



Australian Government

Australian Maritime Safety Authority

Regulator Performance Framework

2017 External Review

Port State control related assessments



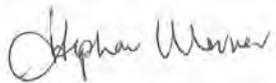
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Panel approvals

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1 Executive summary

1.1 External review

The Australian Maritime Safety Authority (AMSA) undertook a directed external review of its port State control (PSC) related assessments against the Regulator Performance Framework (RPF) in April 2017.

The review panel convened for a day long workshop at AMSA headquarters in Canberra on 12 April 2017. The composition of the panel and the workshop agenda is detailed at **Attachment 5.1**.

The review was informed by:

- the AMSA 2015-16 annual report
- the AMSA 2015-16 annual performance statement
- the AMSA 2015-16 RPF self-assessment report
- additional evidence of good regulatory behaviour
- port State control annual reports 2015 and 2016
- the AMSA performance measure assurance map
- an introductory port State control briefing (**Attachment 5.2**)
- subject matter expert input to the workshop; and
- the professional knowledge and experience of the panel.

Overall, the panel assessed AMSA's PSC performance as **excellent** against the RPF requirements. Acknowledging that PSC is a mature, well developed regulatory function, the panel found that AMSA performed strongly across all six RPF key performance indicators (KPIs) - noting that AMSA's PSC function is considered an international exemplar.



Excellent

Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner.

Specific elements of better practice highlighted by the panel include AMSA's:

- use of an evidence based risk profiling system to target ships for inspection, and to allocate inspection resources in the most effective manner – which is regularly reviewed and updated
- use of information available electronically from several sources to minimise, and where possible, avoid asking ships crews and operators to provide arrival information; and in doing so; allowing much of the ship data to be preloaded prior to the PSC inspection to reduce duplication and administrative burden
- use of a variety of communication channels and mediums, including instructional videos, to educate and raise awareness of PSC requirements; and
- very high level of engagement with its port State control stakeholders including classification societies, other flag states (with a focus on the significant flag states that make up the majority of ships inspected), industry associations, and the individual ship owner and operators.

In regards to opportunities for improvement, the panel conceded that AMSA's PSC function is required to work within the bounds of international conventions set by the International Maritime Organization (IMO), and as such, is practically constrained as to what it can do unilaterally. AMSA is also one of several Commonwealth agencies that interact with international shipping.

Opportunities for improvement include:

- continuing to review PSC inspection rate targets for priority one to four ships to ensure that inspection resources are effectively and efficiently allocated to areas of highest safety concern, or to new or emerging functions
- reducing duplication and minimising manual processes by introducing centralised automated data sharing via the International Maritime Organization (IMO) – subject to a broad base of international support from the IMO and flag states
- continuing current work with the larger flag states to share information online to reduce the time required to conduct inspections; and
- continuing to examine options for improving data sharing and the coordination of physical regulatory activities (e.g. inspections) between Australian regulators working with the maritime sector.

In comparison to AMSA's 2015-16 RPF annual self-assessment, the PSC assessment results are more favourable overall. This is most likely due to the advanced maturity of the PSC regulatory function when compared to AMSA's entire regulatory regime – which now captures commercial domestic vessels.

The panel commended AMSA on 'weathering' some recent significant changes - notably the advent of the national system for commercial domestic vessel and organisational restructure - without any obvious detriment to the PSC function.

Several opportunities for improving the RPF framework and assessment process were identified, including the development of guidance for panel members on their role, and on the overall assessment process; and reducing the frequency of RPF reporting.

The panel appreciated the preparatory work undertaken by AMSA, and found the structured, facilitated assessment approach helpful and effective.

AMSA would like to thank the panel members for their time and insight.

2 Background

2.1 Purpose

The purpose of the Regulator Performance Framework (RPF) is to encourage regulators to undertake their functions with the minimum impact necessary to achieve regulatory objectives, and to effect positive ongoing and lasting cultural change. The RPF commenced on 1 July 2015.

The RPF consists of six outcomes-based key performance indicators (KPIs) which set the Government's overarching expectations of regulator performance:

- regulators do not unnecessarily impede the efficient operation of regulated entities
- communication with regulated entities is clear, targeted and effective
- actions undertaken by regulators are proportionate to the risk being managed
- compliance and monitoring approaches are streamlined and coordinated
- regulators are open and transparent in their dealings with regulated entities; and
- regulators actively contribute to the continuous improvement of regulatory frameworks.

More information on the RPF is available at www.cuttingredtape.gov.au/rpf.

2.2 Requirement

2.2.1 Self-assessment

Regulators must self-assess their performance against the RPF annually. The results of the self-assessment must be:

- validated by an approved external stakeholder body - the Australian Maritime Safety Authority (AMSA) Advisory Council (AAC)¹
- certified by AMSA's accountable authority² - the AMSA Board; and
- provided to AMSA's portfolio Minister and published no later than 31 December each year.

AMSA published its first annual RPF self-assessment report in November 2016. The report is available at: www.amsa.gov.au/forms-and-publications/about-amsa/publications/Self-Assessment-Reports/index.asp.

2.2.2 External review

The self-assessment process is complemented by an external review program of selected regulators. AMSA's port State control (PSC) related assessments were included on the 2016-17 schedule of external reviews promulgated by the Department of Prime Minister and Cabinet (DPMC).

To meet government and community expectations, AMSA is empowered to perform an enforcement function for maritime trade through the implementation of a rigorous PSC regime. The operation of a professional, consistent PSC regime is essential in ensuring vessels comply with minimum standards in a manner that promotes maritime safety, seafarer welfare and protection of Australia's 60,000 kilometres of coastline islands from environmental damage.

AMSA was the first entity subject to an RPF external review. As such, there was no formal guidance beyond that provided in DPMC's RPF handbook.

¹ On 28 May 2015 the AAC agreed to be AMSA's external validation body for the Regulator Performance Framework (RPF), and agreed the proposed measures. On 1 December 2015 AMSA's portfolio Minister approved these arrangements

² *Public Governance, Performance and Accountability Act 2013* (PGPA ACT)

3 Method

3.1 Scope

The scope of the external review was to examine AMSA's performance against the RPF framework for PSC related assessments. In doing so, it sought to test the validity and accuracy of AMSA's broader 2015-16 RPF self-assessment.

3.2 Approach

The external review centred on a panel desktop review workshop (the workshop) held at AMSA's headquarters in Canberra on Wednesday 12 April 2017.

DPMC advises that judgements on performance should be made by drawing on a range of evidence from different sources, and reviewers should seek to triangulate evidence. In preparation for the workshop, the panel was provided with several related documents – listed at **Attachment 5.3**.

With the panel's agreement, the workshop was facilitated by AMSA's Manager Governance³.

Following an introductory session which provided an overview of the PSC function, the workshop agenda (**Attachment 5.1**) dedicated individual sessions to each RPF KPI.

Using an audit checklist template approach, **Appendices 1-6** provided the review panel with an assessment framework for each KPI, drawing on DPMC's examples of:

- better practice
- measures of good regulatory performance; and
- output/activity based evidence.

For comparative purposes, the checklist templates also provided the summary KPI results from AMSA's 2015-16 RPF annual self-assessment report.

Based on the evidence made available to them, for each RPF KPI the panel was asked to make an overall assessment of AMSA's performance for port State control related assessments on a three-point scale (below).

 Excellent	<i>Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner.</i>
 Satisfactory	<i>Demonstrates essential elements of better practice. Competent.</i>
 Poor	<i>Significant gaps and omissions against better practice. Deficient.</i>

They were also asked to:

- identify notable elements of better practice where evident
- identify opportunities for improvement where evident
- form an overall opinion as to whether their assessment was consistent with AMSA's overall 2015-16 RPF self-assessment
- make any general observations about PSC, the RPF framework and review process .

During the review workshop the panel had:

- access to a PSC subject matter expert throughout; and
- the opportunity to request further information/evidence.

At the conclusion of the review workshop the Manager Governance used the panel's completed assessments to form the basis of the draft report, which was provided to the panel for review and agreement.

³ author of AMSA's inaugural self-assessment report

4 Results

4.1 RPF KP1: Regulators do not unnecessarily impede the efficient operation of regulated entities

4.1.1 Overall assessment



Excellent

Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner.

**“The central question is - are you (AMSA) facilitating trade or impeding it?
My view is that you are facilitating it”** *Melwyn Noronha, Shipping Australia*

4.1.2 Performance overview

AMSA gains an understanding of the operating environment of the industry subject to PSC, and current and emerging issues through:

- formal operating environment reviews as part of their strategic and annual business planning cycle
- business intelligence developed from integrating data from several sources (e.g. port arrivals, Lloyd's list, stakeholder surveys, complaints etc) layering that data, and then interrogating it to identify links, threads and emerging themes; and
- regular engagement with industry and stakeholders across multiple forums, e.g. the AMSA Advisory Committee, IMO.

AMSA endeavours to minimise the negative impacts of its PSC activities by:

- proactively engaging with industry and international maritime bodies to ensure crew and operators understand requirements well in advance of inspections, including clear instructions on what constitutes grounds for detention
- using information electronically available from several sources to minimise, and where possible, avoid asking crew and operators to provide such information as part of a PSC inspection, and in doing so, reduce duplication and administrative burden
- constantly focusing on understanding the cost of compliance, and seeking to reduce those costs by:
 - preplanning inspections to reduce the time PSC surveyors spend on board
 - providing notification of inspections well in advance
 - being flexible/tailoring inspections to accommodate the unique circumstances of individual ships/operators, e.g. those with compressed turn-around times such as cruise liners and car carriers
 - providing PSC surveyors with up to date instructions and training to promote consistency and efficiency
 - maintaining PSC levies at the same level over an extended period, i.e. not CPI adjusted; and
 - proactively engaging with other Commonwealth entities to coordinate regulatory effort, and subsequently reduce the burden on operators, e.g. AMSA is currently working with Agriculture – who are responsible for port State inspections related to ballast water – to try to synchronise inspection activity.

In terms of tailoring, there are limitations. AMSA is cognisant of its impact on smaller operators and is aware of their individual circumstances, but is obliged to exercise its powers uniformly and take action in the interest of safety and the environment.

AMSA has a continuous improvement philosophy, evidenced by its independent certification to three international quality standards:

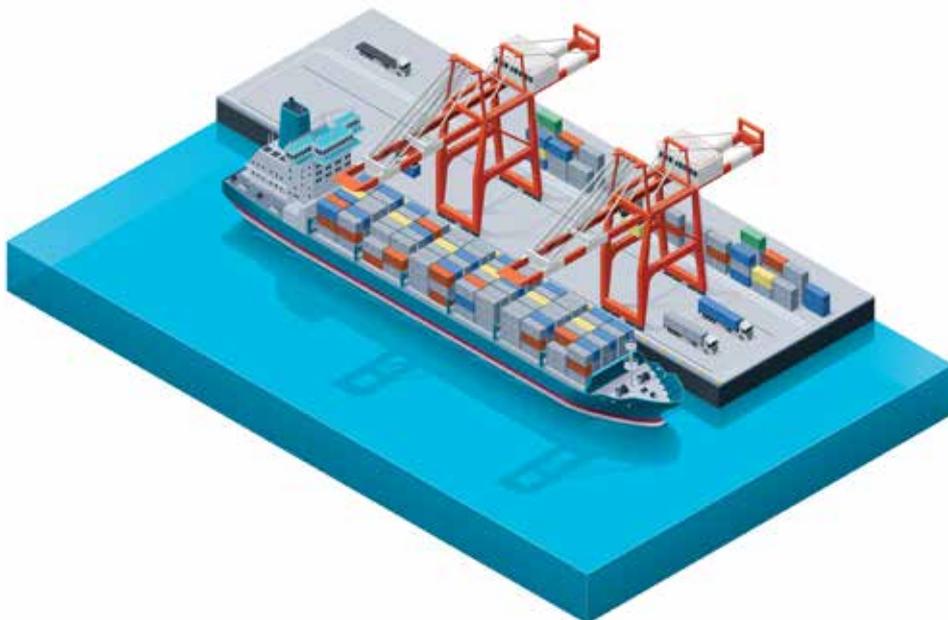
- AS/NZ AS/NZS ISO 9001: 2008 Quality Management Systems
- AS/NZS 4801: 2001 Occupational Safety and Health Management Systems; and
- AS/NZS ISO 14001: 2004 Environmental Management Systems.

This philosophy extends to the PSC function. AMSA seeks feedback through several channels, including online surveys, telephone surveys, AMSA Connect (contact centre) and stakeholder forums, and uses the information to improve its services.

4.1.3 Better practice

AMSA's use of information available electronically from several sources to minimise, and where possible, avoid asking crew and operators to provide such information as part of a PSC inspection - and in doing so reduce duplication and administrative burden – is an example of better practice.

Between 2014 and 2030,
vessel activity at Australian
ports is forecast to grow by **34%**



4.2 RPF KP2: Communications with regulated entities is clear, targeted and effective

4.2.1 Overall assessment



Excellent

Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner.

4.2.2 Performance overview

AMSA has an efficient, proactive and forward orientated communication/engagement strategy to make sure industry understands Australia's PSC arrangements, evidenced by:

- presentations at ship owner and operator forums
- a demonstrated willingness to proactively engage with ship owners/operators and flag states where trends indicate an emerging issue with a view to preventing the need for more serious action
- presentations at international maritime training institutions to ship masters and crews
- roadshows, e.g. gross weight education
- delegations from AMSA travelling to visit, or receiving visits from, other flag states or maritime agencies, vessel owner/operators and Classifications societies to discuss vessel performance, emerging issues and the conduct of port State control.
- active use of technology (e.g. USBs provided to ship masters with relevant, topical information), and social media, e.g. Twitter and Facebook
- the conduct of cost benefit analysis to determine what communication approaches deliver the best outcome
- the use of World leading information and training; and
- the active encouragement provided by AMSA to ship owners/operators, classification societies and flag states to utilise AMSA appeal processes in order that any errors may be identified and dealt with

To provide clear, accessible, consistent and up to date information, AMSA uses a variety of channels, including the AMSA internet site, and instructional PSC videos available on-line and via USB covering all aspects of PSC inspections. The videos and supporting materials are highly regarded internationally, to the extent that they are promoted by the UK Maritime and Coastguard Agency, Lloyd's and the Hong Kong classification society¹ as exemplars, and are widely shared and tailored across industry to suit audience requirements.

Industry consultation is a key consideration in any proposed changes. The Marine Order development process stipulates a mandatory consultation period, and is promoted through AMSA's website and various forums. Feedback is sought through the same channels.

AMSA communicates its decisions in detail, particularly if a ship is detained. AMSA Surveyors are required to ensure the Master of the ship understands the deficiencies issued and their avenues for clarification and/or appeal.

AMSA also has in place a prompt and effective appeal process designed to ensure stakeholders can raise issues of concern and seek redress if required.

To support ship owner and operators a standard format report is prepared immediately after each detention which includes detailed reasons for the detention and photographic evidence. This information is provided where the ship owner seeks clarification and/or in response to any appeals process, including internal appeals, the Australian Administrative Appeals Tribunal, and appeals under international Memorandum of Understanding (MoU) arrangements.

AMSA publishes monthly detention lists, and annual PSC reports. PSC key performance indicator results are also published in AMSA's annual report – see *KPI 5* for more information.

4.2.3 Better practice

AMSA's use of a variety of communication channels and mediums, including instructional videos, to educate and raise stakeholder PSC awareness is an example of better practice.

¹ a classification society is a non-governmental organization that establishes and maintains technical standards for the construction and operation of ships and offshore structures



4.3 RPF KP3: Actions taken by regulators are proportionate to the regulatory risk being managed

4.3.1 Overall assessment



Excellent

Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner.

“Inspections are clearly targeted towards the four different levels of risk”
Ms Stephanie Werner, Department of Infrastructure and Regional Development

4.3.2 Performance overview

AMSA uses an evidence based risk profiling system to target ships for inspection, and to allocate inspection resources in the most effective manner.

All ships are eligible for inspection every six months, but will not necessarily be inspected that frequently. The automated risk calculation underpinning the profiling system uses multiple criteria including ship age, port State control history for vessel and owner/operator (who may operate several ships), previous detentions and overall flag state PSC performance, to categorise vessels into four priority groups relative to a “risk factor” signifying a ‘probability of detention’.

The underlying equation is based on the identification of statistically significant factors identified through analysis of AMSA’s own data which spans over 25 years. AMSA data is used to ensure certainty and actual outcomes align reasonably with the predicted risk of detention. AMSA continues to develop its prioritisation tools with new factors to be introduced into the equation including identification of certain shipyards.

AMSA also uses active data such as incident reports, onshore complaints and reports of suspected non-compliance to identify ships that should be inspected, irrespective of their priority categorisation, in order to ensure known or suspected issues are addressed.

Each group has a specific target inspection rate:

Priority group	Risk factor (probability of detention)	Target inspection rate
Priority 1	6 or higher	80%
Priority 2	4 or 5	60%
Priority 3	2 or 3	40%
Priority 4	0 or 1	20%

Elements of the system are reviewed regularly. The data is constantly updated, targets are reviewed annually, and the criteria every two-three years.

Use of the risk profiling system to direct PSC inspection activity acknowledges the compliance record of ships and operators. Those with a good profile and record are far less likely to be subject to inspection activity.

AMSA is mindful of the financial and reputational cost of detention, and prefers to use positive incentives to encourage compliance such as education and awareness. However, imposing detention is a proportionate to the seriousness of the breach, and the real risk to safety and the environment.

AMSA's PSC inspection rate performance for 2016-17 is detailed in the table below.

Performance criterion		Results		Analysis	
	Measure	Target	Annual (cumulative or average)	Status	Analysis
1	The inspection rate of risk assessed eligible foreign-flagged ships under the port State control (PSC) program meets the following targets:				
	priority one ships	80%	97%	●	Target exceeded
	priority two ships	60%	88%	●	Target exceeded
	priority three ships	40%	74%	●	Target exceeded
	priority four ships	20%	52%	●	Target exceeded

4.3.3 Better practice

AMSA's evidence based risk profiling system to target ships for inspection, and to allocate inspection resources in the most effective manner, is an example of better practice.

4.3.4 Opportunities for improvement

AMSA is aware that current inspection rates exceed targets, particularly for lower priority ships, but maintain that this situation may be partly due to un-forecasted responses to incident reports, onshore complaints, and reports of suspected non-compliance.

However, AMSA also acknowledges they may be over-servicing PSC inspections for priority three and four ships - a cohort that AMSA is trying to minimise inspection activity for.

In response, new systems are being developed to provide real time information on KPI performance to minimise over-servicing, and AMSA are also considering revising KPI targets to allow the reallocation of some resources to new or higher priority areas - such as regulating the domestic commercial vessel fleet¹, and monitoring the Maritime Labour Convention requirements.

¹ From July 2018 AMSA assumes full responsibility, as the national regulator, for the national domestic commercial fleet.

4.4 RPF KP4: Compliance and monitoring approaches are streamlined and coordinated

4.4.1 Overall assessment



Excellent

Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner.

“The key point is - AMSA does not ask ships for information. It uses the information available from several sources, and validates”

Melwyn Noronha, Shipping Australia

4.4.2 Performance overview

AMSA does all it can to minimise the information it needs to gather directly from ships and operators. It uses automated data flows from several sources, including flag states (e.g. electronic certificates where available), previous PSC inspection data and port arrival scheduling, to provide the necessary information. AMSA is seen as a world leader in this area.

Australia is a signatory to international MoU associated with PSC (e.g. the Tokyo and Indian Ocean MoUs), and has bilateral arrangements in place with several flag states. These arrangements facilitate a two-way flow of information, a high level of international coordination, peer review and liaison between flag states and maritime agencies – all of which promote a common understanding and reduce the need to gather information directly from ships and operators.

AMSA also shares information electronically with its international regulatory partners on a daily basis, and provides other domestic regulators with information. For example, AMSA is notified of a ship's arrival into port two-three weeks in advance, and this information is provided automatically to agencies such as the Departments of Agriculture, and Customs and Border Protection.

The physical port State control inspection process is carefully structured. To promote consistency and efficiency surveyors have detailed instructions, training is comprehensive, and surveyors are rotated through different ports.

AMSA's focus on minimising compliance costs (see KPI 1), and its communication and engagement approach (see KPI 2), ensures that ship crews and operators are fully aware of what is expected of them and that the necessary information is available, well in advance of the inspection – all of which help to minimise the impact on the day.

4.4.3 Opportunities for improvement

AMSA management identified an opportunity to reduce duplication and minimise manual processes by introducing centralised automated data sharing via the International Maritime Organization (IMO) and other flag states. For example, sharing electronic statutory certificates issued by flag states. However, AMSA anticipates significant resistance from some flag states, and as such their ability to progress this opportunity on a universal basis is limited.

There are opportunities for AMSA, by itself, to establish bilateral arrangements with the 'big' flags' it works with to allow information be shared online. The provision of inspection and incident data to the flag states (on their ships) is an incentive for participation. The panel recommends that AMSA continue to progress this work in order to minimise the time impact of port State control inspections.

AMSA believes there is scope for Australian regulators to improve data sharing and coordination. AMSA currently shares data with 22 entities including other Australian Government agencies and regulators, and is trying to physically coordinate PSC inspection activity with other regulatory agency activities (e.g. OTS, Agriculture) to reduce the imposition on vessels and operators – but concedes it is challenging, and that there is scope for improvement. Their desired end state is a single, multi-agency inspection regime where control is exercised under international conventions adopted at the IMO.

4.5 RPF KP5: Regulators are open and transparent in their dealings with regulated entities

4.5.1 Overall assessment



Excellent

Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner.

4.5.2 Performance overview

PSC information, including AMSA's enforcement strategy and risk approach, is publically available on AMSA's website, and is communicated in a variety of ways (e.g. video, USB) to ensure it is clear, understandable and accessible - see KPI 2 for more information on AMSA's communication and engagement approach.

Questions and feedback are encouraged through a variety of channels, including: directly to PSC surveyors, 24/7 on-line and phone surveys, bi-annual stakeholder engagement surveys, and AMSA Connect (contact centre).

AMSA actively encourages challenges/appeals to its decisions, as it considers them a valuable learning opportunity. Information on the appeals procedure is provided on the detention form, and crews/operators are verbally advised of their rights.

To demonstrate accountability, results are published/promulgated in several ways:

- monthly detention lists
- annual PSC reports
- annual reports
- annual RPF self-assessment reports
- presentations to stakeholders including industry, other maritime organisations – see **Attachment 5.2** for an example

Australia's PSC program is also subject to annual peer review under the Tokyo MoU and Australia has already been subject to an audit under the IMO Audit Scheme – which is now mandatory.



4.6 RPF KP6: Regulators actively contribute to the continuous improvement of regulatory frameworks

4.6.1 Overall assessment



Excellent

Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner.

“AMSA actively encourages cooperation and collaboration between operators, flag states, and other maritime agencies to improve safety”

Kerry Smith, Australian Fisheries Management Authority

4.6.2 Performance overview

AMSA has a continuous improvement philosophy, evidenced by its independent certification to three international quality standards:

- AS/NZ AS/NZS ISO 9001: 2008 Quality Management Systems
- AS/NZS 4801: 2001 Occupational Safety and Health Management Systems; and
- AS/NZS ISO 14001: 2004 Environmental Management Systems.

Practical evidence of this philosophy is provided in the previous five KPI narratives.

AMSA is an active contributor and regional leader within the International Maritime Organization (IMO). It has led, or has made a major contribution to several PSC related initiatives including electronic certificates, cargo safety and PSC harmonisation.

It also working regionally and internationally to reduce compliance costs by encouraging rationalisation of requirements, improving processes, and highlighting issues with implementation of IMO requirements in an effort to reduce red tape.

AMSA also promotes continuous improvement through:

- delegations from AMSA travelling to visit, or receiving visits from, other flag states or maritime agencies, vessel owner/operators and Classifications societies to discuss vessel performance, emerging issues and the conduct of port State control.
- the provision of port State control experts to seminars organised by the Indian Ocean MOU, the Tokyo MOU, International Maritime Organisations or through bilateral arrangements.
- surveyor exchange opportunities (bilateral or through the Tokyo or Indian Ocean MOU) to build expertise and understanding; and
- hosting delegations in Australia, and sending delegations to other countries.

Shipping Australia was also supportive of AMSA's practical focus at the IMO on how measures are implemented, as compared to a sole focus on policy.

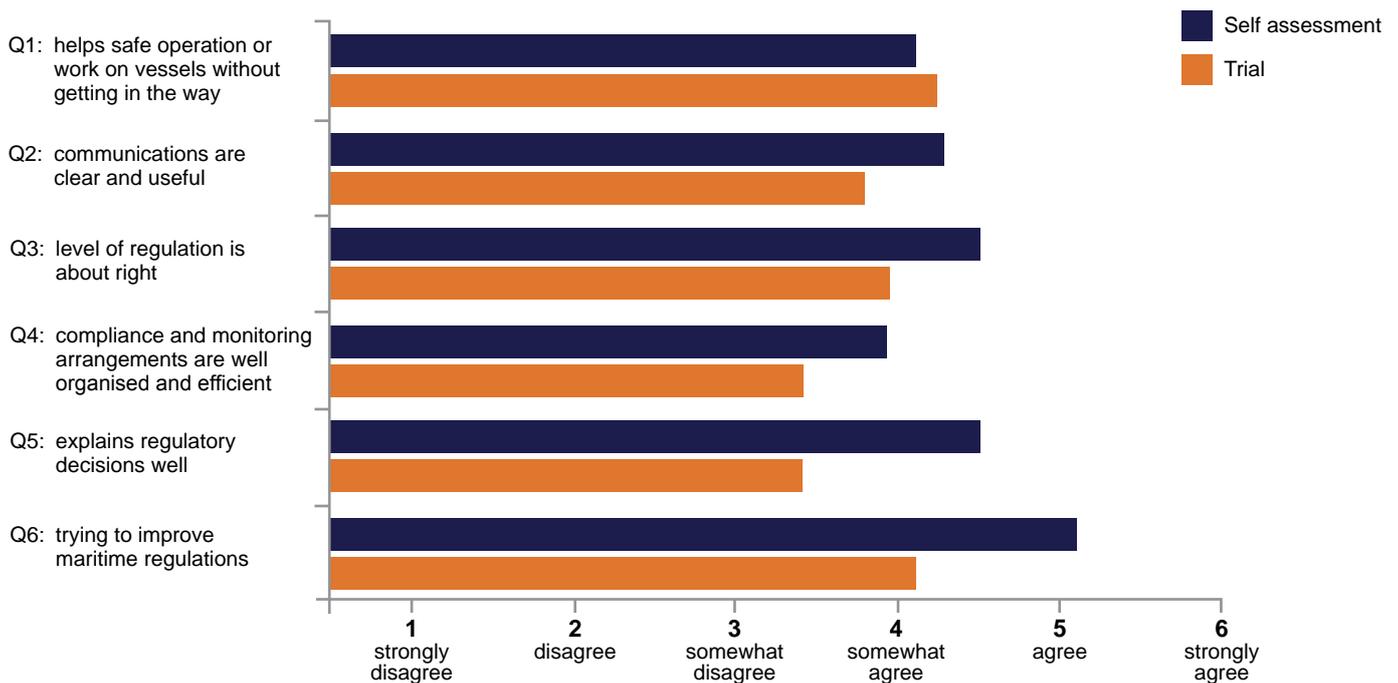
4.7 General observations

4.7.1 Comparison with AMSA 2015-16 RPF self-assessment results

With an overall score of **excellent**, the results of the external RPF PSC review are more favourable than AMSA's 2015-16 RPF self-assessment (see the blue bars in the graph below). This outcome is most likely due to:

- the advanced maturity of AMSA's PSC regulatory function, and
- consideration of AMSA's entire regulatory remit in the 2015-16 self-assessment, including AMSA's comparatively new responsibilities associated with the domestic vessel fleet.

Graph one: Regulatory Performance Framework - AMSA self-assessment v trial RPF customer survey



4.7.2 General AMSA/PSC observations

The evidence presented to the panel indicates that AMSA is a leading exponent of PSC internationally.

The panel also acknowledged that AMSA has 'weathered' some recent significant changes, namely the advent of the national system for commercial domestic vessel and organisational restructure, without any obvious detriment to the PSC function – which is commendable.

It is obvious that AMSA's PSC function is heavily reliant on data and systems. As such, it is imperative that AMSA has robust cyber security and business continuity arrangements in place.

4.7.3 RPF observations

The panel noted that there is:

- a significant amount of overlap/cross-over between RPF KPIs, and as such, an opportunity exists for the Department of Prime Minister and Cabinet (DPMC) to rationalise and refine the framework to make it more efficient and effective,
- an absence of prescriptive guidance from DPMC for panel members on their assessment responsibilities, and on the overall external review process, and that the development of such guidance would help to ensure consistent process and comparable outcomes; and
- a risk of stakeholder consultation fatigue given the frequency of RPF reviews, notably the annual self-assessments that must be validated, and that more value might be extracted from the review if they were less frequent, and agencies were given time to act on the opportunities for improvement identified.

5 Attachments

5.1 Agenda



Australian Government
Australian Maritime Safety Authority

AGENDA

External review of Australian Maritime Safety Authority - port state control related assessments

Location:

Level 3 Meeting Room

Australian Maritime Safety Authority Head Office, 82 Northbourne Avenue, Canberra, ACT

Contacts:

Mr Alex Schultz-Altmann, Manager Ship Inspection (02 6279 5048)

Mr Lloyd Dobson, Manager Governance (02 6279 5615)

Index No.	Time	Session Reference
1.	09.00-10.00	Introduction/Overview <i>Terms of Reference</i>
10:00-10:20 Morning Tea		
2.	10.20-11.00	Review of KPI 3: <i>actions undertaken by regulators are proportionate to the regulator risk being managed</i>
3.	11.00-11.40	Review of KPI 4: <i>compliance and monitoring approaches are streamlined and coordinated</i>
4.	11.40-12.20	Review of KPI 2: <i>communication with regulated entities are is clear, targeted and effective</i>
12.20 -13.00 Lunch		
5.	13.00-13.40	Review of KPI 5: <i>regulators are open and transparent in their dealings with regulated entities</i>
6.	13.40-14.20	Review of KPI 1: <i>regulators do not unnecessarily impede efficient operations for regulated entities</i>
7.	14.20-15.00	Review of KPI 6: <i>regulators actively contribute to the continuous improvement of regulatory frameworks</i>
15.00-15.30 Afternoon Tea		
8.	15.30-16.45	Review/Summary/Next Steps <i>Timeline April-June 2017</i>
9.		AMSA Performance Measure Assurance Map
10.		AMSA 2015-16 Regulator Performance Framework self-assessment Report AMSA 2015 Annual Port State Control Report AMSA 2016 Annual Port State Control Report

5.2 PSC briefing

Port State Control in Australia

Ship inspection – what is it?

Ensuring seaworthiness & safe operation of Australian & foreign ships in Australian waters

The importance of "Safe Operation" (or human factors) cannot be understated

Port State Control

Foreign flagged ships are subject to **port State control (PSC)** inspections, involving:

- checking compliance with international safety & environmental protection standards – including the Maritime Labour Convention
- targeting of ships for inspection based on risk factors such as ship type, age and inspection history
- taking actions where ships are found to have major deficiencies – which may include detention or banning

Maritime Labour Convention (MLC)

MLC outlines the minimum health and welfare requirements for the world's 1.4 million seafarers.

Australia strongly supports the MLC and has robust implementation and control systems

Port State Control – AMSA resources

16 offices covering over 70 ports

Risk and Targeting

Risk factor

The **risk factor**:

- is a number used to determine the priority of ships for inspection
- helps AMSA to better manage inspection resources to target ships that pose a greater risk
- is determined by an automated risk calculator that draws on several criteria and predictive models

Ship arrivals by risk factor

Risk factor profile of arriving foreign-flag ships

Risk factors & inspection target rates

Priority group	Probability of detention (Risk factor)	Target inspection rate
Priority 1	more than 5%	80%
Priority 2	4% to 5%	60%
Priority 3	2% to 3%	40%
Priority 4	less than 1%	20%

Example: 2015-16 inspection targets and rates

Country	2015-16	2014-15	2013-14	2012-13	2011-12
USA	100	100	100	100	100
UK	100	100	100	100	100
China	100	100	100	100	100
India	100	100	100	100	100
Japan	100	100	100	100	100
South Korea	100	100	100	100	100
Philippines	100	100	100	100	100
Indonesia	100	100	100	100	100
Malaysia	100	100	100	100	100
Thailand	100	100	100	100	100
Vietnam	100	100	100	100	100
Other	100	100	100	100	100

Effort is directed at high risk vessels

Continuity from previous years has been maintained

Appeals

Process

Following detention of a vessel by AMSA, the ship owner, ship manager or flag administration may lodge an appeal against the detention.

To minimise costs to all parties, AMSA has developed an initial review process where the detention is informally reviewed by a panel chaired by AMSA's Manager, Ship Inspection.

Process – internal review

This informal review does not involve legal representatives, however, it follows the same basic process used by the British Admiralty Law court in London.

Following initial review, a detailed response is sent to the appellant outlining the facts on which AMSA's decision was based, the applicable legislative requirements and the decision of the review panel.



Process – internal review

There are only two basic principles upon which an appeal can be successful.

1. The AMSA PSCO **did not understand the applicable legislative requirement; or,**
2. The AMSA PSCO **did not correctly apply the legislative requirement.**

Process – Administrative Appeals Tribunal (AAT)

- Australia's official national procedure* for appeal is through the Administrative Appeals Tribunal (AAT).
- The AAT operates very similarly to a court of law.
- Cases are presided by lawyers and/or barristers.
- Individuals may be called upon to give evidence or provide expert witness testimony.
- **Rulings set precedence.**



Process – TMOU & IOMOU

Where a ship is detained by a member of the Tokyo MOU or Indian Ocean MOU a final option for review is through the Secretariat of either the TMOU or IOMOU. The outcome of any such review is a recommendation only.

The outcome of this process is not binding on the port State.



Vessel Banning

Refusal of access ... or banning

Section 246 of the Navigation Act 2012 allows AMSA to direct that:

A vessel must not enter or use any port, or a specified port/s, in Australia or the exclusive economic zone (EEZ) of Australia.

The direction document will specify the duration... Essentially the ship cannot enter or use and Australian port for that period.

Note: This does not prevent the use of ports in distress situations.



Refusal of access, how is it done?

AMSA's power to give these directions is in section 246 of the Navigation Act 2012.

This section does not specify a minimum or maximum duration for refusal of access or how long conditions need to be complied with.

AMSA will make those decisions based on the facts and circumstances of each case.

In support of that decision making process AMSA is applying some general principals in to the exercise of this power in relation to the PSC performance of ...

- an individual ship; or
- the performance of vessel operators; or
- a combination of the two.

Refusal of access - principles

Generally access may be refused for **1 month** where:

- A vessel has been detained then released with conditions to carry out corrective action, but returns to Australia without the corrective action having been taken; or
- A vessel has incurred **three detentions** in a **two year period** and has not been previously issued a direction

Generally access may be refused for **12 months** where:

- A vessel has previously been issued a direction and is detained within two years of the expiry of that direction (while under the same operator).

Note: The nature of previous detentions that resulted in the initial direction may also be taken into consideration in order to provide fairness.

Refusal of access - general principles

Generally access may be refused for **12 months** where:

- A vessel has two directions and is detained within two years of the expiry of the second direction (while under the same operator).

Note: Again the nature of previous detentions may be taken into consideration in any decision.

- **For serious cases AMSA may issue directions beyond 24 months.**

Refusal of access - general principles

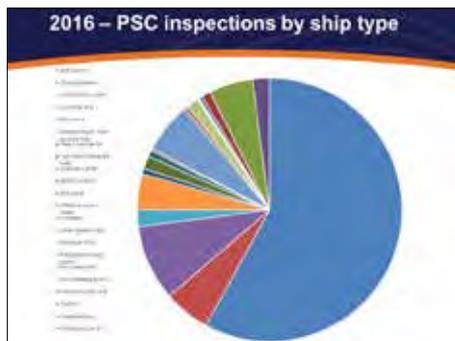
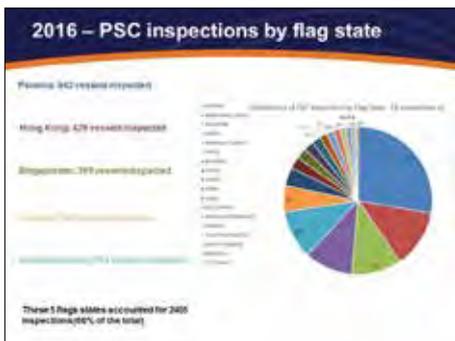
AMSA may also refuse access for **12 months** where:

- A **significant breach** of Australian legislation has occurred.
- The **effectiveness of the vessel operator's management system** is considered to pose a **significant risk** to the welfare or safety of seafarers or Australia's maritime environment.
- The standards of some vessels managed by an operator are **poor** as to cast **significant doubt** on the standards of other vessels managed by the same company. AMSA may consider directions in respect to other vessels of that operator.

Example PSC results

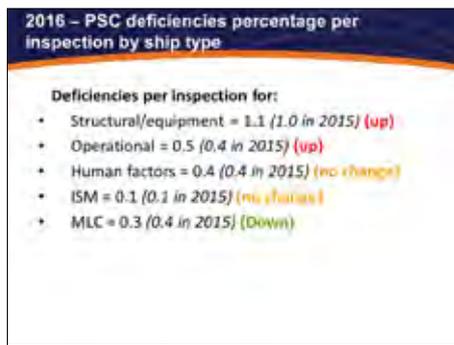
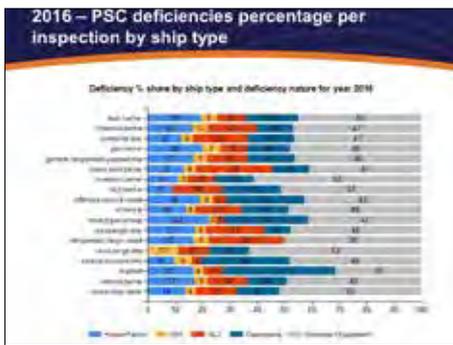
2016 – arrivals by ship type

Ship type	2015	2016	Change
Bulk carrier	13826	14145	3.7%
Chemical tanker	1445	1380	-4.5%
Container ship	4288	4340	1.3%
Gas carrier	825	1057	28.4%
General cargo/Multi-purpose	1265	1164	-7.9%
Livestock carrier	401	366	-8.7%
Oil tanker	1194	1276	4.4%
Vehicle carrier	1480	1484	0.3%
Other	2620	2304	-11.7%
Totals arrivals	27,344	27,516	2.0%



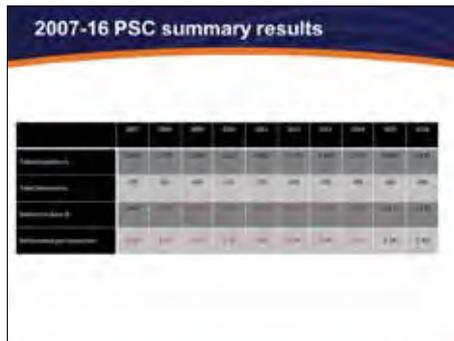
2016 – PSC deficiencies per inspection by ship type

Ship Type	Inspected	Deficiencies	Per Inspection	2015	2016	Change
Bulk carrier	14145	108	0.76	108	108	0%
Chemical tanker	1380	10	0.73	10	10	0%
Container ship	4340	32	0.74	32	32	0%
Gas carrier	1057	8	0.76	8	8	0%
General cargo/Multi-purpose	1164	9	0.77	9	9	0%
Livestock carrier	366	3	0.82	3	3	0%
Oil tanker	1276	10	0.78	10	10	0%
Vehicle carrier	1484	11	0.74	11	11	0%
Other	2304	17	0.74	17	17	0%
Totals	27,516	197	0.71	197	197	0%



Maritime Labour Convention 2014 - 2016

MLC related deficiencies	2014	2015	2016
Number of MLC deficiencies issued	1952	1443	1091
Percentage of total deficiencies	15.1%	15.2%	12%
MLC deficiencies per inspection	3.4	3.4	3.3
Number of detentions MLC deficiencies	21	28	22
Percentage of total detentions deficiencies	8.5%	7.9%	8%
Vessels deemed to be in breach of MLC requirements	1	2	1



The future of port State control

PSC processes are changing in response to:

- ❖ new requirements adopted by the International Maritime Organisation and International Labour Organisation, e.g. electronic certificates, new systems
- ❖ an increasing emphasis on efficiency to minimise the impact on complaint ships
- ❖ an outcomes based focus which considers how factors like the human element and 'operational competency' impact on ship safety

Questions

5.3 Evidence: documents

- 1. AMSA 2015-16 Regulator Performance Framework self-assessment report**, including:
 - the results and analysis of the AMSA Executive's self-assessment (section 4.1);
 - the results, analysis and AMSA's responses to the external validation undertaken by the AMSA Advisory Committee (section 4.2); and
 - additional evidence of good regulatory behaviour (section 5).
- 2. AMSA 2015-16 Annual Report**, including:
 - Non-Financial Performance - specifically Ship and Vessel Safety (pages 78-83) covering measures 1, 2 4 and 5;
 - Annex 2 - links performance criterion and results with the Corporate Plan, the portfolio Budget statement (page 95) and the relevant Regulator Performance Framework KPI.
- 3. AMSA Corporate Plan 2016-20**, including:
 - Section 1 (Challenge - managing risks to safety and the environment) - specifically focus area 1.1 (noting pages 18 and 19) - this section also identifies KPIs that are framework measures.
- 4. AMSA 2015 Annual Port State Control Report**, provides supporting evidence of performance in relation to inspection and detention rates.
- 5. AMSA 2016 Annual Port State Control Report** – as above.
- 6. AMSA Performance Measures Assurance Map** – demonstrates the linkages between the KPIs and the Regulator Performance Framework.

6 Appendices

6.1 RPF KPI 1 assessment template

APPENDIX 6: KPI 1 – REGULATORS DO NOT UNNECESSARILY IMPEDE THE EFFICIENT OPERATIONS OF ENTITIES

PANELLIST:

BETTER PRACTICE

The way regulation is implemented and enforced can have as significant an impact on productivity and economic growth, and cause as much overhead for individuals, as the content of the regulation itself.

Effective regulatory administration allows, and through regulatory actions encourages, efficient operations of regulated entities. Better practice regulators aim to achieve the intended outcomes of their regulations without unnecessarily restricting or imposing unnecessary burden on regulated entities. Enforcement activities only occur when there is a clear case for doing so.

These regulators also, where appropriate, recognise that they may need to adopt approaches to particular stakeholders. For example, regulators may need to consider different approaches for small business to demonstrate compliance with regulatory standards, particularly where approaches applied to larger business could create disproportionate burdens for small businesses. Within the context of its statutory obligations and priorities as defined by the Government, the activities of a better practice regulator do not unnecessarily impede the efficient operations of regulated entities. When designing and reviewing policies and operational procedures and practices, these regulators consider how they might avoid imposing unnecessary costs while fulfilling their statutory role. They seek to achieve a balance between the responsibility to deliver protection to the community and the burden imposed by external intervention. Regulators have regard to their legislative and authorising environment at all times and take steps to minimise duplication and optimise harmonisation with other relevant regulators.

QUESTIONS - measures of good regulatory performance

1. How does AMSA gain and demonstrate an understanding of the operating environment of the industry or organisation, or the circumstances of individuals and the current and emerging issues that affect the sector?
2. What actions does AMSA take to minimise the potential for unintended negative impacts of regulatory activities on regulated entities, affected supplier industries and supply chains?
3. What continuous improvement strategies does AMSA have to reduce the costs of compliance for those they regulate?

EVIDENCE – outputs and activities

1. Evidence of Proportionate Harmonisation
2. Evidence of Proportionate Harmonisation
3. Evidence of Proportionate Harmonisation
4. Evidence of Proportionate Harmonisation
5. Evidence of Proportionate Harmonisation
6. Evidence of Proportionate Harmonisation

REGULATOR PERFORMANCE FRAMEWORK EXTERNAL REVIEW: PSC RELATED ASSESSMENTS

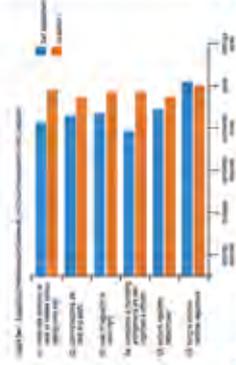


OVERALL ASSESSMENT -

Excellent	Demonstrates essential elements of better practice and exceeds expectations in some areas. Leading practitioner
Effective (satisfactory)	Demonstrates essential elements of better practice. Competent.
Poor	Significant gaps and omissions against better practice. Deficient.

Comments:

COMPARISON - AMSA 2015-16 self-assessment results (see Q1 below):



HP-TRM-D10XXXXX

6.2 RPF KPI 2 assessment template

APPENDIX 4: KPI 2 – COMMUNICATIONS WITH REGULATED ENTITIES IS CLEAR, TARGETED AND EFFECTIVE

PANELLIST:

BETTER PRACTICE

Effective communication is vital for the efficient delivery of regulatory services and the achievement of positive regulatory outcomes. Clear advice and guidance can reduce the compliance burden on regulated entities and reduce non-compliant activity. Better practice regulators communicate in such a way that regulated entities clearly understand what they need to do in order to comply with regulation. Regulated entities are able to find out quickly which regulations apply to them, what the requirements are, and how they can comply and/or improve compliance over time. Once regulated entities understand both what they need to do to comply and how this contributes to regulatory objectives, regulated entities are more likely and more willing to comply. Effective regulators explain how specific requirements and processes fit into the overarching regulatory frameworks. The reasons for regulatory decisions are clearly communicated. Communication with regulated entities is consistent to assist regulated entities to quickly understand the compliance requirements. This also increases confidence in the regulation.

QUESTIONS - measures of good regulatory performance

1. How does AMSA ensure that their guidance and information is up to date, clear, accessible and concise, and provided to the target audience through appropriate media?
2. How does AMSA consider the impact on regulated entities and engage with industry groups and representatives of the affected stakeholders before changing policies, practices or service standards?
3. Does AMSA communicate its decisions and advice in a timely manner, clearly articulating expectations and the underlying reasons for decisions?
4. Is the advice AMSA provides consistent and support predictable outcomes?

EVIDENCE – outputs and activities

1. Determination of priority regulatory areas/communities to regulate
1. Development of a regulatory strategy
 2. Identification of regulatory areas/communities to regulate
 3. Development of a regulatory strategy
 4. Identification of regulatory areas/communities to regulate
 5. Development of a regulatory strategy
 6. Identification of regulatory areas/communities to regulate
 7. Development of a regulatory strategy
 8. Identification of regulatory areas/communities to regulate
 9. Development of a regulatory strategy
 10. Identification of regulatory areas/communities to regulate

REGULATOR PERFORMANCE FRAMEWORK EXTERNAL REVIEW: PSC RELATED ASSESSMENTS

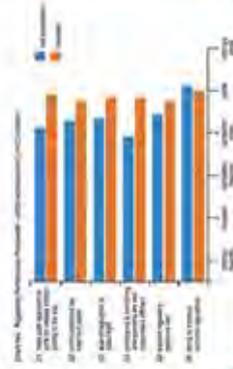


OVERALL ASSESSMENT -

Excellent	Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner
Satisfactory	Demonstrates essential elements of better practice. Competent
Poor	Significant gaps and omissions against better practice. Deficient

Comments:

COMPARISON - AMSA 2015-16 self-assessment results (see Q2 below):



HP TRM 0170000X

6.3 RPF KPI 3 assessment template

APPENDIX 2: KPI 3 – ACTIONS UNDERTAKEN BY REGULATORS ARE PROPORTIONATE TO THE REGULATORY RISK BEING MANAGED

PANELLIST:

BETTER PRACTICE

Comprehensive risk assessment processes are essential to ensuring that resources are targeted to the areas requiring the most attention. A risk-based approach promotes the most efficient use of resources and improves the effectiveness of the regulatory framework through minimising burden on those who are voluntarily compliant and ensuring that enforcement action is proportionate and undertaken only when necessary.

Efficient regulatory risk assessment takes account of the regulated activity, the nature of the regulated cohort, including its compliance history, and other external factors affecting risk. Risk assessments are balanced and implemented infirmly and impartially, while also being dynamic and open to scrutiny. They're based on the recognition that not all risk can be eliminated and not all risk can be effectively mitigated by government.

Where the risk of non-compliance is high or the consequence of non-compliance significant, there is a higher degree of monitoring. Where the risk of non-compliance is low or the consequences of non-compliance minor, regulators take lighter touch approaches. For example, regulators consider light touch responses for stakeholders that may be disproportionately affected by regulatory burden, such as small business, individuals and community organisations that may have more difficulty in finding the resources or skills to respond to compliance requirements.

A full suite of regulatory tools is appropriately utilised to ensure compliance. Where possible, regulators consider the use of positive incentives, cooperation from industry groups, and other means to encourage compliance. Any enforcement action undertaken is within the constraints of the authorising legislation and penalties are proportionate to both the seriousness of the breach and the risk being managed.

QUESTIONS - measures of good regulatory performance

1. Does AMSA apply a risk-based, proportionate approach to compliance obligations, engagement and regulatory enforcement actions?
2. How regularly is AMSA's approach to regulatory risk reassessed?
3. Are AMSA's strategies, activities and enforcement actions amended to reflect changing priorities that result from new and evolving regulatory threats, without diminishing regulatory certainty or impact?
4. How does AMSA acknowledge the compliance record of regulated entities, including using earned autonomy where appropriate?
5. Is all available and relevant data on compliance, including results of relevant external verification, considered?

EVIDENCE – outputs and activities

1. Regulatory risk assessment framework
2. Regulatory risk assessment framework
3. Regulatory risk assessment framework
4. Regulatory risk assessment framework
5. Regulatory risk assessment framework
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20. Regulatory risk assessment framework

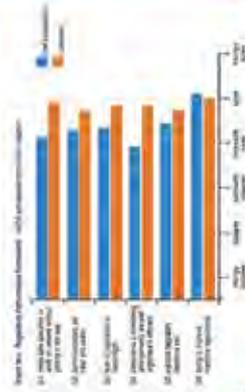
REGULATOR PERFORMANCE FRAMEWORK EXTERNAL REVIEW: PSC RELATED ASSESSMENTS

OVERALL ASSESSMENT -

Excellent	Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner.
Satisfactory	Demonstrates essential elements of better practice. Competent.
Poor	Significant gaps and omissions against better practice. Deficient.

Comments:

COMPARISON - AMSA 2015-16 self-assessment results (see Q3 below):



6.4 RPF KPI 4 assessment template

APPENDIX 3: KPI 4 – COMPLIANCE AND MONITORING APPROACHES ARE STREAMLINED AND COORDINATED

PANELLIST:

BETTER PRACTICE

Compliance and monitoring are an essential part of regulatory frameworks. These processes allow regulators to determine the level of compliance with regulation.

The collection of information and/or data, while necessary to determine compliance with regulations, imposes costs on regulated entities. These costs are considered by better practice regulators in the design and implementation of a compliance regime. These regulators seek to minimise the compliance costs imposed on entities by inspection and monitoring approaches. Compliance costs can be minimised in a number of ways, including through implementing risk-based approaches and streamlining inspection and monitoring processes as far as possible.

Effective regulators do not seek information from regulated entities unless the information is required to achieve the regulatory outcome sought. Regulators minimise duplicative information requests, including between regulators where possible, and consider whether the information sought is available from alternative means.

Inspections focus on identifying and addressing persistent breaches of regulation and aim to improve compliance. They are justified and targeted on the basis of an assessment of the compliance risk. The possibility of joint or coordinated inspections is considered to assist in reducing the burden on business.

REGULATOR PERFORMANCE FRAMEWORK EXTERNAL REVIEW: PSC RELATED ASSESSMENTS

QUESTIONS - measures of good regulatory performance

1. Are AMSA's information requests tailored, and only made when necessary to secure regulatory objectives, and only then in a way that minimises impact?
2. Does AMSA try to minimise the frequency of information collection, and do they coordinate with similar processes - including those of other regulators - so that as far as possible information is only requested once?
3. Does AMSA utilise existing information to limit the reliance on requests from regulated entities, and do they share the information among other regulators where possible?
4. Are AMSA's monitoring and inspection approaches based on risk and, where possible, do they take into account the circumstance and operational needs of the regulated entity?

EVIDENCE – outputs and activities

- 1. Department of Primary Industries and Fisheries (DPIF) - Compliance and Monitoring Framework External Review Report
- 2. Department of Primary Industries and Fisheries (DPIF) - Compliance and Monitoring Framework External Review Report
- 3. Department of Primary Industries and Fisheries (DPIF) - Compliance and Monitoring Framework External Review Report
- 4. Department of Primary Industries and Fisheries (DPIF) - Compliance and Monitoring Framework External Review Report
- 5. Department of Primary Industries and Fisheries (DPIF) - Compliance and Monitoring Framework External Review Report
- 6. Department of Primary Industries and Fisheries (DPIF) - Compliance and Monitoring Framework External Review Report
- 7. Department of Primary Industries and Fisheries (DPIF) - Compliance and Monitoring Framework External Review Report
- 8. Department of Primary Industries and Fisheries (DPIF) - Compliance and Monitoring Framework External Review Report
- 9. Department of Primary Industries and Fisheries (DPIF) - Compliance and Monitoring Framework External Review Report
- 10. Department of Primary Industries and Fisheries (DPIF) - Compliance and Monitoring Framework External Review Report

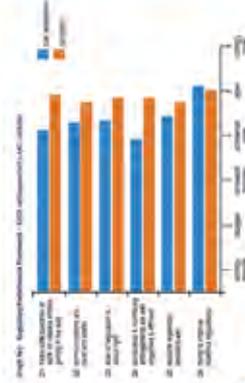


OVERALL ASSESSMENT -

Excellent	Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner
Satisfactory	Demonstrates essential elements of better practice. Competent.
Poor	Significant gaps and omissions against better practice. Deficient.

Comments:

COMPARISON - AMSA 2015-16 self-assessment results (see Q4 below):



6.5 RPF KPI 5 assessment template

APPENDIX 5: KPI 5 – REGULATORS ARE OPEN AND TRANSPARENT IN THEIR DEALINGS WITH REGULATED ENTITIES

PANELLIST:

BETTER PRACTICE

It is important that regulators are open and transparent in the way they regulate to ensure the confidence of those being regulated and the wider community. If regulated entities understand how and why they are being regulated, compliance may increase and regulatory outcomes are more likely to be achieved. Transparency also contributes to a greater understanding of the regulators role by both the regulated cohort and the broader community.

Open and transparent dealings with regulated entities increases the accountability of both regulators and government. Increased accountability, to both regulated entities and the wider community, improves the overall performance of regulators. Ensuring regulators are accountable for their decisions also improves community confidence in the regulator. Increased transparency and accountability provides regulated entities with a greater understanding of how the regulator seeks regulatory outcomes and addresses misguided perceptions of regulator performance.

Where possible, better practice regulators clearly communicate the evidence base and approach used in the regulatory decision making process to regulated entities. Regulatory objectives and risk-based frameworks are made publicly available wherever possible. While the risk of gaming from regulated entities is considered, risk-based frameworks are made public unless it can be clearly demonstrated this would lead to a failure of the regulatory system. Publishing risk-based frameworks helps to ensure the regulated entity understands what is required and provides a clear statement of what the regulator is trying to achieve. Results from performance measurement against this framework are also made public in a timely way to ensure an open and transparent relationship with regulated entities.

QUESTIONS - measures of good regulatory performance

1. Are AMSA's risk-based frameworks publicly available in a format which is clear, understandable and accessible?
2. Is AMSA open and responsive to requests from regulated entities regarding the operation of the regulatory framework, and the approaches implemented?
3. Does AMSA publish its performance measurement results in a timely manner to ensure accountability to the public?

EVIDENCE – outputs and activities

- Assessment of Transparency and Evidence
1. Assessment of regulatory frameworks published in a timely manner
 2. Assessment of regulatory frameworks published in a clear, understandable and accessible format
 3. Assessment of regulatory frameworks published in a format which is clear, understandable and accessible
 4. Assessment of regulatory frameworks published in a format which is clear, understandable and accessible
 5. Assessment of regulatory frameworks published in a format which is clear, understandable and accessible
 6. Assessment of regulatory frameworks published in a format which is clear, understandable and accessible
 7. Assessment of regulatory frameworks published in a format which is clear, understandable and accessible
 8. Assessment of regulatory frameworks published in a format which is clear, understandable and accessible
 9. Assessment of regulatory frameworks published in a format which is clear, understandable and accessible
 10. Assessment of regulatory frameworks published in a format which is clear, understandable and accessible

REGULATOR PERFORMANCE FRAMEWORK EXTERNAL REVIEW: PSC RELATED ASSESSMENTS

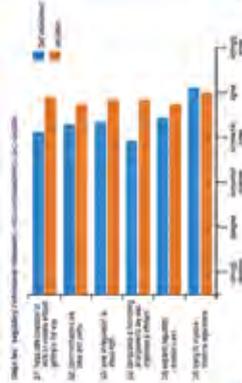


OVERALL ASSESSMENT

Excellent	Demonstrate essential elements of better practice and exceeds expectations in some areas. Leading practitioner
Satisfactory	Demonstrate essential elements of better practice. Competent
Poor	Significant gaps and omissions against better practice. Deficient

Comments:

COMPARISON - AMSA 2015-16 self-assessment results (see Q5 below):



6.6 RPF KPI 6 assessment template

APPENDIX 7: KPI 6 – REGULATORS ACTIVELY CONTRIBUTE TO THE CONTINUOUS IMPROVEMENT OF REGULATORY FRAMEWORKS

PANELLIST:

BETTER PRACTICE

Better practice regulators actively contribute to the continuous improvement of regulatory frameworks. No service remains the same over time, and continuous improvement ensures a regulatory framework has the flexibility to adjust to changing circumstances.

Better practice regulators follow the principles identified in KPI 2, building appropriate communication channels to promote a regular feedback cycle with peers and regulated entities. Information collected as part of monitoring and compliance approaches is used by these regulators to inform improvements in the authorising legislation and achieve reductions in compliance costs. Stakeholder feedback informs the development of any proposed change to management activities, to ensure the proposed actions are appropriately targeted. These actions, taken to improve frameworks, are clearly articulated and communicated to stakeholders.

This process maintains the cycle of continuous improvement, and provides the flexibility for regulatory frameworks to adapt to changes in the external environment.

REGULATOR PERFORMANCE FRAMEWORK EXTERNAL REVIEW: PSC RELATED ASSESSMENTS

QUESTIONS - measures of good regulatory performance

1. How does AMISA establish cooperative and collaborative relationships with stakeholders to promote trust and improve the efficiency and effectiveness of the regulatory framework?
2. How does AMISA engage stakeholders in the development of options to reduce compliance costs? This could include industry self-regulation, changes to the overarching regulatory framework, or other strategies to streamline monitoring and compliance approaches.
3. Does AMISA regularly share feedback from stakeholders and performance information (including from inspections) with policy departments to improve the operation of the regulatory framework and administrative processes?

EVIDENCE – outputs and activities

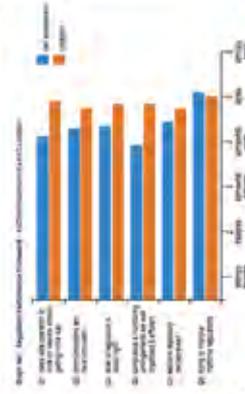
- 1. Stakeholder consultation and engagement activities
- 2. Stakeholder engagement activities
- 3. Stakeholder engagement activities
- 4. Stakeholder engagement activities
- 5. Stakeholder engagement activities
- 6. Stakeholder engagement activities
- 7. Stakeholder engagement activities
- 8. Stakeholder engagement activities
- 9. Stakeholder engagement activities
- 10. Stakeholder engagement activities

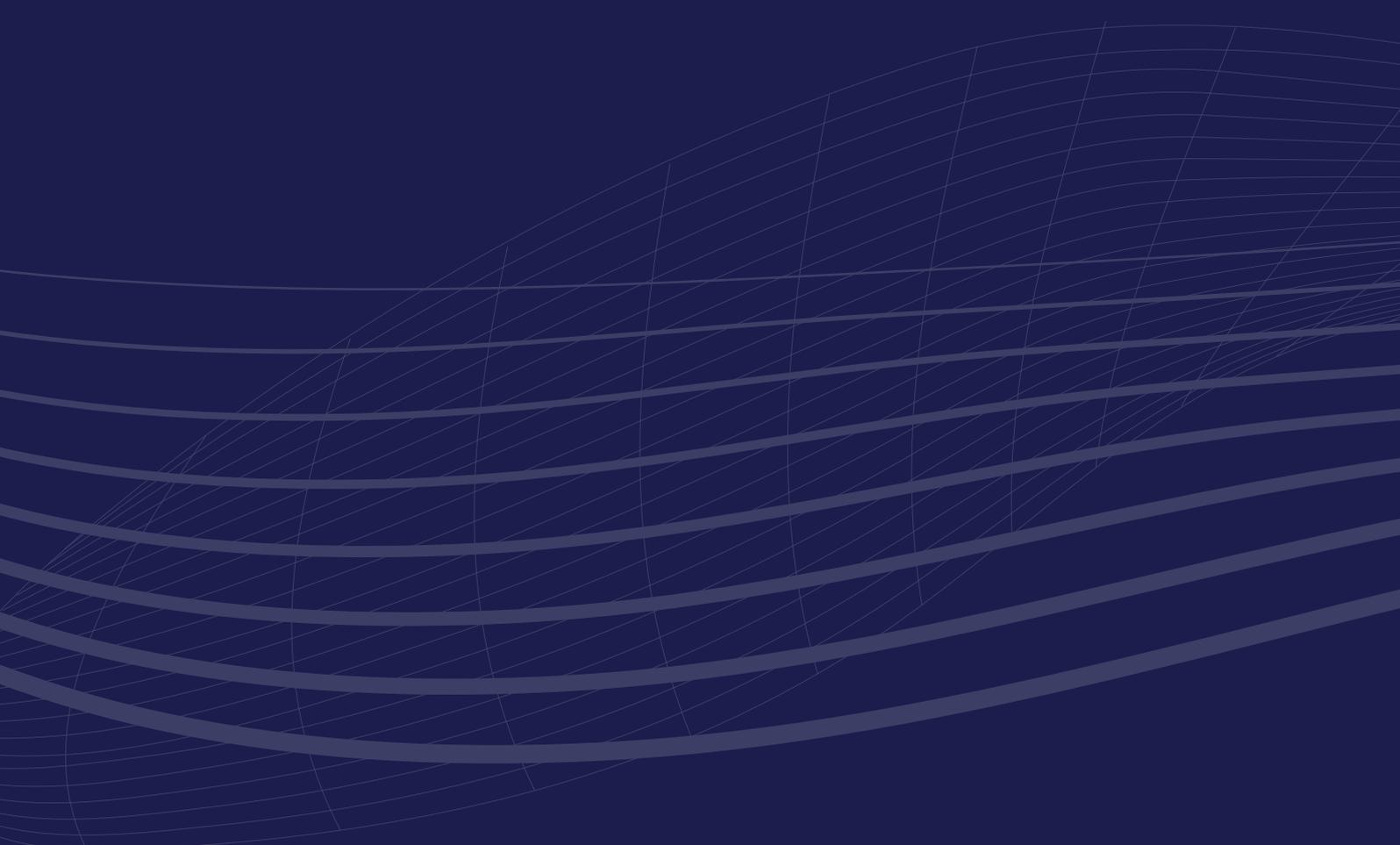
OVERALL ASSESSMENT -

Excellent	Demonstrates essential elements of better practice, and exceeds expectations in some areas. Leading practitioner
Satisfactory	Demonstrates essential elements of better practice. Competent
Poor	Significant gaps and omissions against better practice. Deficient

Comments:

COMPARISON - AMSA 2015-16 self-assessment results (see Q6 below):





Regulator Performance Framework

External Review

Port State control related assessments