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INSIGHT

27 April 2020

Regulations on Ship-to-Ship Hydrocarbon Operations within the Venezuelan Jurisdiction (Administrative Act 333)

Information Hub update

On 27 April 2020, the Venezuelan Maritime Authority announced via Administrative Act the "Regulations applied to ship-to-ship hydrocarbon operations within the Venezuelan jurisdiction" ("The Regulation"). The Regulation provided the conditions, limitations and security procedures for the ship-to-ship transfer of hydrocarbons in anchorage areas, and generally in all jurisdictional waters of Venezuela.



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Transshipment operations are only authorized for vessels over 150 GT. The Regulation also excludes:

1. The transshipment of hydrocarbons related to fixed or floating offshore platforms, including drilling units, production, storage or unloading floating facilities, used to produce or store hydrocarbons or finished products offshore.
2. Bunkering.
3. Vessels necessary to guarantee the safety of life at sea, search and rescue vessels and vessels used to prevent or cleanup pollution.
4. The vessels of the Venezuelan Navy, that perform transshipment operations.

The Master will be liable for the transshipment. The plans and execution of the operations will be coordinated by the Harbormaster.

The Owner of the cargo, shall guarantee that the operation is covered by a liability insurance against hydrocarbon spills and for any environmental damage, with a minimum coverage of US $1.000.000.000,00 with an internationally recognized insurer, and must produce the corresponding certificate.

The service provider will need to comply with certain requirements, including: having a proper registration before the Maritime Authorities as shipping company allowed to performed transshipment operations. The license will be valid for 5 years but can be suspended at any time if there is a violation of any of the requirements.

The ship-to-ship operations must be performed by Venezuelan seafarers, unless there is a lack of qualified local personnel available, in which case foreign personnel may be temporarily authorized so long as they are accompanied by Venezuelan officers in training.

The providers of these services, must execute a service agreement with a Venezuelan company dedicated to prevent and contain accidents and spills of polluting substances. The equipment and means of these providers, must be sufficient and adequate to handle hydrocarbon spills/accidents at a level 2.

In any event, if there is no national qualified provider for these services of transshipment operations, then a foreign providers can be used for that purpose.

The Regulation provides as Shipowner's obligations as follows:

1. Guaranteeing that vessels and equipment are in ideal shape to perform such operations;
2. Verifying that vessels comply with a Safety Management System approved by their flag's Maritime Authority;
3. Ensuring that the crew is familiarized and trained with the type of operations and that they know how to execute any contingency plans;
4. Maintaining insurance liability policy against hydrocarbon pollution and environmental contamination in general.

The Shipowners will be liable for the costs and expenses to restate, correct, minimize and/or mitigate the effects of any contamination incident.

Any foreign flag vessel that participates in a transshipment operation must be duly represented by a Shipping Agency authorized by the Venezuelan Maritime Authorities.

Whenever there is a requirement for a support or service vessel for the operation, the Maritime Authority will set the rate and will have preference, unless due to availability, they cannot provide service.

If you need any clarification please do not hesitate to contact Cristina.Mujica@clydeco.com.ve.

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