

Subject: New Minimum Limits for Coastal Facility Pollution Insurance

Dear Sirs,

On the date of 25.11.2025, a Communiqué amending the Tariff and Instructions on Compulsory Liability Insurance for Marine Pollution from Coastal Facilities was published in the Turkish Official Gazette. The amendments will enter into force on 01.01.2026 and will apply to all relevant policies incepted or renewed on or after that date.

The regime applies to a wide range of coastal facilities, including terminals, ports, loading/unloading facilities, storage facilities, refineries, shipyards and ship recycling yards. It does not directly apply to ships; however, it is relevant where:

- (i) P&I Club members own or operate coastal facilities in Türkiye, and/or
- (ii) P&I Club members contract with such facilities and wish to ensure that the compulsory insurance required under Turkish law is in place.

The minimum insurance limits for this compulsory cover have been revised and increased. For ease of reference, the new limits are reproduced in Annex 1 – Table of Minimum Insurance Limits. The applicable minimum limit for each facility continues to depend on its nature and annual production / processing / cargo-handling capacity. For coastal facilities whose main activity is the handling of oil and oil derivatives, the minimum limit for material damage and pollution response costs must now be three times the standard minimum limit applicable to the relevant capacity bracket in Annex 1.

All minimum limits will also be automatically adjusted at the beginning of each calendar year, based on the year-on-year change in the Consumer Price Index (CPI) announced by the Turkish Statistical Institute.

For most shipowners and charterers, the amendment does not affect the existing regime under international conventions such as CLC, Fund or Bunkers. It does, however, have practical implications where Club members have interests in, or contracts with, coastal facilities in Türkiye.

In light of the above, we recommend that P&I Clubs and their members:

1. Identify members that own or operate coastal facilities in Türkiye, particularly those handling oil and oil derivatives.
2. Review the compulsory liability insurance for such facilities, including insured limits, the description of the insured activity/capacity, and any CPI or indexation clauses.
3. Coordinate with concerned local parties in Türkiye to ensure that policies are adjusted or renewed to comply with the amended Tariff and Instructions by 01.01.2026.

4. For members who do not own facilities but regularly trade to or through Türkiye, review standard contracts with coastal facilities to ensure that insurance and indemnity provisions remain appropriate in light of the updated compulsory limits.

As your local correspondents, we remain at your disposal to clarify the Communiqué and related Turkish legislation, review insurance arrangements and contracts for compliance, liaise with local insurers, brokers and authorities, and assist in any pollution incidents and related claims involving coastal facilities in Turkish waters.

Should you require further information or wish to discuss how these changes may affect particular members, please do not hesitate to contact us.

Best regards,

Ahmet Can Bozkurt & Cagdas Kircali

Attorney-at-Law / Local Correspondent

Annex 1 – Table of Minimum Insurance Limits

(Compulsory Liability Insurance for Marine Pollution from Coastal Facilities)

The table below reproduces the new minimum limits introduced by the amended Tariff and Instructions.

Facility activity – annual production / processing / cargo handling capacity (tonnes/year)	A – Property damage, clean-up, transport and disposal of waste (TL)	B – Medical expenses per person (TL)	B – Medical expenses per incident (TL)	C – Permanent disability and death per person (TL)	C – Permanent disability and death per incident (TL)
0 – 1,499,000	8,000,000	2,000,000	10,000,000	2,000,000	10,000,000
1,500,000 – 4,999,000	16,000,000	2,000,000	20,000,000	2,000,000	20,000,000
5,000,000 – 9,999,000	32,000,000	2,000,000	40,000,000	2,000,000	40,000,000
10,000,000 and above	64,000,000	2,000,000	80,000,000	2,000,000	80,000,000

For the purpose of determining capacity, fractions below 500 tonnes are rounded down to zero, and fractions of 500 tonnes and above are rounded up to 1,000 tonnes. All minimum limits are subject to annual CPI-based adjustment and rounding up to the nearest TRY 100,000, as set out in the amended Tariff and Instructions.