

ADMINISTRATION

NATIONAL PLAN 2000–2001 FINANCIAL POSITION

Financial statements reporting the cost of National Plan administration and operations are reviewed by KPMG and are included at Appendix 1.

The operating surplus of \$108,730 for the 2000-2001 financial year was in line with the 'break even over time' policy set by government. This offset the operating deficit during the 1999-2000 financial year. Revenue from the Protection of the Sea Levy provided the main source of funding for National Plan operations, which decreased slightly this financial year. The Protection of the Sea Levy remained at 3.3 cents per tonne.

Total income received during the 2000-2001 financial year decreased by \$230,559, compared with the previous financial year. Incidents during the year consisted of a number of minor spills committed by unidentified parties. Therefore incident recoveries are lower this financial year in comparison to the previous financial year where the polluters had been identified. The cost and recovery for the grounding of the *Bunga Teratai Satu* will be included in the 2001-2002 financial year.

National Plan expenditure decreased by 18% from 1999-2000, with total expenses of \$4,006,552.

As at 30 June 2001 the National Plan's total assets were \$8,731,477 compared with total liabilities of \$504,793. This places the National Plan in a sound financial position, with equity totalling \$8,226,684.

INTER-GOVERNMENTAL AGREEMENT ON THE NATIONAL PLAN

On 25 May 2001 the Australian Transport Council (ATC) adopted the new Inter-Governmental Agreement on the National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances. The key outcome of the 2000 National Plan Review, the new agreement will:

- provide a basis for continued Commonwealth, State and NT government commitment to and support for the National Plan;

- provide a stable reference point whereby those unfamiliar with the Plan can readily ascertain the obligations placed on their organisation; and
- be used to set out agreed minimum activities, allowing participants' performance against those minimums to be more readily assessed.

The Inter-Governmental Agreement (IGA) will also ensure that the national approach to preparedness and response to oil and chemical spills in the marine environment is continued and strengthened, and provide a mechanism to ensure decision making under the National Plan is co-operative and that the obligations of all parties are met.

The IGA is structured as follows:

- The main body of the IGA encompasses the key recommendations arising from the 2000 Review, including the management structure and funding principles.
- Schedule 1 is based on the existing Administrative Arrangements, with most paragraphs unchanged. This schedule sets out operational issues such as the division of responsibility for responding to pollution incidents, the role of AMSA as National Plan manager, reimbursement of National Plan response costs and expenses, and provision of equipment and training.
- Schedule 2 sets out clearly the funding obligations of AMSA and the States/NT.

AMSA/AIP OIL SPILL AGREEMENT

To complement the new National Plan IGA, a Memorandum of Understanding on Oil Pollution Preparedness and Response between AMSA and the Australian Institute of Petroleum (AIP) was developed. Clive Davidson, Chief Executive of AMSA, and Bryan Nye, Executive Director, AIP signed the MOU in Canberra on 6 June 2001.

The MOU formalises the intention of AMSA and AIP to co-operate to ensure that the National Plan operates effectively and wherever possible is enhanced, and reflects the industry's commitment to maintain the Australian Marine Oil Spill Centre (AMOSC) as the major National Plan equipment stockpile for Australian waters.

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The document also covers issues such as:

- joint participation in pollution incident response and exercises;
- sharing costs associated with maintaining a fixed wing aerial dispersant capability for Australia;
- an integrated single training program;
- maintaining accurate databases and contact details; and
- co-sponsorship for holding Spillcon conferences in Australia.

NEW NATIONAL PLAN MANAGEMENT STRUCTURE

Another key outcome of the 2000 National Plan Review was the introduction of new management arrangements designed to provide more collaborative strategic decision-making by the major stakeholders in the National Plan. The new management structure is shown in Figure 1.

The National Plan Management Committee (NPMC) was established to provide advice to the ATC on the strategic, policymaking and funding direction for the National Plan. Mr Jim Starkey has been appointed as the Independent Chair of the Committee. The functions of the Management Committee are:

- strategic management of the effectiveness and efficiency of the National Plan, including that of preparedness and response standards;
- oversight of the ongoing effectiveness of the formal arrangements between key stakeholders and National Plan management; and
- provide advice to ATC on the collection and distribution of funds for the National Plan, including contributions from Commonwealth, State/NT and industry.

NPMC is supported by a National Plan Operations Group (NPOG) to consider the ongoing operational aspects of the plan for both oil and chemicals. The Group assumed responsibility for the majority of issues previously addressed by the former National Plan Advisory Committee and its working groups. The Group is chaired by AMSA, with membership incorporating the key operational stakeholders.

The functions of NPOG are to develop and implement programs such as training, equipment acquisition and monitoring, maintenance policies, exercising contingency plans and similar operational issues. NPOG established three Working Groups to assist in carrying out these functions:

- The Oil Operations Working Group is chaired by AMSA and considers issues such as the National Marine Oil Spill Contingency Plan, oil spill response equipment and training, fixed wing aerial dispersant spraying and contingency plan audits.
- The Chemical Operations Working Group is chaired by the Australasian Fire Authorities Council and considers issues such as the National Marine Chemical Spill Contingency Plan, chemical spill response equipment and training.
- The Environment Working Group is chaired by the New South Wales Department of Transport and considers issues related to research and development, oiled wildlife response and the Environmental and Scientific Coordinator's Network.

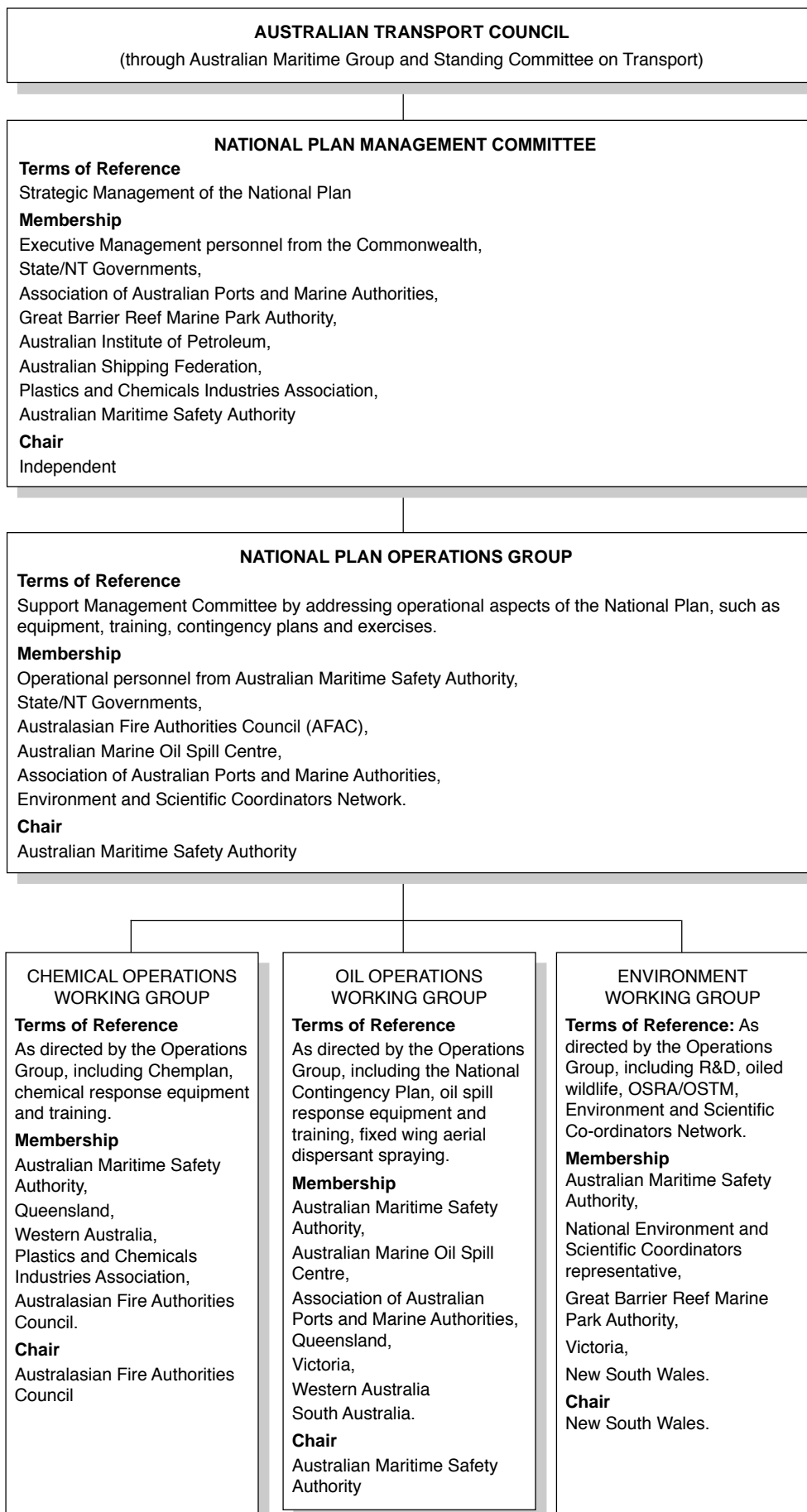
MEETINGS DURING 2000–2001

Each of the above-mentioned Committees and Working Groups held their first meetings during the reporting period. NPMC met in Canberra on 19 October 2000 and 15 March 2001, with the main agenda item being the finalisation of the IGA for consideration by ATC in May. The first meeting of NPMC endorsed an implementation plan for the 17 recommendations arising from the 2000 National Plan Review and recommended that NPOG be convened as soon as possible to address a number of priority issues arising from the 2000 National Plan Review.

NPOG duly met in Canberra on 8 December 2000 and 14 June 2001 to consider issues such as what National Plan assets are currently held for first strike capability, how they might be distributed and transferred, and determine the structure of working groups.

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Figure 1
National Plan to Combat
Pollution of the Sea by Oil
and Other Noxious and
Hazardous Substances -
Management Structure



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NATIONAL PLAN NEWSLETTER

During the 2000 National Plan Review it was agreed that improving consultation with non-participant stakeholders in the National Plan, for example community-based groups, is primarily a function to be undertaken at State level. It was agreed that States/NT would identify those non-participant stakeholders not currently represented within the existing National Plan State Committee structure and develop an appropriate mechanism for effective consultation with such stakeholders.

NPMC agreed that this action should be supported at the national level, and that AMSA would produce a National Plan newsletter, to be issued approximately twice a year. The first edition will be issued during the second half of 2001.

MARINE ENVIRONMENT PROTECTION COMMITTEE (MEPC)

The Marine Environment Protection Committee of the International Maritime Organization (IMO) held its 45th session from 2-6 October 2000, and its 46th session from 23-27 April 2001. AMSA led the Australian delegation for both sessions and included representatives from Environment Australia, Department of Agriculture, Fisheries and Forestry - Australia, Department of Defence (RAN), and the shipping industry.

The major agenda item at both sessions was consideration of proposals for the early phasing out of single hulled tankers, an issue brought about following the *Erika* oil spill. After extensive negotiation, the 46th session adopted an amendment to the MARPOL 73/78 Convention that will see most single hulled oil tankers phased out by 2015.

Australia is a member of the International Convention on Oil Pollution Preparedness, Response and Co-operation 1990 (OPRC) Working Group, which met during the 46th session of the IMO Marine Environment Protection Committee (MEPC) in April 2001. A key issue for Australia was the revision of the IMO Marine Pollution Manual Section IV - Combating Oil Spills. Three new chapters are to be incorporated on

bioremediation, heavy fuel oil and emulsified fuels, and in-situ burning.

Another key issue discussed at the meeting was on the provision of sheltered waters/safe havens from the perspective of marine environment protection. The OPRC Working Group established a small drafting group to develop issues from which criteria for assessing sheltered waters/safe havens would need to be developed as a guidance to Member States. This work was endorsed by MEPC, and the criteria have been forwarded to the Maritime Safety Committee for overall consideration in the issue of sheltered waters/safe havens for ships in distress.

AUDITS AND REVIEWS

A number of audits and reviews concerning the operation of the National Plan have been conducted since its inception. Information on audits in previous years can be found in past National Plan annual reports.

A recommendation from the *Laura D'Amato* Review was that the implementation of National Plan Oil Spill Response Incident Control System (OSRICS), including training should be speeded up. Significant progress during the year has been achieved in all jurisdictions and it is expected that OSRICS will be fully implemented around Australia by the end of 2001.

Of the 17 recommendations from the 2000 National Plan Review, 11 have been fully implemented with the remainder being considered by NPMC during 2001–2002.