INFORMATION ABOUT THIS MANUAL

VERSION NO.: 6.2

PREPARED BY: QACE SECRETARIAT

APPROVED BY: QACE BOARD OF DIRECTORS

APPROVED DATE: OCTOBER 2022

MANUAL ADMINISTRATION

The manual is amended as and when necessary, by the Secretariat. New revisions of the manual are approved by the QACE Board at the next appropriate Board meeting or by correspondence.

The current version is maintained in the QACE Management System electronic file and is published on the QACE website under the Publications page

Previous revisions are maintained. Revision amendments are recorded in the following section.

CHANGE HISTORY:

Ver. No.	Date	Revised section	Revision detail
1.0	22 Jan 15		New QMS
1.1	Feb 15	01	Addition of Scope of activities and amendment to the Quality Policy Inclusion of ISO 9001:2008 reference table
2.0	May 16	Manual & processes	Minor changes in relation to the new Secretariat and Secretary General title
		02-01	Roles & Responsibilities. Addition of Directors Election Committee and Financial Audit Committee
		02-08	Customer Feedback, Complaints & Appeals. Amended title
		02-14	Control of Records. Inclusion of Certificates of Compliance
		02-01	Certificate of Compliance – Biennial validity

Ver. No.	Date	Revised section	Revision detail
		03-03	Annual Work Plan & Budget. Addition of Financial Audit Committee involvement
		03-04	Collective & Individual Recommendations & follow-up requirements
		03-05	Annual Report. Inclusion of member's review
3.0	Jan 17	Manual & processes	Complete revision including ISO 9001:2015 compliance.
		01	Manual New clauses 1 and 2 Subsequent clause renumbering
		02-01 to 02-09	Minor amendments
		02-10	Non-conforming Product and Corrective Action (combined with 02-11)
		02-11	Withdrawn
		03-06	Working with IACS (new process)
		03-07	Working with the ACBs (new process)
4.0	Jan 18	Manual & processes	Manual minor amendments
		01	Management Processes
		02-02 to 02-03	Minor amendments
		02-04	Financial Roles & Responsibilities (new process)
		02-12 to 02-15	Minor amendments
		03-08	QACE Requirement Notices (new process)
5.0	Jan 19	Manual & Process 01	Manual minor amendments
		02-04, 02-09	Minor amendments

Ver. No.	Date	Revised section	Revision detail
		02-11	Design and Development (new process)
6.0	Oct 20	All	Simplified throughout and rearranged. Procedures relating to the administration of QACE removed and now form a separate Administration Manual. Procedures relating to Customers – identification, expectation, feedback, complaints and appeals – merged into one process – Q04. Certificate of Compliance (Process Q07) rewritten to address missing aspects and frequency of issue changed to 3 years. Collective recommendations procedure merged with 'annual reports' (Process Q08). Categorization (major and minor) of non-conformities of internal audits deleted (Process Q09). Following procedures simplified and merged into Process Q11: Design, membership, work plan, individual recommendations (frequency of issue changed to 3 years), IACS, ACB, Service suppliers, Control of measuring equipment. Management review procedure merged with 'Board Meetings (Process Q12) Other salient changes are: Quality policy reworded; Purchasing procedure deleted.
6.1	Dec 21	Glossary	DNV name corrected;

Ver. No.	Date	Revised section	Revision detail
			IACS UI added
		Preamble	Clause 'Certification of QACE's Management System' amended to address the Improvement opportunities identified at the 2021 Internal Audit.
		Process Q06	Clause 'Assessments Analysis' amended to reconcile with current practices
		Process Q08	Clause 'Collective Recommendations' amended to reconcile with current practices Clause 'Annual Report' amended to reconcile with current practices
		Process Q09	Clause 'Planning' amended to reconcile with current practices
		Process Q11	Clause 'Annual Work Plan' amended to reconcile with current practices Clause 'Individual Recommendations' amended to reconcile with current practices Clause 'QIQS & QR' added as per procedure proposed by Members Clause 'IACS' amended to reconcile with current practices
		Process Q12	Clause 'Items for Specific Meetings' amended to reconcile with current practices Clause 'Management Review' amended to address the Improvement opportunities identified at the 2021 Internal Audit.
6.2	Oct 22	Process Q12	Clause 'Planning' amended to require circulation of documents for Board meetings at least two weeks before the Board meeting, in line with AoA 17.3.

CONTENTS

GLOSSARY

Abbreviation	Full form
ABS	American Bureau of Shipping
AoA	Articles of Association
CB	Accredited Certification Body
BoD	Board of Directors
BSI	The British Standards Institution [*Certification Body*]
BV	Bureau Veritas
CCJ	Quality Certification Center [*Certification Body*]
CCS	China Classification Society
CIC	Community Interest Company [*Not for Profit*]
CO	RO Controlling Office
CR	Collective Recommendations
CRS	Croatian Register of Shipping
DEKRA	DEKRA Certification GmbH [*Certification Body*]
DNV	Det Norske Veritas
DEC	Directors Election Committee
DQS	DQS GmbH [*Certification Body*]
EC	European Commission
EMS	Environmental Management System
EMSA	European Maritime Safety Agency
EU	European Union
EUW	End User Workshop
HO	RO Head Office
HSO	Health & Safety Officer
IACS	International Association of Classification Societies
IACS QC	IACS Quality Committee
IACS PR	IACS Procedural Requirements
IACS UI	IACS Unified Interpretations
IACS UR	IACS Unified Requirements
IAF	International Accreditation Forum Inc.
IAF MD	IAF Mandatory Document
IMO	International Maritime Organization
IRS	Indian Register of Shipping
IR	Individual Recommendation
ISM	International Safety Management Code
ISO	International Organization for Standardization

Abbreviation	Full form
ISPS	International Ship and Port Security Code
KPI	Key Performance Indicator
KR	Korean Register of Shipping
LR	Lloyd's Register of Shipping
NC	Audit finding graded as Non- Conformity
NGO	Non-Governmental Organization
NK	Nippon Kaiji Kyokai
OB	Audit finding graded as Observation
OHS	Occupational Health & Safety
PA	RO Plan Approval Centre
PRP	Procedure Review Project
PRS	Polski Rejestr Statków S.A (Polish Register of Shipping)
QMS	Quality Management System
QO	Quality Objective
QSCS	Quality System Certification Scheme
RINA	RINA Services S.p.A.
RO	Recognized Organization
RS	Russian Maritime Register of Shipping
SAI G	SAI Global Limited [*Certification Body*]
SGS	SGS S.A. [*Certification Body*]
SL	RO Survey Location
TL	Türk Loydu
UTM	Ultrasonic thickness measurement
VCA	Vertical Contract Audit

PREAMBLE

CONTEXT OF THE ORGANIZATION

The EU Regulation (EC) No 391 / 2009 on "Common rules and standards for ship inspection and survey organizations" in its Article 11 mandated the ROs to the European Community to *"set up by June 2011 and maintain an independent quality assessment and certification entity in accordance with the applicable international quality standards …".*

Consequent to the above, the then 12 organizations recognized by the European Commission as "Recognized Organizations" ("ROs") of the European Community Member States founded QACE on 24 November 2010.

"QACE – Entity for the Quality Assessment and Certification of Organizations Recognized by the European Union CIC" was incorporated on 30 November 2010 under the English Companies Act 2006, with The Registrar of Companies for England and Wales, as a private, not-for-profit, community interest company limited by guarantee with its office in London, to advance the *'Objects'* (See Process Q01) for the benefit of the community.

LEGAL ENTITY & STATEMENTS

THE NAME OF THE COMPANY IS:

QACE - ENTITY FOR THE QUALITY ASSESSMENT AND CERTIFICATION OF ORGANIZATIONS RECOGNIZED BY THE EUROPEAN UNION CIC

THE COMPANY HAS ITS REGISTERED ADDRESS AT:

3 Shortlands London, W6 8DA, United Kingdom

Telephone: +44 (0)20 3178 2301
Website: www.qace.co

THE COMPANY NUMBER IS:

07455733.

GOVERNING LAW AND JURISDICTION

For the avoidance of doubt, relationships between QACE and any third parties (including but not limited to contractual relationships) are governed by English law, and the courts of England and Wales shall have jurisdiction in respect of any dispute that might arise between QACE and any such third parties.

QACE works under its Articles of Association (AoA).

SCOPE OF ACTIVITIES

(Ref.: EU Regulation 391 Art. 11)

The primary scope is:

Assessment and Certification of the quality management systems of recognized organizations, in accordance with the ISO 9001 quality standard criteria.

QACE exercises this mandate by:

- Using the services of independent Accredited Certification Bodies (ACBs) contracted by the ROs and QACE under a Tripartite Agreement to carry out audits to the requirements of ISO 9001 and of the internationally recognized quality standards for ROs – IACS Quality System Certification Scheme Requirements (QSCS);
- Assessing by witnessing, selected ACB audits in accordance with the principles of ISO19011:2011 'Guidelines for auditing management systems', to confirm the robustness of the audits and the performance of the ROs;
- Issuing triennial certificate of compliance to the ROs.

A related scope is to 'issue of interpretations of internationally recognized quality management standards, in particular to take account of the specific features of the nature and obligations of recognized organizations.'

QACE exercises this mandate by:

- publishing its interpretations of the standards ISO 9001 & ISO 17020 in the form of 'QACE Interpretation of International Standards (QIQS)';
- working with IACS to include QACE's requirements into the IACS QSCS – through the annual feedback mechanism (see Process Q11);
- working with IACS to develop common audit focus areas, as necessary;
- issuing collective recommendations to the ROs (see Process Q08);
- issuing 'QACE Requirement Notices', if necessary and if not included elsewhere.

The scope also includes laying down the working methods and rules of procedure.

QACE exercises this mandate by:

- Documenting its processes and procedures in a Quality Manual (this manual) and in the Administration Manual;
- Getting the internal QMS certified as compliant to the ISO 9001 standard by an ACB (different from the ones used by the ROs for the certification of their QMS).

QUALITY SYSTEM CERTIFICATION SCHEME (IACS QSCS).

QACE completed a Procedural Review Project (PRP) in December 2014 in the development of the QMS. The PRP included the applicability and any exceptions to the International Classifications Societies (IACS) Quality System Certification Scheme

(QSCS), including the Quality Management System Requirements (QMSR).

The review concluded that QSCS is appropriate for the purposes of QACE since the QMSR is based on ISO 9001 standard and the RO Code of IMO and includes a comprehensive interpretation and guidance to the ROs. Further, it also incorporates elements of ISO 17020, as applicable to the ROs. As a result, QACE has formally adopted the IACS QSCS and QMSR requirements.
QACE provides feedback to IACS on QSCS & QMSR annually (usually in February) for the development of the Scheme.

INTERESTED PARTIES

The parties interested in QACE and its operations are:

- European Commission – DG Mobility & Transport & EMSA
- Members and applicant Members
- The Accredited Certification Bodies (ACBs)
- Flag States
- International Maritime Organization (IMO)
- International Association of Classification Societies (IACS)
- The marine industry
- Company Directors, Staff and the Assessors
- HM Revenue and Customs
- Public at large

QACE defines its interested parties as its customers – refer Process Q04.

CERTIFICATION OF QACE'S MANAGEMENT SYSTEM

The QMS of QACE *is designed and implemented to conform to the requirements of ISO 9001:2015. It* is certified to the requirements of ISO 9001:2015 by DAS Certification of SN Registrars (Holding) Limited, UK.

The clause 'Design & Development' is applicable to documents and reports used in conforming to the scope of QACE's work.

The Clause 'Monitoring & Measurement' is excluded as QACE does not own and use such equipment in rendering its service.

TABLE OF ISO 9001 2015 CLAUSES & RELATED QACE PROCESSES

Description	ISO 9001:2015 Clause	QACE Process
Context of the organization	4.1	Preamble
Interested parties' expectations	4.2	Preamble & Q04
Management System scope	4.3	Preamble
Quality management system and its processes	4.4	Preamble
Documented Information	7.5	Q11
Leadership and commitment	5.1	ALL
Policy	5.2	Q01
Quality objectives and planning to achieve them	6.2	
Organizational roles, responsibilities and authorities	5.3	Admin Manual
Management review	9.3	Q12
Resources	7.1	Q05, Q12, Admin Manual
Competence	7.2	Q05 & Admin Manual
Infrastructure	7.1.3	Q12
Operational planning and control	8.1	Q04 to Q12
Requirements for products and services	8.2	
Design and development of products and services	8.3	Q11
Control of externally provided processes, products and services	8.4	Q11
Production and service provision	8.5	Q06, Q07, Q11
Monitoring and measuring resources	7.1.5	Q11
Monitoring, measurement, analysis and evaluation	9.1	Q01, Q04, Q08, Q09, Q10, Q11,

Description	ISO 9001:2015 Clause	QACE Process
		Q12
Control of nonconforming outputs	8.7	Q10
Analysis and evaluation	9.1.3	Q04, Q08, Q09, Q11
Nonconformity and Corrective Action	10.2	Q10

PROCESS Q01 – QUALITY POLICY & OBJECTIVES

PURPOSE

The purpose of this process is to continually improve QACE's performance.

APPLICATION

This is applicable to all the Directors and employees of QACE CIC.
It is not applicable to the Members, Assessors or Accredited Certification Bodies working under the Tripartite Agreement with QACE.

PRINCIPLE

To facilitate the efficient realization of the 'objects' and to monitor the realization by measuring the Key Performance Indicators (KPIs).

OBJECTS

The 'objects' of QACE are:
(Ref.: Art. 11 of EU Regulation 391/2000 & AoA, Section 6)

To promote safety at sea and the protection of the marine environment for the benefit of the community and in particular to undertake the following tasks:

- frequent and regular assessment of the quality management systems of Recognized Organizations, in accordance with the ISO 9001 quality standard criteria;
- certification of the quality management systems of Recognized Organizations, including Organizations for which recognition has been requested in accordance with Article 3 of the Regulation;
- issue of interpretations of internationally recognized quality management standards in particular to take account of the specific features of the nature and obligations of Recognized Organizations; and
- adoption of individual and collective recommendations for the improvement of Recognized Organizations' processes and internal control mechanisms.

QUALITY POLICY

QACE is committed to high professional, technical, management and safety standards by:

- Complying with the requirements of EU Regulation 391 and the ISO 9001 standard;
- Continually improving the efficiency and effectiveness of its own QMS by regularly monitoring its performance through quality objectives and key performance indicators (KPIs); and
- Continually improving the quality management systems of the ROs by an independent and effective assessment program.

QUALITY OBJECTIVES AND KPI

The Quality Objectives (QOs) are associated with the aspects of the policy, operating and management processes, as necessary.

Each QACE Objective has one or more associated Key Performance Indicator(s) (KPIs).

The performance data against the Objectives and KPIs are compiled by the Secretariat; reviewed annually by the Board of Directors and the objectives and KPIs revised, if necessary. The Board's associated comments and decisions are recorded in the minutes of the meeting and followed up by the Secretariat, as appropriate.

RECORDS & RETENTION

Objectives for the year	6 years

PROCESS Q02 – OCCUPATIONAL HEALTH & SAFETY POLICY

PURPOSE

The purpose of this process is to manage the OHS risks faced by the QACE employees and Assessors.

APPLICATION

This is applicable to all the Directors and employees of QACE CIC.
It is also applicable, as appropriate to the subcontracted Assessors of QACE.
It is not applicable to the Members or Accredited Certification Bodies working under the Tripartite Agreement with QACE

PRINCIPLE

Safety is a joint responsibility of QACE and its staff.

OCCUPATIONAL HEALTH & SAFETY (OHS) POLICY

QACE is committed to:

- Complying with the applicable health and safety legislation;
- Adopting good safety practices, as relevant;
- Ensuring employees and contractors are OHS aware;
- Requiring the Assessors to use appropriate personal protective equipment (PPE) to complete their assessments safely;
- Requiring that adequate resources are provided by ROs and other worksite controllers to allow work to be undertaken safely; and
- Giving QACE's employees and, particularly, the Assessors, the right and responsibility to refuse to conduct work they consider presenting an unacceptable risk until it is safe to do so.

This OSH Policy will be reviewed by QACE Board during the annual Management Review, to ensure that it remains suitable and appropriate to the work of QACE.

RESPONSIBILITIES

GENERAL

All staff must:

- Take reasonable care and prudence in ensuring their own health and safety and that of others who may be affected by their acts or omissions;
- Familiarize themselves with the details of first aid facilities and trained first aiders, the location of fire extinguishers; fire exits and emergency exits, fire reporting instructions, as relevant and appropriate;

- Keep their workplace hazard-free;
- Co-operate with the persons in charge (Health and Safety Officer/Fire wardens of the RO/Shipyard/Ship/Works/Administration Manager in QACE Office) to comply with health and safety duties and requirements;
- Report all health and safety concerns to the person in charge, including any potential risk, hazard or malfunction of equipment, however minor or trivial it may seem;
- Report any accident at work involving personal injury, to the QACE Administration Manager for data collection and for follow-up, as appropriate; and
- Co-operate in QACE's investigation of any incidents or accidents.

IN QACE'S OFFICE:

- QACE will arrange to carry out general workplace risk assessments when required or as reasonably requested by staff.
- Guidance on the use of display screen equipment can also be obtained from the Administration Manager.

SHIP & SHIPYARD VISITS

The Assessors are responsible to ensure that:

- their knowledge of the safety requirements is current;
- they have appropriate PPE during all relevant VCAs and yard visits.
- they comply with the relevant local applicable health and safety and work site requirements when attending on-board ships and during works visits;
- they are not left unattended on-board ships, particularly during entry into confined spaces; and
- they shall not undertake transfers at sea or attend sea trials.

Any breach of health and safety rules or failure to comply with this policy is likely to result in disciplinary action against the offender, up to and including immediate dismissal.

RECORDS & RETENTION

Incident/accident records	10 years

PROCESS Q03 – QACE CONFIDENTIALITY POLICY

PURPOSE

To ensure that the general and specific QACE confidentiality requirements are complied with.

APPLICATION

This policy applies to all QACE staff including the Assessors and QACE Members.

PRINCIPLES

The aim is to ensure transparency regarding its activities and reporting and prevent misuse of received information within the limitations imposed by the confidentiality requirements.

REQUIREMENTS

QACE STAFF

All QACE staff are required to maintain as confidential all information regarding QACE and its Members except where the information is either to be reported or has been discussed in advance with the Member concerned. All such information reporting is to be advised in confidence to the QACE Board via the QACE Company Secretary.

CONFIDENTIALITY STATEMENTS

QACE Non-executive Directors and QACE Assessors are required to sign a Confidentiality Statement included in their contracts (Annex A & B respectively).

The Assessors will restate the confidentiality compliance at the opening meeting when attending audits.

QACE MEMBERS

QACE Members are required to maintain as private all confidential information concerning QACE activities, outside of that which is published on the QACE website, or which has been discussed and agreed by QACE.

DOCUMENTS AND DATA PROTECTION

All work-related data and documents are protected by secure password protected access. Any hard copy documents are secured in locked cabinets and draws.

RECORDS & RETENTION

Confidentiality statements	Lifetime of QACE

PROCESS Q04 – CUSTOMERS, FEEDBACK, COMPLAINTS & APPEALS

PURPOSE

This purpose of this process is to define QACE customer groups, their expectations and to manage their feedback, complaints and appeals to enhance customer satisfaction.

For the purposes of the QACE QMS, interested parties, as defined under clause 2 ISO9001:2015, are considered QACE customers.

APPLICATION

This process applies to the Board of Directors and the Secretariat.

PRINCIPLE

By listening to the voice of the customer by way of their feedback, complaints and appeals QACE can continually improve its services and realize its objectives more effectively.

CUSTOMER GROUPS

QACE has identified its customers and their expectations as follows:

Customer group	Expectations
European Union and Commission DG Mobility & Transport and EMSA	Compliance with Regulation No. (EC) 391/2009, Article 11
IMO, Flag & Port States	Assessment of the effectiveness of the ROs' systems to implement their Regulations
Members and applicant Members	Compliance with Regulation No. (EC) 391/2009, Article 11
Accredited Certification Bodies	Interpretation of applicable international standards; efficient guidelines for auditing thereof
Recognized Organizations	Assessment and certification of the ROs' Quality Management Systems; feedback on their performance
IACS	Inputs and cooperation in developing effective requirements for RO systems to implement their technical requirements
Marine Industry	Effective assessment of the QMS and the performance of ROs
Public at Large	Safe ships and clean seas

CUSTOMER FEEDBACK

Feedback is the reaction to a product, service, a person's performance of a task, etc. which can be positive or negative.

Feedback, received verbally or in writing, will be discussed internally and with the customer, as necessary. Documenting of any feedback and their follow-up is dependent upon the gravity of the feedback and follow-up action and is at the discretion of the Secretaries.
Documented feedback shall be analyzed once a year and the results shall be reviewed by the Board at their annual management review.

CUSTOMER COMPLAINTS

Complaints are statements of dissatisfaction with the work or products of QACE. They may be written or verbal, delivered by any mode to QACE office / QACE employees / subcontractors while on work for QACE / Directors of QACE. Complaints may also be delivered indirectly by statements in the press, in web-based social media, blogs etc.

The receipt of the complaint shall be acknowledged, if applicable, to the complainant, typically within 5 working days.

The Executive Secretary/Company Secretary (and the Board, if necessary) shall, within the next 15 working days, and depending on the factual circumstances leading to the complaint, investigate it, including a root-cause analysis. They shall identify the applicable corrective and preventive actions, which shall be implemented as soon as is practicable. All these proceedings shall be documented appropriately.

The complainant shall be informed, if applicable, of the result of the consideration / investigation and shall be given a summary of the resulting actions taken.
Documented complaints shall be analyzed once a year and the results shall be reviewed by the Board at their annual management review.

APPEALS

Appeals are formal requests to change a decision taken by the Assessors, the Secretariat, or the Board.

Appeals shall be dealt with by a Committee appointed by the Board, as per Cl.18.1.3 of the AoA. The Committee shall consider the arguments for the appeal and make a full report to the Board with their recommendation. The Board decides on the appeal by ordinary resolution.

RECORDS & RETENTION

Record of feedback/complaint/appeal and related correspondence	Lifetime of QACE
Records of investigations and follow-up.	

PROCESS Q05 – ASSESSOR QUALIFICATION & TRAINING

PURPOSE

To describe the competency requirements to work as an Assessor.

APPLICATION

All QACE staff involved in assessment activities.

PRINCIPLE

All Assessors are adequately qualified and trained to discharge their duties efficiently and effectively.

REQUIREMENTS

EDUCATION

Tertiary level education in naval architecture or marine engineering or ship management; and
Knowledge of ISO 9001 standard and its implementation; and
Knowledge of IACS QSCS & QMSR Standard.

PREVIOUS EXPERIENCE

One or more of the following – a minimum of 5 years as:

- Naval architect or marine engineer with a shipyard or ship owner;
- Officer on-board seagoing ships;
- Flag Administration Inspector;
- RO surveyor/plan approval engineer, marine quality manager (see ***Explanation***);
- Manager of a quality management system and implementer of IACS technical resolutions.

Explanation:
Surveyor for new construction, ships in operation with an RO or flag Administration, having gained comprehensive knowledge and understanding of IACS and RO processes and objectives related to surveying, inspection / plan approval, safety of life at sea, pollution prevention, ship security, required standards for seafarers and/or experience in system audits and/or experienced as a system auditor for ISO 9001 or ISM Code.

SKILLS:

- Fluency in English language, verbal and written;
- Integrity;
- Maintain strict confidentiality;

- Pragmatic and diplomatic;
- Ability to:
  - work independently or as a team;
  - draw up clear and objective reports;
- Sound evaluation and judgment to:
  - conclude on the RO and ACB performance;
  - determine recommendations for improvements.

TRAINING

INITIAL TRAINING FOR NEW ASSESSORS

Practical tutored training during assessments – typically, four in number – with one or more experienced QACE Assessors acting as trainer. Duration may be adjusted by the Executive Secretary based on the new Assessor's previous experience and feedback from the trainer(s).

Persons joining QACE after being IACS Observers do not require practical training. They are made aware of the QACE requirements and objectives, either during the QACE Assessors' Meeting or separately by the Executive Secretary or another Assessor before taking up duties.

Assessors who have not been qualified in the marine technical disciplines may not carry out Vertical Contract Audits (VCAs) on board of Ships in Operation (SiO) and New Construction (NC).

CONTINUAL TRAINING FOR ALL ASSESSORS

- Regular participation in the QACE assessment program, assessing at least 4 audits annually;
- Continual self-study of new and revised requirements of IMO, IACS, Flag States, as available on relevant websites;
- Self-study of information from selected professional organizations in fields like naval architecture, marine engineering, ship operations and ROs;
- Self-study of new and revised Quality management and auditing requirements;
- QACE Requirement Notice(s);
- Attendance at annual QACE meeting (normally, a two-day session) for exchange of experience and information on new requirements.

A record of the Assessor qualifications, authorizations, and training is maintained by the Secretariat, as appropriate.

APPRAISAL

The performance appraisal of the Assessors is continual by way of review of their reports and feedback/complaints from the ROs/ACBs, if any. Follow-up actions, if

any, are discussed and agreed mutually between the Assessor and the Executive Secretary. Actions common to all Assessors, if any identified, are implemented in the QMS/training as appropriate.

RECORDS & RETENTION

Assessor Curriculum Vitae	Lifetime of QACE
Assessor contracts	Lifetime of QACE
Assessor Training records	Lifetime of QACE

PROCESS Q06 – ASSESSMENTS

PURPOSE

The purpose is to describe the Assessor's role and scope of activities for assessment visits and the inter-relationships with the ACB and RO.

APPLICATION

The process is applicable to all QACE Assessors and staff; to the Recognized Organizations (ROs); the Accredited Certification Bodies (ACBs); and stakeholders interested in the assessment of ROs.

PRINCIPLE

Assessments are to truly reflect the status of the implementation of the QMS in the ROs and the quality of the audit by the ACBs

PLANNING

The annual required numbers of audits, based on each organization's fleet size, is provided by IACS Operations Centre.

The ACBs shall provide their annual Audit Program by the end of the preceding year. The plans shall include:

- The office audit locations, dates and auditors;
- The New Build VCA locations, dates and auditors;
- The planned Ships in Service VCA locations, dates and auditors.

Unavoidable changes to the plan with the reason shall be advised as soon as they are known.

ACB-ROs audits are reviewed at the annual meeting of the Assessors in January using a risk- based approach for the selection of the audits to be attended. The responsibility for managing the assessments of the ROs is shared amongst the Assessors. The Assessors advise their respective ROs and their ACBs of the audits that QACE will attend during the calendar year by February of that year.

ACBs provide their individual Audit Plans to QACE Secretariat at least two weeks before the audit. QACE will review and approve the plan within a week.

Where QACE is to attend an audit, the QACE Assessor shall liaise with the auditor before the audit for any QACE requirements. For office audits with an ACB audit team, the QACE Assessor shall be involved with the planning, by correspondence, phone or video conference or physical meetings.

ASSESSMENT VISITS

OPENING MEETING

During the assessment, at the Opening Meeting, the QACE Assessor will introduce him/herself and the defined QACE role, objectives and scope of activity during the assessment.

AUDIT SESSIONS

The Assessor shall select and attend the ACB's audit sessions. The Assessor shall take part in the audit sessions with any additional QACE questions and requirements. At the end of the session, the Assessor may provide feedback to the RO and ACB. The Assessor may request the RO for a separate session if required.

CLOSING MEETING

QACE findings, if any, shall be confirmed by the Assessor at the audit Closing meeting. The Assessor will confirm any RO outstanding issues or findings.

ASSESSMENT REPORTING

ACB

The ACB shall provide QACE with an Audit Report for all the audits undertaken, within three weeks of the audit closing date.

QACE

Assessors shall provide a draft **QACE Assessment Report** to the Secretariat within five working days of the audit. The QACE Assessment Report contains sections regarding the assessment of the RO's and ACB's performance. The report will contain any outstanding issues or findings. The Executive Secretary will review and may request changes or approve the report.
Once approved the Secretariat shall provide the Assessment Report to the RO and ACB within three weeks of the last day of the audit.

Assessors shall also provide QACE Secretariat with **Audit Notes**, which include the notes, references and Assessor comments on the audit assessed by them.

FOLLOW-UP & CLOSE OUT

QACE findings, if any, may be the subject of separate correspondence between the QACE Secretariat, the ACB, the RO and the Assessor. The agreed findings, if any, are, normally, collated and analyzed holistically for developing the RO's Individual Recommendations (refer Process Q11). However, specific findings, based upon their nature, importance and urgency, may be followed up with the RO immediately, as appropriate.

ASSESSMENTS ANALYSIS

The Secretariat maintains a **Confidential Annual Assessment Report** with a summary

of the assessment visits held during the year. The report includes:

- any Collective Recommendations (CRs);
- any Individual Recommendations (IRs),
- any QSCS feedback;
- Best Practices (BPs);
- QACE outstanding issues and findings.

Confidential Assessment Reports are presented to the QACE Board of Directors, at their meetings in January/February, May/June, and September/October.

Any Board decisions or actions are recorded in the final report and actions are included on the Boarding Meeting Action Log.

An overview of the results of the QACE assessment year, comments on the scheme's strengths and weaknesses, critical issues, improvements noted during the year, necessary future improvements and best practices is presented at the annual **End-User Workshop,** held by IACS usually in November, for the ACBs, ROs and the associated stakeholders in the scheme.

The results of the assessments are included in the **QACE Annual Report.** The annual Collective Recommendations for improvement are reported in Annex C of the QACE Annual Report. The ROs are required to comment on their implementation of the recommendations each year and QACE monitors effective implementation through the ROs' Individual Recommendations.

RECORDS & RETENTION

Annual Assessment Plans	10 years
Assessment Reports	Lifetime of QACE
Audit Feedback Notes of Assessors	2 years
BOD Confidential Annual Assessment Reports	Lifetime of QACE
Annual Feedback to IACS on QSCS	Lifetime of QACE
EUW Presentations	10 years
Assessor meeting minutes & related relevant documents	10 years

PROCESS Q07 – CERTIFICATE OF COMPLIANCE

PURPOSE

The purpose is the efficient and effective management of certificates of compliance – their issue, renewal, suspension, reinstatement and withdrawal.

APPLICATION

This process applies to the Board, the Secretariat and the Members.

PRINCIPLE

All ROs meeting specified criteria are eligible to receive a Certificate of Compliance. This can, under certain circumstances stated herein, be suspended, reinstated or withdrawn.

REFERENCES

EU Regulation 391/2009 Article 11;
Articles of Association;
Tripartite Agreement;
Customers, Feedback, Complaints and Appeals Process (Q04).

CERTIFICATION

The Certificate of Compliance (CoC) will state:
"Assessment of the Quality Management Systems (QMS) of the EU Recognized Organizations (ROs) in accordance with the principles of ISO 19011:2011 'Guidelines for auditing management systems', through the witnessed application of the ISO 9001:2015 and IACS Quality System Certification Scheme (QSCS) requirements by ISO 17021:2011 accredited certification bodies".

The certificates are signed by the Chairman of the Board of Directors and the Executive Secretary of QACE.

The Certificate of Compliance is valid for a maximum three-year period ending on 31st March. For reasons of efficient management, the period of validity of CoCs for the Members is spread over a three-year period (i.e., all CoCs are not renewed in the same year).

The ROs' Certificates of Compliance are published on the website.

INITIAL

ROs or organizations requesting EU Recognition, will be issued with a CoC provided:

- the assessments are completed successfully, as planned, including agreed deviations, if any;

- the Executive Secretary's appraisal of the assessment confirms the satisfactory implementation of the RO's QMS;
- the Board of Directors accept, by correspondence or at a Board Meeting, the Executive Secretary's evaluation and recommendation to issue the CoC to the RO.

RENEWAL

The CoC will be renewed provided:

- all audits and assessments of the previous cycle (typically, previous 3 calendar years) are completed satisfactorily;
- analysis of the performance in the previous cycle confirms that no unresolved QMS related issues exist;
- satisfactory responses have been received for the previous collective and individual recommendations;
- the rolling 3-year trend analysis has been received from the RO, reviewed by the Executive Secretary and found to be satisfactory;
- all due subscriptions have been paid as required;
- the Board of Directors accept, by correspondence or at a Board Meeting, the Executive Secretary's evaluation and recommendation to renew the CoC to the RO.

NONCOMPLIANCES AND REMEDIAL PLAN

If the Executive Secretary's assessment concludes that the RO's QMS and /or the audits carried out by the ACB as basis for their recertification:

- are not in compliance with the ISO 9001 & QSCS standards or the QACE requirements; or
- the RO has not responded to QACE recommendations; or
- a serious defect in the RO's QMS is revealed,

then he/she shall advise the QACE Board of Directors with the reasons and recommend invoking the suspension and remedial procedure.

The QACE Secretariat shall notify the RO and ACB in writing of the perceived deficiencies and the likelihood of suspension of the certification, if the deficiencies are not corrected. This notification may also contain QACE's suggestions for possible lines of corrective action.

QACE will request **a Remedial Plan** from the RO and ACB. The Remedial Plan shall contain, *inter alia,* corrective action proposals to remedy the deficiencies found; a time period, typically not exceeding 6 months, for the RO and ACB to complete the implementation of the Remedial Plan.

QACE will review the proposed Remedial Plan and, if necessary, discuss with the RO

and ACB to finalize and accept the Remedial Plan. QACE may require the performance of additional audits, if deemed necessary.

During the Remedial Plan implementation period, the RO shall report the progress of implementation, at least once every month. The RO and ACB shall provide the necessary documentary evidence and facilitate assessment by QACE as agreed in the Remedial Plan. After the Remedial Plan is implemented and completed satisfactorily, the QACE Executive Secretary shall advise QACE's Board, the RO and the ACB of the results. QACE may require that the effectiveness of the corrective actions is monitored and assessed over time.

SUSPENSION

The Certificate of Compliance will be suspended if:

- the Remedial Plan is not satisfactorily completed, within the agreed timeframe and the corrective actions not evidenced as required; or
- the RO loses the ISO 9001 Certification; or
- the RO loses the IACS QSCS certification.

The Executive Secretary shall recommend to the QACE Board of Directors to suspend the CoC and on receipt of the Board's approval, shall suspend the CoC and advise the RO and ACB accordingly.

REINSTATEMENT AFTER SUSPENSION

The RO may request, in writing, the revocation of the suspension and reinstatement of the Certificate of Compliance. The request is to be accompanied by a detailed **Reinstatement Plan,** proposed by the RO. The Plan shall:

- include verifiable evidence on how the RO has met the general compliance requirements and rectified the specific deficiencies identified in the suspension notification;
- specify how the RO will ensure the effectiveness of the corrective actions.
- include provisions for verification audits by the ACB and/or QACE.

QACE will review the proposed Reinstatement Plan and, if necessary, discuss with the RO and ACB to finalize and accept the Reinstatement Plan. QACE will decide on the number and types of additional audits, as appropriate.

The suspension of the CoC may be revoked and the CoC reinstated after:

- verification by QACE – either directly or through the ACB – of satisfactory implementation and completion of the **Reinstatement Plan**; and
- the Board's approval of the recommendation of the Executive Secretary to revoke

the suspension and to reinstate the CoC.

WITHDRAWAL

The Certificate of Compliance may be withdrawn if:

- the suspension exceeds 6 months; or
- when revocation has been applied for and the RO does not implement the Reinstatement Plan, within the agreed timeframe, to the satisfaction of QACE; or
- the RO loses its EU Recognition; or
- the RO ceases to exist.

Recertification request after withdrawal will be treated as a fresh application for certification.

COMPLAINTS AND APPEALS

Any complaints or appeals with regard to this process shall be dealt with in accordance with the QACE Process Q04 - Customers, Feedback, Complaints & Appeals.

COMMUNICATION

Immediately on the occurrence of the suspension, revocation, reinstatement, withdrawal and recertification activities, QACE shall:

- inform the EC and EMSA by direct communication;
- notify on its website, for the information of all stakeholders.

COSTS

All additional costs that may be incurred by QACE, the ACB and the RO consequent to the suspension, reinstatement, withdrawal and recertification activities shall be borne fully and directly by the RO, individually.

RECORDS & RETENTION

Certificates of Compliance	Lifetime of QACE
Non-conformances, related remedial plan & follow-up records	Lifetime of QACE
Records relating to suspension and reinstatement	Lifetime of QACE

PROCESS Q08 – COLLECTIVE RECOMMENDATIONS AND ANNUAL REPORT

PURPOSE

The purpose is to describe the process of developing the collective recommendations and the development and publication of a comprehensive annual report on the activities of QACE.

APPLICATION

This process applies to the Board of Directors and the Secretariat.

PRINCIPLE

The recommendations should be relevant, meaningful and useful in improving the QMS and the performance of the ROs. The annual report should be informative to the stakeholders.

REFERENCES

EU Regulation (EC) No 391/2009 Article 11.1(d) and Article 11.5.

COLLECTIVE RECOMMENDATIONS (CR)

CRs are common to all ROs – both current and prospective Members – recognizing their strengths and weaknesses, any need for corrective actions and improvement opportunities. CRs are included in the Annual Report of QACE.

The Executive Secretary develops, in February, a draft of preliminary conclusions for the year based on the ROs' responses to the previous year's CRs and the analysis of all the assessments carried out so far.

This draft is reviewed by the Board by correspondence. Based on the outcome of Board's review, a preliminary report of the proposed CRs is presented to the stakeholders, for review, by correspondence.

The Executive Secretary prepares and presents, to the Board a draft of the final CRs for inclusion in the Annual Report. This is based on:

- any feedback from the EUW;
- a full analysis of all the audit and assessment findings of the year; and
- any other relevant information.

The Collective Recommendations are finalized in Q1, approved by the Board by correspondence and published as Annex C of the Annual Report.

In September of each year the Executive Secretary requests all the ROs their full and

detailed responses to their organizations' consideration and handling of the issues associated with the CRs, with a deadline of end of October.

The Executive Secretary analyses the RO responses and uses the analysis as an input to develop future Collective Recommendations.

ANNUAL REPORT

CONTENTS

The Annual Report shall, as a minimum, address:

- Assessment Activities;
- Main Findings;
- Recommendations;
- Relations with other organizations;
- Concluding Remarks;
- Annex A -Elected Non-Executive Directors of the Board for QACE;
- Annex B -Members of QACE-EU Recognized Organizations;
- Annex C -(year) Collective Recommendations.

BASIS

The Annual Report is based on:

- Assessments of the ROs during audits by accredited bodies (ACB);
- Audit findings as issued, and their handling (proposed actions, evidence of actions and closing);
- Analysis of findings for each RO, across ROs for each ACB, across ACBs and across all findings;
- Assessed RO performance;
- Analysis of trends related to focus issues;
- Analysis of trends related to previously issued recommendations;
- The year's Collective Recommendations;
- Feedback from the End User Workshop;
- Publicly available information, for example Port State Control (PSC) detention information.

PREPARATION

The draft Annual Report is prepared in Q1. The resulting draft is sent to the Directors & Members for their review. The report is finalized by the Secretariat and approved by the Directors in April of each year. On approval, the report is formatted for online publication and electronic distribution to various stakeholders.

PUBLICATION

The report is disseminated:

- on the QACE Website;
- to Flag Administrations, the European Commission, to the European Maritime Safety Agency (EMSA) and to other interested parties (electronically);

RECORDS & RETENTION

QACE Annual Reports	Lifetime of QACE
Correspondence relating to Collective recommendations	6 years

PROCESS Q09 – INTERNAL AUDITS

PURPOSE

The purpose is to confirm that:

- the organization complies with its own requirements and with the ISO 9001:2015 requirements;
- any corrective and preventive actions have been effectively implemented;
- any opportunities for improvement have been identified.

APPLICATION

This process applies to the Board of Directors and the Secretariat.

PRINCIPLE

To periodically audit the implementation of the internal processes by the Secretariat and the Board by a person independent of the work being audited on a sampling basis.

REFERENCE

The Quality and Administration Manuals of QACE.
Other relevant internal documents of QACE.
ISO 9001 standard – version to which QACE is currently certified.
Focus areas that may be identified by the Executive or Company Secretary, for a specific internal audit, based on a consideration of the risks and opportunities.

SCOPE

The work of the Secretariat and the Board of Directors.

PLANNING

The Secretariat shall arrange the audit during each calendar year, preferably in Q3, over one or two days, depending on the processes to be audited and the availability of the records.

Internal audits will be held by one or more of the following persons:
Executive Secretary, Company Secretary and/or one of the sub-contracted Assessors or an external auditor. The Executive and the Company Secretaries shall not audit their own work but can audit the other's work. The audit will normally be carried out during a visit to the QACE office but can be held remotely. The audit may be held in one or more sessions.

EXECUTION

The audit will be based on selected samples to confirm the current state of implementation and also to verify the effectiveness of corrective actions for the findings from previous internal and external audits.

Deviations, if any, from the requirements (i.e., non-fulfilment of a requirement) shall be recorded as a 'nonconformity (NC)'.
The auditor may, based on his experience, identify 'opportunities for improvement (OFI)' where a potential problem may exist but there is no objective evidence of non-fulfilment. These are for guidance only.

The auditor shall at the end of the audit give a verbal summary of results and findings, including NCs and OFIs, in relation to the requirements.

REPORTING

The auditor shall provide a written Audit Report within 5 working days after the audit, as per the template below.

FOLLOW-UP

This process is entirely electronic. No physical signatures on paper copies are required. Copies of the correspondence between the auditee and the auditor shall be maintained in the folder.

The Secretariat is responsible for the root cause analysis for the findings and assigning responsibilities and timings for the corrective actions.
The auditor is responsible for reviewing and accepting the corrective action evidence and for closing the NCs (via email).
The follow-up of the findings is suitably documented and maintained by the Secretariat.
The Secretariat is responsible for reporting the results of internal audit to the Management Review.

RECORDS & RETENTION

Internal Audit Plan, Reports and findings and follow-up records	6 years
Table of Findings and follow-up	6 years

TEMPLATE FOR AUDIT REPORT

(copy the table into a fresh word document to prepare the report)

QACE INTERNAL AUDIT REPORT				
Report No	Year/nn (e.g. 2020/01, 02 etc)			
Audit Date(s):				
Audit days (nearest half day):				
Location(s)				
Auditor(s)				
Reference(s)				
Audit Scope / activities				
Auditee position & name(s)				
Executive Summary *(strengths, weaknesses, number of findings)*				
(Type here)				
Narrative				
(Type here to enter your comments)				
Findings				
No.	***Category (NC or OFI)***	***ISO 9001 Clause Reference***	***Process***	***Description***
01				
02				
03				
Report date			***Auditor Name***	

PROCESS Q10 – NONCONFORMING PRODUCT & CORRECTIVE ACTION

PURPOSE

The purpose is to prevent unintended use or delivery of products that do not conform to relevant requirements; to prevent recurrence and to eliminate causes for potential nonconformities.

APPLICATION

This process applies to the Board of Directors, the Secretariat and the Assessors and the following products of QACE: assessment and reports, interpretations and requirements, recommendations, annual report and Certificate of Compliance.

PRINCIPLE

To identify and control the use of non-conforming products; to implement actions to eliminate causes of potential nonconformities.

RESPONSIBILITY

The Assessors are responsible to deliver conforming assessment service and assessment reports and to correct or replace the nonconforming product, as appropriate.

The Secretariat is responsible for the recommendations, interpretations and requirements, annual report and Certificate of Compliance and to correct or replace the nonconforming product.

The Secretariat is responsible for actions to ensure corrective actions and controls are implemented to prevent recurrence and ensure compliance.

PRODUCT IDENTIFICATION

Products of QACE shall be identified by date of issue, and as relevant, with identification number. Version number is used if the product (e.g., document etc.) is regularly revised.

NON-CONFORMING PRODUCT IDENTIFICATION

The non-conforming product is detected through the product checking processes, monitoring of assessment reports before delivery, internal and external audit and complaints.

CORRECTION

If a product, an assessment or recommendation proves erroneous, the Secretariat shall withdraw the reports or the erroneous assessment or recommendation

statements to eliminate the defect. Any direct recipient shall be notified about the withdrawal. The report or the subject assessment or recommendations shall be corrected and the corrected version, properly identified, shall be distributed to the recipients and with accompanying explanation about the correction.

Web-posted products shall be removed, and information posted to inform that the product is withdrawn. Web-posted products shall be accompanied with a statement that the new product replaces the former.

CORRECTIVE ACTIONS

Non-conformities shall be reviewed by the Secretariat. Actions appropriate to the effects of the defect or nonconformity shall be made to ensure that defects or nonconformities do not recur. The effectiveness of the corrective actions taken shall be reviewed in due course.

RECORDS & RETENTION

Records of the non-conforming product and associated correspondence	6 years
Analysis of NCs and follow-up action records	6 years

PROCESS Q11 – OTHER PROCEDURES

PURPOSE

To describe the QACE procedures relating to some of the tasks of QACE.

APPLICATION

This applies, as appropriate, to the Members, Board of Directors, the Secretariat and the Assessors.

PRINCIPLE

To briefly define the salient features of the procedures.

CONTROL OF DOCUMENTED INFORMATION

The reference documents and required records (including their retention periods) for each of the processes are listed in the respective processes.
All documentation is electronic, maintained in the Google Drive. Automatic back up is maintained as part of the Google application.

MEMBERSHIP

Membership is governed by the requirements in the AoA and in the Tri-partite Agreement.

QACE subscription is calculated on an equal division of the approved budget between the Members (not applicants) and is invoiced in January and June of each year. All subscriptions must be paid within 30 days of the invoice date. Failure to do so may result in interest of 0.5% per day the payment is late.

Membership applicants are organizations not recognized by the European Union (EU) but who have requested recognition. As required in the EU Regulation (EC) No. 391 2009 Article 11, 2 (b), they are also subject to the QACE assessment program and consequently to the Tripartite agreement.

Membership Applicants shall bear the full cost of assessment fees and expenses.

On confirmation of the EU's recognition, the new RO will be included in the list of QACE members.

DESIGN & DEVELOPMENT

The applicable products are:

- Assessments & assessment reports;
- Certificate of Compliance;
- Recommendations;

- Annual Report;
- Interpretations and requirements.

The products are designed by the Secretariat – one member of the Secretariat will be the developer and the other two will be the reviewers. In some cases, the Assessors and/or Members may also be co-opted as reviewers.
The development shall be based on clear requirements.
The design shall be reviewed as necessary – the stages being dependent on the complexity and familiarity of the product.
Review of the product by the Board of Directors, prior to their release, is the 'verification'.
'Validation' takes place when the product is published and put to use.
Records of the reviews and comments are maintained.

ANNUAL WORK PLAN

The QACE annual Work Plan covers the calendar year, 1st. January until 31st. December.

The Work Plan is prepared based on the experience from the execution of the work plan of the preceding year and on any planned changes and recommendations.

The Board shall review the work plan and approve – with or without changes – normally at the meeting held in September/October. The Executive Secretary will thereafter submit the approved Work Plan to the Members at the AGM for their review. The review comments, if any, of the members on the work plan will be reviewed by the ES and the Board and accepted, if appropriate. The Board has the final authority to approve the work plan. In accordance with AoA Articles 18.1.9 and 19, the Board will approve the Work Plan at a Board meeting or by correspondence.

INDIVIDUAL RECOMMENDATIONS (IR).

IRs are specific to each RO – both current and applicant Members – recognizing their strengths and weaknesses, any need for corrective actions and improvement opportunities. IRs are presented to each of the RO on a three-year cycle.

IRs are developed by the Executive Secretary based on:

- the results of assessments and findings, if any, recorded by the Assessors;
- trend analysis of audit findings;
- responses to Collective Recommendations;
- Port State Control detention statistics;
- other publicly available information.

The drafted IRs are reviewed by the Assessor responsible for the RO for finalization. The draft IRs are reviewed by the Board, by correspondence, and, if necessary, discussed at the first appropriate Board Meeting during a 'closed session', not attended by the QACE President.

The Executive Secretary issues the draft IRs to the RO – for their comments, if any. The RO is encouraged to involve its ACB in the review of the IRs. The Executive Secretary reviews the RO's comments/suggestions and corresponds, as necessary, with the RO, to finalize the IRs.

QACE requests a formal reply from the ROs in two parts. First is the mid-Term response 18 months after the issue and the second response after the end of the 36-month cycle. The RO's response is reviewed by the Executive Secretary and may be subject to further discussions with the RO for finalization of follow-up actions, if warranted.

The effectiveness of any actions in relation to the IRs are followed up at Head Office assessments of the respective RO and from the assessment reports.

QIQS (QACE INTERPRETATION OF QUALITY STANDARDS) & QR (QACE REQUIREMENTS)

The development of a new Interpretation and/or a new Requirement or revisions to existing Interpretation(s) and/or Requirement(s) will be considered in conjunction with results and outcomes of audits conducted by ACBs on Members and the QACE Assessment Reports during a relevant period (generally the previous calendar year).

The Executive Secretary will develop, by Q3, a draft of the proposed QI and/or QR for review by the Board at the Q3 (September/October) meeting and QACE Assessors, by correspondence. The proposal will include complete justification for the need of the new/amended QI/QR, supported by relevant documentation, as necessary.

On acceptance of the development proposal by the Board and after incorporating the feedback from the Assessors, as appropriate, the Executive Secretary will circulate the draft, in Q4, to the Members and their ACBs, for their review and comments. If necessary, these will be discussed with the IACS Quality Committee at its Spring meeting.

The Executive Secretary will present to the Board, by correspondence, prior to the Q2 (May/June) Board Meeting, the outcome of the consultations with the Members and

the ACBs and the final draft of the proposed QI/QR. The Board's decision on the amended/new QI/QR will be made at the Q2 Board meeting or by correspondence at latest by September.

The approved new/amended QI/QR will be published by the QACE Secretariat on the QACE website, by 1 July. These will be effective from 1. January of the subsequent year, thus giving a period of 6 months to the Members and their ACBs for implementation, unless agreed otherwise by all.

INTERNATIONAL ASSOCIATION OF CLASSIFICATION SOCIETIES (IACS)

QACE adopts, in full, the IACS Quality System Certification Scheme (QSCS) and the associated IACS Quality Management System Requirements (QMSR).

QACE and IACS have agreed to the following:

- Hold two meetings a year – one in spring and one in autumn;
- Wherever possible provide joint annual Audit Focus Issues, to provide clear guidance to the ACB teams and avoid duplication;
- QACE's involvement with annual mandatory auditor training course in January;
- QACE will provide, in February, an annual QSCS Feedback Report to the IACS Quality Committee (QC);
- To share the assessment and observation programs to avoid, wherever possible, double attendance for observation/assessment of VCAs;
- QACE will provide a feedback presentation on QSCS at the IACS End-User Workshop;
- IACS will respond to QSCS feedback by December of each year.

ACCREDITED CERTIFICATION BODIES (ACB)

Tripartite Agreement between QACE, ACBs and ROs which governs the working arrangements between the three parties to ensure a robust auditing and reporting system.

SERVICE SUPPLIERS

The Secretariat has the authority to purchase and to approve purchases within the framework outlined in the accounting system cost centers and the annual budget.

Purchases of equipment or similar beyond the framework of the annual budget shall be approved by the Directors.

All business-critical suppliers are managed by the Secretariat and the Board, exercising due diligence in their selection, control and performance evaluation.

Such suppliers are, *inter alia*:

- Legal Advisor;
- Insurance Broker;
- Bank;
- Accounting;
- IT web and email services;
- Office Housing and services;
- ISO 9001-2015 certification.

The ACBs auditing the ROs are managed as per the Tripartite agreement.

CONTROL OF MEASURING EQUIPMENT

Not applicable as no such equipment is owned by QACE.

RECORDS AND RETENTION

Membership application & processing documents	Lifetime of QACE
Membership register	Lifetime of QACE
Appointment of authorized representatives	Lifetime of QACE
Membership termination and processing documents	Lifetime of QACE
Minutes of AGM/EGM & all approved resolutions	Lifetime of QACE
Minutes of Meeting of the Board of Directors	20 years
Reports of any committee established by the Directors	10 years
Tripartite agreements	Lifetime of QACE
Individual Recommendations and RO responses	Lifetime of QACE
Annual work plans	10 years
Design related documents	10 years
Service supplier contracts, their approvals	Lifetime of QACE
Financial documents	See Administration Manual
Legal documents as per Companies Act & AoA - Maintained by the law firm Farer & Co.	Lifetime of QACE

PROCESS Q12 – BOARD MEETINGS

PURPOSE

The process describes the management of Board Meetings.

APPLICATION

This process applies to the Board of Directors and the Secretariat.

PRINCIPLE

To comply with the requirements of the AoA and the Companies Act diligently and to effectively direct the activities of QACE to realize the 'objects' set out in the EU Regulation 391/2009 Article 11.

PLANNING

As per the QACE Articles of Association, at least three Board Meetings are required & held annually. Additional Board Meetings may be held, if necessary. The meetings may be held either physically or by video conference.

The Board of Directors plan the dates and venues the Board meetings sufficiently in advance of the subject meeting. The Company Secretary calls for the meeting at least two weeks prior to the meeting with the proposed agenda. The background information documents for the Board Meeting shall be circulated to the Board Members and the President at least two weeks prior to the meeting date (unless there are special circumstances and a later submission is approved by the Chairman).

A quorum for the meeting is three Directors. The President attends representing the Members, participates in the proceedings but does not have a vote.

The Administration Manager records the proceedings of the meeting and updates the Action Log.

AGENDA

COMMON FOR ALL MEETINGS:

- Approval of the agenda;
- Approval of the previous Board Meeting's minutes;
- Conflict of Interest;
- Financial: Income and Expenditure (I&E) Report; Balance Sheet; year-on- year budget and major cost center comparisons;
- Review of the Action Log;
- Resources: Board of Directors, Secretariat, Assessors;
- Confidential Report (closed session) to address the status of the Assessments and

analysis of the Assessment reports; any issues pertaining to the delivered Individual Recommendation (IR).

ITEMS FOR SPECIFIC MEETINGS

JANUARY/FEBRUARY MEETING:

- Common agenda items;
- Discussion and actions from the previous year's Assessment Program;
- Approve the year's annual Assessment Plan;
- Annual Management Review;
- Feedback from the annual Assessors' Meeting;
- Initiation of the Annual Report.

MAY/JUNE MEETING:

- Common agenda items;
- Half year Assessment program; and
- Approval of the Financial Audit.

SEPTEMBER/OCTOBER MEETING:

- Common agenda items;
- Preparation for the Annual General Meeting (AGM);
- Preparation for the Accredited Bodies'(ACB's) End-User Workshop (EUW).

FOLLOW-UP

Activity	Expected Time – working days	Responsibility
Drafting of the Minutes of Meeting	3 days from the meeting date	Administration Manager (AM)
Review of the first draft	3 days from the draft date	Executive Secretary (ES), Company Secretary (CS) & Chairman
Updating of the first draft, incorporating the corrections, to second draft	3 days from the date of review completion	AM
Distribution of the second draft to the BoD & the President	1 day from the date of second draft	AM
Review by the Board Members and the President	5 days from the date of distribution	BoD & President (tacit approval principle will apply)
Finalization of the comments to decide on the update required *(consultation with the*	5 days from the date of receipt of the last comment	ES, CS & the Chairman of BoD

commentators - only if necessary)		
Updating of the second draft with comments of the BoD & the President	1 day from the date of finalization of the comments	AM
Final review of the updated minutes	1 day from the date of update	ES & CS
Release of the finalized minutes of meeting	1 day after the final review	AM

MANAGEMENT REVIEW

The management review is held annually, normally in the January/February meeting of the Board. The agenda shall, as a minimum, address all the inputs stipulated in the Clause 9.3.2 of the ISO 9001:2015 standard. The Management Review decisions and actions are documented as minutes and in the 'action log'.

RECORDS & RETENTION

Board Meeting Minutes & Updated Action Log	Lifetime of QACE