

## EXPLANATORY NOTES

- (a) The applicant may be the owner of the ship, the owner's manager(s) or any other person on behalf of the owner. It should be noted that, however, by the terms of Article VII of the Convention and of Sections 15 and 16 of the Ordinance, owners are legally responsible for ensuring that their ships are properly certificated.
- (b) Name and address of the registered owner of the ship must be provided here if the applicant is not the owner. The particulars provided here, would be appeared on the CLC Convention Certificate. Therefore, applicant should ensure the accuracy and the consistency between the particulars shown on the application form, the 'blue card' certificate and also the Certificate of Registry.
- (c) A fee of HK\$535 per certificate is payable (Regulation 5 of the Merchant Shipping (Liability and Compensation for Oil Pollution) (Compulsory Insurance) Regulations (Cap. 414A)). See also Part A, paragraph 5(b) of the 'Notes for Guidance'.
- (d) For 'Type of Ship' indicate whether tanker, OBO, etc.
- (e) Where there is no official registry number, indicate other distinctive number or letters.
- (f) Indicate the ship's tonnage established in accordance with Article V10 of the Convention and Section 4 of the Ordinance. See also Part B of the 'Notes for Guidance'.
- (g) Indicate whether insurance contract, P & I cover, Bank guarantee, Compensation fund certificate, etc.
- (h) The period of validity of the financial security must be stated in terms of its exact dates of commencement and cessation and must coincide with the dates given in the insurer's or guarantor's etc. certificate (See Part C of the 'Notes for Guidance').
- (i) Names and addresses of insurer(s) and/or guarantor(s) etc. providing the financial security must be listed here if there are not more than two. If there are more than two, state: 'See Schedule to Insurer's etc. Certificate.'
- (j) If the liability for the ships listed is wholly covered by one P & I Club, the particulars under Columns 5 and 6 may be omitted and in their place inserted: "As per the attached 'blue card' certificate". (See Part C, paragraph 2, of the 'Notes for Guidance').

**INTERNATIONAL CONVENTION ON CIVIL LIABILITY FOR  
OIL POLLUTION DAMAGE, 1992 (“Convention”)**  
**MERCHANT SHIPPING (LIABILITY AND COMPENSATION  
FOR OIL POLLUTION) ORDINANCE (CAP. 414) (“Ordinance”)**  
**MERCHANT SHIPPING (LIABILITY AND COMPENSATION FOR OIL POLLUTION)  
(COMPULSORY INSURANCE) REGULATIONS (CAP. 414A) (“Regulation”)**

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Applications for Certificates of Compulsory Insurance or Other Financial Security

**NOTES FOR GUIDANCE**

**A. General**

1. Applications for the issue of certificates in accordance with the provisions of Article VII of the Convention, Sections 15 and 16 of the Ordinance and Merchant Shipping (Liability and Compensation for Oil Pollution) (Compulsory Insurance) Regulations, must be made to the Director of Marine in respect of ships registered in Hong Kong.
2. Such application should be made on Form M.O.512 and addressed to: -  
Director of Marine,  
Marine Department,  
24/F., Harbour Building,  
38 Pier Road,  
Hong Kong.  
(Fax: (+852) 2545 0556 or e-mail: [accss@mardep.gov.hk](mailto:accss@mardep.gov.hk))  
(Enquiries: Tel: (+852) 2852 4519)
3. The particulars to be given in Form M.O.512 should be typed or legibly printed in the spaces provided or, where these prove insufficient, in supplementary sheets of equivalent size.
4. In completing the Form, regard should be had to the Explanatory Notes attached to the Form. The Director of Marine reserves the right to request clarification of defective or unclear entries and to return incomplete forms to the applicants.
5. Each application must be accompanied by:-
  - (a) evidence (in respect of each ship for which a Convention certificate is required) that there is in force in respect of that ship, a contract of insurance or other financial security satisfying the requirements of Article VII of the Convention (see Part C below);
  - (b) application fee (HK\$535 for each ship mentioned in the application). Cheques, Drafts and Cashier Orders expressed in Hong Kong Dollars should be made payable to “HKSAR Government” and crossed. They must not be made payable to any individual officer. Cash should not be sent through the post.
  - (c) a copy of the Certificate of Registry or the Provisional Certificate of Registry. For the ship which is under ship registration proceeding and cannot submit the said document, other evidence, such as the Approval in Principle issued by the Shipping Registry, might be requested for clarification.

**B. Amount of insurance or other financial security required under the Convention**

1. The amount of insurance or other financial security a shipowner is required to have in respect of a particular ship may be established as follows:-
  - (a) For a ship not exceeding 5,000 tons, 4,510,000 special drawing rights.
  - (b) For a ship exceeding 5,000 tons, 4,510,000 special drawing rights + 631 special drawing rights for each ton of its tonnage in excess of 5,000 tons, but not exceeding an aggregate amount of 89,770,000 special drawing rights.

**C. Evidence of insurance or other financial security**

1. Such evidence should be furnished in the form of a certificate to be issued:-
  - (a) where an owner's liability is wholly covered by insurance provided by a Protection & Indemnity Association (P & I Club), by that Association (as per format agreed with the P & I Clubs), or
  - (b) where an owner's liability is wholly covered by insurance under a policy provided by insurance undertakings, by the insurer or insurers providing the cover (as per format agreed with the underwriters), or
  - (c) where an owner's liability is wholly covered by other security (such as the guarantee of a Bank or international compensation fund), by the Bank or Fund providing such security, or
  - (d) where the whole of an owner's liability is covered by a "mix" of the forms of security described in (a) to (c) above, by each of the providers of the respective forms of cover.
2. Such a certificate (also known as a "blue card" certificate) must include the following essential features:-
  - (i) Name of the ship; IMO Number; Distinctive Number or Letters; Port of Registry and Name and Address of the Owner.
  - (ii) A declaration in the following terms:-

"THIS IS TO CERTIFY that there is in force in respect of the above-named ship while in the above ownership a/policy of insurance/...../\* satisfying the requirements of Article VII of the International Convention on Civil Liability for Oil Pollution Damage, 1992".
  - (iii) The duration of insurance or other financial security, giving the exact dates of its commencement and cessation (see Part D below).
  - (iv) The name and address of the insurer or insurers etc. providing cover for the owner's liability, and their respective shares in the total amount of the cover. Where the "blue card" certificate does not afford space for this information, it should be set down in a Schedule attached to it.
  - (v) Where the cover is provided by more than one insurer or insurers etc., the "blue card" certificate may bear the signature of the leading insurer etc. with the principal share of the cover, or the signatures of all the participants in the cover.

**D. Renewal of Convention certificates**

1. The Director of Marine does not issue Convention certificates which are valid beyond twelve calendar months from the date of commencement of the period of insurance or other financial security. Consequently, the owner of a ship carrying a Convention certificate whose period of validity is due to expire in the course of a voyage or in other circumstances where there may be difficulty or delay in arranging for a replacement certificate to be put on board, should apply for a new certificate well in advance of its being required.

**E. Cancellation of Convention certificates**

1. The attention of owners is drawn to Regulation 6(1) of the Merchant Shipping (Liability and Compensation for Oil Pollution) (Compulsory Insurance) Regulations (CAP. 414A) which provides that, where there is a change of ownership of a ship, the owner whose name appears on any certificate in force in respect of that ship is required to deliver it up forthwith to Director of Marine for cancellation. (See Section 16(4) of the Ordinance concerning the penalty for failure to surrender certificates).
2. The new owners of a ship for which the Director of Marine has issued a Convention certificate which is invalid by reason of change of ownership, are responsible for ensuring that the ship does not trade uncertificated for any period while carrying a bulk cargo of oil of more than 2,000 tons. Oil is defined in the Ordinance referred in paragraph A above.

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\*If the security is not in the form of a policy of insurance, here specify its nature, e.g. Bank guarantee.