

17 July 2025

#### TO ALL MEMBERS AND ASSUREDS

Dear Sir or Madam

# Ship Pollution Response Organisation (SPRO) Agreements in China – New International Group of P&I Clubs (IG) and China Diving & Salvage (CDSA) SPRO Agreement

This IG Circular provides Members with an update on the new SPRO template agreement jointly agreed by the Group Clubs and CDSA.

## New IG and CDSA SPRO Agreement

The Group Clubs are pleased to announce that the IG and CDSA have agreed a Sample Agreement for Ship Pollution Response (Sample Agreement) and a Ship Pollution Response Expense Tariff (SPRO Tariff). ITOPF, on behalf of the Group Clubs, reviewed the SPRO Tariff. Both the Sample Agreement and SPRO Tariff are attached to this Circular.

## <u>CDSA</u>

CDSA is a state-level non-profit association which is constituted by enterprises and institutions specialising in a variety of fields, including pollution prevention. In 2020, CDSA was granted approval by China MSA to assess and certify SPROs in China. Today CDSA's members include over 50 SPROs across China, details of which can be found on their website - <a href="Certified SPROCompanies">Certified SPROCompanies</a>.

Recognising the unique role CDSA plays in ship pollution response in China, the IG and CDSA have worked together to agree this Sample Agreement and SPRO Tariff, in conjunction with ITOPF.

### 2025 China Maritime Safety Administration (MSA) SPRO Template

In May 2025, China MSA published a new template SPRO Agreement (<u>2025 MSA SPRO Template</u>). This new 2025 MSA SPRO Template, was published alongside revised Administrative Measures for the Ship Pollution Response Agreement Regime, which do not materially impact the Group Clubs' Members.

Compared to the 2012 MSA template SPRO agreement, the 2025 MSA SPRO Template has been significantly simplified and removes provisions relating to liability, insurance and law & jurisdiction. Aside from the introduction, the new template contains just four articles





addressing the rights and obligations of the parties (set out in Articles 1 and 2, both of which are mandatory), entry into force and termination provisions. The parties are then free to negotiate and agree additional clauses.

The Sample Agreement mirrors the mandatory Articles in the 2025 MSA SPRO Template and is otherwise consistent with its terms. It also addresses additional important issues, such as fees, liability, insurance and the relevant law & jurisdiction, which fall within the scope of the IG's Guidelines.

The Group Clubs recommend that where Members are asked to enter into a SPRO agreement with a SPRO that is a member of CDSA, that they do so in accordance with the Sample Agreement and SPRO Tariff. CDSA will also recommend to its SPRO members to contract on these terms.

Recognising that not all SPROs are members of CDSA, the Group Clubs appreciate that other SPROs may seek to contract using the 2025 MSA SPRO Template either with or without additional clauses. In such circumstances, the Group Clubs recommend Members ask the SPRO in question to contract on the same terms as the Sample Agreement given it has been drafted to ensure consistency with the 2025 MSA SPRO Template and the IG's Guidelines.

Where a SPRO refuses to contract on such terms or Members are in any doubt about the agreement or tariff, then it is recommended that they contact their Club before contracting with any SPRO.

For the avoidance of doubt, the previous 2014 IG recommended wording remains conforming.

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

Yours faithfully A BILBROUGH & CO LTD (MANAGERS)