

DRAFT DGS ORDER

on

**Age Norms and other Qualitative Parameters w.r.t. vessels,
for stakeholder consultation. The comments may be sent with justifications
by 22.01.2023 to e-mail:**

amohd-dgs@nic.in; shitesh.ranjan@gov.in; sd-dgs@nic.in;

F. No. 16-17011/5/2022-SD-DGS

Dated: 13.01.2023

DGS Order No. _____ of 2023

Sub: Age Norms and other Qualitative Parameters for Registration/operation of Vessels under Indian Flag and requirement for foreign flag vessels calling at Indian ports for carrying Indian cargo or providing services in Indian EEZ/offshore area.

The objective of the Merchant Shipping Act, 1958, is to foster the development and ensure the efficient maintenance of an Indian mercantile marine in a manner best suited to serve the national interests.

2. The registration, certification, safety and security of Indian ships is a means to achieve the objective of the Merchant Shipping Act, 1958.
3. The quality tonnage is paramount for safe and secure expansion of the maritime sector and to achieve sustainability in ocean governance.
4. The safety of life at sea and ships depends on the quality of tonnage registered under the flag of a country.
5. The IMO has adopted initial strategy for reduction of Green House Gas and to achieve the targets defined by IMO, the vessel need to be transformed to alternate fuel ships and age norms will assist in ensuring gradual phasing out of fossil fuel ships and entry of alternate/low carbon energy efficient ships.
6. The Merchant Shipping Act, 1958, is under review, and once the new legislation is enacted, the rules and conditions for registration shall be reviewed.

7. The existing guidelines stipulate that no prior technical clearance is required for acquisition of vessels below twenty-five years of age and would be required for vessels of and above twenty-five years of age.

8. There is a need for review and to specify certain requirements to enable registration/operation of quality tonnage under Indian flag.

9. There is also a need to create a level playing field for Indian ships by applying the requirements for quality tonnage over foreign flagged vessels calling into Indian ports or Indian offshore facilities, for carrying Indian cargo or for providing services in Indian EEZ/Offshore area.

10. The matter has been discussed with Indian National Ship-owners Association (INSA), and comments of ICCSA/ ONGC were also taken. Further, three meetings were held on 18.02.22, 25.03.22 and 18.08.22.

11. Therefore, in accordance with Section 406, 407 & 456 of the Merchant Shipping Act 1958, read with the notification S.O. No. 3144 dated 17.12.1960 and to meet the objective set out in the preamble of the said Act to ensure efficient maintenance of Indian mercantile marine and to promote acquisition of quality tonnage and enhance the safety of life at sea, the Directorate General of Shipping specifies the following requirements;

Sr. No.	Type of Ships	Application
(1)	(2)	(3)
11.1.	Ships for registration/operation of ships under Indian flag.	The vessels of type as specified in Column A of the Annexure-I to this Order, shall comply with the requirements stipulated in said Annexure, as made applicable therein.
11.2.	Ships acquired under Indian Controlled Tonnage:	The age and other qualitative parameters, as specified in the Annexure-I shall also apply to vessels of similar kind acquired under 'Indian controlled tonnage' regime (put in place vide DGS order 10 of 2014 dated 23.07.2014) carrying Indian EXIM/coastal cargo whether on FOB or CIF or delivered basis, or providing services within the Exclusive Economic Zones of India/offshore area.
11.3	Foreign flag Ships:	The age and other qualitative parameters, as specified in the said Annexure-I shall also apply to all foreign flag vessel of similar kind calling Indian Ports for carrying Indian EXIM/coastal cargo whether on FOB or CIF or delivered basis, or providing services within the Exclusive Economic Zones of India/offshore area, whether chartered by an

		<p>Indian entity or otherwise. In such cases the maximum age of the vessel shall be calculated on the date of commencement of service or carriage of cargo, as the case may be.</p> <p>An Indian entity acquiring a ship will not be able to register the ship after she turns 20 years of age. Further, if a foreign entity is allowed to compete for an Indian cargo (FOB or CIF or delivered basis), such a ship under that entity must not be older than 20 years of age.</p>
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12. The age of the vessel shall be computed from the "Date of Build" as mentioned in the Certificate of Registry.

13. This order shall not be applicable to passenger vessels.

14. The Director General of Shipping reserve the right to dispense with any requirement of this Order on a case to case basis, after considering inputs from INSA, or of any other organisation, as may be deemed appropriate in the prevailing circumstances, in public interest.

15. The requirement specified under this order shall come into force from date of issue of this Order. These requirements shall not however apply for any vessels for which a Memorandum of Agreement to acquire had been entered into before the date on which these requirements come into force.

(Amitabh Kumar)
Director General of Shipping

To,

1. All stakeholders/Ship-owners/Charterers/Shippers/All Indian Shipping Companies through the official website of the DGS, Gol.
2. INSA/ICSSA/FOSMA/MASSA.
3. Indian Ports Association.
4. Indian Private Ports and Terminals Association.

Copy also forwarded for kind information to the:

The Secretary to the Govt. of India, Ministry of Ports, Shipping and Waterways, Gol, Transport Bhawan, 1, Sansad marg. New Delhi-110001.

Annexure-I

Age Range	Compliance requirement		Remarks	Conclusion
	Addition to tonnage - New vessel or 2nd hand vessel	Existing vessels		
A	B	C	D	E
TANKERS				
When below 15 years of age	Provided vessel has IACS class	NA		1. tankers (2nd hand) of 20 years and above age can't be acquired. 2. Deletion of registry for all tanker of 25 years age. 3. No relaxation for bunker barges (RSV/ICV)
When between 15 and 20 years	Provided vessel has (a) IACS class and: (b) CAP 1 rating for Hull and (c) CAP 2 for Machinery and cargo systems	Must obtain (a) IACS Class and (b) CAP 1 rating for Hull and (c) CAP 2 for Machinery and cargo systems from an IACS member (d) CAP ratings as above to be obtained from an IACS member, within 2 years from the date of the circular, and at every dry-docking thereafter	Auto deregistration upon completion of 20 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 25 years	
When 20 to 25 years of age	not permitted	Must obtain (a) IACS Class and (b) CAP 1 rating for Hull and minimum CAP 2 rating for Machinery and Cargo Systems from an IACS member, at every dry-docking	Same as above	
BULK CARRIER/GEN CARGO VESSELS				
When below 15 years of age	IACS Class	NA		1. Bulker/GC vessels (2nd hand) of 20 years and above age cannot be acquired. 2. Deletion of registry for all vessels of 25 years age. 3. No relaxation for MBC, special type vessels such as RoRo etc.
When between 15 and 20 years	IACS Class and a suitable Rightship	IACS Class and a Rightship inspection to be completed and rating to be obtained within 1 Year from the date of the circular, and once every year thereafter.	Auto deregistration upon completion of 30 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 25 years	

When 20 to 25 years of age	not permitted	IACS Class and a Rightship inspection to be completed and rating, once every year.	Same as above	
OFFSHORE FLEET				
When below 15 years of age	IACS Class	NA		1. No 2nd hand acquisition after 20 years 2. Except DP all vessels deregistered upon attaining 25 3. All vessels deregistry after 30 years age
When between 15 and 20 years	IACS Class plus, [preferably] OVID inspection by IACS class	The OVID inspection by IACS Class to be completed within one year from the date of the circular, and once every year thereafter.	Auto deregistration upon completion of 30 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 25 years except for vessel fitted with DP	
When between 20 to 25 years	not permitted	Annual OVID inspection to be completed once every year	Same as above	
When between 25 to 30 years	not permitted	Annual OVID inspection to be completed every year.	Same as above	
SPECIALISED VESSELS (Diving support, Geo-technical, pipe laying, seismic survey, well simulation etc.)				
When below 15 years of age	IACS Class	NA		1. No 2nd hand acquisition after 20 years.
When between 15 and 20 years	IACS Class plus, OVID inspection by IACS class	IACS Class plus OVID inspection by IACS class within one year of the date of issue of the circular, and every year thereon	Auto deregistration upon completion of 30 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 30 years	
When between 20 to 30 years	not permitted	Annual OVID inspection to be completed every year.	Same as above	

FULLY CELLULAR CONTAINER VESSELS				
Upto 20 years	IACS class	NA		1. No 2nd hand acquisition after 20 years.
20 to 25 years	not permitted	FSI as per rules	Auto deregistration upon completion of 30 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 30 years	
25 to 30 years	not permitted	Annual FSI as per rules	Same as above	
GAS CARRIERS				
When below 15 years of age	Provided vessel has IACS class	NA	Auto deregistration upon completion of 30 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 30 years	
When between 15 and 20 years	Provided vessel has (a) IACS class and preferably: (b) CAP 1 rating for Hull and (c) CAP 2 for Machinery and cargo systems from an IACS member	Must obtain (a) IACS Class and (b) CAP 1 rating for Hull and (c) CAP 2 for Machinery and cargo systems from an IACS member (d) CAP ratings as above to be obtained from an IACS member within 2 years from the date of the circular, and at every drydocking thereafter.	Same as above	1. No 2nd hand acquisition after 20 years
20 to 25 years	Not permitted	Must obtain (a) IACS Class and (b) CAP 1 rating for Hull and (c) CAP 2 for Machinery and cargo systems (d) CAPs rating as above to be obtained from an IACS member at every dry-docking	Same as above	
25 to 30 years	Not permitted	Must obtain	Same as above	

		(a) IACS Class and (b) CAP 1 rating for Hull and (c) CAP 2 for Machinery and cargo systems (d) CAPs rating as above to be obtained from an IACS member at every dry-docking.		
HARBOUR TUGS				
Upto 20 years	IACS	NA		1. Presume Harbour tug means, tugs operating within harbour/port 2. No 2nd hand acquisition after 20 years
20 to 25 years	Not permitted	Regular Class surveys, DD inspection	Auto deregistration upon completion of 30 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 30 years of age	
25 to 30 years	Not permitted	Annual FSI	Same as above	
AHTS and TUGS INVOLVED IN LONG TOW				
Upto 20 years	IACS			1. No 2nd hand acquisition after 20 years. 2. All existing AHTS/Tow tugs deregister at 25 years of age.
20 to 25 years	Not permitted	IACS Class plus TIQ inspection by IACS member	Auto deregistration upon completion of 30 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 25 years of age	
DREDGERS				
upto 15 years of age	IACS	NA		1. No 2nd hand acquisition after 15 years 2. Class inspection/survey twice in a year
15 to 25 years	Not permitted	Regular class and DD inspection		
25 to 35 years	Not permitted	Bi annual class inspection & annual FSI	Auto deregistration of vessel upon the vessel attaining 30 years of age	

Non-self-propelled Ocean-going cargo carrying barges				
upto 20 years	IACS	NA		
20 to 25 years of age	not permitted	IACS Class plus BIQ inspection by IACS class	Auto deregistration of vessel upon the vessel attaining 25 years of age	
ANY OTHER VESSEL				
upto 20 years	IACS	NA		
20 to 25 years of age	not permitted	Annual Class and FSI	Auto deregistration of vessel upon the vessel attaining 25 years of age	