

Shipping Australia Limited - Comment on Australian Biofouling Management Requirements RIS

Shipping Australia Limited (SAL) is a peak shipowner association with 28-member lines and shipping agents and 50 corporate associate members, which generally provide services to the maritime industry in Australia. Our member lines are involved with over 80 per cent of Australia's international container trade and car trade as well as over 70 per cent of our break bulk and bulk trade. A number of our members are also actively engaged in the provision of coastal cargo services to Australian consignors and consignees. A list of members is available at www.shippingaustralia.com.

A major focus of SAL is to promote efficient and effective maritime trade for Australia whilst advancing the interests of ship owners and shipping agents.

Thank you for the opportunity to comment on *Australian biofouling management requirements for international vessel arrivals - Consultation Regulation Impact Statement* dated 1 April 2019. Shipping Australia members were pleased to receive a briefing on this RIS by DAWR officers on 7 April 2019.

Align with international norms

Our members are largely international ship operators who are committed to operating in a sustainable and efficient and responsible manner and who travel between different national jurisdictions in their normal course of business. It is essential that there is international consistency between regulations that impact on vessels. It is recognised that the International Maritime Organization is leading development of international standards for management of biofouling, just as they have done in for the management of ballast water, ships fuel and emissions standards and the like. We are pleased to note that the preferred Option 3 is stated to be consistent with the direction set by the IMO.

It is also of absolute importance that any regulation for biofouling is consistent across all the States and Territories of Australia.

Minimise regulatory overhead

On occasions some countries unilaterally impose national standards which are difficult or impossible to comply with for international trading vessels. Such actions are disruptive to efficient international trade and can result in substantial cost impacts. We note that while the proposed regulations do impose additional management, monitoring, record keeping and reporting requirements on international vessels, the preferred option in the RIS, Effective Biofouling Management Practices, is generally consistent with good practice of biofouling management on ships and much of the requirement would already be undertaken in efficiently managed and operated vessels. Most vessels are motivated to maintain a clean hull in order to maximise fuel efficiency and reduce costs. Thus, the economic imperative aligns well with effective biofouling management.

That being said, the heightened level of preparation, management, monitoring and reporting purely to comply with the proposed regulation will impose an additional cost on industry. Considering that more than nearly 5,000 individual vessels and 17,383 international vessel arrivals to Australia each year, the annual regulatory cost to businesses stated as \$1.053 million is considered to be an under estimate, considering the likely wide adoption of more expensive anti-fouling and prevention systems. In any case, it would be expected that these costs would eventually be incurred as the IMO guidelines become globally accepted practice.

Provide a solution to the problem created by introduction of biofouling regulation

However, there are circumstances when vessels, particularly those who operate in the spot charter market, may gather some hull fouling which would need to be cleaned between normally scheduled dry-docking periods. If Australia is to restrict vessels on the basis of their level of biofouling risk, for example to determine that vessel has high intervention status, then it is incumbent on Australia to provide a workable and practical solution to enable such vessels to rectify their fouling deficiency.

Introduce approved in-water cleaning at the same time as biofouling management regulation

Shipping Australia Limited considers it necessary that Australia develop and implement a national standard for in-water cleaning and a practical and effective processes of gaining approval to conduct in-water cleaning and to have these in place before or concurrently with the introduction of the proposed Biofouling Management Regulation. In water cleaning is already in demand but the Australian regulatory approves processes are mostly unworkable or non-existent. This regulatory deficiency needs to be rectified as a matter of urgency which should be achievable before the intended commencement of the biofouling regulation on 8 September 2020.

Shipping Australia Limited agrees that Option 3 is the preferred regulatory option.