



The CSR - a problem or a solution?.

“In 2002 the conference of contracting governments to the SOLAS Convention adopted regulation XI-1/5 entitled “Continuous Synopsis Record.” The contracting governments were to start issuing these by 1st July 2004 at the latest. The requirement has been in place now for some time, but the administrative process for the correct issue of this document remains complex and open to errors.”

The insertion of the Continuous Synopsis Record (CSR) regulation into the SOLAS convention had its origins in a desire to shed more light on the actual ownership of ships and the kind of changes in ownership and technical oversight that might be happening in an attempt to hide sub-standard conditions. It was thought that regular changes in aspects like a ship’s classification society, flag and the recognised organisations issuing critical certificates could all be indicators of ships that were “class hopping” and “flag hopping” in an attempt to avoid or minimise compliance with the conventions.

The regulation was designed to create a record file to be kept permanently in each ship that would serve to list its name, flag, ownership, charterers, class and the details of its DOC holders, ISM certification and ISPS certification and every change to these key parameters. Every time one of these key determinants changes a new document stating the new data elements and the date they take effect from is to be placed in the file so that the ship’s history of change is transparent and accessible. Each CSR document has to have a sequential number immediately following the number of the previous one. This CSR File is required to remain on board the ship permanently and to transfer with the ship whenever it changes ownership or flag for the life of the ship.

The CSR requirement emerged at about the same time as a range of other changes designed to tighten up on the overall security of shipping and maritime transport including the ISPS Code, the introduction of LRIT, and the requirement to permanently mark the IMO number on each ship and assign IMO numbers to owners and managers.



All of these changes are contained in the SOLAS Convention so that they are all mandatory for signatories to that convention and they are all subject to port state control, so even ships from non signatory countries are obliged to conform when making an international voyage to a signatory country. The CSR file is, therefore, a document that can be examined by port state control and one that can generate a deficiency or even a detention if it is not present or not correct. For this reason alone it is important.

When the system was designed at the IMO it was recognised that there was inevitably a time period between a change happening to one of the listed particulars and it being reported back to the flag state for the issue of the next CSR. To cover this the convention allows a three month “window” between the change happening and the issue of the new CSR to show that change. Hence if a ship, for example, has its ISM renewal audit carried out by a different recognised organisation from the one that did the previous renewal audit, this is a change that has to be recorded on the CSR, but there is a three month allowed time gap between the audit date and the issue of the next CSR to allow time for the audit reports to be received and assessed by the flag state and the new data incorporated in the new CSR.

To avoid fraud, each flag state has to keep a copy of all the CSRs it has issued for each ship in a duplicate CSR file at the administration. They can be in electronic form. If the ship leaves for another flag, the state then issues a final CSR showing the date the ship left the register, sends this to the ship, and, after placing a copy of this final CSR in the administration’s CSR file, sends the whole file, including any CSRs it has received from previous flags, to the next flag state who must maintain it while the ship is registered there.

On the face of it this is a simple exercise that creates a simple record with a mere 16 data items.

In practice it is actually much more complex. The first issue arises when it is realised that the data in the CSR is data that is repeated elsewhere. For example, the ship’s ISM certificate identifies the DOC holding Company, the certificate of registry identifies the registered owner, the Class certificate the Classification Society, and so forth. Hence the data on all these certificates must match that on the CSR and vice versa.



As soon as there is a mismatch there is scope for a port state control officer to doubt one or more of the documents.

Ensuring that data consistency is the major challenge. In most administrations, especially the larger ones, there is traditionally a separation between the division or section of the administration that deals with ship registry and mortgage registry and the section or division that deals with technical issues. This is seen in many administrations. In the UK, for example, the business of ship registry is undertaken by the Registrar of Shipping and Seamen based in Cardiff, while the technical functions of the administration are dealt with by the marine offices in different ports across the UK. In Panama there is a separate register of title, which is legally separate from the main maritime administration and that register of legal title is the one that records the registered owner and any mortgages or charterers. Typically issues associated with ownership, ship's name, official numbers, callsigns, mortgages, charterers and similar are dealt with as registered particulars by the division dealing with registry.

Issues around classification society, DOC holder, ISM & ISPS certification and audits are traditionally dealt with by the technical division. So almost universally there is a problem in data consistency as the people responsible for some elements contained in the CSR are not the same people who are responsible for recording other data elements and yet the need for consistent consecutive numbers mandates that the CSR needs to be issued from a single source. There can easily be at least three different people or groups of people dealing with the data elements for the CSR working in different offices in a big administration and not readily aware of each other's actions.

For many administrations this has meant a major change in working practices and in many cases the merger has not always worked well leading to errors in the CSR and confusion about who issued it, when, and when certain dates or data changed. The requirement that the CSR uses dates in the US format yyyy/mm/dd has also added to the difficulty. Outside the US sphere dates are more normally in dd/mm/yyyy format and all the ship's other certificates are more normally in this format leaving the CSR as the odd one out amongst the set of ship's certificates.

The three month "window" also causes problems. Initially it appeared to be a sound idea designed to reflect practical reality and allow time to update things and time for audit reports to reach the administration and so forth.



However because of the detailed requirements in the IMO guidance on CSRs, this itself causes problems.

The guidance describes a system that has three core documents - the CSR Form 1 which is the actual continuous synopsis record, a Form 2 which is a notification of change document, and a Form 3 which is an index record of change. The three are combined together onboard into the ship's CSR file. The intent is that whenever there is a change, either the Company (the person managing the ship) or the Master should submit a Form 2 to the administration informing them of the changes and the date they are effective from. The new CSR is then created by the administration and sent to the ship where it and the Form 2 are inserted in the ship's CSR file.

But, for example, a change of owner or the addition of a new owner, is something that for virtually all registries requires some proof and evidence in the form of a bill of sale or similar. Essentially the ownership details are the subject of national private law, as opposed to the public international law that deals with technical issues. This is especially so in those registries where the ownership register is an actual register of title and where complex legal documents are to be submitted for any change. So this change cannot happen just on receipt of a Form 2 from the Master showing a new owner. That would defeat the integrity of the register completely and the CSR has to show the "registered" owner. So a Master is unlikely to submit a Form 2 for a change of owner and if he does, it can only be after the new owner has already become the registered owner.

Likewise, the ISM Company may well be aware of a change in ownership but is unlikely to be in possession of the legal proof sufficient to have the change registered. That level of proof, is only going to come from the owner's lawyers whose first task is to have the change registered in the register. So at some point there will be an application to the register to record a change of ownership, the application will be accompanied by proof of the transfer, bills of sale etc. and, if satisfied, the registrar will record the change and almost certainly issue a new certificate of registry showing the new registered ownership. But who, in this scenario, is going to issue the Form 2?

The SOLAS regulations do not identify a single individual who has to do this. Section 5 of Assembly Res 959(23) says:



“Whenever any change relating to the entries listed in the current CSR document of the ship has taken place, this change needs to be included without delay in the ship’s CSR file”.

Pending the issue of a revised and updated CSR document by the ship’s Administration, the Company or master is required to complete an amendment form (Form 2) and attach the original to the current CSR document. A copy of the completed amendment form has to be forwarded without delay to the ship’s Administration for their consideration and action.

So the task can be done by the Company or by the Master. It is unlikely that the Master will always be aware of a small change in the registered owner’s address for example, all his operational dealings will be with the ISM Managers. In any case he is unlikely to be in possession of a definitive proof of the change until some time after it is registered. he will certainly not have sufficient proof to have a change in ownership made to the register.

The managers are appointed by the owner, but it is by no means certain that the managers will be aware of a change to the address of the registered owner, for example, and be alert to the need to send in a Form 2. They may assume the Master will do it when he gets a new certificate of registry, or the Master may assume the Company will do it. Whether or not the new registered owner or the previous registered owner, (commonly a limited company) are likely to be aware of the need to ensure that the ISM Company does this is uncertain. Either way there is a great opportunity for the Form 2 submission to be missed.

However it is missed, the three month’s “window” is quite long and other changes may happen during that period. Take another example; the ship has an ISM certificate issued by the flag state, following an audit carried out by one of its recognised organisations. At renewal time, the flag asks a different RO to undertake the renewal audit. As far as the Master is concerned, the flag’s surveyor has arrived, done the audit and a while later he has received his new ISM certificate. But how likely is it that he has missed the fact that the actual audit was done by a different RO from the one five years ago? It is submitted that this is quite likely, the end result is an erroneous CSR. There are some flag states that rely wholly on receipt of the Form 2 as the trigger to generate the next CSR.



But when some of the changes are changes that can only happen once recorded in the register, like a change in registered ownership, the change will only have happened legally when it is recorded. And the recording will have only happened on receipt of the necessary legal documents from the owner's lawyers. Inevitably the Form 2, if it arrives, must arrive some time after the actual change.

In practice, if the Form 2 is the trigger, a legal change to the ownership will be already registered, and some time later, possibly as much as 3 months later, a Form 2 will arrive to point to the change. The Form 2 will have been created by the Company or by the Master based on what they have seen, but there is no certainty that what is included on the Form 2 will match the legally recorded change in the register. If there has been another change recorded between the first change and receipt of the Form 2 for that change it will not match the current registered particulars. Even more confusing, a change in ownership might be registered one month and the new owners might arrange a new ISM Manager the following month, which then means new ISM and ISPS certification but if any of them are slow in sending in the Form 2, and if the flag state creates the new CSR on receipt of a Form 2, then there is a high risk that the consecutive CSRs and there might be three or four of them required over the period, one for each change as they all happened on different dates, will be out of step with the dates that the changes had effect from.

Essentially much of the data to be shown on the CSR is data that relates to particulars that are legally registered in the flag state register. The Form 2 cannot have effect to amend those details, and the date they take effect from is the date in the register no matter what other dates are in circulation.

There is a further option for confusion. Many registries have a concept of provisional registry which is mistakenly seen as a kind of partial registry status in advance of receiving all the documents to prove title and create permanent registry. But it is abundantly clear that a ship that is provisionally registered, whether or not the full set of documents has been received, is registered and flying the flag of that state. It therefore needs a CSR with effect from that date of provisional registry. But the continuing confusion over the status of ships that are provisionally registered remains. Cases have arisen where the ship is provisionally registered, on a certain date, then two months later all the necessary documents are delivered to finalise registry.



The flag state procedure is to issue the CSR showing the effective date as the date that status changes from provisional to full on the basis that this date is the one on which the data is effective. But this approach is completely wrong, if it is adopted the last CSR from the previous flag state will show a leaving date, and the first one from the new flag state will show a date of registry two months later for its effective date. The CSR record is not “continuous” and is therefore incorrect.

It is submitted that using the Form 2 as the trigger to generate a CSR, while this is the IMO procedure guidance, is actually ineffective in practice and likely to lead to significant errors on the face of a document subject to port state control. All the ownership details, name, port of registry, date of registry, and charterer’s data is data that is inevitably recorded in the register that any flag state registering ships is obliged to keep. A ship’s registered owner becomes that at precisely the point in time that this fact is recorded in the register. Hence it makes sense that any change in the registered particulars that requires the creation of a new CSR should create that new CSR immediately it happens. The date the change is registered is the date the new CSR is effective from. Then any further changes follow in sequence and are absolutely correct in sequence and in detail. They are the registered particulars. But as noted earlier, there are the technical data elements - class society, details of ISM Company, ISM and ISPS certification etc. These changes happen on their own dates, and are almost always dealt with by a division or section, or simply by personnel different from the ones dealing with ownership and “ship registry” data. So a change in ISM Company or its address has an effective date and generates a new CSR which must have the correct sequence number even if it happens between an ownership change and the receipt of the Form 2 for that change. Getting the record right, and continuous, is totally dependent on all the parties at the administration working closely together.

Probably the only effective approach now is to use an electronic system to maintain the register, not merely a spreadsheet, but a properly designed system which ensures that whenever there is a change, the system automatically generates a new CSR, assigns it the correct sequence number, and saves the new CSR. Then, when the Form 2 arrives, the CSR can be sent to the ship secure in the knowledge that it is absolutely correct and in line with the registered particulars regardless of what the Form 2 says.



This approach also works for the technical data provided that there is a register of the key technical data that is integrated with, or a part of, the registry data set. It cannot really be separate any more. This points to a pressing need for an fully integrated electronic system designed to record the ship registry data and also the key technical data for each ship. With a system such as this, changes to the register particulars create CSRs correctly on the right dates and at the same time changes to the technical particulars do the same. Then the CSR record is chronologically correct and factually correct - in other words a truly Continuous Synopsis Record.

Doing it this way the CSR is created electronically at the instant the registered change happens, rather than waiting for the Form 2, but the intent of the IMO process is maintained. The electronic CSR need not be accessed until the Form 2 arrives, then it is merely a matter of checking the accuracy of the data between what is registered and what is on the Form 2, querying any discrepancies, and despatching the new CSR.

The system needs to be configured to deal with times when the last flag fails to issue a leaving CSR, and with occasions when a ship is deleted, having moved flag, but the owners and managers haven't bothered to send in a Form 2. A well designed system can cope with all the edge cases for these situations and can allow an option to add remarks to address them when necessary. When the CSRs are all correct and in electronic form, then it is a very easy job for the flag state to simply send them electronically to the next flag meeting all their convention obligations.

It is inescapable that the introduction of the CSR requirement has created a pressing need for administrations to have an integrated single set of data related to the ships they register. The data needs to include the technical data as well as the registry data and be accessible to all divisions or sections. It needs to be an intelligent system that can detect a registered and verified change that needs to be reflected in the CSR and create the next correctly numbered CSR which can then be held ready for despatch when the Form 2 is received. Any other approach risks significant errors in the CSR record.

D Howell, ExC, LLB. FNI

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