

COS-1-06 / RP 75 4TH EDITION

GUIDANCE FOR DEVELOPING A SEMS AUDIT PLAN

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**SEMS AUDIT &
CERTIFICATIONS**



**GOOD PRACTICE
DEVELOPMENT**



**DATA COLLECTION,
ANALYSIS & REPORTING**



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1. SCOPE / APPLICATION

This document provides guidance for planning Safety and Environmental Management Systems (SEMS) audits to the requirements of American Petroleum Institute Recommended Practice (API RP) 75, *Safety and Environmental Management System for Offshore Operations and Assets*, 4th Edition, and applicable local regulations.

2. ACRONYMS

- **AB** - Accreditation Body
- **API** - American Petroleum Institute
- **ASP** - Audit Service Provider
- **ATL** - Audit Team Lead
- **CAP** - Corrective Action Plan
- **COS** - Center for Offshore Safety
- **HQ** - Headquarters
- **ISO** - International Organization for Standards
- **KPI** - Key Performance Indicator
- **POB** - Personnel on Board
- **RP** - Recommended Practice
- **SEMS** - Safety and Environmental Management System

3. DEFINITIONS

- **Adequate** - Sufficient for a specific need or requirement.
- **Asset** - Equipment (individual items or integrated systems) and software used in offshore operations.
- **Audit Activities** - All the activities needed to conduct the audit, including conducting opening, interim, and closing meetings; collecting and verifying information (e.g., through interviews, document review, observation); generating findings; preparing conclusions; and producing the audit report. Audit activities do not include negotiating the agreement to conduct the audit. Depending on the audit objectives, activities may or may not include evaluation of an auditee's corrective action from the audit.
- **Audit Findings** - Conformities, deficiencies, and strengths.
- **Audit Result** - Conformities, deficiencies, observations and conclusions.

- **Audit Service Provider (ASP)** - Independent third-party organization accredited by COS to conduct SEMS audits.
- **Audit Team Lead (ATL)** - Qualified person who leads an audit team, meets the requirements of COS-2-01, and is under the approval, support, and control of an Audit Service Provider when conducting an audit.
- **Auditee** - Company being audited.
- **Auditor** - Qualified person who is part of an audit team, who meets the requirements of COS-2-01, and is under the approval, support, and control of an Audit Service Provider when conducting an audit.
- **Auditor-Day** - One auditor working for one, 8-hour day.
- **Company** - An operator, contractor, or partnership engaged in offshore operations.
- **Conformity** - Fulfillment of the requirements of the management system.
- **Correction** - An action to eliminate an identified deficiency.
- **Corrective Action** - The action to eliminate the cause of deficiencies and to prevent a recurrence.
- **Corrective Action Plan (CAP)** - The written record of corrections and corrective actions associated with identified deficiencies, as well as those already completed at the time of developing the CAP.
- **Deficiency** - A Nonconformity. Deficiencies require corrective actions to be included in the corrective action plan.
- **Duration** - The combination of the number of days and the number of auditors, expressed as auditor-days.
- **Effective** - The extent to which the management system or an element achieves the desired result as defined by the management system.
- **Effective Number of Personnel** - The total number of personnel working at a facility regardless of whether they are employees of or contractors for the auditee, including those working on different shifts.
- **Established** - Management system element or component has been developed, and if required by regulation or by the organization, is documented.
- **Fixed Asset, Normally Staffed** - An asset where workers are normally present 24 hours a day.
- **Fixed Asset, Normally Unstaffed** - An asset where workers intermittently visit but are not present on a daily basis.
- **Headquarters** - Company location that has overall management and control of its SEMS.
- **Implemented** - Management system element or component is put into effect or action.
- **Information Gathering** - Interviews, observations, and documentation reviews.
- **Maintained** - Management system element or component continues to achieve the desired result, is evaluated, and corrections or adjustments are made as needed.
- **Management System** - Interrelated or interacting elements and their components are established, implemented, and maintained to achieve defined objectives.

- **Management System Component** - A policy, practice, procedure, or process that is a part of the overall safety and environmental management system of a company.
- **Nonconformity** - The establishment, implementation or maintenance of management system elements or components are not conforming with requirements such that the intended results cannot be achieved.
- **Observation** - Evidence that supports a conformity, nonconformity, or a strength.
- **Strength** - A management system component that has been identified by the auditor as exceeding requirements and, if agreed with the auditee, could benefit industry by being shared.
- **Subject Audit Period** - The period of time of an Auditee's operations that will be reviewed by the audit team. Normally, the Subject Audit Period will begin at the completion of the previous SEMS audit and ends at the completion of the current SEMS Audit.
- **Suitable** - Appropriate for a specific purpose or situation.

4. INTRODUCTION

The Center for Offshore Safety (COS) has developed guidance for what should be included in a written plan for auditing a SEMS in consideration of the applicable requirements of API RP 75, *Safety and Environmental Management System for Offshore Operations and Assets*, 4th Edition, and COS-2-03, *Requirements for Third-Party SEMS Auditing*¹.

A written audit plan documenting the audit scope, schedule, duration, team makeup, and procedures for executing the audit and reporting the audit results is intended to ensure the availability and effective use of resources during the audit to achieve the audit objectives.

This guidance can be used for any SEMS audit, including an audit intended for certification under COS-2-05, *Requirements for COS SEMS Certificates*. When planning an audit, it is incumbent upon the auditor and auditee to agree on the approach and consider stakeholder expectations.

5. GUIDANCE

COS provides the following guidance for the auditee and the auditor when developing an audit plan. The guidance is intended to indicate what information should be included in each section of the audit plan. The auditor and auditee should agree on the plan and its content. Ultimately, the audit plan belongs to the auditee, and the auditor is responsible for advising the auditee whether the audit objectives can be met by following the plan. The final audit plan should be distributed to relevant parties in advance of the audit.

This guidance should be used to help document the planned activities to meet the requirements for an audit of a SEMS described in API RP 75, Section 5.13, and COS-2-03. Sections 5.1–5.12 below should be addressed in the audit plan.

¹As of publication date API RP 75 3rd edition and parts of COS-2-03 1st edition have both been incorporated by reference under 30 CFR 250.198 in the United States.

5.1 AUDIT OBJECTIVES

The objectives of the audit should be described and include the following, along with an explanation of any exceptions:

- Verification that the SEMS includes all relevant sections of API RP 75;
- Verification that the SEMS elements are established, implemented, maintained, and effective;
- Verification that the SEMS elements address the expectations in API RP 75;
- Verification that the auditee evaluates the suitability, adequacy, and effectiveness of the SEMS;
- Verification of the status of prior corrective action plans (CAP) related to SEMS and the effectiveness of the completed actions.

5.2 AUDIT SCOPE

The audit scope should describe the extent and boundaries of the audit. It should include the name of the auditee; the types of operations, work activities, and assets to be audited; and the subject audit period.

5.3 AUDIT CRITERIA

Audit criteria are the specific requirements for which auditors seek confirmation. This section identifies those specific requirements and should include API RP 75, components of the auditee's SEMS, applicable CAPs, and applicable local requirements. The audit plan should identify and provide a rationale for any SEMS elements that are to be focused on or excluded from consideration. The auditor should document the rationale for the SEMS element selection and/or exclusion in the audit plan.

The audit criteria should be identified in this section or through other methods (i.e. reference lists, attachments, etc.)

5.4 IDENTIFICATION OF THE AUDIT TEAM

The audit team consists of an audit team lead (ATL) and audit team members. The names and affiliations (employers) of all members of the audit team should be included in the plan. The audit plan should include information that demonstrates the ATL and auditors meet the requirements in accordance with COS-2-01. This information may be included in this section or in attached curriculum vitae, reference lists, attachments, etc.

For audits conducted by a COS-accredited ASP, the audit plan should include information regarding the ATL's certification (i.e., certification type, certificate number, and third-party auditor certification body²). The audit plan should state that the ASP has verified the qualifications of the audit team in accordance with COS-2-01.

If any member of the audit team is to be participating in other activities during the audit (e.g., competency evaluation of another auditor), that activity should be identified in the plan.

A table may be included to detail the makeup of the audit team (example below).

AUDITOR NAME	TEAM ROLE	AFFILIATION	BRIEF DESCRIPTION OF QUALIFICATIONS*
[INSERT TEAM LEADER NAME]	AUDIT TEAM LEAD	EMPLOYER	(IF, APPLICABLE INCLUDE CERTIFICATION TYPE, NUMBER, AND THIRD-PARTY CERTIFICATION BODY)
[INSERT TEAM MEMBER NAME]	TEAM MEMBER	EMPLOYER	
[INSERT TEAM MEMBER NAME]	TEAM MEMBER	EMPLOYER	

5.5 IDENTIFICATION OF THE ASSETS TO BE AUDITED

The audit plan should list the assets to be audited, with estimated dates on which each asset is scheduled to be audited. The proposed list of assets may be modified in the course of the audit. It is recommended that the auditee maintain a list of assets to support the selection of the audit sample; this list does not need to be included in the plan.

A representative sample of the assets operated should be audited, with a minimum of one facility representing each type of operation. When selecting assets to audit, the auditee and auditor should consider:

- the complexity and risk of the asset's operations;
- audit history;
- operational status of the asset (is it active, set for decommissioning, etc.);
- activity level on the asset;
- history of incidents;
- performance history.

²See COS-2-01.

The selected assets should not be the same as those included in the previous audit, unless dictated by risk, history of incidents, limited number of assets, results of last audit, or other consequential factors. When selecting an asset that was included in the previous audit, the rationale should be described in the audit plan

Tables may be included to detail the breakdown of asset representation for the audit and the estimated start dates. These tables can include:

- A table to describe the number and types of auditee’s assets:
 - o Examples of asset type include fixed asset (both staffed and unstaffed), floating asset (MODU, Spar, TLP), subsea wells/tie-back, etc.;
 - o Examples of asset operation include production, decommissioning, drilling, workover, completion, construction, etc.;
 - o Total number of assets that fall into the type/operation category;
 - o Number and percentage of assets of that type/operation to be audited.
- A table to describe assets selected for inclusion in the audit:
 - o Asset name;
 - o Asset description (fixed platform, offshore supply vessel, mobile offshore drilling unit, cementing unit);
 - o Scheduled audit date(s).

ASSET NAME	ASSET DESCRIPTION	SCHEDULED AUDIT DATE(S)

5.6 AUDIT DURATION

The basis for determining the audit duration should be documented and retained by the auditor; it does not need to be included in the audit plan.

Appendix 1 provides additional guidance on determining audit duration.

5.7 AUDIT SCHEDULE

The audit schedule should be described in the plan. The following factors may impact the audit schedule:

- audit methodology;
- timing for audit tasks, including start and end dates for audit preparation, execution, and reporting;
- auditor orientation of auditee's organizational and SEMS structure and language—this should include agreement on access to records and documentation, and specific auditee terminology;
- environmental conditions (e.g., weather);
- operational activities (e.g., projects that affect POB or availability of the asset);
- logistics (e.g., additional data gathering, method of travel)
- availability of personnel, both auditee and auditor, who have been identified as being needed to fulfill the audit objectives.

5.8 AUDIT PROCEDURES

The audit plan should include a description of how the audit will be conducted, how information will be collected and analyzed, and what terminology and definitions will be used³. The audit activities, whether conducted in person or remotely, should include observing work activities and tasks, reviewing records and documents, interviewing personnel, and periodic status discussions.

For unstaffed assets, the plan should describe how personnel responsible for the assets will be interviewed, including persons that visit and work on the asset. Sampling may be allowed in which some unstaffed assets are visited by the auditors and other similar assets are reviewed remotely and electronically. In this case, the sampling procedures should be described, especially with respect to the representativeness of the sample.

5.9 CONFIDENTIALITY REQUIREMENTS

Confidentiality requirements agreed upon between the auditor and auditee should be described in the audit plan⁴.

³COS-1-10, *Guidance for Remote Audits*, provides guidance when audit procedures include use of information and communications technology (ICT).

⁴Audits conducted by COS Accredited ASP should reference the confidentiality requirements in COS-2-04 *Requirements for Accreditation of Audit Service Providers Performing SEMS Audits and Certification*.

5.10 REPORT CONTENTS AND FORMAT, ISSUANCE, AND DISTRIBUTION

The audit plan should include the methodology for reporting the results of the SEMS audit⁵ and the report distribution list.

5.11 ADDITIONAL AUDITEE-SPECIFIC CONSIDERATIONS

Auditee-specific considerations that could potentially impact the safe and effective execution of the audit, such as logistics, safety requirements, and diversity of language, should be addressed in the audit plan. Additionally, specific training and offshore travel requirements for the audit team should be addressed, e.g., Transportation Worker Identification Credential (TWIC), Helicopter Underwater Egress Training (HUET), and potential H₂S exposure and management.

5.12 CHANGES TO THE AUDIT PLAN

As part of the audit planning process, the mechanism for agreeing on and documenting changes to the audit plan should be described.

⁵See COS-1-08/RP 75, 4th ed., *Audit Report Format and Guidance for guidance on developing an audit report*.

APPENDIX 1

INTRODUCTION

Comprehensive, effective SEMS audits result from good planning and execution of an audit plan that devotes sufficient time and expertise to accomplish audit objectives. This appendix to COS-1-06, *Guidance for Developing a SEMS Audit Plan*, provides guidance for planning the duration of a SEMS audit (i.e., the combination of the amount of time and number of auditors) that achieves audit objectives and the expectations of COS-2-03, *Requirements for Third-Party SEMS Auditing*.

Experience with prior SEMS audits of similar offshore assets enable planning audit activities for future audits. However, because of the unique nature of the facilities involved, time of year, audit objectives, personnel, equipment, location, logistics, history, changes, and more, every SEMS audit will be different.

GUIDANCE

A summary of the total audit duration projected to achieve audit objectives shall be described in the audit plan.

Starting with the norm for a particular audit, the audit time plan for a particular audit may need to be adjusted upwards or downwards based on specific conditions.

SEMS audit planning organizations shall establish their norm for planning SEMS audits. Norms should be based on at least one of the following:

- norm data collected by COS (see table below);
- application of IAF MD 5, *Determination of Audit Time of Quality, Environmental, and Occupational Health & safety Management Systems* (2019) and IAF MD 1, *Audit and Certification of a Management System operated by a Multi-Site Organization* (2018); and/or
- an audit planning organization's documented experience with SEMS audits.

SEMS audit norms should be established to address at least these two major audit activities:

- familiarization and headquarters (HQ) norm – effort needed for familiarization with the company's SEMS and HQ information gathering; and
- asset norm – effort needed for offshore information gathering at a particular type of asset.

NOTE: Norms are established for the audit activities and do not include travel to or from locations.

APPENDIX 1 - (CONT)

Asset type – The complexity of fixed assets is normally quite different from that of floating assets, so different starting points should be used for defining audit duration. Asset norms should be established separately for at least the following:

- Fixed assets, normally staffed;
- Fixed assets, normally unstaffed; and
- Floating assets.

Asset adjustment factors – Adjustment factors that should be considered to determine audit duration for an asset include, but are not limited to:

- **Audit scope and objectives;**
- **Physical asset:**
 - o complexity and operational status of the asset;
 - o age and condition of the asset;
 - o current or recent MOC implementation (e.g., construction, change in procedures or personnel); and
 - o non-routine activity (e.g., complex lifting, SIMOPS, turnarounds).
- **Organization:**
 - o change in ownership;
 - o change in or new SEMS;
 - o initial or subsequent audit; and
 - o critical organizational change (e.g., change in SEMS manager or leadership).
- **Personnel:**
 - o number of effective personnel working on or supporting the asset (e.g., personnel intermittently working on a normally unmanned asset);
 - o role and number of different entities and associated workers;
 - o auditors' experience with SEMS audits, auditee, asset type, equipment, and processes involved;
 - o auditee supplying audit team members;
 - o auditee's and entities' experience with SEMS; and
 - o language(s) and culture.
- **SEMS and regulatory:**
 - o maturity of the SEMS program;
 - o prior quantity and types of findings;
 - o status of corrective actions; and
 - o incident and enforcement history.
- **Information and Data Management:**
 - o ability and speed to locally access information and records; and
 - o use of in-person versus remote processes.

APPENDIX 1 - (CONT)

SEMS familiarization and HQ factors – Adjustment factors that should be considered to determine audit duration for the familiarization and HQ activities include, but are not limited to:

- factors shown in Asset Adjustment Factors section above;
- more than one onshore location managing their SEMS program; and multiple shoreside locations supporting the offshore asset(s).

DETERMINING TOTAL AUDIT DURATION

Total duration of a SEMS audit is the sum of the adjusted durations for:

- familiarization and HQ; and
- offshore assets.

When multiple offshore assets are within scope, the SEMS audit planner will need to sum the auditor-days needed for each of the offshore assets to determine the total duration offshore. The total duration offshore may be adjusted based on the complexity or similarity of multiple offshore assets.

If not already included in the norm, duration for other audit activities should be added (e.g., planning the audit, summarizing, documenting, and reporting findings, conducting closing meeting, etc.).

Adjustments from the norms of more than 20% should have a written justification in the audit plan.

Changes to total audit duration experienced during the audit shall be agreed upon with appropriate parties and included in the audit report⁶.

SEMS audit planners should maintain and retain documented information of audit duration and adjust their norms for future audits as needed.

ASSET TYPE	NORM IN AUDITOR-DAYS	
	SEMS FAMILIARIZATION AND HEADQUARTERS	OFFSHORE
A - FIXED ASSET, NORMALLY UNSTAFFED	10	1.5
B - FIXED ASSET, NORMALLY STAFFED	11	3
C - FLOATING ASSET	12	8

⁶See COS-1-08/RP 75, 4th ed, SEMS Audit Report Format and Guidance.



