

Circular From NORTH

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Cyber Risks in Shipping - Regulation Getting Closer?

Over the last few years national authorities of various states and industry bodies have been encouraging shipping to voluntarily adopt cyber risk management practices. One of the leading nations in this area is the United States. It appears that the US has now moved from their initial position of encouraging voluntary compliance towards a position where compliance will be required by legislation.

The United States have proposed to the IMO that cyber risks are incorporated into vessel Safety Management Systems (SMS).

In their submission to the IMO's Maritime Safety Committee (MSC 98/5/2) the US assert that:

"Cyber-related risks are operational risks that are appropriately assessed and managed in accordance with the safety management requirements of the International Safety Management Code"

The submission goes on to outline the potential safety implications of cyber risks to shipping as the rationale for including cyber risks in a SMS. It also asserts that vessel operators can comply by following industry guidance already available, such as the IMO Guidelines on Cyber Risk Management.

If the MSC agrees to the submission a draft resolution has been proposed which would require that cyber risks are appropriately incorporated in vessels SMS no later than the first annual verification of the company's Document of Compliance after 1 January 2018.

Should such a resolution be agreed, some companies would have just a year after the 1 January 2018 (should this be the date of their Document of Compliance renewal) to get their systems in place and all others would follow over the next five years.

Whether or not the US submission gets the necessary support at MSC remains to be seen. One thing that seems certain is that the authorities in the US and elsewhere remain concerned over cyber risks in shipping. Cyber risk regulation in shipping is getting closer.

North has produced a number of briefings and articles on Cyber Risks in Shipping which can be [read here](#).

The full text of the submission can be [read here](#).

Source of Information: North of England P&I Club