INTERNATIONAL CONVENTION ON CIVIL LIABILITY FOR BUNKER OIL POLLUTION DAMAGE, 2001 ("Convention")

BUNKER OIL POLLUTION (LIABILITY AND COMPENSATION) ORDINANCE (CAP. 605) ("Ordinance")

BUNKER OIL POLLUTION (LIABILITY AND COMPENSATION) (APPLICATION FEE FOR INSURANCE CERTIFICATE) REGULATION (CAP. 605A) ("Regulation")

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 7 of the Convention and Sections 13 and 16 of the Ordinance must be made to the Director of Marine in respect of ships registered in Hong Kong.
- 2. Such application should be made on Form MD 601 and addressed to:-

Director of Marine, Marine Department, 24/F., Harbour Building, 38 Pier Road, Hong Kong.

(Fax: (+852) 2545 0556 or e-mail: <u>accss@mardep.gov.hk</u>)

(Enquiries: Tel: (+852) 2852 4519)

- 3. The particulars to be given in Form MD 601 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, policy of insurance or other financial security satisfying the requirements of Article 7 of the Convention (see Part B below);
 - (b) application fee (HK\$535 for each ship mentioned in the application). Payment should be made according to the payment instruction on the electronic-Demand Notes. The fee must not be made payable to any individual officer; and
 - (c) for the ship which is under ship registration proceeding, evidence, such as the Approval in Principle issued by the Shipping Registry, might be requested for clarification.

B. 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:-
 - (a) Name of the ship, IMO Number, Distinctive Number or Letters, Port of Registry and Name and Address of the Owner.
 - (b) A declaration in the following terms:-
 - "THIS IS TO CERTIFY that there is in force in respect of the above-named ship a/policy of insurance/....../* satisfying the requirements of Article 7 of the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001".
 - (c) The duration of insurance or other financial security, giving the exact dates of its commencement and cessation (see Part C below).
 - (d) 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.
 - (e) 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.

C. 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.

D. Cancellation of Convention certificates

- 1. Owners are advised 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.
- 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 without a valid certificate.

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