

**Guidelines on the issue of certificates of insurance or other financial security
in respect of liability for the removal of wrecks (wreck removal certificates)**

Legislation

- 1) The International Convention on the Removal of Wrecks, 2007.
- 2) Part 8 a of the merchant shipping act, cf. act no. 1384 of 23 December 2012.
- 3) Order no. 27 of 20 January 2015.

Denmark has acceded to the International Convention on the Removal of Wrecks, 2007 (the Wreck Removal Convention) and has transposed it into Danish law through the merchant shipping act. In pursuance of part 8 a of the merchant shipping act, the Danish Maritime Authority has issued order no. 27 from 2015 which contains, inter alia, provisions on the issue of wreck removal certificates.

Objective of the legislation

The regulations place the liability for identifying, marking and removing wrecks with the owners of certain types of ships and oblige them to take out insurance or other financial security in respect of this liability. Thus, the provisions improve the basis for removing wrecks that present a danger to safety of navigation or the environment. Ships with a gross tonnage (GT) of or above 300 must, furthermore, carry a wreck removal certificate as proof that insurance or other financial security has been taken out.

Issue of wreck removal certificates

The Danish Maritime Authority is entitled to issue wreck removal certificates to the following ship categories:

- 1) Danish ships, including ships owned by authorities, schools, institutions or the like, covered by a municipal or regional self-insurance scheme.
- 2) Foreign ships from countries that are not Parties to the Convention that do not hold a wreck removal certificate from a country that is Party to the Convention. This is, however, only the case if the ships intend to call at a Danish port or at another place of loading or unloading in Denmark or in the Danish continental shelf area or if they intend to operate on a permanent basis in Danish territorial waters. The link [IMO conventions](#) lists the countries that are Parties to the Convention. See "Excel chart listing ratification by States" under "Status of conventions".
- 3) Foreign ships from countries that are not Parties to the Convention that do not hold a wreck removal certificate and do not intend to call at a Danish port, etc. as mentioned under item 2) above. However, this is normally the case only if a special agreement has been concluded between the Danish Maritime Authority and the authorities of the flag State.
- 4) Ships ownership-registered in Denmark and bareboat-registered abroad.
- 5) Ships bareboat-registered in Denmark and ownership-registered abroad.

Applications for wreck removal certificates

When forwarding the application to the Danish Maritime Authority, please attach a declaration from the provider of the insurance (typically a Blue Card) or of the financial security certifying that insurance or other financial security has been taken out to cover any liability under the Wreck Removal Convention and within the liability limits of section 175 of the merchant shipping act. In the declaration, the provider of the insurance or financial security must, furthermore, confirm that the insurance or the financial security covers this liability. In case of financial security, the declaration must inform about its scope. In addition, the declaration must contain information about the ship as shown in the application form.

Declarations in electronic form will be acceptable if they have been issued by a member of the International Group of P&I Clubs (IG). The list of members is evident from the IG webpage on igpandi.org - [Group Clubs](#). Non-members, including insurance companies and providers of financial security, must be approved by the Danish Maritime Authority in accordance with the procedure described below. If they have been approved, they must forward the declaration mentioned, for example a Blue Card, in original paper format.

Things to be aware of

- Certificates are, in general, issued with a period of validity of one year. However, it is not possible to issue certificates with a period of validity longer than that of the insurance or financial security.
- Certificates for foreign ships intending to call at Danish ports or at other places of loading or unloading in Denmark or in the Danish continental shelf area or intending to operate on a permanent basis in Danish territorial waters will be issued with a period of validity of no more than three months. It is, however, possible to issue certificates with a longer period of validity to foreign ships intending to operate on a permanent basis in Danish territorial waters.
- Danish ships with a gross tonnage of or above 300 must not engage in trade without holding a wreck removal certificate. Foreign ships with a gross tonnage of or above 300 must not call at Danish ports or at other places of loading or unloading in Denmark, etc. without holding a wreck removal certificate. Therefore, it is important to apply for wreck removal certificates in due time.

Payment for wreck removal certificates

A cost-related fee is payable per wreck removal certificate. The Danish Maritime Authority will forward an invoice unless the applicant pays the amount directly to the Danske Bank:

Account no. : 0216 406903 1625
IBAN no. : DK 8402164069031625
SWIFT : DABADKKK

Please state the ship's name and IMO number as reference.

Approval of non-members of the International Group of P&I Clubs (IG)

Non-members of the IG, including insurance companies and providers of financial security, must, on the one hand, be initially approved by the Danish Maritime Authority and, on the other hand, subsequently be approved once a year. In connection with the initial approval, the Danish Maritime Authority is to receive declarations in original paper format certifying that the non-member

- 1) will cover any liability under the Wreck Removal Convention,
- 2) will cover any liability under the Wreck Removal Convention as a consequence of terror,
- 3) has taken out reinsurance in respect of any liability under the Wreck Removal Convention, as well as
- 4) a declaration from the financial authority in the country of residence of the non-member stating that it has been approved to do financial business, and
- 5) a declaration from the external auditor of the non-member stating that it is not in suspension of payments, about to go bankrupt or in any other manner being wound up.

For its subsequent, annual approval, the Danish Maritime Authority is to receive a renewed declaration on reinsurance as mentioned under item 3) above and a renewed auditor declaration as mentioned under item 5) above.