



# SHIP SAFETY BULLETIN

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**Subject:** **New Insurance Requirements for Wreck Removal**

## Purpose

This bulletin informs vessel owners of new insurance requirements for all vessels of 300 gross tonnage and above. The new requirements come from the

- [Wrecked, Abandoned or Hazardous Vessels Act](#); and the
- [Nairobi International Convention on the Removal of Wrecks, 2007](#) (“Wreck Removal Convention”), which comes into force in Canada on July 30, 2019.

## Scope

This bulletin applies to all vessels of 300 gross tonnage and above that

- are registered in Canada; or
- call at ports and terminals in Canada (including inland waterways), Canada’s territorial sea and exclusive economic zone.

This includes vessels that are laid up, under construction or that will undergo sea trials. It also includes non-propelled barges.

## Background

The International Maritime Organization adopted the Wreck Removal Convention in 2007. It came into force internationally in 2015. To date, 42 states are parties to the Convention.

### Keywords:

1. Wreck Removal Convention
2. Wreck Removal Insurance
3. Compulsory Insurance TC.MarineInsurance-AssuranceMaritime.TC@tc.gc.ca
4. Wreck Removal Convention Certificate

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The Convention sets international rules for the rights and obligations of shipowners, coastal states and flag states with respect to wrecks

- that result from a maritime casualty; and
- that are in a state party's exclusive economic zone. State parties may extend the Wreck Removal Convention to cover all vessels and wrecks in their territory and territorial sea. Canada has extended the application of the Convention.

The Convention also provides state parties with a global regime for strict liability and compulsory insurance requirements for wrecks.

Wrecks may be a hazard to marine safety, navigation, property, communities and the environment. To lessen these hazards, the Convention's rules ensure wrecks are promptly located, marked or removed.

### *What you need to know*

#### **New requirements for vessel owners**

The Wreck Removal Convention makes vessel owners strictly liable for the costs of locating, marking and removing a wreck, if the wreck

- poses a hazard to navigation safety;
- leads to harmful consequences for the marine environment; or
- damages the coastline or other coastal interests (for example, fisheries, tourism or offshore infrastructure).

Under the Convention, if you own a vessel of 300 gross tonnage or above, you will be required to

- carry wreck removal insurance; or
- provide other financial security to cover the costs of removing the wreck.

Claimants have the right to recover their losses through direct action against the shipowner's insurer.

To prove they hold insurance or another security, owners will need to carry a government-issued certificate, per Article 12 of the Convention.

#### **Compulsory insurance for wreck removal**

As of July 30, 2019, vessel owners must have insurance for vessels that

- are 300 gross tonnage and above; and
- are registered in Canada, or that call at ports or terminals in Canada (including inland waterways, the territorial sea and exclusive economic zone).

If you own a vessel that meets these criteria, you must also hold a Wreck Removal Convention Certificate showing proof of insurance.

### Certification from Transport Canada

To apply for (a) Wreck Removal Convention Certificate(s), you will need to send Transport Canada the following:

- evidence of valid insurance coverage or another form of financial security (usually a “Blue Card” issued by a Protection and Indemnity (P&I) Club or other insurer); and
- a completed [application form](#).

This insurance must allow for direct action against the insurer and be up to the limits of liability that apply to the particular ship in accordance with the provisions of the [Protocol of 1996 to amend the Convention on Limitation of Liability for Maritime Claims, 1976](#), as set out in Part 3 of the [Marine Liability Act](#).

Note: Having proof of insurance (a “Blue Card”) from the insurer is not enough. You must also apply for a Wreck Removal Convention Certificate from Transport Canada **for all vessels that need one** based on the terms of the Wreck Removal Convention and the *Wrecked, Abandoned or Hazardous Vessels Act*. Any vessel of 300 gross tonnage and above that is registered in Canada must have the certificate. This applies to Canadian vessels trading in Canada or in other jurisdictions.

The certificate must be carried on board the vessel. If you do not carry a valid certificate on board, you may be subject to enforcement action, including detention of the vessel or fines.

### Foreign vessels

Foreign-registered vessels calling at Canadian ports and terminals will need to show a certificate issued by a state party to the Wreck Removal Convention. A foreign vessel registered in a non-state party to the Convention that does not already have a certificate may apply for one from Transport Canada. Failure to do so may result in an enforcement action, including the detention of the vessel and fines.

To get the application form, and for more information about marine insurance, visit this website: [Civil Liability Insurance for Marine Pollution](#).

### References:

- *Nairobi International Convention on the Removal of Wrecks, 2007*

- *Wrecked, Abandoned or Hazardous Vessels Act*
- *Marine Liability Act*