JAPAN P&I NEWS

No.724-15/04/16

To the Members

Dear Sirs,

<u>Hong Kong – Low Sulphur Regulation (No.2)</u>

Members are referred to the previous <u>Japan P&I News No.719</u> dated 24 March 2015 in which they were advised that the new regulation ("the Regulation") would enter into force on 1 July 2015 to prohibit vessels from using any fuel oils with a sulphur content exceeding 0.5% while at berth in Hong Kong (except for the first hour after berthing and the last hour before departure).

The Association has sought clarification on the application of the Regulation through Inchcape Shipping Services (Hong Kong) Limited, the correspondents in Hong Kong, and obtained the below information from the Hong Kong Environmental Protection Department.

1. Definition of "at berth"

The meaning of "at berth" referred in the Regulation has included the situation not only where the vessel berthed alongside a terminal, but also where the vessel stayed/anchored in an anchorage within the Hong Kong harbour. Accordingly, the Regulation will also be applied to the vessel at anchor in an anchorage for bunkering or waiting for a pilot, etc, provided that such anchoring lasts over two hours (the first hour after arrival and last hour before departure is exempted from the application of the Regulation), and the vessel is required to use a low sulphur fuel during her stay in an anchorage.

2. Application of the Regulation to the drifting vessel

The Regulation will not be applied to the vessel while she is drifting. Accordingly, such vessel is not required to use a low sulphur fuel. Please be advised, however, that drifting for a long time may be deemed to increase a risk of casualty and can be a breach of the regulation regarding the safe navigation.

3. Application of the Regulation to the vessel in a casualty

In case of a casualty, the vessel should take an emergency response such as life-saving or oil spill response, etc, in priority to the compliance of the Regulation. However, members should be aware that the vessel is not always exempted from the application of the Regulation in case of a casualty. As long as the compliance of the Regulation does not pose a risk to the safety of the vessel, the vessel is still required to comply with the Regulation and to arrange for low sulphur fuel to be supplied locally as quick as possible, if the vessel had no low sulphur fuel because the vessel originally had no plan to call at Hong Kong.

For further information, the Regulation can be downloaded from the following link; $\underline{http://www.gld.gov.hk/egazette/pdf/20151911/es22015191151.pdf}$

Should members have any queries regarding the Regulation, they should contact the Association.

Yours faithfully,

The Japan Ship Owners' Mutual Protection & Indemnity Association