

**COS-1-08 / RP 75 4TH EDITION**

# **SEMS AUDIT REPORT FORMAT AND GUIDANCE**

FIRST EDITION | AUG 2023



**SEMS AUDIT &  
CERTIFICATIONS**



**GOOD PRACTICE  
DEVELOPMENT**



**DATA COLLECTION,  
ANALYSIS & REPORTING**



**SHARING INDUSTRY  
KNOWLEDGE**

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# 1. SCOPE / APPLICATION

The Center for Offshore Safety (COS) has developed COS-1-08/RP 75, 4th edition *Safety and Environmental Management System (SEMS) Audit Report Format and Guidance* to provide a recommended standardized method of documenting results of a SEMS audit. The format and guidance may be used for any audit that meets 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*<sup>1</sup>, including an audit intended to receive a COS SEMS Certificate under COS-2-05, *Requirements for COS SEMS Certificate*. This format and guidance may be adapted to meet local regulatory requirements.

## 2. ACRONYMS

- **AB** - Accreditation Body
- **API** - American Petroleum Institute
- **ASP** - Audit Service Provider
- **COS** - Center for Offshore Safety
- **ISO** - International Organization for Standards
- **RP** - Recommended Practice
- **SEMS** - Safety and Environmental Management Systems

## 3. DEFINITIONS

- **Asset** - Equipment (individual items or integrated systems) and software used in offshore operations.
- **Audit Conclusion** - An auditor's overall assessment of the establishment, implementation, and maintenance of the management system considering audit objectives and audit findings.
- **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, 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.
- **Auditee** - Company being audited.

<sup>1</sup>As of the date of publication, 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.

- **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.
- **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.
- **Effective** - The extent to which the management system or an element achieves the desired result as defined by the management system.
- **Established** - Management system element or component has been developed, and if required by regulation or by the organization, is documented.
- **Implemented** - Management system element or component is put into effect or action.
- **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.

# 4. INTRODUCTION

Upon completion of the audit, an audit report documenting the identified audit results should be submitted to the auditee. Ideally, these reports would follow a standardized format to allow for internal and external comparison, as appropriate and authorized, with other SEMS audit reports.

# 5. GUIDANCE

The information provided within the audit report should align with the information contained in the final audit plan<sup>2</sup>. The audit report should also describe the reasons for deviations made from the final audit plan.

The audit report should include the information in Sections 5.1 through 5.10 below. Where a section includes **text and tables in bold/blue, such text and tables should be used in the report.**

## 5.1 AUDIT SUMMARY

**Consistent with the requirements of API Recommended Practice (RP) 75, Section 5.13, [insert name of auditor] conducted an audit of [insert auditee name] Safety and Environmental Management System (SEMS). This audit started on [insert date] and was completed on [insert date] in accordance with the audit plan.**

In addition to the recommended text, the auditor should provide a summary of the team composition and the assets audited.

Any changes to the audit plan that occurred during the execution of the audit, including but not limited to changes to the audit team, changes to the assets audited, and changes to the audit schedule, should be documented here, along with the reason for the change.

<sup>2</sup>COS-1-06/RP 75, 4th edition, Guidance for Developing a SEMS Audit Plan provides guidance for developing an audit plan.

# 5.2 AUDIT OBJECTIVES

The objectives of this audit included the following:

- **Verification that the SEMS included the relevant sections of API RP 75;**
- **Verification that the SEMS elements are established, implemented, maintained, and are 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 CAPs related to SEMS and the effectiveness of the completed actions.**

The auditor should include any additional objectives that were agreed as part of the audit plan.

# 5.3 AUDIT CRITERIA AND SCOPE

This section identifies the requirements against which the auditee’s SEMS was audited, as well as the scope of the audit. It should include the types of operations, work activities, assets, and the subject audit period. Any tools that are used during the audit can be referenced as applicable (e.g., a protocol).

# 5.4 AUDIT TEAM

For each audit team member, the report should identify the auditor’s name, role on the audit team, and affiliation (employer). The table can include the element(s) that each auditor was responsible for auditing. The audit team leader should sign the audit report; this may be done here or elsewhere.

The table below should be included to detail the makeup of the audit team.

<b>AUDITOR NAME</b>	<b>TEAM ROLE</b>	<b>AFFILIATION</b>	<b>ELEMENT(S) AUDITED (OPTIONAL)</b>	<b>SIGNATURE (OPTIONAL)</b>
[INSERT TEAM LEAD NAME]	AUDIT TEAM LEAD	EMPLOYER		
[INSERT TEAM MEMBER NAME]	TEAM MEMBER	EMPLOYER		
[INSERT TEAM MEMBER NAME]	TEAM MEMBER	EMPLOYER		

## 5.5 AUDIT SCHEDULE

The SEMS Audit started on *[insert date]* and was completed on *[insert date]* in accordance with the audit plan.

AUDIT DATES	AUDIT ACTIVITIES
	AUDIT KICKOFF MEETING (AUDIT START DATE)
	OFFICE AUDIT(S)
	FIELD LOCATION(S)
	FOLLOW-UP AND ADDITIONAL DATA COLLECTION (AS REQUIRED)
	AUDIT CLOSEOUT MEETING (AUDIT COMPLETION DATE)

The table must include the date(s) each audit activity occurred. Each location visited should have its own row within the table.

## 5.6 AUDIT TERMS AND DEFINITIONS

SEMS audit terms and definitions used in this audit are defined in COS-2-03, *[provide edition number]*. For reference, the definitions used in this report are listed in the table below.

TERMS	DEFINITION
AUDIT CONCLUSION	An auditor's overall assessment of the establishment, implementation, and maintenance of the management system, considering audit objectives and audit findings
CONFORMITY	Fulfillment of the requirements of the management system
DEFICIENCY	A nonconformity. Deficiencies require corrective actions to be included in the corrective action plan
EFFECTIVE	The extent to which the management system or an element achieves the desired result as defined by the management system
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
OBSERVATIONS	Evidence that supports a conformity, nonconformity, or strength
STRENGTHS	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

Any other terms and definitions used in the audit report that were agreed between the auditor and auditee should be added to this table in the final report.



# 5.7 CONCLUSION

The auditor should provide an overall conclusion to indicate the state of the establishment, implementation, and maintenance of the SEMS considering audit objectives and audit findings. The auditor should include a statement confirming that the audit objectives were fulfilled and that the scope was appropriate.

# 5.8 SUMMARY OF AUDIT FINDINGS

The table below documents whether, if any, nonconformities or strengths for each element were identified by the audit team.

SEMS ELEMENT	NONCONFORMITY(IES) IDENTIFIED	STRENGTH(S) IDENTIFIED (OPTIONAL)
ELEMENT 1 - LEADERSHIP		
ELEMENT 2 - SEMS INTERFACE MANAGEMENT		
ELEMENT 3 - RISK ASSESSMENT AND RISK CONTROLS		
ELEMENT 4 - PROCEDURES		
ELEMENT 5 - SAFE WORK MANAGEMENT AND SAFE WORK PRACTICES		
ELEMENT 6 - KNOWLEDGE AND SKILLS		
ELEMENT 7 - ASSET DESIGN AND INTEGRITY		
ELEMENT 8 - MANAGEMENT OF CHANGE		
ELEMENT 9 - PRE-STARTUP REVIEW (PSR)		
ELEMENT 10 - EMERGENCY PREPAREDNESS AND RESPONSE		
ELEMENT 11 - INVESTIGATING AND LEARNING FROM INCIDENTS		
ELEMENT 12 - EVALUATION AND IMPROVEMENT OF SEMS		
ELEMENT 13 - SEMS INFORMATION		
TOTALS		

If this table is used, it must be completed to indicate the number of nonconformities identified during the audit. Additional rows can be added to the table to address local, regulatory, and any other requirements. If no strengths were identified, that column should not be used.

# 5.9 STRENGTHS

If agreed to by the auditee, this section should provide a summary of any strengths identified during the audit. If no strengths merit documentation, this sub-section can be removed from the audit report. It is inappropriate to say that no strengths were identified.

# 5.10 AUDIT RESULTS

For each element audited, the table below documents the detailed areas of conformity and nonconformity identified by the audit team, along with supporting observations.

<b>ELEMENT # - TITLE (CITATION)</b>
<b>AREAS OF CONFORMITY SUPPORTED BY OBSERVATION(S):</b>
<b>AREAS OF NONCONFORMITY SUPPORTED BY OBSERVATION(S):</b>
<b>STRENGTH(S): (ONLY INCLUDE THIS ROW IF IDENTIFIED AND AGREED UPON BETWEEN AUDITOR AND AUDITEE)</b>

Statements describing the specific areas of conformity and nonconformity should precede supporting observations. The written finding should identify whether the nonconformity relates to the establishment, implementation, and/or maintenance of the element. Similarly, observations that support each area of conformity and each nonconformity should be documented for each element audited. Additional rows may be added to the tables (per element as necessary) to indicate when strengths were noted, along with supporting observation(s).

Observations must include documentation and records reviewed, positions/roles interviewed, and/or activities witnessed. Observations are expected to accurately report the evidence and have sufficient detail to demonstrate that the evaluation was thorough, and that a conformity or nonconformity is valid. Nonconformities should specifically identify the management system issue and be supported by observations such that the auditee can develop a corrective action(s).

# APPENDIX 1 - EXAMPLES OF AUDIT RESULTS MEETING EXPECTATIONS FOR AUDIT REPORTS

## MANAGEMENT OF CHANGE [API RP 75, SECTION 5.9]

### Areas of Conformity supported by Observation(s):

Operator A had established and implemented a management of change (MOC) process [document number/title, revision number, and revision date] that addressed both permanent and temporary changes associated with equipment, operating procedures, materials, and personnel. The process required approval and evaluation for risk by competent individuals and reviews by functional groups through the use of an MOC checklist [document title/number, revision number, and revision date] to determine potential impacts of the change on safety, health, and environment. Final review and approval were required prior to startup of any changes and were managed through the pre-startup safety review process. At the time of the audit, there were 30 active MOCs from which a random sample of 10 was reviewed. Progress on approval, technical review, and implementation of the changes were documented, and monthly updates were provided to auditee's management.

### Nonconformity supported by Observation(s):

The MOC process was not consistently implemented in that work was initiated prior to completing a required pre-work technical review in five of the 10 MOCs reviewed.

The MOC process [document number/title, revision number, and revision date] required a technical review to be conducted, and any action required from the review to be addressed prior to the commencement of work. Of the 10 sampled MOCs, five [list MOC numbers] provided evidence that installation of the new or changed equipment had commenced before the completion of the technical review process. It was further determined that the five were not identified as exceptions in the periodic updates to management.

Citation: Company MOC Procedure, Section X

## RISK ASSESSMENT [API RP 75, SECTION 5.4]

### Area(s) of Conformity supported by Observation(s):

Operator B had established and implemented a process for facility-level risk assessments [document number/title, revision number, and revision date] that partially addressed the expectations of API RP 75, 4th edition. Records and interviews supported that a facility-level risk assessment reviewed all required criteria and that findings were being addressed at two of the four assets examined.

Interviews with personnel at all four of the assets visited provided evidence that facility-level risk assessments were being conducted in accordance with the auditee's written procedure.

### Nonconformities supported by Observation(s):

The auditee's written procedure for facility-level risk assessment was not fully established in conformance with API RP 75, 4th edition. The written procedure was missing the requirement to identify and address environmental risks.

Citation: Company Procedure X, Section X

# APPENDIX 1 - (CONT)

<b>INVESTIGATION OF INCIDENTS API RP 75, SECTION 5.12J</b>
<b>Area(s) of Conformity supported by Observation(s):</b>
Company A had an incident investigation procedure in place that provided the process for reporting and investigating incidents. Investigation teams were facilitated by personnel who had completed the required qualified facilitator training. Review of the incident management database and interviews with personnel at (list number of assets) visited provided evidence that lessons learned from (list sample data) recent incidents were shared, and information from incident alerts were utilized during safety meetings.
<b>Nonconformities supported by Observation(s):</b>
The incident investigation procedure had not been effectively maintained. The procedure was not updated in response to findings identified in the annual internal management review. The management review identified that the root cause analysis methodology should be updated to XYZ method. The procedure was not updated to reflect this change. Citation: API RP 75, Section 5.12

Below is an example of a multi-element finding.

<b>LEADERSHIP [API RP 75, SECTION 5.2I</b>
<b>Areas of Conformity supported by Observation(s):</b>
Requirements of the leadership element had been established, with the one exception noted below. The program included management commitment and ownership of the SEMS, and an organizational structure with defined roles, responsibilities, and accountabilities. Objectives, requirements, and timeframes were established. Methods to provide access to the SEMS and to communicate expectations and effectiveness of the SEMS had been established through the company intranet. Semi-annual management meetings were scheduled to evaluate the SEMS to ensure and improve its suitability, adequacy, and effectiveness.
<b>Nonconformity supported by Observation(s):</b>
Company leadership had not established indicators to monitor and improve performance (5.2.4h). Management was not holding themselves or other personnel accountable for performing their work in accordance with the SEMS (5.2.4i). Review of the prior corrective action plan indicated that corrective action from the prior audit had, at the time of this audit, either not been implemented or did not effectively prevent recurrence of the initial finding (see Section 5.13 for supporting evidence). Interviews indicated that company leadership was not aware of the status of the prior audit's corrective action and had not engaged with personnel responsible for the corrective action to discuss SEMS expectations and performance (5.2.4f). Interviews also indicated that the semi-annual management meetings to evaluate the SEMS had not been held within the past two years (5.2.4n). See the interview list in Attachment C. Five of 12 frontline workers indicated during interviews that they were hesitant or afraid to stop work despite concerns about safety (5.2.4m). Examples include...

# APPENDIX 2 - COMMON TYPES OF POORLY WRITTEN FINDINGS

Accurate and concise presentation of evidence to support the management system findings helps auditees understand the findings, giving them the basis to conduct cause analysis, and develop effective corrective action plans to address findings and prevent a recurrence. The table below provides common types of poorly written findings and evidence, and improved versions for comparison. These examples would be used as observations to support findings within the table in Section 5.10.

POORLY WRITTEN OBSERVATIONS TO SUPPORT AUDIT FINDINGS	IMPROVED WRITTEN OBSERVATIONS TO SUPPORT AUDIT FINDINGS
<b>Be precise with the observation.</b>	
The auditee did not have a program to conduct hazard analyses of its assets.	The auditee did not conduct a hazard analysis of its newly acquired assets.
<b>Do not imply that documentation concerns reflect inadequate implementation.</b>	
Nine of the 12 operators assigned to Platform A had not received training in the gas compression and dehydration process.	Platform A did not document gas compression and dehydration process training for nine of the 12 platform operators. Based on interviews, it was found that the personnel had received the training.
The auditee did not conduct pre-startup reviews (PSRs) for new or significantly modified processes.	Documents supporting implementation of the pre-startup review process were not produced.
<b>Avoid writing generic information.</b>	
Platform B's emergency response plan was incomplete.	Platform B's emergency response plan was not fully developed because it did not include the following: <ul style="list-style-type: none"> <li>• Steps for responding to hydrogen sulfide releases;</li> <li>• Types and location of fire protection equipment;</li> <li>• Evacuation and rescue procedures.</li> </ul>
<b>Do not write observations that draw legal conclusions.</b>	
Lack of fully developed operating procedures is a violation of 30 CFR 250.1913.	Operating procedures did not include steps for startup following a turnaround [30 CFR 250.1913(a)(1) and (5)].
During the review period, Platform C was not in compliance with 30 CFR 250.1914.	Platform C did not have safe work practices to control the presence, entrance, and exit of contract employees in operation areas [30 CFR 250.1914(g)].
<b>Avoid writing observations that contain extreme language or imply consequences.</b>	
The failure to perform nondestructive testing on process piping may lead to a dangerous situation.	Process piping has not been tested using nondestructive testing as required by company procedure.
Poor implementation of confined-space entry procedures for the production operations may lead to an injury or even death.	Observed confined-space entries were not being performed consistent with the written confined-space entry procedures.
<b>Avoid using acronyms when not previously identified.</b>	
The facility does not sample emissions from the VRU vent for VOCs and HAPs.	The facility does not sample emissions from the vapor recovery unit (VRU) vent for volatile organic compounds (VOCs) and hazardous air pollutants (HAPs) per documented procedures (or regulatory requirements) to do such.

# APPENDIX 2 - (CONT)

POORLY WRITTEN OBSERVATIONS TO SUPPORT AUDIT FINDINGS	IMPROVED WRITTEN OBSERVATIONS TO SUPPORT AUDIT FINDINGS
<b>Do not focus on individuals or their mistakes.</b>	
John Doe and Jane Smith were observed...	The team observed two employees...
<b>Avoid contradictory messages.</b>	
<p>The facility had a robust emergency response program. However, the facility did not conduct drills of its evacuation procedures, nor did it maintain records of emergency response training provided to personnel.</p>	<p>The facility maintained a site-specific emergency response plan on site, and the plan appeared to address all potential emergency situations. However, implementation of the auditee's emergency response and control program did not include the following:</p> <ul style="list-style-type: none"> <li>• Emergency response drills;</li> <li>• Records of emergency response training provided to personnel.</li> </ul>
<p>The auditors consider the auditee's management of change procedure to be very mature; however, it did not address temporary changes, personnel changes, or the technical basis for an equipment change.</p>	<p>The facility's management of change procedure did not address the following:</p> <ul style="list-style-type: none"> <li>• Temporary changes;</li> <li>• Personnel changes; and</li> <li>• Technical basis for an equipment change.</li> </ul>
<b>Group similar observations.</b>	
<p><b>Relief Valve Design Basis</b> The facility did not have the design basis for 15 of 60 pressure safety valves.</p> <p><b>Electrical Area Classifications</b> Electrical area classification diagrams had not been prepared for areas containing compressors and separators.</p> <p><b>Fire Protection Systems</b> The facility did not have the design basis for passive and active fire protection systems.</p>	<p><b>Asset Design and Integrity</b> The facility did not have the following mechanical design information:</p> <ul style="list-style-type: none"> <li>• Design basis for 15 of 60 pressure safety valves;</li> <li>• Electrical area classifications for compressors and separators;</li> <li>• Design basis for passive and active fire protection systems.</li> </ul>
<b>Provide context for the observation.</b>	
<p>Numerous employees who routinely entered confined spaces in 2021 had not received training in permit-required confined-space entry.</p>	<p>Training records for 30 of the 52 total employees who entered confined spaces in 2021 were evaluated. Of those 30, 20 had not received permit-required confined-space entry training on the company's revised procedures.</p>

# APPENDIX 3 - MATURITY-BASED FINDINGS

COMPLIANCE AUDIT FINDING	API RP 75 FINDING EXAMPLES		
	ESTABLISH	IMPLEMENT	MAINTAIN
<p>Operating procedures for the acid gas removal process did not include steps for startup following a turnaround.</p> <p>[Company Procedure X, Section 2.5]</p>	<p>The auditee's operating procedures had not been fully established to include steps for startup following a turnaround as defined in Company Procedure X, Section 2.5.</p>	<p>Steps for startup following a turnaround were not being implemented as written in Company Procedure X.</p> <p>Evidence: Missing steps included...</p>	<p>The auditee had not maintained their SEMS by validating the acid gas removal procedure at the frequency required by Company Procedure X, Section 2.8.</p>

