



Client Alert 28-2018
December 27, 2018
US Federal Government Shutdown
affects processing of USCG COFRs

As you may be aware, due to a dispute within the US Federal Government over the allocation of funds in a spending bill, there has been a partial shutdown of several Federal Government functions effective as of midnight on Friday, December 21st. It is unknown as to how long this shutdown will last, but it will be at least until after the New Year.

Unfortunately the shutdown has affected the USCG's ability to process USCG COFR (Certificate of Financial Responsibility) applications. In this respect the USCG has advised ECM as follows:

QUOTE

At this time, no applications or renewals are being processed. Applications and guaranties should still be submitted in the event that we receive an enforcement query. The limited resources available to us will be directed toward supporting the USCG personnel in the field as well as maintaining the accuracy of outstanding COFRs (i.e.-cancellations or reinstatements). We are aware of the potential disruption should this funding hiatus go on for more than a few days but, as the situation is not under our control, we can offer no guidance or reassurances.

UNQUOTE

Since the USCG was already taking as long as 14 to 21 days to issue a new USCG COFR prior to the shutdown, ECM expects that even after the shutdown is ended, there will be yet further delays in processing COFRs.

At this time, if your vessel is intending to call the US from now until at least the end of January 2019 that you ensure your current USCG COFR is valid as well as your COFR guaranty. If your COFR or COFR guaranty is close to expiry, we suggest it be renewed as soon as possible.

As far as we know, the shutdown is not affecting the issuance of ICBs (International Carrier Bonds) by CBP (Customs and Border Protection) or the issuance of USCG approval letters for VRPs (Vessel Response Plans), but if this changes, we shall let you know.

As always, if you have any questions, please do not hesitate to contact ECM at ecm@ecmmaritime.com.

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