

Supporting Statement for Alternate Compliance Program

A. Justification

1. Circumstances which make the collection of information necessary.

This voluntary program, under Part B of Subtitle II of 46 U.S.C. 3101-4705, will provide owners of U.S. tank vessels, passenger vessels, mobile offshore drilling units (MODUs), and cargo and miscellaneous vessels an alternative method to fulfill the requirements for vessel design, inspection and certification. Under this program, the Coast Guard would issue a Certificate of Inspection based upon a recognized Classification Society's reports that the vessel complies with the International Convention for the Safety of Life at Sea, as amended (SOLAS 74/83), other applicable international conventions, Classification Society rules, and other specified requirements. Information showing the compliance status of a vessel enrolled in this program must be provided to the Coast Guard by the Classification Society prior to issuance of a Certificate of Inspection by the Coast Guard.

The regulations under which this requirement is implemented are in 46 CFR Part 8 and Subpart D entitled 'Alternate Compliance Program'. References to the option of enrolling and being inspected in the Alternate Compliance Program (ACP) are found in 46 CFR 31.01-3 (Tank Vessels), §71.15-5 (Passenger Vessels), §91.15-5 (Cargo and Miscellaneous Vessels), and §107.205 (Mobile Offshore Drilling Units), but the details of the applicable regulations are contained in Part 8 and Subpart D as mentioned above.

Some of the sections applicable to this collection are in 46 CFR 8.130, 8.240, 8.320, 8.420 and 8.430. These sections outline the requirements that a Classification Society must fulfill for Coast Guard recognition and authorization of that Classification Society to perform delegated functions, issue international certificates and participate in the ACP.

The other sections applicable to this collection are 46 CFR 8.440(b) and (c) outlining the terms for 'Vessel Enrollment in the Alternate Compliance Program'.

This information collection supports the following strategic goals:

Department of Homeland Security

- Prevention
- Protection

Coast Guard

- Maritime Safety
- Protection of the Natural Resources

Marine Safety, Security and Stewardship Directorate (CG-5)

- Safety: Eliminate deaths, injuries, and property damage associated with commercial maritime operations.
- Human and Natural Environment: Eliminate environmental damage associated with maritime transportation and operations on and around the nation's waterways.

2. Purpose of the information collection and consequences if the information were not collected.

Information must be collected by the Coast Guard in order to determine the compliance status of a vessel enrolled in this program. If the information is not made available to the Coast Guard, the Coast Guard will not be able to issue a Certificate of Inspection to an enrolled vessel.

3. Considerations of the use of improved technology.

Currently, all of the Coast Guard field offices are afforded access to all of the Authorized Classification Society databases, which includes the American Bureau of Shipping (ABS), Det Norske Veritas (DNV), and Lloyd's Register (LR). The Coast Guard believes that there is an electronic transfer of information regarding vessel inspections, between the classification societies and the Coast Guard, for about 50-60% of all annual applications. There is also more information now available about classification societies and authorization on the US Coast Guard website, that can be found on the link—<http://www.uscg.mil/hq/cg5/acp/> . The only form associated with this collection—the Application for Inspection of U.S. Vessels (CG-3752)—is available at—http://www.uscg.mil/forms/form_public_use.asp.

We estimate that much of the reporting and recordkeeping requirements can be done electronically. At this time, we estimate that approximately 50-60% of the applications are collected electronically.

4. Efforts to identify duplication. Why similar information available cannot be used.

Only the Classification Society that classifies an enrolled vessel will have the information required by the Coast Guard under this program.

5. Methods used to minimize the burdens to small business if involved.

This information collection does not have an impact on small businesses or other small entities.

6. Consequences to the Federal program if collection were conducted less frequently.

Without information provided annually, the Coast Guard would not be able to ensure that an enrolled vessel continues to be eligible for a Certificate of Inspection.

7. Special circumstances.

This information collection is conducted in manner consistent with the guidelines in 5CFR 1320.5(d)(2).

8. Consultation.

A 60 day Notice was published in the Federal Register to obtain public comment on this collection. (See [USCG-2008-0244], May 8, 2008, 73 FR 26126). The USCG has not received any comments on this information collection.

9. Payment to respondents.

There is no offer of monetary or material value for this information collection.

10. Assurance of confidentiality.

There are no assurances of confidentiality provided to the respondents for this information collection.

11. Additional justification.

There are no questions of sensitive language.

12. Reporting and recordkeeping burden.

There are two components to the hour and cost burden. One is Classification Society recognition and authorization to participate in the ACP; the other is vessel inspection under the ACP.

a. Costs of Classification Society Authorization.

The requirements for Classification Society recognition and authorization are in 46 CFR 8.130, 8.240, 8.320, 8.420 and 8.430. These sections outline the requirements that a Classification Society must fulfill for Coast Guard recognition and authorization of that Classification Society to perform delegated functions, to issue international certificates and to participate in the ACP. In essence therefore, participation involves a three-step process -- recognition, authorization to issue international certificates, authorization to participate in the ACP -- and is implemented as follows.

i. Recognition -- The first phase of participation requires satisfying a set of performance criteria based on: standards developed by the International Maritime Organization (IMO); a satisfactory port state control performance (based on a rolling, three-year average of detentions of distinct arrivals in U.S. waters); and reciprocity for ABS to perform similar functions in the country where the Classification Society is based.

ii. Authorization to Issue International Certificates -- Upon recognition, a Classification Society may apply to the Coast Guard to issue certain international certificates on behalf of the Coast Guard. Based on a review of the class rules and procedures, the Coast Guard may enter into an agreement with the society to issue international certificates. In order to delegate official USCG functions, there must be a written, legal agreement between the recognized Classification Society and the USCG.

iii. Authorization to participate in the ACP -- In the third and final step of this process, the Coast Guard may authorize a Classification Society to participate in the ACP. This occurs two years after the Society has issued its first safety related international certificate under step two above.

Currently, there are four (4) Classification Societies authorized to participate in the ACP -- the American Bureau of Shipping, Det Norske Veritas (DNV, Norway), Lloyd's Register (LR, Great Britain), and Germanischer Lloyd (GL, Germany). Bureau Veritas (BV, France) is a recognized classification society authorized to issue some international safety certificates--see table below, from:
<http://www.uscg.mil/hq/g-m/mse/acp/acp.htm> .

Because OMB requires the approval of a burden only when it is imposed on “ten or more persons”, and there are only five (5) entities that could possibly be involved in this process for the foreseeable future, we do not calculate the burden of this collection here.

Also, it is not necessary for a Classification Society to renew an authorization so there are no other applications involved after initial authorization. A Classification Society must maintain the safety standards outlined in 46 CFR Part 8 for continued authorization.

Classification Society Authorizations by the U.S. Coast Guard

Class Society Status	AB S	DNV	LR	GL	BV
Recognized (46 CFR part 8, subpart B)	✓	✓	✓	✓	✓
Alternate Compliance Program (46 CFR part 8, subpart D)	✓ +	✓ +	✓ +	✓ +	

Authorizations	AB S	DNV	LR	GL	BV
Tonnage					

ITC (46 CFR 69, subpart B)	✓	✓	✓	✓	✓
U.S. Regulatory (46 CFR 69, subparts C & D)	✓	✓	✓	✓	✓
International Load Line Certificate	✓	✓	✓	✓	✓
Domestic Load Line Certificate (46 CFR 42.07-35)	✓				
SOLAS Cargo Ship Safety Construction Certificate	✓	✓	✓	✓	
SOLAS Cargo Ship Safety Equipment Certificate	✓	✓	✓	✓	
SOLAS Passenger Ship Safety Certificate					
High Speed Craft Code Certificate					
MARPOL 73/78 Annex I; International Oil Pollution Prevention Certificate	✓	✓	✓	✓	
SOLAS Certificate of Fitness for the Carriage of Dangerous Chemicals in Bulk	✓	✓	✓		
SOLAS Certificate of Fitness for the Carriage of Liquefied Gasses in Bulk	✓	✓	✓		
MARPOL 73/78 Annex II; International Pollution Prevention Certificate for the Carriage of Noxious Liquid Substances in Bulk	✓	✓	✓		
Verification of Compliance with MARPOL 73/78 Annex III (Packaged Harmful Substances)	✓ +	✓ +	✓ +	✓ +	
Verification of Compliance with MARPOL 73/78 Annex V (Garbage)	✓ +	✓ +	✓ +	✓ +	
ISM Code (Safety Management Certificate and Document of Compliance)	✓	✓		✓	
IMO Mobile Offshore Drilling Unit Safety Certificate	✓	✓	✓		
Document of Compliance for Ships Carrying Dangerous Goods Under SOLAS II-2/19	✓	✓	✓	✓	

✓ — authorized

+ — ACP vessels only

b. Costs to Industry for Certificate of Inspection applications in the ACP.

Requirements in §8.440(b) are not calculated as a burden here as it involves the costs associated with the Application for Inspection of U.S. Vessel (Form CG-3752), which have already been accounted for in the collection costs under OMB 1625-0002 (formerly 2115-0007), with all other vessel inspection and certification costs. Costs associated with the requirements of §8.440(c) -- information on the inspection status of the vessel in question that the Classification Society must provide the Coast Guard -- are calculated as a collection here.

After the vessel owner or operator has submitted the vessel for classification, plan review and inspection by a recognized Classification Society to determine compliance with international treaties and agreements, the Classification Society must submit the information to the Coast Guard before a Certificate of Inspection can be issued to the vessel owner or operator.

The Certificates of Inspection are valid for a period of five (5) years for tank vessels (§31.05-10), cargo and miscellaneous vessels (§91.01-10) and MODUs (§107.215(d)). The Certificate of Inspection (COI) is valid for only one (1) year for a passenger vessel (§71.25-1). Thus, to estimate the number of vessels submitted for classification, we looked at the number of applications for COIs annually. The Coast Guard estimates approximately **41 vessels annually that are either new-builds, or existing vessels enrolling for the first time in the ACP.**

There are approximately 323 vessels currently enrolled in the ACP, one (1) of which is a passenger vessel. If 1/5 of the 322 vessels (64) that are not passenger vessels submit vessels for classification to the Classification Society annually (since their COI expiration date is once every five years), and the one (1) passenger vessel submits one COI every year (since their COI expiration date is annual), **the number of vessels already in the ACP submitting a COI for classification each year is 65 (=64+1).**

Therefore **the total number of vessels the Classification Societies must submit information on annually is 106 (=65+41).**

The **burden for reporting the information is therefore approximately 212 hours per year** (106 vessels x 2 hours processing).

The **cost to industry will be \$16,536 per year** (\$78/hour¹ wage rate x 106 vessels x 2 hours processing).

13. Annual respondent cost estimate.

There are no record keeping, capital, start-up or maintenance costs associated with this information collection.

¹ This is the equivalent of an O-3 Coast Guard personnel out of government rate per Enclosure (2) to COMDTINST 7310.1K.

14. Annual Federal government cost estimate.

Government costs are estimated by calculating the time involved in the Coast Guard officers' reviews of the Classification Society information on the vessel applying for a COI. An officer of O-3 wage rate generally inspects the Classification Society printout. Therefore the Coast Guard expects that processing the 106 printouts will be **\$6,572 per year** (106 vessels x \$62 per hour² x 1 hour review).

15. Reasons for change in burden.

The change in burden is an ADJUSTMENT, due to an increase from 82 to 106 in the annual number of vessels electing to voluntarily participate in the ACP.

16. Plans for tabulation, statistical analysis and publication.

USCG does not intend to employ the use of statistics or the publication thereof for this information collection.

17. Approval for not explaining the expiration date for OMB approval.

USCG will display the expiration date for OMB approval of this information collection.

18. Exception to the certification statement.

USCG does not request an exception to the certification of this information collection.

B. Collection of Information Employing Statistical Methods.

This information collection does not employ statistical methods.

² This is the equivalent of an O-3 Coast Guard personnel in government rate per Enclosure (2) to COMDTINST 7310.1K.