## Rules of the Regime for SPRO Agreement

Article 1: To standardize the implementation of the Ship Pollution Response Operation agreement, this regulation is formulated in accordance with the Regulations on the Prevention and Control of Ship Pollution Regulations Environment Management and the Preparedness Emergency Emergency and Management of Ship Pollution of Marine Environment (hereinafter referred to as the Emergency Regulations).

**Article 2:** The Rules apply to conclusion and implementation of ship pollution response operation agreements within the waters under the jurisdiction of the People's Republic of China.

**Article 3:** The Maritime Safety Administration of the People's Republic of China (Hereinafter referred to as "China MSA") is the competent authority of implementing the Detailed Rules. Maritime Safety Administrations at all levels along the coast are in charge of the implementation of the Detailed Rules in accordance with their duties and responsibilities.

## Article 4,5,6 omit

**Article 7:** Ship operators may evaluate the emergency cleanup capacity of ship pollution response organizations (SPROs) and the performance of ship pollution response agreements on their own or through professional institutions (i.e, <u>Shanghai Highwoods Ship Co., Ltd.</u>) and select the SPROs based on merit to conclude SPRO agreements.

**Article 8:** Ship operators shall conclude a ship pollution response agreement with the corresponding SPRO prior to the ship entering the port or before cargo operation or ship to ship

operation outside the port. The operator of a vessel that only navigates or operates within the waters of the port area shall sign a ship pollution response agreement with the corresponding SPRO before the operation.

- **Article 9:** The operator of a ship carrying oil in bulk shall, prior to entering into a port or cargo handling or ship-to-ship transfer operation outside a port, conclude an agreement with a qualified ship pollution response organization in accordance with the following requirements:
- **9.1** The operator of a ship of 600 GT or less only navigating or operating within the port area shall conclude an agreement with a SPRO of Level 4 or above.
- **9.2** The operator of a ship of 600-2,000 GT only navigating or operating within the port area shall conclude an agreement with a SPRO of Level 3 or above.
- **9.3** The operator of a ship of 2,000-10,000 GT only navigating or operating within port area, and any other ship of less than 10,000 GT entering or leaving a port, and any ship engaged in cargo handling or ship-to-ship transfer operation within 20 nautical miles from shore shall conclude an agreement with a SPRO of Level 2 or above.
- **9.4** The operator of a ship other than the first three items (9.1,9.2,9.3) shall conclude an agreement with a SPRO of Level 1.
- **Article 10:** The operator of a ship carrying liquid cargo in bulk with pollution hazards other than oil shall, prior to entering a port, or cargo handling or ship-to-ship transfer operation outside a port, conclude an agreement with a SPRO in accordance with the following requirements.
- **10.1** The operator of a ship of 10,000 GT or less engaged in cargo handling or ship-to-ship transfer operation within 20

nautical miles from shore shall conclude an agreement with a SPRO of Level 2 or above.

- **10.2** The operator of a ship of 10,000 GT or above engaged in cargo handling or ship-to-ship transfer operation at a distance more than 20 nautical miles from shore under the jurisdiction of China shall conclude an agreement with a SPRO with Level 1.
- **Article 11:** The operator of a non-tanker of 10,000 GT or above shall, prior to entering a port, or cargo handling or ship-to-ship transfer operation outside a port, conclude an agreement with a SPRO in accordance with the following requirements.
- **11.1** The operator of a non-tanker of 20,000 GT or less entering into or leaving a port shall conclude an agreement with a SPRO of Level-4 or above.
- **11.2** The operator of a non-tanker of 20,000-30,000 GT entering or leaving a port shall conclude an agreement with a SPRO of Level-3 or above.
- **11.3** The operator of a non-tanker of 30,000-50,000 GT engaged in cargo handling or ship-to-ship transfer operation within 20 nautical miles from shore shall conclude an agreement with a SPRO of Level-2 or above.
- **11.4** The operator of a non-tanker of 50,000 GT or above engaged in cargo handling or ship-to-ship transfer operation at a distance more than 20 nautical miles from shore in the sea area under the jurisdiction of China shall conclude an agreement with a SPRO of Level-1.
- **Article 12:** When none of a SPRO in ship's destination port can meet the requirement of coverage, the operator of a ship entering or leaving ports or engaging in cargo handling or ship to ship transfer operation shall conclude an agreement with a corresponding SPRO or above at the nearest port and the

SPRO shall be able to respond to ship incident in time.

When none of a SPRO in ship's destination port can meet the requirement of coverage, none of corresponding SPROs or above at the nearest port can respond to ship incident in time in ship's destination port, Ship operator shall conclude a single voyage agreement with top level SPRO in the destination port. SPRO shall provide SPRO coverage as per SPRO's corresponding capabilities.

- **Article 13:** The operator of a ship entering and leaving ports along the coast of China or engage in cargo operation, or ship to ship transfer operations inside and outside the ports does not need to conclude a SPRO agreement:
- 13.1 A ship carrying liquid cargo in bulk with pollution hazards other than those listed in the "List of Liquid cargo in bulk with Pollution Hazards Subject to Oil Fence Installation or Ship Pollution Response Agreement" issued by the Maritime Safety Administration of the People's Republic of China (excluding ships with main propulsion power units using fuel oil and gross tonnage above 10000); A ship carrying liquid cargo in bulk with pollution hazards, the ship with GT below 10000 sails in ballast.
- **13.2** Ships carry non bulk liquid cargo with pollution hazards solely powered by clean energy sources such as liquefied gases, liquid ammonia, alcohol, and electricity.
- **13.3** Ships do not meet the requirements for concluding agreements in Articles 9, 10, 11, and 12 of these Rules.
- **Article 14:** Ship operator may directly conclude SPRO agreements or authorize ship captain, SPRO agents, other legal persons or natural persons to conclude agreements with SPROs. If a SPRO agreement is concluded through a third

party, it shall be accompanied by an authorization letter from the ship operator.

**Article 15:** Ship operator and SPRO shall, in accordance with the sample ship pollution response agreement published by the Maritime Safety Administration of the People's Republic of China, negotiate and determine any outstanding matters in the sample, conclude a ship pollution response agreement, and clarify the rights and obligations of both parties.

Except as provided in Article 12, Paragraph 2 of these rules, ship operator and SPROs may conclude SPRO agreements on either voyage basis or fixed time periods.

Ships shall keep on board ship the original or copy of the SPRO agreement for record, keeping until the expiration of the agreement's validity period.

**Article 16:** If a ship operator and a SPRO terminate an agreement in advance, or if the agreement becomes invalid due to one party's breach of contract, they shall immediately report to the local MSA.

**Article 17**: A SPRO shall publicize the following information to the public through the Internet and submit it to the corresponding local MSA, and ensure that the information is true and effective:

- **17.1** The SPRO's pollution response capability meets the corresponding capability level and service area report of the "Emergency Pollution Response Capability Requirements for Ship Pollution Response Organizations"
- 17.2 Pollution Cleanup operation plan
- 17.3 Pollutant Disposal Plan
- **17.4** List of Ship pollution response facilities, equipment, devices, response boats, and personals.
- **17.5** The conclusion and implementation of SPRO agreements, as well as participation in emergency response work for ship

pollution accidents.

Article 18: Newly established SPRO shall, at least 30 days before concluding the first SPRO agreement, disclose information to the public in accordance with the provisions of Article 17 of these rules. Existing SPROs shall, within 30 days from the implementation of these rules, disclose information to the public in accordance with the provisions of Article 17 of these rules. If there is a change in the pollution response capacity or service area announced by the SPRO, the change shall be announced to the public within 5 working days. Before January 31 each year SPROs shall disclose to the public the concluding and performance of the previous year's SPRO agreement, as well as their participation in emergency response to ship pollution accidents.

Article 19: SPROs shall, in accordance with the requirements of Article 17 of these rules, report the MSA at the location of the service area the information through information system determined by China MSA (hereinafter referred to as the information system). SPROs shall simultaneously report the information disclosed to the public to the MSA at the location of the service area through the information system. SPROs shall report their annual agreements to the MSA at the location of the service area through the information system. A SPRO encounters the situation described in Article 12, Paragraph 2 of these rules, shall report the agreement to the MSA at the location of the service area.

**Article 20:** SPROs shall fulfill standby obligations in accordance with the "Capability Requirements" and SPRO agreements. If a contracted ship discovered her contracted SPRO did not provide its standby obligations in accordance with the requirements of these rules, it shall report to the local MSA. In the event of a pollution accident involving a contracted vessel, the vessel, the ship operator and the SPRO, shall immediately deploy Emergency Response Plan; If a pollution

accident exceeds the response capability of the contracted SPRO, the ship and ship operator shall request further assistance from the accident command center and carry out corresponding emergency response actions under the command and coordination of the accident command center. The MSA shall supervise and manage the emergency response activities carried out by ships, their operators, and the contracted SPRO, and organize necessary monitoring, surveillance, and evaluation.

**Article 21:** In the event of an accident involving a contracted vessel at the location of SPRO covered area, if the following conditions are met simultaneously, the SPRO Agreement may be terminated, and the termination shall be reported to MSA immediately.

- **21.1** The ship operator and the SPRO have made appropriate alternative measures for subsequent emergency response actions.
- **21.2** Termination or rescission of the agreement will not affect the timely and effective control and removal of pollution.

**Article 26:** These measures shall come into effect on March 1, 2025, and shall be valid for 5 years.

