

Directions for the 2025 New Procedure regarding P&I Policy Review Established by the Maritime Port Bureau, Ministry of Transportation and Communications

Announced in May 2025 by the Maritime Port Bureau

- I. Legal basis: This new procedure shall be implemented in accordance with Article 3 of the Regulations on Port Services at Commercial Ports, Article 15 of the Regulations for Adminstrating a Shipping Agency, as well as the Directions for Maritime and Port Bureau, MOTC Reviewing Liability Insurance.
- II. Purpose: This new procedure aims to ensure the safety and order of Taiwan's ports and territorial waters. It also aims to prevent scenarios in which, following a marine casualty, the P&I policy becomes invalid, or the insurer fails to deal with the casualty. These circumstances may lead to Taiwanese citizens bearing the costs of oil pollution or wreck removal, without receiving adequate compensation from the P&I insurer.
- III. Effective date: This new procedure shall become effective as of October 15, 2025.
- IV. New Procedure:

1. Method 1: Submission of P&I policy (Certificate of Entry) Issued by Qualified Insurers

Before applying for port entry or exit clearance, applicants must submit P&I policies issued by qualified insurers. The insurer must meet the following criteria, and the Maritime Port Bureau shall regularly update the List of Qualified P&I Insurers on the MTNet website (for the May 2025 update, please refer to Attachment 1):

- (1) P&I Clubs of the International Group and its subsidiaries
- (2) Insurance companies based in Taiwan
- (3) Insurers with an international credit rating of BBB or above:
 - A. Only companies rated BBB by Standard & Poor's, B++ by AM Best, Baa2 by Moody's Ratings, or BBB by Fitch Ratings may be recognized.
 - B. If an insurer meets the aforementioned credit rating requirement but is not listed, the applicant may provide supporting documents. Upon verification by the Maritime Port Bureau, the insurer shall be added to the list.

2. Method 2: Submission of a Time Deposit Certificate With a Pledge to the Maritime Port Bureau

If the applicant is unable to provide P&I policies from a qualified insurer as outlined

above, they may submit a time deposit certificate issued by a Taiwan-based bank listed on the official website of Taiwan's Banking Bureau. This certificate must include a pledge established in favor of the Maritime Port Bureau. The applicant must complete the setup of the pledge through the designated bank and obtain a confirmation letter regarding the setup along with the original deposit certificate. These documents must be submitted to the Taiwan Maritime affairs center for verification. Upon approval, the case shall be registered in the MTNet system, and only then can the applicant proceed with an application for port entry or exit clearance.

3. Calculation of Insurance Coverage (Method 1) and Guarantee (Method 2)

- (1) Vessels Sailing International Route: The insurance coverage for each vessel shall be calculated at 162 special drawing rights (SDRs) per gross register ton (GRT). For vessels with a registered gross tonnage of less than 400 GRTs, the calculation shall be based on 400 GRTs. Additionally, the calculation shall include the amount specified under the Liability for Marine Pollution or Guarantee Amount as announced by the Ocean Affairs Council.
- (2) Vessels Sailing Domestic Route: The insurance coverage for each vessel shall be calculated at 162 SDRs per GRT. For vessels with a registered gross tonnage of less than 400 GRTs, the calculation shall be based on 400 GRTs.

V. Application:

1. Method 1: Submission of P&I policy (Certificate of Entry) Issued by Qualified Insurers (Following the Current Review Procedure)

- (1) Applicants shall be required to access the MTNet system and complete the P&I Insurance Registration process. This process involves filling in the necessary insurance information and uploading the P&I Certificate of Entry along with any other supporting documents.
- (2) Applicants only need to submit their P&I insurance information once, provided that it has been approved. They may subsequently apply for port entry or exit clearance during the insured period. When the P&I insurance is renewed or a new policy is issued, applicants must register the updated insurance documents again.
- (3) Review items for P&I insurance documents(policies):
 - A. Liability coverage for wreck removal and marine pollution

- B. Liability for the injuries or deaths of crew members or third parties, with an insurance payout of no less than NT\$2,500,000 per person individual in cases of deaths
- C. Liability for damage to third-party property resulting from collision with fixed or floating objects
- D. Liability for damage to other vessels as a result of collision or other incidents
- E. Costs associated with life-saving efforts
- F. Obligations under the 2006 Maritime Labour Convention regarding crew wage compensation and repatriation
- G. Supporting documents in response to the warranty clauses of the policy or the rule applicable to particular vessels
- H. Clauses as imposing excessively unreasonable conditions for claims settlement shall not be accepted.

(4) Review period: In principle, the review period is 3 working days.

2. Method 2: Submission of a Time Deposit Certificate With a Pledge to the Maritime Port Bureau

- (1) Applicants must complete a pledge application form, specifying each vessel as the subject of the pledge (a template is provided in Attachment 2). The completed form must be submitted to the Taiwan Maritime affairs center of the jurisdiction overseeing the port of first entry for official endorsement.
- (2) Applicants must establish a time deposit with a pledge at a Taiwan-based bank listed on the official website of Taiwan's Banking Bureau. A list of eligible banks can be accessed at https://www.banking.gov.tw/ch/home.jsp?id=604&parentpath=0,555&mcustomize=FscSearch_RelatedLink.jsp&type=1.
- (3) Applicants must submit a confirmation letter from the bank verifying the completion of the pledge setup, along with the original time deposit certificate, to the Taiwan Maritime affairs center for safekeeping.
- (4) Upon verification by the Taiwan Maritime affairs center, the case shall be registered in the MTNet system. Within the validity period specified in the registration, applicants may apply for port entry or exit clearance for the vessel.
- (5) Calculation of Guarantee:
 - A. Conversion of SDRs to US dollars: The guarantee amount calculated in

SDRs can be converted into US dollars by using the exchange rate provided on the International Monetary Fund's official website (https://www.imf.org/external/np/fin/data/rms_five.aspx). The exchange rate can be determined from the rate applicable on the policy effective date or any date between the policy effective date and the date of submission for review.

Currency units per SDR ³					
	April 15, 2025	April 14, 2025	April 11, 2025	April 10, 2025	April 09, 2025
Chinese yuan		9.893250	9.896870	9.834780	9.815760
Euro		1.190790	1.191780	1.208480	1.209430
Japanese yen		194.001000	193.904000	196.734000	194.135000
U.K. pound		1.026640	1.034300	1.037160	1.042310
U.S. dollar		1.354760	1.352190	1.339240	1.335820
Algerian dinar		179.349000	178.249000	178.401000	177.962000

B. Conversion of US Dollars to New Taiwan Dollars: The amount calculated in US dollars can be converted to New Taiwan dollars by using the historical spot exchange rate (<https://rate.bot.com.tw/xrt/quote/2025-04/USD>) provided by the Bank of Taiwan. The exchange rate can be determined from the rate applicable on the policy effective date or any date between the policy effective date and the date of submission for review.

掛牌日期	幣別	現金匯率		即期匯率	
		本行買入	本行賣出	本行買入	本行賣出
2025/04/16	美金 (USD)	32.105	32.775	32.455	32.555
2025/04/15	美金 (USD)	32.1	32.77	32.45	32.55
2025/04/14	美金 (USD)	32.085	32.755	32.435	32.535
2025/04/11	美金 (USD)	32.27	32.94	32.62	32.72
2025/04/10	美金 (USD)	32.465	33.135	32.815	32.915
2025/04/09	美金 (USD)	32.61	33.28	32.96	33.06
2025/04/08	美金 (USD)	32.605	33.275	32.955	33.055
2025/04/07	美金 (USD)	32.65	33.32	33	33.1
2025/04/02	美金 (USD)	32.69	33.36	33.04	33.14
2025/04/01	美金 (USD)	32.8	33.47	33.15	33.25

(6) Example Calculation of Guarantee for Vessels on International Routes
(Exchange rate as of April 14, 2025):

A. General cargo vessel with **1,000 GRTs**:

- a. Calculated in accordance with Article 21 of the Maritime Act, at 162 SDRs per GRT: $1,000 \times 162 \text{ SDRs} = 162,000 \text{ SDRs}$
- b. Calculated in accordance with the liability for marine pollution or guarantee amount announced by the Ocean Affairs Council: $1,000 \times 400 \text{ SDRs} = 400,000 \text{ SDRs}$ (because this number is higher than 350,000 SDRs, the higher value applies)
- c. Summing the above yields $562,000 \text{ SDRs} \times 1.35 \times 32.5 = \text{NT\$24,657,750}$.

B. Chemical tanker with 400 GRTs:

- a. Calculated in accordance with Article 21 of the Maritime Act, at 162 SDRs per GRT: $400 \times 162 \text{ SDRs} = 64,800 \text{ SDRs}$
- b. Calculated in accordance with the liability for marine pollution or guarantee amount announced by the Ocean Affairs Council: $400 \times 400 \text{ SDRs} = 160,000 \text{ SDRs}$ (because this number is lower than 350,000 SDRs, the higher value of 350,000 SDRs applies)
- c. Summing the above yields $414,800 \text{ SDRs} \times 1.35 \times 32.5 = \text{NT\$18,199,350}$.

C. Oil tanker with 10,000 GRTs:

- a. Calculated in accordance with Article 21 of the Maritime Act, at 162 SDRs per GRT: $10,000 \times 162 \text{ SDRs} = 1,620,000 \text{ SDRs}$
- b. Calculated in accordance with the liability for marine pollution or guarantee amount announced by the Ocean Affairs Council: calculated at 4,510,000 SDRs for the first 5,000 GRTs and calculated at 631 SDRs per GRT ($5,000 \times 631 \text{ SDRs} = 3,155,000 \text{ SDRs}$) for the remaining 5,000 GRTs. The total for this calculation is 7,665,000 SDRs.
- c. Summing the above yields $9,285,000 \text{ SDRs} \times 1.35 \times 32.5 = \text{NT\$407,379,375}$.

List of Qualified Insurers (Updated in May 2025)

No.	P&I Insurer
1	American Steamship Owners Mutual Protection and Indemnity Association, Inc.
2	Assuranceforeningen Skuld
3	Gard P & I Ltd.
4	NorthStandard Limited
5	The Britannia Steam Ship Insurance Association Limited
6	The Japan Ship Owners' Mutual Protection & Indemnity Association
7	The London Steam-Ship Owners' Mutual Insurance Association Limited
8	The North of England Protecting & Indemnity Association Limited
9	The Shipowners' Mutual Protection & Indemnity Association
10	The Standard Club Ltd.
11	The Steamship Mutual Underwriting Association Limited
12	The Swedish Club
13	The West of England Ship Owners Mutual Insurance Association
14	United Kingdom Mutual Steam Ship Assurance Association Limited
15	Thomas Miller Specialty
16	Eagle Ocean Marine
17	Sunderland Marine
18	Shinkong Insurance
19	Fubon Insurance
20	Taiwan Fire & Marine Insurance
21	Cathay Century Insurance
22	Chung Kuo Insurance
23	Tokio Marine Nawa Insurance
24	Hotai Insurance
25	South China Insurance
26	American International Group
27	Aspen Insurance UK Limited
28	Brit Syndicates Limited
29	British Marine

No.	P&I Insurer
30	British Steamship Protection & Indemnity Ass Ltd
31	China Pacific Property Insurance Co. Ltd.
32	China Shipowner's Assurance Association
33	Korea P&I Club
34	Mitsui Sumitomo Insurance Co., Ltd
35	MS Amlin Underwriting Limited(MS Amlin Marine N.V 、MS Amlin Insurance SE)
36	People's Insurance Company of China (PICC)
37	Ping An Property & Casualty Insurance Company of China Ltd
38	PVI Insurance Corp
39	QBE Europe SA
40	Queen's Island Insurance Co., Ltd.
41	Sompo Japan Insurance Inc.
42	The Bank of China Group Insurance Co Ltd
43	Tokio Marine & Nichido Fire Insurance Co., Ltd.

**Time Deposit Certificate With a Pledge Application Form (Template; Actual Format
May Vary by Bank)**

To _____ (bank name):

- 1 The Pledgor (Depositor), _____, hereby pledges the time deposit certificate listed in the attached *Schedule of Pledged Assets* to secure the claims of the Maritime Port Bureau (hereinafter referred to as the "Pledgee") with respect to the items set forth in Article 4 of the *Directions for Maritime and Port Bureau, MOTC Reviewing Liability Insurance*, for the vessel _____ (vessel name in English and Chinese), IMO no. _____. The Pledgor applies to the Bank for the registration of this pledge and requests that, upon endorsement, the Bank deliver the original deposit certificate to the Pledgor for submission to the Pledgee. Thereafter, the pledge registration shall not be terminated unless the Bank receives written notice of pledge release from the Pledgee. Please proceed accordingly.
- 2 The Pledgor hereby declares that when the Pledgee enforces the pledge, and except for certificates that the Bank's regulations prohibit from premature termination and withdrawal, the Pledgor authorizes the Pledgee to request the Bank at any time to terminate the deposit early in order to enforce the pledge. The Bank shall pay the enforced amount directly in accordance with the *Notice of Pledge Enforcement* issued by the Pledgee, without conducting any substantive review of the enforcement, and the Pledgor raises no objections.
- 3 The Pledgor agrees that when the Pledgee enforces or releases the pledge in the future, such action shall be conducted using the Bank's standard forms titled *Notice of Pledge Enforcement* or *Notice of Pledge Release*.
- 4 With respect to the deposit certificates listed below, the Bank agrees that, until the pledge is released, it shall not exercise any right of set-off against the deposit claims constituting the pledged property.

Pledgor (Depositor):

(Please affix the original seal used on the deposit certificate)

Address:

Contact number:

Pledgee (Maritime Port Bureau):

(Please affix the official seal)

Address:

Contact number:

Schedule of pledged assets

Deposit type	Account number	Certificate number	Deposit period	Start and end dates	Interest rate	Principal amount (in words)	remarks
						NT\$	
						NT\$	
						NT\$	

※Upon maturity of the pledged deposit certificates listed above, interest shall be paid to the Pledgor, as agreed with the Bank.

Date: _____ (DD/MM/YYYY)