



EAGLE OCEAN MARINE CIRCULAR

JANUARY 18, 2022

TO ALL INSUREDS AND BROKERS

Dear Colleagues:

ENVIRONMENTAL POLLUTION FINES IN TURKEY: AN UPDATE

The revised Pollution Fine Tariff schedule has come into effect as of January 1, 2023 for Turkey. In the event of sea pollution events, fines may be levied by the Turkish Environmental Protection Agency (EPA) or by local Harbor Masters. For 2023, these fines have increased by 123% from 2022.

Pollution fines levied by the EPA

Fines apply both to individuals (real persons) and triple in values for fines levied on legal entities (e.g., shipowners and disponent shipowners) as follows in Turkish Lira (TRY):

Pollution from petroleum tankers and derivatives (raw petroleum, fuel oil, bilges, oil mud, refined product oil waste, etc.)

Tonnage	Individuals	Legal Entities
Up to 1,000 GT	2,009.85 TRY/GT	6,029.55 TRY/GT
1,000 to 5,000 GT	502.48 TRY/GT	1,507.44 TRY/GT
More than 5,000 GT	50.23 TRY/GT	150.69 TRY/GT

Dirty ballast discharged to sea by tankers

Tonnage	Individuals	Legal Entities
Up to 1,000 GT	366.18 TRY/GT	1,098.54 TRY/GT
1,000 to 5,000 GT	73.05 TRY/GT	219.15 TRY/GT
More than 5,000 GT	11.59 TRY/GT	37.77 TRY/GT

Pollution from ships and other vehicles that release petroleum or petroleum derivatives (bilge, oil mud, freight mud, fuel oil, oil waste or dirty ballast)

Tonnage	Individuals	Legal Entities
Up to 1,000 GT	1,004.92 TRY/GT	3,014.76 TRY/GT
1,000 to 5,000 GT	Additional 200.99 TRY/GT	Additional 602.97 TRY/GT
More than 5,000 GT	Additional 50.23 TRY/GT	Additional 150.69 TRY/GT

Pollution from garbage, sewage, detergent water, foam, exhaust gas washing system water or other kind of wash water or solid waste discharged by tankers, ships and other sea vehicles

Tonnage	Individuals	Legal Entities
Up to 18 GT	11,146 TRY	33,438 TRY
18 to 50 GT	22,293 TRY	66,879 TRY
50 to 100 GT	44,586 TRY	133,758 TRY
100 to 150 GT	66,897 TRY	200,637 TRY
150 to 1,000 GT	502.48 TRY/GT	1,507.44 TRY/GT
1,000 to 5,000 GT	Additional 100.50 TRY/GT	Additional 301.50 TRY/GT
More than 5,000 GT	Additional 50.23 TRY/GT	Additional 150.69 TRY/GT

Fines for bunker that exceeds maximum sulfur content

Additional regulations came into force in 2002 targeting real persons and legal entities that operate vessels that consume bunker in excess of maximum sulfur content (either 0.5% or 0.1% depending upon whether the vessel was navigating in a Sox control area) without approved pollution control reduction methods. The schedule for these fines are as follows:

Tonnage	Individuals	Legal Entities
Up to 1,000 GT	445.86 TRY/GT	33,438 TRY/GT
18 to 50 GT	Additional 55.73 TRY/GT	Additional 167.19 TRY/GT
50 to 100 GT	Additional 11.15 TRY/GT	Additional 33.45 TRY/GT

Important Notes

Insureds are entitled to lodge an appeal to any fines before an administrative court within 30 days of the fine’s notification date. However, appealing the fine will not result in lifting of a fined vessel’s arrest order and appeals have a low probability of success.

Under the relevant code, the Turkish environmental authorities are entitled to ask for cash settlement of the fine and generally will not accept any form of security to release an offending ship. On an exceptional basis, the authorities may accept bankers’ drafts and/or payment guarantees issued by the ship’s agents, payable within a maximum of 1-2 days and without any conditions.

In previous cases, the authorities released vessels against a letter of undertaking (LOU) issued by a P&I club or insurance company recognized by the Turkish Government. However, the authorities’ demand for the original LOU with its notarized official translation led to considerable delays to vessels.

It is significant to note that the pollution fine amount may be reduced by 25% if settled immediately, which would also allow the vessel to sail. Remitting the fine amount will not be considered as an admission of liability and an appeal may still be lodged before the

Administrative Court within 30 days of the fine's notification date. However, appealing the fine decree will not result in the lifting of the arrest order of the vessel and the prospects of success in appeal proceedings are very slim.

Any video footage or pictures taken by environmental officers, coast guard or otherwise can only be released by court order. However, offers do release such records to P&I club representatives or agents unofficially upon occasion.

Pollution fines levied by Harbor Masters

If vessels do not follow local port sea pollution regulations, the Harbor Master has the right to penalize offending vessels with administrative fines between 500 TRY and 20,000 TRY. Any incident requiring application of emergency response actions or emergency services due to collisions, breakages, fires, explosions or similar incidents causing damage or sea pollution, the Harbor Master has been given the right to impose an administrative fine against the offending vessel up to 5,000,000 TRY.

Insureds are entitled to lodge an appeal to any fines before an administrative court within 15 days of the fine's notification date. However, appealing the fine will not result in lifting of a fined vessel's arrest order and appeals have a low probability of success.

Insureds are recommended to pay any fines within the appeal period in order to benefit from a 25% discount of the fine to enable the vessel to sail without delay. If fines are not paid, the vessel can be sold at auction by relevant authorities to recuperate the pollution fines.

Recommendations

- De-ballasting operations should be avoided unless the ballast water has been checked and confirmed to be clean.
- All overboard discharge valves should be closed and secured/sealed in closed position.
- All deck scuppers should be plugged and any gaps in the fish plate surrounding the deck should be closed.
- Washing of decks and superstructure should be avoided, if possible.
- Treated water from the sewage system and grey water should be transferred to a holding tank and should not be discharged until the vessel is outside Turkish waters and in accordance with applicable laws and conventions.
- Cargo residues, cargo space cleaning residues, all garbage and other substances should not be disposed of in Turkish waters.
- The vessel's hull should not be scraped, chipped or painted while alongside the pier or at anchor.
- While the vessel is at a Turkish shipyard or dry dock, even if the pollution is caused by the negligence of the shipyard, its employees or agents, the ship may be held vicariously

liable for the pollution fine. Therefore, the crew members should exercise care and should immediately issue a Letter of Protest to the relevant shipyard.

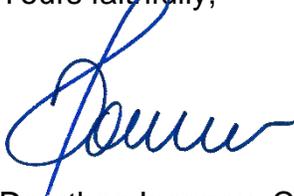
- Insureds should familiarize themselves and comply with local regulations, which may be stricter than MARPOL regulations. P&I insurance cover for pollution fines responds only to the accidental escape of a pollutant from a vessel, and not in cases where a violation arises due to misinterpretation or operational breaches of local rules.

If the Turkish authorities assert a violation by a vessel which might lead to pollution fine, Insureds are urged to contact the Eagle Ocean Marine (EOM) and the local P&I correspondent immediately for assistance.

EOM would like to thank Metropole Maritime & Trading Co. Ltd., Istanbul for their assistance on this topic and for providing the information upon which this Alert has been based.

EOM recommends that Insureds take note of this information and be guided accordingly.

Yours faithfully,



Dorothea Ioannou, 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.

