

## IUMI Policy Agenda

### 1. Arctic sailings

#### *Brief description*

Ice conditions make Arctic sailings a relevant option for more commercial vessels transiting between Europe and Asia and the number of cruise vessels in polar waters are on the rise. Ice conditions, the role of class, vessel design, remoteness, support networks, availability of icebreakers, SAR, and experience and training of crew are amongst the relevant issues for underwriters in assessing this risk. While it is recognised that maritime and offshore energy activities in the Arctic poses a number of associated risks and challenges, this agenda item is limited to considerations concerning vessel transits and destination shipping in relation to the Polar Code only.

The International Code for Ships Operating in Polar Waters (Polar Code) and the associated new SOLAS chapter XIV and MARPOL amendments entered into force 1 January 2017. Vessels certified under SOLAS, i.e. cargo vessels of 500 GT or more and all passenger vessels, that are constructed on or after 1 January 2017 shall comply with the safety requirements. Vessels constructed before 1 January 2017 shall comply by the first intermediate or renewal survey occurring after 1 January 2018. Training requirements within the STCW Convention and the Code for officers and crew on board vessels operating in polar waters took effect on 2 July 2018.

An interim guidance on methodologies for assessing operational capabilities and limitations in ice (POLARIS) was approved by IMO's Maritime Safety Committee (MSC) in May 2016. Member States and international organizations are invited to report on their experience with the use of POLARIS after four years to consider any necessary amendments.

In June 2021, IMO's Marine Environment Protection Committee (MEPC) adopted a ban on the use of heavy fuel oil in the Arctic region from 1 July 2024. For vessels with double hull, entry into force will be 1 July 2029. There is also an option for states with an Arctic coastline to waive the requirement for ships flying its flag and operating in its water until 1 July 2029.

Currently, there is a consideration for an instrument to address non-SOLAS vessels operating in polar waters. MSC instructed in June 2019 the Sub-Committee on Navigation, Communications and Search and Rescue (NCSR) to consider the feasibility and consequences of applying chapters 9 and 11 of the Polar Code to non-SOLAS vessels and how best to enhance the safety of these vessels, including possible amendment of SOLAS and/or the Polar Code. NCSR progresses the work on mandatory navigation and

voyage planning requirements through a Correspondence Group in view of completion in 2022.

As an interim measure, the IMO Assembly adopted in November/December 2019 a resolution urging Member States to implement, on a voluntary basis, safety measures of the Polar Code on vessels not certified under the SOLAS Convention. The MSC approved in May 2021 recommendatory safety guidelines for fishing vessels of 24m in length and over and pleasure yachts above 300 gross tonnage not engaged in trade. Similar guidelines are being considered for pleasure yachts engaged in trade and cargo vessels, both of 300 GT and above and less than 500 GT, operating in polar waters.

IUMI participates in the Arctic Shipping Best Practices Information Forum of the Arctic Council that was formed in 2017. The Forum supports the implementation of the Polar Code, and a public web-portal is available with accurate information from authoritative sources including the Arctic States, intergovernmental organisations, classification societies, the shipping industry, marine insurers, and non-governmental organisations.

#### *Relevant authority / organisations and documents*

- **IMO MEPC & MSC** with input from Sub-Committees (HTW, SSE, SDC, NCSR)
  - **Polar Code**
    - Resolution MSC Res.385(94), adopted 21 November 2014.
    - SOLAS Ch. XIV (MSC Res.386/94).
    - MEPC 68/21/Add.1/Corr.2, adopted 15 May 2015.
  - **MSC.1/Circ.1519**: Guidance on methodologies for assessing operational capabilities and limitations in ice (POLARIS), 6 June 2016.
  - **MSC.1/Circ.1612**: Guidance for navigation and communication equipment intended for use on ships operating in polar waters, 14 June 2019.
  - **MSC.1/Circ.1614**: Interim guidelines on life-saving appliances and arrangements for ships operating in polar waters, 26 June 2019.
  - **A31/Res.1137**: Interim measures for ships not certified under the SOLAS Convention operating in polar waters, 17 January 2020.
  - **SDC7/WP.5**: Safety measures for non-SOLAS ships operating in Polar waters, report of the working group, 5 February 2020.
  - **PPR8/6**: Development of guidelines on measures to reduce risks of use and carriage of heavy fuel oil as fuel, report of the Correspondence Group, 18 December 2020.
  - **NCSR8/5**: Safety measures for non-SOLAS ships – application of chapters 9 and 11 of the Polar Code, report of the correspondence group, 15 January 2021.
  - **NCSR8/5/1**: Response to the report of the correspondence group, submitted by FOEI, Pacific Environment and WWF, 12 February 2021.
  - **MSC.1/Circ.1641**: Guidelines for safety measures for fishing vessels of 24 m in length and over operating in Polar waters, 24 June 2021.

- **Arctic Council** comprising Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden and the U.S.
  - **Arctic Shipping Best Practices Information Forum web-portal**
  - Guideline for Arctic Marine Risk Assessment, April 2020.
- **The Arctic Monitoring and Assessment Programme** – status of, and threats to, the Arctic environment.
- **Arctic “Best Practice Declaration”**. IUMI letter of support 19 April 2013.
- **Arctic information database** - Centre for High North Logistics.
- **Northern Sea Route:**
  - **NSR Administration**
  - **Russian Government: Northern Sea Route Development Plan for the period until 2031, 21 December 2019.**
  - **Northern Sea Route Information Office**
- **Insurance industry:**
  - **Lloyd’s / Chatham House: Arctic Opening: Opportunity and Risk in the High North**, 1 April 2012.
  - **Cefor: Arctic Sailings Check List**, October 2012.
  - **Gard: Climate change creates a new trade route – and new risks**, 16 February 2014.
  - **Marsh: Arctic shipping: Navigating the risks and opportunities**, August 2014.
  - **Skuld: Arctic checklist**, 16 February 2015.
  - **IUMI: Position paper on Arctic sailings, 29 August 2018.**
  - **MS Amlin: Navigating in ice conditions**, December 2021.
- **ABS: Navigating the Northern Sea Route Advisory**, January 2014. :
- **CMI Polar Shipping Working Group / Hafnia Law Firm: Report on the Legal Framework for Civil Liability for Vessel Source Oil Spills in Polar Regions**, 2 February 2016.
- **Oil Companies International Marine Forum (OCIMF): Northern Sea Route Navigation – Best Practices and Challenges**, December 2017.
- **ICS & OCIMF: Guidelines for the Development of a Polar Water Operational Manual**, November 2019.

#### *Timeline / important dates*

- Russian Northern Sea Route Administration established 15 March 2013.
- Arctic Coast Guard Forum: Joint statement on creating a strategic framework for an operationally-focused consultative organization, 10 June 2016.
- US / Canada: Ban on Arctic drilling in key Arctic and Atlantic offshore areas, 20 December 2016.
- Polar Code entered into force 1 January 2017.
- IMO Assembly: 25 November – 5 December 2019.
- SDC 7: 3-7 February 2020.
- PPR 7: 17-21 February 2020.



- NCSR 8: February 2021.
- MSC 103: 3-14 May 2021.
- MEPC 76: 14-25 June 2021.
- NCSR 9: 21 June -1 July 2022
- Possible entry into force of amendments (if agreed) to SOLAS and/or the Polar Code for non-SOLAS vessels: 1 January 2024.
- Ban on the use of heavy fuel oil in the Arctic region from 1 July 2024. For vessels with double hull & ships flying flag of an Arctic coastline state and operating in its waters: 1 July 2029.
- 5<sup>th</sup> annual meeting of the Arctic Shipping best Practices Information Forum, 16-18 November 2021.

*IUMI will:*

- Participate in discussions with industry, IMO and coastal states on necessary standards and infrastructure in Polar waters.
- Support the urgent consideration for a mandatory instrument to address non-SOLAS vessels operating in polar waters.
- Participate in the Arctic Shipping Best Practice Information Forum, which is responsible for the information web-portal launched to support implementation of the Polar Code.