



# EAGLE OCEAN MARINE

## CIRCULAR

**NOVEMBER 18, 2019**

**TO ALL INSUREDS AND BROKERS**

**Dear Colleagues:**

### **GUIDANCE ON BUNKERING AND THE 2020 SULFUR CAP**

On January 1, 2020, amendments to Annex VI of the MARPOL 73/78 Convention take effect. As is widely known, these new provisions stipulate the mandatory use of low sulfur fuels from that date.

The risks to shipowners and charterers associated with the bunkering of ships are broad in scope. They concern not only those risks attendant upon compliance with the new regulations, but also bear upon operational safety, the potential for environmental damage, as well as exposure to negative financial consequences under contracts for the supply of bunkers.

In response to these burgeoning risks, the American Club's Managers have recently compiled a series of guidance documents concerning, among other things, compliance information on regional implementation requirements as well as animations on bunkering procedures for the use of both shipboard and shoreside personnel. They can be found at:

<https://www.american-club.com/page/bunker-fuels>

Although a recent focus has been on the 2020 sulfur cap, the information on the website is intended to supply guidance both on the new regulations and in regard to best practice generally in the conduct of bunkering operations. They are aimed at obviating risk exposures with both P&I and FD&D insurance implications.

For further information on issues or claims involving the bunkering subjects discussed above, please contact personnel in the Club's FD&D or Loss Prevention departments who stand ready to provide assistance at all EOM's/The American Club's global offices.

Yours faithfully,

Joseph E.M. Hughes, Chairman & CEO  
Eagle Ocean Agencies, Inc.

***Eagle Ocean Marine is an American Club fixed premium facility offering gold standard International Group club service, underpinned by the impeccable security of reinsurance at Lloyd's.***