AUSTRALASIAN INSTITUTE OF MARINE SURVEYORS

Shipshape

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AIMS HEADS WEST

SUCCESSFUL CONFERENCE IN FREMANTLE

Is third-party marine inspection finished in Australia?

COSCO Shipping just quietly asked the question Australian maritime hasn't been willing to answer.

They posted a role. PSC Inspector and Cargo Operation Interpreter. Direct employment. Dual language. Post-PSC experience required. PSC Inspector Job

This isn't a cargo owner deciding to vet their ships more carefully. This is one of the world's largest ship operators deciding to build that capability internally. They know the inspection market. They use it. And they've decided to employ the competency directly instead.

No contractor arrangement. No daily rate. No four-letter acronym certifying something that three letters wouldn't justify charging for.

Just: here is a qualified person, we will employ them, and they will know our operation from the inside.

The third-party inspection model was always a compromise.

It assumed independence meant value. It assumed a rotating cast of inspectors, armed with laminated checklists and a rate card, delivered safer outcomes than someone embedded in the operation.

Findings from Fremantle get repackaged for Brisbane. Checklist from a tanker gets applied to a bulk carrier. $4,000 a day. Invoice rendered. Certificate issued.

And the industry accepted it, because the alternative, actually building internal competency, required investment and accountability.

Let's talk about those checklists.

Some third-party providers present enormous inspection schedules as proprietary methodology. Hundreds of line items. Colour-coded. Branded. Impressive at first glance.

They aren't proprietary. Port State Control inspection criteria are published openly by AMSA on their website. Always have been. That's the floor, minimum statutory compliance, not a value-add. Dressing a public regulatory checklist in corporate livery and charging $4,000 a day for it is not inspection. It's theatre.

And the four-letter acronym programmes? Three letters wouldn't justify the fee structure. The additional letter earns its keep on the invoice, not on the vessel.

I worked with one company that genuinely wanted to get it right. Good people. Serious intent. They arrived with an eighty page checklist for every vessel arrival into Australia.

I looked at it and asked one question: if you are doing all of that, what exactly am I here for?

The checklist had become the product. The expertise had been designed out of the process entirely. A competent inspector applies judgement to context. An 80-page checklist applies uniformity to everything, which means it is actually responsive to nothing.

Then there's currency.

One provider was found referencing Marine Notices that were out of date. Not by days. By years. The regulatory landscape had moved on. Flag state requirements had changed. AMSA had issued updated guidance. The checklist hadn't moved.

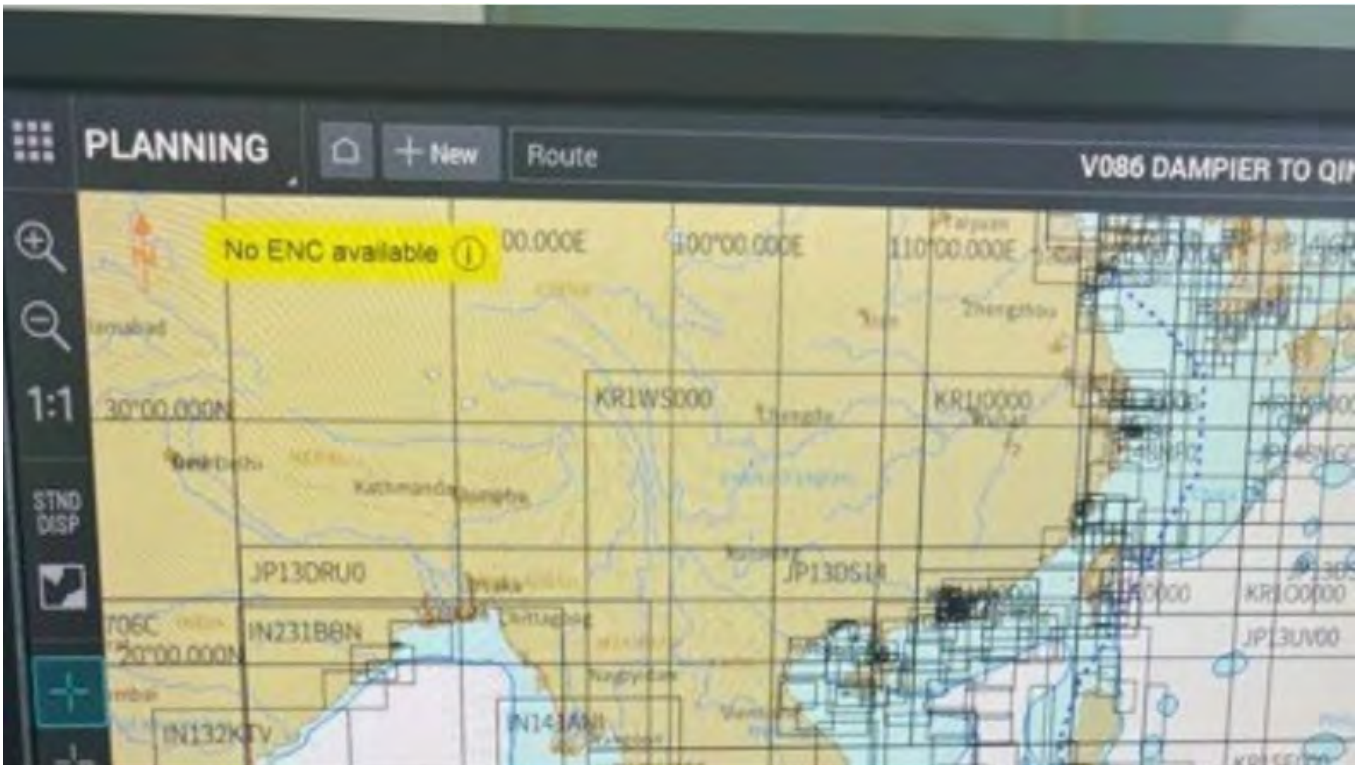
The inspector arrived with a document set that was years behind the current position. Confidently. Professionally. With a branded folder.

Nobody on the client side knew. That's the point.

Then there's the data integrity problem. And it's worse than it looks.

One operator runs what appears, on paper, to be a robust internal quality system. Documented processes. Audit trails. Quality assurance language throughout the marketing material.

The same spelling errors appear in every report. Every one. Across different vessels. Different ports. Different inspectors. Flowing through unchanged,



Port Dampier.

unchallenged, right up until the invoice is signed.

Not different errors reflecting different authors. The same errors. Copy. Paste. Invoice.

But the deeper problem isn't the spelling.

A third-party inspector is engaged by one operator on one side of the country. In the course of that engagement, they identify deficiencies, findings that belong to that client, that vessel, that trade. Findings the client paid to have identified.

Those findings reappear. In reports prepared for a different client, on the other side of Australia. Dressed as original analysis. Used to demonstrate how thorough, how rigorous, how valuable the inspection programme is.

Look how much we find, the report implies.

What it doesn't say is where it found it, who it belonged to, or who else is reading it now.

That's not a quality assurance system. That's a recycling operation with an invoice attached.

Then there are the LinkedIn posts.

An inspector, sometimes one who has recently hung their shingle after a career with a maritime authority, announces that they intervened to prevent a vessel from Port State Control detention. The post is measured, professional. The comments are warm. Industry connections offer congratulations.

It's understandable. Prevention is the goal. Nobody wants a detained vessel.

But consider the other side of that equation.

A PSC inspector who identifies deficiencies serious enough to warrant detention has a different obligation. Not to the operator. Not to the relationship. To the standard. To the seafarers who will sail on that vessel. The deficiency is real, the detention is the consequence, and the consequence exists because the alternative is a vessel in trade that shouldn't be.

The honest conversation, the one that actually helps the industry, isn't "we saved you from detention." It's "here is what we found, here is why it matters, here is how you prevent this from happening again." Identify it. Name it. Explain the context. That's how an operator learns. That's how a fleet improves.

A celebrated save, without the honest debrief behind it, is a deferred problem.

The vessel will trade again. The deficiency culture that produced the problem doesn't disappear because the paperwork cleared this time.

And then there is the question nobody asks about the inspector themselves.

Some entering this space come fresh from sea. Knowledgeable about their own vessel, their own trade, their own flag state experience. That knowledge is real and it has value.

But there are 80,000 ships out there. Different flag states. Different classification societies. Different trade patterns. Different SMS cultures. Different

interpretations of the same convention applied across a hundred administrations.

Deep knowledge of one ship does not transfer automatically to the fleet.

The question that should be asked of every new entrant is a simple one: did you complete a recognised induction into PSC methodology and flag state inspection frameworks, or did you complete a refresher course on what you already knew? The two are not the same thing. One builds capability across the breadth of the fleet. The other reinforces a single vessel's perspective and calls it expertise.

A one-week induction is not the same as a career of cross-fleet inspection experience. The industry has been too polite to say so.

Port Hedland just published a bulletin that makes the argument better than I can. Thanks Behrouz Daei zadeh

The background section is worth reading slowly. It states that, for an extended period, industry stakeholders had been requesting alignment and standardisation of documentation across the port.

One of the world's major bulk export gateways. Inconsistent vetting. For an extended period. The market was supposed to be providing assurance. The Harbour Master has stepped in to impose a baseline because it wasn't.

Now read Section 10. The vetting form goes to the receiving terminal. Pilbara Ports does not require routine submission. The Harbour Master may request a copy at any stage.

"May request"

The Harbour Master is making channel integrity and pilotage decisions. The document those decisions depend on goes to the terminal. Not to the Harbour Master. Not routinely. The port authority sees what the terminal shares, or what it specifically asks for.

Then read Section 7. Third-party vetting organisations must use the Port Hedland form. Third-party inspection companies must have their scope approved by Pilbara Ports.

Nowhere does the bulletin specify what qualifications the inspector must hold. The scope can be approved. The person executing it can be whoever the company sends.

And then the compliance clause.

Acceptance of any vetting form, pre-berthing checklist or machinery inspection report does not constitute certification of the vessel's condition. It does not relieve the owner, operator or master of their statutory obligations.

The form is relied upon for pilotage and berthing decisions. Accepting it certifies nothing.

That tension is not a drafting error. It is an honest acknowledgement of where liability sits. But read alongside everything else in the bulletin, it maps precisely where the third-party inspection market has failed.

The port authority has stepped in and set the baseline. The qualification of the person conducting the inspection remains unaddressed. The Harbour Master does not routinely see the results. And when the form is accepted, it confers no certification of the vessel's actual condition.

This is not a criticism of the Harbour Master or of Pilbara Ports. The bulletin is a genuine and necessary step forward. Standardisation matters. Triggered physical inspections for first callers, vessels with recent machinery failures and PSC detentions are the right risk controls.

But a standardised form completed by an unqualified inspector is a standardised record of an unreliable assessment.

That gap is not filled by another checklist. It is filled by competent people.

The Fremantle incident is worth addressing directly, because the industry drew the wrong lesson from it.

A cargo gear incident occurred in Fremantle. The equipment had been inspected. It passed. Then it failed. The Harbour Master – Savio Fernandes, AFNI – became directly involved. There were issues serious enough to warrant that level of intervention.

The response from some quarters was predictable: we need a new rule. Tighter regulation. A new framework.

We don't.

Marine Order 32 is written in plain English. The Australian Government's own style guidance requires that regulatory instruments be readable by the people they govern, not just legal professionals. Marine Order 32 meets that standard. It is not complex. It is not ambiguous. It is written to be picked up, read and applied by the people it governs.

What it requires is not legal knowledge. It requires that the person holding the clipboard actually understands what they are looking at. The cargo. The vessel. The trade. The actual conditions at the berth. Not a checklist abstraction of those things. The real thing, in front of them, on the day.

The inspection passed. The gear failed.

If the inspection failed, the

regulation did not. The person did.

That's not a regulatory gap. That's a competency gap. No new rule fills a competency gap. It just gives the next incompetent inspector a longer checklist to misapply.

Consider the asymmetry. Marine pilotage in Australia requires demonstrated competency in approved simulators or on-water checks, assessed against a defined standard, revalidated year-on-year, independently verified, and regulated by some ports – though not all are. A pilot who cannot demonstrate current competency does not board a vessel. That standard exists because the consequences of getting it wrong are immediate and visible

Inspection has no equivalent requirement. Anyone can hang a shingle. Anyone can issue a report. The consequences of getting it wrong are deferred, diffuse and rarely traced back to the person who signed the report.

The industry doesn't need more regulation. It needs people who understand the regulations that already exist, and the operational reality those regulations are designed to govern.

And at the far end of the spectrum: conduct that goes beyond incompetence.

One organisation operating in this space misrepresented the nature and scope of inspections it had conducted. Not ambiguously. Not through poor record-keeping. It misrepresented what its inspectors had actually attended.

The consequence was direct. The flag state reviewed the evidence and removed the organisation's authorisation entirely.

Not suspended. Removed.

That's the endpoint of a market that prices availability over competency and brand over substance. When the authority with the most to lose, the flag state itself, concludes that the representation cannot be trusted, the certificate means nothing and the model is exposed.

We faced this competency question directly when we built the world's first accredited Diploma of Marine Surveying in Australia.

The 1912 Navigation Act made no provision for a private marine surveyor. The only recognised surveyor was one appointed by government. If you were operating independently, the Act had nothing to say about your competency, because it didn't contemplate you existed.

The diploma changed that, at least in part. A benchmark. Evidence that you could actually do the work.

But the diploma answered the surveying question. It didn't answer the inspection question. That conversation is overdue.

So, is third-party inspection finished in Australia?

Not entirely. There is a legitimate role for independent eyes, flag state, P&I, charterers with genuine verification interests. The structure isn't inherently broken.

But COSCO Shipping's move signals something the market hasn't wanted to say plainly: an operator running one of the world's largest fleets is no longer confident the third-party inspection market is delivering competent, independent, current work. They'd rather own the function, employ the person and build the institutional knowledge internally.

When a company operating hundreds of vessels across every major trade route decides to bring inspection in-house and keep it there, that's a signal worth reading. They aren't doing it because it's cheaper. They're doing it because it's better.

The roulette wheel of third-party rates, full Australian dollars here, half that in the UK, lottery odds in the US, has always reflected availability, not competency.

The industry has tolerated this because the alternative is harder.

Defining competency is uncomfortable. It requires acknowledging that a certificate of attendance is not a certificate of competency. It requires someone to say: this is the floor, below which we will not operate.

Australia started that conversation for marine surveyors with the accredited diploma.

The inspection side of the market hasn't had it yet.

COSCO Shipping just started it. Port Hedland has identified the gap. The rest of the industry is still looking the other way.

The floor exists. The industry just hasn't decided where it is.

The next flag state will. The next cargo incident will. The next detained vessel whose inspection report was a recycled checklist signed off by the wrong person will.

17) The question is whether the industry gets there first.

And if you want to know how to inspect with effect, reach out. Not hard to find me. Most countries can.

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