

CHINA. ANNOUNCEMENT OF SHANGHAI MARITIME SAFETY ADMINISTRATION ON STRENGTHENING THE SAFETY MANAGEMENT OF SHIPS WITH MACHINERY FAILURE

Ingosstrakh's P&I Correspondent in China Messrs. Huatai Insurance Agency & Consultant Service Ltd., reports on new announcement of Shanghai MSA of local Supreme Court which could be of interest for Insured Owners.

On June 2nd, 2022 Shanghai Maritime Safety Administration published Announcement of Shanghai Maritime Safety Administration on Strengthening the Safety Management of Ships with Machinery Failure (herein after referred to as 'the Announcement'). The Announcement aims to strengthen the management of ships with machinery failure in navigation to ensure the safety of ships entering and leaving Shanghai Port and maintain the safety and order of maritime traffic. It came into force on July 1st, 2022 and will be effective for 2 years.

Therefore, please find below the contents of the Announcement and corresponding loss prevention suggestions for insured Owners' reference.

Ships with Machinery Failure Shall Report to the Maritime Safety Administration Command Center Under its Jurisdiction

1. Scope of Machinery Failure that Shall be Reported

Machinery failure refers to a state when a ship is restricted in her ability to maneuver caused by machinery equipment and its auxiliary system failure during the voyage or in the process of berthing/unberthing. However, it shall not include difficulty in power output or steering gear arising from external factors such as grounding, entangled by fishing nets, etc.

2. Measures to be Taken after Machinery Failure

In case of a machinery failure, safety emergency measures shall be taken according to circumstances such as prevailing weather, ship conditions, navigation environment, etc. to avoid accidents or dangerous situations. And an oral report shall be made to the Command Center of the Maritime Safety Administration and follow its instructions. After the ship is in a stable and safe condition, the following measures shall be taken in a timely manner.

(1) Submit a written report including ship's incident and measures taken, ship's particulars, information about ship Owners, ship Managers, ship Operators, shipping agencies and classification to the Maritime Safety Administration under jurisdiction.

(2) A ship that is required to hold a safety management certificate, shall in addition to conducting investigation and analysis and formulating corrective measures in accordance with the situation of non-compliance, conduct a review on safety management system and submit the management review report to the Maritime Safety Administration for verification. A ship that is not obliged to hold a safety management certificate shall submit a statement of the cause of the failure and a letter of guarantee for navigation safety.

If a ship conceals or fails to truthfully report machinery failure, punishment shall be imposed in accordance with Article 110 of the Maritime Traffic Safety Law of the People's Republic of China.

Ships Subject to Accident Investigation and Safety Inspection by Maritime Safety Administrations

1. Machinery failure occurs within traffic lanes and precautionary areas.
2. Machinery failure occurs in waters apart from those stated in 1 and the repair time exceeds 2 hours.
3. Close quarter situations, accidents caused by machinery failure, which obviously affected traffic safety order under the jurisdiction.
4. Machinery failure occurred twice or above in Shanghai Port waters within 12 months.
5. Within 12 months, ships run by the same Owners, Operators or Managers have suffered 3 or more machinery failures in the waters of Shanghai Port, and the cumulative number of machinery failures during this period exceeds 10% of the total fleet.

Situations and Management Measures of Ships Included in the List of Ships Endangering Maritime Traffic Safety at Shanghai Port

1. Situations of Ships Included in the List

In accordance with Article 91 of the Maritime Traffic Safety Law of the People's Republic of China, Shanghai Maritime Safety Administration shall include the ships that meet the requirements of above 4, 5 in the List of Ships Endangering Traffic Safety at Shanghai Port and publish them. Shanghai Maritime Safety Administration shall in accordance with the law, order the ships included in the List to be rectified immediately or within a prescribed time limit, restrict their operations, prohibit them from entering the port or expel them from the port, suspend the relevant certificates and documents, or order them to suspend or change their routes, sail to a designated location or stop their operations.

2. Requirements to be Delisted

Shanghai Maritime Administration manages the List dynamically. A ship doesn't meet the conditions in above Item 4, 5 shall automatically be removed from the List.

3. Supervision of the Listed Ships

A ship included in the List, shall report by VHF to the Maritime Safety Administration of the first jurisdiction before entering waters under the jurisdiction of Shanghai Maritime Safety Administration and meet the following requirements:

(1) International ships shall conduct machinery equipment test and submit the video and master's declaration to the Maritime Safety Administration of the jurisdiction to certify the vessel has conducted the test. And the Maritime Safety Administration will decide whether the ship safety inspection will be conducted in accordance with the requirements of epidemic prevention and control.

(2) International ships entering the Shanghai section of Yangtze River can be exempted from the safety inspection stated above, provided that they are escorted by tugboats voluntarily, or obtained additional survey report issued by relevant flag State Authorities or recognized organizations.

(3) Supervision measures for listed ships and their Owners, Operators, Managers and other Interested Parties include not enjoying preferential facilitation measures issued by the Shanghai Maritime Safety Administration, including government services and vessel traffic flow organizations. Relevant information will be communicated to the associated banks and insurance institutions.

Loss Prevention Suggestions

After the Announcement coming into force on July 1st, 2022, it becomes more important than ever for all Masters, Owners, Operators and Managers to ensure the effective implementation of the companies' safety management system, especially the routine maintenance and testing of ships' machinery equipment. Hence, Correspondent suggests that ships prior to entering Shanghai waters to:

1. Conduct detailed technical inspection, self-inspection, testing of ship's machinery which include propulsion system, auxiliary engine system, steering system and navigation equipment in accordance with technical/pre-arrival or departure checklists which provided by ship management companies, to ensure that they are in a reliable working condition.

2. Ensure that crew members are familiar with their duties and emergency response measures to be taken in the event of machinery failure. If necessary, drill will be conducted. The contingency drill may include main engine failure, main engine local control, loss of power/blackout, emergency steering and emergency generator operational test, etc.

3. Train the crew to ensure that the relevant personnel exercise the corresponding due vigilance and precautions when entering Shanghai Port waters.

UAE. LAUNCH OF ONLINE WASTE MANIFEST SYSTEM MARASI AT SHARJAH PORTS

Ingosstrakh P&I Correspondent on UAE Messrs. GAC LLC reports on new circular issued by Sharjah Port Authority.

As it stands, Sharjah Ports, Customs & Free Zones Authority, Seaports Authority & BEEAH Environment Services, in the interest of preserving the safety of Sharjah's marine ecosystem and achieving a sustainable, integrated waste management structure for the shipping industry, have jointly launched an Online Waste Manifest Platform, MARASI, which aims to provide a one-stop portal to the shipping industry of Sharjah for all their waste disposal and management needs.

The following parties shall register at MARASI:

- 1) Waste generators considered as Ships or Shipping Agents acting on behalf of incoming ships must register to electronically create and sign manifests in the system. Registration is also required to view manifest records in the system.
- 2) Waste transporters - must register on MARASI to electronically sign manifests in the system to acknowledge their undertaking of waste collection from the ship .
- 3) Waste Processing Facility - sites that receive waste in Sharjah are required to register on MARASI to proceed with accepting incoming waste from ships and acknowledging waste data as received at their site on the manifest.