



ANNUAL

REPORT

2000 – 2001



**AUSTRALIA'S NATIONAL PLAN
TO COMBAT POLLUTION
OF THE SEA BY OIL AND
OTHER NOXIOUS AND
HAZARDOUS SUBSTANCES**



NATIONAL PLAN MANAGING AGENCY

*Cover picture: Port of Dampier –
Location of Exercise 2000*

**National Plan to Combat Pollution
of the Sea by Oil and other
Noxious and Hazardous Substances**

**ANNUAL REPORT
2000–2001**

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MISSION

The purpose of the National Plan is to maintain a national integrated Government and industry organisational framework capable of effective response to pollution incidents in the marine environment and to manage associated funding, equipment and training programs to support National Plan activities.

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CHAIRMAN'S FOREWORD

The National Plan remained active during 2000-2001. Although there were no major spills, the National Plan responded to seven incidents. The largest response during the period followed the grounding of the Malaysian container ship, *Bunga Teratai Satu* in the Great Barrier Reef near Cairns on 2 November 2000. While the ship did not spill any of the fuel oil on board, it did sustain considerable damage and the National Plan was activated as a preventative measure. Equipment from Cairns and Townsville was deployed with further equipment in Townsville put on standby. Response personnel from various Queensland agencies and AMSA were involved in the operation.

The 2000 National Plan Review Report was completed and presented to the Australian Transport Council (ATC). Several recommendations from this report have now been implemented with the remainder to be implemented over the next 12 months. One of the most significant recommendations was the change to the management structure. The National Plan Management Committee (NPMC) was formed to provide strategic planning and high-level management to the National Plan. The National Plan Operations Group (NPOG) will provide support to the Management Committee by addressing operational aspects of the National Plan.

The Inter-Governmental Agreement (IGA) was another major recommendation of the 2000 Review Report. The IGA will 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 cooperative and that the obligations of all parties are met. On 25 May 2001 ATC Ministers agreed to sign the IGA.

To complement the IGA, a Memorandum of Understanding on Oil Pollution Preparedness and Response between AMSA and the Australian Institute of Petroleum (AIP) was developed and signed on 6 June 2001. The MOU formalises the intention of AMSA and AIP to cooperate to ensure that the National Plan operates effectively and wherever possible enhanced.

On behalf of the National Plan Management Committee, I have pleasure in submitting the Annual Report of the National Plan to Combat Pollution of the Sea by Oil and other Noxious and Hazardous Substances for the year ended 30 June 2001.



David Baird
Interim Chairman
National Plan Management Committee

NATIONAL PLAN HIGHLIGHTS 2000–2001

OUTCOMES OF THE NATIONAL PLAN REVIEW

- Australian Transport Ministers agreed to sign the Inter-Governmental Agreement (IGA) on 25 May 2001. (page 3)
- Memorandum of Understanding between AMSA and the Australian Institute of Petroleum to complement the IGA. The MOU was signed on 6 June 2001. (page 3)
- Introduction of new management arrangements in the National Plan. (page 4)

SPILLCON 2000

- Spillcon 2000 was held in Darwin in August 2000 with the theme “Be Aware - Stay Prepared”. (page 12)

EXERCISE 2000

- Exercise 2000 was conducted during September in the Port of Dampier, Western Australia. The exercise was designed as a two-day event to test the responding agencies’ abilities to plan for a lengthy response.
- This was the first National Plan exercise to be conducted using the Oil Spill Response Incident Control System (OSRICS). (page 12)

FINANCE

- National Plan income totalled \$4.1 million. Expenditure decreased by 18% to \$4 million. (page 3)

ENVIRONMENTAL AND SCIENTIFIC ISSUES

- National Plan allocated \$180,000 towards the continuation of the Oil Spill Response Atlas program. (page 13)
- Further development of Oil Spill Trajectory Modelling continued throughout the year. (page 13)

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.

ADMINISTRATION

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.

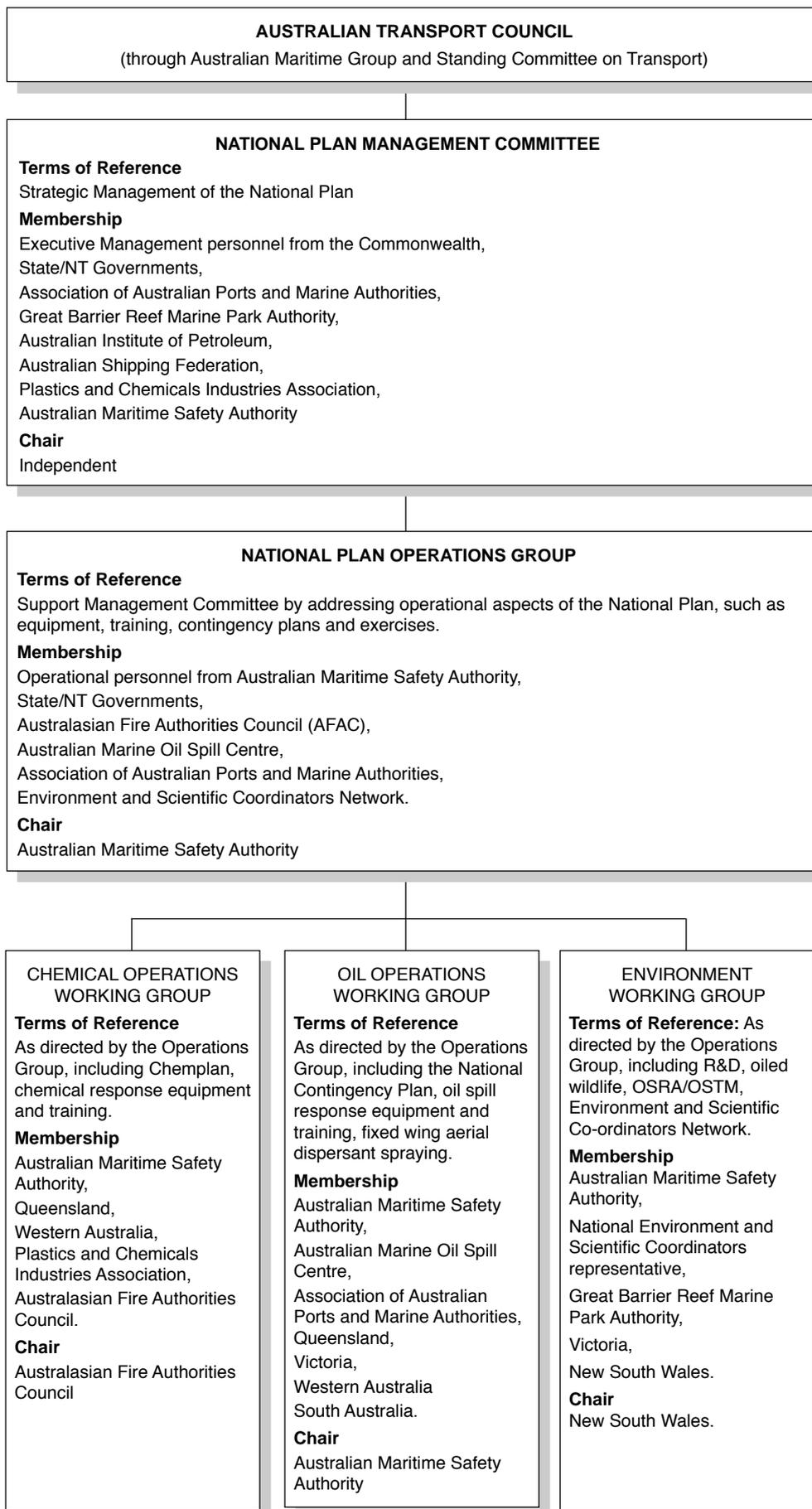
MEETINGS DURING 2000–2001

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.

ADMINISTRATION

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



ADMINISTRATION

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.

POLLUTION INCIDENTS

MARINE INCIDENT REPORTING (MIR) SYSTEM

Accurate statistical data required for spill response strategic planning provides a valuable resource to assist in responding to an increasing number of queries from the media, interest groups and the general public. It also provides valuable input to Government projects such as the State of the Marine Environment Report and a measure of the effectiveness of the pollution prevention measures being progressively implemented. These statistics will be of value in the ongoing National Plan Review assessment of current and projected risks.

AMSA uses the following definitions in maintaining the database:

‘Oil discharges’ refers to any discharges or suspected operational discharges of oil from (a) vessel(s) in excess of the permitted discharge rate under MARPOL 73/78 (generally 15 parts per million oil in water).

‘Oil spills’ refers to accidental spills resulting from incidents such as groundings or collisions as well as spills during bunkering resulting from overflow of tanks, burst hoses, etc.

AMSA’s MIR system currently contains over 5400 records. Information is entered from the following sources:

- Oil discharge reports received through AMSA’s Search and Rescue Centre (AusSAR), which includes reports from aircraft (Coastwatch, RAAF and civil) as well as from vessels at sea.
- Records of National Plan expenditure in responding to oil spills.
- Incident reports submitted by State/NT authorities.
- Other sources (eg Department of Industry, Science & Resources, industry).

At least 25 per cent of the reports received by AMSA are ultimately not entered onto the database. Reasons for not entering a reported pollution sighting include where the sighting is or is strongly suspected to be one of the following:

- land sourced, including tank farms, road tanker accidents, drains or road runoff after heavy rain

(unless some response activity is required and/or National Plan response costs are incurred); or

- coral spawn or other marine algae or similar occurrence, taking into account the location of the report and the time of the year; or
- discoloured water with no sheen; or
- washings of coal dust from bulk carriers which have departed from a coal port; or
- discharge from a sewage outfall.

Reports of maritime incidents where there is no reported pollution are not entered unless there are preventative measures taken by a National Plan authority, which incur costs.

The completeness of the information included in this database cannot be guaranteed, as only those incidents reported to AMSA are included. AMSA does, however, make every effort to ensure the data is as complete as possible.

OIL POLLUTION STATISTICS FOR 2000–2001

There were 335 oil discharge sightings and oil spills reported during 2000–2001. National Plan resources were involved in seven responses to oil spill incidents.

Figure 2 shows a break up of sources of reported oil spills during 2000–2001.

Around 87% of reported oil spills during the period occurred in port and coastal areas.

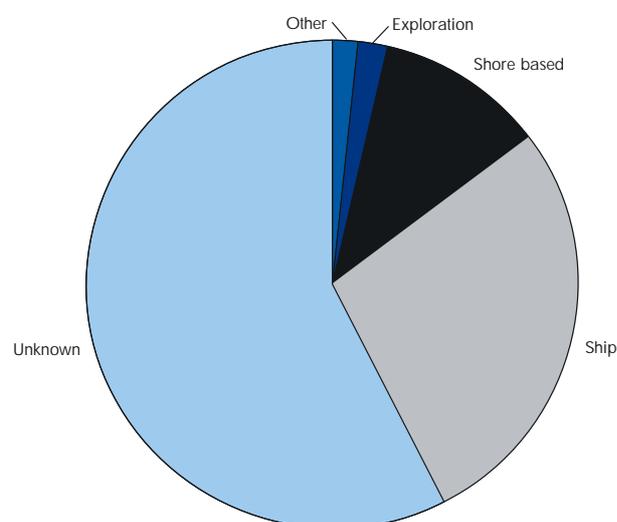


Figure 2 - Reported Oil Spills during 2000–2001

POLLUTION INCIDENTS

OIL POLLUTION SOURCES

Figure 3 indicates the types of vessels from which discharges were reported during 2000–2001. Where a vessel type is not identified, this generally means that a vessel has been seen from the air and cannot be classified.

The sources of 193 sightings during the period were not identified, although the majority are assumed to be ship-sourced.

INCIDENTS IN AUSTRALIAN WATERS 2000–2001

***Bunga Teratai Satu* - 2 November 2000**

The container ship, *Bunga Teratai Satu*, ran aground Sudbury Reef near Cairns on 2 November. The National Plan was activated for preventative measures. Further details of the incident are covered in the Queensland State report on page 18.

***Pratidina 05*, Turu Cay - 17 November 2000**

The *Pratidina 05*, a 30 metre Indonesian fishing vessel, was found by a Coastwatch surveillance flight grounded on Turu Cay on 17 November 2000. Turu Cay is located in the Arafura Sea about 40 nautical miles (nm) south of Irian Jaya and approximately 65 nm to the north west of Thursday Island.



Indonesian fishing vessel Pratidina 05 aground on Turu Cay

It had drifted 55 nm from Numar Reef where the vessel had been involved in a previous maritime search and rescue incident. The crew of ten had been removed at Numar Reef and taken to Thursday Island.

AMSA personnel inspected the vessel on Turu Cay on 19 November and estimated that the vessel was carrying about 12 tonnes of fuel. There was no evidence of any pollution but there had been damage to the vessel's hull. In the absence of action by the vessel's Korean owners, AMSA arranged for a contractor to remove the fuel.

After numerous requests to the owners to remove the *Pratadina 05*, arrangements were made to remove and scuttle the vessel in Australian waters at a site determined by Environment Australia. However due to the condition of the vessel and the weather, the *Pratadina 05* sunk 150 metres from Turu Cay's reef edge on 10 February 2001.

***Devprayag*, Portland, VIC - 22 April 2001**

On 22 April 2001, the Indian registered bulk carrier, *Devprayag* ran aground on Minerva Reef near Portland, Victoria.

The vessel was anchored off shore after delivering a cargo to Portland when it dragged anchor and went aground in strong winds.

The Marine Board of Victoria has the legislative responsibility for vessel safety and marine pollution response in Victorian waters. Once notified of the accident, the Marine Board worked closely with the Shipping Corporation of India and United Salvage to ensure the vessel was safely refloated.

Divers were used to check the ship's hull for any potential damage that could cause pollution.

POLLUTION INCIDENTS

Pollution control crews and equipment were also on standby to ensure any potential oil leaks would be quickly contained.

The vessel was refloated on 25 April and continued on to Geelong to load a cargo of grain.

Sericata, Geelong VIC - 23 May 2001, Brisbane QLD - 30 June 2001

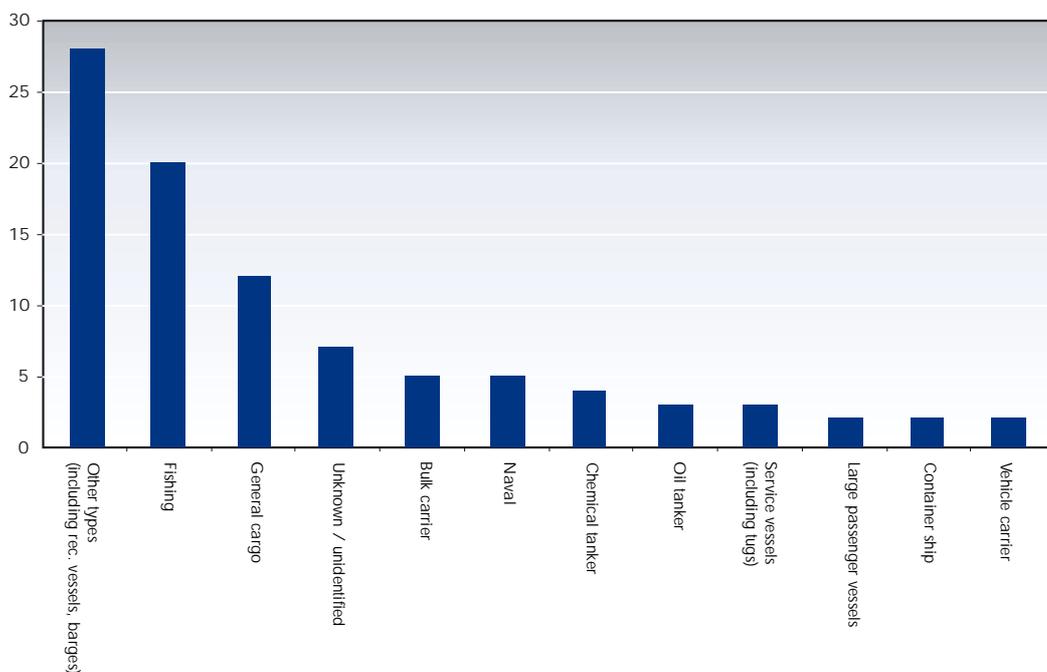
On 23 May 2001, the tanker *Sericata*, when alongside the Shell refinery berth in Geelong spilled an estimated 2500 litres of crude oil while draining a manifold during the final stages of a discharge operation. Most of the oil was contained

on deck but an estimated 200 - 500 litres were lost overboard into Corio Bay.

The tanker was also involved in an incident on 30 June 2001 in Brisbane. The Master reported that he had lost 20 litres of crude oil whilst alongside the Caltex refinery berth. The cause was thought to be from a possible leak in the vessel's inert gas seal overboard line.

A Marco skimmer was mobilised by the Port of Brisbane to recover the oil. Port of Brisbane advised that they recovered between 800 - 1000 litres of Vung Tau crude with very little water content.

Figure 3
Discharge Sources
by Vessel Type



EQUIPMENT AND TRAINING

EQUIPMENT PROCUREMENT

Small Weir Skimmers - Foilex

Three Foilex mini skimmers were purchased for distribution to ports.

Towable Storage Bladders

To further increase the on water storage capacity of the National Plan, Canflex towable storage bladders were purchased under AMSA's current three year contract:

Qty	Capacity	Location
1	50 tonne	Brisbane QLD
2	25 tonne	Fremantle WA
4	10 tonne	Brisbane QLD, Dampier WA, Fremantle WA (two)

Boom

In the early part of 2000-2001 tenders were called for the supply of shoreline and general purpose boom for a three year period. Structurflex Limited of New Zealand was awarded the contract. Table 1 shows boom purchased under the contract during 2000-2001.

Vessel mounted Dispersant Rigs

The National Plan sought quotations from oil spill response equipment suppliers for the supply of two vessel mounted dispersant application rigs.

Quotations were received from four suppliers offering a number of imported and Australian manufactured products. The successful tenderer was Mentanza Pty Ltd who offered a locally manufactured product.

The two pumps will be delivered to the ports of Cape Cuvier and Derby in Western Australia.

Table 1
Boom purchased under the Structurflex contract during 2000-2001

Shoreline boom		General Purpose boom	
Location	Qty	Location	Qty
Geraldton WA	100 m	Exmouth WA	300 m
Point Samson WA	120 m	Portland VIC	195 m
Onslow WA	180 m	Onslow WA	195 m
Eden NSW	120 m	Lucinda QLD	300 m
Karumba QLD	60 m	Karumba QLD	255 m
Cape Flattery QLD	100 m	Cape Flattery QLD	300 m

Oil Spill Dispersants

AMSA purchased 20,000 litres of Dasic LTSW dispersant during the year for placement in the following ports:

Fremantle, WA	5,000 litres
Cairns, QLD	10,000 litres
Launceston, TAS	5,000 litres

This purchase complements existing National Plan dispersant stocks.

Decontamination Station

A second remote location decontamination station was purchased and is stored at the National Plan central stockpile in Brisbane, Queensland.

The additional station allows for the provision of full decontamination facilities at two separate locations during the one response.

Dispersant Transfer Pump

An additional fixed wing dispersant transfer pump was purchased for Dampier, Western Australia.

Anchor Kits

The purchase of anchor kits for supply to ports continued with an additional 10 kits consisting of five anchors each being obtained. The kits are used in conjunction with shoreline and general purpose boom.

VESSEL REFURBISHMENT

In addition to the procurement of new equipment, the National Plan program of ongoing maintenance included the replacement of engines and refurbishment work on the following vessels.

EQUIPMENT AND TRAINING

Marco Oil Recovery Vessel Cowrie - Dampier, WA

The *Cowrie* underwent replacement of the existing 70 hp two-stroke outboards with new Honda 90 hp four stroke outboards. The vessel also underwent some minor modifications to meet Class 2C survey.

GRP Clean Cat Tigris - Brisbane, QLD

The *Tigris* underwent a major refurbishment including replacement of deteriorated deck segments and re-coating with a non-slip surface. The vessel's hulls were stripped, repaired and repainted.

Work boats

The following National Plan workboats also received new motors during 2000–2001:

- Slogger punt in Westernport, VIC - 25 hp Honda 4 stroke;
- Slogger punt in Geelong, VIC - 30 hp Mercury 4 stroke;
- Kayfa punt Adelaide, SA - 40 hp Yamaha 4 stroke; and
- Kayfa punt Darwin, NT - 50 hp Honda 4 stroke.

NATIONAL PLAN EQUIPMENT AUDITS

During the reporting period AMSA officers carried out audits of National Plan equipment held at:

- Adelaide, Port Lincoln, Port Pirie, Wallaroo, and Thevenard in September;
- Lord Howe Island in October;
- Mourilyan and Townsville in November;
- Westernport, Geelong, Melbourne, Portland and Thursday Island in December;
- Cairns in January;
- Fremantle, Wyndham, Broome and Dampier in February;
- Devonport, Launceston, Burnie and Hobart in March;
- Eden and Port Welshpool in April; and
- Brisbane in June.

TRAINING

The National Plan training program for 2000–2001 included AMSA courses shown in Table 2.

The Australian Marine Oil Spill Centre (AMOSC) conducted 13 specific workshops for 200 personnel, as set out in Table 3.

Table 2
AMSA training courses conducted in 2000–2001

Course	Location	Date	Number of Participants
State Marine Pollution Controller	Geelong, VIC	July 2000	18
Oil Spill Management	Adelaide, SA	October 2000	22
ESC Workshop	Queenscliff, VIC	February 2001	25
Oil Spill Management	Coolangatta, QLD	March 2001	20
Equipment Operator	Darwin, NT	May 2001	14

Table 3
Training Programs Conducted by AMOSC during 2000–2001.

Course	Date	Number of Participants
Shoreline Cleanup	August 2000	9
Management Overview	September 2000	10
Response	November 2000	18
	March 2001	18
	June 2001	15
Operators	November 2000	11
Client specific programs (7)		119

EQUIPMENT AND TRAINING

Spillcon 2000

In August, the eighth biennial oil spill conference, Spillcon 2000, was held in Darwin. The conference's theme was "Be Prepared - Stay Aware" and was organised by AMSA and AIP. The Northern Territories Minister for Resource Development, the Honourable Daryl Manzie was among the delegates at the conference.

An on water display of oil spill response equipment was held on the second day of the conference. The demonstration involved people representing Darwin Port Corporation, the Northern Territory (NT) Department of Transport and Works (Marine Branch), AMSA, AMOSC, local oil companies, NT Emergency Services, Nabalco, GEMCO, the Royal Australian Navy and members of the National Plan Response Team. The on water display also included a demonstration of aerial dispersant spraying equipment using a helicopter.

Exercise 2000

Exercise 2000 was the fourth biennial oil spill response exercise conducted by the National Plan. It was held at the beginning of September 2000 in the Port of Dampier, Western Australia. This was the first National Plan exercise to be conducted using the Oil Spill Response Incident Control System (OSRICS).

The exercise was designed as a two-day event to test the responding agencies abilities to plan for a lengthy response. This involved issues such as equipment requirements and personnel planning. The scenario was that of a motor vessel colliding with a tanker in Dampier port limits and was designed to introduce oil types other than diesel and bunker fuel. The collision resulted in an 800 tonne oil spill, which impacted areas of environmental sensitivity.

Although there were some initial difficulties at the beginning of the exercise, Exercise 2000 was a success and achieved its primary objective.

Details of specific exercises conducted by States/ NT and including industry, are covered in the sections later in the report on a State by State basis.

OVERSEAS ATTENDANCE - TREASURE SPILL

Following the sinking and subsequent release of oil from the 140,000DWT bulk carrier *Treasure* off Melkbosstrand approximately 25 kilometres north of Cape Town on 23 June 2000, two AMSA officers from the Authority's Environment Protection Group travelled to South Africa in early July 2000 to observe oil spill response arrangements.

The two AMSA representatives spent seven days in South Africa with the South African Maritime Safety Authority observing a range of oil spill response related activities. These activities included participating in oil surveillance overflights, observing operations associated with the rescue and rehabilitation of 42,000 penguins, shoreline cleanup and salvage operations. The latter included a visit to the sunken vessel to observe the removal of oil from the wreck.

The experience gained and lessons learned from their visit and participation in the *Treasure* response will be used to enhance the National Plan's ability to respond to marine oil spills in the Australian environment.



Aerial dispersant spraying equipment demonstration at Spillcon 2000

ENVIRONMENTAL AND SCIENTIFIC ISSUES

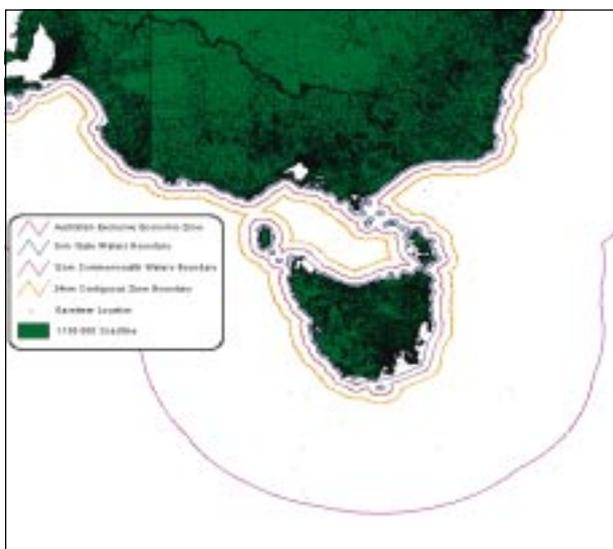
OIL SPILL RESPONSE ATLAS

The Oil Spill Response Atlas (OSRA) provides Australian spill response organisations with vital environmental, wildlife and logistical information in a direct and easily managed form to allow a more efficient and effective response to oil and hazardous chemical spills at sea and in coastal regions.

The National Plan allocated \$180,000 towards the continuation of the OSRA program. This included the compilation of spatial data and imagery from the States/NT and the continuing development of a set of tools for use in the OSRA GIS system.

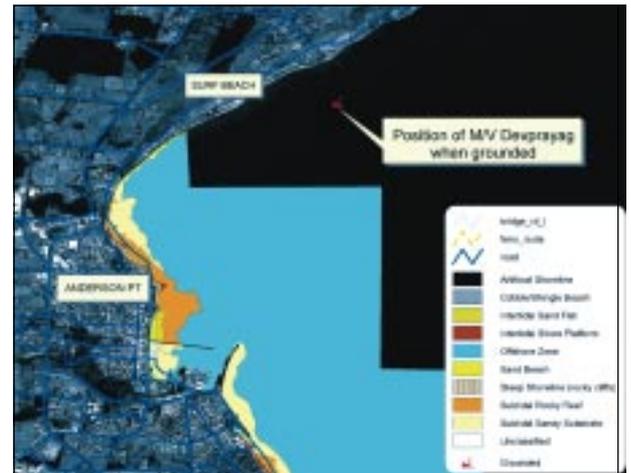
As part of the National Plan OSRA program, Management Guidelines and an OSRA policy were developed and endorsed by NPOG. These documents include the financial and administrative arrangements for States/NT for the supply of data and the requirement for a three year plan on the acquisition of new data and maintenance of existing data.

National datasets have been purchased for OSRA, which includes the AUSLIG gazetteer and the Australian Maritime Boundaries Information System (AMBIS). These datasets have been provided to the States/NT as part of on-going development of the OSRA program.



Example of National datasets

Since the completion of the OSRA project in December 1999, with funds provided by the Natural Heritage Trust, the OSRA has been used in various incidents and exercises. The following is a snapshot of the OSRA data used during the grounding of the *Devprayag* near Portland on 22 April 2001.



OSRA data used during Devprayag incident

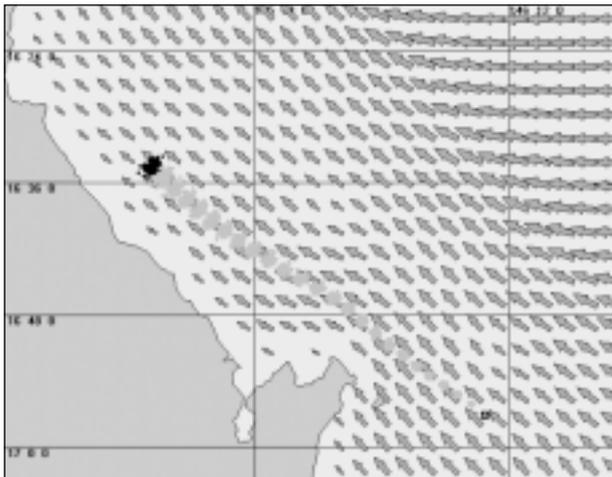
The development of the OSRA tools includes a theme manager, spill manager, time and distance to feature, event history and the ability to enter incident information. Once the OSRA tools have been completed and distributed to the States/NT, a training program will be developed for OSRA operators. It is envisaged that the first training session will be held in November 2001.

OIL SPILL TRAJECTORY MODELLING

In near-shore marine environments, the tracking of oil spills, likely to impact the shoreline is of prime importance in the effective deployment of oil spill response personnel and equipment to protect environmentally sensitive areas and response planning.

Since the acquisition of the new Oil Spill Trajectory Modelling (OSTM) System, AMSA has provided to State/NT oil spill response personnel various trajectories for incidents and exercises. The following is a trajectory for the potential release of oil during the grounding of the *Bunga Teratai Satu* off Cairns on 2 November 2000.

ENVIRONMENTAL AND SCIENTIFIC ISSUES



Trajectory model used during Bunga Teratai Satu grounding

Further development of the OSTM, in conjunction with AusSAR's Net Water Movement Project, continued throughout the year. This included the acquisition of enhanced bathymetry data and the inclusion of live wind data from the Bureau of Meteorology and ocean current data from the CSIRO. Completion of live feeds is expected by late 2001.

NATIONAL PLAN RESEARCH, DEVELOPMENT AND TECHNOLOGY PROJECTS

The Research, Development and Technology (RD&T) project to review scientific literature on Properties of Naturally Degrading Sorbents for Potential Use in the Cleanup of Oil Spills in Sensitive and Remote Coastal Habitats was completed during early 2001. The report highlighted the lack of information available for these types of products.

A total of 41 different products of natural oil sorbents were tested. Thirty-three were plant-based sorbents with the remainder being of animal products. One wool sorbent had the greatest initial oil pick-up and maximal oil pick-up of any sorbent considered.

A full copy of the report is available from AMSA by contacting eps@amsa.gov.au

ENVIRONMENTAL AND SCIENTIFIC COORDINATORS WORKSHOP

The National Plan, with assistance from Environment Australia, funded the 10th Environmental and Scientific Coordinators (ESC) Workshop in Queenscliff, Victoria in February 2001.

ESCs from all States and Territories attended the workshop as well as representatives from the oil and shipping industries.

Topics covered at the Workshop included:

- State/NT/industry reports of incidents and exercises;
- ESC Induction Package
- Reorganisation of the National Plan management structure;
- Chemical pollution response update;
- Outcomes of the Literature Review on the RD&T Project - Properties of Naturally Degrading Sorbents for Potential Use in the Clean up of Oil Spills in Sensitive and Remote Coastal Habitats;
- Management of shoreline & clean up data;
- Procedures for monitoring dispersant operations;
- Fluorometry training; and
- OSRA/OSTM scenarios.

The proceedings from the Workshop can be found on the AMSA web site at <http://www.amsa.gov.au/me/natplan/TOOLBOX/ESCWSP.htm>

ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

VICTORIA



SIGNIFICANT INCIDENTS

There were no major spills in Victoria during the reporting period.

However there were two major responses mounted following the grounding of the vessel *Devprayag* in Portland and the grounding of the vessel *Mirande* in Port Phillip Bay. The Marine Board and Port operators responded to ensure an effective salvage and pollution response in preparedness should a spill have occurred. In both cases the Marine Board Incident and Pollution Coordination Centre was activated and the Regional, State and National Plans were also activated and the responses were deemed successful.

There were 100 marine pollution incidents reported throughout the State during the reporting period. It was established that 39 spills originated from vessels, although in many cases, the offending vessel could not be identified. Twenty-six of these were identified and one of these incidents involved a chemical spill. A further 26 spills originated from land, with oil being carried into the marine environment by drains or other means. In the other 18 cases, the source was not determined and a further 12 cases did not involve oil. There were three groundings of vessels greater than 24 metres in length and one grounding of a fishing vessel less than 24 metres. One incident involved a bulldozer that created a hydraulic oil spill.

LOCAL TRAINING

During the year over 100 personnel from a wide variety of agencies attended marine pollution training courses and workshops. These included Oil Spill Response Management, Equipment Operators Training, Oil Spill Response Incident Control Training, Fixed Wing and Rotary Wing Aerial Dispersant Training, Oil Spill Response Atlas Awareness Training, Dispersant Monitoring Training, State Marine Pollution Controllers Workshop and a Stakeholders workshop to focus on response issues in Victoria. A number of

debriefs were also held following responses to capitalise on lessons learnt.

Ongoing training to support an incident control system for managing oil spill responses, which included the development of an Oil Spill Response Incident Control System Manual, was also conducted. This was developed under licence to the Australasian Fire Authorities Council to streamline and further integrate marine pollution response with mainstream emergency management arrangements.

EXERCISES

Exercise Overflow was conducted in October 2000. The scenario involved a chemical spill in the Port Phillip Region from a tanker. This was an operational exercise and involved emergency services and marine pollution response agencies. The exercise evaluated the integration of VICPLAN and the Port of Melbourne Emergency Management Plan for a chemical incident. A discussion exercise immediately followed involving local government, emergency services and community members and created some valuable learning in relation to marine chemical spills.

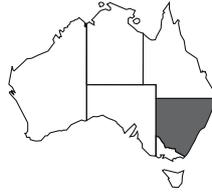
A regional exercise was also conducted in the Westernport Region. This exercise tested a local terminals first strike response capability and how it would integrate with the regional arrangements. It involved the deployment of booms, skimmers and vessels, and personnel from the terminal, local contractors and designated control agency to contain the spill.

OIL SPILL RESPONSE ATLAS (OSRA)

Work continued on the development of OSRA for the Victorian coastline. The atlas now provides details of geographical and environmental features, local infrastructure, coastline access, etc to assist planning, responses and protection of the environment in the event of an oil spill. OSRA was used during the grounding of a bulk carrier in Portland Bay as part of the contingency arrangements should a spill have occurred. The data sets were maintained and additional maps and data sets included. This was achieved with funding support from the National Plan.

ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

NEW SOUTH WALES



SIGNIFICANT INCIDENTS

There were no significant incidents during the reporting period.

The recommendations from the "Response to the *Laura D'Amato* Oil Spill Report" relevant to NSW, were implemented during the year.

LOCAL TRAINING

The Department of Transport conducted a two-day OSRICS Training Course on Lord Howe Island during May 2001, which was attended by 22 residents and Island Board staff.

One Department of Transport officer and one Sydney Ports Corporation officer attended a five-day Incident Control System Course conducted by the National Parks and Wildlife Service.

Newcastle Port Corporation held a three-day Oil Spill Response Course, which incorporated a tabletop exercise and a half-day equipment deployment exercise.

Shell conducted an Oil Spill Management Workshop and an Oil Spill Response Workshop in June 2001. Fifty five people from Shell and the NSW Fire Brigades attended the workshops.

Caltex conducted quarterly training of their response crew (19 staff), an Oil Spill Response Training Course for their senior managers and shift supervisors, and an Emergency Operations Centre exercise.

EXERCISES

Port Kembla Port Corporation conducted Exercise Jervis Bay 2000 at HMAS Creswell and tested the Navy response and coordination arrangements. The Department of Transport participated as an umpire.

Sydney Ports Corporation conducted a tabletop exercise of the Port Botany Emergency Plan and

Sydney Ports marine pollution response arrangements in June 2001. The exercise involved Sydney Ports personnel, emergency services (Police, Fire, Ambulance) and port lessees. An Oil Spill Management Course was also conducted by Sydney Ports Corporation and attended by 20 people from various agencies.

EQUIPMENT ACQUISITION

New racks for storing the GP500 boom were purchased by Newcastle Port Corporation and Sydney Ports Corporation purchased two new river trucks and 715 metres of fence boom during the year.

NEW OR UPDATED CONTINGENCY PLANS

The NSW Marine Oil Spill Contingency Plan was updated and the opportunity taken to include chemical spill response arrangements. The NSW State Emergency Management Committee endorsed the Plan in March 2001.

The Marine Oil Spill Response District Plans have been incorporated into the State's District Emergency Management Plans, thus finalising their integration with District arrangements.

OIL SPILL RESPONSE ATLAS (OSRA)

In accordance with the Data Preservation Plan the NSW Oil Spill Response Atlas underwent its annual upgrade. The shoreline birds theme was upgraded using data collected by the National Parks and Wildlife Service and various bird study groups. The locations, habitat usage, numbers and seasonality data for the shoreline birds was improved. Oyster lease locations were replaced by recent survey data from the NSW Fisheries. The coastline and shoreline types were updated with more accurate data.

New themes incorporated into the OSRA were:

- information on shoreline access, beach characteristics and associated facilities;
- oblique aerial photographs of all the major estuaries and river mouths; and
- textual data describing the estuary characteristics.

ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

SOUTH AUSTRALIA



SIGNIFICANT INCIDENTS

There were no major incidents during the reporting period. However South Australian personnel responded to 38 minor incidents.

PROSECUTIONS

The Port Stanvac spill prosecution carried out under the Pollution of Waters by Oil and Noxious Substances (POWBONS) Act and the Environmental Protection Act was completed with Mobil being fined \$50,000 plus investigation costs.

The Gulf of St Vincent incident has been investigated under the (POWBONS) Act but it is not certain if there is to be a prosecution. The case is with the Crown Solicitor. The incident involved heavy fuel oil in the waters of the Gulf. Officers from the Government Investigation Unit, South Australian Police and Marine Group personnel carried out the investigation.

A Memorandum of Understanding has been signed with the EPA Investigations Unit to assist the Marine Group investigating oil spill incidents.

LOCAL TRAINING

A total of 44 personnel attended three Advanced Oil Spill Response Courses conducted during the period in Adelaide. A total of 18 personnel attended two Admin Courses both run in Port Adelaide.

A two-day Oil Response Operator Workshop was conducted in Adelaide with State and National Response Team personnel involved. As part of the workshop response equipment was deployed at sea and in the river.

A total of 20 personnel attended an Aerial Observer Course in December. Personnel from AMSA were also involved.

EXERCISES

A total of three exercises were conducted.

- Adelaide - Deployment exercise held on 2 May 2001. Response agencies involved where Metropolitan Fire Service, SES, Ports Corps,

Water Police, Environment Protection Authority (EPA) and Transport SA were the key players. (This was part of the three day advanced workshop).

- Port Adelaide - Tabletop exercise in conjunction with Mobil Birkenhead, which included all response agencies and oil companies. The exercise was held on 25 May 2001.
- Port Lincoln - Deployment exercise held on 30 June 2001. Personnel from the Country Fire Service, Ports Corps, EPA, Transport SA and SES attended the exercise.

The deployment exercises were well carried out. The tabletop exercise revealed issues and highlighted problems when dealing with a spill of Unleaded Gasoline / Products.

The main outcomes from the exercises were:

- Familiarise/educate people with points of contact in case of Response incidents.
- Exercises need to be held in the Whyalla and Port Bonython region to familiarise Marine Group staff as well as local industry people with the deployment of equipment. Such an exercise is planned for 2001–2002.
- Similarly another exercise to ensure port plans are up to date and familiarisation of equipment is also required for Thevenard (an exercise is scheduled for July 2001).
- Regional Port response plans need to be inspected regularly for currency.

EQUIPMENT ACQUISITION

During the year AMSA supplied the following equipment:

- Two new Flexidams and one Foilex skimmer - Wallaroo.
- Two new Flexidams and one Foilex skimmer - Thevenard.

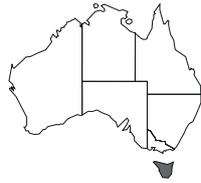
The State / Transport SA bought no equipment due to budgetary constraints.

NEW OR UPDATED CONTINGENCY PLANS

South Australian Marine Spill Contingency Action Plan (SAMSCAP) is to be updated during 2001 and tabled in Parliament.

ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

TASMANIA



SIGNIFICANT INCIDENTS

There were no significant incidents in Tasmanian waters during 2000–2001.

ADMINISTRATIVE CHANGES TO STATE RESPONSE ARRANGEMENTS

In December 2000, significant amendments to the *Tasmanian Pollution of Waters by Oil and Noxious Substances Act 1987* entered into force which enabled Tasmania to give effect to the national model legislation in relation to the control of ship-sourced pollution. These amendments included:

- Addition of MARPOL Annexure III and IV.
- Significantly increased penalties including penal provisions.
- Powers of detention and intervention.
- Powers for the Tasmanian Minister for Primary Industries, Water and Environment to issue emergency declarations, subject to certain requirements, to overrule State laws for a period not exceeding 14 days if satisfied that urgent action is required and that the relevant State laws are inconsistent with, or hinder, a response to a serious discharge of marine pollutants (either actual or imminent) to State waters.
- Provision for the Crown to be able to immediately incur, and ultimately recover from the polluter, all reasonable cleanup costs involving the actual or potential discharge of a marine pollutant to State waters as a result of a marine casualty.

NEW OR UPDATED CONTINGENCY PLANS

The Tasmanian Oil Spill Wildlife Response Plan is currently being reviewed and the Tasmanian Marine Resources, Fisheries and Aquaculture Oil Spill Contingency Plan 2001 is being finalised.

Discussions are continuing with the port companies in Tasmania in relation to the development of agreements to formally define the respective roles of the port companies and the State government in relation to ship-sourced pollution response.

QUEENSLAND



SIGNIFICANT INCIDENTS

Throughout the year Queensland Transport was active in responding to a total of 68 reported oil spills - an increase of 17% on last years total. While fortunately most of these did not require the mobilisation of significant resources two in particular required positive remedial action by Queensland Transport.

The most serious pollution incident reported in Queensland followed a fire on board the 32 metre motor yacht *Achilles* at the Gold Coast City Marina on 17 July.

The *Achilles* eventually sank spilling up to 22 tonnes of oil. A response team, made up of personnel from Queensland Transport's Gold Coast and Brisbane regions, worked on the cleanup for six days. They recovered all of the remaining oil and 11 tonnes of oily debris.

The Malaysian owned and registered container ship, *Bunga Teratai Satu* ran aground on Sudbury Reef near Cairns on 2 November. Although the ship sustained considerable damage, it did not spill any of the 1300 tonnes of fuel oil on board. However scrapings of tributyltin (TBT) antifouling paint did contaminate surrounding areas of reef and had to be recovered from the site. Contractors working for the Great Barrier Reef Marine Park Authority in the months following the incident completed this task and other rehabilitation work



Photo courtesy of the Courier Mail

The Bunga Teratai Satu aground on Sudbury Reef

ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

at the site. The total cost of the restoration work was approximately \$2 million.

Following the grounding Queensland Transport mounted a full-scale preventative oil spill response operation. This operation involved 45 people from Queensland Transport, AMSA, the Great Barrier Reef Marine Park Authority, the Port of Brisbane Corporation and Queensland's Environmental Protection Agency. It continued until the ship was successfully refloated on 14 November. While these people had a direct involvement with the response many others, including members of the Queensland National Plan State Committee also had significant roles to play throughout the incident.

The *Bunga Teratai Satu* was finally refloated after 11 days on the reef. The total cost of the preventative oil spill response operation was over \$750,000. Queensland Transport is currently negotiating with the ship's insurance company to recover these costs.

PROSECUTIONS

The year saw three successful prosecutions by Queensland Transport:

- The owner and master of the fishing vessel *Seabreeze* were found guilty of discharging 10 litres of diesel fuel at Mooloolaba in 1998. They were fined \$4000 and \$750 respectively.
- In a similar case involving a spill of 20 litres of hydraulic oil, also at Mooloolaba in 1998, the owner of the fishing vessel *Nizam* was fined \$4500. The master also received a fine of \$1000.
- The year's third successful prosecution was against the owners of the workboat *A J Coyne* who were convicted of spilling 10 litres of diesel fuel at Mackay in January last year. They were fined \$5000.

While the fines handed down for these offences are not large they are consistent and high enough to act as a deterrent to deliberate polluters.

LOCAL TRAINING

The year's training focused mainly on the revalidation skills for equipment operators and shoreline cleanup supervisors but also included

new training for incident investigators.

In total, 135 people attended oil spill response training courses conducted by Queensland Transport at various regional centres throughout the state.

EQUIPMENT ACQUISITION

In June 2001 Queensland Transport took delivery of 17 tonnes of 'Dasic LTWS' dispersant at a cost of \$100,000. The dispersant is destined for new equipment stockpiles at Lockhart River and Cape Flattery. This acquisition, combined with a similar move by AMSA to place 10 tonnes of dispersant in Cairns, has greatly enhanced oil spill response preparedness in the Cape York Region.

NEW OR UPDATED CONTINGENCY PLANS

The oil spill contingency plan for Queensland coastal waters (QCCAP) and the plan for Torres Strait (TORRESPLAN) were rewritten by Queensland Transport during the year. Both documents now incorporate OSRICS. They also include a number of other important changes. Queensland Transport intends to distribute the new plans towards the end of 2001 on completion of further consultation and testing.

WESTERN AUSTRALIA



SIGNIFICANT INCIDENTS

On 20 February the fishing trawler *Quobba* grounded on a coral reef in the Ningaloo Marine Park near North West Cape. The vessel had stranded high on the reef some six hundred metres from a one kilometre stretch of shoreline mangroves and was moving in rough seas.

There was some 20,000 litres of diesoline on board and it was considered possible that the hull could breach, spilling the fuel, which would, under the influence of onshore winds and seas, impact almost immediately on the mangroves. It was too rough to consider booming the vessel or removing its fuel.

ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

Initial response equipment and staff was dispatched from Dampier and later, some 1000 metres of boom was rigged as a barrier around the mangroves. Boom was provided from Dampier, Port Walcott and Port Hedland and personnel from the ports, WA Transport, CALM, Fisheries, Sea rescue volunteers and the Navy assisted in placing and removing it.

The vessel was successfully re-floated without breaching the hull on 25 February. Response costs of \$115,000 were incurred and WA Department of Planning & Infrastructure has claimed restitution from the vessel owner.

Otherwise, there were 19 minor spill reports.

ADMINISTRATIVE CHANGES TO STATE RESPONSE ARRANGEMENTS

A Marine Environmental Protection Unit has been established within the newly created Department of Planning & Infrastructure (DPI), consisting of a Manager, Training Officer and Technical Officer. This team has been active in improving the State's preparedness and response organisation, particularly in responding to the recommendations of the National Plan review, the subsequent IGA and Exercise 2000.

Liaison with Ports and Maritime Export Facilities is developing in positive way with agreement in principle that they will assist DPI in responding to spills outside of their port boundaries. A State Response Team (SRT) has been formed with its core membership drawn from the Fremantle Port Authority and DPI. This team, comprising of skilled equipment operators and incident management staff, is capable of rapid deployment to any area of the State. The other WA ports, Marine Export Facilities and industry have been invited to participate in regular SRT training exercises.

LOCAL TRAINING

WA Transport conducted 12 National Plan training courses during the year and the first in a series of monthly practical training exercises for the newly formed WA State Response Team was held in Fremantle in May.

The team is mainly drawn from WA Transport and Fremantle Port Authority personnel. However, Dampier, Esperance and Bunbury Port Authorities and a number of industry representatives attended the three-day training exercise. AMSA assisted by providing National Response Team instructors from AMOSC, AMSA and Victorian and South Australian State marine authorities. The instructors oversaw the deployment and use of Fremantle National Plan equipment.

The Dampier Port Authority conducted a major equipment deployment exercise using the National Plan stockpile equipment in June. It was attended by some 80 persons drawn from the State Response Team and 30 agencies and companies in the Pilbara area.

EXERCISES

The fourth National Plan biennial oil spill response exercise was conducted in the Port of Dampier on 4 and 5 September 2000. It was the first national exercise conducted under OSRICS. Several pre-exercise training sessions had been conducted in Dampier and the National Contingency Plan together with the recently revised and reissued Port and State plans were used. Exercise 2000 was considered to have been successful in achieving the majority of its aims and the report raised a number of recommendations for improving the WA response organisation.

NEW OR UPDATED CONTINGENCY PLANS

A consultant has been engaged by several of the ports to produce Oil Spill Contingency Plans (OSCP) that accord with the recently re-issued State Contingency plan. The consultant will also produce an OSCP template that includes the information common to all ports and provides a guide to the port specific information required.

ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

NORTHERN TERRITORY



SIGNIFICANT INCIDENTS

Although there were a few small land based spills affecting the NT waters there were no significant marine pollution incidents in Territory waters over the 2000–2001 period.

ADMINISTRATIVE CHANGES TO NORTHERN TERRITORY RESPONSE ARRANGEMENTS

Mr Adrian Murray, Executive Director - Transport, NT Department of Transport and Works has replaced Mr David Rolland as the NT Spill Commander. Mr Garry Mayer, Director (Marine), NT Department of Transport and Works has replaced Mr Bruce Wilson as Chairman of the NT Committee.

LOCAL TRAINING

Training was conducted for equipment operators in Darwin, in conjunction with the Spillcon 2000 on water display. Training was conducted by AMSA with assistance from the Darwin Port Corporation (DPC) and the NT Department of Transport and Works (Marine Branch). Participants were from the Northern Territory Emergency Services, RAN, DPC, the petroleum industry, Nabalco (Gove) and GEMCO (Groote Eylandt). A further Equipment Operators Course was conducted in May 2001 by AMSA and involved people from the general public, Coast Care, Work Health and local marinas.

NEW OR UPDATED CONTINGENCY PLANS

The NT Plan is being updated and incorporates the Incident Control System (ICS). It is in final draft and should be released in September 2001. The Darwin Port Plan will be updated on completion of the NT Plan. GEMCO have recently updated their plan to incorporate ICS.

FINANCIAL STATEMENTS



INDEPENDENT REVIEW REPORT TO THE BOARD MEMBERS OF THE AUSTRALIAN MARITIME SAFETY AUTHORITY

Scope

We have reviewed the financial statements of the National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances ("the National Plan") for the year ended 30 June 2001, consisting of the statement of financial performance, statement of financial position, statement of cash flows, and accompanying notes to the financial statements. Management of the Australian Maritime Safety Authority ("the Authority") are responsible for the preparation and presentation of the financial statements and the information contained therein. We have performed the review of the financial statements in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial statements are not presented fairly in accordance with accounting policies used and described in Note 1 to the financial statements.

The financial statements have been prepared from the books and records of the Authority and for distribution to members of the National Plan Advisory Committee to account for the cost of National Plan administration by the Authority. We disclaim any assumption of responsibility for any reliance on this review report or on the financial statements to which it relates to any persons other than the Board Members of the Authority or the members of the National Plan Advisory Committee.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of Authority personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the financial statements of the National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances for the year ended 30 June 2001 does not present fairly the National Plan's financial position and the results of its operations and cashflows for the year then ended in accordance with the basis of accounting described in Note 1 to the financial statements.

KPMG

KPMG
Chartered Accountants

CJ Ingram
CJ Ingram
Partner

Canberra
9 October 2001



KPMG, KPMG, an Australian partnership, is a member of KPMG International, a Swiss Association

FINANCIAL STATEMENTS

AUSTRALIAN MARITIME SAFETY AUTHORITY NATIONAL PLAN STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2001

	Notes	2001 \$	2000 \$
Income			
Protection of the sea levy		3,719,007	3,609,744
Equipment hire		153,765	140,061
Incident recovery	3	151,207	477,857
Interest		64,700	53,881
Other revenue		26,603	64,298
Total Income	4	4,115,282	4,345,841
Expenses			
Staff costs	5	1,051,843	895,575
Travel and transport		175,704	178,768
Materials and services	6	1,000,167	1,328,168
Communications expenses		26,675	35,300
Occupancy costs	7	94,149	100,210
Administrative expenses		102,828	111,681
Overheads	8	514,226	548,889
Depreciation and amortisation		846,105	1,390,231
Incident costs	3	183,478	267,890
Loss on sale of assets		11,377	1,858
Write down of assets		-	53,542
Total Expenses		4,006,552	4,912,113
Operating surplus/(deficit)		108,730	(566,272)
Accumulated surpluses at start of financial year		1,001,739	1,502,891
Aggregate of amounts transferred from reserves	19	40,634	65,120
Accumulated surpluses at end of financial year	19	1,151,103	1,001,739

The above Statement of Revenues and Expenses should be read in conjunction with the notes to the financial statements set out in the following pages.

FINANCIAL STATEMENTS

AUSTRALIAN MARITIME SAFETY AUTHORITY
NATIONAL PLAN
STATEMENT OF FINANCIAL POSITION
as at 30 June 2001

	Notes	2001 \$	2000 \$
Current Assets			
Cash	9	468,480	792,054
Receivables	10	236,757	88,673
Inventories	11	0	0
Other	12	5,756	16,923
Total Current Assets		710,993	897,650
Non Current Assets			
Property, plant and equipment	13	7,801,256	7,195,285
Intangibles	14	219,228	0
Total Non Current Assets		8,020,484	7,195,285
Total Assets		8,731,477	8,092,935
Current Liabilities			
Creditors	15	263,269	212,202
Provisions	16	109,998	68,106
Total Current Liabilities		373,267	280,308
Non Current Liabilities			
Provisions	16	131,526	125,717
Total Non Current Liabilities		131,526	125,717
Total Liabilities		504,793	406,025
Net Assets		8,226,684	7,686,910
Equity			
Accumulated surpluses	19	1,206,815	1,016,013
Reserves	19	7,019,869	6,670,896
Total Equity		8,226,684	7,686,909

The above Statement of Revenues and Expenses should be read in conjunction with the notes to the financial statements set out in the following pages.

FINANCIAL STATEMENTS

**AUSTRALIAN MARITIME SAFETY AUTHORITY
NATIONAL PLAN
STATEMENT OF CASH FLOWS
for the year ended 30 June 2000**

	Notes	2001 \$	2000 \$
OPERATING ACTIVITIES			
Cash received			
Levies, fees and charges received		3,753,763	3,935,389
Interest received		64,700	53,881
Incident costs re-imbursed		166,328	477,857
GST recovered from taxation authority		311,104	0
Total cash received		4,295,895	4,467,127
Cash used			
Cash paid to employees and suppliers		(3,242,635)	(4,256,719)
Total cash used		(3,242,635)	(4,256,719)
Net cash from operating activities	16	1,053,260	210,408
INVESTING ACTIVITIES			
Cash received			
Proceeds from disposal of equipment		343	2,302
Total cash received		343	2,302
Cash used			
Payments for property, plant and equipment		(1,377,177)	(728,578)
Total cash used		(1,377,177)	(728,578)
Net cash used by investing activities		(1,376,834)	(726,276)
Net increase (decrease) in cash held		(323,574)	(515,868)
Cash at the beginning of the reporting period		792,054	1,307,922
Cash at the end of the reporting period		468,480	792,054
Cash as per Statement of Financial Position		468,480	792,054

The above Statement of Revenues and Expenses should be read in conjunction with the notes to the financial statements set out in the following pages.

FINANCIAL STATEMENTS

AUSTRALIAN MARITIME SAFETY AUTHORITY NATIONAL PLAN NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2001

Note 1 Statement of Significant Accounting Policies

1.1 *Basis of Accounting*

The financial report is a special purpose financial report which has been prepared on a full accrual accounting basis, in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board. Except for certain assets which, as noted, are at valuation, the financial statements are prepared in accordance with the historical cost convention.

The financial statements have been extracted from the books and records of the Australian Maritime Safety Authority, and they represent the Authority's income and expenditure, and assets and liabilities in managing the National Plan. They do not include the income, expenses, assets or liabilities of third parties involved in National Plan activities.

1.2 *Revenue*

All material revenues described in this note are revenues relating to the core operating activities of the National Plan.

The major appropriation revenue for the National Plan relates to maritime infrastructure charges and includes levies received by the Commonwealth under the *Protection of the Sea (Shipping Levy) Act 1981* and through the recovery of pollution incident costs from offending parties.

Revenues are recognised to the extent they have been received by the National Plan or are entitled to be received by the National Plan at year end.

1.3 *Property, plant and equipment*

Property plant and equipment are stated at carrying amounts not exceeding their recoverable values. In assessing recoverable amounts, the relevant cashflows have not been discounted to their present values.

Depreciation

Depreciation is provided on a straight line basis on all Property, Plant and Equipment at rates calculated to allocate the cost or valuation of those assets over their estimated useful lives.

Depreciation/amortisation rates (useful lives) and methods are reviewed at each balance date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate. Residual values are re-estimated for a change in prices only when assets are revalued.

The estimated useful lives applying to each class of depreciable assets are as follows:

	2001	2000
Furniture and fittings	4 - 10 years	4 - 10 years
Plant and equipment	3 - 30 years	3 - 30 years
Office and computer equipment	3 - 16 years	3 - 16 years
Vessels and amphibians	10 - 20 years	10 - 20 years
Vehicles	6 - 12 years	6 years

Acquisition of Assets

All acquisitions of assets are accounted for at cost. Cost is determined as the fair value of the assets at date of acquisition plus costs incidental to the acquisition.

Valuations

Assets are revalued every three years using the "deprival" method of valuation. The valuation base is net current replacement cost.

FINANCIAL STATEMENTS

Disposal of revalued assets

The gain or loss on disposal of revalued assets is calculated as the difference between the carrying amount of the asset at the time of disposal and the proceeds on disposal and is included in the results in the year of disposal.

Any related revaluation increment standing in the asset revaluation reserve at the time of disposal is transferred back to accumulated results.

1.4 Intangibles

The carrying amount of each non-current intangible asset is reviewed to determine whether it is in excess of the asset's recoverable amount. If an excess exists as at the reporting date, the asset is written down to its recoverable amount immediately. In assessing recoverable amounts, the relevant cash flows, including the expected cash inflows from future appropriations by the Parliament, have been discounted to their present value.

No write-down to recoverable amount has been made in 2000-2001.

Intangible assets are amortised on a straight-line basis over their anticipated useful lives, which are between 3 and 15 years.

1.5 Inventories

Inventories are managed stores which are expected to be used within twelve months, less a provision for slow moving stock. These items are not held for resale and are valued at weighted average cost.

1.6 Liability for Employee Entitlements

The liability for employee entitlements encompasses provisions for annual leave and long service leave which is accrued from an employee's date of commencement. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken by employees is less than the annual entitlement for sick leave.

The provision for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 2001 and is recognised at its nominal value, including costs attributable to workers' compensation insurance.

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2001. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

1.7 Receivables

All receivables are recognised at the nominal amounts due less any provision for bad and doubtful debts. Credit terms are usually 30 days. (2000: 30 days).

Bad debts are written off during the year in which they are identified. A provision is raised for doubtful debts based on a review of outstanding accounts at year end.

1.8 Trade Creditors

Creditors and accruals represent liabilities for goods and services provided prior to the end of the financial year and which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition.

1.9 Reclassification of comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in these financial statements.

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Note 2 Contingencies

In the normal course of operations, the Authority is responsible for the provision of funds necessary to meet the clean up costs arising from ship sourced marine pollution. The Commonwealth has agreed that the Authority's responsibility should be limited to a maximum outlay of \$10 million. The Authority has a stand by loan facility for this purpose. In the event of costs above that limit, funds will be provided by the Commonwealth. In all circumstances, the Authority is responsible in accordance with the National Plan Administrative Arrangements for making appropriate efforts to recover the costs of any such incidents.

Note 3 Incident Costs and Recoveries

The decrease in incident recoveries reflects the decrease in the number of significant pollution incidents compared with the previous financial year. The majority of incident costs have been recovered from the parties at fault.

Incident costs do not include the salaries, wages and associated on-costs incurred for AMSA employees involved in an incident response. Where cost recovery has been possible, however, these amounts are reimbursed and reflected in the incident recoveries total.

	Notes	2001 \$	2000 \$
Note 4 Revenue			
Rendering of services		(124,605)	(413,559)
Interest		151,207	477,857
		26,603	64,298

Note 5 Staff costs

Staff costs also include the proportion of AMSA's staff costs attributable to National Plan activities and the organisational staff costs associated with pollution incidents. Where cost recovery has been possible, however, staff costs attributable to pollution incidents are reimbursed and reflected in the incident recoveries total.

In addition to salaries and wages, staff costs include all associated on-costs: including superannuation, worker's compensation, staff development costs and fringe benefits tax.

Note 6 Materials and services

In the financial year ended 30 June 2001, materials and services expense included an increase in the provision made for slow moving dispersant stock of \$89,169 (refer note 11).

Note 7 Occupancy costs

Occupancy costs include storage costs of equipment and accommodation costs of National Plan staff.

Note 8 Overheads

Overheads are the estimated share of the Authority's corporate and head office costs attributable to National Plan activities. This includes the proportion of actual expenditures for the Board, Internal Audit, as well as the Business Units comprising Maritime Operations Business Support, Strategic Development, Corporate and Commercial Services, and the Executive.

FINANCIAL STATEMENTS

	Notes	2001 \$	2000 \$
Note 9 Cash			
Cash		468,480	792,054
		468,480	792,054
Note 10 Receivables			
Trade debtors		238,750	78,087
less Provision for doubtful debts		(5,020)	0
		233,730	78,087
Accrued revenue		3,027	10,586
		236,757	88,673
Note 11 Inventory			
Oil dispersant stocks		805,267	716,098
Provision slow moving stock		(805,267)	(716,098)
		0	0
Note 12 Other			
Prepayments		5,756	16,923
		5,756	16,923
Note 13 Property, plant and equipment			
<i>Plant and equipment:</i>			
- independent valuation 2000		5,369,597	5,377,047
Accumulated depreciation		(491,319)	(37,850)
		4,878,278	5,339,197
- cost		1,496,645	563,954
Accumulated depreciation		(94,983)	(17,306)
		1,401,662	546,648
Total plant and equipment		6,279,940	5,885,845
 <i>Office and computer equipment:</i>			
- independent valuation 2000		52,942	52,942
Accumulated depreciation		(25,853)	(1,852)
		27,089	51,090
- cost		16,150	0
Accumulated depreciation		(81)	0
		16,069	0
Total office and computer equipment		43,158	51,090
 <i>Furniture and fittings:</i>			
- independent valuation 2000		49,657	49,657
Accumulated depreciation		8,873	(528)
		58,530	49,129
- cost		0	0
Accumulated depreciation		0	0
		0	0
Total furniture and fittings		58,530	49,129

FINANCIAL STATEMENTS

	2001 \$	2000 \$
Note 13 Property, plant and equipment (continued)		
Vehicles:		
- cost	29,527	0
Accumulated depreciation	(6,817)	0
	22,710	0
Total vehicles	22,710	0
Vessels and amphibians:		
- independent valuation 2001	1,459,488	1,319,829
Accumulated depreciation	(62,570)	(464,656)
	1,396,918	855,173
- cost	0	378,961
Accumulated depreciation	0	(24,913)
	0	354,048
Total vessels and amphibians	1,396,918	1,209,221
Capital works in progress	0	0
Total property, plant and equipment	7,801,256	7,195,285
Property, plant and equipment is valued in accordance with the revaluation policy as described in Note 1. Plant and equipment, office and computer equipment, vehicles and furniture and fittings were revalued in the financial year ended 30 June 2000.		
Vessels and amphibians were revalued in the financial year ended 30 June 2001.		
Additions to assets since revaluation have been included in their respective classes at cost less accumulated depreciation.		
Note 14 Intangibles		
Computer software	305,900	0
Accumulated amortisation	(86,672)	0
	219,228	0
Note 15 Creditors		
Trade creditors	214,348	140,862
Salaries and wages	48,921	26,340
Other creditors and accruals	0	45,000
	263,269	212,202
Note 16 Provisions		
Current		
Long service leave	59,431	36,973
Annual leave	50,567	31,133
	109,998	68,106
Non Current		
Long service leave	113,573	106,783
Annual leave	17,953	18,934
	131,526	125,717

FINANCIAL STATEMENTS

	2001	2000
	\$	\$
Note 17 Reconciliation of operating surplus/(deficit) to net cashflows from operating activities		
Operating surplus/(deficit)	108,730	(566,272)
Depreciation	846,105	1,390,232
Asset write downs	0	53,542
Loss on disposal of non-current assets	11,377	1,858
GST Recovered on payments for non-current assets	125,198	0
Changes in assets and liabilities:		
(Increase)decrease in trade debtors	(155,643)	0
(Increase)decrease in accrued revenue	7,559	121,286
(Increase)decrease in inventories	0	0
(Increase)decrease in prepayments	11,167	62,600
(Decrease)increase in trade creditors and other creditors	51,067	(794,642)
(Decrease)increase in annual leave/long service leave	47,701	(58,196)
Net cash flows from operating activities	1,053,260	210,408
Balance per cash flow statement	1,053,260	210,408

Note 18 Trust monies

In May 1998, the National Plan received monies from Environment Australia to fast track the development of Coastal Resource Atlases. Monies received were placed in a special bank account and were only to be expended on the specified research project as outlined in the terms of the agreement. These monies were not available for the other purposes of National Plan. In accordance with the project management plan agreed by Environment Australia, these funds were expended from the project in the financial years ended 30 June 1999 and 30 June 2000.

Balance 1 July	0	894,302
Add: Receipts during the year	0	0
Add: Interest received	0	17,321
Less: Expenditure	0	(911,623)
Balance 30 June	<u>0</u>	<u>0</u>

Note 19 Commitments

BY TYPE

CAPITAL COMMITMENTS

Infrastructure, plant and equipment	53,865	0
Total capital commitments	53,865	0

OTHER COMMITMENTS

Operating leases	13,613	5,191
Other commitments	108,771	9,900
Total other commitments	122,384	15,091

COMMITMENTS RECEIVABLE

Net commitments	(16,023)	(1,372)
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BY MATURITY

All net commitments

One year or less	155,507	13,719
From one to two years	4,719	0
Net commitments	160,226	13,719

Operating lease commitments

One year or less	7,656	4,719
From one to two years	4719	0
Net operating lease commitments	12,375	4,719