



CHINA RE

华泰保险经纪有限公司

HUATAI INSURANCE AGENCY & CONSULTANT SERVICE LTD.

Circular Ref No.:PNI1806

Date: 17 April 2018

Dear Sir or Madam

Subject: China MSA Implements Special Safety Inspection for Ships Entering Qingdao Water Areas from April 20th 2018 to Mid-June 2018

According to the “Notice of China MSA on Implementation of Special Safety Inspection for Ships Entering Qingdao Water Areas Recently”, the maritime safety administrations will soon carry out special safety inspection for ships entering Qingdao water areas from 20.04.2018. We hereby summarized key points of this notice as below for Owner’s reference.

Applicable period and water areas

1. Applicable period

According to the notice, from 20.04.2018 to mid-June 2018 (accurate date to be confirmed), ships of Chinese nationality that intend to enter Qingdao water areas for navigation, berthing, and operation should submit special information report to MSA and apply for special safety inspection.

From 20.05.2018 to mid-June 2018 (accurate date to be confirmed), ships of foreign nationality that intend to enter Qingdao water areas for navigation, berthing, and operation should submit special information report to MSA and special security inspection in conjunction with PSC inspection shall be conducted to ships by MSA.

2. Applicable water areas

Water areas that under maritime administrative jurisdictions of Qingdao

Qianwan MSA, Huangdao MSA, Dagang MSA, Qianhai MSA and Laoshan MSA.

Special safety inspection on ships of Chinese nationality

1. Ships of Chinese nationality that already enter or intend to enter Qingdao water areas for navigation, berthing, and operation should apply to local MSA for special safety inspection. If the former port is an overseas port, the application of special safety inspection should be submitted when handling port entry formalities.
2. The main contents of special safety inspection include but not limited to: AIS equipment, chart and navigation publications, ship's communication equipment, power equipment, steering equipment, persons onboard, dangerous goods carried onboard, "low-slow and small aircraft" and etc.
3. Self-inspection on whether there is any "low-slow and small aircraft" carried by ship or crew member is required. The said aircraft is prohibited to bring in Qingdao and if it is found on board, the local authority shall require the ship side to dispose the aircraft locally and immediately. If there is practical difficulty on disposal the aircraft locally and ship side presents objective evidence that the aircraft should be brought in Qingdao, an application with type, quantity, module, sealing measure and warranty of not using the aircraft inside Qingdao water areas should be submitted to local authority for approval.

Please be advised that "low-slow and small aircraft" mentioned in this notice refers to: light/ultra light aircraft (including light/ultra light helicopter), glider, delta wing, powered hang glider, manned balloon, airship, paraglider, powered glider, unmanned aerial vehicle, aero model, Unmanned automatic balloon and captive balloon.

4. If any of the following circumstances occurs, the local MSA shall conduct re-inspection to ship: ordinary or higher level accidents; malfunction of major navigational equipment and anti-pollution equipment; change of crew information.

Special security inspection on ships of foreign nationality

1. For ships of foreign flags that intend to enter the water areas under control of Qingdao from a domestic port, the special security inspection shall be conducted by the local MSA of the previous port of call. The

special security inspection shall be carried out by Shandong MSA if the ship calls Qingdao directly from an overseas port.

2. The main contents of special security inspection include but not limited to the following: ship's security certificates, security records, continuous summary records, control measures of ladder, control of boarding persons and belongings, marking and control measure of restricted area on board and etc. The special security inspection shall be conducted in accordance with relevant ship security records on boarding persons' information, whether there is any "low-slow and small aircraft" carried by ship or the crew member and whether the ships' security guard is familiar with the corresponding measures for different security levels. The inspection and disposal of "low-slow and small aircraft" is same as the requirement of special safety inspection.

3. If any of the following circumstances occurs, the local MSA shall conduct re-inspection to ship: ordinary or higher level accidents; malfunction of major navigational equipment and anti-pollution equipment; changes of crew information.

Special information report

1. Ships of Chinese flags that intend to enter Qingdao water areas as next port of call from a domestic port should submit the "Specific Safety Inspection Items List" and "Boarding Persons Information Report Form" with special safety inspection stamp to local MSA when handling departure formalities. The "Ship Information Report Form" and "Boarding Persons Information Report Form" which signed and confirmed by master should also be submitted. If ships of Chinese flags intend to enter Qingdao water areas directly from an overseas port, the above documentation should be submitted when handling port entry formalities.

2. Ships of foreign flags that intend to enter Qingdao water areas from a domestic port should submit the "Ship Information Report Form", the list of boarding persons and the copy of "Ship Security Special Inspection Report (PSC Inspection Report)" when handling departure formalities. If ships of foreign flags intend to enter Qingdao water areas directly from an overseas port, the above documentation should be submitted when handling port entry formalities.

3. If ships' next port of call changes to Qingdao water areas after leaving the port due to operational needs, the "Ship Information Report Form"

and “Boarding Persons Information Report Form” shall be submitted to the nearest maritime safety administration before entering.

Other requirements

1. A self-inspection should be conducted by owner or operator of ships with Chinese flags that intend to enter Qingdao water areas for navigation, berthing, and operation in order to discover and correct existing flaws.
2. Ships should ensure that the onboard AIS remains open and relevant information should be input accurately. A smooth communication should also be maintained by ship side. Ships with AIS or VHF equipment uninstalled or damaged are prohibited to enter Qingdao water areas. If AIS or VHF equipment is found damaged after entering Qingdao water areas, this situation should be immediately report to local maritime safety administration.
3. Excluding emergency circumstances for ensuring safety of ship and salvage of life, dinghies that onboard ship including manned buoys, work boats, survival craft, rescue boats, submersibles, unmanned boats and etc., are not allowed to be launched in Qingdao water areas during the applicable period. If it is necessary to launch the aforementioned dinghies, an advanced approval from local MSA should be obtained by ship side.
4. Ships should report relevant information truthfully and be responsible for the integrity and authenticity of the submitted materials which shall be examined by local MSA strictly. For ships that depart from port without authorization, the local MSA will immediately notify the relevant authorities and take necessary disciplinary actions. Ships that refuse to accept or obstruct safety inspection conducted by local MSA are subject to punishment in accordance with relevant regulations.
5. If the following circumstances occurs, onsite inspection shall be conducted by local MSA and correctness is required before departure: in the absence of port entry/exit report or formalities; in the absence of special safety inspection; no correctness of flaws on “Specific Safety Inspection Items List” but passes review; the persons onboard is inconsistent with “Boarding Persons Information Report Form”; “Ship Information Report Form” is not in conformity with actual situation of ship.

Given the above, owners/charterers are suggested to take note of the above requirement before entering Qingdao water areas from 20.04.2018

to mid-June 2018 to ensure satisfaction of relevant requirements and to avoid any delay or penalty to the ship.

Hope the above is of assistance. Any query, please contact our Qingdao office directly as per below contacts:

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Best regards

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Yu Limin

President