

Date: 4 December 2015

Subject: Ships Emission Control Area of P.R.C

In accordance with “The Air pollution Law of People’s Republic of China”, the Ministry of Transportation recently promulgated a Directive on “P.R.C. Ship Emission Control Area (ECA)”. The Directive for the prevention of Air Pollution from ships seeks to minimize airborne emissions from ships (sulphur oxides, nitrous oxides and particulate matters).

Similar to ECA regulations of other countries and areas, the Directive requires all vessels (exclusive of military ships, sports ships and fishery ships) to switch to low-sulphur fuel or shore power/other clean energy when the vessel is staying in ports or waters of the ECA.

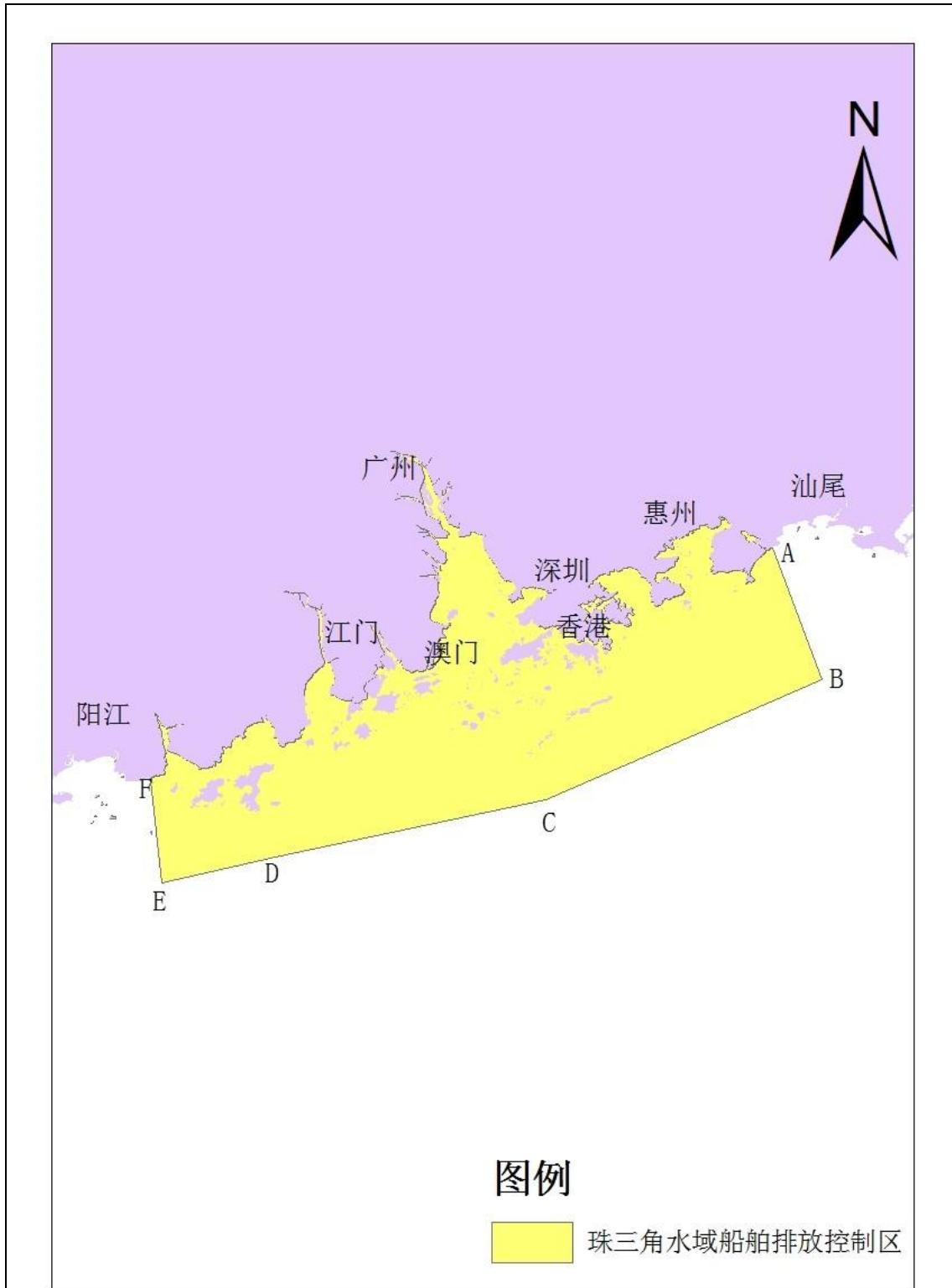
To be more specifically:

- From 1 January 2016, all vessels should strictly meet the sulphur oxides, nitrous oxides and particulate matters emission control requirement of the effective international convention and domestic law/regulations. Ports within ECA may require the vessels to use low-sulphur fuel (sulphur content of the fuel $\leq 0.5\%$ m/m) or other similar measures;
- From 1 January 2017, the vessels calling the core ports within ECA should use low-sulphur (sulphur content of the fuel $\leq 0.5\%$ m/m) fuel during the periods the ship is at a berth, excluding the first and last hour of the berthing period;
- From 1 January 2018, all vessels calling all ports within the ECA should use low-sulphur fuel (sulphur content of the fuel $\leq 0.5\%$ m/m) during the period the ship is at a berth, excluding the first and last hour of the berthing period;
- From 1 January 2019, all vessels entering the ECA waters should use low-sulphur fuel (sulphur content of the fuel $\leq 0.5\%$ m/m).
- Before 31 December 2019, the Ministry of Transportation will evaluate the implementation of the subject Directive to see whether more actions are required including: 1) requires vessels to use low-sulphur fuel with sulphur content $\leq 0.1\%$ m/m; 2) expand the ECA; 3) Other necessary measures.

The Emissions Control Area includes Pearl River Delta, Yangtze River Delta and Bohai Gulf waters. We sort out the followings for the members’ reference.

At this stage, the Ministry of Transportation has not promulgated any detailed regulation on relevant issues, such as the potential fines/sanction in case of infringing the Directives, how the local authority will execute the Directive etc. We shall keep a close watch on the development and keep you updated of development if any.

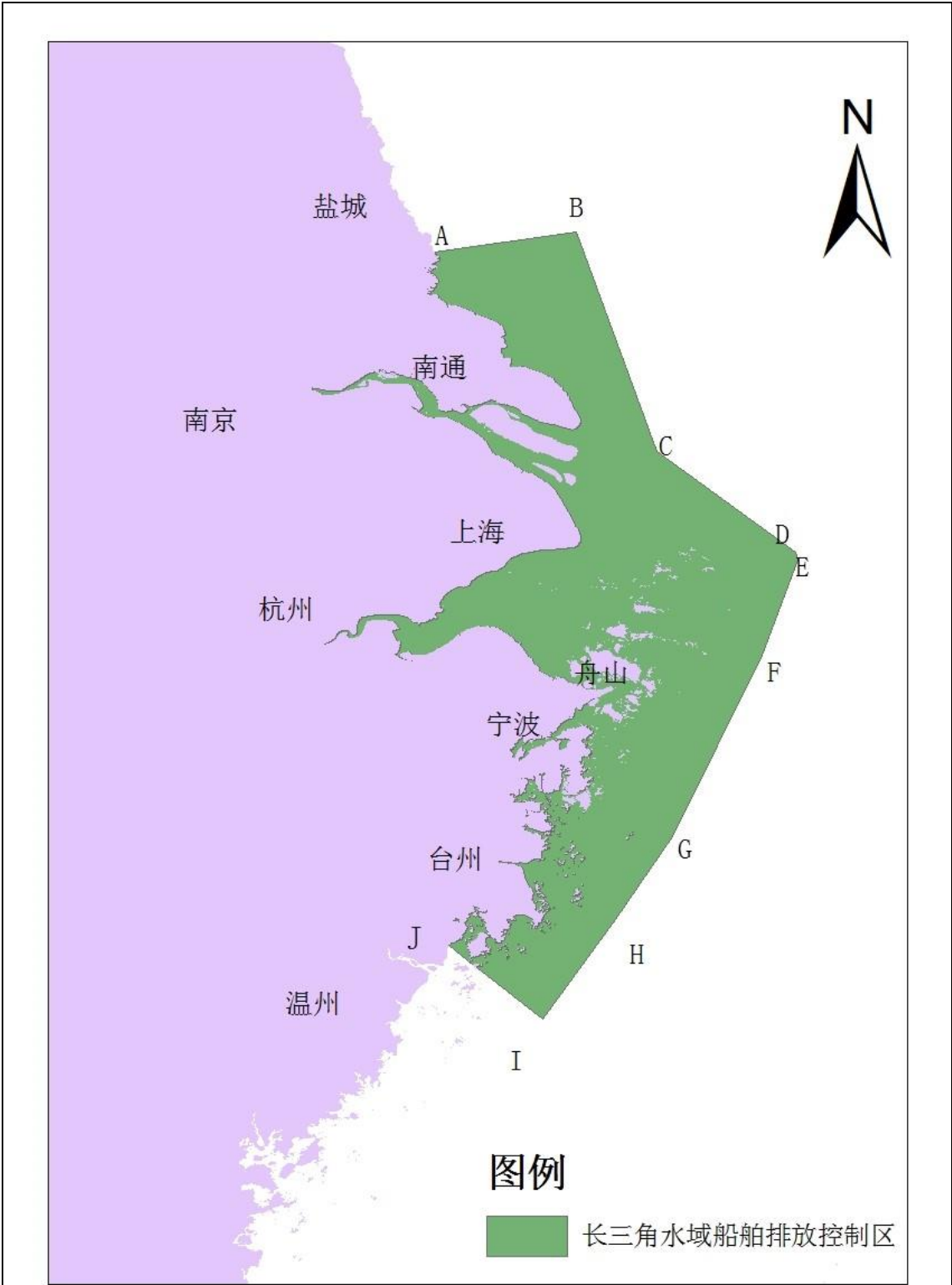
Ship Emission Control Area	Boundary	Core Port affected (exclusive of Hongkong and Macao waters)	Inland river waters affected
Pearl River Delta Waters	A: Huizhou and Shanwei shoreline junction	Shenzhen (including Yantian, Chiwan, Shekou, Dachanwan etc.)	The inland river waters in the administrative region of nine cities, including Guangzhou, Dongguan, Huizhou, Shenzhen, Zhuhai, Zhongshan, Foshan, Jiangmen and Zhaoqing.
	B: 12nm beyond the Zhentouyan;	Guangzhou (Including Huangpu, Xinsha, Nansha etc.)	
	C: 12nm beyond Pengjia Island; D: 12nm beyond the Weijia Island; E: 12nm beyond the Dafanshi Island; F: Jiangmen and Yangjiang shoreline junction	Zhuhai	



Map of Pearl River Delta Waters ECA-Made by Ministry of Transportation of P.R.C

Yangtze River Delta Waters	A: Nantong and Yancheng shoreline junction	Shanghai (including Yangshan etc.)	The inland river waters in the administrative region of sixteen
	B: 12nm beyond	Zhoushan	

	<p>Waikejiao Island; C: 12nm beyond Sheshan Island; D: 12nm beyond Haijiao; E: 12nm beyond Dongnanjiao; F: 12nm beyond Liangxiongdi Island; G: 12nm beyond Yushan Island; H: 12nm beyond Taizhou Island; I: 12nm beyond the shoreline junction of Taizhou and Wenzhou; J: Taizhou and Wenzhou shoreline junction</p>	<p>Suzhou (including Zhanjiagang, Taicang and Changshu etc.) Nantong</p>	<p>cities, including Nanjing, Zhenjiang, Yangzhou, Taizhou, Nantong, Changzhou, Wuxi, Suzhou, Shanghai, Jiaxin, Huzhou, Hangzhou, Shaoxin, Ningbo, Zhoushan and Taizhou.</p>
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Map of Yangtze River Delta Waters ECA-made by Ministry of Transportation of P.R.C

Bohai Waters	Gulf	Waters inside of the line connecting Dalian Dandong shoreline junction	Tianjin (Xingang)	The inland river waters in the administrative region of thirteen
			Qinhuangdao	
			Tangshan(Jingtang, Caofeidian)	

	and Yantai Weihai shoreline junction.	Huanghua	cities, including Dalian, Yingkou, Panjin, Jinzhou, Huludao, Qinhuangdao, Tangshan, Tianjin, Cangzhou, Binzhou, Dongying, Weifang, Yantai city.
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