

Palau International Ship Registry



Europe Head Office
Piraeus, 18536, Greece
5, Sachtouri Street
6th floor
T: +30 210 4293500
F: +30 210 4293505
info@palaureg.com

USA Head Office
The Woodlands, TX, 77380
9595 Six Pines Drive,
Suite 8210, Office 277
T: +1 832 631 6061
F: +1 832 631 6001
www.palaureg.com

MARINE CIRCULAR 165.2

To: ALL SHIPOWNERS, MANAGERS, MASTERS, AND REGISTRATION OFFICERS OF MERCHANT SHIPS AND RECOGNIZED ORGANIZATIONS.

Subject: CYBER RISK MANAGEMENT

1. Reference

- 1.1 MSC-FAL.1/Circ.3 Guidelines on Maritime Cyber Risk
- 1.2 Resolution MSC.428 (98) on Maritime Cyber Risk Management in Safety Management Systems (SMS)

2. Purpose

- 2.1 The purpose of this Marine Circular is to inform that the International Maritime Organization at the 98th session of the Maritime Safety Committee (MSC) held in June 2017 adopted the MSC-FAL.1/Circ.3 Guidelines on Maritime Cyber Risk Management and the Resolution MSC.428 (98) on Maritime Cyber Risk Management in Safety Management Systems (SMS) to safeguard shipping from current and emerging cyber threats and vulnerabilities.

3. Applicability

- 3.1 This Marine Circular should be applied to all companies and vessels registered with the Palau Flag.

4. General Information

- 4.1 The Guidelines provide high-level recommendations for maritime cyber risk management to safeguard shipping from current and emerging threats and vulnerabilities. The Cyber Risk Management is a process of identifying, analysing, assessing, and communicating a cyber-related risk and accepting, avoiding, transferring, or mitigating it to an acceptable level, considering costs and benefits of action taken to stakeholders.
- 4.2 The Guidelines also present the functional elements that have to be incorporated in a risk management framework to support effective cyber risk management.
- 4.3 The approach to cyber risk management described in the Guidelines provides a foundation for better understanding and managing cyber risks, thus enabling a risk management approach to address cyber threats and vulnerabilities.
- 4.4 According to the Resolution MSC.428 (98), an approved Safety Management System (SMS) should take into account cyber risk management in accordance with the objectives and functional requirements of the International Safety Management (ISM) Code. The objectives of the ISM Code include the provision of safe practices in ship operation and a safe working environment, the assessment of all identified risk to ships, personnel and the environment.

Page 1 of 2

Marine Circular 165.2

October 2020

Rev. 10/2020



Palau International Ship Registry



Europe Head Office Piraeus, 18536, Greece 5, Sachtouri Street 6 th floor T: +30 210 4293500 F: +30 210 4293505 info@palaureg.com	USA Head Office The Woodlands, TX, 77380 9595 Six Pines Drive, Suite 8210, Office 277 T: +1 832 631 6061 F: +1 832 631 6001 www.palaureg.com
--	--

- 4.5 For detailed guidance on cyber management, this Administration also advises to refer to the latest version of the Guidelines on Cyber Security Onboard Ships developed by BIMCO, CLIA, ICS, INTERCARGO and INTERTANKO.
5. MSC.428(98) Maritime Cyber Risk Management in Safety Management System (SMS)
- 5.1 According to Resolution MSC.428(98), an approved Safety Management System (SMS) should take into account cyber risk management in accordance with the objectives and functional requirements of the International Safety Management (ISM) Code.
- 5.2 This Administration informs all ship-owners and operators the importance to take the necessary steps to safeguard their shipping operations from current and emerging threats and vulnerabilities related to digitization, integration, and automation of processes and system as we adapt to the digital innovations to ensure that cyber risks are appropriately identified and addressed in the SMS no later than by the first annual verification of the company's Document of Compliance (DOC) after January 1st 2021.
- 5.3 This Administration takes the opportunity to inform all Authorized Recognized Organizations to take actions to inform and support ship-owners and operators of this requirements and to take the necessary steps to include Cyber Risk Management in the Company's annual Document of Compliance verification from January 1st 2021.
6. Contact
- 6.1 Any inquiries concerning the subject for this Marine Circular should be directed to the Palau Ship Registry Administrator at technical@palaureg.com

****This Marine Circular supersedes
Marine Circular 165.1****

Click [here](#) or use the below QR
Code for the list of the last updated
Marine Circulars

