



DECEMBER 19, 2014

CIRCULAR NO. 37/14

TO MEMBERS OF THE ASSOCIATION

Dear Member:

THE NAIROBI INTERNATIONAL CONVENTION ON THE REMOVAL OF WRECKS: AN UPDATE

Circular No. 31/14 of November 4, 2014 informed Members that the Nairobi International Convention on the Removal of Wrecks (WRC) enters into force on April 14, 2015.

Article 12 of the WRC provides as follows:

“the registered owner of a ship of 300 gross tonnage and above and flying the flag of a State Party shall be required to maintain insurance or other financial security, such as a guarantee of a bank or similar institution, to cover liability under this Convention in an amount equal to the limits of liability under the applicable national or international limitation regime, but in all cases not exceeding an amount calculated in accordance with article 6(1)(b) of the Convention on Limitation of Liability for Maritime Claims, 1976, as amended”.

It is also a requirement to obtain a certificate from a WRC State Party attesting to such insurance. All International Group Clubs have agreed to issue Blue Cards so that Members may apply for a WRC certificate.

Certificates must be obtained from the State in which a ship is flagged, provided that the State is party to the Convention. Ships flagged in countries that are not parties will need to obtain a certificate from a relevant authority in a State Party.

Your Managers understand that, following consultation with the International Group, the following four WRC States' maritime authorities have agreed in principle to facilitate the smooth entry into force of the Convention and assist shipowners by issuing certificates to ships flagged in countries that are not party to the Convention, subject to any conditions the relevant authority may apply.

While web links have been provided to the websites of the relevant authorities, only Germany has published specific information about applications for WRC certificates. Members should therefore be aware that these authorities may not yet have finalized their internal procedures.

United Kingdom

The UK Maritime and Coastguard Agency (MCA) will prioritize CLC, Bunker and Athens Convention certificate renewal applications followed by new WRC certificate applications submitted by UK registered vessels; then existing MCA customers and vessels calling at UK ports; and then vessels flagged in third countries, subject to the MCA's capacity to process applications. The MCA has advised that due to expected large volumes of applications there may be delays in processing WRC certificates. Applications should be addressed to:

Mr T Cornish
Maritime and Coastguard Agency,
Spring Place,
105 Commercial Rd,
Southampton,
United Kingdom
SO15 1EG
www.mca.gov.uk

Germany

BSH (Germany's certificate issuing authority) has advised the International Group that they will give priority to certificates required by German flagged ships, ships calling at German ports and ships operated by German companies. In addition they will prioritize CLC, Bunker and Athens Convention renewal certificates. WRC certificate applications can be submitted at any time between the date of this circular and the convention's entry into force date of April 14, 2015. The BSH expect a large number of applications and there may be some delay in issuing certificates. Postal applications should be addressed to:

Ms G Tungler
Bundesamt Für Seeschifffahrt Und Hydrographie (BSH)
S43 Bernhard – Nocht – Str. 78
20359 Hamburg
Germany
Email applications may be submitted to NWRC@bsh.de

Denmark

The Danish Maritime Authority (DMA) will give priority to certificates required by Danish flagged ships, ships from the Faeroe Islands, ships calling at Danish ports and ships operated by Danish companies. Other applications will be prioritized according to DMA's criteria for processing certificates and operational demands. DMA is likely to process certificates for CLC, Bunker and Athens certificates before processing WRC certificate applications. A dedicated email address for electronic applications has not yet been posted on the DMA website, but it is likely to follow the format in place for CLC, Bunkers and Athens. In the meantime postal applications should be addressed to:

Danish Maritime Authority
Carl Jacobsens Vej 31
2500 Valby
Denmark
www.dma.dk

Marshall Islands

International Registries, Inc. will give priority to certificate applications from Marshall Islands flagged ships. The International Group is aware that the Panama ship registry is in negotiation with the Marshall Islands with a view to issuing WRC certificates for Panamanian flagged ships. Your Managers advise Members with ships flagged in Panama to seek further guidance from their

contacts in the Panama ship register before seeking to obtain certificates from other States. Certificate applications should be addressed to:

**Maritime Administrator for the Republic of the Marshall Islands
International Registries, Inc.
Attn: Vessel Administration
11495 Commerce Park Drive
Reston, Virginia 20191-1506
USA
www.register-iri.com**

The current contracting States to the WRC as at the date of this Circular are:

Contracting States	Entry into force date
Bulgaria* (accession) February 18, 2012	April 14, 2015
Congo (accession) May 19, 2014	April 14, 2015
Denmark* (ratification) April 14, 2014	April 14, 2015
Germany (ratification) June 20, 2013	April 14, 2015
India (accession) March 23, 2011	April 14, 2015
Iran (accession) April 19, 2011	April 14, 2015
Malaysia (accession) November 28, 2013	April 14, 2015
Marshall Islands* October 27, 2014	April 14, 2015
Morocco (accession) June 13, 2013	April 14, 2015
Nigeria (accession) July 23, 2009	April 14, 2015
Palau (accession) September 29, 2011	April 14, 2015
UK* (accession) November 30, 2012	April 14, 2015

* denotes that the State Party has, pursuant to Article 3.2 of the Convention, extended the application of the Convention to wrecks located within its territory, including the territorial sea.

Should Members have any questions in regard to the above, they are invited to contact the Managers who will be pleased to answer them.

Yours faithfully,

Joseph E.M. Hughes, Chairman & CEO
Shipowners Claims Bureau, Inc., Managers for
THE AMERICAN CLUB

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