

Supporting Statement for Cargo Securing Manuals

[per USCG-2000-7080; RIN 1625-AA25]

OMB No.: 1625-0122
COLLECTION INSTRUMENTS: Instructions

A. Justification

1. Circumstances that make the collection of information necessary.

a. Cargo Securing Manuals

This data collection is necessary for the approval of cargo securing manuals (CSM) and the notification of hazardous conditions. According to 33 CFR 97.120 and 46 CFR 97.12-10, all vessels subject to 33 CFR 97 must have an approved CSM. As described in 33 CFR 97.100, the applicable vessels within the U.S.-flagged fleet are cargo vessels that: 1) are 500 gross tons or more, and 2) carrying cargo other than liquid or solid bulk cargo. The CSM regulations are issued under the authority of 46 U.S.C. 2103 & 3306.

According to 33 CFR 97.205, a CSM must be amended and re-submitted for approval when any of these events occur:

- The vessel is reconfigured from one cargo vessel type to another (e.g., a general break-bulk vessel is reconfigured to a container ship).
- Fifteen percent or more of the vessel's cargo securing or tie down systems are reconfigured or replaced.
- Fifteen percent or more of the vessel's portable cargo securing devices are replaced by different types of equipment that are not already used aboard the vessel. An example of this is replacing wire lashings with turnbuckles.

b. Reporting of hazardous conditions

The responsibility to immediately report a hazardous condition is found at 33 CFR 160.216. In 33 CFR 97.115, the loss or jettisoning of any cargo, including a container, is specified as a hazardous condition that meets the notification requirements of 33 CFR 160.216.

The information collection for both CSM and reporting of hazardous conditions supports the following strategic goals:

Department of Homeland Security

- Prevention

Coast Guard

- Maritime Safety

Prevention Policy & Response Policy Directorates (CG-5P & CG-5R)

- Safety: Reduce deaths, injuries, and property damage associated with commercial maritime operations.
- Economic Growth and Trade/Mobility: Reduce interruptions and impediments that restrict the economical movement of goods and people, while maximizing safe, effective, and efficient waterways for all users.

2. Purposes of the information collection.

a. Cargo Securing Manuals

CSM are reviewed and approved by organizations specifically authorized by the Coast Guard for this

purpose.¹ The vessel's owner, operator, or designated agent submits a CSM directly to an authorized approval organization for review. According to 33 CFR 97.120, the minimum criteria for CSM approved after June 10, 2010 are found in Circular 1353 from the International Maritime Organization's (IMO) Maritime Safety Committee. After its review, the approval organization will provide the submitter either a letter of approval or a letter stating the reasons why the CSM was not approved. The required information may be provided in any format.

b. Reporting of hazardous conditions

Hazardous conditions may exist either onboard a vessel or result from the vessel's operation. When a hazardous condition occurs, the vessel's crew must contact the nearest Coast Guard Sector Office, Marine Inspection Office, or Coast Guard Group Office as soon as safely possible. Information on the event is usually transmitted electronically via VHS radio, cell phone, or satellite phone. The Coast Guard will use this information to initiate a response to the condition. Examples of response activities include, but are not limited to, broadcasting messages to other vessels in the area to warn them of the hazard, providing assistance to the involved vessels and facilities, and activating pollution response plans.

3. Consideration of the use of improved information technology.

a. Cargo Securing Manuals

CSM, approval letters, and disapproval letters can be mailed, faxed or electronically submitted via e-mail to the authorized approval organization. There is no specific CG form that must be completed for the request and the content of a CSM can vary.

Used of electronic documents is specifically authorized in 33 CFR 97.100(c). At this time, we estimate that approximately 100% of the CSM and reply letters are communicated electronically.

b. Notification of hazardous conditions

This is an electronic information collection. The information on the hazardous condition is sent from the vessel to the Coast Guard electronically via INMARSAT C, TELEX, e-mail, cell phone, or VHF radio as soon as safely possible.

We estimate that 100% of the reporting requirements can be done electronically. At this time, we estimate that 100% of the notifications are sent electronically.

4. Efforts to identify duplication.

a. Cargo Securing Manuals

Information on cargo securing equipment and procedures are specific to each vessel and are not part of the vessel's documentation. The approval process for the cargo securing manual is the only time this detailed information is shared by the vessel's crew and owner/operator. Thus, there are no other sources of this, or similar, information.

b. Notification of hazardous conditions

The notification of hazardous conditions required by 33 CFR 160.216 represents the first time this information is sent from the involved vessel to the Coast Guard. If needed, some of this information may be recorded later on Coast Guard Form 2692.²

5. Methods to minimize the burden to small businesses if involved.

a. Cargo Securing Manuals

¹ Per 33 CFR 97.200(a)(2)—The Commandant is responsible for overseeing and managing the review and approval of approval authority applications and provides an up-to-date list of organizations authorized to act under this subpart, which is available at <http://www.uscg.mil/hq/cg5/cg522/cg5222> or by requesting it in writing from the Commandant and enclosing a self-addressed, stamped envelope.

² The use of form CG-2692 is covered under OMB Control No. 1625-0001.

Once approved, the CSM remains valid unless a modification is required. Thus, only the smallest number of information requests are needed to put this rule into effect, thereby minimizing the burden to small businesses.

b. Notification of hazardous conditions

The notification of hazardous conditions only occurs as needed. Therefore, this information collection does not have an impact on small businesses or other small entities.

6. Consequences to the Federal program if collection were not done or conducted less frequently.

a. Cargo Securing Manuals

The CSM is required for U.S.-flagged vessels as the U.S. is a signatory nation to the International Convention for Safety of Life at Sea (SOLAS). If the U.S. did not approve CSM it would prevent U.S.-flagged vessels from engaging in international trade and affect the U.S.'s standing with IMO.

Vessels without a CSM would have an increased risk of losing containers and other cargo overboard, which could endanger other vessels and the environment. This would hinder the Coast Guard's missions to promote safe navigation and protect the environment.

b. Notification of hazardous conditions

Hazardous conditions in U.S. ports and waterways pose a threat to commercial vessels, recreation vessels, shore side facilities and the environment. Failure of the involved vessel to report a hazard either onboard the vessel or caused by the vessel would hinder the Coast Guard's missions to promote safe navigation and protect the environment.

7. Special collection circumstances.

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

8. Consultation.

The Coast Guard published on November 15, 2013, a Supplemental Notice of Proposed Rulemaking (NPRM) entitled "Cargo Securing Manuals" [USCG-2000-7080; RIN 2115-AF97; 78 FR 68784]. The rulemaking proposed—

- requiring cargo securing manuals (CSMs) on vessels of 500 gross tons or more traveling on international voyages and carrying cargo that is other than solid or liquid bulk cargo. The proposed regulations would authorize recognized classification societies or other approval authorities to review and approve CSMs on behalf of the Coast Guard. They would also prescribe when and how the loss or jettisoning of cargo at sea must be reported. The proposed regulations would help fulfill U.S. treaty obligations and could help prevent or mitigate the consequences of vessel cargo loss. This rulemaking promotes the Coast Guard's maritime safety and stewardship missions.

The SNPRM 90-day comment period closed on February 13, 2014. The Coast Guard received no collection of information comments related to our burden estimate. On May 9, 2016, the CSM Interim Rule was published (81 FR 27992).

9. Explain any decision to provide payment or gift to respondents.

The Coast Guard does not provide payments or gifts to respondents in exchange for a benefit sought.

10. Describe any assurance of confidentiality provided to respondents.

There are no assurances of confidentiality provided to the respondents for this information collection. Information related to this collection is maintained in the Coast Guard's Marine Information for Safety and

Law Enforcement (MISLE) database. MISLE is covered by a System of Records Notice (SORN).³

11. Additional justification for any questions of a sensitive nature.

There are no questions of sensitive language.

12. Estimates of reporting and recordkeeping hour and cost burdens of the collection of information.

- **The estimated annual number of respondents is 276 (92 + 184).**
- **The estimated annual number of responses is 276 (92 + 184).**
- **The estimated annual hour burden is 4,210 hours (4,164 + 46).**
- **The estimated annual cost burden is \$268,934 (\$266,496 + \$2,438).**

a. Cargo Securing Manuals

Data from the Coast Guard's Marine Information for Safety and Law Enforcement (MISLE) database shows that 83 U.S.-flagged vessels are subject to the CSM rule. We assume that all these vessels will need to develop an approved CSM. Based on MISLE data, we anticipate that no new subject vessels will be built during the period covered by this analysis. We estimate that a marine engineer or naval architect will need 48 hours to develop a CSM. Of those 48 hours, eight hours are to survey the vessel and the other 40 hours are to draft the plan. We estimate the average hourly wage for a marine engineer or naval architect is \$64 per hour.⁴ The total cost to develop a new CSM is estimated to be \$3,072. Therefore, the estimated annual cost for developing CSM for new vessels is \$254,976.

Based on MISLE data, we anticipate that while this ICR is active, there will no revisions to CMS due to a change in vessel type. Therefore, the estimated annual cost of CSM for vessels that changed vessel type is \$0.

Based on data supplied by one of the approval organizations authorized by the Coast Guard, we estimate that 9 vessels per year will need to have their CMS revised because they met the regulatory threshold of replacement of cargo securing systems or portable equipment. As there are no structural changes to the vessels a new survey will not be needed and we estimate that it will take a marine surveyor or naval architect 20 hours to revise the CSM. At \$64 per hour, the cost for revising a CSM is estimated to be \$1,280. The estimated annual costs of CSM for vessels with new cargo securing systems or equipment is \$11,520.

Table 1 below presents the hour and cost burden for these three collection requests.

Table 1: Hour and Cost Burden to Vessel Owners/Operators to Develop or Revise a CSM

CSM Collection Request	Requests Per Year	Hour Burden Per Request	Total Hour Burden Per Year	Cost Per Hour	Total Cost Per Year
New vessels	83	48	3,984	\$64	\$254,976
Changed vessel type	0	48	0	\$64	\$0
New cargo securing systems or equipment	9	20	180	\$64	\$11,520
Total	92		4,164		\$266,496

³ See DHS/USCG-013 - Marine Information for Safety and Law Enforcement (MISLE), June 25, 2009 74 FR 30305 at <http://www.dhs.gov/system-records-notices-sorn>

⁴ Mean hourly wage of \$44.10 for a marine engineer/naval architect from the Bureau of Labor Statistics (<http://www.bls.gov/oes/2011/may/oes172121.htm>) multiplied by load factor of 1.44 to account for benefits (<ftp://ftp.bls.gov/pub/special.requests/ocwc/ect/ececqrtn.pdf>).

b. Notification of hazardous conditions

According to MISLE data, there are 180 notifications of hazardous conditions annually, other than those involving lost or jettisoned cargo. We estimate that a senior officer on the involved vessel's crew will take 0.25 of an hour to compile the information and transmit it to the Coast Guard. We estimate the average hourly wage for this officer is \$53 per hour⁵, so the unit cost to industry for a notification is \$13.25. The total annual cost to industry for these notifications will be \$2,385.

Based on data from MISLE and on international container traffic, we estimate an annual average of 4 events involving lost or jettisoned cargo that will require notification to the Coast Guard. We estimate that this notification will be similar to the generic notification of hazardous conditions described above. We therefore apply the same unit cost estimates of \$13.25 to industry. The total estimated annual cost for notifications of lost or jettisoned cargo to industry is \$53.

Table 2 summarizes the burden information for these two notifications.

Table 2: Hour and Cost Burden to Vessel Owners/Operators for Notifications of Hazardous Conditions

CSM Collection Request	Requests Per Year	Hour Burden Per Request	Total Hour Burden Per Year	Cost Per Hour	Total Cost Per Year
Notifications of hazardous condition	180	0.25	45	\$53	\$2,385
Notifications of lost or jettisoned cargo	4	0.25	1	\$53	\$53
Total	184		46		\$2,438

13. Estimates of annualized capital and start-up costs.

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

14. Estimates of annualized Federal Government costs.

The estimated annual Federal Government cost is \$102,028 (\$100,096 + \$1,932).

a. Cargo Securing Manuals

The costs to the Federal government are accounted for by the oversight actions performed by the authorized approval organizations. This action include reviewing new or revised CSMs; issuing letters of approval; and for CSM that are not approved, issuing letters that explain why the CSM were not approved. We anticipate that the reviews of the CSM will be conducted by a marine engineer or naval architect. We estimate that each review will take on average two working days and another hour will be needed to prepare the appropriate correspondence to the vessel's managers. Thus, the attributed burden to the Federal government for each review is 17 hours.

For wages, we reference the same \$64 per hour rate used in section 12 to estimate the costs to the private sector. The cost burden for each review is \$1,088. In section 12 we estimated that there would be 83 new CSMs submitted to the authorized approval organizations. Additionally, 9 vessels would need to revise their CSM due to the addition of new cargo securing equipment. Thus, the annual burdens attributed to the Federal government for review of CSM are 1,564 hours at a cost of \$100,096. Table 3 displays the estimates for each type of review.

⁵ Mean hourly wage of \$34.50 for a master, mate or pilot from the Bureau of Labor Statistics (<http://www.bls.gov/oes/2011/may/oes113021.htm>.) multiplied by load factor of 1.52 to account for benefits (<ftp://ftp.bls.gov/pub/special.requests/ocwc/ect/ececqrtn.pdf>).

Table 3: Hour and Cost Burden to the Federal Government to Review a CSM

CSM Collection Request	Requests Per Year	Hour Burden Per Request	Total Hour Burden Per Year	Cost Per Hour	Total Cost Per Year
New vessels	83	17	1,411	\$64	\$90,304
Changed vessel type	0	17	0	\$64	\$0
New cargo securing systems or equipment	9	17	153	\$64	\$9,792
Total	92		1,564		\$100,096

b. Notification of hazardous conditions

With regards to a notification of hazardous condition or a notification of lost or jettisoned cargo, the Coast Guard will need to receive and record this information. We estimate that enlisted personnel, typically at the E-4 level, will need 0.25 hours to execute this task. The equivalent hourly wage for the E-4 level is \$42, so the unit cost to government is \$10.50.

We estimate there will be 180 notifications of hazardous conditions per year, resulting in a total annual burden of 45 hours and a cost to the Federal government of \$1,890. For notifications of lost or jettisoned cargo, we estimate there will be 4 of these notifications per year. The corresponding annual estimates are 1 hour for a cost of to the Federal government of \$42. The annual burdens to the Federal government for notifications of hazardous conditions are 46 hours at a cost of \$1,932.

Table 4 summarizes these estimates.

Table 4: Hour and Cost Burden to Federal Government for Notifications of Hazardous Conditions

CSM Collection Request	Requests Per Year	Hour Burden Per Request	Total Hour Burden Per Year	Cost Per Hour	Total Cost Per Year
Notification of hazardous condition	180	0.25	45	\$42	\$1,890
Notification of lost or jettisoned cargo	4	0.25	1	\$42	\$42
Total	184		46		\$1,932

15. Explain the reasons for the change in burden.

This is a new collection.

16. Plans for tabulation, statistical analysis, and publication.

This information collection will not be published for statistical purposes.

17. Approval to not display expiration date.

The Coast Guard will display the expiration date for OMB approval of this information collection.

18. Explain each exception to the certification statement.

The Coast Guard does not request an exception to the certification of this information collection.

B. Collection of Information Employing Statistical Methods

The collection of information does not employ statistical methods.