AMERICAN STEAMSHIP OWNERS MUTUAL PROTECTION AND INDEMNITY ASSOCIATION, INC.



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CIRCULAR NO. 17/08

TO MEMBERS OF THE ASSOCIATION

Dear Member:

ENTRY INTO FORCE OF THE BUNKERS CONVENTION: STATE CERTIFICATION

Members have previously been advised that the International Convention on Civil Liability for Bunker Oil Pollution 2001 ("Bunkers Convention") will enter into force in State Parties (of which an updated list is set out below) on November 21, 2008 and that clubs in the International Group have agreed to issue the required Bunker Convention "Blue Cards" to enable State Parties to issue certificates.

Vessels registered in non-State Parties

Vessels registered in a State Party need only obtain a State certificate from that State. However, vessels registered in a State which is not party to the Convention, and which require a certificate because they are calling at a port or arriving at or leaving an offshore facility in the territorial waters of a State Party to the Convention after the entry into force date, must obtain a State issued certificate from a State Party to the Convention. Discussions with State Parties would suggest that the majority are prepared to issue certificates to such vessels if calling at a port in their territory, or arriving at or leaving an offshore facility in their territorial waters, after the entry into force date of the Convention and with sufficient evidence that this is the case.

A small number of State Parties (the UK, Liberia and Cyprus) have now agreed to issue certificates to vessels registered in non-State Parties irrespective of whether they are calling at a port in their territory or arriving at or leaving an offshore facility in their territorial waters after the entry into force date. This means that it is now possible for the clubs in the International Group to issue Blue Cards to vessels registered in non-State Parties. Since the Blue Card is required to be addressed to one of those State Parties which are willing to issue the certificates to such vessels, Members who require Blue Cards for vessels that are registered in non-Convention states will need to advise the Club which State Party will issue the certificate before the Blue Card can be issued.

Ideally, if calling at a port or offshore facility in a State Party, the certificate should still be obtained from the issuing authority of that particular State. Alternatively, in the event that this is not possible certificates for vessels registered in non-State parties can now be obtained from either:

UK

CLC Bunkers 2/13
Maritime and Coastguard Agency
Spring Place
105 Commercial Road
Southampton
SO15 1EG
UK

Telephone: +44 (0)23 80329110 (public enquiries)

Fax: +44 (0) 23 8032 9447

Internet: http://www.ukshipregister.co.uk/ukr-home/forms.htm

Email address (s): bunkers@mcga.gov.uk
General Enquiries: bunkers@mcga.gov.uk
infoline@mcga.gov.uk

Contact person: Richard Tong, + 44 (0)23 80 329202



or,

Liberia

Liberian International Ship & Corporate Registry ATTN: Bunker CLC Applications 8619 Westwood Center Drive, Suite 300 Vienna, Virginia 22182, USA Email contact: clc@liscr.com

Tel: +1 703 790 3434 Fax: +1 703 790 5655

or,

Cyprus

Director
Department of Merchant Shipping
Registrar of Cyprus Ships
Kyllinis Street, Mesa Geitonia
CY-4007 LIMASSOL
Cyprus

Telephone: +357 25 848 100 Fax: +357 25 848 200

E-mail: maritimeadmin@dms.mcw.gov.cy

Internet: www.shipping.gov.cy

Contact person(s): telephone direct: + 357 25 848 237

It should be noted that the UK will issue certificates to Red Ensign flagged vessels (Bermuda, Cayman Islands, Gibraltar, the Isle of Man and the British Virgin Islands) since the UK has not at present extended UK ratification of the Convention to their Overseas Territories/Crown Dependencies, and that Cyprus has only agreed to issue a limited number of certificates to ships registered in non-State Parties.

A small number of State Parties have also agreed to issue certificates to non-State party vessels if the owners of such vessels have a physical presence in, or an economic link with, their State e.g. Germany. Members in such a position are recommended to contact the authorities in the relevant State Party to determine if this is the case. Relevant contact details can be provided on request.

In order to ease the administrative burden on the above mentioned State Parties, Members with vessels registered in non-State parties are recommended to contact the Club as soon as possible to determine the most appropriate issuing State and to allow the Club to issue the Blue Cards.

Pollution Charterparty Clauses

In 1996 the Club circulated an amended clause for inclusion in charterparties of tankers to reflect the 1992 Protocol to the Civil Liability Convention, and the OPA requirements concerning certification which apply in the United States. These clauses have been updated and combined in a new single charterparty clause to reflect the forthcoming entry into force of the Bunkers Convention. The combined clause is contained in the Annex to this circular. Before entering these clauses in charterparties, Members should ensure that they do have the necessary certification in place.



States Party to the Convention (as at August 2008)

Bahamas, Bulgaria, Croatia, Cyprus, Denmark, Estonia, Germany, Greece, Jamaica, Latvia, Lithuania, Hungary, Liberia, Luxembourg, Marshall Islands, Norway, Poland, Samoa, Sierra Leone, Singapore, Slovenia, Spain, Tonga, the United Kingdom.

Yours faithfully,

loseph E.M. Hughes, Chair<u>than R. CEO</u> Shibowners Claims Bureau. Inc., Managers for

THE AMERICAN CLUB

All Clubs in the International Group of P&I Clubs have issued similar circulars.



Annex

FINANCIAL RESPONSIBILITY IN RESPECT OF POLLUTION

- 1. Owners warrant that throughout the currency of this charter they will provide the vessel with the following certificates:
- (a) If the vessel is over 1,000 gross tons and is registered in, or is required to enter a port or offshore facility in the territorial sea of, a State Party to the International Convention on Civil Liability for Bunker Oil Pollution 2001, a Certificate issued pursuant to Article 7 of that Convention.
- (b) If the vessel is constructed or adapted for the carriage of persistent oil in bulk as cargo and is carrying more than 2,000 tons of such cargo, a Certificate issued pursuant to Article 7 of the International Convention on Civil Liability for Oil Pollution Damage, 1992, as applicable.
- (c) If the vessel is over 300 gross tons and is required to enter US navigable waters or any port or place in the US, a Certificate issued pursuant to Section 1016 (a) of the Oil Pollution Act 1990, and Section 108 (a) of the Comprehensive Environmental Response, Compensation and Liability Act 1980, as amended, in accordance with US Coast Guard Regulations, 33 CFR Part 138.
- 2. Notwithstanding anything whether printed or typed herein to the contrary,
- (a) save as required for compliance with paragraph (1) hereof, owners shall not be required to establish or maintain financial security or responsibility in respect of oil or other pollution damage to enable the vessel lawfully to enter, remain in or leave any port, place, territorial or contiguous waters of any country, state or territory in performance of this charter.
- (b) Charterers shall indemnify owners and hold them harmless in respect of any loss, damage, liability or expense (including but not limited to the costs of any delay incurred by the vessel as a result of any failure by the charterers promptly to give alternative voyage orders) whatsoever and howsoever arising which owners may sustain by reason of any requirement to establish or maintain financial security or responsibility in order to enter, remain in or leave any port, place or waters, other than to the extent provided in paragraph (1) hereof.
- (c) Owners shall not be liable for any loss, damage, liability or expense whatsoever and howsoever arising which charterers and/or the holders of any bill of lading issued pursuant to this charter may sustain by reason of any requirement to establish or maintain financial security or responsibility in order to enter, remain in or leave any port, place or waters, other than to the extent provided in paragraph (1) hereof.
- 3. Charterers warrant that the terms of this clause will be incorporated effectively into any bill of lading issued pursuant to this charter.