

CMS NEWSLETTER

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Issuance of one more new Regulations and development on the pre-contracting issue

Outline

- ★ The Regulations of the People's Republic of China on the Emergency Prevention and Disposal of Marine Pollution from Ships has been released on March 1, 2011, and shall enter into force on June 1, 2011 in China.
- ★ The ship operators shall conclude a contract with qualified OSROs (oil spill response organizations) in China, and the model contract will be formulated by MSA.
- ★ No OSRO list has been available to date.
- ★ CMS, as usual, will provide timely services to ship owners, such as concluding contracts with OSRO at different ports, and updating the new developments of regulations in China.
- ★ Further information will be provided if available.

Dear Sirs

The Regulations of the People's Republic of China on the Emergency Prevention and Disposal of Marine Pollution from Ships has been promulgated on March 1, 2011, and shall enter into force on June 1, 2011 in China.

1. The OSROs are divided into 4 grades according to their qualifications, and each grade has its owner service area. The details are provided as follows:

Grade of OSROs	Service Area	Capability
Grade I	within the sea areas and harbors under the jurisdiction of PRC	capable of performing emergency response to spills of oil or other liquid hazardous cargo in bulk
Grade II	within 20 nautical miles from the nearest land under the jurisdiction of PRC	ditto
Grade III	within the harbor area	capable of performing emergency response to oil spills
Grade IV	within an operational area of the harbor, or the water area nearby an independent dock	ditto

2. According to the differences of vessel types, cargo and operations, the ship operators shall conclude contracts with OSROs of different grades.

Vessel Types	GT	Operation	Water Area	Grade of OSRO
Vessels carrying oil in bulk as cargo (mainly oil tankers)	GT < 600	to sail or operate	within harbor areas only	Grade IV or above
	600≤GT< 2000	to sail or operate	within harbor areas only	Grade III or above
	GT≥2000	to sail or operate	within harbor areas only	Grade II or above
	all tonnage	to sail in/out a harbor, or to perform cargo transfer-at-sea		Grade II or above

Vessel Types	GT	Operation	Water Area	Grade of OSRO
Vessels carrying	all tonnage	to perform cargo	beyond 20 nautical miles	Grade I



liquid hazardous	transfer-at-sea	from the nearest land	
cargo other than oil in bulk (mainly chemical tankers)	to sail in/out a harbor, or to perform cargo transfer-at-sea	within 20 nautical miles from the nearest land	Grade II or above

Vessel Types	GT	Operation	Water Area	Grade of OSRO
	10,000≤GT< 20,000	to sail in/out a harbor		Grade IV or above
Other vessels (more	20,000≤GT< 30,000	ditto		Grade III or above
than 10,000 GT)	GT≥30,000	ditto		Grade II or above
	All tonnage more than 10,000 GT	to perform cargo transfer-at-sea		Grade II or above

The ship operators shall conclude a contract with qualified OSRO, and the sample contract is being formulated by MSA.

So far as we know, such sample contract has been drafted since June 2010, which is supposed to be adjusted further and released by MSA later. Up to the date we issue this newsletter, there is no OSRO list available for any port of China.

CMS, as usual, will provide timely services to ship owners, such as concluding contracts with OSRO at different ports, and updating the developments of regulations in China and etc.

We are in the continuous effort of collecting valuable information. If any, further information will be provided whenever available.

For more information, please visit our website: www.cmsonline.net