



INTERNATIONAL MARITIME PILOTS' ASSOCIATION

WHEN DEREGULATION PUTS THE PUBLIC AND INDUSTRY AT RISK: THE CASE AGAINST COMPETITION IN MARITIME PILOTAGE

The International Maritime Pilots' Association (IMPA) is calling attention to the consequences of deregulation and competition in maritime pilotage.

London, 17 March 2026: Maritime pilotage is a public, not commercial, service that exists for safety of navigation — protecting people, the environment and trade. Some jurisdictions are tempted by the idea that deregulation and competition deliver a better service at a lower cost. This is a mistake, and the evidence agrees.

IMPA believes decision-makers need to understand that deregulation and competition are not sound policies in pilotage and expose the public and the shipping industry to unnecessary and avoidable risk.

“Where deregulation and competition have been introduced, we see increasing costs, reductions in safety and efficiency. In the worst cases, we see systems that fail to adequately protect the public,” said Captain Simon Pelletier, President of IMPA, “To capture the economic, social and environmental benefits from maritime pilotage, governments must create the right environment. This is what the overwhelming majority of jurisdictions do. The few jurisdictions that have introduced deregulation and competition need to change course.”

The data speaks for itself. In one jurisdiction where competition in service-delivery was introduced, pilotage fees have doubled since 2018, while the incident rate per port call is 41 times the international average. In another, 60% of maritime safety incidents under pilotage occur in areas where providers compete against one and other to provide the service. In another, the main provider's efficiency has declined by 9%, and the service's ability to meet total demand has been compromised. In another, deregulation and government profiteering, in combination with a dilution of training and licensing standards, make it hard to say the service is pilotage.

Deregulation and competition are not features of mature, high-performing pilotage systems. Because of this, some jurisdictions are very explicit in their position. The European Union's Port Services Regulation safeguards against competition in maritime pilotage. Alaska and Florida, having experimented with competition in the past, explicitly prohibit the practice because of the threat to public interest.

The systemic risks arise from the negative impact of competition on pilots' professional independence and the incentive for commercial service providers to underinvest in training and professional development. In 2018, KPMG identified under-investment in safety and quality as a reason why competition can be more damaging than a natural monopoly.¹

When multiple operators must replicate infrastructure – pilots, pilot boats, training programs and facilities and seek to recover costs from a divided market, costs inevitably go up, not down. Furthermore, when the prospect of profit is insufficient, there can be under-provision of pilotage, necessitating government intervention. And when providers abuse their market power, the government must intervene again. The great irony is that deregulation in pilotage creates a greater need for intervention, not less.

The benefits of a well-regulated system of pilotage are clear. The most detailed study by economists on the subject, published in 2023, found that every \$1 invested in a well-regulated system returns \$60 in safety and efficiency benefits.² Deregulation and competition are the surest route to governments locking themselves and their public out of that opportunity.

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Notes for Editors

[1] KPMG international comparisons research is available at: <https://tc.canada.ca/en/legislative-reviews/research-summary-international-comparisons>

[2] *The Canadian Pilotage Cost-Benefit Analysis (2023)* is available at:

<https://www.marinepilots.ca/news-docs/Canadian-Pilotage-Cost-Benefit-Analysis-2023.pdf>

About IMPA

The International Maritime Pilots' Association (IMPA), established in 1970, represents pilots' organisations in over 50 countries and a professional community of over 8,000 maritime pilots. The Association is a not-for-profit organisation that uses its membership resources to promote effective safety outcomes in maritime pilotage as an essential public service. It achieves this objective by bringing together pilots' associations from around the world to share knowledge, expertise and experience on matters affecting maritime pilotage.

The Association is also the active, formal voice of maritime pilotage and pilots in relevant international fora. It has been a non-governmental organisation in consultative status at the International Maritime Organization (IMO) since 1973. IMPA delegates make lasting contributions to different aspects of the technical work of the IMO.

<https://www.impahq.org/>

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