Wreck Removal: Liability and Compulsory Insurance for the locating, marking and removing of wrecks

Notice to all ship owners, operators, managers, masters and insurers of sea going vessels over 300 GT

This MIN expires 31 January 2016

Summary

This notice is to inform affected parties of the coming into force of the Nairobi International Convention on the removal of Wrecks 2007 (the Wrecks Convention) which will enter into force internationally on the 14 April 2015.

The Wrecks Convention requires the registered owner of any seagoing vessel of 300 GT and over to maintain insurance or other financial security to cover the costs of locating, marking and removing of wrecks. Any seagoing vessel of 300 GT and over is required to carry a certificate issued by a state party to the convention attesting that the necessary insurance is in place.

This Marine Information Note provides information that should help ensure that UK registered vessels, and vessels not registered in states party to the convention calling at UK ports or offshore facilities ensure they have the necessary certification in place for 14 April 2015.

1. Introduction


1.2 The Wrecks Convention provides the legal basis for States to remove, or have removed, shipwrecks that may have the potential to affect adversely the safety of lives, goods and property at sea, as well as the marine environment, from their exclusive economic zone. It also includes a clause allowing States to extend certain provisions of the convention to their territorial sea.
1.3 The convention introduces requirements regarding the reporting, locating, marking, and, when deemed necessary, the removal of wrecks within the Convention area of a Wrecks Convention state.

1.4 Owners of vessels are required by the Wrecks Convention to maintain insurance or other financial security to cover the costs of locating, marking and removal of the wreck up to the limits set out in the Convention on Limitation of Liability for Marine Claims 1976, as amended.

1.5 Vessels are required to carry evidence of this insurance in the form of a certificate issued by a State party to the Wrecks Convention, confirming that insurance meeting the requirements of the convention is in place.

2. Scope

2.1 The convention applies to ships with a gross tonnage (GT) of 300GT or over, where a ship means a seagoing vessel of any type whatsoever and includes hydrofoil boats, air-cushion vehicles, submersibles, floating craft and floating platforms, except when such platforms are on location involved in the exploration, exploitation or production of seabed mineral resources.

2.2 A vessel’s gross tonnage will be taken from a vessel’s International Tonnage Certificate 1969 (ITC ’69) where available. For vessels which are not required to have an ITC ’69 certificate, the MCA propose to use a simplified tonnage measurement calculation to establish whether a vessel is within scope of the convention or not. Please see Annex 1 for details.

2.3 The convention applies within the exclusive economic zone of a State Party, or if a State Party has not established such a zone, an area beyond and adjacent to the territorial sea of that State determined by that State in accordance with international law and extending not more than 200 nautical miles from the baselines from which the breadth of the nautical sea is measured.

2.4 Further to the above, a State Party may extend the application of this Convention to wrecks located within its’ territory, including the territorial sea.

2.5 The United Kingdom has extended the application of the convention to include the UK, its territorial sea area and Exclusive Economic Zone (EEZ) as described in the Merchant Shipping (United Kingdom Wreck Convention Area) Order 2015.

3. Insurance Certification

3.1 Owners of vessels over 300GT seeking to obtain a State Certificate from the MCA in the UK attesting that they have adequate insurance in place will be required to provide evidence of their civil liability insurance cover. The scope and amount of cover must be equal to that required by article 6(1)(b) of the Convention on Limitation of Liability for Maritime Claims, 1976, as amended.

3.2 If a vessel is registered in a State Party (other than the UK), a State Certificate issued by or under the authority of the Government of that other State Party is required. If the vessel is registered in a country which is not a State Party, a State Certificate issued by the MCA or under the authority of any other State Party will be required.

3.3 The MCA will issue State Certificates to UK-flagged vessels attesting that appropriate insurance is in place. The MCA may also issue certificates to vessels registered in a country which is not a State Party, provided the MCA is satisfied that the appropriate level of insurance cover is in place.
3.4 Certificates will be issued according to the commencement and expiry date stipulated on the blue card or financial guarantee provided by the insurer or other provider of financial security. Under no circumstances will certificates be issued for periods greater than 12 months commencing at any point in the calendar year.

3.5 Shipowners are strongly encouraged to approach the MCA in good time to ensure that applications can be processed in a timely manner. It can take up to 10 working days to issue a certificate, calculated from the date that a complete application is received by the MCA. Applications must be accompanied by the following supporting documentation:

- An application containing the required details of the vessel(s) that require certification, using either MSF 3241 (for applications via email) or MSF 3233 Rev 10/14 (for applications via post), and;

- Suitable evidence of insurance meeting the requirements of the Wreck Removal Convention, e.g. a “Blue Card” from a P&I Club, and;

- The appropriate fee: the cost of each certificate is £31 to which must be added additional courier costs of £25 per application where this service is requested. (These fees are correct at the time of publication and may be subject to change).

- Where a vessel does not hold an ITC 69' Certificate, please include evidence of the vessel’s tonnage, as per Annex 1.

3.6 For further information, or to request an application form, please contact the Technical Support Team using the contact details below.
Annex 1 - Tonnage for wreck convention purposes

Explanation of the issue and tonnage calculation

Given that the Wreck Removal Convention applies to vessels of 300GT and above and, unlike previous conventions, applies to vessels which are on domestic voyages as well as international voyages, it is considered possible that ships that are not required to hold an International Tonnage Convention 1969 (ITC ’69) certificates may still fall within scope of the convention by virtue of being over 300GT.

The definition of ship given in the Nairobi Wreck Removal Convention 2007 (NWRC 2007) is given below.

“Ship” means a seagoing vessel of any type whatsoever and includes hydrofoil boats, air-cushion vehicles, submersibles, floating craft and floating platforms, except when such platforms are on location engaged in the exploration, exploitation or production of seabed mineral resources.

Gross tonnage of a vessel over 24m is calculated according to the formula below:

\[ GT = K_1 V \]

where -

\[ V = \text{total volume of all enclosed spaces} \]

\[ K_1 = 0.2 + 0.02 \log_{10} V \]

Statutory Instrument 1997 / 1510 contains details as to what constitutes an enclosed space.

An enclosed volume of between 1148m³ and 1149m³ results in a gross tonnage of 300, which is the threshold for requiring a liability certificate for the purposes of the wreck convention. A Gross Tonnage figure is required for two reasons:

- To determine if the vessel is under the 300GT threshold for requiring an indemnity certificate
- If over the 300GT figure to obtain a gross tonnage figure to be recorded on the indemnity certificate.

In order to avoid carrying out unnecessary calculations on vessels well below the 300GT threshold it is proposed that, prior to performing the gross tonnage calculation as detailed above, a simple check should be carried out to determine an estimated figure for the enclosed volume and hence determine if further calculation is necessary.

To perform the check the hull and superstructure should be approximated to a series of ‘boxes’ by effectively drawing lines enclosing the extreme parameters. The total volume of the boxes should then be calculated, if this is less than 1148m³ then it can be assumed that the vessel is under 300GT and no further work is required. If the resultant volume exceeds 1148m³ then a gross tonnage calculation should be performed. The outcome of the check should be submitted to the MCA as proof of being under 300GT and a record of the calculation kept.

Vessels of less than 24m in length should normally be measured under the simplified tonnage regime, but for the purposes of the wreck convention the ITC ’69 method should be used if a tonnage measurement is required.
It is considered unlikely this would affect other small craft that may already be in possession of a valid tonnage certificate under the simplified tonnage regime because the L/B ratio required to get to 300GT while still being under 24m is thought to be low enough to preclude conventional vessels.

Hovercraft

It is noted that because of the particular design type of the hovercraft hullform it is theoretically possible for a hovercraft of less than 24m in length to have a calculated gross tonnage of greater than 300GT. However, when carrying out a tonnage calculation for a hovercraft the area under the skirt should not be included as an enclosed space as it is open to the sea.