

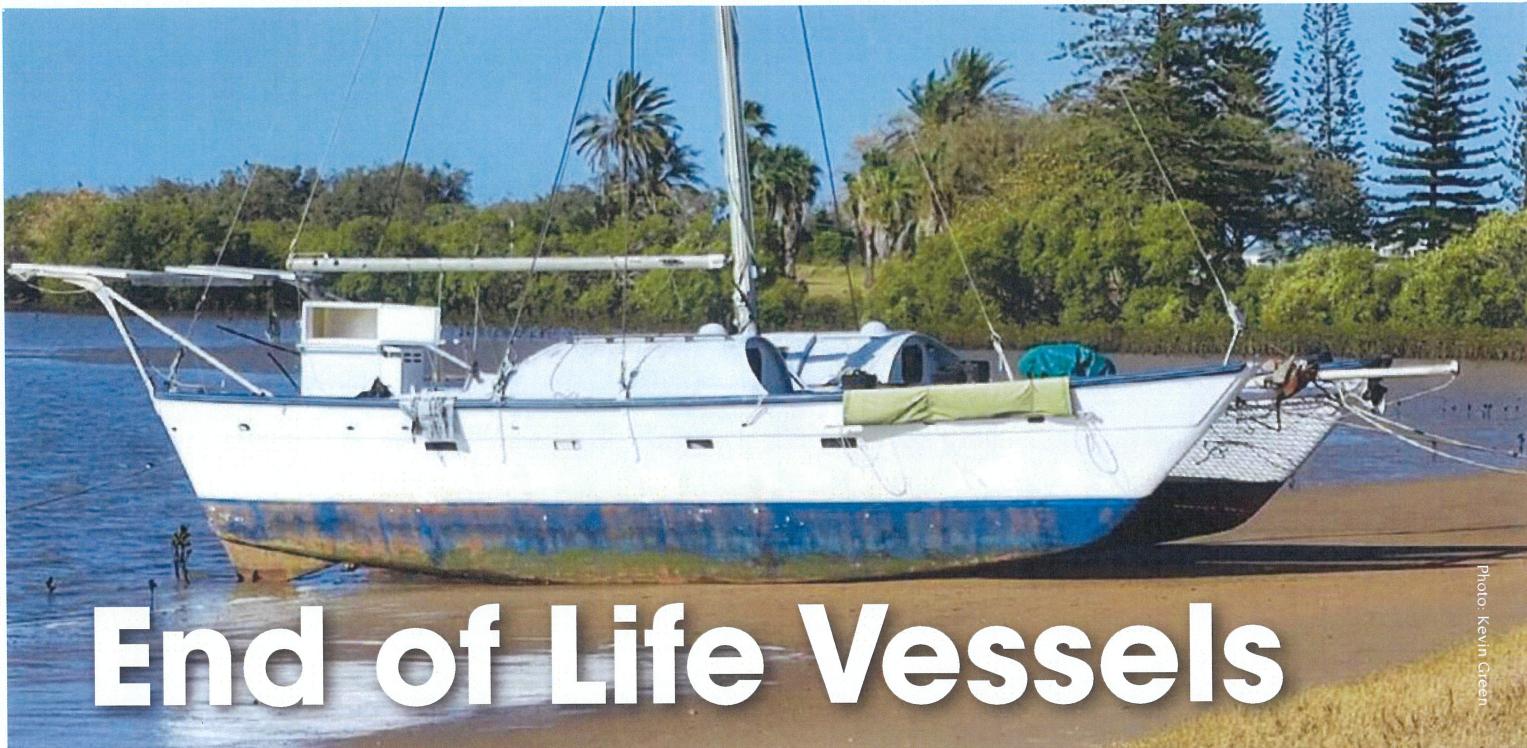


Photo: Kevin Green

End of Life Vessels

Some thoughts to consider, from the Boat Owners Association of NSW.

As it concerns NSW, the subject of end-of-life vessels (ELVs) is attracting more and more attention from at least three quarters – environmental groups looking to clean-up waterways, boat owners waiting to secure access to private moorings and regulators under pressure to satisfy each of these.

NSW has about 23,000 private and commercial registered moorings. A large number of these accommodate ELVs. According to Transport for NSW, anecdotal evidence suggests that up to 15% of all moorings accommodate ELVs. But what is an ELV?

The most common definition seems to be “any vessel that has reached the end of its serviceable life – is no longer seaworthy and poses significant risk to both safety and the environment”. No longer seaworthy, of course, signals risks to personal safety. Whereas, risk to the environment concerns what might fall off or leak out of the vessel into the waterway it inhabits.

ELVs represent a challenge to jurisdictions worldwide. For most nations, the issues are much the same – particularly regarding sea worthiness and risks to the environment. Many European countries as well as Japan and the United States have policies and procedures in place to deal with the matter already. NSW it seems is still grappling with it. In 2022 it circulated a “public consultation policy options paper” on the subject, inviting public input. But what became of this in terms of policy settings is not clear. This year, however, the NSW Government introduced a Maritime Safety Amendment Bill – enabling legislation required by Transport for NSW to be in place to facilitate the drafting of enforceable policies and procedures.

Outcomes

Ridding the waterways of ELVs brings with it a number of issues that regulators and stakeholders must deal with. Amongst others, these include defining what an ELV is. Starting at the bottom end, it comprises vessels that are derelict and abandoned. And moving slightly more up the scale, they include those that are no longer fit for purpose – no longer seaworthy and clearly a risk to the environment. Then, there is the issue of logistics and funding – how to deliver an ELV to an approved collection centre for waste processing and

how is this and the processing paid for. In those countries where procedures for this are already in place, the question of who pays involves a mixture. This includes owners, manufacturers of the original vessel, government entities and, moreover, investors in entities involved with the actual waste processing itself. Needless to say, for such a program to be successful, public policy must involve a well-calibrated stick and carrot approach.

Most countries, where this issue is further down the track, are starting to adopt a “circular (sustainable) economy” approach – involving the manufacturer, the owner, those involved in the recycling and the government entities responsible for regulatory and financial oversight. The economic cost of a vessel under this approach is now measurable and accounted for right through its life and, very importantly, its ultimate disposal. This approach ensures that the management of ELVs is fully accountable and fully funded. Vessels constructed of wood or metal are far better suited for recycling than those constructed of glass reinforced plastic (GRP) commonly known as fibreglass. But although the process of breaking down GRP is more complex and requires a more industrial approach, properly costed and appropriately funded, it is a sustainable economically viable business. In other words, if properly calibrated, the cost of disposing of ELVs can be factored into the whole life of a vessel – from and including its manufacture to its ultimate end. This should involve an accrual accounting discipline whereby the costs of dealing with the future (end of life disposal) is funded over the life of a vessel. Financially and politically, policies and procedures adopted to achieve this make good sense and should be vigorously encouraged.

Other issues that should be considered include how an ELV program would be managed. What process would be adopted to identify ELVs and advise an owner that his vessel has been so designated. And what is being done to account for the significant reduction in the number of slipping facilities throughout the state. This obviously impacts on the ability of owners to appropriately service their vessel. Much of this of course comes down to the economic reality that a waterfront slipway will yield a far higher return on capital if its purpose can be switched to a block of home units. Eventually, this “best and highest use” economic model will ensure that, with the passage of time, there will be nowhere for the average boat owner to slip a boat. ⚓