

2nd Legal & Insurance Committee Meeting Summary

The second meeting of the Legal & Insurance Committee was held virtually on 17th November 2023. Led by Chairman Mr Leong Kah Wah, the meeting delved into crucial matters including shipping and port decarbonisation, updates on the committee's educational workgroup, the Just In Time (JIT) plan for tankers in Singapore, and discussions on the EU Emissions Trading System (EU ETS).

The committee first discussed about shipping and port decarbonisation efforts to achieve net-zero emissions by 2050 for harbour craft, pleasure craft, and tugboats, with the objective of achieving power of these vessels by electronic means. Emphasis was placed on the need for marine insurance to align with the evolving industry innovations. Members were encouraged to provide feedback on the insurance and legal aspects of electrification for harbor crafts by the next meeting.

The move toward electronic bunkering, particularly the introduction of Electronic Bunker Delivery Notes (EBDN) by the Maritime and Port Authority (MPA), was discussed. Circulars and FAQs that highlighted the transition to digital processes and potential legal implications were presented. Industry feedback was sought to be used for the FAQ, especially on potential connectivity issues during live signing of the documents.

The updates on the educational workgroup's activities included an outline of their plans for 2024, such as reviewing legal and insurance course content and the organisation of committee events. The Chairman proposed to have a legal seminar featuring industry experts in the first quarter of 2024. Members of the workgroup will be assigned specific tasks, and the secretariat will confirm the availability of a budget for planning of the event.

Elfian Harun, Regional Manager for Southeast Asia of Intertanko, presented a Just In Time (JIT) plan for tankers in Singapore, covering various aspects such as vessel building, notification periods, and commercial clauses. The plan applies to the initial building of the tankers, emphasising the unique characteristics of chemical tankers with multiple buildings. MPA clarified that vessels without planned activities in Singapore may be discouraged from entering, and a 72-hour notification period for Singapore-bound tankers was identified. The presentation also addressed vessels without cargo entering for husbandry services, imposing a 36-hour limit for vessels with no valid reason to stay. Waiting areas in Indonesia and Malaysia for tankers awaiting instructions before entering Singapore were highlighted, and commercial clauses regarding delays and interruptions are under active resolution by Intertanko's committees.

The Chairman proposed that the next meeting slated for 14th February 2024 to be rescheduled to the week after, due to its proximity to Chinese New Year. Members were advised to await confirmation from the secretariat on the next meeting date, which will be held physically.

There was a quick discussion centred on the EU ETS and its implications for carbon emissions from the shipping sector. Positive feedback was received to the proposal to draft an article addressing the impact of EU ETS on the membership, which is intended to be launched as an effort of the Legal & Insurance Committee.

The meeting was closed with a comprehensive review of the agenda items, and the Chairman expressed his appreciation for the participants' engagement.

Singapore, 18 Aug 2023

Singapore Shipping Association

The Association was first formed as Singapore National Shipping Association (SNSA) on 29 January 1985 to represent its Members, who are basically shipowners and operators, shipmanagers, ship agents and shipbrokers. The Association will take the view of the shipping industry as a whole. It will play its due role to promote the interests of shipping in Singapore, ASEAN, Asia and the world. The Association will cooperate with governmental and non-governmental organisations to promote freedom of the sea, safety at sea and to protect the marine environment.