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TO ALL MEMBERS

Dear Sirs

REGULATIONS OF THE PEOPLE'S REPUBLIC OF CHINA ON THE PREVENTION AND CONTROL OF MARINE POLLUTION FROM SHIPS

We refer Members to previous Circulars commencing with 5.396 of 9 November 2009 (click here) on the Regulations of the People's Republic of China (PRC) on the Prevention and Control of Marine Pollution from Ships ("the Regulations") and the requirement that owners/operators of (a) any ship carrying polluting and hazardous cargoes in bulk or (b) any other ship above 10,000 gt enter into a pollution clean-up contract with a Maritime Safety Agency (MSA) approved ship pollution response company (SPRO) before the ship enters a PRC port.

Circular 5.460 of 21 November 2012 (click here) informed Members that the China MSA issued revised Detailed Rules on 14 September on the Implementation of the Administration Regime of Agreement for Ship Pollution Response amending the Detailed Rules previously issued by the China MSA which came into effect on 1 January 2012. Members were informed that a further MSA Notice was expected shortly and that a revised set of FAQs on the revised Detailed Rules would be published once this Notice had been issued.

However, the further MSA Notice has yet to be issued and it is uncertain whether it will be before the end of this month. Since many owners will be signing new spill response contracts with SPROs in the near future, the revised set of FAQs taking account of the revised Detailed Rules have been issued as contained in Annex I to this circular in advance of any further MSA Notice. In the event that a new MSA Notice is issued shortly and it is necessary to amend the attached revised FAQs as a result, a new set of FAQs will be issued.

The China MSA also issued an amended model spill response contract as an annex to the revised Detailed Rules issued on I4 September. As a result, a revised, IG recommended spill response contract was attached to circular 5:460, the content of which did not differ substantially from the previous IG recommended contract and which was consistent with the MSA's revised Detailed Rules. However, it has since been necessary to amend the IG recommended contract in order to take account of some editorial amendments. The amended IG recommended contract with these changes is contained in Annex II to this circular. The content of the amended IG model contract does not differ substantially from the previous IG recommended contract attached to circular 5:460.

Any Member requested to agree to a variation of the attached recommended contract is advised to check with the Club to ensure that such variations do not cause the contract to fall outside the scope of the IG Guidelines.

If Members are in any doubt about the contract then it is recommended that they contact their Club before contracting with any SPRO.

All Clubs in the International Group of P&I Clubs have issued similar circulars.

Yours faithfully A BILBROUGH & CO LTD (MANAGERS)

Annex I - FAQs

Annex II - International Group Recommended Contract