Circular Ref No.: PNI1901

Date: 15 January 2019

Dear Sir/Madam，

Subject: Prohibition of discharging waste water generated by open-loop exhaust gas cleaning systems (scrubbers) in Inland River Emission Control Area, all ports within Coastal Emission control Area and Bohai-rim Sea Area in China.

After the Chinese Ministry of Transport issued the new regulation regarding requirements of emission control areas in Chinese territorial waters, China MSA published the Notice on Regulating the Supervision and Administration of Emission Control Area on Dec 29th, 2018 to give guidance on the implementation of the new ECA regulation. After reviewing this notice, we hold that what related to ship owners most is the ban on the open-loop exhaust gas cleaning systems (scrubbers).

As per Art.7 of this notice:

A) Discharge and treatment of water pollutants produced by exhaust gas cleaning system shall meet the requirements of relevant regulations.

B) It is forbidden to discharge washing water from open-loop exhaust gas cleaning devices in **Inland River Emission Control Area, port waters within Coastal Emission control Area and Bohai-rim Sea Area**. The prohibition of open-loop exhaust gas cleaning systems in other coastal control areas will be promulgated and implemented in due time.

C) It is forbidden to discharge the washing water residue from the exhaust gas cleaning devices into water or to incinerate it on board. The ship shall

record the storage and treatment of the washing water residue from the exhaust gas cleaning systems truthfully.

Please note that This MSA notice came into force since Jan 1st, 2019. Thus, vessels shall make proper arrangement before entering into the areas mentioned above. Those who equipped with open-loop scrubbers shall either stop discharging washing water generated by scrubbers or use low sulphur content fuel not exceeding 0.5% m/m, in case any problems/penalty may occur.

We hope the above is of assistance. Any query, please feel free to contact us.

Best regards,

Yu Limin

President