

Compulsory Insurance Under Japanese Domestic Regulations

- The Japanese government amended the laws on Liability for Oil Pollution Damage to accede to International Convention on Civil Liability for Bunker Oil Pollution Damage (BC) and Nairobi International Convention on the Removal of Wrecks (WRC). The amended law is to come into effect on 1st, October 2020.
- Most ocean-going vessels entering Japanese ports will now be required to comply with International Convention on Civil Liability for Oil Pollution Damage (CLC), BC, and WRC.
- On the other hand, even if the vessels is not applied by these Conventions, the vessels with a gross tonnage of 100 tons or more will continue to be subject to Japanese own regulations. The measures are as follows.



**Maritime Bureau,
Ministry of Land, Infrastructure, Transport and Tourism
Government of Japan**

I. Compulsory Insurance

Compulsory insurance under Japanese own regulations is as follows.

【Application】

Ocean-going vessels (excluding oil tankers) indicated below with **gross tonnage of 100 or more and 1,000 or less (for bunker oil pollution) and of 100 or more and less than 300 (for removal of wreck)**

- ⊙ Vessels of Japanese registry: ships engaged on international voyages (barges included)
- ⊙ Vessels of foreign registry: ships that enter and leave Japanese ports (barges included)

【Requirements of Insurance】

① Damages covered:

- ⊙ **Damages associated with bunker oil pollution**
- ⊙ **Expenses in activities related to the removal of wreck**

② Minimum Insurance Coverage: **at least equal to the** sum of the following amounts

- ⊙ **Limit of liability in cases involving personal claims (for bunker oil pollution)**
- ⊙ **Limit of liability in cases involving damage to material only (for removal of wreck)**

※ “Limit of liability” refers to the limit on liability of shipowner stipulated in Article 7 of the Law on Liability Limitation of the Shipowner, which is consistent with the International Convention on Limitation of Liability for Maritime Claims, 1979(76LLMC), 1996(96LLMC).

Examples of Minimum Liability Computation□

Gross Tonnage□		100G/T~1000G/T□
Minimum Liability□		6,040,000SDR
Breakdown□	For bunker oil pollution□	4,530,000SDR
	For removal of wreck□	1,510,000SDR

Reference: Exchange rate as of 2nd, July, 2020: 1SDR = US\$1.380810□

※ SDR is the acronym for Special Drawing Rights, a unit of account computed in a prescribed manner based on key international currencies. Latest information on SDR may be obtained from the website of the International Monetary Fund (IMF), www.imf.org/external/np/tre/sdr/db/rms_five.cfm.



II. Certificate of Insurance

The applicable vessel calling at any port in Japan **must have its certificate of insurance** issued by the Ministry of Land, Infrastructure and Transport **on board**. **Applications for certificates are made** to the District Transport Bureau.

Vessels with valid certificate of insurance may **apply for renewal three months prior to the expiry date of the certificate**. Electronic applications are not entertained.

Vessels insured with “Designated insurers” may be exempted from this rule by carrying on board the certified copy of its “Certificate of Entry” in lieu of the certificate of insurance issued by the District Transport Bureau.

For details on how to apply for a certificate of insurance and exemptions to the rule, please inquire from any of the local offices listed at the back page.

III. Report Requirements at Entry to Port

Any Vessel with gross tonnage of 100 or more that enter any port or designated sea area in Japan **must make a report to the District Transport Bureau** in advance.

The report should contain the vessel’s name, flag of registry, details of insurance coverage and other necessary information. For details, please inquire from any of the local offices listed at the back page.

Note: Designated sea area means Tokyo Bay, Isewan and Seto Inland Sea. (See table below.)

Designated sea area	Report To
Tokyo Bay	Kanto District Transport Bureau
Isewan	Chubu District Transport Bureau
Area from Kii Channel to Seto Inland Sea	Kinki District Transport Bureau
Area from Bungo Channel to Seto Inland Sea	Kyushu District Transport Bureau
Area from Kanmon Channel to Seto Inland Sea	Kyushu District Transport Bureau

IV. Inspection

The government officers including PSC officers may board vessels and check certificates to verify compliance with the insurance requirement.

In cases described below, the vessel may be ordered to secure an insurance contract, carry certificate on board or **be detained in port** and may be eligible for criminal penalties.

- ◎ Going on international voyage without insurance (vessels of Japanese registry) or entering and leaving Japanese ports without insurance (vessels of foreign registry)
- ◎ Going on international voyage without certificate of insurance on board (vessels of Japanese registry) or entering and leaving Japanese ports without certificate of insurance on board (vessels of foreign registry)
- ◎ Failure to submit report or submission of fraudulent report
- ◎ Other cases that the law may require

V. Liabilities

To ensure that the interests of those who suffer damages resulting from or related to bunker oil pollution are protected, liabilities are defined as:

◎ **Absolute Liability**

Liability for damages due to bunker oil pollution and removal of wreck shall be considered absolute **regardless whether the damages were intentional or accidental.**

◎ **Joint Liability of Shipowner and Charterer**

Liability for damages due to bunker oil pollution shall be held jointly and severally by the shipowner and the charterer of the vessel who are both responsible for operation of the vessel at sea.

■ For Inquiries, contact ■

<input type="checkbox"/>	Telephone <input type="checkbox"/>	Facsimile <input type="checkbox"/>
■ Head Office of the Ministry		
Safety Policy Division, Maritime Bureau	E-mail: maritime@mlit.go.jp <input type="checkbox"/>	
■ District Transport Bureau (Local Office)		
Hokkaido District; Ship Safety and Maritime Environment Division, Maritime Safety and Environment Department	+81-11-290-2778 <input type="checkbox"/>	+81-11-290-1032 <input type="checkbox"/>
Tohoku District; Ship Safety and Maritime Environment Division, Maritime Safety and Environment Department	+81-22-791-7516 <input type="checkbox"/>	+81-22-299-8884 <input type="checkbox"/>
Kanto District; General Affairs Division, Maritime Safety and Environment Department	+81-45-211-7222 <input type="checkbox"/>	+81-45-662-6192 <input type="checkbox"/>
Hokuriku District; Ship Safety and Maritime Environment Division, Maritime Department	+81-25-285-9158 <input type="checkbox"/>	+81-25-285-9176 <input type="checkbox"/>
Chubu District; Ship Safety and Maritime Environment Division, Maritime Safety and Environment Department	+81-52-952-8021 <input type="checkbox"/>	+81-52-952-8083 <input type="checkbox"/>
Kinki District; General Affairs Division, Maritime Safety and Environment Department	+81-6-6949-6423 <input type="checkbox"/>	+81-6-6949-6528 <input type="checkbox"/>
Kobe District; Ship Safety and Maritime Environment Division, Maritime Safety and Environment Department	+81-78-321-7054 <input type="checkbox"/>	+81-78-321-0966 <input type="checkbox"/>
Chugoku District; Ship Safety and Maritime Environment Division, Maritime Safety and Environment Department	+81-82-228-8794 <input type="checkbox"/>	+81-82-228-3468 <input type="checkbox"/>
Shikoku District; Ship Safety and Maritime Environment Division, Maritime Safety and Environment Department	+81-87-802-6825 <input type="checkbox"/>	+81-87-802-6835 <input type="checkbox"/>
Kyushu District; General Affairs Division, Maritime Safety and Environment Department	+81-92-472-3173 <input type="checkbox"/>	+81-92-472-3345 <input type="checkbox"/>
Okinawa; Ship and Seafarer Division, Transport Department Okinawa General Bureau, Cabinet Office	+81-98-866-1838 <input type="checkbox"/>	+81-98-860-2280 <input type="checkbox"/>

Note: Inquiries in English should be addressed to the head office or sent through e-mail.