



Audit of the registration procedure and of registration assistance for the merchant fleet sailing under the Swiss flag
Directorate of International Law (FDFA)

Key facts

In June 2016, the Swiss fleet comprised 49 ships. This is the largest merchant fleet in the world for a landlocked country. The Swiss Maritime Navigation Office (SMNO), based in Basel, is responsible for registering and monitoring these ships. The Swiss Federal Audit Office (SFAO) conducted an audit of the SMNO to determine whether ship registration was in line with the legal requirements and whether monitoring measures were being properly applied. The SFAO also reviewed cooperation between the SMNO and the Federal Office for National Economic Supply (FONES), which plays an essential role in granting surety bonds when ships are purchased. The audit produced mixed results, pinpointing a need for improvement in three main areas:

Firstly, a joint monitoring concept between the SMNO and the FONES should be developed and implemented in order to cover the reputational and financial risks borne by the Confederation. In addition, the monitoring mechanisms put in place by the SMNO are ineffective. Improvements are needed with regard to both the methodology and the tools used. The SFAO found that three inspections on average are carried out by the SMNO each year. Given that the fleet consists of 49 ships, this means that, in theory, a ship is currently inspected once every 15 years. This is not ideal, given that the service life of a ship is somewhere in the region of 20 to 25 years. Finally, although the SMNO's monitoring of ship registration is effective, efforts need to be made with respect to the documentation and traceability of controls.

The SFAO ultimately noted that the staff entrusted with the management of the Swiss maritime fleet should be more critical of the documents received. An overly customer-focused approach is inconsistent with the monitoring obligations imposed by law.

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