

ISM  
Technical Notice  
No. **24/2017**  
DATED: 20.09.2017

**SUBJECT:**  
**CYBER RISK MANAGEMENT INTO  
THE ISM CODE**

TO: INSB AUDITORS/MANAGING COMPANIES

**IMO Resolution incorporates maritime cyber risk management into the ISM Code making it mandatory for the shipping industry.**

General



Ships are increasingly using systems that rely on digitisation, integration, and automation, which calls for cyber risk management on board.

As technology continues to develop, information technology (IT) and operational technology (OT) onboard ships are being networked together—and more frequently connected to the internet.

This brings the greater risk of unauthorised access or malicious attacks to ships' systems and networks.

Risks may also occur from personnel accessing systems onboard, for example by introducing malware via removable media.

IMO initiatives



In June 2017, the IMO's Maritime Safety Committee (MSC) took a significant step forward in combating the threats posed by cyber risks to the safety and security of personnel ashore and on ships.

In June 2016, the MSC had introduced "high level recommendations for maritime cyber risk management" in the form of interim guidelines. These were designed to provide overarching direction for the shipping industry, and all its stakeholders, in the management of the risks posed by both unintentional and malicious acts against the cyber infrastructure of an organisation.

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This year the MSC agreed to adopt a resolution incorporating Maritime Cyber Risk Management into the ISM Code, thereby raising the profile and importance of protecting ships, crews and cargos from the threats of accidental cyber-related incidents and premediated cyber-attacks.

The MSC are encouraging all members to ensure that cyber risks are appropriately addressed in safety management systems no later than the **first annual verification of the company's Document of Compliance (DOC) after 1<sup>st</sup> January 2021**. Consequently, the requirement to ensure that cyber risk management is taken into account in accordance with the objectives and functional requirements of the ISM Code, will be mandatory in just over 3 years.



## Cyber security and safety management

Cyber security and safety management Cyber safety is as significant as cyber security. Both have equal potential to affect the safety of onboard personnel, ships, and cargo. Cyber security is concerned with the protection of IT, OT and data from unauthorized access, manipulation and disruption. Cyber safety covers the risks from the loss of availability or integrity of safety critical data and OT.

Cyber safety incidents can arise as the result of:

- A cyber security incident, which affects the availability and integrity of OT, for example corruption of chart data held in an Electronic Chart Display and Information System (ECDIS)
- A failure occurring during software maintenance and patching
- Loss of or manipulation of external sensor data, critical for the operation of a ship.

This includes but is not limited to Global Navigation Satellite Systems (GNSS).

Whilst the causes of a cyber safety incident may be different from a cyber security incident, an effective response to both is based upon training and awareness of appropriate company policies and procedures.

So, this document aims to provide essential guidance on managing cyber safety and cyber security risks.

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### [Attachment](#)

MSC-FAL.1/Circ.3 Guidelines on Maritime Cyber Risk Management

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MSC-FAL.1/Circ.3  
5 July 2017

## **GUIDELINES ON MARITIME CYBER RISK MANAGEMENT**

1 The Facilitation Committee, at its forty-first session (4 to 7 April 2017), and the Maritime Safety Committee, at its ninety-eighth session (7 to 16 June 2017), having considered the urgent need to raise awareness on cyber risk threats and vulnerabilities, approved the *Guidelines on maritime cyber risk management*, as set out in the annex.

2 The Guidelines provide high-level recommendations on maritime cyber risk management to safeguard shipping from current and emerging cyberthreats and vulnerabilities. The Guidelines also include functional elements that support effective cyber risk management.

3 Member Governments are invited to bring the contents of this circular to the attention of all stakeholders concerned.

4 This circular supersedes the interim guidelines contained in MSC.1/Circ.1526.

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## ANNEX

### GUIDELINES ON MARITIME CYBER RISK MANAGEMENT

#### 1 INTRODUCTION

1.1 These Guidelines provide high-level recommendations for maritime cyber risk management. For the purpose of these Guidelines, *maritime cyber risk* refers to a measure of the extent to which a technology asset is threatened by a potential circumstance or event, which may result in shipping-related operational, safety or security failures as a consequence of information or systems being corrupted, lost or compromised.

1.2 Stakeholders should take the necessary steps to safeguard shipping from current and emerging threats and vulnerabilities related to digitization, integration and automation of processes and systems in shipping.

1.3 For details and guidance related to the development and implementation of specific risk management processes, users of these Guidelines should refer to specific Member Governments' and Flag Administrations' requirements, as well as relevant international and industry standards and best practices.

1.4 Risk management is fundamental to safe and secure shipping operations. Risk management has traditionally been focused on operations in the physical domain, but greater reliance on digitization, integration, automation and network-based systems has created an increasing need for cyber risk management in the shipping industry.

1.5 Predicated on the goal of supporting safe and secure shipping, which is operationally resilient to cyber risks, these Guidelines provide recommendations that can be incorporated into existing risk management processes. In this regard, the Guidelines are complementary to the safety and security management practices established by this Organization.

#### 2 GENERAL

##### 2.1 Background

2.1.1 Cybertechnologies have become essential to the operation and management of numerous systems critical to the safety and security of shipping and protection of the marine environment. In some cases, these systems are to comply with international standards and Flag Administration requirements. However, the vulnerabilities created by accessing, interconnecting or networking these systems can lead to cyber risks which should be addressed. Vulnerable systems could include, but are not limited to:

- .1 Bridge systems;
- .2 Cargo handling and management systems;
- .3 Propulsion and machinery management and power control systems;
- .4 Access control systems;
- .5 Passenger servicing and management systems;
- .6 Passenger facing public networks;
- .7 Administrative and crew welfare systems; and
- .8 Communication systems.

2.1.2 The distinction between information technology and operational technology systems should be considered. Information technology systems may be thought of as focusing on the use of data as information. Operational technology systems may be thought of as focusing on the use of data to control or monitor physical processes. Furthermore, the protection of information and data exchange within these systems should also be considered.

2.1.3 While these technologies and systems provide significant efficiency gains for the maritime industry, they also present risks to critical systems and processes linked to the operation of systems integral to shipping. These risks may result from vulnerabilities arising from inadequate operation, integration, maintenance and design of cyber-related systems, and from intentional and unintentional cyberthreats.

2.1.4 Threats are presented by malicious actions (e.g. hacking or introduction of malware) or the unintended consequences of benign actions (e.g. software maintenance or user permissions). In general, these actions expose vulnerabilities (e.g. outdated software or ineffective firewalls) or exploit a vulnerability in operational or information technology. Effective cyber risk management should consider both kinds of threat.

2.1.5 Vulnerabilities can result from inadequacies in design, integration and/or maintenance of systems, as well as lapses in cyberdiscipline. In general, where vulnerabilities in operational and/or information technology are exposed or exploited, either directly (e.g. weak passwords leading to unauthorized access) or indirectly (e.g. the absence of network segregation), there can be implications for security and the confidentiality, integrity and availability of information. Additionally, when operational and/or information technology vulnerabilities are exposed or exploited, there can be implications for safety, particularly where critical systems (e.g. bridge navigation or main propulsion systems) are compromised.

2.1.6 Effective cyber risk management should also consider safety and security impacts resulting from the exposure or exploitation of vulnerabilities in information technology systems. This could result from inappropriate connection to operational technology systems or from procedural lapses by operational personnel or third parties, which may compromise these systems (e.g. inappropriate use of removable media such as a memory stick).

2.1.7 Further information regarding vulnerabilities and threats can be found in the additional guidance and standards referenced in section 4.

2.1.8 These rapidly changing technologies and threats make it difficult to address these risks only through technical standards. As such, these Guidelines recommend a risk management approach to cyber risks that is resilient and evolves as a natural extension of existing safety and security management practices.

2.1.9 In considering potential sources of threats and vulnerabilities and associated risk mitigation strategies, a number of potential control options for cyber risk management should also be taken into consideration, including amongst others, management, operational or procedural, and technical controls.

## **2.2 Application**

2.2.1 These Guidelines are primarily intended for all organizations in the shipping industry, and are designed to encourage safety and security management practices in the cyberdomain.

2.2.2 Recognizing that no two organizations in the shipping industry are the same, these Guidelines are expressed in broad terms in order to have a widespread application. Ships with limited cyber-related systems may find a simple application of these Guidelines to be sufficient; however, ships with complex cyber-related systems may require a greater level of care and should seek additional resources through reputable industry and Government partners.

2.2.3 These Guidelines are recommendatory.

### **3 ELEMENTS OF CYBER RISK MANAGEMENT**

3.1 For the purpose of these Guidelines, *cyber risk management* means the 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 actions taken to stakeholders.

3.2 The goal of maritime cyber risk management is to support safe and secure shipping, which is operationally resilient to cyber risks.

3.3 Effective cyber risk management should start at the senior management level. Senior management should embed a culture of cyber risk awareness into all levels of an organization and ensure a holistic and flexible cyber risk management regime that is in continuous operation and constantly evaluated through effective feedback mechanisms.

3.4 One accepted approach to achieve the above is to comprehensively assess and compare an organization's current, and desired, cyber risk management postures. Such a comparison may reveal gaps that can be addressed to achieve risk management objectives through a prioritized cyber risk management plan. This risk-based approach will enable an organization to best apply its resources in the most effective manner.

3.5 These Guidelines present the functional elements that support effective cyber risk management. These functional elements are not sequential – all should be concurrent and continuous in practice and should be incorporated appropriately in a risk management framework:

- .1 Identify: Define personnel roles and responsibilities for cyber risk management and identify the systems, assets, data and capabilities that, when disrupted, pose risks to ship operations.
- .2 Protect: Implement risk control processes and measures, and contingency planning to protect against a cyber-event and ensure continuity of shipping operations.
- .3 Detect: Develop and implement activities necessary to detect a cyber-event in a timely manner.
- .4 Respond: Develop and implement activities and plans to provide resilience and to restore systems necessary for shipping operations or services impaired due to a cyber-event.
- .5 Recover: Identify measures to back-up and restore cyber systems necessary for shipping operations impacted by a cyber-event.

3.6 These functional elements encompass the activities and desired outcomes of effective cyber risk management across critical systems affecting maritime operations and information exchange, and constitute an ongoing process with effective feedback mechanisms.

3.7 Effective cyber risk management should ensure an appropriate level of awareness of cyber risks at all levels of an organization. The level of awareness and preparedness should be appropriate to roles and responsibilities in the cyber risk management system.

#### **4 BEST PRACTICES FOR IMPLEMENTATION OF CYBER RISK MANAGEMENT**

4.1 The approach to cyber risk management described herein provides a foundation for better understanding and managing cyber risks, thus enabling a risk management approach to address cyberthreats and vulnerabilities. For detailed guidance on cyber risk management, users of these Guidelines should also refer to Member Governments' and Flag Administrations' requirements, as well as relevant international and industry standards and best practices.

4.2 Additional guidance and standards may include, but are not limited to:<sup>1</sup>

- .1 The Guidelines on Cyber Security Onboard Ships produced and supported by BIMCO, CLIA, ICS, INTERCARGO, INTERTANKO, OCIMF and IUMI.
- .2 ISO/IEC 27001 standard on Information technology – Security techniques – Information security management systems – Requirements. Published jointly by the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC).
- .3 United States National Institute of Standards and Technology's Framework for Improving Critical Infrastructure *Cybersecurity* (the NIST Framework).

4.3 Reference should be made to the most current version of any guidance or standards utilized.

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<sup>1</sup> The additional guidance and standards are listed as a non-exhaustive reference to further detailed information for users of these Guidelines. The referenced guidance and standards have not been issued by the Organization and their use remains at the discretion of individual users of these Guidelines.