

AD HOC COUNCIL WORKING GROUP ON  
THE ORGANIZATION'S STRATEGIC PLAN  
12th session  
Agenda item 7

CWGSP 12/7/2  
8 September 2011  
ENGLISH ONLY

## EXISTING AND FUTURE ADMINISTRATIVE BURDENS

### Reducing Administrative Burdens

Submitted by Australia, Denmark and Sweden

#### SUMMARY

*Executive summary:* This document proposes a method to assist the Organization in minimizing the administrative burdens imposed on the maritime industry and administrations by new or amended IMO instruments

*Strategic direction:* 8

*High-level action:* 8.0.4

*Planned output:* 8.0.4.1

*Action to be taken:* 17

*Related documents:* CWGSP 12/7/1; MEPC.1/Circ.4; C 106/3(a)/2; MSC 89/WP.10; C 105/3(a)/4; C 104/D, paragraph 3.8; C 104/3/2; resolutions A.1011(26), A.1012(26) and A.1013(26)

#### Introduction

1 In consultation with the IMO Council and committees, Australia, Denmark and Sweden (the co-sponsors) have developed a proposal to ensure that new and amended IMO instruments are designed to enable governments and industry to regulate safety, security and environmental protection in an efficient and effective manner. A major element in delivering efficient and effective regulatory instruments is to ensure that administrative requirements do not impose unnecessary burdens on industry or regulators.

2 At its 106th session, the Council requested the Ad Hoc Council Working Group on the Organization's Strategic Plan (CWGSP) to develop specific recommendations on how the proposals in document C 106/3(a)/2 may be implemented taking into account, inter alia, the ideas regarding the examination of administrative provisions in future regulations as contained in document C 105/3(a)/4, the views and comments of the Meeting of Chairmen (MSC 89/WP.10), the committees, the Council and any further submissions on this matter.

3 In responding to the Council's request, the co-sponsors have refined their proposal contained in document C 105/3(a)/4 to enable the CWGSP to make a decision that is complementary to the proposal regarding the review of existing IMO instruments (C106/3(a)/2).

#### **Existing requirements for examining administrative burdens**

4 As noted in C 105/3(a)/4, there is already a requirement to consider potential administrative burdens imposed by measures developed and adopted by the Organization. According to the Guidelines on the application of the Strategic Plan and the High-level Action Plan of the Organization (Annex 4 to resolution A.1013(26)), a proponent of an unplanned output should provide an analysis of the implications of the proposal, addressing the cost to the maritime industry as well as the relevant legislative and administrative burdens.

5 Further, the Guidelines on the Organization and Method of Work of the Maritime Safety Committee and the Marine Environment Protection Committee and their Subsidiary Bodies (MSC-MEPC.1/Circ.4) require the Committees, when deciding to include unplanned outputs on their biennial agenda, to consider if an analysis of the implications has been sufficiently addressed, which includes an assessment of administrative burdens. The co-sponsors also note that the aforementioned Guidelines state that:

"1.4 The Guidelines will be kept under review and they will be updated as necessary in the light of experience gained in their application, taking into account the Guidelines on the application of the Strategic Plan and the High-level Action Plan of the Organization (resolution A.1013(26)), as may be amended."

6 Having noted this, it has become clear that these provisions need to be strengthened to effectively respond to Strategic Direction 8 and High-level Action 8.0.4. In this regard, the Council has acknowledged the need to adopt a consistent method and approach for assessing the potential administrative burden on the maritime industry when developing new or amended instruments or measures.

#### **Consistent methodology to enhance consideration of administrative burdens in the development phase**

7 In noting the existing requirements as described above, the co-sponsors believe that the proponents of unplanned outputs would benefit from additional guidance which would provide a consistent methodology to ensure that the consideration of potential administrative burdens contained within new and amended measures has been fulfilled. In this regard, the co-sponsors note the advice of the Meeting of Chairmen (MSC 89/WP.10) that any new processes should not themselves cause additional administrative burdens on IMO bodies in developing new or amended measures.

8 To this end, the co-sponsors have further developed the checklist originally contained in document C 105/3(a)/4, which is designed to enable committees and the proponents of an unplanned output to carry out a short examination of the possible administrative burdens that might result from the introduction of the new or amended measures.

9 It should be noted that the Council, at its 106th session, requested the CWGSP to develop specific recommendations on how the proposals in document C 106/3(a)/2 could be implemented. The co-sponsors believe this work will also provide valuable input to future improvements in the checklist and that there should be a process enabling the checklist to be

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updated so that any other lessons learned are taken into account. In this way, the checklist becomes a flexible and responsive tool.

10 Subject to the consideration of CWGSP on implementing the review of existing IMO regulation (CWGSP 12/7/1), the co-sponsors suggest that the checklist be re-visited at a time when the review of existing instruments has progressed to a stage where it is able to provide some guidance and specific recommendations on improvements to the checklist.

#### **Format and proposed use of the checklist**

11 The annex to this document provides a checklist to consider potential administrative burdens as well as clarify the definition, for this purpose, of an administrative burden.

12 The checklist is designed to prompt consideration of the practical implementation of the proposed regulatory instrument, particularly focusing on administrative requirements that might be needed to implement the regulation. Administrative requirements include those applying to industry, governments and any other stakeholders.

13 The checklist reminds proponents to consider the practical flow-on effects of new instruments, which might create a need for additional record keeping, new signs or warnings, extra inspections, ongoing training or new approval processes.

14 The completed checklist should not itself be submitted to the Committees. Proponents would simply inform a Committee of any issues, in their proposal for an unplanned output, which may need consideration in the design and implementation of the instrument, as revealed by an examination, by the proponent, of the proposal against the checklist.

15 The co-sponsors believe that the checklist might assist proponents of unplanned outputs in performing a uniform and simplified initial assessment of submissions for unplanned outputs and will guide the design of the proposed measure, taking into account the need to minimize unnecessary administrative requirements.

#### **Consideration of administrative burdens prior to final adoption of measures**

16 In order to maintain the focus on efficient and effective regulatory instruments, the Co-sponsors believe that the checklist could also be useful at a later stage, for example, when the subsidiary body has completed its work and reports back to a Committee, i.e. the subsidiary body should be able to demonstrate to that Committee that the matter of administrative burdens was duly considered when developing the planned output, either through a more detailed assessment using the checklist or through other requirements.

#### **Action requested of the Working Group**

17 The Working Group is invited to consider the above and:

- (i) endorse the checklist as an appropriate tool to assist in the consideration of developing efficient and effective instruments, focusing on the need to minimize administrative burdens;
- (ii) recommend that the checklist is utilized as a tool in satisfying the requirement for consideration of administrative burdens, when considering unplanned outputs;

- (iii) agree that the checklist should be updated in light of any "lessons learnt" from the review of existing mandatory regulation, subject to the Working Group's consideration of that complementary proposal; and
- (iv) consider if it is appropriate to recommend use of the checklist at a later stage prior to the final adoption of a new instrument.

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**ANNEX**

**CHECKLIST FOR IDENTIFYING ADMINISTRATIVE BURDENS**

The checklist for Identifying Administrative Burdens should be used when preparing the Analysis of implications required of submissions of proposals for inclusion of unplanned outputs. For the purpose of this analysis, the term administrative burdens is defined as requirements for industry, administrations or IMO to comply with the requirement or allow for administration of the requirement, such as reporting or record keeping.

**Instructions:**

- (A) If the answer to any of the questions below is **YES**, the Member State proposing an unplanned output should provide supporting details on whether the burdens are likely to involve start-up and/or ongoing cost. The Member State should also make a brief description of the requirement and, if possible, provide recommendations for further work (e.g. would it be possible to combine the activity with an existing requirement).
- (B) If the proposal for the unplanned output does not contain such an activity, answer **NR** (Not required).

1. New legislation needed?	NR	Yes <input type="checkbox"/> Start-up <input type="checkbox"/> Ongoing
Description: (if the answer is yes)		
2. Notification? Reporting certain events before or after the event has taken place, e.g. notification of voyage, statistical reporting for IMO Members.	NR	Yes <input type="checkbox"/> Start-up <input type="checkbox"/> Ongoing
Description: (if the answer is yes)		
3. Record keeping? Keeping statutory documents up to date, e.g. records of accidents, records of cargo.	NR	Yes <input type="checkbox"/> Start-up <input type="checkbox"/> Ongoing
Description: (if the answer is yes)		
4. Publication and documentation? Producing documents for third parties, e.g. warning signs, registration display.	NR	Yes <input type="checkbox"/> Start-up <input type="checkbox"/> Ongoing
Description: (if the answer is yes)		

<p>5. Enforcement? Audits, inspections and other compliance activity, e.g. port State control inspections (time accompanying inspector).</p>	<p>NR</p>	<p>Yes <input type="checkbox"/> Start-up <input type="checkbox"/> Ongoing</p>
<p>Description: (if the answer is yes)</p>		
<p>6. Education? Costs in keeping up to date with regulatory and training requirements, e.g. communicating new requirements to staff.</p>	<p>NR</p>	<p>Yes <input type="checkbox"/> Start-up <input type="checkbox"/> Ongoing</p>
<p>Description: (if the answer is yes)</p>		
<p>7. Permission? Applying for and maintaining permission to operate, e.g. certificates, classification society costs.</p>	<p>NR</p>	<p>Yes <input type="checkbox"/> Start-up <input type="checkbox"/> Ongoing</p>
<p>Description: (if the answer is yes)</p>		
<p>8. Practical? Regulatory procedures, e.g. fire safety drills, ship evacuation drills.</p>	<p>NR</p>	<p>Yes <input type="checkbox"/> Start-up <input type="checkbox"/> Ongoing</p>
<p>Description: (if the answer is yes)</p>		
<p><b>Other</b></p>		
<p>9. Other identified burdens?</p>	<p>NR</p>	<p>Yes</p>
<p>Description: (if the answer is yes)</p>		

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