Latest Developments in

Port State Control

"ShipShape 2000"

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Having one's ship subjected to a port state inspection is a new experience for a growing number of ships' captains around the world.

Having one's ship subjected to a thorough port state inspection is an even newer experience for many ships' captains.

Having one's ship detained by port state inspection authorities until essential safety defects are made good is a still more worrying and more costly experience for a growing number of ship owners, ship operators and ship managers these days.

The frequency of these experiences must increase across the world until ships of shame, with their sub-standard practices and operators are swept from the seas.

The expectations of sub-standard ship operators that their vessels will be detected and detained must be raised to the level where it will not be viable for sub-standard operators to send their sub-standard ships to sea.

And where it will not be good commercial practice for cargo owners and charterers to use these ships of shame.

You may ask;

* what is port state control.
* why do we have it?
* where did it originate?
* what are the maritime nations doing about it?
* what is the Asia Pacific region doing about port state control? and
* what is Australia doing?

This morning I will try and answer those questions.

Port state control (PSC) is the inspection of foreign vessels by the surveyor's of a maritime authority to ensure that the vessels comply with international maritime safety, pollution prevention and labour conventions.

A ship is judged to be sub-standard if it is unsafe:
if it constitutes a threat to the marine environment; or
if the welfare of the crew is compromised.

Port state control isn't something new albeit that rigorous port state inspections may be new experiences for some ship operators, managers and maritime authorities.

Port states,ie the nations in which the relevant ports are located and being nations that are party to the International Maritime Conventions of the IMO and ILO - have had the ability to exercise their convention rights to inspect foreign merchant ships since the 1929 Safety of Life at Sea Convention (SOLAS).

In an ideal shipping world there shouldn't be a need for port state control.

The responsibility for ship safety and pollution prevention rests primarily with :-

* the ship owner or ship operator
* the crew.
* the flag state (nation of registry).
* classification societies appointed by flag states to carry out functions on their behalf.

Because the preceding parties failed to carry out their responsibilities port state control was developed.

It operates as a "safety net" in effect.

Some flag states may agree they don't have the skills or resources to effectively inspect ships wearing their flags.

This inability hasn't prevented their desire to seek foreign earnings by operating a ship registry.

Such practices are an explanation why, not a justification for such parties failing to carry their maritime responsibilities.

The general decline in the observance of ship safety standards and increase in sub-standard shipping over recent years can be traced back to several factors.

Firstly, the establishment of open registers or flags of convenience (F.O.C's) especially in under developed countries.

The setting up of off-shore registers made it easier for ships with defects to gain registration and/or pass marine survey.

Some of the traditional maritime nations encouraged the transfer of their ships to F.O.C. registers. They were attracted to F.O.C. registers by the prospect of lower taxation and uneconomical standards for ships and crewing.

Commercial pressure arising from too many ships chasing too little freight for too little return led to dangerous cost cutting.

Maintenance was avoided and crew quality became a lower priority.

* Competition among classifications societies led to wide variations in their standard of performance.

* The slowness of the marine "insurance" industry to recognise the problems of sub-standard ships meant that good ships were cross subsidising bad ships.

* The greatly increased use of cheap, ill trained, ill led and often a b u s e d crews.

* The use of multi-racial crews who have difficulty communicating with each other let alone with tug crews and pilots.

The increasing age of the world fleet which now averages 13 years.

Globally it took the grounding of AMOCO CADIZ off the French coast in 1978 to spur the European nations into action.

The signing of the Paris Memorandum in 1982 between 14 European countries resulted in the establishment of a harmonised system of Port State Control and a data exchange system.

In 1991 I.M.O Resolution A682 (17)
* Regional Co-operation in the Control of Ships and Discharges was adopted.

This decision recognised the contribution to maritime safety and pollution prevention made by regional co-operation on P.S.C under the Paris Memorandum of Understanding.

It invited governments to consider similar regional arrangements.
As a consequence of the IMO Resolution A682 (17) ten Latin countries concluded a similar arrangement to the Paris MOU in November 1992 known as the Acuerdo de Vina del Mar.

Eighteen countries of the Asia Pacific region are close to concluding a similar memorandum of understanding.

An initial meeting of Carribean countries to discuss PSC is scheduled for December, 1994.

The International Maritime Organisation (IMO) has recently formed a new sub committee to deal with Flag State Implementations (F.S.I.)

The Committee first met last April. It's task is the specific problem of what to do about flag states that do not carry out their obligations under the Maritime conventions which they have ratified and from which they derive financial benefit.

The Committee's terms of reference include Port state Control matters. I.M.O Resolutions A681 (17) Broadens control to compliance with operational requirements.

* Port State Control has generally been concerned with "hardware" aspects requiring objective assessments. However, proficiency of crew and operational standards introduces complications due to their subjective nature.

In this area specific guidelines are still to be adopted by I.M.O.

Let me turn to P.S.C. in the Asia Pacific region.

Eighteen participating maritime authorities plus I.M.O., I.L.O, and Economic Social Commission for Asia/Pacific (ESCAP) observers have had a series of meetings to agree the principles of regional co-operation on P.S.C.

The final preparatory meeting is to be held next month in Tokyo to sign the MOU.

The MOU will be available for acceptance from 1st April 1994.

Approximately 15,000 ships operated in the region in 1992.

The objective is to inspect 75% of all ships operating in the region by year 2000.

A data exchange system on PSC inspections performed in the region will be established in Canada. It will be linked to the Paris M.O.U data base.

This will provide an extensive means of alerting port states to the deficiencies of sub-standard ships.

Priority issues for the Asia/Pacific Port State Control are surveyor training, its funding and the harmonisation of inspection procedures.

The Australian Maritime Safety Authority has been financing the secretariat of Asia/Pacific P.S.C.

Australia has made an offer for the permanent secretariat to be located in Melbourne.

The text of the Asia/Pacific MOU is substantially the same as the Paris and the Latin MOU's.

There are however differing conditions between the Paris MOU and an Asia/Pacific MOU with respect

*- geographical proximity
*- uniform level of economic development
*- close political ties (European Community)
*- maritime administrations with uniformly high standard of expertise.

* The importance of global harmonisation of PSC procedures between regional MOUs should be stressed.

* The development of an Asia-Pacific regional Port State control system should raise the expectation amongst owners and charters that sub-standard ships will be detected and possibly detained.

* Advantages of PSC as a regional basis
  - MOU obtains commitment from maritime authorities to actually implement PSC.
  - more effective use of regionally available information
  - more effective deployment of regional resources
  - harmonised PSC procedures prevent competitive imbalances arising between regional ports
  - all leading to a reduction in the numbers of sub-standard ships operating in the region

* The great strength of regional cooperation on PSC is that, with an effective data exchange system in place, the sum of the whole is greater than the sum of the individual parts.

What then is Australia doing about PSC in its own ports?

* Port State control inspections are given high priority by AMSA.
* AMSA assures us that it continuously monitors the effectiveness of its inspection regime and adjusts surveyor resources to accommodate changes.
* Additional surveyors have been located at several ports
  - Mackay
  - Port Kembla
  - Geelong
  - Port Hedland
  - Karratha
* Inspections are being carried out by some 40 surveyors located at 15 ports.

* AMSA aims to inspect at least 25% of ships visiting Australian ports
  - overseas registered ships
  - Australian ships operating on overseas voyages
  - Within this figure the target for inspection of ships of 16 years or more is 85%
  - Ships selected for inspection are those shown by experience to most likely be at risk.
  - Ships are inspected no more than once every six months.
  - Inspection are of two types
    - primary
    - detailed

* Primary inspection verify that all statutory certificates are valid and there are no clear grounds to suspect that the ship is unseaworthy or sub-standard
  - No further action is taken where the certificates and a ship's condition are satisfactory

* Detailed inspections are made where
  - certificates are invalid
  - clear grounds exist to suspect that a ship, its equipment or both do not substantially meet the standards of the international convention.
  - a report or notification is received from another authority, a crew member, or any person or organisation with a legitimate interest in the safety of a ship or preventing pollution.
  - detection of serious deficiencies during a primary inspection.

* Detailed inspection procedure
  - master, consul of the flag State and class society which issues a certificate, on behalf of the flag State are notified.

  - provides the opportunity for a flag State or class society on both to participate in the inspection.
    : class societies normally attend a ship
    : consuls or their representatives do not normally inspect a ship.

* In most cases the serious deficiencies are rectified during a ship's scheduled stay in port.

* Ships are usually provisionally detained where serious deficiencies are observed on a ship

  - surveyors use their professional judgement in deciding if deficiencies are sufficiently serious to warrant rectification before sailing.

* Where a ship is permitted to leave Australia with minor deficiencies,details of the ship and the outstanding deficiencies are sent to the administration of the country in the Asia-Pacific region in which the next port of call is situated for follow-up action.

* Where deficiencies cannot be permanently rectified in Australia, temporary arrangements are made and the ship permitted to leave subject to conditions eg.

  - in ballast
  - escort vessel
  - under tow
  - partially loaded condition
  - temporarily substitution of equipment

* 'SHIPSYS" is central to the efficient management of AMSA's port State control inspection regime
  - computer record
  - introduced in 1991
  - Maintains a record of, amongst other information, ships inspected under port State control
    : date of inspection
    : port of inspection
    : flag of ship
    : ship type
    : status of ship's statutory certificates
    : status of crews qualifications
    : details of detention
    : nature of deficiencies found
    : action taken with respect to the deficiencies

  - Inspection details are promptly entered following inspections and are available to all AMSA field offices

  - SHIPSYS is interrogated to establish the inspection history of a particular ship
    : prevents unnecessary visits
    : assists efficient use of marine surveyors
  - SHIPSYS will be linked to the Asia-Pacific ship inspection data base next year.

1992 Statistics

* During 1992, inspections were carried out in 1,720 ships registered in 62 countries (more than double the 783 inspections made in 1991)
* An inspection rate of 34% was achieved in 1992 on the basis of an estimated 5,000 eligible ships visiting Australian ports.

* 61 ships registered in 21 countries were detained yielding a rate of 3.54% expressed as a percentage of the total number of ships inspected in 1992.

* Major deficiency categories
  - Life-saving appliances
    : 30.16% of all deficiencies observed in 1992.
  - Fire-fighting appliances and arrangements
    : 21.57% of all deficiencies observed in 1992.

* Crew conditions:

In 1992, 45 ships were found to be substandard in relation to crew conditions.

Thirty two of those 45 ships were found to have serious deficiencies relating to unseaworthiness and were detained.

The remaining 13 ships related solely to living and working conditions.

Bulk carriers constituted 78% of the ships with substandard living conditions or working conditions.

Accommodation problems included treads of internal stairs broken, toilets not working, toilet bowls broken, light fittings broken, blocked drains, leaking pipes and so it goes on.....

As I said earlier P.S.C is a safety net.

If the shipping industry managed its businesses well, there would be little need for it.

As Peter Donnellan of the UK P & I Club told the "Ships of Shame" Conference in Newcastle recently "Quality must come from within; world policemen like P.S.C. inspections can't force what isn't there".

Our inquiry was told that most of the deficiencies detected by P.S.C. should have been averted by any general system if "good housekeeping" on board.

What we need to drive home more firmly is that PSC is after the event:-

- after ships managers, operators owners have made decisions to:
  - use crews of little competence
  - not to carry out essential ships maintenance
  - to abuse and exploit crew members
  - the people who make these decisions should be identified those who benefits from the cheap freight rates substandard ships offer should be identified.

Safety in air transport, road transport, rail transport and sea transport will always be a trade off between level of cost and level of safety.

"What the Ships of Shame Inquiry found was with a minority of ships the scales were tilted against safe working practices in favour of ruthless cost cutting (and greater profit) regardless of the dangers involved for seafarers and marine environment".

This morning I have sought to outline some of the background to Port State Control, the latest development in PSC: across the world:
in the Asia/Pacific region, and with Australia's own efforts through AMSA.

Ships of Shame will only be swept from the seas by a combined effort from all maritime nations.

And having those people who benefit from the use of substandard ships and exploitation of seafarers publicly identified.

Cargo owners, and charterers are the catalysts that trigger the changes. They must accept public responsibility for the changes they create and harm they cause.