



USCG Office of Commercial Vessel Compliance (CG-CVC)
Mission Management System (MMS) Work Instruction (WI)



Category	Inspected Towing Vessel Program				
Title	Towing Vessel Inspections Under TSMS Option				
Serial	CVC-WI-013(8)	Orig. Date	18SEP18	Rev. Date	29MAY26
Disclaimer:	<p>This guidance is not a substitute for applicable legal requirements, nor is it itself a rule. It is not intended to, nor does it impose legally-binding requirements on any party. It represents the Coast Guard’s current thinking on this topic and may assist industry, mariners, the public, and the Coast Guard, as well as other federal and state regulators, in applying statutory and regulatory requirements. You can use an alternative approach for complying with these requirements if the approach satisfies the requirements of the applicable statutes and regulations. If you want to discuss an alternative approach (you are not required to do so), you may contact the Coast Guard Office of Commercial Vessel Compliance (CG-CVC) at CG-CVC@uscg.mil who is responsible for implementing this guidance.</p>				
References:	<p>(a) Title 46 Code of Federal Regulations (CFR), Chapter I, subchapter M – Towing Vessels</p> <p>(b) Navigation and Vessel Inspection Circular (NVIC) No. 04 03, CH-1, Enclosure (1), Guidance for verification of vessel security plans (VSP) on domestic vessels in accordance with the Maritime Transportation Security Act (MTSA) regulations and International Ship & Port Facility Security (ISPS) Code</p> <p>(c) G-MOC Policy Letter 00-02: Five-Year COI and SOLAS Survey Intervals</p> <p>(d) CG CVC Form CVC-FM-004(series), Towing Vessel Particulars</p> <p>(e) CG-CVC Work Instruction CVC-WI-010(series), OCMI guidance on special consideration for 46 CFR Subchapter M vessels</p> <p>(f) 46 United States Code (U.S.C.) § 3305(d), Scope and standards of inspection</p>				
Change Summary:	<p>The following is a list of major changes found in revision 8:</p> <ul style="list-style-type: none"> • Updated title to remove “COI”, creates a broader inspection procedure document • Removed old reference (f) CVC Policy Letter 17-10 and made it new enclosure (3); re-alphabetized references accordingly • Moved enclosures to the end of document per MMS WI template • Added new paragraph “D. Directives Affected” to document the cancellation and inclusion of CVC Policy Letter 17-10; re-numbered paragraphs accordingly • Remove equivalency and clarified 5th year TSMS option annual survey requirements as well as CG COI renewal inspection requirements in paragraph E.1.a.3.; clarified CG Renewal inspection will be in-person • Clarified Random Audit allowances in Section E.1.b.3. • Clarified Initial and Renewal inspections for certification will be in person in paragraph E.2. and E.3 • Clarified that the TSMS endorsement will remain on the COI in paragraph E.2.c.11)e) • Updated enclosure (1) to note WI version “8” and new references in D.1. to E.1. • Updated enclosure (2) to note WI version “8” • Added new enclosure (3) Deficiency Recording and Reporting on TSMS Option Towing Vessels 				

- A. **Purpose.** This work instruction (WI) provides guidance on the U.S. Flag Administration's interpretations on the application and implementation of towing vessel Certificate of Inspection (COI) issuance under the Towing Safety Management System (TSMS) option. Where no additional instructions or interpretations are provided, reference (a) should be applied as written.
- B. **Background.** As of July 20, 2018, all towing vessels must comply with the requirements of reference (a) and have received, or are making plans to receive, a COI from the Coast Guard (CG) in accordance with 46 CFR § 136.202. Per reference (a), there are two options for documenting compliance for certification: (1) the CG option or (2) the TSMS option.
- C. **Action.** Officers in Charge, Marine Inspection (OCMI) should reference this guidance when issuing a COI under 46 CFR subchapter M for inspected towing vessels choosing the TSMS option. Enclosure (1) is a flow chart to illustrate the TSMS option compliance process timeline.
- D. **Directives Affected.** CVC Policy Letter 17-10, dated November 28, 2017, is cancelled and superseded by the information within new enclosure (3) of this WI.
- E. **Discussion.** The TSMS option allows owners and managing operators (OMO) to modify their safety management system for individualized efficiency, ensuring all safety standards align with Coast Guard requirements. The verification of compliance with applicable regulations is confirmed through surveys and audits completed by a Third-Party Organization (TPO). OMOs electing the TSMS option must submit applications for inspection to the cognizant OCMI where the inspection will take place, as outlined in 46 CFR § 136.210.
1. **Surveys and Audits.**
 - a. **Surveys:** A survey is an annual examination of the vessel and systems to verify compliance with applicable requirements.¹ Whether operating under either an internal or an external survey program, the surveyor shall conduct a survey in accordance with 46 CFR § 137.215 and report the same per 46 CFR § 137.135. Whichever survey program is chosen by the OMO (either internal or external, per 46 CFR part 137, subpart B) it shall be the same program for drydock and internal structural surveys within 46 CFR part 137, subpart C. (i.e., internal survey program 46 CFR § 137.210 and internal survey program notifications for drydock 46 CFR § 137.315.)
 - 1) (*Internal*) The OMO completes a vessel survey under the internal survey program with TPO oversight. The OMO has two options as outlined below to complete the survey, *Over Time* or as a *Single Event*.
 - a) (*Over Time*) If the TSMS prescribes the internal survey to be conducted on a schedule over time, the interval between successive surveys of any items cannot exceed 1 year (365 days) per 46 CFR § 137.210(b).
 - b) (*Single Event*) If the TSMS prescribes the internal survey is to be conducted as a single event, then the survey shall be based on the anniversary date of the COI and may take place within a six-month window, between 3 months prior to and 3 months after the anniversary date of the COI.²

¹ 46 CFR § 136.110.

² 46 CFR § 137.210(b).

- 2) (*External*) External surveys shall be managed in accordance with 46 CFR § 137.205 and conducted annually, within three months of the anniversary date of the COI.³
- 3) Fifth Year CG Inspection for Renewal COI. (See also the *Inspection Table* at the end of this Section.)
 - a) **CG Renewal Inspection (100%) - No 5th Year Survey.** Internal or external surveys, which are conducted annually, serve to validate the compliance with 46 CFR subchapter M and other applicable regulations, statutes, conventions, and treaties. On TSMS option vessels, these annual surveys are conducted by either a TPO or the OMO and they replace the traditional CG annual inspections that occur between COI inspections.⁴ A full CG renewal inspection for certification (i.e., 100% of the CG-840 book Job Aid) will be conducted if no annual survey had been conducted in that same year. The TPO or OMO must provide objective evidence of TSMS compliance in accordance with 33 CFR 136.210(b) including:
 - i. if an OMO provides to the CG, the objective evidence that the four previous annual surveys were conducted successfully (i.e. Full survey reports submitted for review to the CG, not summaries, with details on items inspected.);
 - ii. the TPO provides objective evidence to the CG that the vessel has received no major non-conformities in the last 5 years; and
 - iii. the vessel has not been issued any code 30 deficiencies by the CG in the last 5 years.

The TPO (external survey option) or the OMO surveyor (internal survey program) may attend the renewal inspection for observation, but it is not required.

All deficiencies identified during the renewal inspection must be documented on a CG-835V with an action code (c), to the satisfaction of the CG, and documented in MISLE. An additional code (a) may be added and deficiencies resolved by a TPO, at the OMOs discretion, but final clearance authority resides with the CG.

The CG must send the TPO or OMO surveyor, as applicable, a copy of the MISLE vessel inspection activity summary, to be kept on file, as proof of the 5th year survey completion. (Must be redacted and all PII information removed.)

- b) **CG Renewal Inspections Reduced Scope – “One Event” 5th Year Survey.** Towing vessels subject to inspection under subchapter M and using the TSMS option will be inspected at least once every 5 years by the OCMI.⁵ (i.e., CG inspection at initial COI issuance and then another CG visit for the inspection for certification at the five-year renewal⁶). If the TPO or OMO conducts and completes a 5th year annual survey as “one event”, within 6 months of the

³ 46 CFR § 137.205(a)(3).

⁴ 81 Fed. Reg. 40022 (June 20, 2016). In the Subchapter M Final Rule, the Coast Guard responded to a comment about inspection frequencies and stated, “Towing vessels choosing the TSMS option would be subject to annual surveys *between* [the 5-year COI] inspections, while towing vessels choosing the Coast Guard Inspection option would be inspected annually.” As clarified in the Subchapter M Final Rule, the intent is for annual surveys to occur between the five-year COI inspections. Therefore, a fifth-year annual survey is not required by regulation for vessels on "Single Event" or "External" survey programs.

⁵ 46 CFR § 136.212

⁶ 46 CFR §§ 136.212 and 137.200.

anniversary date of the COI, CG re-inspection of many of the same items during the CG renewal inspection may be unnecessarily duplicative.

Therefore, the CG inspection for renewal of the COI for a TSMS option vessel that conducts a 5th year annual survey as “one event” should be reduced in scope to avoid duplication with the recently completed annual survey. However, the OCMI must have received **all** previous survey results from the TPO or OMO with sufficient time to allow the OCMI to review those results and scope the inspection accordingly. At all times, the CG retains the inspection oversight of mariner credentialing, manning, and security compliance (MTSA/ISPS, etc.) which are not surveyed by the TPO or OMO.

- i. As required per §136.210(b)(2) the CG must review the objective evidence provided (i.e. all survey reports completed since the last COI renewal) that attest that the vessel complies with requirements of Subchapter M. After review, the scope of the renewal inspection should be reduced to avoid unnecessary duplication.
 - ii. The CG inspection should be reduced in scope to the essential systems as noted in the CG-840 book, labeled “T” for TSMS Option; however, if the CG Marine Inspector finds significant deficiencies on essential systems, the exam will be expanded to a full inspection. Any expanded exam must be explained in the MISLE narrative.
 - iii. Whenever possible, to minimize vessel downtime and disruptions to the crew and owner/managing operator during the fifth-year cycle, any annual survey or audit may be coordinated to occur simultaneously with the Certificate of Inspection (COI) renewal inspection.
- c) **CG Renewal Inspections *Reduced Scope* - "Over Time" 5th Year Survey.**
Vessels using the "Over Time" internal survey program cannot cease their rolling surveys in the fifth year and opt for a full-scope Coast Guard renewal inspection⁷, as this would cause some vessel items to exceed the required one-year survey interval. Vessels using the "Over Time" program are automatically eligible for a reduced-scope CG renewal inspection. A vessel on an "Over Time" program should continue their "Over Time" survey schedule diligently throughout the fifth year, ensuring no survey of an item(s) lapses beyond one year between intervals, and should request the reduced scope renewal inspection. The OCMI must have received all survey results from the TPO or OMO with sufficient time to allow the OCMI to review those results to scope the inspection accordingly. At all times, the CG retains the inspection oversight of mariner credentialing, manning, and security compliance (MTSA/ISPS, etc.) which are not surveyed by the TPO or OMO.

⁷ 46 CFR § 137.210(b) allows the interval between successive surveys of any item to exceed 1 year if "otherwise prescribed."

Inspection Table:

<u>Year 00</u>	<u>Year 01</u>	<u>Year 02</u>	<u>Year 03</u>	<u>Year 04</u>	<u>Year 05</u>
E.1.a.3)a): CG Renewal Inspection (100%) - No 5th Year Survey					
<p>a) CG Issued COI Initial (in person)</p> <hr/> <p>TPO/OMO Survey Required.</p> <p>(46 CFR §§ 136.210/137.130/137.202)</p>	N/A	N/A	N/A	N/A	<p>CG Renewal Inspection (in person) 100% of the CG-840 book Job Aid</p> <hr/> <p>TPO/OMO: No 5th Year Annual Survey Required</p> <p>(46 CFR §§ 136.210 & .212/ 46 CFR §§ 137.202, .205, .210)</p>
E.1.a.3)b): CG Renewal Inspections <i>Reduced Scope</i> – “One Event” 5th Year Survey					
<p>b) CG Issued COI Initial (in person)</p> <hr/> <p>“One Event” (OE) Survey Program: TPO/OMO Survey Required.</p> <p>(46 CFR §§ 136.210/137.130/137.202)</p>	N/A	N/A	N/A	N/A	<p>CG Renewal Inspection (in person) Reduced in scope to the essential systems as noted in the CG-840 book, labeled “T” for TSMS Option</p> <hr/> <p>TPO/OMO Conducts Annual Survey as “One Event”.</p> <p>(46 CFR §§ 136.210 & .212/ 46 CFR §§ 137.202, .205, .210)</p>
E.1.a.3)c): CG Renewal Inspections <i>Reduced Scope</i> - “Over Time” 5th Year Survey					
<p>c) CG Issued COI Initial (in person)</p> <hr/> <p>“Over Time” (OT) Survey Program: TPO/OMO Survey Required.</p> <p>(46 CFR §§ 136.210/137.130/137.202)</p>	N/A	N/A	N/A	N/A	<p>CG Renewal Inspection (in person) Reduced in scope to the essential systems as noted in the CG-840 book, labeled “T” for TSMS Option</p> <hr/> <p>TPO/OMO Conducts Annual Survey “Over Time”</p> <p>(46 CFR §§ 136.210 & .212/ 46 CFR §§ 137.202, .205, .210)</p>

b. **Audits:** An audit is a systematic, independent, and documented examination to determine whether activities and related results comply with the TSMS or other approved SMS.⁸ The International Safety Management (ISM) Code is an internationally mandated SMS for vessels subject to the International Convention for the Safety of Life at Sea, 1974, as amended (SOLAS). The ISM Code is an international framework that requires two scheduled vessel audits during the period of validity of the Safety Management Certificate to ensure consistent application of the SMS on a vessel. Management and vessels are subject to internal and external audits to assess compliance with the TSMS and the vessel standards of Subchapter M.

- 1) (*Internal*) Internal management audits, per 46 CFR § 138.310, are conducted by a qualified auditor that has a direct affiliation to the vessel, owner, or managing operator being audited. The auditor must be independent of the procedures being audited unless this is impracticable due to the size and nature of the organization. The auditor may not be the designated person, or any other person, within the organization that is responsible for development or implementation of the TSMS.⁹ While the internal management audit results must be documented and made available to the CG upon request, the audit results are not required to be submitted as the objective evidence referenced in 46 CFR § 136.210(b)(1) for issuance of a COI. Internal management audits must be conducted annually, to include all the OMOs towing vessels to which the TSMS applies, within 3 months of the anniversary date of the TSMS certificate.¹⁰
- 2) (*External*) External audits for obtaining and renewing a TSMS certificate are conducted by a TPO and must include both management and vessel audits under 46 CFR § 138.315. The TPO completes an external management audit prior to the issuance of the initial TSMS Certificate¹¹ and will conduct an external vessel audit either prior to or after initial issuance of the COI depending on how long the vessel has been owned or operated and subject to the TSMS.¹² This does not explicitly require these activities¹³ to exist within the TSMS at the time of an external audit for issuance of an initial TSMS Certificate and should be verified by the TPO during subsequent audits to determine compliance. The OMO will be issued a TSMS Certificate by a TPO when their organization is deemed in compliance with the TSMS requirements.¹⁴ Therefore, TPOs may issue an initial TSMS Certificate to an OMO after the TPO:
 - a) Verifies that the OMOs TSMS meets the functional requirements and elements under 46 CFR §§ 138.215 and 138.220; *and*,
 - b) Completes an external management audit to verify that the necessary policies and procedures have been documented and implemented throughout the organization, shore-side and on relevant vessels, to ensure a functional TSMS. Implementation

⁸ 46 CFR § 136.110.

⁹ 46 CFR § 138.310(d).

¹⁰ 46 CFR § 138.310.

¹¹ 46 CFR § 138.315(a)(1). A mid-period external management audit must be conducted between the 27th and 33rd month of the [TSMS] certificate's period of validity. 46 CFR § 138.315(a)(2).

¹² 46 CFR § 138.315.

¹³ The Coast Guard interprets "activity" to mean the act of performing a procedure, not the procedure itself.

¹⁴ 46 CFR § 138.305(a).

should include, at a minimum, the necessary policies, processes, and procedures are published, promulgated, and followed.¹⁵

In accordance with 46 CFR § 138.315(b)(1), vessels subject to an OMOs TSMS that have been owned or operated for 6 or more months are required to conduct an external vessel audit prior to issuance of the initial COI. For vessels that have been owned or operated for fewer than 6 months, 46 CFR § 138.315(b)(2) requires that an external vessel audit must be conducted no later than 6 months after the issuance of the initial COI.

- 3) *Random External Vessel Audit.* The CG recognizes that the random external vessel audit regulation at 46 CFR § 138.315(b)(3) may have ambiguity and may present a challenge to the TPO to distribute the vessel selection as evenly as possible while simultaneously ensuring the selection is as random as possible. The intent of the regulation is to ensure an additional audit of all vessels covered by a TSMS Certificate every 5 years and to promote continuous compliance. The regulation does not require any particular methodology for randomization or procedure for vessel selection and no CG approval of the selection process is required. Accordingly, OMO and TPOs are encouraged to take the most appropriate approach for the subject fleet of vessels, taking into consideration the number of vessels covered by a TSMS certificate. The CG considers 46 CFR § 138.315(b)(3) to be a minimal requirement and does not object to audit structures that go beyond this baseline¹⁶. Regardless of the audit approach chosen, the process must be documented in the TSMS applicable to the vessel. There is no requirement for an external audit to be completed prior to the renewal of the COI.¹⁷ During the COI inspection, the OCMI will verify that a random external vessel audit has been completed for the vessel within the current or previous 5-year validity of the TSMS Certificate depending on the timing of the COI inspection in relation to TSMS Certificate date. The COI renewal package should include objective evidence of conformity with the TSMS which may include survey reports, internal audit reports, and other supporting information.
- 4) *(Delayed)* For vessels subject to 46 CFR § 138.315(b)(1), the OCMI may issue a COI to a vessel in substantial compliance with material, equipment, and operational requirements and monitor progress towards full implementation of the TSMS and verify compliance upon completion of the first mandatory external audit six months after issuance of the **initial** COI. The process by which the OCMI may ensure substantial compliance is as follows:
 - a) Per 46 CFR § 136.210, the OMO must schedule the initial inspection for certification at least three months in advance and submit an “Application for Inspection of U.S. Vessels” via CG Form 3752 at least 30 days before the vessel will undergo the inspection. Additionally, under this regulation, the OMO must notify the OCMI if they intend to use the TSMS option and provide additional information to facilitate CG certification. The OMO should further notify the OCMI that they request inspection for certification and cannot meet the external vessel audit requirement under 46 CFR § 138.315(b)(1).

¹⁵ 46 CFR § 138.410.

¹⁶ For example, the external audit could follow a scheme similar to the intermediate and renewal verification process in the ISM Code. This means that one external vessel audit would be conducted between the second and third anniversary date of the TSMS Certificate with a second audit conducted shortly before the TSMS Certificate renewal. This would not require a specific OCMI or CVC-4 approval but must be documented in the TSMS applicable to the vessel.

¹⁷ 46 CFR § 138.315 applies to the 5-year validity of the TSMS Certificate.

- b) The OCMI will review all necessary vessel and OMO information and may request from the cognizant TPO additional information to establish objective evidence of compliance and determine whether an inspection for certification is appropriate based on the circumstances of the case.
- c) The OCMI will conduct an inspection for certification. Upon verification that the vessel is in substantial compliance with material, equipment, manning, and operational requirements, the OCMI will issue the COI and CG-835V¹⁸ (Code 705)¹⁹ requirement with a compliance date six months from issuance. The CG-835V must state:

Provide objective evidence of a satisfactory external audit conducted by the cognizant third-party organization within six months of issuance of the initial COI. Failure to complete and provide evidence of this audit will result in the vessel being reverted to the CG inspection option, suspension of vessel operations, or COI revocation, as determined by the OCMI.

- d) If the vessel fails to satisfy the CG-835V requirement, the OCMI must determine the OMOs intentions for the vessel and either revert the vessel to the CG inspection option under 46 CFR § 137.200, suspend operations until the requirements of reference (a) and any other relevant deficiencies are satisfied, or revoke the COI.

2. Initial Certification for Inspection Requirements. An initial COI is the first COI that a vessel receives under 46 CFR subchapter M, regardless of the option chosen by the OMO. If an OMO changes the inspection option from the USCG to TSMS option after the initial COI, the OMO will be required to submit additional verifications per 46 CFR § 136.130(e) and 46 CFR § 136.210(a)(2) and (b). As this is the first (new) COI issued under this new option, such vessels shall receive a survey and external vessel audit from the TPO within the timeframes outlined to fulfill “the requirements for the new option.” (See Section E.4. for more information regarding change in inspection options after the initial COI has been issued.) If a vessel changes the inspection option from TSMS to USCG option, an in-person CG inspection for a new COI is required.

- a. **Six (6) Months Before Initial²⁰ COI Inspection.** Per 46 CFR § 138.115, OMOs that select the TSMS option must obtain a TSMS certificate issued under 46 CFR § 138.305 at least six months before obtaining a COI for any of their vessels covered under the TSMS certificate. There is no requirement for a TPO to verify that an OMO has implemented a TSMS for at least six months before issuing the TSMS Certificate. The effect of this requirement is on the vessel, not the OMO. The list of TPOs can be found on the [Towing Vessel National Center of Expertise \(TVNCOE\) website](#).
- b. **Three (3) Months Before Initial COI Inspection.** The OMO shall schedule the initial inspection for certification at least three (3) months before the vessel is to undergo the inspection.²¹ Upon receipt of the initial inspection request from the OMO, the OCMI must create a MISLE Activity in accordance with the [Subchapter M MISLE user guide](#).
- c. **Thirty (30) Days Before Initial COI Inspection.** Thirty (30) days prior to the vessel undergoing the initial inspection for certification, OMOs must submit Form CG-3752,

¹⁸ 46 CFR § 2.01-10(a).

¹⁹ OCMI should not issue a “work list item” under this provision.

²⁰ The word “initial” denotes the first COI issued to a towing vessel inspected under 46 CFR subchapter M.

²¹ See 46 CFR § 136.210 – Obtaining or renewing a COI.

titled "Application for Inspection of U.S. Vessel," to the cognizant OCMI where the inspection will take place.²² Along with the CG-3752, the OMO should provide the OCMI with:

- 1) The towing **vessel particulars information**.²³ The OCMI may use this information to complete an [ITV Particulars Form, CVC-FM-004\(series\)](#). Not all information on the ITV Particulars Form (for example, photos) is required for issuance of a COI. The OCMI will determine the minimum items on the form that are necessary to complete the COI and provide adequate MISLE data.
- 2) The towing vessel **route(s)** on the CG-3752.²⁴
- 3) A **manning proposal** for each route sought as well as **persons in addition to crew**. [For example: domestic voyages (two watch systems) versus international route (potential three watch or two watch system)]²⁵.
- 4) Objective evidence that the OMO complies with the TSMS per 46 CFR § 136.210(b)(1). A valid TSMS Certificate or DOC is sufficient.
- 5) Objective evidence that the vessel complies with the TSMS per 46 CFR § 136.210(b)(2). For a vessel operating under a TSMS Certificate, the company should provide evidence demonstrating the vessel operates under said TSMS. Vessels that have been owned or operated for 6 months or more should submit a **copy of the external vessel audit** results. For a vessel under the ISM Code, an SMC is sufficient objective evidence.
- 6) A **survey report** that meets requirements of 46 CFR § 137.135 stating the vessel's structure, stability, and essential systems are fit for the intended route and service requested. The OMO should clearly communicate whether the vessel will operate under an external or internal survey program. For vessels operating under an external survey program, the TPO provides the company a survey report. For vessels operating under an internal survey program, the company provides a survey report.
- 7) Inform the OCMI if a vessel is expected to be exposed to salt water more than 6 months in any 12-month period or not more than 6 months in any 12-month period to establish hull exam intervals prescribed by 46 CFR § 137.300(a). A drydock exam (DDE) and internal structural exam (ISE) is **NOT** required for the **initial** COI. The date of the initial COI sets the schedule for DDE and ISE intervals. As per 46 CFR § 137.300, the cognizant OCMI may require additional examinations of the vessel prior to issuance of the COI if the OCMI discovers or suspects damage or deterioration to hull plating or structural members that may affect the seaworthiness or fitness for the route or service of a vessel.
- 8) If applicable, any **international documents and certificates** appropriate for the vessel from its Recognized Organization, and the Coast Guard Inspected Towing Vessel (ITV) International Addendum, [CVC-FM-003\(series\)](#).

²² *See id.*

²³ 46 CFR § 136.210(a)(1)(i).

²⁴ Pursuant to 46 CFR § 136.230, the area of operation for each towing vessel and any necessary operational limits are determined by the cognizant OCMI and recorded on the vessel's COI.

²⁵ *See* 46 CFR §§ 2.01-5 and 15.501, MARINE SAFETY MANUAL Vol. III (COMDTINST 16000.8B), 46 CFR § 136.210(a)(1), and 46 U.S.C. § 3304(a).

- 9) If applicable, requested **equivalents**²⁶ and **special considerations**²⁷ for the vessel and inform the OCMI whether the OMO considers it to be an excepted vessel.²⁸
- 10) If the MTSA is applicable and a towing vessel has not received a **VSP (MTSA) verification** by the CG within five years, then it will be necessary for the OCMI to verify the VSP prior to issuance of a COI.²⁹ The OCMI can coordinate with the OMO to harmonize the VSP verification date with the COI issuance date.
- 11) An OMO and a TPO of vessels choosing the TSMS option and seeking to obtain a vessel's initial COI may use the following options to provide objective evidence of a vessel's use of an ISM-based SMS or CG accepted TSMS as provided for in 46 CFR § 138.225.
- a) CG accepted existing safety management system (such as the Responsible Carrier Program (RCP)) - with an external management audit completed within three years: A TPO may reduce the breadth and depth of the external management audit required for the TSMS Certificate. This may include only a sample of the TSMS elements to verify compliance. A vessel using this option must have been credited with an external vessel audit within three years and successfully completed a survey in accordance with 46 CFR § 137.202(a) within one year prior to the date the vessel is scheduled for its initial COI issuance. Also, there must be no outstanding major non-conformities associated with either the vessel's audit or survey on the date the vessel is scheduled for its initial COI issuance. Consistent with 46 CFR § 138.225(d), the OCMI who will be conducting the initial COI inspection, must be able to examine the materials submitted by the OMO at least 30 days before the date the vessel is scheduled to be inspected to see if it contains objective evidence that non-conformities were identified and corrected. Per 46 CFR § 138.410(a), any external audit (management/vessel) must be conducted by an auditor from a TPO.
 - b) CG accepted existing safety management system (such as RCP) - no external vessel audit within three years: If the OMO has been issued a TSMS Certificate, but a vessel associated with the TSMS certificate has not undergone an external vessel audit, or the audit is beyond three years of the date the vessel is scheduled for its initial COI issuance, the TPO must conduct a vessel audit and confirm the completion of a satisfactory survey per Subchapter M regulations. The survey may either be an external survey performed by a TPO or an internal survey performed by appropriately qualified in-house or contract personnel. An internal survey program is subject to the oversight of a TPO, but that oversight need not include a visit to the vessel unless the TPO has reason to question the validity of the survey report or otherwise determines a visit is needed. Consistent with 46 CFR §§ 136.210, 137.130(c), 137.202(a), and 138.225(d), the OCMI who will be conducting the initial COI inspection must be able to examine the materials submitted by the OMO at least 30 days before the date the vessel is scheduled to be inspected to see if it contains objective evidence that non-conformities were identified and corrected.

²⁶ 46 CFR § 136.115.

²⁷ 46 CFR § 136.120.

²⁸ 46 CFR § 136.110.

²⁹ See paragraph 3.B of reference (b).

- c) ISM Code existing safety management system: The OCMI will verify that the Document of Compliance (DOC) and Safety Management Certificate (SMC) associated with a vessel using an ISM Code SMS are current and properly endorsed. Provided the verification was completed within the time frame specified by 33 CFR § 96.330(f), the OCMI may accept the most recent DOC audit as objective evidence of compliance with 46 CFR § 138.315(a)(1). In addition, the OCMI may accept SMC audits conducted within three years of the date the vessel is scheduled for its initial COI issuance as objective evidence the vessel complies with 46 CFR § 138.315(b)(1). Additionally, the OCMI should be provided with objective evidence such as documentation of an internal or external survey that demonstrates the vessel complies with the applicable portions of Subchapter M. The audit and survey must indicate that there are no outstanding major non-conformities associated with the vessel or its TSMS. Consistent with 46 CFR §§ 136.210, 137.130(c), 137.202(a), and 138.225(d), the OCMI who will be conducting the initial COI inspection must be able to examine the materials submitted by the OMO at least 30 days prior to the date the vessel is scheduled to be inspected to see if it contains objective evidence that non-conformities were identified and corrected.
- d) *Three-year Objective Evidence Equivalency.* For the purposes of issuance of a vessel's initial COI, 46 CFR § 138.115 states, “the owners or managing operators selecting the TSMS option must obtain a TSMS Certificate at least six months before obtaining a COI for any of their vessels covered by the TSMS certificate.” In lieu of meeting 46 CFR § 138.115, a company may submit objective evidence to the CG that it and its vessels have been operating under an existing safety management system per 46 CFR § 138.225, for a minimum of three years, as an equivalent level of safety, and will not be required to have a TSMS Certificate 6 months prior to the issuance of a vessel’s initial COI. This objective evidence includes, but is not limited to, external management audit reports covering a minimum of three years prior to the date of the issuance of a vessel's initial COI. The company must possess TSMS Certificate prior to the date of the issuance of a vessel's initial COI, if this “3-year objective evidence” equivalency is used by the company.
- e) OCMI shall be guided by the information in this WI when towing vessel OMO are seeking to use ISM or other existing safety management systems to meet certain requirements under subchapter M for a vessel's issuance of an initial COI. When a COI is issued under the provisions of this work instruction, the following endorsement (which will remain on the COI at renewals) will be added to the vessel’s COI to indicate use of this WI:

“This COI is issued in consideration of the provisions contained in 46 CFR Part 138, on the basis of objective evidence provided by [insert name of TPO or TPOs], an approved Third-Party Organization, and the vessel possesses [pick one either a: a valid TSMS Certificate or both a valid Document of Compliance and Safety Management Certificate] for the existing safety management system used on the vessel. This vessel is under an [pick one: external or internal] survey program.”

- 12) The OCMI should ensure that the items received in paragraph D.2.c. (1)-(11) are properly documented in MISLE. Inspectors will document survey program type in the

MISLE activity narrative and add to the Subchapter and Program Information sheet in accordance with the [Subchapter M MISLE user guide](#).

3. Renewal Certification for Inspection Requirements.

- a. **Thirty (30) Days Before COI Inspection.** Per 46 U.S.C. § 3309(c) and 46 § CFR § 2.01-3, at least 30 days prior to the expiration of the COI, a vessel’s owner, charterer, managing operator, agent, master or individual in charge shall notify the CG in writing if the vessel will be required to be reinspected for certification or will be operated in such a manner as to not require a COI.
- b. **Renewing the COI Prior to its Expiration Date.** A COI is valid for 5 years.³⁰ When an in-person inspection of the vessel has been conducted and a vessel has been found to be in compliance with the requirements of law and regulation, a COI shall be issued to the vessel.³¹ COI renewal inspections may be conducted in person at any time prior to expiration.³² Per reference (c), a five-year COI should not be issued unless an inspection for certification was successfully completed. When the inspection for renewal certification is conducted up to three months before the COI expires, the new COI expiration date is based on the previous anniversary date. An inspection for certification conducted more than three months before the COI expires will reset the anniversary date of the COI (See reference (c)). After a towing vessel receives an initial COI, the OCMI will inspect the vessel at least once every 5 years and must ensure that the towing vessel is suitable for its intended route. The OCMI may direct the vessel to get underway and may adopt any other suitable means to test the towing vessel and its equipment, to include drills.

Examples:	COI Issuance Date	COI Expiration Date	New COI Issuance Date	New COI Expiration Date
Renewal (5 years)	August 9 th , 2018	August 9 th , 2023		
Renewal “early” within 3 months prior to COI expiration. Inspection completed: May 9 th , 2023			August 9 th , 2023	August 9 th , 2028
Renewal “early” more than 3 months prior to COI expiration. Inspection completed: February 1 st , 2020			February 1 st , 2020	February 1 st , 2025

- c. Per 46 CFR § 136.210(a)(2), the application for a COI renewal will include any **changes** to the information included in the previous COI application and a description of any **modifications** to the vessel. Applicable items are noted in reference (d.) with an asterisk. This document may be used, but is not required, to prepare and submit a COI renewal

³⁰ 46 CFR § 136.215.

³¹ 46 U.S.C. § 3309(a).

³² For example, this may be to align statutory certificates or for contract convenience.

package. The timeline for scheduling and applying for a COI is the same as for the initial COI application.

- d. Per 46 CFR § 136.210(b)(1) the OMO must provide the OCMI objective evidence that the OMO, and vessel comply with the TSMS requirements of part 138 of subchapter M.
 - e. Per 46 CFR § 136.210 (b)(2) the OMO must provide the OCMI objective evidence of **external or internal survey programs** as described in paragraph D.1(a) above. Additionally, the OCMI should review the objective evidence for accuracy and completion.
 - f. MIs should verify compliance with any Special Note requirements or Special Considerations entered into the MISLE database and approved by the CG in accordance with reference (e).
 - g. The OMO must provide the OCMI **objective evidence of drydock exams and internal structural exams** conducted during the COI period³³. Documentation of credit for the exams will be given in accordance with [Marine Safety: Marine Inspection Administration COMDTINST 16000.70](#) and [CVC-WI-029 \(series\)](#). The COI shall not be issued if the vessel is past its required DDE/ISE dates, unless objective evidence is provided from the OMO that an DD/ISE was completed. DDE/ISE dates shall be placed onto the COI at the time of renewal.
 - h. Coordination Across OCMI Zones: Per reference (f), an OCMI that disagrees with an interpretation or decision made by the OCMI that issued the most recent COI for that vessel, shall contact the OCMI that approved the COI and seek to resolve such disagreement in accordance with CVC-PR-020 (series). If such disagreement cannot be resolved, the OCMI shall submit to the Commandant (CG-CVC), through the cognizant CG District Commander, a request for final agency determination.³⁴
 - i. Per 46 CFR § 143.200(c), no later than 5 years after the issuance of the first COI for the vessel, all applicable existing towing vessels inspected under Subchapter M, must meet the Pilothouse Alerter³⁵ and Towing Machinery requirements.³⁶ Failure to meet this requirement should result in a MISLE vessel deficiency outward facing on PSIX. It shall not be annotated as a self-reported worklist item.
4. Change in Inspection Option. In accordance with 46 CFR § 136.130(e), requests to change inspection options (USCG option to TSMS option, or TSMS option to USCG option) during the period of validity of an existing COI must be accompanied by an application for inspection ([Form CG-3752](#)) to the OCMI for a *new* COI. For a request to change from one TSMS option to another TSMS option (e.g., change in TPO, SMS, or owner/operator), however requires an *amended* COI.

If the requirements for the new inspection option are met, then the OCMI will issue a new COI following a COI inspection, with reset 5-year dates in accordance with 46 CFR § 136.215. DDE and ISE dates **will remain the same** on the document and the due dates for the DDE and ISE will **not** be reset. (*See* enclosure (2) or enclosure (3) for more information on what may be needed for each COI inspection option).

³³ Per 46 CFR § 137.305(c) Documenting Compliance for the TSMS Option: The OMO must provide objective evidence that the vessel has undergone a drydock and internal structural examination including options permitted in §§ 137.320 and 137.322.

³⁴ 46 U.S.C. § 3305(d).

³⁵ 46 CFR § 143.450.

³⁶ 46 CFR § 143.460.

- a. **If transitioning from USCG option to TSMS option.** An OMO must obtain a TSMS Certificate issued under 46 CFR § 138.305 at least six months before obtaining a new COI for any of their vessels covered under the TSMS Certificate.³⁷ The vessel must receive a statutory inspection for certification by the CG per 46 U.S.C. §§ 3301 and 3309, 46 CFR §§ 136.130(e) and 136.212(c). (The OCMI may issue a new COI to a vessel under a new TSMS prior to the six-month requirement per 46 CFR § 138.115, see Section E.1.b.4) Audits (*Delayed*), for guidance.)
- 1) For vessels subject to 46 CFR § 138.115, to show compliance with 46 CFR § 136.210 (b)(1), the OCMI may issue a COI to a vessel in substantial compliance with material, equipment, and operational requirements and monitor progress towards full implementation of the TSMS.
 - 2) *Thirty (30) Days Before COI Inspection.* The OMO must submit Form CG-3752 within 30 days of inspection, and the OMO must notify the OCMI if they intend to use the TSMS option. The OMO must also provide additional information to facilitate the CG certification, including a copy of the TSMS Certificate and objective evidence in accordance with 46 CFR §§ 136.210 and 137.202. This includes an initial external vessel audit per 46 CFR § 138.315(b) as this is a new COI under the new inspection option.
 - 3) The OMO should further notify the OCMI that they request inspection for certification ahead of the six-month TSMS Certificate requirement in 46 CFR § 138.115.
 - 4) The OCMI will review all necessary vessel and OMO information and may request additional information from the cognizant TPO to establish objective evidence of compliance and determine whether an inspection for certification is appropriate based on the circumstances of the case.
 - 5) The OCMI will conduct an inspection for certification. Upon verification that the vessel is in substantial compliance with material, equipment, manning, and operational requirements, the OCMI may issue a COI.
 - 6) If the vessel fails to satisfy the requirements above, the OCMI must determine the OMOs intention for the vessel and either revert the vessel's COI to the CG inspection option under 46 CFR § 137.200, suspend operations until the requirements of reference (a) and any other relevant deficiencies are satisfied, or revoke the COI.
- b. **Change from one TSMS option to another TSMS option.**
- 1) OMOs should request a COI amendment with updated TSMS, TPO, and/or OMO information from the OCMI who issued the original COI.³⁸ When switching from TSMS option to TSMS option, there are several different scenarios to consider: “Is it a new TPO, a new TSMS, a new company or temporary charter, or both? Is a new vessel being added to an existing TSMS Certificate or being added to a brand-new certificate? Is the TSMS certificate keeping the same TSMS cycle, for example to be valid for only 2 to 3 years, or is it a new TSMS certificate valid for 5 years?” The OCMI shall review all necessary vessel, OMO, TPO and TSMS information, and may request additional objective evidence from the previous or new TPO to establish

³⁷ 46 CFR § 138.115.

³⁸ 46 CFR § 136.235(c).

compliance. Based on that information the OCMI will determine whether a CG inspection is appropriate based on the circumstances.³⁹

- 2) *Continuation TSMS Certificate versus Maintaining the Existing TSMS Cycle.* Renewing of a TSMS certificate (valid for 5 years) or continuing with a current or existing TSMS cycle (keep original end date as a vessel is merged onto an existing TSMS, less than 5 years) should also be predicated on similar objective evidence as described in the above paragraph, as determined by the TPO.⁴⁰ A new TSMS certificate, valid for 5 years, resets the TSMS audits dates and requirements.⁴¹ Continuing the existing TSMS certificate, which keeps the same end date but has a new issue date, allows the company to continue with their current TSMS audit schedule. The OMO and new TPO may discuss the relative pros and cons between the two options.
- c. **New TPO Changeover.**
- 1) If an OMO changes to a new TPO, the new TPO may not have conducted the initial or previous surveys and audits for the TSMS certificate. Therefore, all previous audits, survey results (reports), and any alternate arrangements approved (per 46 CFR § 141.225), should be provided to the new TPO. If the OMO cannot provide all the required audits, survey results, and approvals, the gaining TPO may request that the OMO authorize the previous TPO to transfer copies of such information to the gaining TPO.
 - 2) The gaining TPO should relay to the OMO, (i.e., based on the previous audits and survey reports) the relevant outstanding surveys or audits that are due prior to the completion of the continued TSMS certificate cycle, as applicable.
 - 3) The gaining TPO should provide to the OMO (i.e., based on the results of previous audits and surveys), a current list of outstanding deficiencies and/or nonconformities with their due dates.
- d. **New TPO and New TSMS.** Outside the situation of when an initial TSMS certificate is issued for the initial COI, if there is a new TPO conducting oversight of a new company that is implementing a new TSMS, a new TSMS certificate with new 5-year dates should be issued. It is up to the gaining TPO if other situations and objective evidence warrant additional audits or surveys beyond what is required as a minimum in regulation to ensure the towing vessels comply with the provision of 46 CFR subchapter M.⁴² These circumstances above regulatory minimums, should be documented in the TPOs procedures, TSMS, and contracts with OMOs.

When a new TPO carries out the functions to ensure compliance of a new TSMS, objective evidence must be present for the gaining TPO to substantiate that all the criteria have been met to issue a new TSMS certificate. The external management audit results for that new 5-year TSMS certificate shall be submitted to the TVNCOE.⁴³ The following criteria for this new TSMS certificate are required:

- 1) *Internal management audit* (46 CFR § 138.310): conducted within 3 months of the anniversary date of the new TSMS certificate.

³⁹ 46 CFR § 136.235(b).

⁴⁰ 46 CFR § 138.305.

⁴¹ A renewal TSMS certificate can initiate a new external management audit per 46 CFR § 138.315(a).

⁴² 46 CFR § 139.115.

⁴³ 46 CFR § 138.505(a).

- 2) *External management audit* (46 CFR § 138.315(a)): conducted before the new TSMS certificate is issued.
 - 3) *Mid-period external management audit* (46 CFR § 138.315(a)(2)): conducted between the 27th and 33rd month of new TSMS certificates period of validity.
 - 4) *External vessel audit*: A new *random vessel audit* cycle 46 CFR § 138.315(b) begins as soon as the new TSMS certificate is issued.
- e. **New TPO but Same TSMS.** If there is a new TPO, but the OMO retained the same TSMS, the gaining TPO should:
- 1) *Internal management audit and vessel audits.* Verify and review the internal audits (management and vessel) under the existing TSMS. Continue with oversight of company's internal audit schedule. (See paragraph D.4.c. for reciprocity between TPOs)
 - 2) *External management audit:* An external management audit is required when an initial or renewal TSMS certificate is issued. If the TPO renews the TSMS certificate (valid for 5 new years) the audit is required (See D.4.b.2. above for more information).
 - 3) *Mid-period external management audit.* If the new TPO intends to issue a continuation TSMS certificate, assume oversight between the 27th and 33rd month of the certificates validity, and the mid-period external management audit had not been conducted, the new TPO should conduct an external management audit prior to issuing the continuation TSMS certificate.⁴⁴ If the TPO intends to issue a continuation TSMS certificate and assumed oversight after a recent mid-period external management audit, the TPO should review the results of the recent management audit and may conduct a new external management audit, as deemed necessary.
 - 4) *External vessel audit.* The TPO should conduct an external vessel audit⁴⁵ within the current random audit cycle of the existing TSMS. No additional random external vessel audit is required.
- f. **Same TPO and Vessels are Added to a TSMS.** If a vessel changes TSMS (i.e., it is added to a new or existing TSMS certificate due to new charter, new managing operator, or new ownership) but retains the same TPO:
- 1) *Internal management and vessel audits* are still required annually.⁴⁶ All vessels added to the new TSMS should be folded into those procedures and audited accordingly.
 - 2) *External management audit.* In this instance, the TSMS certificate, which is issued to the company, would not be considered an initial or a renewal and therefore no external management audit would be required.
 - 3) *Mid-period external management audit.* All vessels added to the new TSMS should be folded into those procedures and audited accordingly.
 - 4) *External vessel audit (Random).* The vessel will enter into the new TSMS external vessel audit, random cycle, where all vessels on that TSMS shall receive a random vessel audit within the remaining TSMS certificate validity. (e.g., If there are only

⁴⁴ 46 CFR § 138.315.

⁴⁵ 46 CFR § 138.315(b)(3).

⁴⁶ 46 CFR § 138.310.

two years left on the TSMS certificate that the new vessels were added to, regardless of having had a random audit completed under the old TSMS certificate, these newly added vessels shall be folded into that new random pool and have two years to complete a new random audit of how they implement the new TSMS.)

- g. **Surveys.** In all cases, surveys are conducted around COI issuance dates and should continue with the chosen program (internal/external).⁴⁷
- h. **If transitioning from TSMS option to USCG option.** OMOs shall apply for a new COI in accordance with 46 CFR § 136.210. The OCMI will indicate all the objective evidence required to validate the vessel's compliance for the COI.

F. Additional Guidance.

1. Per 46 CFR § 136.110, "*objective evidence* means quantitative or qualitative information, records, or statements of fact pertaining to safety or to the existence and implementation of an SMS element, which is based on observation, measurement, or testing that can be verified. This may include, but is not limited to, towing gear equipment certificates and maintenance documents, training records, repair records, Coast Guard documents and certificates, surveys, classification society reports, or TPO records." Additionally, summaries of TPO independent verifications, audit findings, marine surveyor reports, professional engineer certification, and gap analysis from 46 CFR subchapter C to subchapter M regarding audit and survey requirements are also valid objective evidence.
2. Deficiencies or non-conformities noted by CG Marine Inspectors shall be addressed as described in enclosure (3).
3. OCMI should refer to reference (e) for suggested COI endorsements related to special considerations.
4. An OCMI is not required to annually endorse or amend the COI for TSMS option vessels for the following activities: annual surveys, vessel audits, DDE, and ISE as the CG may not attend these inspections during the 5-year cycle of the COI. The associated COI MISLE activities are also not required, unless MI attendance is requested, warranted, or an amendment is made to the COI. MIs will document verification that TPOs conducted the annual surveys and audits required during the lifecycle of the COI at the renewal inspection for certification, to ensure compliance for issuance of the 5-year COI renewal. However, if an OMO provided objective evidence that a DDE or ISE was conducted and requests an amendment to the COI, the cognizant OCMI who issued the original certificate, should amend the COI accordingly and document it as a MISLE Administrative Activity.
5. As a result of the transient nature of the towing vessel industry, it may be common for towing vessels to schedule the COI inspection in one OCMI zone and not be available in that zone when the actual inspection date arrives. To facilitate the inspection process, it is imperative that complete and accurate COI application information is entered into MISLE, and the relevant documents uploaded. Should a schedule or location change be required, OMOs should promptly communicate the same to the affected OCMI(s) to minimize inspection delays. Upon receipt of a request to change the OCMI zones where the inspection is to be conducted, the OCMI may:
 - a. Transfer the inspection to the receiving OCMI (preferred option). The OCMI should discuss the application to determine if additional information is required from the OMO. In general, if a COI inspection has commenced in one OCMI zone and needs to be completed in another OCMI zone, the OCMI should communicate areas of the vessel

⁴⁷ 46 CFR § 137.202.

already inspected to avoid duplication. If the previously scheduled inspection is moved to another OCMI zone, the “Initial Certification” MISLE activity should be transferred to the OCMI where the inspection will take place. The MISLE activity narrative should clearly outline what portions of the inspection have been completed and any applicable findings.

- b. Reschedule or postpone the inspection so that it can be conducted by the OCMI that received the initial CG-3752. The MISLE activity narrative should describe the timeline of events.
6. CG Towing Vessel Marine Inspectors may find instructions on how to complete a TSMS-inspection MISLE activity by viewing the “MISLE Towing Vessel Data Entry Guide” located on the [MISLE 5.0 User Guide SharePoint site](#). The MISLE Activity shall be opened as “Initial Certification” or “COI-Inspection”, upon receiving a request from an OMO to schedule an inspection. The activity shall have a status as “Open” “Scheduled, Action Pending” and changed to “Open” “In Progress” once the exam has been conducted.
 7. As parties to a COI under the Subchapter M TSMS compliance option, OCMI's are requested to provide a copy of each TSMS option COI they issue to the TPO reflected in the endorsements. The copy may be emailed or hard copy mailed to each TPO using the information available on the TVNCOE website, [located here: https://www.dco.uscg.mil/tvncoe/](#).
- G. Appeals. Appeals of decisions made regarding inspection issues should follow the appeal procedures outlined in 46 CFR §§ 1.03 and 136.180.
- H. Questions. For questions regarding this work instruction, please contact the Office of Commercial Vessel Compliance at CGCVC@uscg.mil.

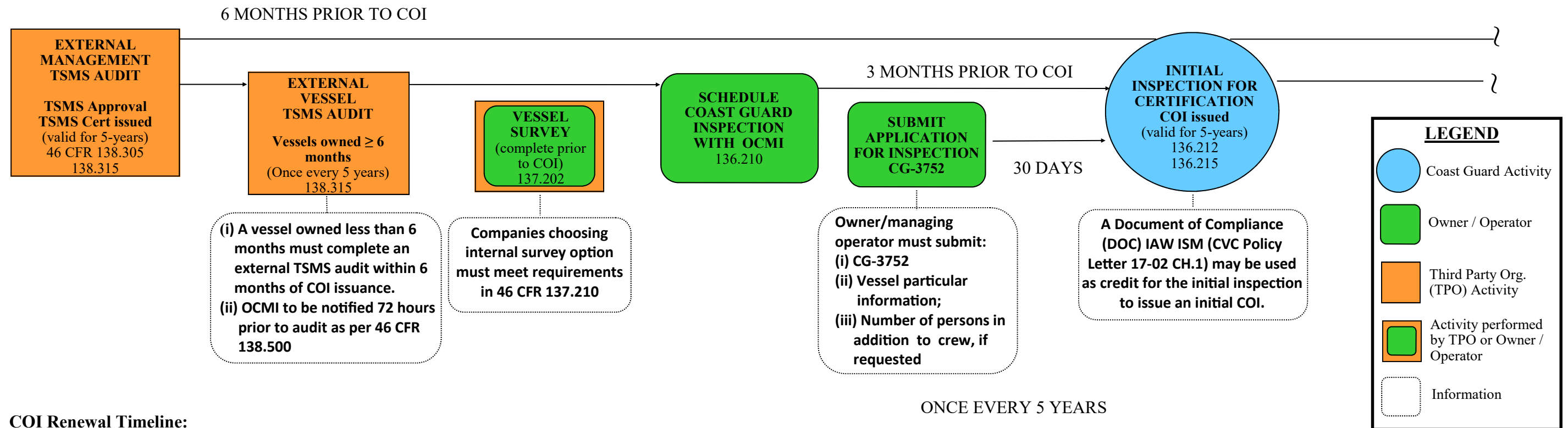
C. F. HEARD IV
Captain, U.S. Coast Guard
Office of Commercial Vessel Compliance
By direction

Enclosure: (1) 46 CFR Subchapter M Compliance Timeline - TSMS Option
(2) COI Inspection Table for Subchapter M
(3) Deficiency Recording and Reporting on TSMS Option Towing Vessels⁴⁸

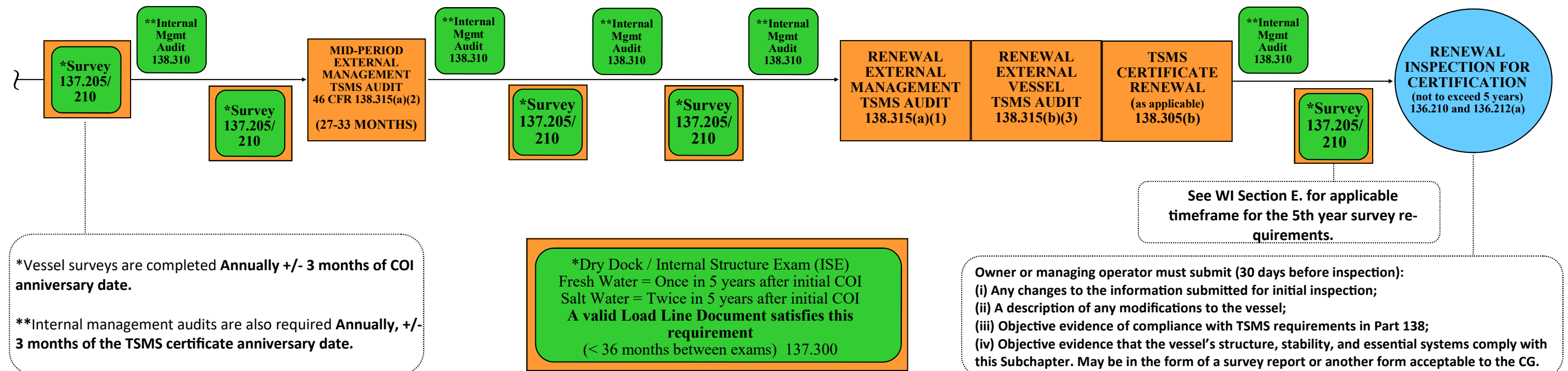
⁴⁸ Previously addressed in CVC Policy Letter 17-10 Deficiency Recording and Reporting for Vessels Using a Towing Safety Management System (TSMS) Option dated November 28, 2017.

46 CFR SUBCHAPTER M COMPLIANCE TIMELINE: TOWING SAFETY MANAGEMENT SYSTEM (TSMS)

COI Initial Timeline:



COI Renewal Timeline:



*Vessel surveys are completed **Annually +/- 3 months of COI anniversary date.**

Internal management audits are also required **Annually, +/- 3 months of the TSMS certificate anniversary date.

*Dry Dock / Internal Structure Exam (ISE)
Fresh Water = Once in 5 years after initial COI
Salt Water = Twice in 5 years after initial COI
A valid Load Line Document satisfies this requirement
(< 36 months between exams) 137.300

See WI Section E. for applicable timeframe for the 5th year survey requirements.

Owner or managing operator must submit (30 days before inspection):
(i) Any changes to the information submitted for initial inspection;
(ii) A description of any modifications to the vessel;
(iii) Objective evidence of compliance with TSMS requirements in Part 138;
(iv) Objective evidence that the vessel's structure, stability, and essential systems comply with this Subchapter. May be in the form of a survey report or another form acceptable to the CG.

Enclosure (2) COI Inspection Table for Subchapter M

CVC-WI-013(8)

Items required if indicated by an "X"	Initial Certification (46 CFR § 136.210)		Renewals (46 CFR § 136.210)		Changing Options (46 CFR § 136.130)	
	USCG Option	TSMS Option	USCG Option	TSMS Option	TSMS to USCG	USCG to TSMS
	Initial COI	Initial COI	Renewal COI	Renewal COI	New COI	New COI
Application for Inspection: (Form CG-3752)	X	X	X (§ 136.210(a)(2))	X (§ 136.210(a)(2))	X (§ 136.130(e))	X (§ 136.130(e))
Vessel Particulars: 46 CFR § 136.210(a)(1)(i)	X	X	X (if there are changes § 136.210(a)(2)(i))	X (if there are changes § 136.210(a)(2)(i))	X (if there are changes § 136.210(a)(2)(i))	X (if there are changes § 136.210(a)(2)(i))
Persons in addition to crew: 46 CFR § 136.210(a)(1)(ii)	X	X	X (if there are changes § 136.210(a)(2)(i))	X (if there are changes § 136.210(a)(2)(i))	X (if there are changes § 136.210(a)(2)(i))	X (if there are changes § 136.210(a)(2)(i))
Objective Evidence (OE) of TSMS compliance: 46 CFR § 136.210(b)(1)		X (§§ 138.115, and 138.305)		X (§§ 138.115, and 138.305 ¹)		X (§§ 138.115, and 138.305 ¹)
OE Vessel meets Sub M for intended route: 46 CFR § 136.210(b)(2)		X (§ 137.202(a) for initial COI a survey report described in § 137.215)		X (§ 137.202(b)(1) or (2): OE of a survey program § 137.205 or § 137.210)		X (§ 137.202(a))
TSMS option External Vessel Audit 46 CFR § 138.315(b)		X (§ 138.315(b)(1) prior to initial COI or (b)(2) if new to company (less than 6 months old) within 6 months of issued initial COI. <i>And</i> § 138.315(b)(3) vessel must be randomly audited during the validity of the TSMS certificate.)		X (§ 136.235(c)(1) proof of vessel audit and/or in random audit program. <i>And</i> §138.315(b)(3) vessel must be randomly audited during the validity of the TSMS certificate. ²)		X <i>And</i> (§ 138.315(b)(3) vessel must be randomly audited during the validity of the TSMS certificate.)

Items needed Continued...	Initial Certification (46 CFR § 136.210)		Renewals (46 CFR § 136.210)		Changing Options (46 CFR § 136.130)	
	USCG Option	TSMS Option	USCG COI	TSMS COI	TSMS to USCG	USCG to TSMS
	Initial COI	Initial COI	Renewal	Renewal	New COI	New COI
Verify Manning Request or changes requested ³	X	X	X	X	X	X
COI Inspection: 46 CFR § 136.212	X	X	X	X	X (§§ 136.130(e), 136.212(c))	X (§§ 136.130(e), 136.212(c))
Issued/Expiration Dates on COI: 46 CFR § 136.215 ⁴	5 years	5 years	5 years	5 years	5 years	5 years
DD/ISE dates on COI	X	X (§ 137.305(e))	X	X (§ 137.305(e))	X	X (§ 137.305(e))
Routes listed on the COI	X	X	X	X	X	X
COI Conditions and other Endorsements: (Ex. Special Considerations or Multi-Service)	As needed	As needed	As needed	As needed	As needed	As needed

¹ The TSMS Certificate should be kept on file at the owner or managing operator’s shoreside office and available for review, at the request of the Coast Guard. The requirements to obtain the TSMS Certificate are the audits required per 46 CFR Subchapter M, Subpart C.

² On the first COI Renewal (after Subchapter M phase-in), proof of vessel audit(s) per 46 CFR 138.315(b)(3), may only include the one initial vessel audit completed towards issuance of the initial COI. This should be accepted because the vessel may not have been selected randomly yet during that TSMS Certificate validity period. If this is the case, objective evidence (OE) that the vessel is in a random vessel audit program by 138.315(b)(3) should be verified. OE that the vessel completed the Random Audit should be provided at the next COI Renewal.

³ Refer to Marine Safety Manual Vol III B.2.W. for more information.

⁴ Refer to G-MOC Policy Letter 00-02 (dated May 22,2000) for guidance on harmonization of U.S. inspection schedules with SOLAS surveys.

Enclosure (3): Deficiency Recording and Reporting on TSMS Option Towing Vessels¹

- A. **Purpose.** Provide guidance to the Towing Vessel National Center of Expertise (NCOE), Officer(s) in Charge, Marine Inspection (OCMI), Third Party Organizations (TPO), and the marine industry on the recording and reporting of deficiencies and non-conformities on vessels whose owners have chosen to use the 46 CFR Subchapter M TSMS option.
- B. **Action.** The NCOE, OCMI, TPOs, and towing vessel owners and managing operators should refer to this enclosure if deficiencies, non-conformities, or major non-conformities are observed on a vessel using a TSMS option for compliance and inspection.
- C. **Background.** Per [46 CFR § 139.115](#), TPOs are responsible for verifying that vessels using the TSMS option comply with applicable regulations. OCMI shall allow TPOs to drive timely correction of deficiencies and non-conformities that they identify and provide advice and technical support to help ensure compliance. While owners and managing operators are ultimately responsible for Subchapter M compliance, the Coast Guard (CG) relies on TPOs to independently verify TSMS and vessel compliance. TPOs will communicate findings promptly to the company and OCMI, may request CG-835V issuance when warranted, and should support OCMI reviews or Quality Cases by providing records and objective evidence when requested.
1. Definitions in [46 CFR § 136.110](#) apply: deficiency, non-conformity, major non-conformity, third-party organization (TPO), and unsafe condition.
 2. A successful quality system proactively identifies areas for improvement, establishes corrective actions, and documents the findings and action. As stated in [46 CFR § 137.130](#) the TSMS must include procedures for reporting and correcting non-conformities and deficiencies, regardless of how they are identified.
 3. Accurate Marine Information for Safety and Law Enforcement (MISLE) entries support assessment of the vessel, company, and TPO performance and inform risk-based inspection planning; OCMI shall review MISLE data prior to every vessel inspection and also periodically to better define the scope of inspections on all towing vessels as well as inform the industry of trends in vessel compliance.
- D. **Policy.** When a condition exists that is not in compliance with the regulations or a company's safety management system, the condition must be corrected and documented. The following guidance should be used when documenting and reporting such conditions:
1. Owners and managing operators have overall responsibility to document and identify non-conformities in accordance with the TSMS. OCMI do not issue a CG-835V.
 2. When TPOs discover non-conformities during audits or surveys, regardless of internal or external survey option, the TPO's should issue a non-conformity to the vessel. OCMI do not issue a CG-835V.
 3. The owner, managing operator or TPO shall notify the local OCMI of any unsafe condition or major non-conformity and discuss procedures for correcting such an item in accordance with the approved TSMS.² The OCMI shall document these conditions within MISLE as work list items. If necessary, the OCMI may impose control actions to ensure the vessel does not pose an unnecessary safety hazard to people, the waterway, or the environment. The identification of the major non-

¹ This enclosure was CG CVC Policy Letter 17-10 Deficiency Recording and Reporting for Vessels Using the TSMS Option (dated November 28, 2017). CVC Policy Letter 17-10 was substantively incorporated into this WI as Enclosure (3), updated accordingly and is subsequently cancelled.

² 46 CFR §§ 136.240(a)(4) and 137.215(d).

conformity and the successful resolution of the condition, with the concurrence of the OCMI, demonstrate that the vessel's TSMS is functioning properly. Documentation of these conditions and the major non-conformities identified by a TPO or OMO without Coast Guard onboard will not be displayed in the Coast Guard's public facing Port State Information Exchange (PSIX) vessel database.

4. If the CG OCMI identifies minor deficiencies during COI inspections, casualty investigations, or other interactions—regardless of inspection option, they shall advise the vessel to correct the items per the TSMS, document them in MISLE, and must issue a CG-835V not marked as worklist item(s); these entries appear in PSIX.
 5. Regardless of inspection option, if the CG OCMI identifies serious deficiencies³ posing immediate safety risks, OCMI's must issue a CG-835V with corrective and control actions (these entries appear in PSIX and will not be marked as worklist item(s)) and expand the examination to assess whether TSMS failures contributed.
 6. Copies of any CG-835Vs issued during a CG visit, will be sent to the master, owner and/or managing operator, and the TPO.
 7. TPOs are not delegated the authority to verify design standard compliance ([46 CFR § 144.140](#)). Failure of an owner or managing operator to notify the Coast Guard of equipment replacement-in-kind or new installation per [46 CFR § 144.135](#), should be documented as a deficiency (NOT a worklist item); the OCMI shall issue a CG-835V, and set the deficiency action code and due date, based on severity. (See also [CVC-FM-002\(series\)](#) USCG Subchapter M Equipment Upgrade or Replacement Flow Chart, for more information.)
- E. Quality Case (QC). If the OCMI has objective evidence that a deficiency is also attributed to the TPO's failure to take appropriate action, the OCMI may initiate a Quality Case for further action by CG-CVC and/or, in accordance with [46 CFR 138.510\(a\)](#), direct the TPO to demonstrate the TSMS complies with the requirements of 46 CFR Subchapter M. The NCOE may assist the OCMI with questions regarding the initiation of a Quality Case and will work with CG-CVC regarding details for a TPO-specific review. (See [CVC-WI-005\(series\)](#) for more information on quality cases.) Prior to recommending a QC, the MI must establish objective evidence that the RO or TPO failed to meet a requirement as it relates to *any* delegated function, such as failure to report a major non-conformity to the CG as outlined in D.3. above.
- F. Clearance Authority. The OCMI may authorize a TPO to clear minor deficiencies, with owner or managing operator permission first. (See Flowchart below.)
1. The CG-835V must reflect the authorization (action code "a" and a narrative specifying deficiency numbers).
 2. The TPO notifies the issuing OCMI within 72 hours of clearing the item and submits objective evidence for the MISLE vessel file.
 3. TPOs are not authorized to clear movement-restricting codes (60—rectify prior to movement; 17—rectify prior to departure; 30—ship detained) or to verify design standards compliance under [46 CFR § 144.140](#). (Action Code "c" is required for any deficiency associated with operational control action Codes 17, 30, or 60.) While TPOs may provide technical assistance to facilitate compliance, the OCMI retains sole authority to formally clear movement-restricting deficiencies.

³ 81 Fed Reg. 40034 (June 20,2016) , a serious deficiency or non-conformity is described as one "that poses an immediate hazard to personnel, the towing vessel, or the environment."

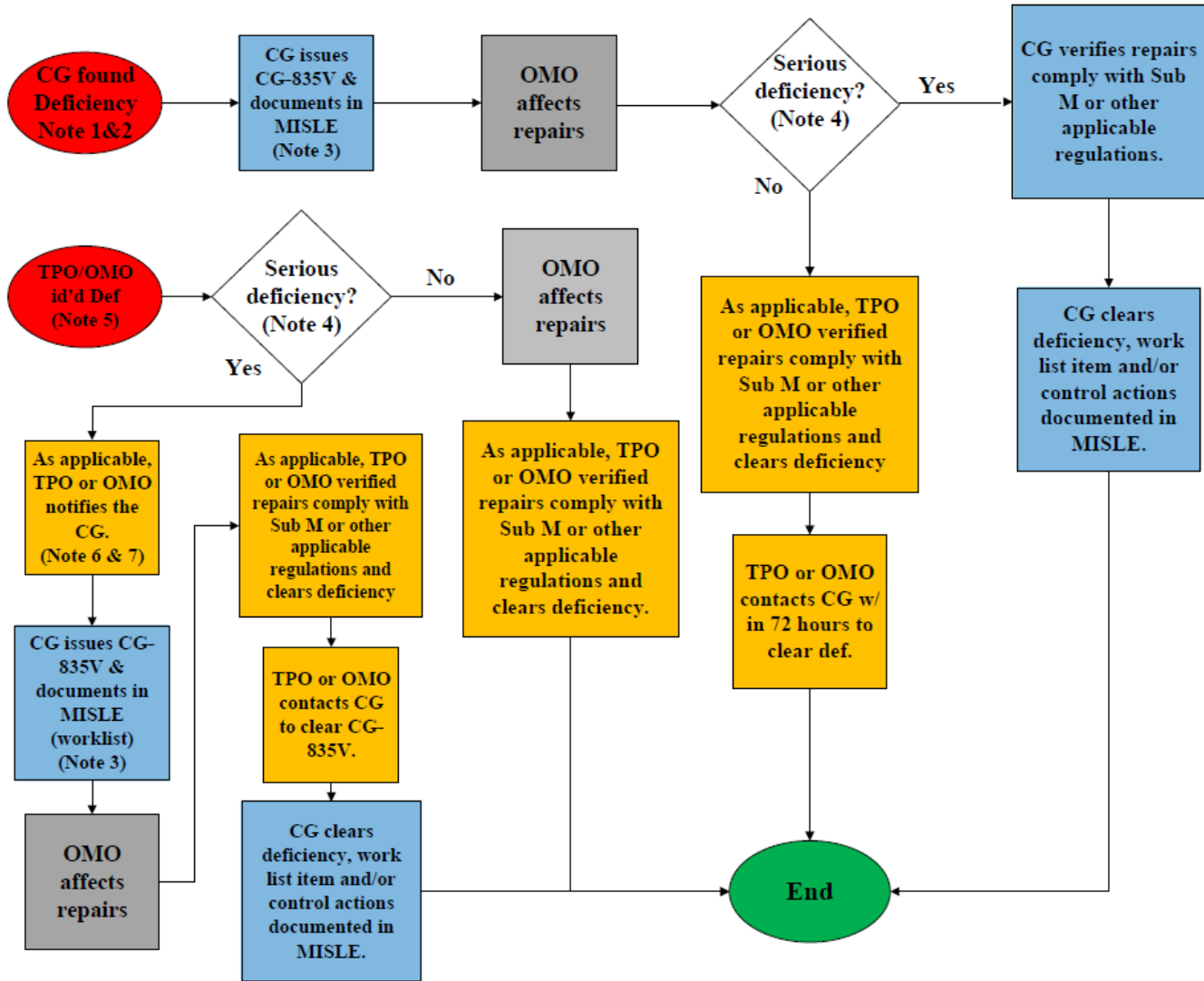
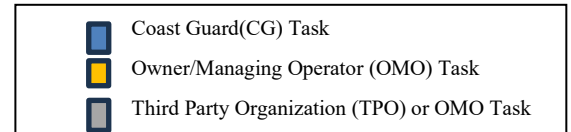
OCMIs may utilize TPO-generated reports as a basis for this action, but the final OCMI discretion remains a Coast Guard function.

- G. Post Marine Casualty Reporting. Per [46 CFR § 4.05](#), after addressing immediate safety concerns, the owner, agent, master, operator, or person in charge, must notify the local Coast Guard office whenever a vessel is involved in any marine casualty required to be reported under § 4.05-1. Within five days of the marine casualty, a written report must be submitted on [Form CG-2692](#) (Report of Marine Accident, Injury, or Death) in addition to the immediate notification required by [46 CFR § 4.05-1](#).⁴ These statutory reports are **not** self-reported deficiencies and therefore will be documented in MISLE and will appear in PSIX.⁵

⁴ Per [46 CFR § 4.05-1](#)(c) Except as otherwise required under this subpart, if the marine casualty exclusively involves an occurrence or occurrences described by [paragraph \(a\)\(8\)](#) [significant harm to the environment] of this section, a report made pursuant to [33 CFR § 153.203](#) [Procedures for the notice of discharge], [40 CFR § 117.21](#) [Notice of discharge of a reportable quantity], or [40 CFR § 302.6](#) [Designation, reportable quantities, and notification] satisfies the immediate notification requirement of this section.

⁵ Deficiencies reported as a "reportable marine casualty" per [46 CFR § 4.05-1](#), will follow the CG deficiency process in the flow chart below for issuance, documentation, and resolution.

Flowchart : Aid for Processing, Recording, and Reporting Deficiencies



1. For the purposes of this flow chart, the terms deficiency (def) and non-conformity are interchangeable.
2. A deficiency can present itself in numerous ways – i.e., during a COI inspection, marine casualty, TPO survey, etc. For vessels utilizing the TSMS inspection option, Subchapter M indicates when and under what circumstances the CG can require the attendance of a TPO. For instance, the CG can request the attendance of a TPO through the vessel’s owner or managing operator. A TPO should not be utilized for CG mission areas outside TPO functions authorized under Subchapter M – i.e., for initial marine casualty responses.
3. Used to ensure the vessel does not impose unnecessary safety hazard to people, the waterway, and/or the environment.
4. A serious deficiency or non-conformity is one that poses an imminent hazard to personnel, the towing vessel, or the environment.
5. Only routine audits or surveys conducted within the intervals established within 46 CFR part 137 and 138.
6. See [Enclosure \(3\)](#) guidance document: *Deficiency Recording and Reporting on TSMS Option Towing Vessels*.
7. Major non-conformities found during an external audit or survey would be reported by the TPO. All other serious deficiencies and major non-conformities would be reported by the vessel owner or managing operator.