

**CIRCULATED TO ALL TANKER MEMBERS, BROKERS AND DIRECTORS  
ATTENTION INSURANCE DEPARTMENT**

**10 FEBRUARY 2006  
PAJ/DW**

## **HEAVY FUEL OIL AS CARGO**

Members will be aware that the International Group of P&I Clubs has been discussing initiatives which are intended to contribute to the industry-wide goal of eliminating sub-standard shipping.

One of the initiatives concerns the minimum scope of information that is included in any Club condition survey, another relates to the survey triggers. The Association's surveys already comply with the minimum scope of information required and the Association has also operated for many years most of the survey triggers now agreed by the International Group. However, there is one new survey trigger that will be required for 2006. The International Group has agreed that all sea-going tankers aged 10 years or more which have carried certain types of heavy fuel oil (HFO) as cargo in the previous 12 months, whether or not it is the intention to carry such cargoes in future, should be surveyed as soon as is practical, unless as at 20 February 2006:

- the ship has undergone and passed an International Group Club condition survey during the previous 12 months; or
- the ship has undergone and passed an IACS Class Special Survey during the previous 6 months; or
- the ship has achieved and maintains an IACS CAP 1 or CAP 2 status.

The types of HFO to which this applies are defined as follows:

"a residual fuel with a kinematic viscosity of 380 centipoise or greater when measured at 50 degrees Celsius by Test Method ISO 3104."

(This definition is intended to exclude intermediate fuel oils or heavy crudes, as well as bitumen or tar.)

The Association will be asking Members to make a declaration at the February 2006 renewal as to which ships in their fleet carried HFO as cargo during the previous 12 months, ie between 20 February 2005 and 20 February 2006. A similar declaration will have to be made annually.

## **CIRCULAR**

NORTH OF ENGLAND P&I ASSOCIATION LIMITED 100 The Quayside, Newcastle upon Tyne, UK, NE1 3DU  
Telephone: +44 (0) 191 2325221 Fax: +44 (0) 191 2610540 [www.nepia.com](http://www.nepia.com)

The North of England Protecting and Indemnity Association Limited. Registered in England No. 505456. Registered Office above  
Hong Kong: Room 2503, COSCO Tower, 183 Queen's Road, Central, Hong Kong Telephone: +852 25446813 Fax: +852 25424424  
Greece: 5-7 Aghiou Nikolaou, GR 185 37 Piraeus, Greece Telephone: +30 210 4283038 Fax: +30 210 4280920.  
Singapore: 80 Anson Road, #26-04 Fuji Xerox Towers, Singapore 079907 Telephone: +65 64110160 Fax: +65 62240160.  
Tokyo: Akiyoshi Kyobashi Building, 8th Floor, 1-17-2 Kyobashi, Chuo-ku, Tokyo, Japan 104-0031 Tel: +81 (3) 5159 5373 Fax: +81 (3) 5250 0003  
North Insurance Management Limited. Registered in England No. 3922841. Registered Office above. Regulated in the UK by the Financial Services Authority

If a ship continues to carry HFO as cargo over a period of successive years, the Club is not obliged to carry out a survey every year but a survey will need to be held every three years. It is at the Club's discretion whether surveys are undertaken on a more frequent basis.

Declaration forms will be issued to Members with applicable tonnage after 20 February.

PAUL JENNINGS

DEPUTY MANAGING DIRECTOR - North Insurance Management Limited

As Managers on behalf of the North of England P&I Association Limited