Circular Ref No.: PNI1706

Date: 21 July 2017

Dear Sirs or Madam,

Subject: Follow-up Update on Expansion of Local Fishery Farms at LanshanPort, China

Reference is made to our circulars (Ref No.: 1202 & 1305) dated 05 Sep 2012 and 13 Dec 2013 regarding the subject matter. In recent years we have witnessed some development pertaining to fishery farm issues around Lanshan port during our claims handling, and hereby prepare this circular in order to alert ship owners, managers and masters to take due caution to avoid such claims.

Location of Fishery Farms at Lanshan

In recent years, we have noted that fishery farms at Lanshan port are continuously expanding and these new farms are very close to the navigation channel. As a result, vessels often pass through these farms and thereby bring about relevant claims.

After a serial of local investigation and research, we have drafted sketch of the current distribution of fishery farms nearby Lanshan Port which have not been marked in the chart and vessels frequently break into (marked as A, B, C, D & E in the plotting) as follows:

A1: 35⁰06'12.00"N, 119⁰50'16.00"E A2: 35⁰03'18.00"N, 119⁰49'28.00"E A3: 35⁰03'18.00"N, 119⁰46'48.00"E

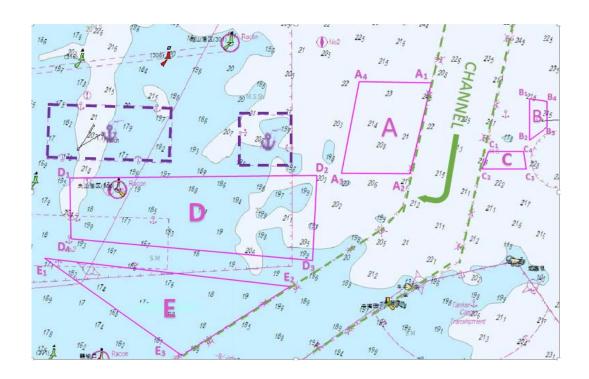
A4: 35⁰06'12.00"N, 119⁰47'30.00"E

B1: 35° 05′ 41.18″ N,119° 54′ 03.73″ E B2: 35° 04′ 21.77″ N, 119° 54′ 03.82″ E B3: 35° 04′ 46.97″ N,119° 54′ 45.81″ E B4: 35° 05′ 35.97″ N,119° 54′ 45.75″ E

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CI: 35° 04′ 01.06″ N, 119° 52′ 29.91″ E
C2: 35° 03′ 26.77″ N,119° 52′ 15.68″ E
C3: 35° 03′ 26.87″ N,119° 53′ 56.63″ E
C4: 35° 04′ 01.14″ N,119° 53′ 49.95″ E
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D1: 35⁰03'12.00"N, 119⁰36'18.00"E D2: 35⁰03'12.00"N, 119⁰45'48.00"E D3: 35⁰00'30.00"N, 119⁰45'48.00"E D4: 35⁰01'18.00"N, 119⁰36'18.00"E

E1: 35° 00′ 36.00″ N, 119° 35′ 18.00″ E E2: 34° 59′ 42.00″ N, 119° 44′ 48.00″ E E3: 34° 57′ 30.00″ N, 119° 40′ 42.00″ E



Among the above five illustrated areas of fishery farms, A came into existence around early this year, and most of the fishery farm claims of this year occurred in this area because some local agents haven't become aware of it. B & C appeared two years ago whilst D & E have existed for much longer and have already been mentioned in our previous circulars. In addition, this year, we found that some vessels entered into D accidentally when trying to avoid breaking into A since A and D are too close.

Although local MSA published a warning in their website for area D & E, none of them are marked in the chart. In addition, there have been no obvious warning marks such as flags, lights or radar reflectors installed around the edge up to now. At the same time, some of the local agents are not very well

aware of such expansion of the fishery farms, so that sometimes advice from the agent to the master does not include the new fishery farm locations.

During claims handling, we note that these farms are usually licensed by the local Ocean and Fishery Bureau.

Recommendations

- 1) Before arriving at point A2, vessels shall sail strictly following the channel given that fishery farms are very closely located at both sides of the channel.
- 2) To avoid entering into fishery farms in area A, vessels should sail to the south of joint line of A2 $(35^003'18.00"N, 119^049'28.00"E)$ and A3 $(35^003'18.00"N, 119^046'48.00"E)$.
- 3) When passing A3, in order to avoid damage to fishery farms in area D, vessels should sail to the north of joint line of D1 (35°03'12.00"N, 119°36'18.00"E) and D2 (35°03'12.00"N, 119°45'48.00"E). At the same time, vessels should pay close attention to the anchored vessels in the north anchorage so as to avoid potential danger of collision.
- 4) In any event, vessels should maintain proper lookout, stayin close contactwith the pilot, and keep VHF in Channel 16 or 09.
- 5) As many ship agents have not got the notice of the new fishery farms, the recommended route from them may notbereliable. It is therefore advisable for the duty officer onboard to carefully plot on the chart by taking into account of the information provided by ship agent and also our circulars so as to avoid breaking into the fishery farms.

Should you have any query regarding the above, please feel free to contact our Qingdao office:

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Hope the above is of assistance.

Best regards,



Cui Jiyu Vice President