

CIRCULAR

NOVEMBER 7, 2003

Shipowners Claims Bureau, Inc., Manager
60 Broad Street – 37th Floor
New York, New York 10004 U.S.A.



Tel: 212-847-4500
Fax: 212-847-4599
E-mail: info@american-club.net
Website: www.american-club.com

CIRCULAR NO. 16/03

TO MEMBERS OF THE ASSOCIATION

Dear Member:

PANAMA CANAL – SHIPBOARD OIL POLLUTION EMERGENCY PLANS

The Panama Canal Authority (ACP) has recently announced that, with effect from January 1, 2004, vessels carrying 400 metric tons or more of oil as cargo and/or fuel must have contingency plans for the prevention of, and response to, oil spills, before entering waters under ACP jurisdiction.

The regulations

According to new regulations (*see footnote at end for details*) issued by the ACP, vessels are required to submit the following documents to the ACP for review:

- A copy of the Panama Canal Shipboard Oil Pollution Emergency Plan for Canal Waters (PCSOPEP), prepared specifically for the vessel.
- A copy of a valid International Oil Pollution Prevention Certificate.
- A copy of the Shipboard Oil Pollution Emergency Plan (SOPEP), Annex I MARPOL (a copy of the Shipboard Marine Pollution Emergency Plan (SMPEP), Annexes II and III must be available upon request).

The PCSOPEP must be submitted to the ACP no less than 96 hours before a vessel's arrival in Canal waters. It must include, as a minimum, the following:

- i. Incident specific prevention measures for Panama Canal waters.
- ii. Spill notification procedures in prioritized sequence.
- iii. Spill response procedures.
- iv. Crew training program for the reaction to shipboard and shore spill incidents.
- v. Written contract, or written proof of the agreement, between a vessel and Oil Spill Removal Organizations (OSROs), as required, such OSROs to be verified by the ACP.
- vi. Record of exercises.
- vii. Written document of the designation of a Qualified Individual (QI) and alternate QI to represent the vessel.
- viii. Resume of the QI and Alternate QI indicating their training profile and/or certifications confirming their general knowledge and skills in the Incident Management System and emergency preparedness. Knowledge of spill response is optional but certainly in the best interest of the plan holder.

PCSOPEPs may be submitted preferably via electronic mail at pcsopep@pancanal.com or to:

Panama Canal Authority
Emergency and Contingency Management Division
Building 752, Arnulfo Arias Madrid Street
Balboa, Republic of Panama

PCSOPEPs approved by the ACP are valid for two years and should only be re-submitted during that period if there has been a change of QI or OSRO or a change in the plan itself. Anticipating the submission of a multitude of plans before December 31, 2003, the ACP recommends that individual plans be sent in for approval (preferably by e-mail) at least one month before Panama Canal transit.

Compliance Dates

January 1, 2004

Each vessel must submit its PCSOPEP 96 hours prior to its first visit to Canal waters occurring on or after January 1, 2004. However, such PCSOPEPs are not required to identify an OSRO or a QI during this period.

July 1, 2004

Vessels must include the QI as part of the PCSOPEP. Additionally, vessels must comply with OSROs Tier 2 (7,000 MT – 15,000 MT capacity) and Tier 3 (over 15,000 MT capacity).

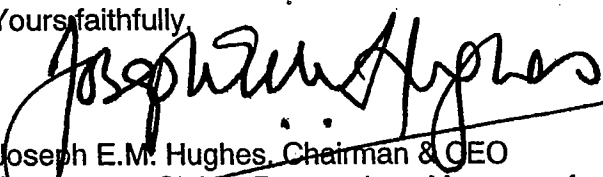
October 1, 2004

Vessels must comply with OSROs Tier S (400 MT – 1,000 MT capacity) and Tier 1 (1,000 MT – 7,000 MT capacity).

Discussions are ongoing between the International Group of P&I Clubs, the International Chamber of Shipping, INTERTANKO, other interested organizations and the ACP concerning the implementation of these new regulations – and possible amendments to them.

In the meantime, it is hoped that the foregoing, together with the details available on the ACP website, as footnoted in this document, will provide all necessary information. However, if anything further is required, the Managers will, as usual, be pleased to respond to inquiries. In any event, Members will be kept fully advised of developments.

Yours faithfully,


Joseph E.M. Hughes, Chairman & CEO
Shipowners Claims Bureau, Inc., Managers for
THE AMERICAN CLUB

S/CIRC. NO 16

*Regulations on Navigation in Panama Canal Waters, Chapter IX, Section 4, Articles 141A, 141B, 141C, 141D. Original text available on the ACP Website at:

<http://www.pancanal.com/eng/legal/reglamentos/acuerdo65-eng.pdf>

*PCSOPEP and OSRO requirements in the Panama Canal (Revision 1: October 13, 2003). Original text available on the ACP Website at:

<http://www.pancanal.com/esp/maritime/advisorios/pesopep-ostro-revl.pdf>