

MEMBER ALERT

Shipowners Claims Bureau, Inc., Manager
One Battery Park Plaza 31st Fl., New York, NY 10004 USA
Tel: +1 212 847 4500
Fax: +1 212 847 4599



www.american-club.com

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DIFFICULTIES WITH CUSTOMS AUTHORITIES IN THE UKRAINE

Your Managers have been informed that Ukrainian customs officers continue to exact customs fines on foreign-flagged vessels in onerous circumstances.

Recently, at the main Ukrainian Black Sea ports, customs officers have been carrying out soundings of vessels' bunker tanks, and bunker surveys, during inbound clearance. In the majority of cases, the results of the customs' bunker calculations show that the actual quantity of fuel oil or diesel oil on board the vessel is inconsistent from the declared quantity.

If such quantity is larger than the quantity declared by the master, customs fines are imposed on the vessel in an amount not less than USD 2,500 for the so-called "smuggling of fuel". The highest fine encountered to date has been USD 10,000.

Discrepancies between the vessel's and customs' bunker figures are usually the result of the vessel's chief engineer not taking soundings of the bunker tanks before the relevant port call. It is common in practice for approximate, extrapolative calculations to be done on the basis of bunker survey figures. Such calculations can be outdated by as much as one week. These methods can cause the inaccuracies for which Ukrainian customs authorities are making vessels pay.

In addition, some customs inspections have revealed aluminum pipes and copper wire being used for spare parts. In many cases, customs officials apply the maximum penalty regardless of quantities found.

In light of the above, it is strongly recommended that masters of vessels calling at Ukrainian ports:

- (1) ensure that chief officers perform thorough sounding of the bunker tanks in order to declare the correct quantity of bunker on board the vessel and thus avoid unnecessary fines; and
- (2) ensure that any spare parts are properly documented and stored in order to prevent customs officials from considering these materials/stores as cargo.

Thanks are extended to the Club's local correspondent, Dias, Co. Ltd. for the valuable information provided for this Member Alert