Regulatory update 2025

MS Amlin Marine N.V. wishes to inform its clients about some of the more important updates of the rules and regulations, which will have an impact on shipping in 2025 and beyond.

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Amendments to the Maritime Labour Convention (MLC)

Effective as of 23 December 2024

Amendments:

 During the COVID pandemic, it became apparent that crew members, who had travelled to ships after signing a Seafarers' Employment Agreement but were unable to materialise the agreement, were left stranded with serious financial loss as they were unable to activate the insurance to receive compensation. Shipowners will need to update their procedures to ensure that the seafarer is provided with suitable information on how to make a compensation claim prior to or during the process of engagement.



- Seafarers have the right to use internet facilities on board with charges for the use of services being reasonable in amount.
- Shipowners will be required to provide drinking water free of charge and ensure that the onboard catering departments provide balanced meals.
- Shipowners will have to assess the size of the seafarers on their ships and ensure that there is a range of suitably sized personal protective equipment on board.
- The name of the Registered Owner is to be included in the evidence of financial security required pursuant to the MLC if it is different from the shipowner. This is to make it clear to Port State Control officers that the ship's financial security is compliant with the MLC, 2006, and it should also help expedite action in cases of abandonment by clarifying who is responsible.

These amendments apply to all commercial ships which undergo voyages outside the flag state's jurisdiction port or outside the declared sheltered waters of their flag state, to which the MLC, 2006 applies.



Amendments to the International Maritime Solid Bulk Cargoes Code (IMSBC Code) Effective as of 1 January 2025

Amendment 07-23 (2023 edition) will enter into mandatory force. Some of the changes involve:

Shippers' declarations will be required to declare the cargoes densities as per SOLAS regulation XII/10. Ref (MSC.1/Circ.1664).

Further, the Code's Appendix 1 will see various new individual schedules introduced, amongst others for following MHB (Materials Hazardous only in Bulk) cargoes:

- DIRECT REDUCED IRON (D) (By-product fines with moisture content of at least 2%)
- ELECTRIC ARC FURNACE DUST, PELLETIZED (Note: this new entry is also included in the list of cargoes which may be exempted from cargo hold fixed gas fire extinguishing arrangements (ref MSC.1/ Circ.1395/Rev.6).
- FISH MEAL (FISH SCRAP), STABILIZED Anti-oxidant treated (Note: this cargo has effectively been re-classified from

an IMO Class 9 cargo to an MHB cargo).

The Code's Appendix 3 (non-cohesive cargoes) will also see new entries, partly coinciding with above, which means that their angles of repose need to be determined prior to loading, to comply with the IMSBC Code's trimming provisions.

If requested, any of the new cargoes may be added to a vessel's Carriage of Solid Bulk Cargoes Certificate of Compliance, provided that all survey requirements have been verified.

The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships Effective as of 26 June 2025

With the signatory requirements having been met on 26 June 2023, the Convention will enter into force on 26 June 2025. From that date on, new vessels (as defined in the





Convention) will have to have an approved and certified Inventory of Hazardous Materials (IHM) on board. Existing ships must have such an inventory on board by 26 June 2030. For timely compliance, Owners are advised to compile the necessary Supplier Declarations of Conformity (SDoC) and Material Declarations for items supplied to their vessels which are part of their structure or equipment.

Also, with effect as of 26 June 2025, all Ship Recycling Facilities will need to have a valid Document of Authorization to conduct Ship Recycling (DASR) and will need to draft ship-specific recycling plans.

Amendments to the Safety of Life at Sea Convention (SOLAS)

Chapter V (Safety of navigation) Regulation 23 (Pilot transfer arrangements) is expected to be revised in May/ June 2025, amongst others, with performance standards becoming mandatory.

Amendments to the International Maritime Dangerous Goods Code (IMDG Code) Effective as of 1 January 2025

Contracting States may already voluntarily apply the new Amendment 42 to the IMDG Code (published in October 2024) which will anyhow formally enter into force on 01 January 2026.

Parties in the transportation chain are advised to check which Amendment is used when shipping and carrying dangerous goods in packaged form in 2025. Changes in Amendment 42 concern, among others, revised entries of lithium batteries and vehicles fitted with lithium-based batteries as well as a new entry for sodium-ion batteries. Furthermore, documentary requirements will be amended, and requirements for the installation and their certification on safety of data loggers, sensors and tracking devices within cargo transport units will be stipulated.

Amendments to the International Convention for the Prevention of Pollution from Ships (MARPOL Convention)

Effective as of 1 January 2025

The Red Sea and the Gulf of Aden will have the status of a Special Area. Consequently:

Annex I (Prevention of Pollution by Oil):

Discharge requirements of MARPOL Annex I must be complied with in the Special Areas in the Red Sea and the Gulf of Aden. Ref <u>MEPC.381(80)</u>.

Annex V (Prevention of Pollution by Garbage):

Discharge requirements of MARPOL Annex V must be complied with in the Special Areas in the Red Sea. Ref <u>MEPC.382(80)</u>.

These requirements apply to all ships navigating these Special Areas as defined in the Convention.

Furthermore, MARPOL will undergo the following updates: *Effective as of 1 May 2025*

Annex VI (Prevention of Air Pollution by Ships):

Following the establishment of the Mediterranean Emission Control Area (ECA) for sulphur oxides and particulate matters in 2024, vessels operating in the Mediterranean ECA will not be allowed to use fuel on board with a sulphur content exceeding 0.1% m/m, except when certified exhaust gas cleaning systems are also used as an alternative method. The sulphur content of the fuel is to be documented in the fuel supplier's Bunker Delivery Note (BDN), and a written procedure needs to be on board describing how the fuel changeover is to be carried out. Ref MEPC.361(79).

These requirements apply to all ships navigating this Special Area as defined in the Convention.

Effective as of 1 August 2025

Regulations 2, 4, 18 and Appendix I of MARPOL's Annex VI will be amended, which will have impact on all ships including offshore units. The amendments address the following matters:

- Minimum requirements are listed for information to be entered in the BDN by the fuel supplier in case of gas or low-flashpoint fuel.
- The amended regulations will clarify that sampling point on board shall not apply to gas/low-flashpoint fuels.

In addition, the following amendments apply to all ships as defined in Annex VI and its Appendices;

- Amendments to Regulation 27 of Annex VI will allow the International Maritime Organisation (IMO) to share non-anonymised fuel consumption details with analytical and research entities on a confidential base, with the express consent of the companies involved.
- Under Appendix IX of this Annex, additional reporting is required on the total onshore power supplied, the installation of innovative technologies and the total transport works.

However, for ships over 5,000 GT, Part II of the Ship Energy Efficiency Management Plan (SEEMP) needs to be modified. Reference is also made to <u>MEPC.385(81)</u>.

Amendments to the Ballast Water Management (BWM) Convention

Following updating Appendix II of the BWM convention:

All vessels designed to carry ballast water operating between two ports of different countries will need to complete and maintain the newly agreed format of the BWRB (Ballast Water Record Book) as from 01 February 2025 (ref: MEPC.369(80)).

Furthermore, with effect as of 1 October 2025, an electronic Ballast Water Record Book, as approved by the Administration, may be used instead of a hard copy BWRB (ref: MEPC.383(81)).

Amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW Convention) *Effective as of 1 January 2025*

Amendments will be introduced allowing seafarers' certification to be in an electronic format, provided minimum information is available to the Administration in accordance with the STCW Code. The amendment will list this minimum information to be included in the seafarers' certificates, and how, in any format. This then allows seafarers, ship managers and ship masters to keep electronic seafarers' certificates on board.

FuelEU Maritime Effective as of 1 January 2025

The FuelEU Maritime Regulation (Regulation (EU) 2023/1805) is another initiative that is part of the EU 'Fit for 55' green package, in addition to the EU ETS and the EU MRV (see our circular). The FuelEU Maritime aims at decarbonising the maritime transportation sector by:

- reducing greenhouse gases (GHG) generated by ships;
- encouraging ships to use electricity generated on shore during port stays, and
- promoting renewable fuels of non-biological origin.

To this end, vessels must (1) continuously record the energy used on board be it at sea or at berth, (2) report and verify the data during the first half of the following year, and (3) keep the GHG intensity within the permissible limit for the applicable time period.

The main focus of FuelEU is the GHG intensity of the fuel burned by the vessel. The ultimate goal is to gradually shift from conventional fossil fuels towards greener alternatives. FuelEU Maritime favours synthetic fuels that are produced by way of renewable energy or carbon capture (renewable liquid and gaseous fuels of non-biological origin) such as methanol, ammonia and hydrogen. If a vessel is burning conventional fuels (e.g., VLSFO, MGO) only, then there will be an excess in the GHG-intensity from the very beginning, which will result in a penalty.

Scope and application

FuelEU applies to all ships over 5,000 GT that carry cargo or passengers involved in EU and EEA trade: it applies to 100% of the energy used in respect of intra-EU/EEA voyages, and 50% to voyages which start or end at a port of a EU/EEA Member State. The emissions taken into account are carbon dioxide, methane, and nitrous oxide.

Compliance

The GHG intensity of the energy used on board a vessel is measured in grams of carbon dioxide equivalent emitted per one megajoule.

The target for 2025 is to achieve a 2% footprint reduction of energy's GHG intensity on board. This requirement will tighten every five years: e.g., a 6% reduction for 2030 and so on, while reaching 80% reduction in 2050. So, if vessels do not start shifting to more sustainable fuels, the compliance gaps will only broaden during the years, making compliance with FuelEU much more costly. Non-compliant vessels risk being detained in case they fly the flag of the Member State whose port they are calling, or receiving an expulsion order in case they are flying a different flag.

Compliance with FuelEU is a responsibility of the Document of Compliance (DoC) holder (the ISM company). The Regulation does not provide for a transfer of the related costs from the DoC holder to the actual polluter (e.g., the charterer). Therefore, such a transfer of financial responsibility can be done only by means of contractual clauses (see BIMCO's FuelEU Maritime Clause for Time Charter Parties 2024).

EU MRV/ETS

The European Union's Monitoring, Reporting and Verification Regulation (EU MRV Regulation) was revised in 2023 to allow shipping to be included in the EU Emissions Trading System (EU ETS). This revision included the provision that offshore ships of 400 GT and above, and general cargo ships of 400 GT and above, but less than 5,000 GT, will be included within the scope of the EU MRV as of 1 January 2025. As such, Monitoring Plans for relevant ships must be developed and verified by 31 December 2024.

For any general cargo ships or offshore ships which are now in scope of MRV requirements, the shipowners or ship managers designated as responsible for compliance with MRV will need to take the following steps:

Develop a Monitoring Plan and get it verified

By 31 December 2024, a Monitoring Plan must have been developed for each ship now in scope of MRV, ensuring that provisions for monitoring of carbon dioxide, methane and nitrous oxide are included. These Monitoring Plans should also have been verified by an accredited verifier latest by this date.



Submit the Monitoring Plan

Not later than three months after the ship's first port of call to the EEA (thereby bringing it in scope of MRV requirements), a verified Monitoring Plan must be submitted to the relevant Administering Authority for approval. As an example, for a ship that first visits the EEA on the 15 February 2025, the Monitoring Plan submission should be no later than three months after this date.

Start emissions data collection

From 1 January 2025, emissions data collection, as per the monitoring plan requirements, should begin.

Verify data collected

No later than 30 March 2026, data collected in 2025 should be verified by your appointed verifier.

Open a MOHA

For ships falling in scope of ETS reporting requirements, it is recommended that a Marine Operator Holding Account (MOHA) is opened as soon as possible during the year of data collection. The MOHA is required to enable verified company level emissions to be reported and corresponding EU Allowances (EUAs) surrendered, thereby maintaining compliance with ETS requirements.

Please do not hesitate to contact our Loss Prevention Services team at LPS@msamlin.com in case of any questions or comments.

With regard to general or specific implications of regulatory updates to their vessels, shipowners are advised to consult their Flag state administrations and/or their Recognized Organizations (Classification Societies).

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