



USED COOKING OIL IMO assigns carriage requirements

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The uncertainty surrounding the carriage of Used Cooking Oil has hopefully now been dispelled. As members are aware, over recent years the product has been offered for shipment in increasing quantities, despite never having been evaluated for transport in bulk. Repeated requests had been made to industry for data to be submitted, allowing for evaluation of the product and assignment of carriage requirements, but it had never been forthcoming. It was therefore decided that in this exceptional case carriage requirements should be assigned without data, on the basis of a “worst case scenario”, and the second session of the IMO’s Sub-Committee on Pollution Prevention and Response (PPR 2) agreed to the assigning of Pollution Category X and Ship Type 2 (without footnote *k*). The product will appear on the IMO website as a new List 1 entry valid for all countries and with no expiry date, pending inclusion in the next edition of the MEPC.2/Circ. and subsequent inclusion in the next round of amendments to the IBC Code.

It would appear that the paper proposing this course of action (to which IPTA was a co-sponsor) has finally stirred the industry into action and we are led to believe that data will now be submitted to GESAMP (in the hope that this will demonstrate that Cat X is unnecessarily stringent). If this does indeed happen it will be possible to amend the carriage requirements during the intersessional ESPH Group meeting in October this year.

PPR 2 further agreed that the entry for UCO should provisionally be qualified by the footnote *m*, meaning that it is composed of animal, vegetable or fish oils that appear in the IBC Code, which means that FAME derived from Used Cooking Oil may be carried under the generic entry for FAME in the Code. Although it seems highly unlikely that an oil used for cooking would be anything other than animal, vegetable or fish oil, some member states were still concerned, and this provision is qualified by the proviso that if data is not provided on UCO in time for a review of the carriage requirements in October the carriage of FAME derived from UCO will thereafter be disallowed.

Disposal of Cooking Oil from Ships' Galleys

While the ESPH working group at PPR 2 was debating how to deal with large volumes of UCO carried as cargo, in another room a different group was debating how to deal with the far smaller volumes generated in the galleys on board ships. MARPOL Annex V states that used cooking oil should be disposed of to a shore reception facility or by incineration, but back in early 2013 the Marshall Islands had raised the possibility of disposal via the sludge tank, pointing out that Annex V does not explicitly prohibit this and disposal in this way would actually be meeting more stringent criteria than those in Annex V. Italy, when in the EU presidency, opposed this, stating that all disposal should be to a shore reception facility or by incineration, in accordance with MARPOL Annex V then submitted a proposal to PPR 2 for a unified interpretation of MARPOL Annex V stating that where no reception facility was available "a fuel blending of filtered

cooking oil is also considered an appropriate solution if performed according to technical instructions to be included in the Garbage Management Plan".

A number of delegations backed the view that disposal in this way is the most pragmatic and environmentally friendly solution, but in what proved to be a rather surreal debate a number of those who had opposed restrictions being placed on UCO cargo residue discharge criteria supported the coordinated European position that even minimal amounts of used cooking oil from ships' galleys should be retained onboard for disposal to shore facilities or incineration. The outcome was that no unified interpretation could be agreed and it was reaffirmed that *"the disposal of used cooking oil should comply with the requirements in MARPOL Annex V"*.

Carriage of High Viscosity and Persistent Floating Substances

This issue, first raised at the first session of the PPR Sub-Committee in early 2014, has not gone away, although it is over a year since there has been any discussion of it. PPR1 decided that in order to comply with the IMO's procedures it would be necessary for a formal proposal to be made to the MEPC before any sub-committee or working group could take the issue any further.

During the interim period an internal committee has been meeting in Germany to investigate the consequences of pollution incidents on German beaches, with its findings submitted as an information paper to the second session of the PPR Sub-Committee in January. The paper concentrated primarily on paraffin wax, but also made reference to other floating substances, recommending among other things *"a general ban on the discharge of floating substances such as Paraffin in the North and Baltic Sea"* and *"...a scientific reassessment of transported chemical products by the competent committees of the IMO...."* It further queries the appropriateness of the current prewash requirements and questions the interpretation of *"en route"* and the inclusion of *Regulation 4.1.3* in Annex II.

A group of 7 European countries has now submitted a paper to MEPC 68 which will meet in May this year, proposing that the issue be placed on the agenda for PPR 3 as a high priority item and outlining 7 items for further consideration:

- effectiveness of stripping requirements, taking into account clingage
- definition of solidifying substances
- definition for high viscosity substances

- the definition of "en route" for the purposes of discharge
- adequacy of pre-wash requirements
- availability/adequacy of reception facilities; and
- the utility and ongoing need for MARPOL Annex II, regulation 4.1.3.

Our understanding is that the co-sponsors' views on how to deal with these issues vary widely, but possible solutions could include one more of the following:

- Expanding the prewash requirements, possibly to include all products defined as "persistent floaters" in the GESAMP Composite List.
- An amendment to the definition of "high viscosity" in MARPOL Annex II to "...50 mPa at 20°C" instead of "...50mPa at discharge temperature
- Amending the definition of "en route" for the purposes of discharge of residues to prevent vessels from going out to discharge residues and then returning to the same port

All the above measures would be dependent on the availability of adequate reception facilities and since there are well over 150 products in the IBC code that are defined as "persistent floaters", including some very high volume products such as all the vegetable oils and animal fats, this would imply a serious commitment on the part of Member States and terminals.

There are undoubtedly some complex discussions to come, and we will keep members posted on what transpires.

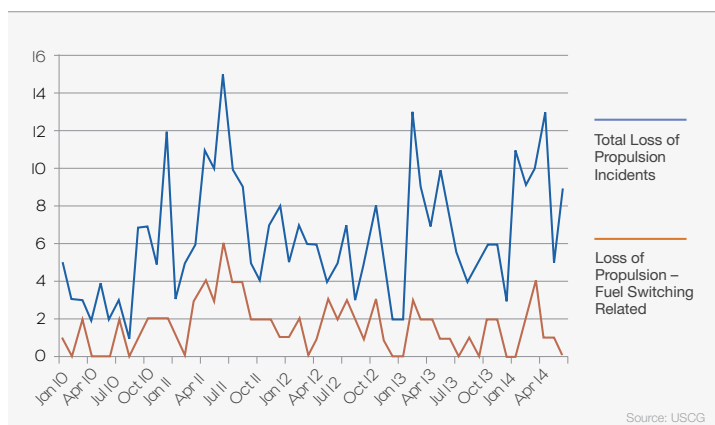
OPERATING IN ECA'S

The reduced sulphur limit in ECA's is now in force and vessels operating within ECA's must use fuel with no more than 0.1% sulphur. There was much speculation in the months leading up to the end of 2014 as to whether there would be enough compliant fuel to meet demand. We have received no reports of problems in this regard as yet, but it is still early days.

Challenges

Many of the oil majors are producing ultra low sulphur fuel oils that they claim will be compliant in ECA's, but given that they are largely untested most operators have indicated that they intend to rely on distillates for compliance at least for the foreseeable

future. Switching from heavy fuel to distillates brings with it a number of challenges, however, including the possibility of thermal shock, causing pumps to seize, or the formation of heavy sludge that could block filters, fuel injection pumps and injectors, and in some cases starve the engine of fuel. There has been speculation that we could see an increase in instances of loss and power and propulsion before crews are fully versed in changeover procedures, with many citing the experience of California, where the introduction of a requirement to switch to distillates reportedly led to a big spike in the number of cases of loss of propulsion in the early days and remains a significant factor in many such incidents.



There are anecdotal reports that some shipmasters, on switching to distillates at Falmouth, are saying that engines are sluggish, with main engines periodically failing to start. There is so far no evidence that these cases are definitely related to fuel switching operations, but the far heavier traffic density in European waters, together with the likelihood of more challenging weather conditions, means there is the potential for such incidents to have a far more serious outcome. Owners have been warned to make sure their crews fully understand the changeover procedure and the implications of getting it wrong, and Falmouth pilots are requesting masters to test engines prior to arrival and again during the pilotage.

ENFORCEMENT

There has been much talk about the need for strict enforcement of the new limits, not least from ship owners worried that they could find themselves at a commercial disadvantage if others get away with flouting the rules. The Environmental Protection Agency (EPA) in the United States has made clear the importance of ensuring that no-one feels that they can benefit from non-compliance and it is understood that they intend to play a more active role in collaborating with the Coast guard in ECA inspections and enforcement policies, including accompanying USCG Port State Control boarding parties on a random basis. Owners have been warned to expect heightened enforcement of the new limits during the first quarter of 2015, along with swift, public enforcement action for parties found to be in violation of the standard.

There has not yet been agreement at European level on actions to be taken to monitor compliance, but the expectation is that new EU rules will see member states being required to check on 10% of vessels calling in relevant ports per year, with PSC

officers reviewing ships' logbook and bunker delivery notes. It has been suggested that the new rules could require testing to be done of the fuel used on-board during at least 40% of these inspections.

The changeover to compliant fuel must take place prior to entering the ECA and Paris MOU Guidance instructs Port State Control Officers to check that there is a written procedure on board for effecting the changeover and that records demonstrate when the changeover took place. Where vessels are operating in low air or water temperatures the guidance further states that special attention should be paid to checking that pipelines are equipped with the appropriate heating facilities to ensure delivery of fuel to the machinery spaces and the written procedures take this into account. Evidence of non-compliance could lead to a detention, although it is not clear whether the authorities will take up the suggestion made by a senior advisor to the Danish Ecological Council that such detentions should be of ten days duration.

What if you can't source compliant fuel?

If it has not been possible to source compliant fuel without deviating from the intended route, the Master/Owner must provide evidence that all possible efforts were made to source the fuel, including names and addresses of suppliers contacted, dates, etc. P and I clubs recommend that the owner should be able to show that they have contacted every bunker supplier along the route from when voyage orders are received, the dates contacted, and the basis for knowledge that compliant fuel was not available. They should also show that in the absence of compliant fuel they have sourced the "next cleanest" fuel, in order to reduce emissions as far as possible and demonstrate that arrangements have been made to take on compliant fuel at the first port of call inside the ECA. It should be noted, however, that even if all these steps are taken and documented there is still no guarantee that the vessel will not be penalized. All the regulations provide for is that if a ship provides all the relevant information it should be taken into account in determining the appropriate action to take, which might include "not taking control measures".

One issue that it would appear has not been taken into account so far is that of the new ultra low sulphur fuels that many of the oil majors are producing, which we are given to understand are not compatible either with each other or with marine distillates. The question has been raised as to where an owner who has been relying on distillates for compliance will stand if he cannot source Marine Diesel or Gasoil but one of these ultra low sulphur

fuel oils is available. Will he be penalised for not stemming a fuel that would satisfy the ECA requirement but may not be compatible with what he already has on board? We have posed this question to the US Coast Guard, the Canadian authorities, the European Commission and a number of individual European countries, but none has so far been able to provide an answer.

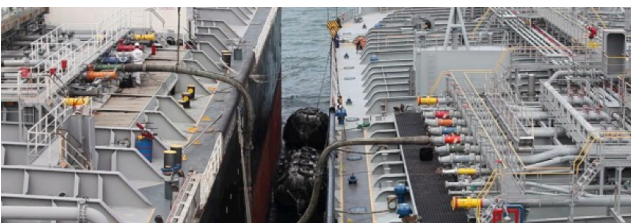
Measuring Sulphur Content

The International Bunker Industry Association (IBIA) submitted a paper to the PPR Sub-Committee pointing out the anomalies between the MARPOL requirement for fuel to have no more than 0.10% sulphur and ISO standard 4259 for the interpretation of test results. ISO 4259 takes into consideration inherent variations between laboratories and provides a statistically based approach that allows for a fuel to be considered to meet the limit if it does not exceed 0.11%. IBIA proposed that MARPOL Annex VI should be amended in line with this, in order to prevent ship operators from being penalized for what are statistically normal variations between laboratory test results, but the PPR Sub-Committee threw the paper out on procedural grounds.

The proposal from IBIA was a sensible one with which we fully concur, and we hope that they will be able to re-submit the paper for consideration at some future session. In the meantime we can only hope that port authorities will take into account the possibility of these absolutely normal variations in test results and pause before rushing to dish out penalties to ships.

Low Flashpoint Fuel

In recognizing that the sheer size of the ECA around their coasts could mean there might be problems in ensuring an adequate supply of compliant fuel, the US and Canada are looking to increase the availability by lowering the flashpoint limit for bunker fuel in SOLAS. With the sulphur limit in ECA's now at 0.10%, ships are competing directly with



automotive transport (and indeed rail transport and domestic heating) for fuel, but at something of disadvantage since the flashpoint limit under SOLAS is 60°C, while for road transport it is 52°C in the US and 55°C in Europe. At its ninety-fourth session in November 2014 the IMO's Maritime Safety Committee considered a proposal from the

United States and Canada for a new work programme item to lower the flashpoint for bunkers under SOLAS to 52°C in order to avoid ships being disadvantaged and allow them access to the same fuel as road transport.

Any measure that might increase the availability of fuel is naturally to be welcomed, but the issue is not necessarily as simple as it might appear. Many delegations emphasized that there must be a full safety assessment before agreeing to this and it was pointed out that the flashpoint limit under SOLAS had been set to ensure that there was a 10°C difference between the minimum limit and the heat that might be encountered in areas where the liquid is being handled. The Committee finally agreed to send the issue to the Sub-Committee on Ship Systems and Equipment (SSE) for further consideration, but with no prejudging of the outcome of the discussions. Papers submitted to SSE so far on this issue make it clear that if the measure were to be adopted, it must be on the basis of a full

review of the safety implications and the necessity for measures to mitigate the possibility of increased fire risks at fuel consumers such as boilers, fuel cells, marine diesel engines and incinerators.

Further issues that will have to be dealt with are the fact that most automotive fuels contain a percentage of FAME, which is considered toxic under both the IBC Code when the product is carried as cargo and ISO 8217, where there is currently an upper limit of 0.1% in most distillate grades; and the need for

consistency between requirements for products carried as bunkers and the same products carried as cargo. The flashpoint limit has been 60°C throughout SOLAS and the IBC Code for many years. If the decision is now taken to review this in respect of bunker fuels, then it will surely be necessary to do the same for cargo, or face the possibility of the anomalous situation where a product is considered “safe” when carried in a bunker tank but requires inertion when carried in a cargo tank.

Bunker Delivery Notes

Bunker Delivery Note

MARPOL Annex VI requires that the following information be included in the bunker delivery note provided to the receiving ship. There is no specific format for a bunker delivery note. Bunker suppliers may therefore use their own stationery provided that all the required information is included.

Name and IMO number of receiving ship _____

Port _____

Date of commencement of delivery _____

Name, address and telephone number of marine fuel oil supplier _____

Product name(s)	Quantity (metric tons)	Density at 15°C (kg/m ³) Fuel oil should be tested in accordance with ISO 3675	Sulphur content (% m/m) Fuel oil should be tested in accordance with ISO 8754

Declaration
I, the fuel oil supplier's representative hereby declare that the fuel oil supplied is in conformity with regulation 14(1) or (4)(a) and regulation 18(1) of MARPOL Annex VI.

Name _____ Signature _____ Date _____

It has been pointed out that while MARPOL Annex VI allows vessels to use alternative methods, such as scrubbers, to achieve compliance with the sulphur limits, the current format of the Bunker Delivery Note given in Appendix V of MARPOL Annex VI does not reflect this, in requiring the supplier to declare that the fuel meets the relevant sulphur limits set out in regulation 14 of MARPOL Annex VI. At PPR 2 it was agreed that Annex VI should be amended to reflect the fact that non-compliant fuel oil can continue to be supplied to a ship for use with an equivalent method. In the event, however, finding text to reflect this proved far more difficult than had been envisaged.

It was pointed out that the bunker supplier has no way of knowing how the fuel supplied will be used on a ship and therefore cannot declare that the fuel complies with regulation 14 of Annex VI if it exceeds the sulphur limits set out there. If no reference is made to regulation 14, however, the owner will have no come-back if he is not intending to use a scrubber and the sulphur content exceeds that stated in regulation 14. PPR ultimately did not manage to find a solution to this, and the issue will have to be given further consideration at a future session.

Bunker Quality Issues

While so many of the IMO member states are trying to wriggle out of taking any responsibility for the quality of the bunkers supplied their ports, Singapore continues to act as an example to them all in its efforts to ensure the safety, reliability and quality of its bunker supplies. The MPA has announced that as a result of ongoing routine regulatory checks two further bunker suppliers have had their licences revoked. Three separate investigations into the two companies revealed discrepancies and wrongful declarations in the records kept on board their bunker tankers, as well as incidences of transfers of bunkers between bunker tankers carried out without the approval of the MPA. The companies in question are therefore no longer allowed to act as bunker craft operators in the port of Singapore.

In the meantime an IPTA member has reported a

further incidence of a delivery of bad bunkers that had the potential for catastrophic consequences. On this occasion the supply was made in Houston and the low viscosity of the fuel suggested that shale oil might have been added as a cutter stock. Shale oil is cheap and lowers the cost for refiners/suppliers but it can cause fuel to become unstable over time, adds acidity, and affects ignition and combustion properties. The fuel also contained chemicals that caused problems with the main and auxiliary engines. The vessel was forced to divert and make an unscheduled port stop to arrange repairs.

On this occasion disaster was averted since the vessel was lucky enough to be able to get to a port. Other vessels may not be so lucky and we can only wonder what it is going to take for governments to finally sit up and take notice.



Ballast Water Management

The status of the Ballast Water Management Convention remains on a knife-edge, with 44 countries representing 32.8% of world tonnage having ratified. It will only take one reasonably sized Flag state ratifying to bring the convention into force. With MEPC 67 having finally taken on board the concerns that have been voiced for some time by the industry and agreed to a review of the guidelines for approving ballast water management systems, it has been suggested that the final obstacle to ratification has now been removed. When the International Chamber of Shipping announced that it had modified its stance and would “no longer actively discourage those governments that have not yet done so from ratifying the Convention” this was interpreted by some as a general endorsement by the shipping industry of further ratifications and was, indeed, quoted by the IMO Secretary General in a speech urging member states who have not yet ratified the Convention to do so with some urgency.

The issue is by no means settled, however, and it is our view that before endorsing such a view, we should at least see the outcome of the review and have some guarantees that so-called “early adopters” who have installed type-approved systems in good faith will not be penalised if those systems are found not to be performing as they are supposed to. While the resolution on the review of the type approval standards states that

“...shipowners that have installed type-approved ballast water management systems prior to the application of the revised Guidelines (G8), should not be penalized”, there were many at MEPC who were of the opinion that this statement should be qualified by a time limit or a phrase such as “providing the equipment works”. This would clearly be unacceptable to owners who have invested considerable sums in good faith and surely have the right to expect that the equipment installed, if properly operated, will meet the vessel’s regulatory obligation for the life of the vessel.

There is also the question of the disconnect between application in the US and application globally and the fact that the US has so far not type-approved any systems. If the Ballast Water Management Convention enters into force before U.S. type-approved technology is commercially available and before the IMO’s type approval guidelines are amended, owners could find themselves obliged to install IMO type-approved technology that may not reliably meet the Convention’s discharge standard and that may not be acceptable in the U.S.

These issues should give any government considering ratification pause for thought, and we would hope that they will wait until there is some sign of them being resolved. After all, as the Secretary General of the World Shipping Council remarked recently, *“What nation wants to trigger a requirement on the industry to invest tens of billions of dollars in treatment technology if that investment does not offer the vessels certainty that they can trade anywhere in global commerce with regulatory confidence?”*

POLAR CODE

The MSC has now adopted the International Code for Ships Operating in Polar Waters and amendments to SOLAS that will mandate compliance with it. The Code still needs to be adopted by the Marine Environment Protection Committee when it meets in May this year and is expected to enter into force on 1 January 2017. Existing ships will have to comply by the first intermediate or renewal survey, whichever occurs first, after 1 January 2018.

The Code is intended to cover all safety and environmental protection issues associated with navigation in waters surrounding the two poles and sets out goals and functional requirements with regard to matters such as ship structure and



machinery installation; stability and subdivision; watertight and weathertight integrity; operational and navigational safety and prevention of pollution. Ships intending to operate in polar waters will be required to have a Polar Ship Certificate that will define them as category A, B or C, depending on the severity of the conditions in which they intend to operate and a Polar Water Operational Manual containing information on the ship’s operational capabilities and limitations in respect of navigation in such areas.

Inerting of Cargoes requiring Oxygen-Dependent Inhibitors

When it met in January the PPR Sub-Committee cleared up the last remaining outstanding issue in relation the new regulations requiring inert gas to be applied to new chemical tankers carrying low flash products. It had been recognized that products that require oxygen-dependent inhibitors present a special case and the revisions to the IBC Code include a requirement for tanks containing products with such inhibitors to be inerted only for discharge and tank cleaning. Certain chemical manufacturers, however, had rather belatedly expressed concern that some low flash cargoes requiring oxygen-dependent inhibitors, most notably a number of Acrylates, need the oxygen content in the vapour space in the tank to be no lower than 5% throughout the loading, voyage and unloading of the tank in order to prevent polymerisation. They warned that the effects of polymerisation can lead to heat and vapour generation and pressure build up and uncontrolled polymerisation can be explosive in nature. Since alternative non-oxygen-dependent inhibitors cannot be used for these products without rendering them useless for commercial considerations, a solution had to be found to allow them to be carried without

violating the new SOLAS regulations. The SOLAS amendments have already been adopted and cannot be changed until the new regulations enter into force, so the PPR Sub-Committee agreed that the best way to deal with this situation was by a unified interpretation. The text below was accordingly developed:

DRAFT UNIFIED INTERPRETATIONS OF SOLAS AND THE IBC CODE

SOLAS II-2/16.3.3.2 and 16.3.3.3 – Operation of Inert Gas system

IBC Code, paragraph 15.13.5 – When a product containing an oxygen-dependent inhibitor is to be carried

Interpretation

When a product containing an oxygen-dependent inhibitor is carried on a ship for which inerting is required under SOLAS regulation II-2, the inert gas system shall be operated as required to maintain the oxygen level in the vapour space of the tank at or above the minimum level of oxygen required under paragraph 15.13 of the IBC Code and as specified in the Certificate of Protection.

List 3

AP 13246
C5 Raffinate
EC1602A
EC6671A
Gytron SD250
Gytron SD250 in KCl solution
Lubrizol 16005
Lubrizol CV2301
Lubrizol CV6503
Lubrizol CV7050
Optimise G10
Propanol 98
SAFETHERM EG
Secure SC2020
SOLVTREAT 12093

Tripartite Agreements due to Expire

List 1

Methyl cyclopentane
Parachlorobenzotrifluoride
Salt of polyamino carboxylic acid (70% or less) in KCl Brine Solution (4% or less)

List 4

MCP Solvent

When tripartite agreements are submitted to the IMO the products in question can remain in the MEPC.2/Circ. for up to three years, during which time data must be provided to allow for a full evaluation of the product to take place. If the data is not provided during that time the product will be removed from the Circular at the end of three years. The products on the left will be removed (meaning that they can no longer be carried) at the end of this year unless data is provided to GESAMP within the next few months. If any member is routinely carrying any of these products we would suggest that they contact their shippers and ask them to provide data to GESAMP as a matter of urgency.

CDI

8th edition of the Ship Inspection Report

The release of the 8th edition of the CDI Ship Inspection Report is expected imminently. As previously reported, the scheme for computer testing of ships' crews during inspections has been abandoned in the new edition but will be replaced by more robust questioning and a requirement for documentary evidence of audits for in-house officer training programs. Another significant change is that all ships will be eligible for Self Inspection from their first inspection, with the facility to email the results to the inspector prior to the inspection. The time period for owners' comments is to be reduced from 42 days to 14 days, and the inspectors are to be allowed to view the comments in respect of their

own inspections. We are assured that this is for "learning" purposes only and there is no question of any dialogue being entered into.

Harmonised Crew Matrix

In the meantime, as from 12 January there have been some changes to the CDI/OCIMF Harmonised Crew Matrix, including an additional question regarding number of years as a watch keeping officer, the addition of a new rank of "Junior/Assistant Officer" and the replacement of the STCW V categories by "Advanced", "Basic" and "N/A."



As of August 2014 there is a new regulation in force in China in respect of international transportation which raises the possibility of many more shipping companies being exposed to tax liabilities within China. The tax rates have also been significantly increased.

Tax will now be levied on the total income derived from the transportation of cargoes both into and out of Chinese ports by non-resident foreign enterprises using either their own or chartered vessels. "Non-resident enterprise" is defined in this context as an enterprise incorporated outside China in accordance with foreign laws, whether or not it has offices or branches in China. Non-resident taxpayer enterprises must register with the Chinese tax authority within 30 days after signing the transportation agreement or obtaining their business licenses in China. Taxable income is calculated as total actual income (including freight and surcharges) less reasonable deductible expenses. If the non-resident enterprise does not declare its taxable income to the Chinese authorities they will use an estimated taxable income as the basis for calculating the tax, applying a profit rate of no less than 15% of total actual income.

It may be possible to apply for an exemption if a tax treaty exists between China and the country the company is registered in. In this case the company must file an application to the Chinese tax authority with supporting documents to prove business registration in the home state, the relevant transportation agreements to which they are party and any other necessary documents to prove its entitlement to the benefits under the tax treaties as required by the Chinese tax authority.

Shipowners and operators who have offices or

China: new tax on non-resident international transport enterprises

branches in China will need to conduct a compliance check and register with the Chinese tax authority and comply with the enterprise income tax payment requirement under Chinese law. Those foreign shipowners/operators who have no offices or branches in China may need to consider and negotiate carefully the withholding tax provisions in their contracts with Chinese counterparties to ensure that withholding tax is deducted properly.

Customs Fines in Turkish Ports



For some time IPTA members have complained of excessive fines being imposed in Turkish ports in respect of discrepancies between ship outturn figures and amounts as per B/L. An IPTA member based in Istanbul passed on for the benefit of other members a summary of the situation provided to them by a Turkish P and I agent.

According to their explanation, where the relevant article of the Turkish Customs Code used to prescribe that in the case of discrepancies a fine would be imposed in respect of the amount of the discrepancy "at an amount equaled to customs duty under their tariff classification", it has now been amended to read "at an amount equaled to customs *duties* under their tariff classification. This means that VAT, Private Consumption Tax (PCT) and any other relevant local taxes will be charged on top of the customs duty (calculated according to level of the discrepancy and the tariff classification of the cargo). In many cases this can increase the rate of the fine tenfold.

A challenge was made in respect of the application of the PCT in such cases and it appeared for a while that it had been accepted that this is not a valid application of this tax. We have now been informed, however, that this has been overturned and Turkish Customs will continue to levy fines based on all taxes. We understand that Turkish shipping interests are taking the fight further, and will report back as soon as we hear any more news.

Diary Dates

17/18 March IPTA/Navigate Chemical and Product Tanker Conference
Grange City Hotel, London



19 March Spring General Meeting
The Naval Club, London

We look forward to seeing members in London in March!