Marine Notice 04/2019

Implementation of the 1 January 2020 low sulphur fuel requirement

Purpose

The purpose of this Marine Notice is to remind vessel owners, operators, masters and fuel oil suppliers of the global implementation of the International Convention for the Prevention of Pollution from Ships (MARPOL) Annex VI sulphur limit of 0.50 mass per cent concentration (m/m) in fuel oil from 1 January 2020, and to advise on Australia's approach to compliance.

This notice is issued as general guidance only and should be read in conjunction with MARPOL Annex VI and associated guidelines, relevant Acts, and Marine orders.

Implementation of the 0.50 per cent m/m sulphur limit from 1 January 2020

From 1 January 2020, the sulphur content of fuel oil used on board vessels for propulsion or operation must not exceed 0.50 per cent m/m, unless the vessel uses an approved measure that achieves an equivalent air quality outcome.

Ship owners and operators, therefore, have three options to comply with the 0.50 per cent m/m fuel oil sulphur limit:

- a) use of fuel oil with a sulphur content not exceeding 0.50 per cent m/m, or
- use of alternative fuels that have a sulphur content of 0.50 per cent m/m or less, or

c) use of an exhaust gas cleaning system (EGCS), approved and operated in accordance with International Maritime Organization (IMO) requirements.¹

Ship owners and operators should refer to Marine Notice 05/2019 for a summary of requirements relating to the use of EGCS in Australian waters.

The sulphur content of fuel oil used on board vessels operating in an Emission Control Area (ECA) will not change from 1 January 2020 and must not exceed 0.10 per cent m/m.²

Carriage ban on non-compliant fuel from 1 March 2020

In addition to the 1 January 2020 requirement, vessels will be prohibited from carrying fuel oil with a sulphur content of more than 0.50 per cent m/m from 1 March 2020—unless an EGCS is fitted.

This requirement is an additional measure to support consistent implementation of the 1 January 2020 sulphur fuel oil limit, and provides a means for effective enforcement by port and flag States.

The requirement does not change in any way the entry into force date of the 0.50 per cent m/m limit from 1 January 2020 (ie non-compliant fuel may be carried on board the vessel between 1 January and 1 March 2020, but it cannot be used unless in conjunction with an EGCS.

Refer to resolution MEPC.259(68) for further information.

A list of IMO designated ECA's is provided in Regulation 14.3 of MARPOL Annex VI.

Carrying non-compliant fuel on board from 1 March 2020, based on plans to use that fuel in the future after the fitment of an EGCS is not acceptable. Where this is found, port State control action should be expected.

Fuel Oil Non-Availability Reports (FONAR)

Where compliant fuel oil cannot be obtained, despite best efforts, the master or owner must immediately notify the vessel's flag State Administration and the Competent Authority of the vessel's next port of destination.

This notification, commonly referred to as a Fuel Oil Non-Availability Report (FONAR), must be submitted as soon as the person responsible for procuring fuel becomes aware that compliant fuel cannot be sourced.

The FONAR must include evidence³ of actions taken to obtain compliant fuel oil and show that, despite best efforts to obtain compliant fuel oil, no such fuel oil was available. Best efforts to obtain compliant fuel oil include, but are not limited to, investigating alternative sources of fuel oil before commencing the voyage and effectively planning to source fuel before arrival at the intended port of destination.

When a FONAR is submitted, the master and operator of the vessel should have a plan on what contingency measures or actions will be taken to bring the vessel into compliance. If non-compliant fuel is bunkered, only enough non-compliant fuel should be bunkered to facilitate arrival at the next port where compliant fuel can be taken on board.

Where a FONAR is relied upon, a copy must be retained on board the vessel for inspection by Port State Control Officers (PSCO's) for at least 36 months.

AMSA has approved the FONAR format contained in Appendix 1 of the 2019 Guidelines for consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI (resolution MEPC.320(74)).

A FONAR template is available on the AMSA website for use for all vessels unable to obtain sulphur compliant fuel oil where the next port of destination is an Australian port. The FONAR must be sent to the Australian Competent Authority, with the vessel name included in the email title, at FONAR @amsa.gov.au.

For Australian flagged vessels unable to obtain compliant fuel oil where the next port of destination is <u>not</u> an Australian port, please use the FONAR template provided by the next port of destination. A copy of this FONAR must be sent to the Australian Competent Authority by email, with the vessel name included in the email title, to FONAR@amsa.gov.au.

Bunker Delivery Note and representative fuel oil sample

Fuel oil suppliers must provide all vessels of 400 gross tonnage and above with a Bunker Delivery Note (BDN) and a representative sample⁴ with each fuel oil delivery.

The BDN must include at least the information specified in Appendix V to MARPOL Annex VI, which includes the sulphur content of the delivered fuel. The BDN must be kept on board the vessel for a period of at least three years and made available for inspection when requested.

The representative fuel sample must be sealed and signed by both a representative of the fuel oil supplier and the master or officer in charge of bunker operations on the vessel. The sample must be kept on board the vessel until the fuel oil has been substantially consumed, but in any case for at least 12 months, and must be made available to a PSCO for inspection and/or testing upon request.

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Refer to the appendix to resolution MEPC.321(74) Non-availability of compliant fuel oil claimed for further information.

Refer to regulation 18.8.1 of MARPOL Annex VI and resolution MEPC.182(59) for further information.

In Australia, fuel oil suppliers are required to be registered with AMSA and are listed on the AMSA website

Compliance and enforcement

AMSA's approach to compliance and enforcement of the 1 January 2020 sulphur limit and associated 1 March carriage ban will be in line with Australia's existing port State control (PSC) regime and will take into account the 2019 Guidelines for port State control under MARPOL Annex VI, Chapter 3 (resolution MEPC.321(74)).

AMSA expects full compliance with the new requirements. The penalties for not complying are significant and are set out in the Protection of the Sea (Prevention of Pollution from Ships) Act 1983 and the *Navigation Act 2012*.

Vessels that are found to be non-compliant may also be subject to detention, refused access or granted conditional entry to Australian ports in line with Australia's existing PSC policy.

Further information

This Marine Notice only provides a summary of MARPOL Annex VI requirements relating to the new sulphur limit. Detailed requirements can be found in MARPOL Annex VI, the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983* and Marine Order 97.

See also Marine Notice 05/2019 for a summary of requirements relating to the use of EGCS in Australian waters.

Copies of the IMO Resolution referenced above as well as other relevant guidelines to support consistent implementation of the 0.50 per cent m/m limit and associated carriage ban can be obtained from the IMO website.

This document does not constitute legal advice and is not a substitute for independent professional advice.

Mick Kinley
Chief Executive Officer
Australian Maritime Safety Authority

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GPO Box 2181 CANBERRA ACT 2601

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Further information is available from: www.amsa.gov.au/marine-environment/air-pollution#collapseArea467

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