



## ***What are you doing?***

### **Is this “as good as it gets” with IHM Maintenance and MD-Management in Shipping?**

Nobody is happy about IHM-compliance, but it is a legal requirement which requires transparent and knowledge-based approaches for maritime suppliers and shipowners. The processing and handling of huge number of documents over decades requires trusted partners and a digital tool.

#### **In numbers:**

When we take care of IHM-maintenance for ships we achieve on average a reduction of requests to suppliers of 95.3%. In other words, only 4.7% of all order items are found to be relevant and we only approach a minimum number of suppliers with our “disturbing request”.

For “MD-Management” for suppliers, the share of relevant items depends on what they’re specialized in. For more technical suppliers we identify around 10% of items as relevant and for general suppliers it is below 5%. The selection process takes only 7% of our time and increases our liabilities towards our clients, but it’s the key to success to make the unwanted burden of IHM-Maintenance manageable and achieve compliance for all involved.

Whoever we request the Material Declaration (MD) and Suppliers Declaration of Conformity (SDoC) from, they have been carefully selected and are supported by being provided the forms, a manual and a “landing page” (website) where they can manage their documents. Additionally, individual support is provided to our clients and all their suppliers by email, phone or chat function in the software tool. Of course, we also review the documents and verify that they are legally correct in the sole interest of our clients. This accounts for around 90% of our time. All that for a lump sum, no extra or hidden costs and with hardly any involvement of our clients. The software we’re using is NautilusLog, which adds artificial intelligence on top and directly connects supply chains with ship data.

Why is it worth mentioning? The industry needs to achieve a common understanding for IHM-compliance. There are practices for **IHM-Maintenance** and **MD-Management** (in addition to my previous [article](#)) which are concerning. In short, shipowners and suppliers get frustrated due to confusing approaches and being buried by too many unjustified requests. That creates unwanted costs and efforts for all involved. A bit of insight and common sense can prevent bad surprises which are triggered by the below described wrong-doings.

### Unfiltered requests to suppliers

They are very common and create a huge and unnecessary workload for all involved, but especially suppliers and their supply chains suffer.

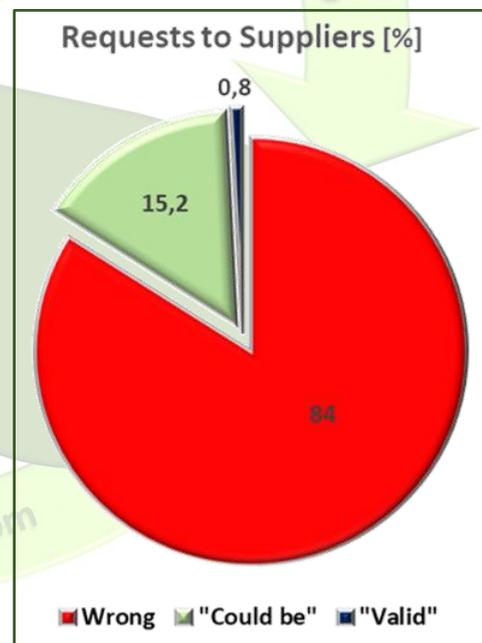
This practice makes the original approach to focus on documentation of hazardous materials throughout the life of maritime assets for ensuring safe and environmentally sound recycling impossible. Suppliers which are receiving too many requests are not willing to cooperate anymore. This effect can be found throughout the supply chains and leaves also Tier I-Suppliers and shipowners in a situation, where they have to deal with huge documentation gaps. That results in a low service level of suppliers and understandably many want to get compensated for their additional efforts. Shipowners are not willing to accept that and we have seen the first suppliers being dismissed by them. The key concern remains, a non-functioning IHM-Maintenance for shipowners and huge penalties. Such IHMs can hardly be re-certified and will cause problems during PSC Inspections in EU, or latest when the new owner will review the technical files of a vessel, to which the IHM belongs to, and ask for compensations.

Additionally, using the IHM for other positive approaches like reducing hazardous substances onboard, selection of "cleaner supplies" and so on will become less possible. The less good performing "service providers" create these problems and some additionally request order- or ship specific documents. Where does this idea come from? It's causing even more unnecessary workload. Interestingly exactly these service suppliers create headlines on how convenient their service for shipowners is, in how many directions their tools plug in or how little it costs per month. Don't many of those slogans sound too good to be true?

Two days ago we have evaluated the requests from one "service suppliers" for four orders, or 250 items in total.

Requests were sent out for all items. In other words, he can't be held liable for wrong selections, as he has not performed that task. A "slightly knowledgeable" person would have sent out requests for around 15% of all order items. When all possible exclusions would have been applied, a great 0.8% could have been achieved.

Specific questions from the supplier remained unanswered and the supplier said that he will then not deliver the ordered items due to lack of data form his own suppliers and associated risks for him. What a consequence and who benefits? Probably this service supplier as he additionally sells "black lists of non-performing suppliers" to owners, even though he at least partly causes this lack of performance.



### Software only:

Does a software tool as stand-alone tool help shipowners to get it done? Well, only in case the shipowner has the resources, is knowledgeable enough to identify the relevant order items and to review suppliers' documents. But what about overtaking responsibility for all related activities? If he wants to get "IHM Expert – Knowledge" on top from the software provider, he pays extra and probably still remains responsible. In addition, what about data security. A complex topic not further followed up on now.

## Monthly IHM updating

Even though it's not clearly specified in the regulations what "frequent updating" means, but it's a common fact that crew is exchanged. This alone is challenging enough when trying to ensure consistency in ship operations and maintaining standards. Same applies to documentation of onboard changes affecting the IHM. As a consequence, shortly after a related task was carried out the crew should provide related details, otherwise they are forgetting about it or have disembarked the vessel and the IHM becomes more and more inaccurate. The often-heard approach "once per month" seems already insufficient, but now one has appeared doing it every three months. This will trigger arguments with EU-PSC when they check whether or not the process of IHM-Maintenance works, as it's one of the IHM-compliance aspects.

The onboard activities are the second last bit of the maintenance process prior to amending the IHM-Maintenance Report and IHM itself. It all starts with identification of relevant order items, requesting documents, exchange with suppliers and review of their documents which is certainly the most time-consuming part. As soon as a product contains a documented hazardous substance, the information needs to be shared with the vessel. In case of a banned substance (EU-Annex 1 or IMO-Table A) declared, a warning shot to the ship is required to not accept delivery of the product. Otherwise, a disposal problem will occur plus incompliance with various requirements as like SOLAS and others. In case an accepted substance is declared to be present, it is to be tracked for ensuring a proper IHM maintenance. That means the vessel needs to specify what happens with the item like storage or in case of its installation further details like location and quantity is required. The same applies in case of relocation or removal and disposal. Just for avoiding mis-understandings; not all IHM-maintenance related works are documented in the normal maintenance documentation with which crew is familiar since years.

Doing such entries once a month is not sufficient, or can you recall all things you've done in the previous 4 weeks?

## MD-Converter Tool

To be honest, this one is already two weeks "old", but too "good" to not share. We were talking to a ship supplier for taking care of his MD-Management. However, he decided in favour of a cheaper service, which obviously is only a simple document converter tool changing order lists into separate Material Declarations forms plus Suppliers Declaration of Conformity. Yes, these documents are order and ship specific as well and are provided for all order items without being requested for.

These documents look fine, but instead of mentioning the service supplier as the preparator of the SDoC, as he has to overtake responsibility, the forms show the signature of the supplier. Either the supplier has a strict control regime to check what the service supplier is doing, including exchange with the sub-suppliers, or he is blindly signing these documents and by this overtaking full responsibility for the content. Probably the latter, as the documents are provided far too quickly for an approach where required data can be gathered from sub-suppliers. This practise results in an unspecific and long-lasting risk for the supplier in case a MD is found to be wrong during the existence of a product onboard a ship, as this is the validity period of these documents.

**"If you think  
compliance is  
expensive –  
try non-compliance."**

Former U.S. Deputy Attorney General Paul McNulty

Without related data and forms from sub-suppliers, full responsibility remains with the author. Not only a chain of information, but also a chain of liability needs to be established. This has been achieved in various other industries years ago and same principles need to be adhered to in shipping.

## Conclusion

It's time that those offering IHM Maintenance for shipowners or MD-Management for suppliers overtake responsibility for the job they're getting paid for. The extra workload suppliers are facing due to such "cheap service suppliers" is tremendous. Their actions make it impossible for suppliers and shipowners to establish an efficient compliance data exchange and cause huge costs, also when they involve such service supplier as described above. If less confusing information and carefully selected requests would become the norm, a much higher document coverage could be achieved with much less effort. That would be a relief for supply chains as well as shipowners who need to record documentation gaps as well. Time to evaluate requirements, differences, consequences and subsequent risks and costs when looking for a suitable approach! Will this only be done after the first truly expensive "lessons learnt" are shared? Let's hope sub-standards will be discovered soon and a proper practice be achieved.

*Many thanks for your time!*

*Henning Gramann*

GSR Services GmbH

[www.gsr-services.com](http://www.gsr-services.com)

