U.S. Department of Transportation
United States Coast Guard

**Commandant**
**United States Coast Guard**

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NAVIGATION AND VESSEL INSPECTION CIRCULAR NO. 2-99

Subj: GUIDANCE ON THE STREAMLINED INSPECTION

1.PURPOSE. This Circular provides guidance on the implementation and enforcement of the Streamlined Inspection Program (SIP) as promulgated in Title 46, Code of Federal Regulations (CFRs), Part 8.

2. DIRECTIVES AFFECTED. MOC Policy Letters 4-97, 5-97, and 6-97 are cancelled.

3. DISCUSSION.

a. The Streamlined Inspection Program (SIP) is a voluntary alternate method of inspecting a vessel to ensure regulatory compliance. Instead of the traditional Coast Guard inspection by a marine inspector, the SIP allows onboard and shoreside vessel operating personnel to conduct the majority of inspections required by the CFRs, and to have the adequacy of these inspections verified by Coast Guard marine inspectors on a regular basis.

b. It is the intent of the SIP to raise the overall safety of a vessel by actively empowering the vessel's support personnel. The main focus on the establishment of this program is to develop, under Coast Guard supervision, a process by which the inspection of the vessel is carried out by qualified company personnel with approved test procedures in a self-perpetuating, self-correcting format.

c. The SIP may not be suited for every company. This program is intended for companies, regardless of size, which have an absolute commitment to safety and which employ capable and dedicated vessel operating personnel. The initial time and effort necessary to establish this program is considerable. However, the long-term benefits of establishing the program outweigh the initial cost. Initial pilot SIPs have proven highly successful. Reductions in Coast Guard inspection time were realized allowing marine inspector resources to be concentrated on higher risk activities. Companies experienced reductions in both time and monies required to maintain regulatory compliance. An additional advantage realized was that crews became more familiar with safety equipment and vessel systems, resulting in higher crew moral and opportunities for professional advancement. Additionally, a substantial safety dividend was realized when the level of vessel safety was both increased and maintained over time.

4. IMPLEMENTATION.

a. Enclosure (1) contains comprehensive information necessary for a company to develop an SIP, and guidance for an Officer in Charge, Marine Inspection to establish SIP programs with interested companies. This enclosure explains the background of SIP and the procedures for participation and program administration. Samples of all of the forms necessary to successfully create a company program will be available for downloading from the Coast Guard Marine Safety SIP Website.

b. The Inspection Criteria References (ICR), available for download by vessel subchapter, serve as the basis of the program. ICRs indicate many of the possible vessel systems/subsystems required to be periodically inspected. Specific reference is made to the relevant CFR and the criteria or performance standard is explained. Each ICR also outlines the actions to be taken when a deficiency is noted during periodic company inspections. The ICRs have been "pre-packaged" by 46 CFR Subchapter. It is only necessary that the vessel owner/operator obtain a copy of the relevant Subchapter(s) for their vessel(s). **NOTE:** The available ICRs *are not* a compilation of *all possible* vessel systems/items required to be inspected. They should be used as templates, guidance, and ready reference of a large portion of those required systems. However, it remains the vessel owner/operator's responsibility to ensure that ICRs for all systems required to be inspected onboard their vessel(s) are developed.

c. Coast Guard marine inspectors and boarding officers will refer to the enclosed guidance when conducting inspections, examinations, or boardings on participating vessels to assess compliance with the regulations. A sample of the recommended Coast Guard SIP Inspection Form to be used in conducting these activities is available from the Internet site.

d. Officers-in-Charge, Marine Inspection are encouraged to bring the enclosed guidance to the attention of interested individuals in the maritime industry within their zones.

e. Owners and operators of vessels are encouraged to review the guidance contained in this circular to determine if the SIP is a viable option for ensuring their regulatory compliance, and if so, to use this guidance for the creation of their program.

f. For the convenience of the end-users of this NVIC, components may be accessed through the Coast Guard's Marine Safety internet website at:

http://www.uscg.mil/hq/g-m/gmhome.htm

g. The different operational nature of the unmanned inland tank barge fleet in contrast to the self-propelled fleet necessitates a fleet-specific solution. A Quality Action Team (QAT) will be formed, comprised of both industry and Coast Guard membership, to develop a viable alternative inspection program for this class of vessel. In the interim,

those tank barges currently in a prototype SIP may continue operating under their current prototype program for the remainder of the 3-year period provided for in 46 CFR Part 8, or until they disenroll—voluntarily or involuntarily, or convert to the alternative inspection program developed in response to the QAT's efforts.

h. For more information about the Streamlined Inspection Program, contact the SIP Program Manager at Coast Guard Headquarters (G-MOC), (202) 267-1464.

/s/ R.C. North Rear Admiral, U.S. Coast Guard
Assistant Commandant for Marine
Safety and Environment Protection

Encl: (1) A Guide to the Streamlined Inspection Program for U.S. Inspected Vessels

Non-Standard Distribution:

B:a Commandant (G-MOC) (20); Commandant (G-MSO) (10); Commandant (G-MO-1) (5).

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NOAA Fleet Inspection Officer (1).

U.S. Merchant Marine Academy (1).

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## I. INTRODUCTION

This document is a guide to the Streamlined Inspection Program (SIP) for U.S. inspected vessels. It contains the necessary information and background for a company to initiate, and the Coast Guard OCMI to consider, an application for enrollment in SIP. Guidance is also provided on how to develop a sound Company Action Plan (CAP) and Vessel Action Plan(s) (VAP). This guidance is provided as an aid to both Coast Guard OCMIs and interested vessel owner/operators in helping to develop and implement the Streamlined Inspection Program.

While companies and OCMIs are not required to strictly comply with the contents of this guidance document, adherence to the material provided here will significantly expedite the development and enrollment process for all parties concerned.

Companies with existing quality management systems and preventive maintenance systems (PMS) may have much of the fundamental material necessary for development of appropriate CAP and VAP(s). The Coast Guard does not intend to "reinvent the wheel." Companies that have these sytems in place may cross-reference to them, or include those components directly in the CAP and VAP, as appropriate. However, regardless of format, the design and implementation of a Streamlined Inspection Program must be consistent with the SIP regulations specified in 46 CFR Part 8.

**CRITICAL NOTE: Companies enrolled in locally-endorsed prototype programs have 3 years to bring their plans into compliance with the national standards, after notifying the local OCMI of their intention to do so no later than 17 December 1998.**

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**What it is.**
**What it is not.**

To truly appreciate the Streamlined Inspection Program (SIP), it is important to understand what it is and what it is not, how it works, and what goals and benefits are targets for its success.

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SIP is an alternative to traditional Coast Guard inspections that was developed in response to the Maritime Regulatory Reform Initiative. The Maritime Regulatory Reform Initiative challenged the Coast Guard to re-evaluate its regulatory programs and to develop alternatives that would ensure the same level of safety.

Originally, Coast Guard Districts and OCMIs were encouraged to explore options for streamlining the traditional inspection process. This resulted in numerous "prototype" SIPs created and tested by local Coast Guard units and Districts. Soon, however, it became apparent that the diversity of these programs was actually an impediment to each program's success. Since each local version of SIP differed in the type and manner of USCG oversight, verification of the vessel's compliance with regulatory safety requirements became an issue when vessels were inspected in OCMI zones other than the one in which the SIP enrollment was made. Some OCMIs were reluctant to accept another OCMI zone's validation of the vessel's compliance because there lacked a consistent inspection practice for ascertaining compliance. Accordingly, it became necessary to develop a consistent national policy regarding SIP.

The significant difference between SIP and the traditional annual inspection program is in the process of how compliance is ensured. SIP is primarily an "overlay" of the Code of Federal Regulations (CFR) requirements that regulate vessel safety. It identifies an alternative process for ensuring compliance with the CFR, where company personnel conduct frequent, periodic examinations of the various vessel systems, document their findings, and take the necessary corrective actions specified in the USCG approved plans when discrepancies are discovered. The Coast Guard will still conduct required inspections of the vessel(s), however, the manner of conducting the inspection will be considerably different. SIP is not strictly or singularly a "self-inspection" program. Under SIP the marine inspector's primary focus will be to review the implementation and management of the SIP by the company and check some critical vessel systems to verify accuracy of the records.

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**How it works.**

SIP is based on maintaining enrolled vessels in a continual state of compliance. This continual state of compliance is assured through the development of an OCMI-approved Company Action Plan (CAP) and Vessel Action Plan(s) (VAP).

These plans:

- stipulate the company's commitment to a partnership with the Coast Guard to ensure the vessels operate in a continual state of compliance.
- identify the responsibilities of company personnel for ensuring that this commitment is fulfilled in addition to identifying the vessel specific systems that will be examined—
    - by whom,
    - when,
    - how to record the examination, and
    - what to do in the event a discrepancy is discovered.

The company will develop these plans with the assistance of a USCG SIP Advisor, assigned to work with the Company SIP Representative.

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**Four-Phase Enrollment Process.**

Enrollment in SIP involves a four-phase process.

**I. Phase One: Application.** The company requests in writing to their cognizant OCMI to be considered for SIP enrollment.

**II. Phase Two: Plan Development.** After a satisfactory review of the company (e.g., review of company records in USCG files, interview of inspectors, etc.), the OCMI will assign a SIP Advisor to assist the Company SIP Representative in developing the CAP and VAP.

**III.Phase Three: Operational Evaluation.** Once the CAP and VAP are approved, a mutually agreed to trial period will be conducted to operationally test their effectiveness in ensuring continual compliance with the regulations.

**IV. Phase Four: Enrollment.** At the end of the trial period, and at the request of the company, the USCG SIP Advisor will conduct an initial CG SIP Inspection with representatives from both the Company and the Coast Guard Quality Assurance and Travelling Inspector Staff (G-MO-1) to evaluate the program. If successful, the OCMI will endorse the vessel's COI for enrollment in SIP.

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## What are the Goals and Benifits?

The primary goal of SIP is to have vessels operate in continual compliance with the regulations, rather than the cyclical peaking of vessel materiel condition associated with the traditional annual inspections.

Some benefits that have been realized by companies participating in the prototype programs included—

- better management of vessel costs,
- increased involvement and "ownership" by vessel personnel for the safe operation of the vessel, and
- an increase in crew professional advancement.

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## Conclusion

SIP embraces the Coast Guard's marine safety management principles of

- Prevention Through People (PTP)
- Partnerships for Quality, and
- Risk Management.

These management approaches require the Coast Guard to recognize the role vessel personnel play in the safe operation of vessels. They also challenge the Coast Guard to establish partnerships with those it regulates, develop effective and realistic solutions to safety concerns, prioritize its resource use in response to risk assessment, and design programs which are responsive in minimizing risk.

For any questions about SIP, please feel free to contact

G-MOC at (202) 267-1464.

**NOTE:** Nothing in this guide is intended to limit the access of the small entities' participation in this program. The guide identifies tasks, positions and documentation in sufficient detail to illustrate the concepts, principles and goals of the process. Companies, including those with very small operations, can meet the conditions of participation in a variety of ways, subject to the acceptance of the OCMI. (e.g., Small companies may chose to assign several duties to a single individual, shorten or condense documentation, and adapt inspection tasks to the extent needed by limited equipment.)

## II. DEFINITIONS

The following is a list of common terms and their definitions found throughout this Guide.

| | |
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| **Casualty:** | The same as Title 46, Code of Federal Regulations Subpart 4.03-1 "Marine Casualty or Accident". |
| **Civil penalty:** | Means a final assessment under the provisions of 33 CFR Part 1, Subpart 1.07 or 46 CFR Part 20. |
| **Coast Guard SIP Advisor:** | The Coast Guard marine inspector assigned by the Officer in Charge, Marine Inspection (OCMI), to assist the Company in the development of their SIP. |
| **Company:** | The owner of the vessel or any other organization or person, such as the manager or the bareboat charterer, who operates a vessel under the SIP. |
| **Company Action Plan (CAP):** | The document describing a company's organization, policies, and responsibilities required for participation in the SIP. |

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| **Company SIP Agent:** | The individual who is responsible for the Company Action Plan and the Vessel Action Plan development and implementation and who has the authority to bind the company to the terms of these plans. |
| **Correction Report (CR):** | A document that sets out specific vessel deficiencies and is used to record their correction by the company. Correction Reports will identify a specific deficiency, the date it was identified, the corrective measure taken, the repair date, and the source or vendor.<br><br>» See Ch. VI, Sec. C |
| **Documented Deficiency:** | Means an incident documented in a Coast Guard record in which the condition of a vessel, its equipment, or its operation was not in compliance with Coast Guard regulations. |
| **Examination Checklist:** | Any document or form approved in the VAP, to be used by company employees to record the periodic examinations required by the VAP. (See Ch. VI, Sec. B). A separate Examination Checklist is optional. For example, companies may use the ISVs and CRs to satisfy this need. |
| **Inspection Criteria Reference (ICR):** | The individual pages in the VAP that list each item on the vessel required by regulation to be periodically inspected.<br><br>ICRs:<br><br>• indicate every possible system/subsystem on a vessel, required by regulation, which must be periodically inspected.<br>• specific reference is made to the relevant CFR<br>• criteria or performance standard is explained<br>• outline the actions to be taken when a deficiency is noted during periodic inspections<br>• each procedure must match the numbering system on the ISV form<br><br>» The ICRs, grouped by the inspection Subchapter, are located in Ch. VI, Sec. E. |

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| **Inspection Schedule and Verification (ISV) Form:** | The document that lists the items to be inspected and the intervals for their inspection, and on which is recorded the completion of required examinations and tests conducted by designated company employees.<br><br>The ISV form<br><br>• identifies which systems/subsystems require inspection,<br>• the frequency of inspection,<br>• provides a record of the inspection findings, and<br>• are vessel specific<br><br>**HELPFUL HINT:** The ISV forms provided in this guidance document may be used by lining-out those systems/subsystems that do not apply to the vessel in question.<br><br>» The ISV Form is located in Ch. VI, Sec. A. |
| **Prototype SIP Plan:** | Means the SIP plans developed for a company or vessel participating in a Coast Guard District- or OCMI-developed SIP before implementation of the Nationwide Program. |
| **Reportable Casualty:** | The same as Title 46, Code of Federal Regulations Subpart 4.05 "Notice of Marine Casualty and Voyage Record". |
| **SIP Examiner:** | Company individual responsible for the periodic examination, recording of findings, and repair/ maintenance of a vessel system/subsystem as identified in the CAP. |
| **Streamlined Inspection Program (SIP):** | Means the alternative inspection program set out in this subpart. |

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| **SIP Inspection:** | The systematic process in which a Coast Guard marine inspector conducts periodic on-board examination of a vessel's condition, review of required documentation, and overall compliance with the approved CAP and VAP. The SIP Inspection is to focus on SIP training, SIP personnel knowledge of the VAP, review of deficiency resolution, and documentation, random witnessing of SIP personnel inspection of systems/subsystems, and third-party verification [the full scope and detail is proscribed by the Coast Guard SIP Inspection Form. An example of a generic form follows in Attachment (D)].<br><br>The scope of the SIP Inspection will be determined by the initial impressions made by the USCG marine inspector. (e.g., Nothing precludes the marine inspector from expanding the scope of the inspection should there become doubt about the level of company compliance with the approved CAP and/or VAP.) |
| **SIP Vessel Representive:** | See "Company SIP Agent." |
| **Vessel Action Plan:** | The document that prescribes procedures for maintenance, examination, and inspection of a vessel enrolled in the SIP. |
| **Violation:** | Any proven civil or criminal penalty case. See "Civil Penalty." |

## III. Procedures for Participation

The following details the steps necessary for a company to participate in SIP. These steps are explained in detail in the following sections and are illustrated in Figure 1 on page 24.

**PHASE ONE:**

Step 1: Company Self-Evaluation

Step 2: Application to the OCMI

Step 3: OCMI Evaluation

**PHASE TWO:**

Step 4: Assignment of USCG SIP Advisor

Step 5: Development of Action Plans (CAP & VAP)

Step 6: OCMI Approval of CAP and VAP

**PHASE THREE:**

Step 7: Initial Company Personnel Training

Step 8: Operational Evaluation

**PHASE FOUR:**

STEP 9: Enrollment

**PHASE ONE**

**Company Self-Evaluation**

The following criteria provide companies and OCMIs a means to determine a company's readiness to enter into the SIP. While all criteria must be met, the degree of complexity in meeting them is dependent on the company size and the composition of its fleet. The company's history of regulatory compliance, vessel condition and record of violations will also be considered.

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| Organizational Commitment | • Statement signed by the company's senior officer attesting to the company's commitment to enter into an ongoing partnership with the Coast Guard in marine safety.<br>• An organizational chart of the company. |

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|---|---|
| Responsibility and Authority | • Defined, documented and delineated responsibilities, authorities and interrelations of all personnel who manage, perform and verify work relating to vessel inspection processes.<br>• Identification of adequate vessel inspection and maintenance support. |
| Regulatory Compliance | • Company mandated pre-inspections.<br>• Empowered pre-inspection personnel who can initiate corrective actions.<br>• Documented vessel maintenance and equipment records. (i. e., machinery, safety, firefighting)<br>• Established tracking system for regulatory compliance (i.e., FCC, deficiencies, inspection due dates). |

**Application**

After the company has evaluated itself to the above criteria and believes itself ready to enter into the SIP, a formal written application must be made to the cognizant OCMI.

**OCMI Evaluation**

The decision of whether or not to enroll a company will be made by the OCMI after considering the following:

Operational History

A three-year history is required for any company seeking enrollment in the SIP. The company should have operated an inspected vessel for at least three consecutive years

A pattern of any of the following deficiencies discovered during the historical performance evaluation will disqualify a vessel (or company in the case of a first-time SIP applicant) for enrollment in SIP:

- unserviceable primary lifesaving equipment
- inoperable fire pump(s)

**NOTE:** If a company acquires a new vessel in its fleet (new construction or previously owned? and has previously gained enrollment in the program for another vessel, the new vessel may be enrolled as soon as it is issued a new COI

- insufficient number of serviceable fire extinguishers as required by the COI
- unauthorized modifications of structural or fire protection arrangements
- unauthorized modifications of equipment or structural arrangements which could have resulted in a pollution incident
- failure to maintain watertight boundaries (i.e. through hull valves, watertight doors, vent closures, scuttles, or machinery access plates)
- intentional override of any overcurrent protection device
- unqualified or insufficient manning
- insufficient or inoperable required electronic navigation equipment

Inspector Reports

A review of MSIS or MSN cases for the past 3 yars, paying particular attention to the inspection narrative, are to be reviewed to obtain an overall impression of how well the company maintains its vessels and the level of care demonstrated when deficiencies are found. Interviewing available inspectors will assist in reaching a conclusion.

Verification of Company's Commitment and Suitability

The OCMI will verify the company’s commitment to safety and suitability for enrollment into SIP after reviewing the company’s:

- Administrative Records,
- Operational and Managerial Processes and Policies,
- Operational History, and
- By Evaluating the Physical Condition of the Vessel(s).

When the OCMI is satisfied that the company is qualified to enter the SIP he will assign a Coast Guard SIP Advisor to work with the company.

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**PHASE TWO**

**Assignment of USCG**

**SIP Advisor**

After completion of a satisfactory review by the OCMI, a USCG SIP Advisor will be assigned to assist the company in assembling the requisite Action Plans and other aspects of developing the company's SIP. This will include reviews of the company's necessary training, safety, and environmental programs.

While the USCG SIP Advisor will not create these programs, and no "universal" model programs are offered here as examples, the SIP Advisor will need to ensure the company implements programs that ensure the maximum level of safe vessel operations consistent with the applicable subchapter of the CFR.

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**Development of Action Plans**

The company, with help from its assigned SIP Advisor, will develop the required Action Plans (Company Action Plan and Vessel Action Plan).

***Company Action Plan (CAP)***

The Company Action Plan must identify how the company will adopt the SIP and include:

1. A copy of the OCMI CAP approval letter (once the CAP is approved).

2. A statement signed by a corporate officer authorized to commit the company to a partnership with the U.S. Coast Guard, assuring safe operation of the company's vessel(s).

3. A company organization chart that includes the name(s) of the designated SIP support personnel who will be responsible for implementation and oversight of the approved CAP and VAP(s).

4. A statement describing the responsibilities and authorities of personnel involved in the examination and maintenance of the vessel(s) for the company.

5. A description of the method the company will use to integrate the applicable subpart regulations into its SIP and the method or system used to initiate

corrective action.

Safety Program

6. A description of the company's safety program.

a. Adequate written safety plan/policy/ procedures.
b. Designated Safety Officer.
c. Procedures for reporting and investigating accidents.
d. Established mechanism for corrective actions following reported accidents.
e. Strict adherence to drug and alcohol programs:

1. policy for employees that do not submit to a required test in a timely fashion,

2. policy/procedures for facilitating and documenting attempts to contact employees by the Medical Review Officer, and

3. designated person (or organization) with knowledge of the program who maintains an up-to-date file of the applicable regulations.

Environmental Program

1. A description of the company's environmental protection program.

a. Strict adherence to all environmental protection programs. Established company policy on reporting, responding to, and preventing prohibited discharges.

b. Employee awareness of environmental protection issues.

Training Program

1. A description of the company's training infrastructure, the method used to track and record training for individual employees, and the training required for the designated SIP support personnel to implement the CAP and the VAP.

a. Established training infrastructure.

b. Designated Training Officer.

c. Documented training records.

2. A master list of all SIP documents and ICRs that the company intends to use in its VAP(s).

3. Appendices for each approved VAP.

***Vessel Action Plan (VAP)***

Each VAP shall include at least the following:

1. A copy of the OCMI VAP approval letter (once the VAP is approved).
2. A description of the method that will be used to integrate the VAP into the vessel's regular operations.
3. Vessel-specific Inspection Criteria References (ICRs)
4. Vessel-specific Inspection Schedule and Verification (ISV) forms
5. Vessel-specific Examination Checklists (EC)
6. Correction Reports (CR)

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Discriptions of ICRs, ISV, Examination Checklists, and Correction Reports follow.

**Inspection Criteria Reference (ICR):**

**Inspection Criteria Reference (ICR):** The ICR is the foundation SIP reference. It provides a description of inspection procedures to be used by the company in its inspection of vessel systems. Each procedure must match the numbering system on the Inspection Schedule and Verification (ISV) forms and Examination Checklist. The ICRs are to be kept current with the CFR and should be reviewed annually and revised as necessary.

**Critical Note:**
The ICR Enclosures to this guidance documemnt should not be assumed to contain all systems required to be examined for every possible vessel configuration. It is incumbent upon the Company to ensure that their VAP identifies all sysyems that apply to their vessel(s).

The ICR is organized by system and subsystem identifiers. The table of contents indicates system/subsystem identification numbers. Each individual ICR sheet contains:

- system name,
- subsystem name,
- person responsible for performing tests,
- applicable references,
- minimum regulatory verification frequency,
- inspection criteria, and,
- required deficiency action.

In the course of the company's SIP development, should a system be identified which is not covered by an existing ICR, the company must work with the SIP Advisor to develop the necessary ICR. This is necessary to ensure there isn't any confusion when CG Marine Inspectors conduct their periodic review of the vessel for compliance.

»ICR forms are located in Chapter VI, Section E, by vessel subchapter.

**NOTE:** When a new ICR has been developed, a copy is to be forwarded by the USCG SIP Advisor to G-MOC-2 for inclusion in the annual revision of the SIP NVIC.

**Inspection Schedule and Verification (ISV) Form:**

**Inspection Schedule and Verification (ISV) Form:** The Inspection Schedule and Verification Form establishes the company's frequency of inspections of the systems and subsystems and serves as a summary of the results of the company's inspection activities for a given period of time. It contains the following four elements:

- Vessel name and official number,

- ICR number,
- System and subsystem names, and
- Regulatory frequency of inspection.

Once developed, these forms are put in the Vessel Action Plan (VAP) and managed by the company's reporting system.

»An example of a generic and completed form may be found in Chapter VI, Section A.

**NOTE:** It is important to note that these examples contain the majority of possible systems and subsystems that may be found on any particular passenger vessel. During the company's development of its own vessel Inspection Schedule and Verifications, it may be noted that certain systems and/or subsystems are not applicable. These systems or subsystems should be omitted from the company's Inspection Schedule and Verifications (ISVs), however, it is extremely important that the remaining systems and subsystems retain the same identification numbering as listed in the example.

In establishing the schedule of examinations the areas which will not be examined should be darkened. This will provide a graphic depiction of the schedule and allow the SIP Representative and Coast Guard Inspector the ability to rapidly visualize the systems and subsystems requiring examination.

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**Exam Checklist:**

The Exam Checklist sheets are:

- The working documents used by the SIP Examiner to conduct the physical examinations of vessel systems,
- are used at the intervals stated on the Inspection Schedule and Verification (ISV) Form, and
- contain systems and subsystems to be examined.

After examination, system condition will be indicated in the columns labeled "OK" and "NOT OK" as appropriate.

»An example of a generic and completed form is in Chapter VI, Section B.

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**Correction Report**

The Correction Report (CR) is:

- used to document a deficiency that was discovered during an examination, whether or not it was correct at that time or remains outstanding.
- initiated by the company SIP Vessel Representative.

**Critical Note:**
Corrective action for a Firefighting or Lifesaving item deficiency will be required prior to placing the vessel back in service. Other deficiencies, which do not directly effect the safety of the vessel, should be corrected in no more than 30 days.

The CR lists :

- the discovery date,
- ICR number,
- description of the deficiency, and
- the date correction is required by the ICR or Vessel Action Plan
- the corrective action planned, taken, and the date corrected.

Correction Reports become part of the company's reporting mechanism and can be instrumental in identifying and correcting recurring problems with the vessel systems and subsystems.

»An example of a generic and completed form follows in Chapter VI, Section C.

**Submission of Action Plans for Review and Approval**

The assembled Plans will be submitted to the OCMI for review. If found satisfactory, the OCMI will issue an approval letter and the Company will enter Phase 3.

If the Company, or Vessel Action Plan(s), need to be revised it will be returned to the company with a letter indicating generally that revisions are necessary for approval. Once the revisions are made, the Plan will be re-submitted to the OCMI for consideration.

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**PHASE THREE**

The company will enter the Operational Evaluation phase of its SIP enrollment process upon receipt of the OCMI's written approval of the Company Action Plan and Vessel Action Plan(s).

This phase includes:

1. Initial Company Personnel Training;
2. Operational Evaluation of the Plans

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**Initial Company Personnel Training:**

The SIP Advisor will evaluate the company's training to ensure it adequately prepares the responsible personnel to satisfactorily perform their tasks under SIP.

The SIP Advisor will do this by

- reviewing training materials,
- attending training sessions, and
- conducting tests of individual crew members for their ability to satisfactorily perform their designated tasks per the CAP and VAP.
- providing the Company SIP Representative with recommendations on their training program.

**CRITICAL NOTE:** Companies who employ outside (third-party) contractors to maintain certain vessel systems/subsystems need to be able to verify the competency of the contractor to perform the task.

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**Operational Evaluation:**

During the Operational Evaluation:

- The vessel must operate and be examined under the VAP for a period of at least 3 months.
- During this operational evaluation, the Coast Guard SIP Advisor will conduct an ongoing evaluation of the vessel's operation for compliance with the VAP.
- The Coast Guard SIP Advisor will report periodically to the cognizant OCMI and the Company SIP Agent on the vessel's performance, and
- Based on observations, make recommendations for
    - Improvement(s), if needed, or,
    - Enrollment, if satisfactory.

**CRITICAL NOTE:** Revisions required as a result of the findings during the Operational Evaluation may necessitate additional time under evaluation to determine if the revisions have successfully addressed the problem(s).

All revisions to the CAP or VAP must be satisfactorily addressed prior to enrollment.

**PHASE FOUR**

**Enrollment:**

Following a successful trial period, the local OCMI authorizes full implementation of the SIP by endorsing the Certificate of Inspection of participating vessels as follows:

> "This vessel is participating in the Streamlined Inspection Program (SIP) in accordance with 46 CFR Subpart 8. Routine Coast Guard inspection activities aboard this vessel are to be conducted in accordance with the Vessel's Action Plan. Inspection issues concerning this vessel should be directed to OCMI (port)."

A Coast Guard inspector will periodically conduct a SIP Inspection of each vessel to satisfy regulatory requirements and to ensure the advancement of the program. The topic of oversight, that is monitoring and inspecting, is detailed in Chapter IV, Sections D through F.

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[1]G-MO-1 should be kept apprised throughout the entire process of the first company enrollment in each OCMI zone. The Traveling Inspector will provide assistance in the development and implementation of the initial SIP enrollment in each OCMI zone. This will ensure consistency nationwide.
G-MO-1 will be informed of future SIP apllications, but will choose which programs to over see for the quality assurance purposes.