

Circular From GARD

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China Expands its Sulphur Emission Control Areas

From 1 January 2019 vessels must switch to fuel with a sulphur content not exceeding 0.50% prior to entering China's territorial sea.

We refer to our alert "[Sulphur cap ahead!](#)" of 8 November 2018 notifying Members and clients of regional sulphur emission control requirements taking effect on 1 January 2019 in Hong Kong, Taiwan and Mainland China's domestic emission control areas (ECA).

According to Gard's correspondent Huatai Insurance Agency & Consultant Service Ltd., the Chinese Ministry of Transport (MOT) has now issued a new regulation which expands the geographic scope of China's sulphur ECAs. A new **Coastal ECA** has been designated and includes all sea areas and ports within China's territorial sea, as well as a specially designated ECA in China's southernmost province Hainan, the **Hainan Coastal ECA**. In addition, two **Inland ECAs** have been designated which include parts of the Yangtze River and the Xi Jiang River.

The exact coordinates and maps of the China's new domestic ECAs are included in our correspondent's circular [PNI 1816 of 13 December 2018](#). It is worth noting that China has declared straight baselines along parts of its coast. This means that China's baseline, from which its 12nm territorial sea limit must be measured, can lie many nautical miles off its coast.

Key requirements

According to Gard's correspondent, the new Chinese regulation contains the following requirements relating to sulphur emissions from ocean-going vessels:

- From **1 January 2019**, vessels must use fuel with a sulphur content not exceeding 0.50% while operating within the Coastal ECA, i.e. within China's territorial sea (including the Hainan Coastal ECA).
- From **1 July 2019**, vessels (other than tankers) capable of receiving shore power must use shore power if they berth for more than 3 hours in ports in the Coastal ECA that have shore power capabilities and more than 2 hours in ports with such capabilities in the Inland ECAs.
- From **1 January 2020**, vessels entering Inland ECAs (Yangtze River and Xi Jiang River) must use fuel with a sulphur content not exceeding 0.10% while operating within the Inland ECA.
- From **1 January 2022**, vessels must use fuel with a sulphur content not exceeding 0.10% while

operating within the Hainan Coastal ECA.

- As part of its effort to prevent air pollution from ships, the Chinese authorities may determine that even stricter fuel quality requirements should be imposed in future. Under consideration is the implementation of a 0.10% sulphur cap in the Coastal ECA from **1 January 2025**.
- Any fuel change-over operation must be completed prior to the entry into or commenced after exit from any of the designated domestic ECAs.
- We understand the Chinese authorities will accept alternative compliance methods that are at least as effective in terms of emissions reduction, e.g. use scrubbers for exhaust gas cleaning. However, we would recommend that masters of such vessels contact their local agents to clarify any local regulations concerning discharge of wash water from open-loop scrubbers in Chinese ports.
- From **1 March 2020**, all vessels without exhaust gas cleaning systems are permitted to carry only fuel with a sulphur content not exceeding 0.50% when entering China's territorial sea. This is in line with the IMO's 'carriage ban' adopted by the MEPC73 in October 2018.

Members and clients with ships trading to Asia Pacific should plan for compliance with the local 0.50% sulphur cap that enters into force in Hong Kong, Taiwan and Mainland China on 1 January 2019, and ensure that appropriate procedures have been implemented onboard and that the crew is familiar with them. Additional recommendations are included in Gard's alert of [8 November 2018](#).

Source of Information: Gard P&I Club