

Major Craft Conversion

Proposal for RCD Expert Group

European Boating Industry (EBI) represents the recreational boating and nautical tourism industry in Europe, which encompasses all subsectors of the industry. EBI is made up of the national associations representing the recreational boating industry (manufacturers of boats, engines, components, distributors), in addition to sustaining members (international companies, notified bodies)¹.

The International Council of Marine Industry Associations (ICOMIA) brings together national marine industry associations into one global organisation and represents them at an international level, presenting a strong and united voice when dealing with issues challenging the marine industry².

The co-signatures understands that stakeholders including RSG and ADCO are considering the issue of Major Craft Conversion (hereafter referred to as MCC) and potentially proposing to significantly expand the scope of operations that would require the craft to undergo Post-Construction Assessment (hereafter referred to as PCA). The purpose of this paper is to provide the industry position on this critical issue and provide recommendations for consideration.

It should be considered that during its use phase, a recreational craft is subject to:

1. maintenance on a regular basis;
2. upgrading several times;
3. refitting potentially a few times.

These operations can be made on some parts of the craft which are in the scope of RCD compliance, i.e. regarding RCD essential requirements. It should be emphasised that consumer safety is of the highest importance for the industry and the most effective approach to achieve this should be found. Representing industry, there are major concerns on the current discussions. These could change the current approach and extend the scope of PCA to craft modifications that should likely not be considered as “major modifications” according to a risk-based approach (such as the installation of underwater lights, heaters, and fitting of solar panels). It is unclear whether including these in PCA would lead to an increase in safety.

EBI and ICOMIA would therefore like to provide the following considerations:

- PCA has been created to assess second-hand products coming from third countries, but its scope is now expected to cover the full scope of RCD requirements and not only a part of it. Considering that the aim of the assessment is to ensure that the modifications made on the craft are not impeding its compliance, it shall rely on harmonised standards in application when the craft has been placed on the market for the first time, but for many reasons (availability of documents e.g. DoC, old standards, etc.) this is almost impossible to ensure in concrete conditions;

¹ <https://europeanboatingindustry.eu/about-us/our-members>

² <https://www.icomia.org/>

- There is no clear definition of the scope of MCC regarding the various operations made during the use phase of a craft.
- The Recreational Craft Directive (RCD) is the only EU product safety Directive that has a single safety procedure for modifications, the PCA, which is in practice a re-certification by a notified body. This is a stringent measure for most modifications and should be kept for truly major modifications in line with the RCD.
- A too restrictive approach and need for PCA presents a high barrier for small repair, refit and maintenance businesses undertaking such modifications. In some countries a PCA even leads to these businesses having to complete a new Declaration of Conformity, apply for a MIC number and effectively take on liability for the compliance of the entire craft (such as in Spain and Italy). This can apply to small workshops and self-employed individuals.
- A too burdensome approach may put small companies out of business due to increased costs and red tape while decreasing safety as consumers may simply choose to make these modifications themselves without sufficient knowledge due to cost considerations.
- In case of a MCC, a PCA on the complete watercraft is not always necessary. Instead a PCA in case of a MCC should be limited to the extent of the conversion. This should also be reflected by the Report of Conformity issued by the notified body.
- From a circularity perspective, one of the key goals of the European Green Deal, the aim should be to support reuse of boats, i.e. incentivising refit and maintenance of boats alongside a thriving new boat market.

In conclusion, it is crucial to emphasise the need for a proportional and risk-based approach that delivers the most appropriate measure. In our view, a PCA could in many cases simply lead to higher costs without increasing consumer safety and may therefore have an overall negative impact.

The co-signatories are willing to discuss this with all stakeholders and support a common solution based on the following:

1. A clearly defined list of modifications that are “minor” and a limited list of “major” ones based on a sound impact assessment and evaluation by the European Commission, input from stakeholders in line with the EU’s Better Regulation Guidelines
2. Review of other measures to achieve the intended outcome of higher consumer safety (see Annex)

Crucially, the co-signatories emphasise the importance for maximum legal certainty to be provided to industry and all stakeholders. A de-facto decision without an agreement by the RCD Expert Group or a revision of the RCD should be avoided. It would otherwise lead to legal uncertainty and liability risks.

Annex - proposals

We would like to propose for further consideration some pragmatic measures that can effectively achieve higher consumer safety levels. This issue cannot be fixed with one single solution nor with a one-step process. Thus, several solutions are proposed to make progress toward a better risk management from consumer safety perspective.

A proposal could therefore include the following, which could then be extended into the RCD Application Guide to provide an appropriate level of clarity, or through Implementing Acts.

A. Clear classification of risks and use of certified technicians/professionals

1. Minor modification with no significant effect to vessel safety – no MCC

- No requirements for MCC (also a consumer with no official training could install)
- Regular maintenance operations to be excluded to ensure that maintenance and replacement of, for instance, engine components and other components within the manufacturer’s specifications do not qualify as a ‘major modification’. Such maintenance may extend to a complete engine rebuild within the manufacturer’s specifications. Routine maintenance and replacement of components with equipment with similar specifications should not qualify as a ‘major craft conversion’ if made:
 - within the craft manufacturer’s specifications; and/or
 - within the equipment manufacturer specifications; and/or
 - within the relevant “state of the art”.

2. Minor modification with elevated relevance to vessel safety (based on Essential Requirements in RCD) – use of qualified persons or certified technicians

Consumer safety is a top priority. There are reports of poorly installed heaters, which have caused danger with potential carbon monoxide poisoning as well as an elevated fire hazard. These could have been avoided by restricting the installations to certified technicians. Consumers are increasingly purchasing these online with limited knowledge on how to judge the safety of the equipment. Also, too many consumers tend to underestimate the necessary material safety as well as the need to follow instructions, which leads to unsuitable and dangerous installations.

Examples how safety of installations are secured in other areas:

- 230V electric installations: certified marine technician required – no PCA
- LPG installations to boats: installation by a qualified marine technician, approval of the system by a qualified expert (e.g. TUKES in Finland, DVFG in Germany)
- heaters, air conditioning, etc: manufacture/importer trained and certified technician required – no PCA
- e.g.: LPG, heaters, bow thrusters, lithium battery systems, etc

- Qualified persons³ and certified marine technicians, where they exist, or are allowed to install these in line with the recommendations of equipment manufacturers. Alternatives as e.g. LPG and electric installations, heaters & air conditioning:
 - certified by the relevant authority (e.g. TUKES or Traficom, DVFG for LPG in Germany etc) as regulated by individual Member States, or
 - Trained by the equipment manufacturer or authorised importer, or
 - Vocational training as qualified boat builder, focus on technic (e.g. dual system in Germany)

Most countries do not have certification for marine technician in all boat building and boat maintenance field, but the qualified person approach will be usable.

- For Rigid Inflatable Boats (RIBs), replacement of the tubes should only be undertaken by companies authorised by the original manufacturer to ensure consumer safety without a PCA.

3. Major modification – major risk or major change to the design of the craft (stability, structure integrity, propulsion unit, manoeuvring, handling)

Outside of the regular maintenance operation of craft mentioned above, a first approach should be made to clarify what operations shall be considered as MMC or not.

Two main differences can be made:

- refitting a craft **should be** considered as MCC; (for example, the propulsion power is increased by more than 15%, displacement increased by more than 5%, or other primary dimensions are changed; Note: a typical refit will not necessarily change the craft in the areas addressed by the essential requirements in the RCD)
- upgrading a craft **can be** considered as MCC if the new systems significantly change the requirements compared to the old ones (for example, need of electrical power).

Then, by focusing on some current upgrading operations relevant information could be brought to provide clarification based on essential requirement compliance.

- e.g. high-power engine, from inboard to outboard or shift to battery-electric propulsion, etc: PCA by a notified body
- changes of structural items, e.g. keel, hull etc.: PCA by a notified body

³ Proposed definition of a qualified person: A person who, by possession of a recognised degree, certificate or professional standing, or by extensive knowledge, training and experience, has successfully demonstrated his/her ability to solve or resolve problems related to the subject matter, work, or the project

Being part of the after-sales assistance and repair service of a boat manufactures should be considered sufficient.



- change of design category (upwards) and for crew numbers and mass (upwards)

As the original purpose of PCA was assessing of complete craft imported from third countries, the definition of this assessment tool is not meant to be applied to MCC, i.e. to a part of the craft only. This should lead to define two different PCA tools as follow:

- PCA Complete assessment of craft;
- PCA Partial assessment of craft.

By distinguishing these two tools, appropriate assessment and especially relevant resulting statement would be provided by Notified Bodies.

4. Horizontal approach – improved information for stakeholders

The entry first decision point for upgrading or refitting of boats is the consumer/owner of the craft. An information/recommendation could be provided on equipment and/or equipment through the Application Guide

1. Red label / Professional skills required for operations and Notified Body for compliance;
2. Orange label / Professional skills required for operations;
3. Green label / Professional skills recommended for operations.