



SHANGHAI P&I SERVICES LTD.

力保海事服务（上海）有限公司

Circular No.: SPI231101

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Subject: Implementation of Amendments to Maritime Environmental Protection Law of the People's Republic of China

Dear Sirs / Madams,

Please be kindly advised that, the National People's Congress of China has recently approved amendments to the "Maritime Environmental Protection Law of PRC". The revised law will come into effect on 01 January, 2024.

The amendments address significant changes related to the prevention and control of ship pollution under the new Maritime Environmental Protection Law. We have summarized the key changes of the new law in ship pollution prevention as below for your easy reference:

1. Overhaul of Ship Pollution Prevention Chapter

The new law, previously consisting of ten chapters with 97 articles, has been revised to nine chapters with 124 articles. The seventh chapter, "Prevention and Control of Pollution from Ships and Related Operations," has been expanded to include provisions on low-carbon emission from ships, energy efficiency management, shore power usage, emission control zones, and public interest litigation. This restructuring aims to comprehensively strengthen and enhance the regulatory framework for maritime pollution prevention.

2. Introduction of Additional Requirements in Articles 79 (paragraph 2) and 80 (paragraph 3) to Control Ballast Water and Prevent Bio-invasion

To prevent the introduction of foreign organisms into Chinese waters through ballast water carried by large international shipping vessels, the new law introduces control requirements for ballast water and sediment, aligning with international conventions. The law mandates proper treatment and disposal of ballast water and sediment, with explicit recording requirements.

3. Significant Adjustment to Article 84 (paragraph 1) Placing Responsibilities on Shipper for Hazardous Cargo

The law now places explicit responsibilities on shippers for the proper packaging and labeling of hazardous goods transported by sea. Shippers must inform shipping companies of the correct names and protective measures for these goods. Violations of these obligations may result in significant fines, with a maximum penalty of up to RMB200,000 (say Renminbi two hundred thousand).



4. Major Changes in Article 85 (paragraph 1,2,3) for Integrated Handling of Ship Pollution Reception Facilities

Article 85 emphasizes the principle of "land and sea coordination" by assigning responsibilities for the comprehensive planning and construction of ship pollution reception, transfer, and treatment facilities to coastal local governments. The law establishes a multi-departmental joint supervision system for ship pollutants, creating a national legal framework for comprehensive maritime pollution control.

5. Introduction of Article 86 and 87: Establishment of Hazardous Material Tracking Mechanism from Ship Construction to Decommissioning

In line with the "source control" principle, the new law introduces measures to restrict the use of hazardous materials in ship construction and repair. It requires the competent authorities to develop a list of prohibited or restricted materials, and mandates ships to maintain a list of hazardous materials throughout their lifecycle, which must be handed over to shipbreaking yards during decommissioning.

6. Addition of Article 90: Implementation of Green and Low-Carbon Shipping Requirements

Under the backdrop of the "dual carbon strategy," the new law encourages green and low-carbon intelligent shipping. It introduces requirements for ships to use LNG, methanol, ammonia, and other new and clean energy sources. The law also calls for the phasing out of high-emission old vessels, paving the way for improved ship energy efficiency.

7. Inclusion of Article 92: Requirements for Establishing Ship Pollutant Emission Control Areas

Building on the previous requirement in the "Air Pollution Prevention and Control Law" for establishing control areas for ship air pollutant emissions in coastal waters, the new law introduces the concept of ship pollutant emission control areas (not only for air pollutant). This amendment aims to further enhance environmental protection measures.

8. Addition of Article 114 (Paragraph 3): Strengthening the Marine Environmental Public Interest Litigation System

The new law reinforces the public interest litigation system concerning actions that pollute the marine environment or harm marine ecology. It clarifies the complementary roles of functional departments with supervisory and management responsibilities for marine environmental protection and the people's procuratorate in public interest litigation.

9. Amendments to Penalty Articles (93, 107, 109-112) in Chapter Eight Related to Ship Pollution Prevention



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- (1) The penalties under the new law are more stringent than before, reflecting the government's determination to enforce stricter regulations against violations related to ship pollution. Fines for violations have increased significantly, demonstrating a commitment to effective governance.
- (2) Introduction of New Regulations and Corresponding Penalties: Articles 93, 109, 110, and 111 of the new law introduce penalties corresponding to regulations on ship energy efficiency management, shore power usage by ship, ship ballast water management, ship dismantling management, and other behavior norms. The penalties also extend to violations committed by ports, terminals, loading and unloading stations, shipyards, and the shippers of hazardous goods causing maritime pollution.
- (3) Addressing Previous Deficiencies in Penalty Regulations: The new law addresses shortcomings in the previous penalty regulations. For instance, it introduces penalties for violations not covered by the previous law, such as ships carrying hazardous goods entering or leaving ports without permission, ships transferring liquid hazardous goods without authorization, and failure of both ship and shore parties to adhere to safety and pollution prevention procedures during the loading and unloading of oil and similar cargos.

These amendments to Maritime Environmental Protection Law of PRC aim to incorporate practical experiences in maritime management and address the evolving needs of green and low-carbon maritime development.

We hope the above will be of some assistance. If you have any further queries, please feel free to contact with us.

Yours faithfully,

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