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CHINA RE

HUATAI INSURANCE AGENCY & CONSULTANT SERVICE LTD.

Circular Ref No.: PNI1708

Date: 11 August 2017

Dear Sir/Madam

Subject: Ships are Alerted to Avoid Collision with Fishing Boats When Sailing in Chinese Waters as the Fishing Ban Period Comes to End
(This circular is prepared by Huatai Xiamen office)

According to the Ministry of Agriculture of PRC (MOA), the annual summer fishing ban starts on 01 May and ends on 01 August, 16 August, 01 September and 16 September in Bohai Sea, Yellow Sea, East China Sea and South China Sea. Meanwhile, China MSA also released a safety alert in this aspect. We hereby prepare this circular in order to alert ship owners, managers and masters to take due caution to avoid collision with fishing boats when sailing in Chinese waters.

Applicable periods and areas of fishing ban in China

According to MOA, the periods and areas of summer fishing moratorium of the year 2017 are as follows:

1. The applicable waters

The Bohai Sea, the Yellow Sea, the East China Sea and the waters north of 12° N of South China Sea (including Beibu Gulf) .

2. The applicable types of fishing operation

All types of fishing operation other than fishing tackle, inclusive of the auxiliary fishing boats.

3. The applicable periods among different waters

a. For the waters north of 35° N of Bohai Sea and Yellow Sea, the period is between 1200hrs on 01 May and 1200hrs on 01 September.

b. For the waters between 35° N and 26°30' N of Yellow Sea and the East China Sea, the period is between 1200 hrs on 01 May and 1200hrs on 16 September. For the waters between 26°30' N and the "boundary of Fujian province and Guangdong province" of East China Sea, the period is between 1200hrs on 01 May and 1200 hrs on 16 August.

c. For the waters between 12° N and the "boundary of Fujian province and

Guangdong province” (including Beibu Gulf) of South China Sea, the period is between 1200hrs on 01 May and 1200 hrs on 16 August.

d. The “boundary of Fujian province and Guangdong province” refers to the waters that administrated by both provinces as well as the connecting line between 117° 31'37.40"E, 23°09'42.60"N and 120° 50'43"E, 21° 54'15"N.

Basing on above, we prepared an illustration as below for your easy reference.



Characteristics of the fishing areas and fishing boats

1. Foggy weather

The middle and southern parts of the yellow sea, the region between Changjiangkou-Zhoushan islands and Beibu gulf are the three centers of foggy zones. The Chengshantou and shidao are located in the southern part of Shandong Peninsula, where are covered by more than 80 foggy days annually, sometimes the foggy weather would last for 25 days.

The width of the foggy zone is around 400 km in the area of Zhoushan islands, whilst the yellow sea would almost be covered by fog in June and July. Among the foggy zones, there are many main fishing areas in Laotieshan water channel, Chengshantou waters, Zhoushan islands and Changzhoukou waters, where collision incident with fishing boats happens frequently.

2. Numerous small fishing boats are not equipped with advanced communication devices.

The fishing boats, mostly with a length less than 50m, are usually equipped with main power of below 294kw. Meanwhile, the fishing boats are equipped with neither AIS nor VHF to communicate with merchant vessels. Therefore, it is difficult for the merchant vessels to find, identify or communicate with the fishing boat, especially during night time or when the weather is bad.

3. The crewmembers of the fishing boats are not familiar with the Convention on the International Regulations for Preventing Collisions at Sea 1972.

Due to lack of navigational knowledge and training, the crewmembers of the fishing boats are not familiar with the navigational devices. As such, they tend to violate the navigation rules and regulations when the fishing season starts.

4. When the fishing season starts, nearly all the fishing boats would proceed to one direction to fish by the tide, some of which may keep fishing throughout the day. Because most of the fishing boats would gather together and turn off the engine and light during night time, they could hardly be found by nearby merchant vessels, thus collision incident would happen or the merchant vessels would be entangled with fishing nets.

The period of high-occurrence collision incident in China

Apart from the fog season in March and April, the period between August and October is another high-occurrence season of collision incident with fishing boats. Viewing the above, ships are suggested to pay more attention in the subsequent days immediately after the fishing season starts.



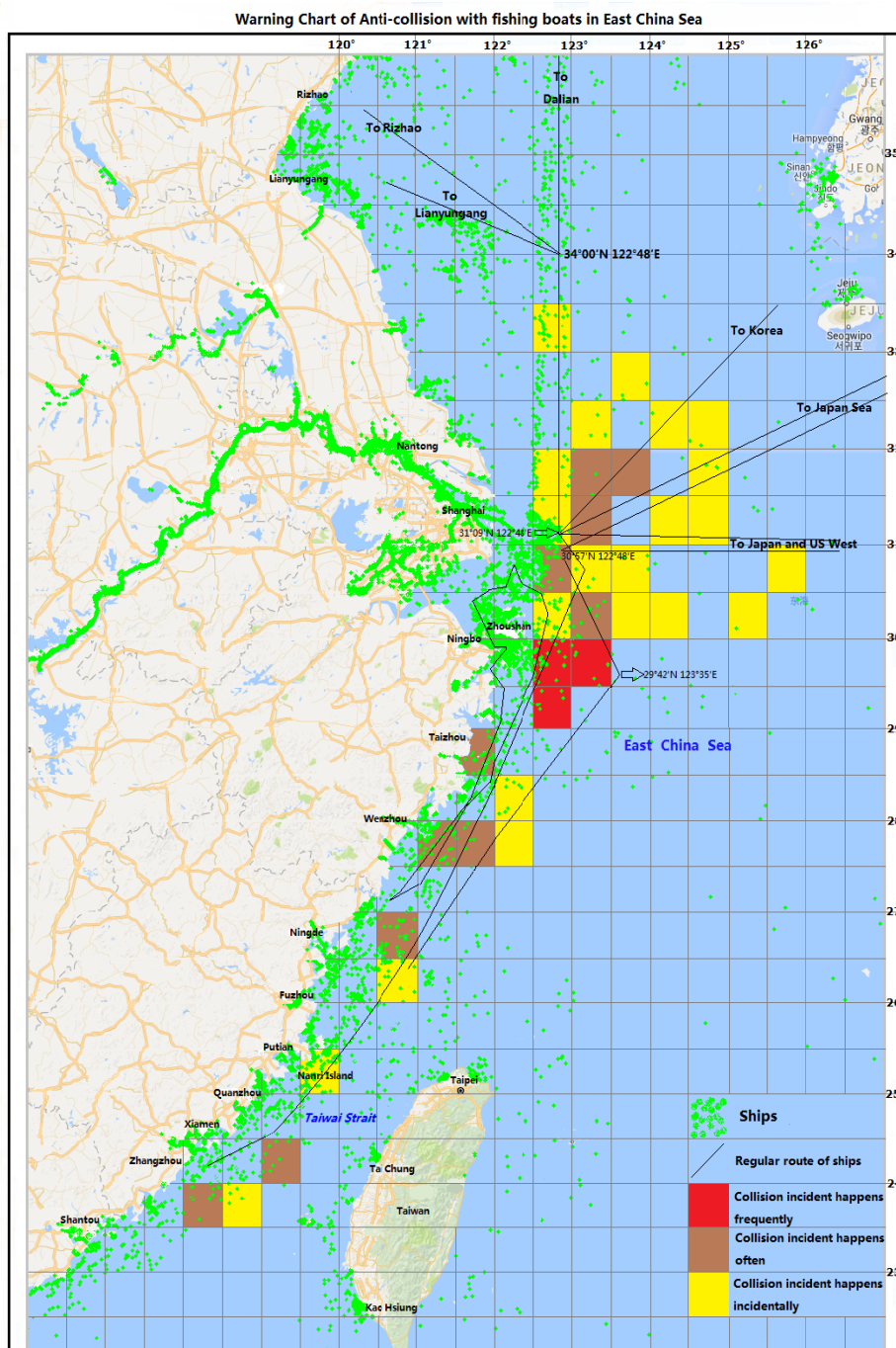
Fishing boats are proceeding to the fishing farms after fishing ban ends

Statistics show that totally 268 collision incidents with fishing boats occurred between the year 2006 and 2011, causing 562 human deaths and 90% of the fishing boats to sink.

In recent years, with wooden fishing boats gradually replaced by steel fishing boats and more fishing boats becoming equipped with navigational devices, such as radar and AIS, the number of collision incident has decreased, especially the number of sinking incidents. Unfortunately, there have been still some very serious incidents, which have caused more than 10 deaths.

The warning chart of collision with fishing boat in East China Sea

It is found that the collision incidents mainly happened in East China Sea, where regular routes of merchant vessels cross with the fishing operation zone, especially the waters off Shanghai and Ningbo. Based on the warning chart issued by MOA and the Navigation Guarantee Department of the Chinese Navy Headquarter, we prepared a warning chart as below for your easy reference.



Recommendations and precautions

1. Designated fishing zones as well as the waters where collision incident happens frequently should be taken into account when designing the route, including the surrounding environment, temperature and tide, as well as the period of fishing ban. Fishing nets or fishing boats should also be carefully noted throughout coastal navigation. In waters where traffic separation scheme is applied, ships should follow such scheme strictly; in water where no such scheme is in place, ships should navigate within the main channel as much as possible.
2. If ships enter into fishing areas, they should ensure full compliance with relevant provisions of COLREGS 1972 and SMS.
3. Officers or watchman should be familiar with operation characteristics of fishing boats, such as trawlers. Crewmembers should also keep proper lookout and make the radar activated in time. Furthermore, ships should sail at safe speed, be well prepared and maintain low speed while approaching the fishery areas.
4. Ships should make full usage of radar and sound fog-signal even though no fishing boat is found on radar during navigation in fog.
5. It should also be taken into consideration that as a local custom, the fishing boats of coastal areas of Zhejiang, Fujian and Guangdong provinces prefer to cut in ship's bow.
6. Normally, after the fishing ban ends, thousands of fishing boats will sail to the fishing area in the same direction. In this situation, collision avoidance plans should be made in advance. Considering that the fishing boat fleets are mostly unwilling to let the merchant vessels sail among them, ships are recommended to avoid sailing across the fishing boat fleets to prevent collision.
7. Merchant vessels should stop engine immediately once breaking into or crossing fishing net in order to avoid the fishing net to fall afoul of propeller.
8. Merchant vessels should also take active measures to avoid collision with power-driven fishing boats, even when they are not engaged in fishing operation.
9. When fishing boats use international code of Signals, the meanings of one-letter flags are as follows:
 - a. The letter "G" means "I am casting nets".
 - b. The letter "Z" means "I am drawing nets".
 - c. The letter "P" means "My nets have hung on an obstruction tightly".
 - d. The letter "T" means "Keep clear of me, I'm engaged in pair trawling". Or sound one prolonged blast instead of using one-letter flag.

10. Once collision occurs, the ships must render necessary salvage to the fishing boat by all means. Meanwhile, ships should contact the VTS/MSA via VHF or their emergency call center at +86 12395 in any emergency situation at sea. Ship's failure to report the incident in time or running away from the incident without approval will be held blamable in MSA's future investigation.

Hope the above is of assistance. Any query, please feel free to contact us at pni.bj@huatai-serv.com.

Best regards,

A handwritten signature in black ink, appearing to be the Chinese characters '崔吉宇' (Cui Jiyu).

Cui Jiyu
Vice President