



The Shipowners' Protection Limited
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Managers of
**The Shipowners' Mutual Protection and
Indemnity Association (Luxembourg)**

TO ALL MEMBERS

December 2011

Dear Sirs,

DIRECTIVE 2009/20/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 23 APRIL 2009 ON THE INSURANCE OF SHIPOWNERS FOR MARITIME CLAIMS ("INSURANCE DIRECTIVE")

Members have previously been advised that EU Member States are required to bring into force the laws, regulations and administrative provisions necessary to comply with the EU Insurance Directive before 1st January 2012.

The Insurance Directive requires shipowners of ships having a gross tonnage (gt) of 300 or greater to maintain insurance to cover maritime claims subject to limitation under the Protocol of 1996 to Amend the International Convention on Limitation of Liability for Maritime Claims (LLMC Protocol) and up to the relevant maximum limits laid down in it. The Directive requires that this cover is evidenced by a certificate or certificates of insurance when entering an EU port, or flying the flag of a Member State.

'Insurance' is defined in the Directive itself as 'insurance with or without deductibles, and comprises, for example, indemnity insurance of the type currently provided by members of the International Group of P&I Clubs, and other effective forms of insurance (including proved self insurance) and financial security offering similar conditions of cover.'

The IG has liaised with each EU Member State to determine whether they will accept an IG Club issued certificate of entry as evidence of compliance with the Directive for both Port State and Flag State purposes.

The Directive requires that the certificates issued by the insurance provider shall include the following information:

- (a) name of ship, its IMO number, and port of registry;
- (b) shipowner's name and principal place of business;
- (c) type and duration of the insurance;
- (d) name and principal place of business of the provider of the insurance and, where appropriate, the place of business where the insurance is established.

Please note not all of the above information is contained in our Certificates of Entry and you will need to apply for an additional document as explained on the following pages.

A significant number of EU Member States have indicated that they will accept a standard IG Club issued P&I Certificate of Entry carried on board ships of 300gt or more as evidence that the necessary insurance cover is in place under the Directive.

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However, the IG understands that some EU Member States will not meet the 1st January 2012 transposition deadline and will not, therefore, be in a position to enforce the Directive on this date. The IG is continuing discussions with these EU Member States to ensure that they follow the same approach as those States that will meet the transposition date and that the Directive is implemented in a uniform manner across the EU.

The Directive defines the 'shipowner' as the registered owner of a seagoing ship, or any other person such as the bareboat charterer who is responsible for the operation of the ship. To ensure consistency with the approach taken by the IG Clubs with the financial guarantee certificates (the blue cards) issued for the purposes of the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001 (the Bunkers Convention), the IG Clubs will insert the address of the registered office of the registered owner as the relevant address where this has already been obtained for the Bunkers Convention blue cards.

Issue of Evidence of Insurance

To comply with Article 6 of the EU Directive, the evidence of insurance will need to state the above information and the EU certificates will only be issued in the name of the Registered owner. They will not be issued in the name of the operators, managers or bareboat charterers. Notwithstanding the fact that some EU Member States will not meet the 1st January 2012 transposition deadline we suggest all Members obtain the compliant documents as soon as possible using the application process below.

Data collection for preparation of EU Certificates

In view of the large numbers of certificates that will need to be produced in a short time we have set up a simple web-based system to expedite the handling of applications.

Procedure for applying for a Bunker Blue Card from Shipowners

Applications can be submitted through our dedicated website using the following Hyperlink: <http://www.shipownersbluecards.com>

Applications can only be made in the name of the Registered Owner. EU Certificates cannot be issued in the name of the manager, operator, bareboat charterer etc. Therefore the applicant must either be the Owner, or have the authority of the Owner to progress the application.

We only hold some of the information required for EU Certificates in our files, any information that we do not already hold will need to be input as part of the on-line application process. Before starting the application process, please ensure that you have all the necessary information available.

To start the application process you must enter two reference numbers found on the Club's Certificate of Entry onto the first screen. These are:

Member Number: This is the Club's Member Reference Number and is shown on the Certificate of Entry adjacent to the Member name.

Vessel Number: This is the Club's Vessel Reference Number shown on the Certificate of Entry adjacent to the vessel name.

The combination of these numbers will allow you to access the on-line application form. You will then have to insert the information required on the second, and final screen. Some fields may already be pre-populated with information we currently hold on file. Please note that it is not possible to change

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any information already held by us via the website. If any pre-populated details are incorrect you should e-mail details of any necessary changes to your broker or the Managers in London at tradingcerts@shipowners.co.uk

The IG will continue to liaise with those EU Member States that will not meet the 1st January 2012 transposition deadline to determine exactly when they will give effect to the Directive.

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

If you have any questions, please contact the Managers in London.

Yours faithfully,

THE SHIPOWNERS' PROTECTION LIMITED

(As Managers)

For and on behalf of The Shipowners' Mutual Protection and Indemnity Association (Luxembourg)

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