

COUNCIL  
29th extraordinary session  
Agenda item 15

C/ES.29/15  
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## SUPPLEMENTARY AGENDA ITEMS

### Further discussion of the principles and the development of a framework

Submitted by Jamaica, the Marshall Islands, Sweden and the United Kingdom

#### SUMMARY

<i>Executive summary:</i>	Noting the invitation extended at C 118, this document discusses how implementing the principles of "better regulation" could be taken forward, noting the recent work in developing the Strategic Plan for the Organization for the six-year period 2018 to 2023
<i>Strategic direction:</i>	4.0 & 14.0
<i>High-level action:</i>	4.0.5 & 14.0.1
<i>Output:</i>	4.0.5.1 & 14.0.1.2
<i>Action to be taken:</i>	Paragraph 13
<i>Related documents:</i>	C/ES.28/9/1, C/ES.28/D (paragraph 9.4); C 117/14, C 117/D (section 14); C 118/WP.4 and C 118/D (section 15)

#### Background

1 At its twenty-eighth extraordinary session the Council approved the updated Strategic Plan for the Organization for the period 2016-2021, together with the associated draft resolution and the following amendments to Strategic Direction 14:

*"IMO will seek to ensure better regulation through a systematic approach and that its instruments are free from administrative requirements that are disproportionate, obsolete or unnecessary. The Organization will continue its efforts to reduce administrative burdens in IMO instruments, without compromising safety, security and the protection of the environment"*

and forwarded it to the twenty-ninth session of the Assembly for adoption.

2 Also at its twenty-eighth extraordinary session the Council considered the information set out in document C/ES.28/9/1 (Jamaica, Liberia, the Marshall Islands, Panama, the United Kingdom, BIMCO, IACS, ICS, INTERCARGO and INTERTANKO) on the Periodic Review of Administrative Requirements in Mandatory IMO Instruments.

3 Having considered document C/ES.28/9/1, the Council agreed that the issues in this document deserved further consideration and that a separate agenda item entitled "Principles to be considered in the review of existing requirements and the development of new requirements" would be placed on the agenda of the Council.

4 At its 117th session, the Council considered documents C 117/14 and C 117/14/Corr.1 (Greece, Sweden, the United Kingdom, BIMCO, IACS, ICS, INTERCARGO and INTERTANKO), which further discussed the principles to be considered in the review of existing requirements and the development of new requirements. While the Council did not support the specific proposal contained in the document, it decided to keep the item on its agenda and invited submissions from interested delegations, recognizing the significant support, in principle, for the Organization to embrace the general principles of better regulation.

5 At its 118th session, the Council noted that no submissions had been submitted to that session under this agenda item. Consequently, the Council decided to remove this item from the agenda and further decided that any issue on this subject matter could be submitted as a supplementary agenda item at future sessions of the Council.

## **Introduction**

6 The co-sponsors remain fully committed to the successful and timely implementation of new, and amendments to existing, IMO instruments, which enhance the existing regulatory framework and facilitate "safe, secure and efficient shipping on clean oceans".

7 Consequently, the co-sponsors still believe that the Council and committees should have for their reference and use a robust, efficient and effective regulatory development monitoring and oversight process, which will facilitate the timely and effective implementation of new requirements to the benefit of all stakeholders.

## **Strategic Plan for the Organization for the six-year period 2018-2023**

8 The co-sponsors note that C 117 approved:

- .1 the Strategic Directions;
- .2 the overarching principles; and
- .3 the Vision Statement.

9 It is expected that A 30 will consider, with a view to its adoption, the Strategic Plan for the Organization for the six-year period 2018-2023, which will include the elements referred to in paragraph 8 above.

10 In particular, the co-sponsors note the inclusion in the draft Strategic Directions (SDs) of SD 6: Ensure regulatory effectiveness. This is explained in paragraphs 31 to 33 of the annex to annex 1 to document C 118/WP.4 as:

*"31 IMO's main role as the global regulator of safe, secure and environmentally sound shipping requires it to ensure that a universally adopted, effective, international regulatory framework is in place and implemented consistently, embracing and integrating new and advancing technologies, without causing unnecessary burdens.*

32 *The current approach and practices draw on IMO's extensive experience in developing and adopting standards for international shipping. Reviewing them makes it possible to identify improvements, enhance the effectiveness of the existing IMO instruments and better assess the need for new regulations which take into account the impacts and benefits of proposed measures. The process of capturing and analysing information on the implementation of existing IMO instruments should build on the Member State Audit Scheme and its outcomes, in conjunction with in-depth analysis of data.*

33 *IMO's instruments must continue to be globally implemented and applicable, and will continue to ensure a level playing field. Information should be systematically fed back into the regulatory processes of the Organization to allow it to make informed decisions for reviewing existing regulations and developing new ones."*

11 The co-sponsors note that it also expected A 30 will consider, with a view to its adoption, a draft resolution on "Application of the Strategic Plan of the Organization". In the context of taking forward the principles of better regulation, the following extracts from the annex to this draft resolution (annex 2 to document C 118/WP.4) are considered pertinent:

.1 paragraph 3.3:

*"The document is therefore formulated to achieve the following objectives:*

- .1 to align and strengthen the planning and reporting processes by linking agenda setting and reporting clearly to the Strategic Plan;*
- .2 to strengthen the linkage between outputs on the biennial agenda and the resources required to deliver the outputs;*
- .3 to facilitate the efforts of the Council and the committees in controlling and monitoring the Organization's work;*
- .4 to promote discipline in adherence to the planning procedures and guidelines;*
- .5 to promote objectivity, clarity and realistic time frames in the establishment of biennial agendas by the IMO organs;*
- .6 to ensure maximum possible participation by all Member States and by organizations with observer status in all of the Organization's work; and*
- .7 to establish responsibilities and promote involvement in the planning and reporting processes."*

.2 paragraph 6.1.3:

*"6.1 Consequently, it is important that proper management and control mechanisms are in place to ensure that:*

- .1 ...*
- .2 ...*
- .3 the Organization's response to changes in the environment within which it operates is consistent with the Strategic Plan;"*

.3 paragraph 6.2.5:

"6.2 *In order to provide a transparent link between the Strategic Plan and the Organization's work, the following principles shall be applied:*

.1 ...

.2 ...

.3 ...

.4 ...

.5 *for an action that is expected to take more than one biennium to complete, the list of outputs shall specify the planned completion year; the responsible parent organ shall review the relevant output at the end of the biennium to assess the progress made and make a recommendation whether to include it in the next list of outputs;*"

### **Discussions at C 117**

12 The co-sponsors acknowledge that submissions that will form the basis of future discussions on how the Organization can deliver the principles of better regulation will need to take into account, inter alia, the following comments made during C 117:

- .1 while an inclusive process in the work of the Organization is welcomed, decision-making rests with the Member States;
- .2 any processes developed and any information so generated would be useful as inputs to the decision-making process, but should not be considered as constituting directions regarding the decisions to be made;
- .3 the Organization needs to have a degree of flexibility in how it addresses, in a timely manner, unexpected and emerging issues;
- .4 the benefits of building upon and encouraging adherence with existing processes, rather than developing new processes;
- .5 the need to avoid excessive administrative burden; and
- .6 the possible benefits of focussing on the proposed intermediate review and final assessment of a regulatory package, rather than the way in which proposals for new outputs are considered that is already addressed in the document on Organization and method of work of the Organization's bodies.

### **Action requested of the Council**

13 The Council is requested to consider the foregoing and decide as appropriate, noting the offer of the co-sponsors to provide a further submission to C 120 when the Strategic Plan for the Organization for the six-year period 2018-2023 will be in place.