

GLOBAL SULPHUR CAP IMPLEMENTATION. SPAIN.

Ingostrakh's P&I Correspondent for Spain and Barcelona port in particular Messrs. Indeco Ltd. reports on situation in port concerning recent changes in regulations. As it stands, Barcelona port took such actions as promotion of renewable energies, like photovoltaic and wind energy in the Port zone; the promotion of new fuels with zero carbon emission for vessels, heavy vehicles and terminal machinery; the electrification of piers to allow an electric connection of vessels that will stop the emission of auxiliary engines of vessels while they are in the Port, the reduction of polluting gases and particles in suspense, the acquisition of solar panels into the Port and the obligation to turn off auxiliary engines of vessels while being in the Port.

IMO Regulation 2020 obliges companies that sell fuel and do bunkering to have fuel with a maximum of 0.5% of sulphur. It is the Harbor Master Administration who is in charge to enforce this regulation, through random inspections carried out in the Port each day (Paris MoU, MARPOL).

After speaking with Barcelona's Harbor Captainty, it has been noted, that the methods used to verify if a vessel complies with the new fuel requirements are:

- 1) Testing the sulphur content of bunker in the vessel, by checking the procedures, delivery notes (BDN), Log Books, the MARPOL simple and additional samples from different parts of the fuel system.
- 2) Measuring the sulphur amount in the release tube, by using remote detection equipment like drones or similar monitoring equipment placed in strategic places.

However, method used by the Port of Barcelona, according to the Harbor Master Captainty, is the first one. The inspectors go on board vessels to take fuel samples which are taken later to the laboratory in order to know whether the amount of sulphur complies with the regulations. They also check the bunker purchase certificates and other documentation that can provide proof about fuel content.

Before this regulation came into entrance, the allowed amount of fuel was 1.5 for regular vessels and 3.5 for the other vessels. Now, it will be 0.5 for regular and irregular lines (Rule 14 of Annex 6 of MARPOL Convention).

It still remains unknown what the fines will be for the vessels which fuel does not comply with the regulations and whether these fines will be imposed through an Administrative procedure or in a different way.

It is expected that the amount of inspections and sample taking in order to verify sulphur content in fuel will increase during these following months in all Ports after January 1st 2020. The Harbor Master Captaincy is still waiting for further instructions regarding the enforcement and other possible changes in the application of this regulation, the inspections and consequences of non-compliance.

ARABIAN GULF. SAILING ADVICE.

Ingosstrakh's P&I Correspondent for subject region Mutual Marine Services - al Mushtaraka LLC reported on danger of further escalation of situation around the recent conflict after assassination of the Iranian General Soleimani in Baghdad by US forces and the retaliation attack by the Iranians on barracks used by US troops in Iraq earlier this January.

As it stands, the overall situation in the Arabian Gulf (AG) and Gulf of Oman remains fragile. It remains to be seen how the conflicting parties in the Middle East react after five Katyusha rockets were fired at the fortified Green Zone in Baghdad on 26.01.2020, one directly hitting the U.S. Embassy building.

The risk sailing through the waters of the Gulf of Oman and the AG depends on how close a Vessel and/or her Cargo is associated with one or the other side of the present conflict. Generally, ships flying more or less 'neutral' flags and carrying cargoes which have no direct US interest behind them are unlikely to become targeted in the region as such. On the other hand, US flagged vessels, possibly also flags of Panama or Liberia, for example, may face a higher risk of being targeted by Iranians or one of their allies like the Hezbollah since the United States of America and/or US companies have some interest in those flags.

Special attention should be taken when passing the Arabian Gulf. It is recommended that any voyage through the Arabian Gulf should take place with sufficient distance from the Iranian territorial waters, in particular around the Iranian territorial waters adjacent to the Island of "Greater Tunb", "Abu Musa" and "Siri" and the Strait of Hormoz Traffic Separation Scheme (TTS).

Worldwide, the right of the "innocent passage" covers the vast majority of passages through Traffic Separation Schemes in territorial waters and the passage through territorial waters. This is always the case when the Coastal State has signed and ratified the UN Convention on the Laws of the Sea (UNCLOS). Iran has signed but not ratified UNCLOS and is therefore not a party to this Agreement. Over the years, Iran repeatedly detained vessels within or close to their territorial waters.

Having said that, it is highly recommended to Insureds to take special care when passing the Strait of Hormuz and proceeding further into the Arabian Gulf.

CORONAVIRUS OUTBREAK. CURRENT SITUATION IN CHINA.

Chinese Correspondents Huatai Insurance Agency & Consultant Service Ltd. have provided substantial report in current situation in Chinese ports in view of recent outbreak of novel coronavirus. Below you will find summarized information on regulations implemented by the port Authorities of each major Chinese port.

1. Health declaration before berthing:

- Tianjin and Xiamen: Health Declaration Form is required before vessel's berthing. The Form is attached below for your reference.

- Dalian: the Customs' officers will attend on board the vessel and take temperature of each crew.

2. Vessels with crew from Wuhan or Hubei Province on board would be monitored especially.

- Putian and Quanzhou of Fujian Province: may not be allowed to take berth.

- Ningbo: the vessel probably has to be isolated for 14 days before taking berth.

3. Substitution of crew is limited.

- Shanghai, Xiamen, Ningbo, Tianjin, Dalian: forbidden by the port Authorities.

- Qingdao and Guangzhou: forbidden in principle, unless under some special circumstances.

4. Crew disembarkation is strictly restricted by all ports.

5. During berth in the port, the crew should take preventive measures.

- Dalian, Xiamen, Guangzhou: The crew must wear a facial mask when he has contact with others in the port.

- Tianjin: The crew must wear a facial mask and temperature test should be taken every day. When any crew has fever, the Customs should be reported immediately.

As the most important aim of the measures implemented by Chinese authorities is to avoid spread of coronavirus which originated from Wuhan, Hubei province, there is no specific restriction for vessels from abroad to call at Chinese sea ports. However, indirect effects on the shipping industry would be inevitable.

Here are some disadvantage effects have been noted:

Port congestion / port operation

1. The loading/discharging operation slow down due to lack of stevedores.

2. The land transportation of cargo into the port or from the port is insufficient since trucks without local license are restricted to enter into the port area.

3. As vessels are restricted to call at Wuhan port, transshipment of cargo by inland river feeder vessels in and out the ports in the Yangtze River is obviously affected.

Ports effected: - Shanghai, Tianjin, Huanghua, Lianyungang, Jingtang and Caofeidian

Ports not obviously effected: - Dalian, Qingdao, Xiamen and Guangzhou

It has been learned that Zhangjiagang Port and the ports nearby in Yangtze River were sort of congested due to heavy fog from time to time in the past week instead of the outbreak of coronavirus.

Supply of Provisions

Generally speaking, supply of provisions to foreign vessels is not restricted.

- Tianjin: Demand of Supply of Provisions be declared 24 hours in advance.

- Qingdao and ports nearby: Has limit to some of the provisions. Please check with local agents.

- Dalian: The provisions should be quarantined by Customs as usual.

Ship Repair

Due to lack of workers, the schedule of ship repair might be affected.

- Zhoushan: as the local Government restricted the entrance of vehicles with license of other places and people from other places, the efficiency of the shipyards in Zhoushan decreased substantially.

Cargo Preparing

Some exported cargo could not be delivered to the loading ports in time due to transportation restriction in and out of Hubei Province. It is reported that China Council for the Promotion of International Trade (CCPIT) would offer force majeure certificates to local companies, if they are unable to fulfill their international contractual obligations due to the coronavirus outbreak. It is suggested to seek legal opinions on performance of C/P.

Attachment: Health Declaration Form:



EXIT/ENTRY HEALTH DECLARATION FORM OF THE PEOPLE'S REPUBLIC OF CHINA

Dear Passengers, for your health and that of others, please fill out this *Exit/Entry Health Declaration Form* truthfully. If you conceal or falsely declare the information, you will be held accountable according to the *Frontier Health and Quarantine Law of the People's Republic of China*.

Exit

Entry

Last Name: _____ First Name: _____ Gender: Male Female

Date of Birth: □□□□ year □□ month □□ day

Nationality and City of Residence: _____

1. Passport No.: _____

Flight (Ship/Train/Vehicle) No.: _____ Seat No.: _____

Destination: _____

2. Contact Number During Your Stay in China: _____

3. Have you been to **Hubei Province**, China in the past 14 days? No Yes

Have you had direct contact with patients from **Hubei Province**, China who had such symptoms as fever, fatigue, coughing, among others, in the past 14 days?

No Yes

4. Do you have one or more of the following symptoms? No Yes

Fever Fatigue Coughing other symptoms _____

I hereby certify that the above information is true and correct.

Signature

Date