

**Regulations Governing the Approval and Administration of Direct Cross-Strait Sea Transport Between the Taiwan Area and the Mainland Area**

Article 1	<p>These Regulations are enacted pursuant to Article 28, Paragraph 3 of Article 29, and Paragraph 3 of Article 30 of the Act Governing Relations Between Peoples of the Taiwan Area and the Mainland Area.</p>
Article 2	<p>The ports opening for direct cross-strait transport between the Taiwan Area and the Mainland Area as follows:</p> <ol style="list-style-type: none"><li>1. International commercial ports.</li><li>2. Domestic commercial ports.</li><li>3. Industrial ports.</li></ol> <p>The ports referred to in the preceding paragraph shall be publicly announced after being reported to the Executive Yuan for designation by the Ministry of Transportation and Communications (MOTC), and published in a governmental gazette</p>
Article 3	<p>Vessel carriers applying for the direct cross-strait carriage of passengers and cargos between the Taiwan Area and the Mainland Area shall be enclosed a direct cross-strait carriage application form, concurrently with the business plan (BP) and other relevant documents to apply to the Ministry of Transportation &amp; Communications Maritime and Port Bureau (hereafter cited as commercial port authority ), the Commercial Port Authority should consider the balance of supply and demand in the market, then examining and submitting to MOTC for the approval.</p> <p>The approval referred to in the first paragraph has the term of two (2) years. Reapplication and application for changes must be submitted thirty (30) days before expiration.</p> <p>The vessel carriers shall commence the operation in four (4) months after the granting of the approval. Failure to comply with the foregoing, the operating approval shall be revoked by the MOTC through the report from the Commercial Port Authority.</p> <p>The provisions prescribed in the foregoing three Paragraphs shall apply to the vessel carriers in Taiwan Area operating the navigation business from the third-area to Mainland Area; the forgoing also apply to the vessel carriers in the Mainland Area operating the navigation business from the third-area to Taiwan Area.</p>

Article 4	<p>A vessel operated by vessel carriers engage in direct cross-strait carriage of passenger and cargo between the Taiwan Area and the Mainland Area shall be limited as one of the followings:</p> <ol style="list-style-type: none"> <li>1. A vessel with the capital of either side of the Taiwan Straits, and that is registered on both sides;</li> <li>2. A vessel with the capital of either side of the Taiwan Straits, and that is registered in Hong Kong;</li> <li>3. Foreign vessels with the capital of either side of the Taiwan Straits operated by vessel carriers registered in either side of the Taiwan Strait and are already engaging in offshore shipping center transport or cross-strait third-area container liner transport, or sand and gravel transport prior to the implementation of these regulations.</li> </ol> <p>Foreign vessels other than the vessels referred to in Item 3 of the preceding paragraph have filed an application to the local navigation authorities may navigate between the ports between the Taiwan Area and the Mainland Area only after the application has been forwarded to and approved by the MOTC.</p>
Article 5	<p>The provisions of Article 17, 23 to 29, 34,35, 37 to 40, 57 to 60, 62 of the Shipping Law, the provisions prescribed in Article 25, 30 to 36 of the Regulations For Administrating Vessel Carriers and Vessel Chartering Operators and the provisions of the Article 16 of the Regulations for Administrating Shipping Agency shall be also applicable to the vessel operated by vessel carriers registered in the Mainland Area approved to engage in direct cross-strait carriage of passengers and cargos in the Taiwan area for Soliciting of cargos and passengers, registration of agencies of a foreign vessel carrier pursuant, establish a subsidiary(branch), file the tariffs, an international joint service organization, joint service with other operators and provide relevant documents for audit.</p>
Article 6	<p>Vessel carriers applying for operating Liner Service between the Taiwan Area and the Mainland Area shall make an application with the enclosure of the following documents to the Maritime and Port Bureau for document review and submission to the MOTC for a permit: A direct cross-strait carriage liner application form, the business plan (BP), the list of vessels, the tariff list, the schedule of voyage, the certificate of vessel seaworthiness, and other relevant documents. The same shall apply to applications for permit content change.</p> <p>Vessel carriers applying for operating Non-Liner Service between the Taiwan Area and the Mainland Area shall make an application with the enclosure of the following documents to the Maritime and Port Bureau for a permit by vessel and by voyage: A direct cross-strait carriage non-liner application form, the business plan (BP), and other relevant documents. The same shall apply to applications for permit content change.</p> <p>When entering or exiting the ports for direct cross-strait in the Mainland area via the routes or course promulgated in paragraph 2 of Article 10, vessel carriers applying for operating cargo or passenger transport between the Taiwan Area and the Mainland Area shall submit an application form and relevant documents to the Maritime and Port Bureau to apply for a permit. The same shall apply to applications for permit content change.</p> <p>The above permits shall be valid for a term of six months. Vessel carriers may renew the permit within seven days prior to expiry.</p>

Article 7	<p>The other vessel applying for directly sailing between the Taiwan Area and the Mainland Area shall be enclosed the sailing plans, the proposal, and other relevant documents to apply to the Commercial Port Authority for examining and submitting to MOTC for the approval.</p> <p>The above application processes shall be approved by the MOTC in conjunction with the authorities concerned.</p>
Article 8	<p>Upon entering and exiting the ports for direct cross-strait transport in the Taiwan Area, vessel carriers operating direct cross-strait carriage between the Taiwan Area and the Mainland Area shall switch on marine VHF radio channels during the whole course and equip with the Automatic Identification System (AIS).</p> <p>The foregoing regulation shall apply mutatis mutandis to vessel carriers operating cargo or passenger transport between the Taiwan area and the Mainland area when entering or exiting the ports for direct cross-strait transport in the Mainland area via the routes or course promulgated in paragraph 2 of Article 10. Vessel carriers shall also accept dispatch orders and follow the relevant management regulations of MOTC.</p>
Article 9	<p>The vessels registered in the Mainland Area shall not fly their flag on the stern and mainmast of the vessel between entering and leaving the direct transport ports in the Taiwan Area, but shall fly their company flag for vessel identification.</p>
Article 10	<p>For vessel carriers operating cross-strait transport between the Taiwan area and the Mainland area, the MOTC may plan and promulgate in coordination with relevant government agencies and publish in the government gazette the routes or courses for entering and exiting the ports for direct cross-strait transport in Taiwan Area where necessary. Vessel carriers shall navigate via the promulgated routes or courses.</p> <p>For vessel carriers operating cargo and passenger transport between the Taiwan area and the Mainland area via restricted or prohibited waters, the MOTC may plan and promulgate in coordination with relevant government agencies and publish in the government gazette the designated routes or courses for entering and exiting the ports for direct cross-strait transport. Vessel carriers shall navigate via the promulgated routes or courses.</p>
Article 11	<p>For the vessels, passengers and cargo referring to the direct cross-strait carriage between the Taiwan Area and the Mainland Area, entering or exiting the ports opening for direct cross-strait transport in Taiwan Area, the fees in accordance with provision of the general operation of the ports shall be paid.</p>
Article 12	<p>The vessel carriers or their agencies shall, no later than 10th day of each month, prepare the vessels data for direct navigation and statistic data of carriage/transportation that they operate or entrusted in the previous month according to the format prescribed by the MOTC, and report to the Commercial Port Authority.</p>

Article 13	<p>When vessel carriers violate Article 5, paragraph 1 of Article 8, paragraph 1 of Article 10, or Article 12, the MOTC may order them to make corrections or suspend part of their business and even revoke their direct cross-strait transport permit for grievous violations. .</p> <p>When vessel carriers operating cargo and passenger transport between the Taiwan area and the Mainland area fail to follow paragraph 2 of Article 8 or navigate via the routes or courses promulgated in paragraph 2 of Article 10 when entering or exiting the ports for direct cross-strait transport in the Mainland area via the routes or courses promulgated in paragraph 2 of Article 10, the MOTC may order them to make corrections or revoke their direct cross-strait transport permit for grievous violations and even reject their permit applications for one year.</p> <p>Vessels from the Mainland area entering the restricted or prohibited waters in the Taiwan area without prior permission shall be dealt with in accordance to Articles 32 and 80-1 of the Act Governing Relations between the People of the Taiwan Area and the Mainland Area.</p>
Article 14	The matters regarding the approval and administration under These Regulations may be exercised by the Commercial Port Authority delegated by the MOTC.
Article 15	These Regulations shall come into force on the date of promulgation.