

Guidelines for the issuance of bunker certificates

Legal basis

On 20 August 2008, a new order on insurance certificates in connection with damages caused by bunker oil became effective. The order is a consequence of Denmark's ratification of the Bunkers Convention. The Bunkers Convention introduces requirements for insurance against bunker damage. The Convention entered into force internationally on 21 November 2008.

What ships?

The requirement applies to the following:

- 1) All ships registered in Denmark with a gross tonnage of or above 1000, irrespective of their type;
- 2) all foreign ships with a gross tonnage of or above 1000 calling at a Danish port or another place of loading or unloading in Denmark or on the Danish continental shelf; and
- 3) all foreign ships intending to operate permanently in Danish territorial waters.

Who is the issuer?

For ships under item 1 - *ships registered in Denmark* - applications for insurance certificates must be submitted to the Danish Maritime Authority.

Applications must be submitted well in advance of the expiry of the insurance. The expiry date of most insurances is once a year on 20 February.

For new ships admitted to the Danish register outside the general certificate renewal period, applications must also be submitted well in advance of the ship's intended departure.

Ships registered under item 1 covered by the insurance requirement must not proceed to sea without having a valid certificate on board.

Ships under item 2 - foreign ships calling at a Danish port - or another place of loading or unloading in Denmark or on the Danish continental shelf must have a valid certificate on board.

The Danish Maritime Authority will issue a certificate of 3 months' duration. If calls are made at Danish ports beyond the three month period, a new application must be submitted against a fee.

Ships under item 3 - foreign ships operating permanently in Danish territorial waters - must be issued with a certificate for the entire insurance period, however for a maximum of one year.

For the foreign ships mentioned under items 2 and 3, applications for bunker certificates must be submitted to the Danish Maritime Authority if the flag State of the ship has *not* acceded to the Bunkers Convention.

Foreign ships under items 2 and 3 not issued with a valid bunker certificate will be detained.

Information about the countries Parties to the Convention is available from www.imo.org.

What is required to be issued with a bunker certificate?

Issuance of a certificate requires the applicant to upload a statement (Blue Card) from the insurance company. The Blue Card should be addressed to the Danish Maritime Authority and confirm that insurance has been taken out for the ship to cover liability pursuant to the Bunker Convention. Blue Cards issued by insurers from the International Group of P & I Clubs are directly applicable for the purpose. Blue Cards from other insurers are applicable, once the insurers have been approved by the Danish Maritime Authority.

Costs

A cost-related fee of DKK 50 is payable per certificate.

Upon receipt of a Blue Card, an invoice will be forwarded. It is also possible to pay directly to Danske Bank A/S:

Account no. : 0216 4069031625
IBAN no. : DK8402164069031625
SWIFT : DABADKK

Please indicate the ship's name and IMO number as reference. The certificate will be issued upon receipt of the payment.

Requirements for the approval of insurance companies not members of the International Group of P&I Clubs

Insurance companies that are not members of the International Group of P&I Clubs must be approved by the Danish Maritime Authority.

Approvals are made once a year in connection with certificate renewals. For insurance companies *not previously* approved by the Danish Maritime Authority, the following must be submitted:

- Documentation for terror damage cover
- Confirmation from the financial supervisory agency of the country in question
- An auditor statement
- A declaration on reinsurance schemes

Insurance companies *approved* by the Danish Maritime Authority must forward the following documents in original once a year:

- A renewed auditor statement
- A renewed declaration on reinsurance schemes

The documentation must be forwarded in original.