

No. 19 2013/2014 - US Vessel Response Plans - Salvage and Marine Fire-Fighting Requirements

October 2013

Dear Sirs,

US Vessel Response Plans - Salvage and Marine Fire-Fighting Requirements Final Rule – 30 September 2013 - Deadline for implementation – 30 January 2014

This Notice to Members applies to owners of tank and non-tank vessels calling at US ports.

Agreements with Salvors and Oil Spill Response Organisations (OSROs)

Members are referred to Notice to Members No 18 2013/2014 in which Members were advised that non-tank vessel owners are required to submit Vessel Response Plans (VRPs) to the Coast Guard by 30th January 2014. For the purposes of these plans, non-tank owners are required to pre-contract with Qualified Individuals (QIs), Oil Spill Response Organisations (OSROs), dispersant service providers and salvors. This Notice to Members addresses the requirements for contracts with salvors and marine fire-fighting resources.

A separate Notice to Members will be published at the beginning of next month addressing the requirements to pre-contract with OSROs. The publication of the US non-tank final rule has prompted a review of the arrangements most Clubs have with the major OSROs which are also the main dispersant service providers. For the time being, Members are advised that they should not enter into any arrangements with these OSROs on the assumption that the current arrangements with the Clubs will continue.

Non-Tank Vessels - Salvage Funding Agreements

Non-tank vessel owners with a fuel and cargo capacity of 2,500 barrels or greater to carry oil (as defined) are required to enter into Funding Agreements with salvors and marine fire-fighting resources. The requirements for this category of vessels are almost identical to those for tank vessels. Members are therefore referred to Notice to Members No.13 2010/2011 relating to tank vessels for full details of the requirements. The Funding Agreements of five salvors have been reviewed and found to conform with the International Group (IG) Salvage Guidelines on Vessel Response Plans. These agreements with footers for identification are listed below. For ease of reference the IG Salvage Guidelines are attached as Annex 1.

- Donjon-Smit – (Tanker and Non-Tank) Version A - October 4, 2013
- Marine Response Alliance LLC – Version 16 October 2013
- Resolve Salvage & Fire (Americas) Inc – Version 3 – 1 October 2013
- Svitzer – USA Companies Version October 1, 2013
- Svitzer – INTL Companies Version October 1, 2013
- T&T Salvage LLC – USA Owner (Tanker and Nontank) Version – 4 October 2013
- T&T Salvage LLC - Non-US Owner (Tanker and Nontank) Version – 4 October 2013

Non-tank vessel owners with a fuel and cargo capacity of less than 2,500 barrels but greater than or equal to 250 barrels are only required to identify resource providers in their VRPs and have the agreement of the salvor to list them in their plans rather than enter into a full Funding Agreement. The following such agreements have been reviewed and found to conform with the International Group (IG) Salvage Guidelines on Vessel Response Plans.

- Donjon-Smit – Consent Agreement for Vessel Response Plans – October 4, 2013
- Marine Response Alliance LLC – MPA OPA 90 & CA Certificate of Coverage (Version 2013)
- Resolve Salvage & Fire (Americas) Inc – RMG OPA 90 Certificate of Coverage 01 October 2013
- Svitser Written Consent – Version Oct 2013
- T&T Salvage LLC - OPA 90 Written Consent – 4 October 2013

Members should note that unlike the position with regard to Oil Spill Response Organisations which are classified by the USCG, it is the responsibility of the shipowner or operator to ensure that the salvor and fire-fighter have capability measured against 15 criteria and to certify to this effect. The criteria are listed in Annex 2. In connection with the coming into force of the Salvage and Fire-Fighting requirements for non-tank vessels, the US Coast Guard is revising its Frequently Asked Questions (FAQs) and the new FAQs are expected to be published in approximately 2 weeks. In the meantime Members may find it helpful to consider the tank vessel FAQs which can be accessed by using the following link. www.uscg.mil/vrp

Tank Vessels - Salvage Funding Agreements

As a consequence of the requirements for non-tank Members to enter into Funding Agreements with salvors and marine fire-fighting resources, the salvors have amended their Funding Agreements (as listed above) to cover both tank and non-tank vessels. In future, tank vessel owners entering into Funding Agreements with these salvors should use these new Funding Agreements.

However, there is no necessity for tank vessel owners to replace existing Funding Agreements by those cited above.

Members are advised to consult their property underwriters with regard to selection of any particular contract/funding agreement and to check with the salvors that they are able to provide resources meeting the 15 criteria in all the geographic areas of the United States which their ships will visit. Members should also note that conformity with the IG Salvage Guidelines for Salvor Funding Agreements is not an indication as to the acceptability of rates which have not been reviewed. These are a matter for discussion with hull underwriters.

All Clubs in the International Group of P&I Clubs have issued similar Notices to Members.

Yours faithfully

For: **West of England Insurance Services (Luxembourg) S.A.**

(As Managers)

A Paulson

Director

 Annexes & Contract Funding Agreements