

# **Greek Shipping Co-operation Committee**

NEWS BULLETIN



January 2023

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## Committee's Vassilopitta

The reception for the annual cutting of the Vasilopitta and the new year celebration was hosted by the GSCC at Staple Inn on the 19<sup>th</sup> of January. Among other distinguished guests, the reception was attended by the United Kingdom's Minister for Industry Investment Security, Ms Nursat Ghani, the IMO's Secretary General, Mr Kitack Lim, the Consul of Greece, Mr Christos Goulas, the president of UGS, Ms Melina Travlos, as well as the president of HSSA, Mr Haralambos Simantonis. It was with pleasure to see the chairman of the Baltic Exchange, Lord Jeffrey Mountevans, the former chairman of the Baltic Exchange, Denis Petropoulos, CEO Mark Jackson, and founder of Poseidonia, Mr Themis Dokos attend the reception. Further, representatives of Classification Societies, P&I Clubs, maritime institutions of the City of London, law firms, and banks were present. Last but not least, chairman of GSCC, Mr Haralambos Fafalios and vice chairman, Mr Constantinos Caroussis, as well as the majority of council members attended the annual celebration.

The Vassilopitta cakes were blessed by his Eminence Archbishop Nikitas of Great Britain and Thyateira. The three lucky guests who found a half sovereign in their pieces were Mr. Vassilios Kroustallis of ABS, Mr. Arsenio Dominguez of IMO, and Mr Evans Zaranis of HESGB.





Please find the Chairman's, Mr Haralambos Fafalios' speech below:

“Dear all,

It is three years since we were together in London celebrating our New Year Vassilopitta cutting.

It seems a very long time with the word's pandemic, war and inflation suddenly entering our daily vocabulary.

Since last year Ukraine has become a war zone and the effects of this conflict have been more far reaching than we would have ever imagined.

All of a sudden, commodity prices rose briskly, supply routes changed and trade patterns have altered to a degree that we would not have envisaged.

The result has been positive for some sectors of shipping and negative for others. If we look at dry commodities Ukraine was mostly a very short haul exporter therefore replacing their grain and coal exports has had a very beneficial effect on tonne miles. The resulting sanctions on Russian exports such as oil and gas have also been very positive for the tanker and gas carrier markets.

However, we should never forget the sad consequences for the citizens of Ukraine who are living through this unnecessary conflict with great loss of life, unspeakable hardship, and dire economic consequences for both warring parties. Let us hope that lessons are learnt by other authoritarian regimes who may have expansionist ideas.

The risk to seafarers lives so far has been negligible but who knows how that might change?

Despite higher interest rates the American economy is proving more resilient than expected, whilst the far east is also rebuilding itself post covid to its pre pandemic levels. China alone is a wild card with a significant covid outbreak and an economy with a significant amount of debt and great overseas ambitions.

Europe is still trying to recover economically from energy shortage due to sanctions and inflation yet still has a not very positive business attitude.

The United Kingdom has still to decide whether it wants to be a great trading nation again or wallow in a post E.U. malaise. And all the above are having to deal with a new word which has not been prevalent for a long time, namely inflation.

Inflation, which up to now economists' thought was an easy way to wipe out national debt is now proving a more obstinate problem with higher commodity costs and wage levels.

World shipping has to navigate in this global environment whilst at the same time trying to reduce its carbon footprint appreciably.

It must never be forgotten that shipping has always made a virtue of creating ever more energy efficient ships and reducing its fuel footprint per tonne of cargo carried.

The issue of what future propulsion method will be adopted or what fuel is chosen, is still anything but settled as an issue.

Many companies, whether they are shipping companies or commodity traders are touting the strengths of their favourite fuels but none so far have a real green footprint on a well to wake basis.

We are still awaiting engine and ship builders to come up with real green solutions.

It is not enough for regulators, be they I.M.O. or the E.U. to create a fiscal disadvantage for shipping, if they cannot come up with real solutions. However, it is very important to stress that we support the IMO exclusively and not the many regional markets because we need global solutions and not regional efforts. Otherwise, we will never succeed in truly decarbonizing shipping as opposed to filling up coffers.

Hand in hand with the above, we need a simple incentive such as a fuel levy as a medium-term measure until safe alternative fuels become available in the long term. In the short term, we must be patient and realise the real benefits of EEXI. The operational index, CII, another short-term measure in the IMO roadmap seems to have no respect from either charterers or shipowners. World shipping is too complex to try and use rather simplistic measures for vessels fuel efficiency.

Looking back over the last 12 months, the fates of various shipping sectors have almost been a rollercoaster ride. The container market, which saw the highest freight rates ever last year, is now languishing at levels which are 80-90 percent below their peaks and with a disturbingly large order book. The tanker market rose from the doldrums and even now various sectors are performing very well. The LNG / LPG markets also have seen some historically high freight rates and the order book has risen to very high levels. The car carrier sector has also risen from its pandemic level lows and is rewarding its owners well at the moment. The dry bulk market, which started 2022 strongly is now at rather disappointing levels and it is uncertain as to what may bring about a turnaround. Its fleet is the largest on record and the orderbook although historically low is certainly not negligible.

Against this background, the Greek controlled merchant fleet, amongst the largest in the world, is getting younger by the year due to judicious second-hand sales and a substantial orderbook of low carbon high technology newbuildings in all sectors. This fleet renewal and expansion would probably be more robust if only we knew which fuel, we will be using over the next 20-30 years.

Apart from everything else, none of these alternative green, zero or low carbon fuels yet have a global bunkering or cost infrastructure to support the world fleet.

As importantly as ever we must consider the human element and the welfare of our crews with all that is going on. Ammonia for example is at present a very dangerous fuel and not enough safety measures have been put into place to make it a realistic option.

With covid subsiding to a degree, one would have thought that most nations would permit the easy repatriation of crews from around the world. This has not yet occurred and governments are not treating seafarers with the respect they deserve.

The Greek Shipping Coopetition Committee is very privileged to be based here and through our contacts in London and globally, is able to play a significant role in demonstrating the importance of the Greek shipping industry and how vital it is in making world trade and its transportation needs seamless.

Being here in London, we hope that the U.K. will make greater efforts to welcome the shipping industry to its shores. London has all the know-how but an ever-smaller number of shipping companies making their base here. We look forward to LISW 2023 but much more is required if the U.K. wishes to remain one of the great global maritime centres.

As far as Greece is concerned, we still urge the government to improve the maritime education system and allow more private education establishments. If bureaucracy is greatly reduced, the Greek flag itself will benefit.

The Hellenic Coast Guard must remain one of the backbones of the Greek maritime system and keep its many foreign outposts.

We still feel that Greece should have a greater voice in E.U. maritime affairs and greater representation at the I.M.O.

I cannot overstress the gratitude that is felt towards all the people who serve on board and ashore and make Greek and world shipping look so efficient and well run.

Through conflicts, pandemics, bad weather and difficult circumstances, the men and women who are part the shipping industry are the unsung heroes that make world trade possible and so positively impact our way of life. Our seafarers are key workers, similar, say, to hospital staff or other vital services. Governments should enshrine this status with deeds and not only with words!

Finally, I would like to thank my G.S.C.C. colleagues for their dedication and hard work and in particular to Kostas Amarantidis and his team for running this organization so smoothly in these difficult times.

Thank you”

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## West P&I: Ukraine Conflict - EU adopts 9<sup>th</sup> package of Russian sanctions

On 16<sup>th</sup> December 2022 the EU adopted the 9<sup>th</sup> package of Russian sanctions. A number of Council Regulations and Decisions were published (full details can be found [here](#)) but of particular significance is Council Regulation (EU) 2022/2474 which further amends Regulation (EU) 833/2014 (the Regulation).

It is reminded that the EU sanctions apply in the following circumstances:

- within the territory of the EU, including its airspace
- on board any aircraft or any vessel under the jurisdiction of a Member State
- to any person inside or outside the territory of the EU who is a national of a Member State
- to any legal person, entity, or body, inside or outside the territory of the EU, which is incorporated or constituted under the law of a Member State
- to any legal person, entity, or body in respect of any business done in whole or in part within the EU.

The main sanctions relevant to the maritime sector are summarised below. All references to regulations in brackets relate to EU Regulation 833/2014 (as amended).

In addition, a further 200 individuals and entities have been designated to the EU sanctions list meaning they are subject to an asset freeze. This includes Russian armed forces, defence industrial companies, members of the Russian Parliament (State Duma and Federation Council) and political parties.

### **Dual-use goods & technologies**

New export restrictions have been introduced on dual-use goods and advanced technologies that can contribute to the technical advancement of Russia's defence and security sector. This includes a ban on exporting drone engines, certain chemical and biological equipment, riot control agents and electronic components to Russia.

An additional 168 entities have been added to the list of entities closely linked to Russia's military and industrial complex, to whom these tighter export restrictions apply. This includes certain Russian-controlled entities based in Crimea or Sevastopol.

### **Aviation**

The export ban covering goods and technology for use in Russia's aviation and the space industry (which includes the provision of (re)insurance) has been expanded to include aircraft engines and their parts (Art 3c). This prohibition applies to both manned and unmanned aircrafts, meaning that it is banned to export drone engines to Russia and to any third country that could supply drones to Russia.

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The competent authorities of EU Member States can grant exemptions to this prohibition in order to allow certain aviation goods, which are widely used in the medical field, falling under CN codes 8517 71 00, 8517 79 00 and 9026 00 00 (as listed in Part B of Annex XI) to be exported for medical, pharmaceutical, and humanitarian purposes.

There is also a wind down period for goods listed in Part C of Annex XI until 16 January 2023 for contracts concluded before 17 December 2022.

### **Steel products**

The exemption which applies to the import ban on steel products into the EU that originate in Russia or have been exported from Russia, has been slightly amended (Art 3g). It is already prohibited to import steel products into the EU (which includes the provision of (re)insurance) which have been processed in third countries using steel originating from Russia (as listed in Annex XVII) from 30 September 2023. With regards to products falling under CN code 7224 90, this prohibition now applies from 1 October 2024.

An exemption also applies whereby the import or transport of goods falling under CN code 7224 90 is permitted up to a quota of 147,007 metric tonnes (MT) between 17 December 2022 and 31 December 2023 and up to 110,255 MT between 1 January 2024 and 30 September 2024.

### **Other key products**

It is already prohibited to transport goods and technology (as listed in Annex XXI) into the EU that generate significant revenues for Russia (Art 3i), which includes the provision of (re)insurance. A wind-down period applies to products listed in Part B of Annex XXI until 8 January 2023 for contracts concluded before 7 October 2022. A further wind down period now applies with regards to goods falling under CN code 2905 11 (methanol) as listed in Part B of Annex XXI until 18 June 2023 for contracts concluded before 7 October 2022.

New export restrictions have been imposed on goods which could contribute to the enhancement of Russian industrial capacities (Art 3k) (which includes the provision of (re)insurance). This includes such items as generators, toy drones, laptops, hard drives, IT components, night-vision and radio-navigation equipment, cameras and lenses. A wind-down period applies with regards to goods falling under CN codes 2701, 2702, 2703 and 2704 as listed in Part A of Annex XXIII, until 8 January 2023 for contracts concluded before 7 October 2022. A separate wind-down period applies with regards to goods listed in Part B of Annex XXIII, until 16 January 2023 for contracts concluded before 17 December 2022.

### **LNG condensates**

It is not prohibited under EU sanctions to transport Russian liquified natural gas (LNG). However, a reporting obligation has been introduced (Art 3m and Art 3n) to ensure that restricted natural gas condensate products are not transported into the EU or to third countries.

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EU companies are required to inform the competent authority of the EU Member State where they are located of the import or transport into the EU or to third countries of natural gas condensates falling under CN code 2709 00 10 from LNG production plants, originating in or exported from Russia.

### **Mining**

The existing prohibition targeting new investments in the Russian energy sector (Art 3a) has been extended by prohibiting new investments in the Russian mining sector, with the exception of mining and quarrying activities involving certain critical raw materials.

### **Banking sector**

Two Russian banks have been added to the EU sanctions list, the Bank of Moscow, and Dalnevostochniy Bank. The Russian Regional Development Bank has been added to the list of Russian State-owned or controlled entities (Art 5aa) that are subject to a full transaction ban.

This article may be found [here](#).

## **West P&I: Notice of Alteration in respect of war risk liabilities arising in Russia, Ukraine, and Belarus**

This notice is hereby given in respect of the following entries.

- All Comprehensive charterers entries where cover is extended to include risks under Rule 3 (B) (6)
- All Non-pooled risks entered with the Association in accordance with Rule 3 which include a War Risks Extension Clause.

With effect from January 1st, 2023, the liabilities covered under these specific clauses will exclude all loss, damage, liability, cost, or expense:

- a) caused by or arising from or in connection with any Russia-Ukraine conflict and/or any expansion of such conflict; or
- b) in any area or territory or territorial waters where Russian armed forces, Russian-backed forces, and/or Russian authorities, are engaged in conflict within the territories (including territorial waters) of the Russian Federation, Belarus, Ukraine and any disputed regions of Ukraine, the Crimean Peninsula and the Republic of Moldova.
- c) arising from capture, seizure, arrest, detainment, confiscation, nationalisation, expropriation, deprivation or requisition for title or use, or the restraint of movement of vessels and cargo in the territories (including territorial waters) of the Russian Federation, Belarus, Ukraine and any disputed regions of Ukraine, the Crimean Peninsula, and the Republic of Moldova.

This notice may be found [here](#).

## North P&I: Russia – Ukraine War – Impact on Shipping

### Update 3<sup>rd</sup> January 2023

Vessels engaged in the Black Sea Grain Initiative that are instructed to wait in anchorage areas in Turkish waters could be affected by new requirements.

North P&I Club correspondents in Türkiye, Messrs Vitsan, advise that an increase in collision incidents around the south entrance of the Istanbul Strait (Bosporus) has led to new regulations to control ship traffic density, which took effect on 5<sup>th</sup> January 2023.

The new requirements are detailed in a new notification from the Directorate General of Maritime of Türkiye regarding Istanbul Strait (Bosporus) South Anchorage Areas. It designates which vessels are to use the Istanbul Strait (Bosporus) Anchorage areas (Area A, B and C) and Kucukcekmece Anchorage Areas (G), including those vessels waiting as part of the Black Sea Grain Initiative shipping corridor.

Vitsan inform that:

1. Anchorage Area C will be assigned to vessels which will stay at anchorage for long periods waiting to berth alongside / depart from shore facilities.
2. Kucukcekmece (G) Anchorage Area will be assigned to vessels carrying dangerous goods
3. Vessels will not be allowed to stay at Anchorage Area A, B and C for more than 72 hours – those vessels intending to stay longer will be directed to convenient other anchorage areas in the Marmara Sea.

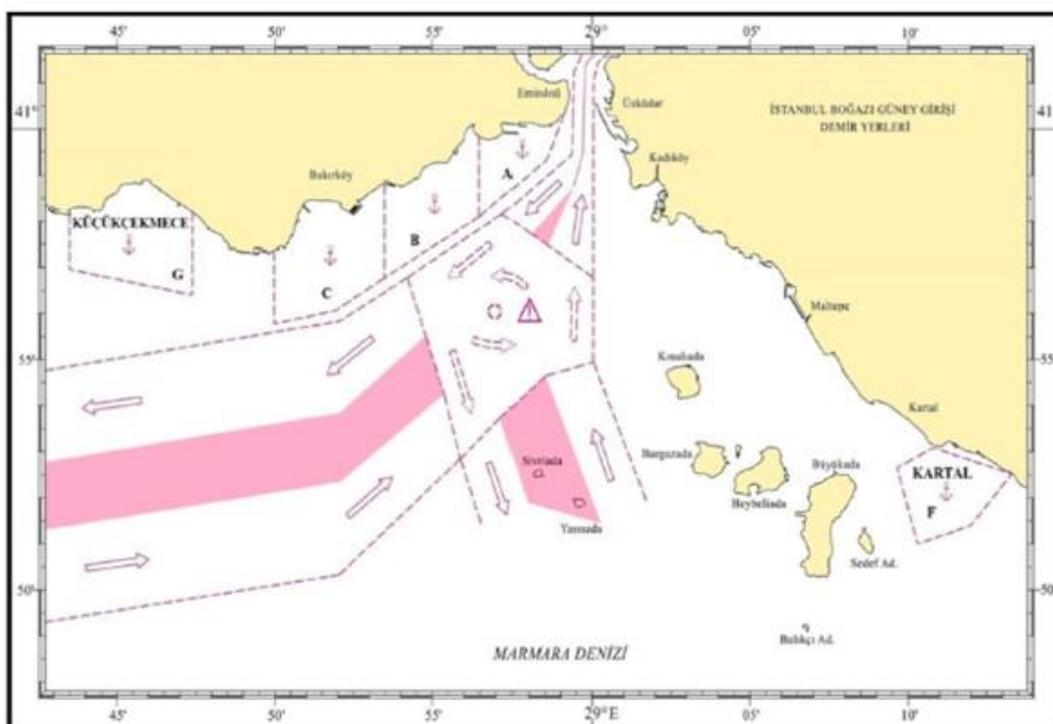


Figure 1: Istanbul Strait South Anchorage Areas

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There is an apparent contradiction between points 1 and 3 regarding ‘long periods’ and a maximum stay of 72 hours with regard to anchorage area ‘C’. Vitsan advise that specific instructions will be provided to the vessel by local VTS.

This update, as well as all the previous ones, may be found [here](#).

## **AMSA: Final Rule – Consumer Price Index Adjustments, by USCG, of Oil Pollution Act of 1990 Limits of Liability, for Vessels, Deepwater Ports and Onshore Facilities**

The US Coast Guard has announced in the [Federal Register](#) that it is adjusting the limits of liability for vessels, deep-water ports and onshore facilities, to reflect the increase in the Consumer Price Index since they were last adjusted in 2019. The regulatory inflation increases to the limits of liability are required by the Oil Pollution Act of 1990 and are necessary to preserve the deterrent effect and “polluter pays” principle embodied in the Act.

For full details, please read the [Federal Register final rule](#).

Please visit the [AMSA website for the full article](#).

## **AMSA: Federal Register Notice: Commercial Diving Operations**

The US Coast Guard announced in the [Federal Register](#) that it is withdrawing the proposed rule entitled “Commercial Diving Operations” published in the Federal Register on 19<sup>th</sup> February 2015. This action is being taken because there have been changes in the industry since the NPRM was published in 2015, including new standards and technologies. AMSA has concluded that the rule proposed in 2015 is no longer appropriate in light of those changes. The Coast Guard may issue a new rulemaking in the future if warranted.

The docket for this withdrawal is available at [the Federal eRulemaking Portal](#). Please search for docket number [USCG-1998-3786](#).

## **West P&I: Maritime Regulations Becoming Mandatory in 2023**

The West has produced a summary of maritime regulations which will become mandatory in 2023.

Firstly, the regulations which aim to reduce the carbon emissions for existing and new ships, using energy efficiency indicators to determine these levels. The measures consist of the following:

- The Energy Efficiency Existing Ship Index (EEXI)
- The Carbon Intensity Indicator (CII) rating scheme

These mandatory regulations will be effective by 1<sup>st</sup> January 2023.

Below is a brief overview of the two main IMO 2023 regulations coming into force this January:

### **Energy Efficiency Existing Ship Index (EEXI)**

The Energy Efficiency Design Index (EEDI) is already in place for new builds. However, the EEXI is aimed at existing ships. EEXI consists of a rating system that analyses the energy performance of existing ships based on data regarding their energy consumption and other key inputs such as power, engine size, and speed.

The EEXI is not based on a vessel's actual operating performance but on its specifications. Vessels receiving an EEXI below the minimum standard may be penalised and restricted. This could also result in the need to modify systems or engines.

### **Carbon Intensity Indicator (CII) Rating Scheme**

The shipping carbon intensity indicator is a scheme used to monitor and rank the efficiency of ships and applies to all cargo, RoPax and cruise ships above 5,000 GT. It is calculated through a ratio that links the Greenhouse Gas (GHG) emissions to the distance travelled to the amount of cargo carried. Vessels are given an annual rating ranging from 'A' to 'E', 'A' meaning good to 'E', which is poor. If a vessel receives a 'D' grade for three consecutive years or an 'E' for one year, they need to implement a corrective action plan.

Next, apart from regulations on carbon emissions, other significant safety, and environmental regulation requirements that the IMO will be implementing are as follows:

### **AFS (Anti-Fouling Systems) Convention**

The [amendments](#) in place mean that AFS containing cybutryne shall not be applied or reapplied to any ship on or after 1<sup>st</sup> January 2023. Ships whose hulls have an AFS that contains cybutryne in the external layer or external parts or surfaces need to either remove the anti-fouling system, or apply a coating that forms a barrier to their substance leaching from the underlying non-compliant AFS.

### **2011 ESP (Enhanced Survey Programme) Code**

The [amendment](#) was to evaluate the actual wastage while undertaking thickness measurements during the first renewal survey of the areas identified in annexe B, part A and annexe 2 of the ESP Code. This amendment applies to double-hull oil tankers and these thickness

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measurements will only need to be taken in 'suspect areas' at their first renewal survey. This will be applicable from 1<sup>st</sup> January 2023.

### **IMSBC (International Maritime Solid Bulk Cargoes) Code**

The IMSBC Code is regularly reviewed, and amendments have been made to 06-21. The key issues which have been made are regarding (though not limited to) new individual schedules for lead concentrate and Leach Residue Containing Lead, draft schedules for nitrogen-phosphorus fertiliser with sulphur and micronutrients, and a revised definition of Group A cargoes. Full details on the changes can be viewed in [MSC. 500 \(105\)](#). The implementation is voluntary from 1<sup>st</sup> January 2023; however, from 1<sup>st</sup> December 2023 implementation will be mandatory.

To find the full article online, please click [here](#).

## **West P&I: Mauritania - Precautions to take during calls at the port of Nouakchott**

The seaport of Nouakchott, Mauritania, is experiencing problems related to wind and swell, risks of grounding due to unreliable berth depths, harbour infrastructure damage claims, an acceptance of the vessel's draught survey figures, and shortage claims.

### **Weather**

From December through to March (the worst period being February and March), strong currents and swells affect vessels berthed at the dry bulk and tanker cargo berths as there is no breakwater protection. These conditions can cause vessels to be forced to leave the berth and to proceed to the anchorage until the weather improves.

Subsequently, the Master must perform a risk assessment and discuss with the Harbour Master whether it is safe for the vessel to enter and stay in the port with the forecasted weather condition during her call. Tugboats are compulsory when entering the port, with two 900 hp boats and one 2026 hp tugboat available. However, if vessels are required to leave the port due to weather issues, or require tug assistance to keep her alongside, reporting suggests that the tug assistance is minimal and will only stand by from a distance.

When alongside, the crew must regularly monitor the vessel's mooring arrangement and tend to the mooring lines as required in keeping with the current and forecasted weather conditions. The Master must perform a risk assessments to determine if additional mooring lines are needed to maintain the vessel safely remain alongside. In deteriorating weather conditions, the accommodation ladder should be closely monitored, with the crew considering raising the accommodation ladder to prevent any potential damage to the ladder and quayside structures.

**Risk of grounding**

The charted depths information of the port may be inaccurate, as evidenced by a recent case whereby a vessel was found aground at low tide at Berth No.3, even though her draughts were within the parameters of the berth depths.

**During Inbound/Outbound Transits:**

It is recommended to:

- Request from the local protective agent the latest channel and berth depths; when these were last dredged; and when de-silting has last been carried out.
- Obtain the latest information on the navigational situation from local port authorities and local agents before arrival/departure.
- Comply with the maximum permissible sailing draught for the berth of destination or departure.
- Prepare a detailed passage plan for the entire passage in advance, and to ensure that it is reviewed by the bridge team and approved by the Master.
- Additionally, review tidal conditions from Admiralty Tide Tables, which should be made part of the vessel's passage plan to determine available Under Keel Clearance (UKC) and currents that may affect the vessel.
- Discuss and agree on the execution of the pilotage with the pilot during the Master/Pilot exchange.
- Keep the speed of the vessel below the maximum permitted. Consider the effect of the vessel's speed on hull squat and the subsequent reduction on the vessel's UKC.
- Check the echo sounder regularly, ensuring that the minimum set depth parameters allow sufficient time to react when the alarm sounds.
- Closely monitor the pilot's instructions, always keeping in mind that the Master is responsible for the vessel's safe navigation, even with a pilot on the bridge. The bridge team should challenge any instructions contrary to the vessel's safety and, if necessary, take immediate action to ensure the vessel's safe passage.

**Alongside the berth:**

It is recommended to:

- Acquire the tidal information for the entire duration of the vessel's stay, verify same against the Admiralty Tide Tables, and have this information readily available and displayed.
- Confirm on arrival and then routinely assess the berth's water depth and bottom composition using a lead line.
- Monitor the vessel's draught, list, and trim at regular intervals, especially during low-water tidal periods.
- Regulate/control the list and trim of the vessel to maintain as close to an even keel profile as possible.
- Check that the loading quantity and cargo distribution arrangements across the cargo holds allows full compliance with the maximum sailing draught and UKC requirements.

**Berth condition**

A reported tendency is for the Port Authority to present claims for existing damages to the port infrastructure where the vessel receives demands for payment of USD 5,000 for minor cracks to the berths and USD 15,000 for fender damage

Consequently, to mitigate the potential exposure to such claims, the designated berthing area assigned to the vessel should undergo a joint inspection with the port's representative to establish the actual condition before the vessel arrives alongside.

In the situation that damage does occur at the fault of the vessel, it is recommended that the crew take all necessary evidence-gathering methods such as high-resolution photographs; measure the affected area; and estimate the damages. A surveyor may need to be appointed, and the local P&I representative can assist with all claim formalities with the port.

To read the full article, please click [here](#).

## **North P&I: Changes to the IMSBC Code – Ammonium Nitrate Based Fertilisers**

The 2022 edition of the International Maritime Solid Bulk Cargoes (IMSBC) Code features significant changes to the Ammonium Nitrate Based Fertilizer schedules.

When pure ammonium nitrate is heated strongly (by a hot flame or similar) it will decompose, giving off various gases. The addition of some chemicals will make this worse, whereas other chemicals can reduce the effect.

**Self-sustaining decomposition (SSD)**

Certain fertilizers can exhibit self-sustaining decomposition (SSD) which means decomposition continues even when the heat source is removed. SSD is more likely when there is a higher concentration of ammonium nitrate in the fertilizer. The likelihood is also increased with higher concentrations of chlorides. Therefore, the 2022 edition of the IMSBC Code will place new limits on the ammonium nitrate and chloride concentration found in the cargo.

If SSD starts, firefighting techniques that aim to starve the fire of oxygen (for example smothering with CO<sub>2</sub> or by shutting down the hold ventilation) do not prevent spreading of the decomposition and heating. Cooling (e.g., with lots of water) is the only effective response.

**The trough test**

To assess the risk of SSD in a cargo, the trough test has been used as laid out in the IMSBC Code Appendix 2.

However, a limitation of the trough test is that a relatively small quantity (a few kilograms) of the fertilizer is tested. When compared to the very large quantities carried on a bulk carrier which can retain heat, the trough test sample can more readily lose heat to the atmosphere.

## Changes to the IMSBC Code

Previous editions of the IMSBC Code had several entries for ammonium nitrate and ammonium nitrate-based fertilizers (ANBF) to control the hazards that may arise during their transport.

The existing schedule for AMMONIUM NITRATE BASED FERTILIZER (non-hazardous) has been removed from the 2022 edition of the IMSBC Code, the carriage of which has been at the centre of some high-profile incidents, most famously the MV CHESHIRE, where apparent SSD took place due to a suspected constant heat source being applied to the cargo on passage. The ANBF on board the MV Cheshire had passed the trough test prior to loading.

For the 2022 edition, this schedule is now replaced by two new schedules:

AMMONIUM NITRATE BASED FERTILIZER – GROUP C: straight nitrogen-based fertilisers or compound fertilizers that are within specified composition limits.

AMMONIUM NITRATE BASED FERTILIZER MHB – GROUP B: classified as a material hazardous in bulk (MHB) but is not assigned a UN number.

*\*\*Note that Ammonium Nitrate (UN 1942) is a separate material and should not be confused with ANBF\*\**

## Shipper's obligations

The shipper is responsible for the testing of the cargo to determine its properties. In this respect there are some changes to the way in which the cargoes are classified.

Any AMMONIUM NITRATE BASED FERTILIZER – GROUP C cargo must:

- be within the limits as specified in the schedule for certain straight nitrogen or a compound NPK/NK/NP fertilizer containing less than 2% chlorides and less than 20% ammonium nitrate
- be confirmed as not meeting any of the criteria for hazardous goods or materials hazardous in bulk in accordance with sections 9.2.2 and 9.2.3.
- have the shipper declare the ammonium nitrate and chloride content for compound fertilizers in accordance with section 4.2 of the Code.
- require a negative trough test (a positive test could show an increased danger of chemical decomposition when heated which continues when the heat is removed). This is in accordance with the UN manual of tests and criteria Part III, section 29. If this test finds the cargo to be Class 9, this schedule cannot apply and cannot be considered as a Group C cargo.

Any AMMONIUM NITRATE BASED FERTILIZER MHB – GROUP B cargo must:

- be within the content limits contained in the schedule for uniform mixtures of nitrogen with or without potash or phosphate.
- have the shipper declare the ammonium nitrate and the chloride content in accordance with section 4.2 of the Code.

- require a negative trough test (a positive test could show an increased danger of chemical decomposition when heated which continues when the heat is removed). This is in accordance with the UN manual of tests and criteria Part III, section 29. If this test finds the cargo to be Class 9, this schedule cannot apply and cannot be considered as a Group B (MHB) cargo.

### **Master's vigilance**

Masters should ensure that they are fully aware of the new schedules' contents when these changes take effect.

Initially, it is important that the Master receives a full declaration in advance of loading, and that the declaration is scrutinised, not just simply accepted as received. Pay particular attention to the declared Bulk Cargo Shipping Name (BCSN): it should no longer be *Ammonium Nitrate Based Fertilizers (Non-Hazardous)*. If declared as this, it is a possible indicator that the shipper is unaware of the Code changes and the new requirements.

Getting the declaration as early as possible allows for clarifications to be sought in good time, therefore preventing delays. The requirements on testing and cargo composition should also be confirmed as complete and correct.

The hold(s) must be cleaned to the satisfaction of all parties. Pay particular attention to the presence of previous cargo residues such as grain or other organic materials.

Despite being assigned Group C, the schedule for AMMONIUM NITRATE BASED FERTILIZER – GROUP C comes with the following warning:

*“When this cargo is heated strongly, it will decompose and give off toxic gases with the risk of toxic fumes in the cargo hold, adjacent spaces and on deck.....”*

Crew should not relax whenever the cargo is on board just because this is a Group C cargo. Ensure heat sources (and potential heat sources) are removed from the holds, such as restricting hot work activities and isolating hold lighting.

### **Carriage risks**

The ongoing risks are the same as for loading. Crew should monitor the cargo including the AMMONIUM NITRATE BASED FERTILIZER – GROUP C, and especially any MHB cargo on passage for some or all of the following:

- A drop in the oxygen level
- A rise in the carbon monoxide levels
- A rise in the methane levels
- Unusual smells from the hold
- Pressurisation within the hold (notable when the sampling port is opened)
- Any water dripping out of the sampling port when opened
- Small amounts of dust escaping from the sampling ports when opened.

- A rise in hold temperature, although temperature changes may well not be noted until chemical decomposition is well under way.

These can all be signs of chemical decomposition. Seek expert help and keep accurate records of the sampling and testing carried out on passage.

### **Other considerations.**

Note that Group B cargoes should be individually listed on the vessel's Document of Compliance (DoC) to allow carriage. Therefore, Members should check to see if their vessels' DOCs require amending to include the new Group B cargo, AMMONIUM NITRATE BASED FERTILIZER MHB.

The full article may be found [here](#).

## **North P&I: Turkey Bans Imports of GM Grains**

The Turkish Supreme Court has reimposed an import ban on the import of the genetically modified maize product MON810.

### **Update 5 January 2023**

P&I correspondents Vitsan advise that Turkish authorities have further announced that genetically modified NK603xMON810 Distillers Dried Grain with Solubles (DDGS) that is to be used for animal feed purposes only, may be imported under certain conditions.

To read Vitsan's circular, which includes details of the import provisions, please click [here](#).

### **28 December 2022**

This is the latest development in Turkey's efforts to restrict genetically modified (GM) products. In 2010, the Turkish government enacted a biosafety law, banning the cultivation and import of biotech crops for food and feed use unless approved by the Ministry of Agriculture. In 2013, approval was suspended for products containing the GM maize MON810, effectively banning imports. This notably impacted shipments of Distillers Dried Grain with Solubles (DDGS) from the United States.

This ban was reversed by the Turkish High Court in 2015. However, the Supreme Court decision, announced in December 2022, now reimposes the prohibition of importing corn and other products containing MON810.

Club correspondents in Turkiye, Vitsan advise that vessels carrying DDGS cargo will be boarded upon arrival by the authorities who will take their own samples. If their analysis detects the presence of MON810, even if by contamination, they may refuse the import of cargo.

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Vitsan recommend that vessels intending to load DDGS cargo destined for Turkiye should check the cargo quality certificates or analyses certificates prior to loading as to whether it contains banned GM products.

This article may be found [here](#).

## **North P&I: UK Publishes Guidance on New CO2 MRV Scheme**

The United Kingdom has released guidance on its new CO<sub>2</sub> Monitoring, Reporting, and Verification (MRV) regime following the withdrawal from the European Union.

### **Update 10 January 2023**

UK MRV reporting requirements are expected to be delayed until 2025.

Following Brexit, the UK no longer has access to the EU's THETIS-MRV database. The UK is developing a database that can receive MRV data, but according to ABS, this is not expected to be ready until 2025.

As such, ABS report that the UK's Department for Transport (DfT) has taken a decision to delay the requirement for ship operators to report emissions until the digital reporting system is fully operational. However, the legal requirement for ship operators to monitor vessel emissions remains in place.

To read the ABS Regulatory News, please click [here](#).

## **North P&I: Israel Introduces Lower In-Port Fuel Sulphur Limits**

Vessels calling at Israeli ports will need to burn marine fuels with a 0.10% maximum sulphur content under new regulations taking effect in February 2023.

### **Update 12 January 2023**

Correspondents Harpaz P&I have provided the official notice issued by the State of Israel Ministry of Transport regarding the new fuel sulphur regulations.

The notice provides guidance on reporting non-availability of compliant fuel (FONAR system) as well as confirming that discharging of wash water from open loop mode EGCS (scrubber) is prohibited when ship is berthing alongside in any Israeli port, including ports anchorage area.

You may read the notice [here](#).

**Update 28 December 2022**

Although the Mediterranean Sea Emission Control Area for Sulphur Oxides and particulate matter was recently adopted at MEPC 79, it will not take effect until 2025. The State of Israel, in enacting the new regulations, will put in place measures similar to the EU directive for ships at berth.

Accordingly, the limit for sulphur in fuel oil used on board ships whilst in all Israeli ports and/or designated anchorage areas should be not more than 0.10% mass by mass (m/m).

The new rules will enter force on 23 February 2023.

This article may be found [here](#).

## **North P&I: Changes to the IMSBC Code – Leach Residue Containing Lead**

The 2022 edition of the International Maritime Solid Bulk Cargoes (IMSBC) Code features a new schedule.

The cargo is a lead residue resulting from a metal recovery process that extracts zinc from a specifically manufactured ore or concentrate. The extraction process uses sulphuric acid and leaves an insoluble substance that is grey to brown in colour.

The residue is considered to be a sustainable and valuable secondary source of lead for further processing rather than a waste product.

The re-processed residue has a variety of uses; typically used in lead acid storage batteries, building industry, pigmentation, pipework, cable sheathing, glassware, radiation protection, solder and alloyed with other metals.

### **Cargo properties**

Leach residue is usually extremely fine and may contain traces of lead and sulphuric acid from the extraction process.

The particles will have strong suction characteristics and retain moisture until exposed to stress from loading and/or vessel motions.

### **Cargo hazards**

The cargo is listed in the IMSBC Code as a ‘material hazardous in bulk’ (MHB); being both corrosive and toxic. Cargoes that are listed as MHB are those that have hazards not found in the IMDG code (hazardous goods in packaged form) and are only hazardous in bulk form.

Therefore, the cargo schedule is not given a UN number as per IMDG code cargoes as per section 4.1.1.3 of the IMSBC code.

The residue is also very fine, therefore posing a liquefaction hazard.

As such the cargo is listed as both GROUP A and B.

Importantly, it should be noted that there is also a hazard to humans. The cargo is corrosive to the eyes and is known to potentially cause long term health effects.

Control measures generally concern avoiding generating dust, avoiding contact or inhalation, and keeping away from naked flames and heat sources. Measure the concentration in air regularly and undertake cargo operations in the open/under local exhaust / ventilation or with respiratory protection.

The Code advises that the cargo can give off toxic gas when heated strongly (higher than 1,000°C).

The new Code schedule does not include the following hazards as identified in the original Belgian proposal to the IMO Sub-Committee on Carriage of Cargoes and Containers (ref document 'CCC 6/INF.4'):

- H400: Very toxic to aquatic life; and
- H410: Very toxic to aquatic life with long lasting effects.

### **Loading and carriage of the cargo**

Note that Group B cargoes should be individually listed on the vessel's Document of Compliance (DoC) to allow carriage.

The Master must receive a declaration in ample time prior to loading, the declaration should be fully scrutinised and not just accepted as received. The declaration should also come with a certificate of transportable moisture limit (TML) and moisture content. The tests to determine these figures must have been completed within the time frames required in the Code.

The bulk density values applied to the schedule are for a powder under laboratory conditions, therefore a bulk density of 800 to 1,600 kg/m<sup>3</sup> may be low for a lead sulphate.

To avoid the risk of future shortage claims, the cargo hold bilges should be pumped when required and records maintained of bilge water quantity to allow for any weight loss.

It is recommended that heat sources are kept clear of the cargo for the duration, including hot work on deck.

Crew shall wear appropriate PPE such as goggles, masks and protective overalls when potentially exposed to the cargo.

The cargo can become saturated if exposed to heavy rainfall prior to or during loading operations, therefore covered shoreside storage facilities should be provided.

At elevated moisture contents the cargo may release a potentially hazardous leachate (liquid) that requires careful handling, storage, and disposal.

The full article may be found [here](#).

## **SKULD: Turkey – Pollution Fines and Criminal Proceedings 2023**

Pursuant to the Turkish Environmental Code, the new pollution fine tariff effective as of 1 January 2023 has been declared in the Official Gazette by the Ministry of Environment and Urbanization. Our local correspondents, Omur Marine, have accordingly kindly provided us with the attached circular advising the new rates applicable from 1 January 2023 to 31 December 2023.

Our local correspondent recommends all members to take immediate contact with them to avoid delay and complications in connection with an alleged pollution incident. They can also assist on practical information of acceptable security and recommended loss prevention measures.

Full details on the amounts of fines may be found [here](#).

## **UK P&I: Important Updates on COVID-19 Prevention and Restriction Policies at Chinese Mainland Ports**

On December 26th, 2022, the National Health Commission of the P.R.C. issued the Overall Plan on Managing the Novel Coronavirus Infection with Measures against Class B Infectious Diseases. In accordance with the Overall Plan, starting from January 8th, 2023, China will downgrade management of COVID-19 from a Class A infectious disease to Class B.

For the full update, the circular from the UK P&I's correspondent Huatai is available for download [here](#).

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## **UK P&I: Epidemic Prevention Measures at Chinese Ports**

### **General situation**

On 26 December 2022, the National Health Commission of China issued the "Overall Plan for measures against COVID-19 infection", according to which China would, since 8 January 2023 manage COVID-19 with measures against Class B infectious diseases, instead of Class A infectious diseases, in a major shift of its epidemic response policies. In detail, the person infected with COVID-19 will no longer be isolated and their close contacts will no longer be identified, no longer delineating high and low risk areas, implementing hierarchical and classified admissions for infected people and adjusting medical security policies, adjusting nucleic acid testing, and adjusting the frequency and content of epidemic information releases etc.

COVID-19 testing and centralised isolation for all overseas travellers entering China will be cancelled, and those with a normal health declaration and no abnormality in routing quarantines at the customs port can be green lighted to social mobility.

### **Improvement on immigration management policies**

The National Immigration Administration of China issued an announcement on 27 December 2022 in order to improve immigration management policies and measures with effect from 8 January 2023. According to Article No.7 of the announcement, China will gradually resume customs clearance for passenger transport at water ports; allow qualified ports to resume entry and exit of liner passengers, issue embarkation documents and vessel berthing alongside documents in accordance with the law; issue temporary entry permits to foreign crewmembers who meet entry conditions; and cancel the "no disembarkation, no boarding, no getting alongside" management measures at Chinese ports.

### **Update on Crew change at Chinese ports**

The Ministry of Transport together with other related departments, issued a notice regarding the crew change on international sailing vessels, starting from 8 January 2023.

1. Abolish the approval procedures for crew change at Chinese ports

The local authorities at Chinese ports will no longer implement the approval process for crew change (including crew disembarkation) of the international sailing vessels, and only need to carry out the formalities of immigration inspection for issuance of temporary entry permits. In other words, the COVID-19 restrictions for crew change at Chinese port have not been lifted.

2. Facilitate the crew change and entry

Nucleic acid testing and centralised quarantine will no longer be carried out for the crew members who are to sign off at Chinese ports. Crew members of international sailing vessels intending to change crew at Chinese ports shall take nucleic acid tests within 48 hours before the vessel leaves the last port outside China, and those who tested positive should be treated at the nearest port in time.

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For the crew who cannot provide nucleic acid test results of within 48 hours before entry due to difficulty in travelling, the antigen test results can also be acceptable.

If the health declaration is normal and the customs' routine inspection finds no abnormality, the crew can be green-lighted to social mobility. If there is abnormality in the health declaration, the customs will establish the measures to be taken according to the exact situation.

### **Update on epidemic prevention measures at Chinese ports**

We have recently received some enquiries from Clubs/Members in relation to the update on epidemic prevention measures at Chinese ports following the China's change in approach and opening up for COVID. We have accordingly checked with local parties at Chinese ports and sorted out the related information, which is attached to this Circular for your easy reference. In general, the COVID-19 restrictions at most Chinese ports have been gradually lifted, including that the COVID-19 testing of crew is no longer required, and the disembarkation of crew and attendance of surveyor onboard the vessel becomes feasible. Currently there are still some restrictions at small ports or set up by private terminals, but the situation may change in the near future. For the vessels to call at Chinese ports, the Owners are always recommended to contact local agents or our local offices for the latest information/requirement in case of need.

For the full update, the Circular is available for download [here](#).

## **Standard Club: China MSA regulation on ship energy consumption data and carbon intensity management measures (effective from 22 Dec 2022 / valid for 5 years)**

The new [regulation](#) published by the China Maritime Safety Administration (MSA) applies to Chinese flagged ships as well as any foreign flagged ships of 400GT and above calling Chinese ports, with the exception to military, fishing or sports vessels.

The regulation is valid for five (5) years and Shanghai MSA is responsible for the statistics, analysis, and verification of the ship energy consumption data throughout China.

Bimco has kindly provided an English translated version of the regulations. This is attached for member's reference.

Additionally, some of the key points are highlighted below:

- According to Article 2 of the Regulation of Administrative Measures of Ship Energy Consumption Data and Carbon Intensity, this applies to any Chinese flagged ships of 400GT and above as well as any foreign flagged ships calling Chinese ports.

- According to Article 5, ships are required to record the ship energy consumption data on the ships' logbook or other relevant documents in accordance with the requirements of the Ship Energy Efficiency Management Plan. The ship's records need to be kept for a period of minimum two (2) years.
- According to Article 7, ships need to report the energy consumption data of the previous voyage to the MSA whilst going through the port formalities or departure report.
- According to Article 11, Chinese flagged vessels that meet the relevant requirements of the ship energy efficiency index specified in the MARPOL, shall obtain the International Energy Efficiency Certificate.
- According to Article 21, where a ship fails to report her energy consumption data as required, she will be subject to the penalties set out in the Administrative Provisions of China on the Prevention and Control of Marine Environmental Pollution by Vessels and Their Operations. Thus far, the fines for such violations are usually around CNY 2,000, however they are bound to significantly increase.
- Furthermore, Article 21 provides that in case of any ship submitting incorrect data, the MSA requires the ship to submit the correct data within three (3) working days of notice being received.

This article may be found [here](#).

## **Standard Club: New UK Immigration Enforcement Measures**

Following the announcement of tough new immigration enforcement measures (such as the Permission to Travel Scheme), Members are alerted that ships arriving in the UK with passengers without proper identification documents or stowaways on board will be subject to significant changes in the way these cases are being managed by UK Border Force (UKBF) at UK ports.

These new measures will be implemented in the coming months in response to the growing number of illegal migrants entering the UK via the English Channel, which will have a significant impact on ships visiting UK ports.

The club has been already notified of several recent cases in which stowaways have been "refused entry to the UK" and masters have been instructed to detain them on board despite not having adequate detention facilities or consideration being given to whether the vessel crew can handle potentially violent stowaways.

Several European ports are experiencing an increase in stowaway activities in which stowaways are discovered, usually in groups, on board container as well as general cargo ships heading towards UK ports, such as London, Liverpool, Bristol, Portsmouth, Southampton, Great Yarmouth, and Newcastle.

It will remain the responsibility of the UKBF to attend on board and monitor ships arriving with stowaways to ensure that they are kept in secure accommodation, and the master is aware of his responsibility to detain and prevent escape attempts.

As masters hold stowaways securely onboard, they should take all feasible steps to identify, verify the nationality/citizenship, date of birth, home address, languages spoken, medical condition, and port of embarkation of each stowaway. The existence of the stowaway(s) should be reported to the relevant authorities in accordance with recently updated MGN 70 (M) Amendment 1.

Under Section 40 (2) of the UK Immigration & Asylum Act 1999, the Secretary of State can charge the owner of the ship substantial fines of up to £2,000.00 per stowaway if they have failed to prevent such incidents. Any ship carrying an individual without the correct visa or passport documentation may be subject to this penalty. There is a 30-day window for filing a defence to this fine, and the ship must demonstrate that adequate security measures were taken on board to mitigate the penalty.

Additionally, evidence of thorough searches for stowaways should be presented from previous ports. Recent developments suggest that the penalty amount will increase in 2023.

Ships and crews that trade in Europe must remain on high alert and maintain ISPS anti-stowaway measures, such as constant access controls via the gangway, additional lighting at night, and frequent searches for stowaways. The use of external security resources is also recommended at high-risk ports.