



Subchapter M TPO/Class Quarterly Meeting – 19 March 2020 Meeting Minutes



- I. Opening: The meeting was called to order at 12:01 P.M. CST by CDR Andrew Bender, TVNCOE.
- II. Present: TVNCOE, CVC-1 and CVC-4 staff and representatives from ABS, NK, Sabine, and TVIB.
- III. Agenda Topics and Discussion (Past Business):

- a. Verbal CG-835Vs.

CG Response: There should not be verbal 835Vs; that said, it is acceptable for a marine inspector to “verbally” identify a deficiency while aboard the vessel, and, within a reasonable amount time, provide the written 835V to the vessel (e.g. within 24 hours).

- b. TPO authority to clear deficiencies.

CG Response: Upon request by a TSMS company, the CG can issue a “Code a”, and the TPO can clear; otherwise, the CG should note the deficiency as a “Code c” which can only be cleared by the CG (although, at the company’s request, the TPO may submit objective evidence that the item has been corrected to their satisfaction, and CG may clear without physical attendance to the vessel). A serious deficiency (e.g. unsafe condition) should not be referred to a TPO, because only the OCMI has the authority to rescind a vessel control action (e.g. Code 17, 30, or 60). One TPO noted that this needs to be messaged to the field because multiple units are not following this posture. CG stated that they will continue to message this direction to the field, and requested notification by the TPO when field units direct them to clear serious deficiencies.

- c. Internal vs External Survey requirements.

CG Response: For an internal survey completed as one event (like the external survey), the survey may be completed within three months of the COI anniversary date. Please see [CVC Policy Letter 17-04 CH 2 Subchapter M Third Party Organization \(TPO\) Guidance](#) and [CVC Work Instruction WI-013\(4\) Towing Vessel COI Inspection under TSMS Option](#).

- d. Sub M Oversight workshop presentations and Q&A submitted over Poll Everywhere. What date could we expect access to the presentations and answers?

CG Response: We are still working through the more than 200 questions posed, so please let us know if you (TPOs) have specific questions.

IV. Agenda Topics and Discussion (New Business):

a. Policy Updates:

1. CG-CVC Policy Letter [20-01 Subchapter M Enforcement Posture for Certificate of Inspection Phase-in Requirements](#) (No questions)
2. Alternate Arrangements for VDS for Sub M Vessels (TPOs noted confusion between requesting this allowance for vessels that currently have or are actively seeking a COI vs those that are operating and won't apply for COIs until years 3 or 4 of Sub M implementation; CG will work to provide clarity).

b. Fleet Status:

1. 240 TSMs/DOCs issued (up one from three months ago).
2. 3369 vessels covered by TSMs/DOCs (down six from three months ago).
3. 1,586 COIs issued (72/28 TSM Option). Single vessel companies only around 14% (+2% over three months), while multi-vessel companies near 29% (+3%).
4. 265 in COI processing queue.

c. TVNCOE's "Customizable" Sub M Training; what's it about, where can I get more info?

CG Response: Please find additional information at the [Training](#) link on the [TVNCOE website](#). Although accepting applications, scheduling the training is on hold due to COVID -19. Please direct questions to the TVNCOE via email at STL-PF-TVNCOE@uscg.mil

d. Expectations for engaging the CG when hull repairs are required.

CG Response: If a vessel is going to the yard due to an unsafe/hazardous condition, the CG should have been notified already; if the vessel is out of the water, and company is cropping/renewing steel because of discovery of an area that requires attention, there is no requirement for call-outs; OCMI discretion remains.

e. TPOs reported that multiple CG units are under the impression that additional national guidance is in the works for lights and day shapes. Is that true?

CG Response: [CVC-WI-010\(2\)](#) OCMI Guidance on Special Consideration for 46 CFR Subchapter M Vessels is the CG guidance on lights and day shapes. Other options available for lights and shapes are COACs, equivalencies, and alternate arrangements. Units should encourage industry use of the [appeals process](#). CG will reach out to the field units to ensure they understand no additional guidance will be provided.

- f. What are TPOs doing to oversee (1) drug and alcohol and (2) MTSA requirements?

CG noted that per 46 CFR 138.220(b)(1) The TSMS must contain procedures related to the employment of individuals. Procedures must be in place to ensure adequate qualifications of personnel, to include background checks, compliance with drug and alcohol standards and...46 CFR 138.220(c) Policies must be in place that cover the owner or managing operator's approach for ensuring vessel compliance, including, but not limited to, policies on....security. Per 46 CFR 138.220 (c)(2)...This must include procedures to ensure....compliance with applicable security measures. Multiple TPOs responded that they have procedures to oversee the same.

- g. Reporting deficiencies/non-conformities during Surveys/Audits:

CG Response: TPOs should have a procedure for reporting potential non-conformities discovered during external surveys and material deficiencies discovered during audits. Per 46 CFR 137.215(c) If a surveyor finds a vessel to have multiple deficiencies indicative of systematic failures to maintain the installed equipment, he or she will conduct an expanded examination to ensure all deficiencies are identified and corrective action is promptly taken. Multiple TPOs stated they have procedures in place regarding the same. CG is considering providing additional guidance.

- h. Mid-period external management audits have started. How are they going and are you finding anything different from the initial external management audits?

CG noted that 15 mid-periods have been completed, 35 are in window for completion, and none are overdue. One TPO reported that companies are improving because of companies embracing and better understanding the SMS, while another noted that they needed to see more audit results. One TPO also noted that because of the allowances in [CG-CVC Policy Letter 17-02 Use of Existing Safety Management Systems to Obtain an Initial Certificate of Inspection](#), the mid-period external management audit will be the first time they completely review the TSMS for many of their clients.

- i. TPO expectations regarding compliance issues with their clients.

CG Response: If a TPO finds an issue with their client, they should ensure said issue(s) are resolved; however, if the CG discovers areas of concern with a TSMS Option Company/Vessel, the CG should document and direct (via 835V) the company to complete an internal audit or TPO to complete an external audit. For TPO identified issues via survey and/or audits, TPOs agreed it's their responsibility to work through the issue(s) with their clients. For concerns reported by persons outside of the TPO organization (e.g. whistleblower complaints, etc.), TPOs stated that they would manage on a case-by-case basis. Although a couple TPOs stated that they may go out based on "outside" information including a call by the CG, all agreed that if the CG identifies concerns, a CG-835V directing the TPO to complete an external audit (management or vessel) is the preferred approach.

CG also asked the TPOs...When the CG directs an external audit (management or vessel) via 835V and defines the scope to review specific elements of the TSMS, would the TPO

expand the audit to other TSMS elements if findings provide objective evidence to do so? TPOs responded they absolutely would expand their audits as appropriate.

- j. Handing off of TSMS Certification from one TPO to another (whatever the reason).

CG Response: When a TPO hands over a TSMS to another TPO (for any reason), we request that both TPOs inform the TVNCOE as a courtesy. For certificated vessels, the owner or managing operator is responsible for requesting an amended or new COI from the cognizant OCMI.

- k. General TPO feedback/concerns/Poll Everywhere:

(1) When asked about guidance for surveys/audits due to COVID 19, CG responded that guidance is being developed.

- V. Adjournment: This meeting was adjourned at 12:40 P.M. CST by CDR Andrew Bender.

Minutes approved by: *CDR Andrew Bender*