Flag State Inspectors (FSIs): Suspension or Revocation Grounds for Action:

An FSI's appointment may be suspended or terminated if there is evidence of: gross negligence or incompetence in carrying out inspections; falsification of reports or willful omission of known deficiencies; misconduct such as soliciting bribes or other unethical behavior; repeated failure to perform duties (e.g., chronic unavailability or non-responsiveness); or any action that undermines the enforcement of regulations. Also, if an inspector no longer meets the qualification criteria (for instance, medical unfitness or loss of necessary certification), their appointment may be reviewed. Significant lapses identified via performance monitoring (Section 4) – such as multiple poor-quality inspections or substantiated complaints – would prompt consideration of suspension.

Procedure:

- **Investigation:** Upon receiving a report or indication of a serious issue with an FSI, VISR Technical Department will initiate an internal investigation. This may involve reviewing inspection reports, interviewing witnesses (e.g., vessel masters, other inspectors), and giving the FSI a chance to explain the situation. The inspector may be temporarily held off duty (temporary suspension) during the investigation if the allegations, if true, pose immediate risk (if an inspector is accused of certifying a dangerously unseaworthy ship as OK, it's prudent to pause their duties). The Technical Department shall submit a report outlining its findings to the office of the Maritime Administrator for review.

- **Notification:** The FSI will be formally notified in writing of the concerns or allegations and the fact that an investigation is underway. They will be informed of their right to respond or provide evidence in their defense.

- **Evaluation and Decision:** After the investigation, the findings are evaluated by the Maritime Administrators. If the findings substantiate misconduct or incompetence, a decision is made on the appropriate action. Lesser issues might result in a warning or requirement for retraining, whereas serious issues lead to **suspension** (temporary removal of authority) or **withdrawal** (permanent revocation of appointment).

- **Suspension:** A suspension is often used when issues might be correctable or pending further review. The duration of suspension can be defined (e.g., 3 months) or until certain conditions are met (such as completion of training, or until an external investigation like a court case is concluded). The inspector is informed via a Suspension Notice, which outlines the reasons and any steps they must take. During suspension, the individual cannot carry out any flag State inspections or represent VISR. The FSI must surrender their identification card for the suspension period.

- **Revocation (Withdrawal of Appointment):** If the offense is egregious (for example, deliberate fraud) or if prior corrective efforts failed, the FSI's appointment will be revoked. A Termination Letter is issued stating that as of a certain date, the individual is no longer a Flag State Inspector for Vanuatu, and all authorizations are withdrawn. The individual must return any official materials (ID, stamps, etc.) and must cease any activity on behalf of the flag. VISR will update its inspector register and inform relevant parties (like ROs or other agents in the region) that the person is no longer authorized.

- **Documentation:** All actions taken are documented in the FSI's personnel file. The reason for revocation or suspension is recorded. This documentation will be part of the audit trail (see Section 6) and available if needed for IMO audit or legal scrutiny.

5.2 Recognized Organizations (ROs): Suspension or Withdrawal of Recognition Grounds for Action:

Vanuatu may suspend or revoke the recognition of an RO if the organization: fails to comply with the terms of the RO Agreement or the RO Code; is found to have issued invalid or improper certificates (e.g. certifying a ship that blatantly does not meet requirements); experiences a serious decline in performance (such as unacceptably high detention rates or casualties indicating survey failures); fails to allow or respond to oversight (refuses audits or does not implement corrective actions); loses its own accreditation or good standing (for instance, being removed from IACS or losing insurance cover); or if there are major changes (like merger or insolvency) that materially affect its capability or independence. Essentially, if an RO can no longer be trusted to act on behalf of the flag State competently and in line with international standards, its authorization will be reconsidered.

Procedure:

- **Notice of Concern:** The first step is usually a formal Notice of Concern or Breach to the RO. VISR Technical Department will communicate the specific issues observed (e.g., "Your organization failed to report X," or "Unacceptably high detentions of vessels classed by you have occurred") and cite the clauses of the agreement or Code that are breached. The RO is given a timeframe to respond with an explanation and a corrective action plan. This notice serves as a warning that unless improvements are seen, further action may be taken.

- **Consultation and Remedial Action:** VISR prefers a corrective approach if possible. The RO's leadership may be called to a meeting to discuss the issues. If the RO acknowledges the problems and proposes adequate remedies (such as enhancing survey oversight, adding qualified staff, or tightening their rules), VISR can agree on a probationary period during which the RO must demonstrate improvement. Additional oversight (like more frequent reporting or joint inspections on some vessels) might be imposed during this time. All agreed actions are confirmed in writing.

- **Decision to Suspend or Revoke:** If the RO either fails to respond satisfactorily or the issues are too severe to allow continued operation (for example, evidence of systemic falsification of survey results, or sudden loss of critical capability), the Administration will move to suspend or withdraw recognition. Suspension might be chosen if the issues seem fixable in the short term or are under investigation. Withdrawal (revocation) is done for grave or persistent failures. The decision is typically made by the highest authority (e.g., the Commissioner or Minister) upon recommendation from the technical division, and in accordance with any national legal procedure for RO authorization.

- **Suspension of Authority:** In a suspension scenario, the RO is temporarily barred from performing statutory services on Vanuatu's behalf. VISR will issue a Suspension Notice specifying the effective date, the scope (it could be full scope or partial – e.g., maybe suspension from certifying new ships but allowed to service existing ones under close supervision), and conditions for lifting the suspension. The IMO and other stakeholders will be informed that the RO's activities are on hold. During suspension, VISR may either take over those surveys directly or arrange for another RO to cover in the interim to support Vanuatu ships. The RO is typically given a deadline to rectify the reasons for suspension, after which a review will determine if reinstatement is possible.

- **Withdrawal of Recognition:** If withdrawal is decided, VISR will prepare a formal Notice of Termination of RO Authorization. This document outlines the reasons (with evidence) and states that effective a certain date, the RO is no longer recognized to act for Vanuatu. Prior to that date, a transition plan is usually crafted: all Vanuatu ships currently classed/certified by that RO must be informed that they will need to transfer to another recognized RO by a certain deadline to keep their certificates valid. VISR assists in facilitating this transfer to minimize disruption for shipowners. The Administration also updates its official list of ROs (and informs IMO and ILO to update their records). If the RO has any Vanuatu uniform certificates or blanks, those should be returned or destroyed. The termination notice may be made public so that Port States and others are aware (to avoid any entity continuing to act in Vanuatu's name improperly).

- **Appeal or Review:** Depending on national law, the RO might have a right to appeal the decision to withdraw authorization (for example, via an administrative tribunal). However, because recognition is often at the Administration's discretion, typically the focus is on ensuring the decision is well documented and justified rather than a formal appeal. The RO Code encourages flag States to act if ROs underperform, and IMO audits will expect evidence of such action rather than leniency.

- **Liability and Claims:** Upon withdrawal, VISR will review any outstanding surveys or issues. The RO remains responsible for the accuracy of certificates it issued while authorized. If any legal liabilities or claims arise (e.g., a negligence claim for a survey done), the terms of the RO agreement (which survive termination) would apply. VISR legal counsel might get involved to manage any such fallout.

By following this structured approach, Vanuatu protects its interests and those of shipowners (through clear transition plans) while enforcing accountability. This procedure also sends a strong message to all ROs that unsatisfactory performance will have serious consequences, thereby incentivizing continued high performance.

5.3 Special Agents: Suspension or Termination of Appointment Grounds for Action:

A Special Agent's appointment may be suspended or terminated for reasons including: unethical practices (bribery, fraud, misrepresentation as an official inappropriately), consistent poor performance or incompetence (such as mishandling registrations, causing significant delays or errors, or failing to follow instructions repeatedly), loss of trust (e.g., misappropriation of funds intended for fees), conflict of interest or acting in a manner that harms the flag's reputation, or if the agent ceases to have utility (for instance, very little activity combined with failure to respond to the Registry's communications). Additionally, if an agent is found to be engaging in activities beyond their authorized scope (say, issuing certificates they are not allowed to, or providing false documents), immediate termination is warranted.

Procedure:

- **Warning and Dialogue:** In non-extreme cases, VISR will first issue a written warning or performance notice to the Agent detailing the concerns (citing data from Section 4's monitoring if applicable, such as number of complaints or errors). The agent is given an opportunity to explain or correct the issues. The Maritime Administrator may hold a discussion or counsel the agent on how to improve, and set a time frame (e.g., the next 3 months) to observe improvements.

- **Suspension (if needed):** If an issue requires immediate action but is potentially temporary or fixable, the Maritime Administrator can suspend the agent's authority. For example, if an agent is under investigation for a misconduct but results are pending, a suspension protects the registry in the interim. A Suspension Notice will be sent specifying that the agent must cease acting on behalf of VISR effective immediately. This typically would involve disabling any access they have to registry systems and informing industry stakeholders in that region

that the agent is not currently authorized. Suspension could also apply if the agent is, say, transitioning to a new management and we need to vet the new personnel.

- **Termination of Appointment:** When it's clear that the relationship must be ended (due to either an agent's failure to improve after warnings, or a single grave violation of trust), the Maritime Administrator will terminate the appointment. A Termination Letter is issued stating that the agent's appointment as Special Agent is revoked. This letter outlines reasons, referencing any prior warnings if applicable, and the effective date of termination. From that date, the agent must stop all activities under VISR's name. They are required to return any official documents (blank certificates, seals) and to remove any reference to being an agent in their communications or advertising.

- **Notification:** the Maritime Administrator will update its published list of Special Agents promptly to remove the terminated agent. All stakeholders will be informed via circular, so they know not to deal with that person/company on official matters. If ship owners commonly interacted via that agent, the Maritime Administrator may reach out to those owners to redirect them to other contacts or handle them directly to ensure service continuity.

- **Follow-up and Handover:** If the agent was handling any ongoing transactions at the time of termination (for instance, a registration in progress), the Maritime Administrator will take steps to assume control of those transactions or assign them to another agent to ensure the client is not left in limbo. Any fees that were collected by the agent for pending services should be accounted for; the Maritime Administrator may require an audit of the agent's final accounts to settle any outstanding amounts.

- **Right of Reply:** While Special Agents typically operate under a contract or appointment that can be ended by the Administration, the Maritime Administrator will usually allow the agent to reply to the termination decision (except in flagrant cases). This is more of an opportunity for clarification rather than a formal appeal. If the agent provides new information or assurances, the Maritime Administrator could reconsider or potentially reinstate under strict conditions, but this is rare and would only occur if the cause was remediated fully and trust can be rebuilt.

Overall, terminating an agent is straightforward compared to ROs, since agents do not have regulatory functions that affect ship surveys. The key is clear communication and ensuring no gap in service to ship owners. By removing underperforming or unethical agents, Vanuatu maintains a network of representatives that enhance, rather than diminish, the flag's standing.

5.4 Documentation and Transparency:

In all of the above cases (FSIs, ROs, agents), **VISR Technical Department** will maintain a complete record of the process: initial notices, communications, investigation reports, final decision letters, and any post-termination follow-ups. This documentation is crucial to demonstrate that due process was followed and decisions were justified, which is important

both for internal governance and external audits (IMSAS). If requested by IMO auditors, Vanuatu can show examples of where it took action against underperforming entities, along with the rationale and outcomes (an indicator of an effective flag State). Furthermore, lessons learned from these cases will be fed back into the system – for example, if an RO was terminated for a particular weakness, Vanuatu will be extra cautious about that aspect with other ROs. If an inspector was removed for lack of knowledge, training programs for remaining inspectors might be strengthened. In this way, the suspension/withdrawal mechanism is not just punitive but also part of the continuous improvement of the registry's overall performance.

6. Records Management and Audit Trail

Accurate and accessible recordkeeping is fundamental to the VISR's operations and to demonstrating compliance with international obligations. This policy area addresses how records are to be managed, stored, and used to create an audit trail for oversight activities. The approach follows both Vanuatu's national records management standards and specific IMO guidance that *"records, as appropriate, should be established and maintained to provide evidence of conformity to requirements and of the effective operation of the State"*. All records must remain legible, readily identifiable and retrievable, and a documented procedure shall define controls for their identification, digital storage, protection, retention, and disposal.

6.1 General Records Policy:

VISR commits to maintaining a comprehensive digital archive of all documents and data related to its flag State responsibilities. Records will be kept in a combination of secure electronic systems and physical files (only where necessary), following a classification scheme that ensures easy retrieval. Confidentiality of records is respected, but authorized personnel from VMSA, VISR, and auditors (internal or IMSAS) will have access as needed. The types of records and the retention periods are defined by internal guidelines, which take into account IMO recommendations and any legal requirements (e.g., certain certificates or reports may need to be kept for a minimum number of years after their expiry).

6.2 Records of Flag State Inspectors:

For each FSI, the Administration maintains an individual (digital) file that includes:

- **Appointment Documents:** Application materials, proof of qualifications (licenses, degrees), reference checks, and the official Letter of Appointment. If any background vetting was done, those results are also recorded.
- **Training and Competency Records:** Copies of any training certificates (e.g., ISM auditor course, MLC training) and records of induction or refresher training provided by VISR. We also log periodic evaluations or competency tests if administered.
- **Inspection Reports:** Every inspection report completed by the FSI is filed in a central database, indexed by ship IMO number, date, and inspector name. The FSI's file may

contain a summary log of all inspections they have performed, including dates and outcomes (particularly noting any significant findings or detentions).

- **Performance Reviews:** Documentation of annual performance evaluations, any warning letters or commendations, and correspondence related to their performance (e.g., emails discussing a delay or praising good work).
- **Disciplinary Records:** If an FSI has been subject to investigation (Section 5.1), all related documents (complaints, investigation report, the FSI's response, outcome letters) are kept. This provides a clear trail of actions taken.

These records collectively provide an audit trail for each inspector's activity and oversight. For example, if IMO auditors ask to verify how Vanuatu ensures inspectors are qualified, the files readily show evidence of qualifications and training. If asked how we handle poor performance, we can show records of a particular case and the resolution. The records are kept for a significant period even after an inspector leaves the role (at least 5 years post-termination, or longer if required by Vanuatu's national archive rules), to allow review of past actions.

6.3 Records of Recognized Organizations:

VISR keeps thorough records on each RO to manage the authorization and oversight process:

- **RO Application and Agreement:** The initial application file with all submitted documents is preserved. The signed RO Agreement (and any subsequent amendments) is a key record, as is the formal recognition instrument (e.g., Ministerial order).
- **RO Performance Data:** We maintain an updated dossier for each RO that includes annual reports submitted by the RO, PSC performance statistics (we may compile an annual PSC summary for each RO, drawn from GISIS or MoU data), and records of any significant incidents involving that RO's ships. This dossier is essentially a living profile that is reviewed during audits or meetings.
- **Oversight and Audits:** All correspondence with the RO is kept – including routine communications (circulars sent to ROs, etc.), and specific oversight interactions. Audit reports from our audits of the RO are filed here, along with the RO's responses and corrective action plans. If we issue any deficiency notices or warning letters to the RO, those are recorded, as well as any meeting minutes from discussions about performance.
- **Certificates and Survey Records:** While the day-to-day survey files are kept by the ROs, VISR will maintain certain critical records to have an audit trail. For instance, whenever an RO issues a full-term statutory certificate to a Vanuatu ship, a copy is typically required to be sent to VISR (or at least a notification). Those copies or notifications are stored in the ship's file (see below) and can be cross-referenced by RO. Additionally, ROs are often required to report when they issue or revoke certificates – those reports are logged.

- **RO List and Notifications:** Any notifications sent to IMO/ILO about the RO (e.g., the required list of ROs submitted to IMO) and confirmations of receipt are kept as evidence of compliance.

If a Recognized Organization's authorization is suspended or withdrawn, the records of that process (notices, decision paper, etc.) are kept indefinitely in the RO's file as it is a significant event. Essentially, the RO file should tell the full story of that RO's tenure with the flag, from approval to either exit or ongoing status.

6.4 Records of Special Agents:

For each Special Agent, the records include:

- **Application/Contract:** The agent's application or proposal to act for VISR, any vetting done (e.g., references), and the formal appointment letter or contract outlining their authority. If the agent has a defined jurisdiction or scope, that's documented.
- **Activity Logs:** VISR may keep a log of key transactions handled by the agent (e.g., vessels registered through them, dates and outcomes). Some of this is naturally recorded in the registry's main database – for example, the database entry for a ship might note which agent facilitated it. But an agent-specific log or report can be generated to summarize their work.
- **Communications:** Copies of important communications with the agent, such as instructions sent to them, any clarifications they sought on procedures, or their periodic reports if they are required to submit reports on their activities.
- **Performance and Audits:** Records of any audits or reviews conducted on the agent's work (for instance, if head office did a random check of registrations processed by the agent for accuracy). Also, any complaints or issues reported involving the agent, and how they were resolved, are documented.
- **Termination Records:** If an agent's appointment is suspended or terminated, the file will contain the rationale and notice of that, similar to FSI records.

These records ensure that for each agent, we can demonstrate that they were properly appointed, monitored, and (if applicable) properly disciplined or removed. It also helps in continuity – if a new person takes over oversight of agents, they can quickly get up to speed by reviewing the file.

6.5 Ship-Specific and General Records:

In addition to the above, it's worth noting that VISR also keeps ship-specific files (or electronic records) for each vessel on the register, which include survey and inspection info. For example, a ship's file will have copies of all statutory certificates (perhaps issued by ROs), FSI inspection reports for that ship, PSC reports if forwarded, and any correspondence about that ship. This ties into the audit trail because one can pick a ship and see the interplay of RO work and FSI oversight on it. IMSAS auditors often perform such trace exercises (select a detention case and see how flag followed up, etc.), so maintaining these files is crucial.

6.6 Record Retention and Disposal:

Following the principle in the III Code, a documented procedure exists for how long each type of record is kept and how it is disposed of after its retention period. As a baseline, critical records (like inspection reports, RO agreements, and audit reports) are kept for a minimum of 5 years (which covers the typical IMO audit cycle) and in many cases longer (for historical performance trending). Some records, such as those relating to serious incidents or legal matters, are kept permanently. Disposal (shredding of papers or deletion of electronic files) is done in a controlled manner with authorization, to protect sensitive information.

6.7 Accessibility and Audit Trail:

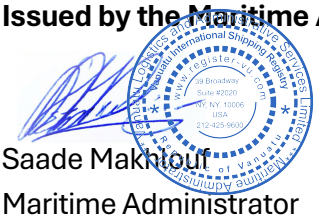
VISR will ensure records are readily identifiable and retrievable by maintaining clear indexing. For example, each inspection report is tagged by ship and inspector and date, so one can search by any of those keys. Electronic systems are backed up regularly to prevent loss. We strive towards a modern electronic document management system, to facilitate quick retrieval during audits or inquiries. In cases of manual records, a registry of files is maintained.

An "**audit trail**" means that an external reviewer can reconstruct what happened – for instance, how a particular RO was authorized and monitored, or how a deficiency on a ship was identified and corrected – through our documentation. We recognize that *"sound records management is fundamental to good governance and effective administration"*, as the Vanuatu Government's policy states. By implementing these recordkeeping practices, VISR not only complies with that principle but also ensures transparency and accountability in all flag State functions.

6.8 IMO Audit Preparedness:

Finally, in preparation for IMO Member State Audits or similar reviews, VISR will compile key records and self-assessments in advance. Before an IMSAS audit, we will ensure that files for all FSIs, ROs, and agents are up-to-date and that evidence of oversight (like the KPI reports, meeting minutes, etc.) are easily accessible to demonstrate our performance. This proactive stance on records and audit trails will highlight Vanuatu's commitment to the III Code's implementation and the continual improvement of its maritime administration.

Issued by the Maritime Administrator



Saade Makhlouf
Maritime Administrator
Vanuatu International Shipping Registry (VISR)