

No. 1(2)/2020-CE&SS
GOVERNMENT OF PAKISTAN
MINISTRY OF MARITIME AFFAIRS
(PORTS & SHIPPING WING)

Karachi, the 7th, January, 2020

Circular No. 001/2020-CE&SS

Sub: Compliance with the provisions of MARPOL Annex VI, Regulation 14

Purpose: The aim of this circular is to provide guidance to stakeholders for a consistent and smooth implementation towards compliance with the Global Sulphur Cap effective from 1st Jan 2020 for Sulphur content in ships' bunker fuel oil will be reduced from 3.50% mass by mass (m/m) to 0.50% m/m for ships operating outside designated emission control areas. The following issues are covered by this circular:

- a) Preparation of a risk-based ship implementation plan and demonstrating compliance to requirements of MARPOL, Annex VI provisions by ship owners/operators.
- b) Prohibition on the carriage of non-compliant fuel oil for combustion purposes for propulsion or operation on board a ship except for those vessels equipped with an Exhaust Gas Cleaning System (EGCS, or "Scrubbers", which clean the emissions before they are released into the atmosphere).
- c) Procedure to be followed by the Pakistani Flag Vessels, if carrying non-compliant fuel oil on-board due to non-availability of compliant fuel oil or otherwise.
- d) The Port State Control procedures to be adopted by Port State Inspecting Officer while conducting inspections of foreign ships for compliance to 0.5% Sulphur Cap requirements.
- e) Procedure for dealing with foreign ships coming to Pakistani ports with non-compliant fuel on-board because of non-availability of compliant fuel.
- f) Procedure to handle unexpected issues related to the operation of an EGCS as a Port State and Flag State.

2. **Application:** This circular is applicable to:

- 1) All seagoing Pakistani Flag Vessels registered under Merchant Shipping Ordinance, 2001.
- 2) All foreign flag-vessels visiting Pakistani waters.

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3. **Requirements:**

- i) As per regulation 14. the Sulphur Content of any fuel oil used on board ships outside Emission Control Areas shall not exceed 0.50% m/m on and after 1st Jan 2020. The interpretation of "fuel oil used on board" includes fuel oil used in all emission sources including emergency equipment. The regulation applies to all ships irrespective of trading area, International and Domestic. This Regulation prohibits fuel oil with Sulphur Content more than 0.50% m/m being carried for use on board ships.
- ii) Vide Resolution MEPC.305 (73) the Supplement to IAPP Certificate is revised by addition of a new paragraph 2.3.3 to indicate compliance with above prohibition and hence the existing supplement to IAPP certificate need to be replaced with revised supplement prior to 1st March 2020.
- iii) To prevent trade distractions due to non-availability of compliant fuel oil, Regulation 18 of MARPOL Annex VI provides that if faced with situation where compliant fuel is not available, a ship is not expected to deviate from the intended route or unduly delay the voyage to procure compliant bunker-fuel. Further (due to said reasons despite its best effort to procure compliant fuel oil) the ship can undertake intended voyage after bunkering non-compliant fuel oil, provided the Master/Owner/Operator inform the ship's Flag State and the port State of next port of call well in advance. To standardize this information a standard template called FONAR (Fuel Oil Non-Availability Report) has been developed and provided in MEPC 320(74). As per the guidance in the said MEPC Circular, the port States should take into account all relevant circumstances and the evidence presented to determine the appropriate action to take, including not taking control measures.

4. **Ship Owner Responsibility as defined under ISM Code for vessels of 500 GT and above.**

- a) ISM code requires companies to assess all identified risks to its ships, personnel and the environment and establish appropriate safeguards. To meet this requirement, all shipping companies are strongly advised to develop a ship specific implementation plan for transition to usage of fuel oil with Sulphur content not more than 0.50% m/m

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taking into consideration MEPC.1/Circ.878 (Guidance on the development of a ship implementation plan for the consistent implementation of the 0.50% Sulphur limit under MARPOL Annex VI).

- b) The ship implementation plan is not a mandatory requirement and lack of a ship implementation plan or an incomplete ship Implementation plan should not be considered as for a more detailed inspection (reference MEPC.1/Circ.878 paragraph).
- c) However, it may be noted that port State control authorities may consider ship implementation plan as an evidence of due diligence by the ship owner when verifying compliance with 0.50% m/m Sulphur limit requirement. So, it is urged that at-least all foreign going ships have a documented ship implementation plan through the ship's Safety Management System.

5. **The key points to consider for preparing the ship specific Implementation Plan:**

- Analyze the ship's expected operational area with regard to fuel compliance requirements;
- If applicable, start discussions with charterers about agreeing on a Regulation 14 compliance strategy and amend the bunker clause as appropriate (Section 5.4);
- Check the applicability of the option of fitting and using scrubbers to the individual ship taking into account factors such as the trading route, expected availability of HSFO, geographical restrictions etc.;
- Estimate the approximate fuel consumption per fuel grade in each area and the number of fuel switchovers expected;
- Check the necessity for tank cleaning based on the considerations provided in Section 5.2;
- Check the availability of compliant fuels, contact fuel supplier(s), and ask for relevant fuel characteristics (Section 4).
- Consult equipment manufacturers and classification societies in order to discuss the changes to the fuel system implementation plans to ensure they are appropriate and complete, as well as identifying any approval requirements;

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6. **Guidance to Port State Control Officers**

- a) Foreign flagships coming to Pakistan to be targeted for inspection in accordance with Resolution MEPC 321(74) - 2019 Guidelines for port state control under MARPOL Annex VI Chapter 3 is to be taken into account while conducting initial and detailed PSC Inspections.
- b) Procedures to deal with foreign ships coming to Pakistani Ports with non-compliant fuel:
 - i) The PSCO should be guided by guidelines detailed in IMO Resolution MEPC.320 (74) 2019 for conduct of Port State inspections on ships faced with fuel oil non-availability.
 - ii) The foreign flag ships coming to Pakistani ports with non-compliant fuel to send the FONAR to Mercantile Marine Department Office at-least 48 hours prior arrival along with date/time of arrival and date/time of expected berthing. The FONAR is structured to serve both purposes: SOx Emission Control Areas (SECA) compliant fuel oil non-availability and 0.50% m/m fuel oil non-availability elsewhere.

7. **Procedure for verification of Sulphur content in Fuel Oil Sample:**

- i) MEPC 74 (May 2019) approved amendments to MAPOL Annex VI for subsequent adoption by MEPC 75 (April 2020), with an expected entry into force date of mid-2021.
- ii) These amendments include definitions of Sulphur content of fuel oil. MARPOL delivered sample, in-use sample, on board sample, procedure for sampling and testing for verification of Sulphur content in fuel oil and requirement of designated sampling point for in-use fuel oil. Ships will be required to designate sampling points no later than the first IAPP renewal survey that occurs 12 months or more after the entry into force of the regulation, expected to be in 2021.

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iii) MEPC 74 also approved MEPC.1/Circ.882(Early application of the verification procedures for a MARPOL Annex VI Fuel Oil Sample) which aims at ensuring a consistent approach to the verification procedures for fuel oil samples (MARPOL delivered sample, in-use and on-board samples). The purpose of the circular is to facilitate the use of the procedure ahead of the entry into force of the amendments in 2021.

iv) MEPC at its 74th session approved MEPC.1/Circ.864/Rev.1 (Guidelines for on-board sampling for verification of the Sulphur content of the fuel oil used on-board ships) a standardized method of drawing in-use fuel oil sample and handling it for the verification of the Sulphur content of fuel oil.

8. **Prohibition on discharge of wash-water from Open-Loop Scrubbers in Port:**

The discharge of wash-water from open-loop scrubbers is prohibited in Port. While in the Port, vessels fitted with hybrid type of scrubbers should switch to the closed-loop mode of operation. As for vessels fitted with open-loop scrubbers, they would need to switch over to compliant fuel instead. It would be advisable to carry out the switch to either closed-loop mode or to compliant fuel well in advance of the vessel's arrival at the port waters, so that any operational issues can be identified and dealt with before the ship arrival in Pakistani waters.

9. This Circular is issued with the approval of Director General Ports & Shipping, Karachi.
