Impact assessment support study on the passenger ship safety legislative review

Targeted stakeholder consultation –how did we do? what did we learn? and how did we use it?

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Structure of presentation

- Very short about background, scope and response rates to our consultation
- Lessons learned from stakeholder consultation to inform the analysis of problems and the relevance of objectives

- COWI contracted by DG MOVE to carry out the study to support the impact assessment of the legislative review
- This presentation focuses on the problem formulations and on presenting stakeholders' contribution to that

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Study scope

- Ship segments
  - small ships made of steel
  - small ships made of other materials
  - large ships made of steel
  - large ships made of other materials
  - Tenders on cruise ships
  - Historic ships
  - Ships that transport off-shore workers
- Objectives
  - better functioning of the internal market
  - Optimal safety levels
  - Administrative simplicity
- Other concerns
  - SME's
  - compliance/implementation cost

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Stakeholders consulted

To obtain data and learn motivated opinions

- Case studies
  - Denmark
  - Sweden
  - UK
  - France
  - Italy
  - Greece
- Visits to countries in the period March-June 2012

- Questionnaire – responses:
  - Cyprus
  - Germany
  - Spain
  - Ireland
  - Netherlands
  - (case study countries)
- Submission to EU focal points and open March-June 2012

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Method of consultation

- Questionnaires
  - Questionnaires
  - Submitted to all focal points
  - Extending deadlines to increase response rates
  - Follow-up via e-mail for clarifications

  - Questionnaire was complex
  - Obtained 10 responses
  - Demanded a substantial effort on the side of respondents

- Case studies
  - Interview guides
  - Planned in collaboration with focal points
  - Interviews were both bilateral and more focus group oriented
  - Interviewees with e.g.
    - authorities including surveyors
    - Operators
    - Ship building industry
    - Naval architects
    - Industry associations

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Ships that fall within the scope of the Directive

- Figures are highly indicative
  - Some include SOLAS ships
  - Some include daily cruise ships
  - Some include ships in sheltered areas
- But still:
  - High fractions are not within scope, and likely to increase in future:
    - Out of Directive's cope
    - More cost effective
  - Different interpretations of sheltered/port area

Country	No of ferries	Ro-Ro/HSC	Number of ferries below 24 meters	Number of ferries not made of steel	Covered by Directive 2009/45/EC
Cyprus	2	2	na	na	**100%**
Germany	66	9	11	0	**100%**
Ireland	51	0	45	13	**50%**
Netherlands	0				All ferries operate in intra-EU traffic, and the Dutch Wadden Sea is inland waters
Spain	803	52	669	690	**14%**
Greece	2000				Indicative number
Sweden	624	4	70	na	**10%**
France	499	33	410	437	**12%**
Italy	103	88			**51%** estimate
Denmark	198	18	110	87	**100%**

Not covered include non-steel ships, older ships less than 24 m and ships operating in port/sheltered areas

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Key issues to consider

- Can changes within the scope of the Directive and/or changes to enhance the scope of the Directive assist provide positive contributions in regards to:
  - Safety
  - Internal market
  - Administrative cost

  - And what other effects should be taken into consideration

- These aspects considered in the consultation of stakeholders: theme-by-theme and segment-by-segment

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Overall assessment of current situation and problems

- **Problem**: features that characterise the current situation, and which can be worked on in order to improve 1) safety and 2) internal market functioning and which can 3) reduce administrative costs
- **Method**:
  - Information obtained through questionnaire
  - Information obtained through case studies
  - Information obtained through desk study of other materials
- **Assessment**:
  - Scoring – low, medium high
  - Accompanying explanation

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Assessment of current situation: Large steel ships (>24 m)

Safety gap	Internal market functioning	Administrative costs
Low	Low	Medium

- Safety
  - Within Directive's scope and often suitable for operation in international waters
  - Statistics are not contradictory
- Internal market functioning
  - Cabotage entry barriers are largely aspects that fall outside the scope of the Directive
  - Approaches to exemptions and equivalents are argued by some to be a – potential - problem
  - Different interpretations can impact negatively on the transfer of ships
- Administrative costs
  - Directive updates are more costly than they need be
  - Costs could be saved if surveys were coordinated
  - The complexity of the legislation makes surveys costly

Assessment of current situation: small steel ships (<24 m)

Safety gap	Internal market functioning	Administrative costs
Low/Medium	Medium	High

- Safety
  - Could be a higher risk of under-reporting
  - Ships in sheltered areas and port areas are outside the scope of the Directive
  - Relatively costly to construct small Directive compliant ships
- Internal market
  - Different interpretations constitute a potential barrier to transfer of ships!
  - Approaches to exemptions and equivalents are argued by some to be a – potential – problem
- Administrative costs
  - Safety standards are argued to sometimes be disproportionally high and/or too rigid
  - Compliance costs can be excessively high
  - Survey cost are high and surveys could be more coordinated

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Assessment of current situation: Large non-steel ships (>24 m)

Safety gap	Internal market functioning	Administrative costs
Low	Low	Low-Medium

- Safety
  - International and national provisions are adequate to ensure good safety – including the HSC Code
- Internal market
  - National legislative frameworks constitute a potential barrier, but
  - Many of these ships are under the HSC
- Administrative costs
  - Most fall under the HSC
  - Few have expressed views that HSC result in excessive administrative cost

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Assessment of current situation: Small non-steel ships (<24 m)

Safety gap	Internal market functioning	Administrative costs
Low-Medium	Medium	Medium

- Safety
  - National legislation only, and pointed to as being adequate and sufficient
  - A move towards building small ships of other materials
- Internal market
  - Lack of common legislation can constitute a barrier – different how aluminium is considered
  - Specialised ship builders that construct in non-steel materials are in an increasing market
- Administrative costs
  - Many small ferries and tour-operators are SME's (or even one man/one boat)
    - Financial constraints can be determining for their actions
    - Survey cost is an issue of concern also today
    - Compliance cost increases can lead to severe difficulties
- The small ships play a vital role in ensuring socio-economic cohesion and providing socio-economic contributions to remote areas/islands

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Assessment of current situation: Cruise ship tenders

Safety gap	Internal market functioning	Administrative costs
Medium	Low	Low

- Safety
  - Need not be an area of concern, but uncertain how national regulations are implemented and enforced
  - Cruise ship tenders are increasingly used and they tend to be larger
- Internal market
  - Cruise ships that carry tenders are mainly operating in an international market
  - The use of cruise ship tenders may replace the use of local tenders
- Administrative costs
  - Overall, there appears not to be concerns about administrative costs

Assessment of current situation: ships that transport off shore workers

Safety gap	Internal market functioning	Administrative costs
Medium	Medium	Low

- Safety
  - No joint regulatory framework
  - The workers that are transported: are they passengers?
  - An industry on rapid increase
- Internal market
  - Transfer of ships is affected negatively
- Administrative costs
  - Overall, there appears not to be concerns about administrative costs

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Assessment of current situation: historic ships

Safety gap	Internal market functioning	Administrative costs
Low/Medium	Low	Low

- Safety
  - Must be assessed on another scale:
    - Built in another time (safety standards are different)
    - Maritime heritage
    - built for specific purposes and areas of operation
  - National legislation provides sufficient safety
- Internal market
  - Barriers are experienced by some Member States when visiting other Member States, but the issue pertains to a few Member States
  - London MoU has been signed by several Member States
- Administrative costs
  - Overall, there appears not to be concerns about administrative costs

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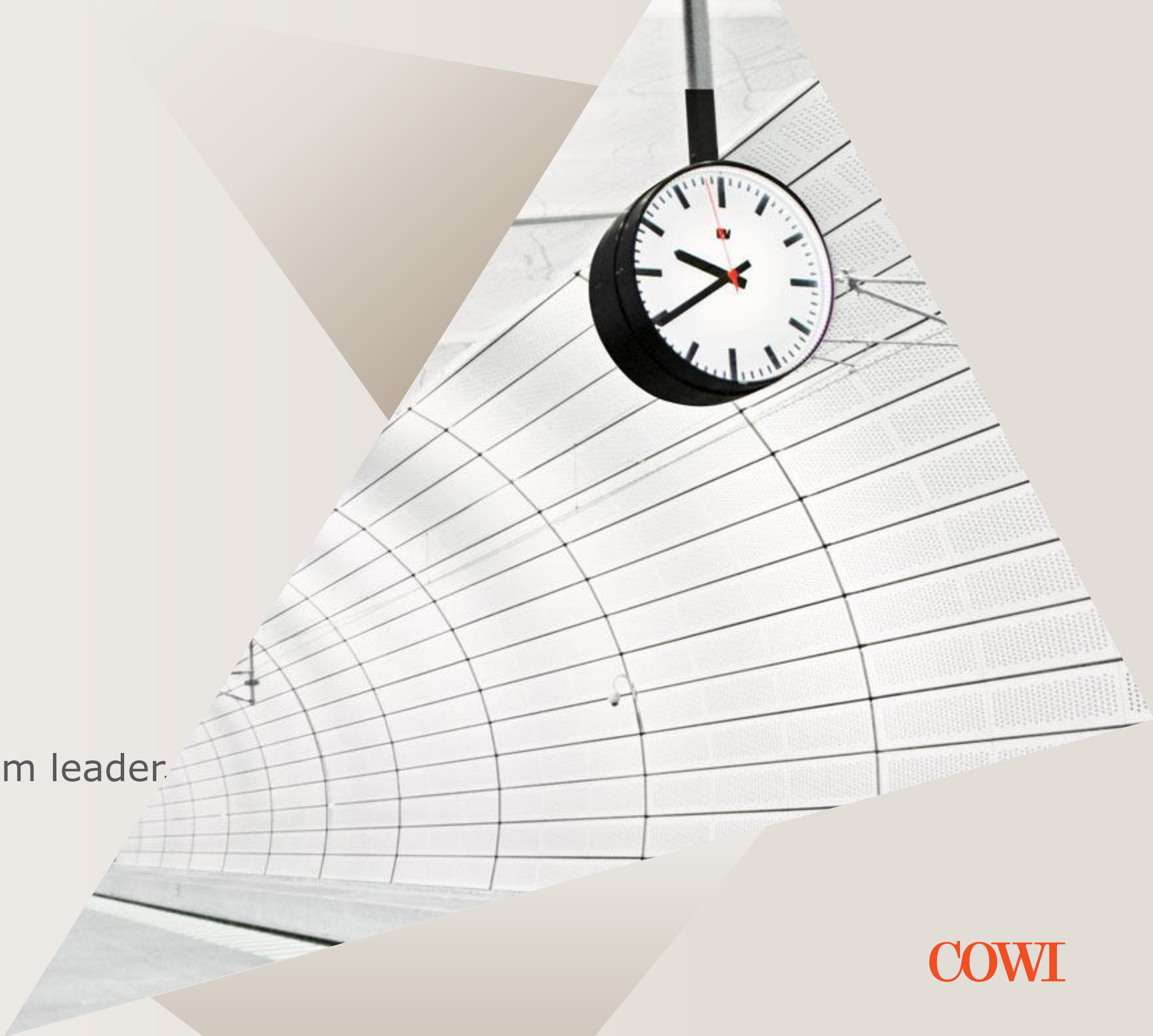
Summing up

Ship segment	Safety gap	Internal market functioning	Administrative costs
Large steel ships (>24m)	Low	Low	Medium
Small steel ships (<24m)	Low/Medium	Medium	High
Large non-steel ships (>24m)	Low	Low	Low/Medium
Small non-steel ships (<24m)	Low/Medium	Medium	Medium
Cruise ship tenders	Medium	Low	Low
Offshore worker vessels	Medium	Medium	Low
Historic ships	Low/Medium	Low	Low

Selected key observations and messages

- The Directive
  - Port/sheltered area
  - Materials equivalent to steel
  - Interpretations can vary
  - Rigidity can cause excessive compliance costs and a risk that safety measures used are not the best in a given context
  - Simplifications potentials are assessed to exist, but concrete directions differ – point however to the issue of Directive updates and coordinated surveys
- Little comparable and comprehensive evidence exist on accidents that can be related to 2009/45, e.g. construction issues
- Difficult to obtain information on the EU 'domestic ship building' and repair industry
- Compliance costs are very specific and hence, impossible to assess on a Pan-European scale
- Many SME's in the small non-steel ships segment
- Conclusions from the targeted stakeholder consultation rests on responses from 11 Member States

Thank you



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