

January 2015

## To the Members

Dear Sirs,

## Nairobi International Convention on the Removal of Wrecks, 2007 – Certificates of Financial Responsibility.

Circular L.240 informed Members that the Nairobi International Convention on the Removal of Wrecks ("WRC") enters into force on 14 April 2015.

Pursuant to Article 12 of the WRC which provides "the registered owner of a ship of 300 gross tonnage and above and flying the flag of a State Party shall be required to maintain insurance or other financial security, such as a guarantee of a bank or similar institution, to cover liability under this Convention in an amount equal to the limits of liability under the applicable national or international limitation regime, but in all cases not exceeding an amount calculated in accordance with article 6(1)(b) of the Convention on Limitation of Liability for Maritime Claims, 1976, as amended". It is also a requirement to obtain a certificate from a WRC State Party attesting to such insurance. All International Group Clubs have agreed to issue Blue Cards so that Members may apply for a WRC certificate.

Certificates must be obtained from the State in which a ship is flagged, providing the State is party to the Convention. Ships flagged in countries that are not parties will need to obtain a certificate from a relevant authority in a State Party.

The Club understands that, following consultation with the International Group, the following four WRC States' maritime authorities have on the date of publication of this circular agreed in principle to facilitate the smooth entry into force of the Convention and assist shipowners by issuing certificates to ships flagged in countries that are not party to the Convention, subject to any conditions the relevant authority may apply.

While web links have been provided to the websites of the relevant authorities, only Germany has published specific information about applications for WRC Certificates. Members should therefore be aware that these authorities may not yet have finalised their internal procedures.

<u>United Kingdom</u> - The UK Maritime and Coastguard Agency will prioritise CLC, Bunker and Athens Convention certificate renewal applications followed by new WRC certificate applications submitted by UK registered vessels; then existing MCA customers and vessels calling at UK ports; and then vessels flagged in third countries, subject to the MCA's capacity to process applications. The Agency has advised that due to expected large volumes of applications there may be delays in processing WRC certificates. Applications should be addressed to:

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STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority

(Registered in England and Wales - Registration number 105461. PRA and FCA registration number 202548)

MANAGERS: STEAMSHIP P&I MANAGEMENT LLP

SPIM is an appointed representative of Steamship Insurance Management Services Limited which is authorised and regulated by the Financial Conduct Authority (Registered in England and Wales – Registration Number OC376859. FCA registration number 597046) AQUATICAL HOUSE 39 BELL LANE LONDON E1 7LU Tel: +44 20 7247 5490 Website: www.steamshipmutual.com Mr T Cornish Maritime and Coastguard Agency, Spring Place, 105 Commercial Rd, Southampton, United Kingdom SO15 1EG www.mca.gov.uk

<u>Germany</u> - BSH (Germany's certificate issuing authority) has advised the International Group that they will give priority to certificates required by German flagged ships, ships calling at German Ports and ships operated by German companies. In addition they will prioritise CLC, Bunker and Athens Convention renewal certificates. WRC certificate applications can be submitted at any time between the date of this circular and the convention's entry into force date of 14 April. The BSH expect a large number of applications and there may be some delay in issuing certificates. Postal applications should be addressed to:

Ms G Tungler Bundesamt Für Seeschifffahrt Und Hydrographie (BSH) S43 Bernhard – Nocht – Str. 78 20359 Hamburg Germany Email applications may be submitted to NWRC@bsh.de

<u>Denmark</u> - The Danish Maritime Authority (DMA) will give priority to certificates required by Danish flagged ships, ships from the Faeroe Islands, ships calling at Danish Ports and ships operated by Danish companies. Other applications will be prioritised according to DMA's criteria for processing certificates and operational demands. DMA is likely to process certificates for CLC, Bunker and Athens certificates before processing WRC certificate applications. In the meantime postal applications should be addressed to:

Danish Maritime Authority Carl Jacobsens Vej 31 2500 Valby Denmark www.dma.dk

<u>Marshall Islands</u> – International Registries, Inc. will give priority to certificate applications from Marshall Islands flagged ships. The International Group is aware that the Panama Ship Registry is in negotiation with the Marshall Islands with a view to issuing WRC certificates for Panamanian flagged ships. The Club advises owners with ships flagged in Panama to seek further guidance from their contacts in the Panama Ship Register before seeking to obtain certificates from other States. Certificate applications should be addressed to:

Maritime Administrator for the Republic of the Marshall Islands International Registries, Inc. Attn: Vessel Administration 11495 Commerce Park Drive Reston, Virginia 20191-1506 USA www.register-iri.com

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Contracting States	Accession date	Entry into force date
Bulgaria* (accession)	18 February 2012	14 April 2015
Congo (accession)	19 May 2014	14 April 2015
Denmark* (ratification)	14 April 2014	14 April 2015
Germany (ratification)	20 June 2013	14 April 2015
India (accession)	23 March 2011	14 April 2015
Iran (accession)	19 April 2011	14 April 2015
Malaysia (accession)	28 November 2013	14 April 2015
Marshall Islands*	27 October 2014	14 April 2015
Morocco (accession)	13 June 2013	14 April 2015
Nigeria (accession)	23 July 2009	14 April 2015
Palau (accession)	29 September 2011	14 April 2015
UK* (accession)	30 November 2012	14 April 2015

The current contracting States to the WRC on the date of publication of this circular are:

\*Denotes that the State Party has, pursuant to Article 3.2 of the Convention, extended the application of the Convention to wrecks located within its territory, including the territorial sea.

All Clubs in the International Group have issued similar circulars.

Yours faithfully,

## THE STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED

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