## 501. NO. (9) - Issue



भारत सरकार#/ GOVERNMENT OF INDIA पोत परिवहन मंत्रालय / MINISTRY OF SHIPPING "बिटा बिल्डिंग", 9 वी मंजिल / "BETA BUILDING", 9th FLOOR आई-थिंक टेकनो कैमपस / I-THINK TECHNO CAMPUS कांजुर गाँव रोड / KANJUR VILLAGE ROAD कांजुर मार्ग (ईस्ट) / KANJUR MARG (EAST

Dated: 05.11.15

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115

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नौवहन महानिदेशालय / DIRECTORATE GENERAL OF SHIPPING

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F. No. 25-NT (1)/2014

To, The Principal Officer All MMDs

Sub - Issue of certificate of insurance or other imancial security in respect of liability for the removal of wrecks under Article 12 of the Nairobi International Convention on the Removal of Wrecks, 2007 - clarification - reg.

Sir.

The Directorate General of Shipping, GoI, had issued MS Notice 2 of 2015 dated 04.03.2015 on the subject authorizing Registrars of Indian ships at the Port of Registry of the vessel to issue Certificates of Insurance or other Financial Security [CIOFS] for the removal of wrecks.

2. Section 3.2 of the said MS Notice 2 of 2015 specifies the following:

Quote :

"Indian merchant ship-owners shall apply to the MMDs at the ports of registry of their merchant ships for issue of the said CIOFS, along with the applicable fee and duly authenticated copies of the certificates of insurance (i.e. insurance blue cards), furnished as evidence of insurance issued by the International Group [IG] of P&I [Protection & Indemnity] Clubs and other insurance companies as may be formally approved from time to time by the Govt. of India, and is valid under the provisions of the Merchant Shipping (Regulation of Entry of Ships into Ports, Anchorages and Offshore Facilities) Rules, 2012 [PER, 2012]. Such certificates shall be accepted for the issue of the said CIOFS. The list of the insurance companies approved under the provisions of the PER, 2012, is available on the official website of this office [www. dgshipping.gov.in]".

## Unquote :

3. Clarifications have been sought in respect of whether Indian insurance companies can be considered as being formally approved from time to time by the Govt. of India, and is valid under the provisions of the Merchant Shipping (Regulation of Entry of Ships into Ports, Anchorages and Offshore Facilities) Rules, 2012. It is hereby clarified that all Indian insurances companies that are duly approved by the Insurance Regulatory Development Authority [IRDA] are considered as approved by the Government of India as stated in section 3.2 of the said MS notice.

4. Registrars issuing CIOFS for wreck removal need to ensure that the extent of insurance provided by the insurance companies (IG group P&I Clubs, Indian insurance companies and other insurance companies approved by the Government of India) is not less than the limits specified for the size of the vessel (as per the gross tonnage of the vessel) as per the revised limits adopted to the Protocol of 1996 to the Convention on the Limitation of Liability for Maritime Claims 1996, by IMO Resolution LEG.5(99) adopted on 19<sup>th</sup> April, 2012 which came into force internationally on 08<sup>th</sup> June, 2015.

5. The revised limits as per the amendment to the 1996 protocol in respect of claims are provided below for ease of reference.

- a. in respect of claims for loss of life or personal injury :
  - i. 3.02 million Units of Account for a ship with a tonnage not exceeding 2,000 tons,
  - ii. for a ship with a tonnage in excess thereof, the following amount in addition to that mentioned in (i).
    - for each tone from 2,001 to 30,000 tons, 1208 Units of Account;
    - for each tone from 30,001 to 70,000 tons, 906 Units of Account; and
    - for each ton in excess of 70,000 tons, 604 Units of Account,
- b. in respect of any other claims :
  - i. 1.51 million Units of Account for at ship with a tonnage not exceeding 2,000 tons,
  - ii. for a ship with a tonnage in excess thereof, the following in addition to that mentioned in (i):
    - for each tone from 2,001 to 30,000 tons, 604 Units of Account;
    - for each tone from 30,001 to 70,000 tons, 453 Units of Account; and
    - for each ton in excess of 70,000 tons, 302 Units of Account,

It may be noted that the term 'Units of Account' means the Special Drawing Right [SDR] defined by the International Monitory Fund [IMF].



Yours faithfully,

(Capt. K.P. Jayakumar)

Deputy Nautical Adviser to the Govt. of India

## Copy to

OC

- 1. Indian National Shipowners' Association, 22 Maker Tower F, Cuffe Parade, Mumbai 400 005.
- 2. ICC Shipping Association, Scindia House, Basement, N. M. Marg, Ballard Estate, Mumbai 400001.

146