



US Department
of Transportation
Maritime
Administration

MANUAL OF ORDERS

MARITIME ADMINISTRATIVE ORDER

REVOKES

MAO 640-4, dtd.
12-9-74

NO.

640-4

EFFECTIVE DATE

May 29, 1984

SUBJECT

INSPECTION OF SHIPS SOLD FOR DISMANTLING OR NONTRANSPORTATION USE

Section 1. Purpose:

This order prescribes the procedure and responsibilities for conducting and reporting inspections of ships sold for dismantling or for nontransportation use.

Section 2. Procedure:

2.01 Inspection Responsibilities and Criteria:

- 1 The appropriate Region Directors, Foreign Maritime Representatives, the Chief, Division of Ship Management in the Eastern Region, or other designated Government agents shall be responsible, when requested by the Director, Office of Ship Operations, for conducting inspections of ships sold for dismantling or nontransportation uses within their geographic areas. The Office of Ship Operations, responsible for conducting the sale of ships sold for such purposes, will inform inspecting officials regarding the identification of the ships sold, their locations, buyers, contract numbers, and delivery dates.
- 2 Inspection of ships sold for dismantling shall be in accordance with the following criteria:
 - (1) One or more inspections, as necessary, will be made to determine the type and quantity of metallic ballast and to negotiate settlement therefor, when ballast is reported by the buyer in accordance with the contract. No inspection will be required if the buyer does not report metallic ballast or if the ship's records do not indicate its presence.
 - (2) No inspection of equipment removal will be required when specified by the terms of the sales contract. (Compliance will be ascertained by receipt of equipment or report thereof by the receiving agency.)
 - (3) No inspection will be required to verify scrapping of the ships. Receipt of the buyer's certification that the hulk has been reduced and the tank tops have been penetrated will be sufficient proof of contract compliance.
- 3 If there is evidence or knowledge of conditions which indicates noncompliance with contract provisions, the Director, Office of Ship Operations, shall be notified immediately of such irregularities.

- 4 In cases where a ship is sold under exceptional circumstances, e.g., as a nonself-propelled ship or for nontransportation use, inspections and reports shall be made as deemed appropriate by the inspecting official or as directed by the Office of Ship Operations.



H. E. SHEAR
Maritime Administrator