

Guidelines on application for wreck removal certificates

Legislation

1. Nairobi International Convention on the Removal of Wrecks, 2007.
2. The merchant shipping act, part 8a, cf. act no. 1384 of 23 December 2012
3. Order no. 27 of 20 January 2015.

Denmark has acceded to the Nairobi International Convention on the Removal of Wrecks, 2007 (the Wreck Removal Convention) and implemented it in Danish law through the merchant shipping act. In pursuance of part 8 a of the merchant shipping act, the Danish Maritime Authority (DMA) has issued order no. 27 from 2015 which includes, inter alia, provisions on issuance of wreck removal certificates.

Purpose of the legislation

The regulation imposes liability for locating, marking and removing wrecks on the owners of certain types of ships and oblige them to take out insurance or other financial security in respect of this liability. Consequently, the rules improve the basis for removing wrecks endangering the safety of navigation or the environment. Ships with a gross tonnage (gt) of 300 or above must also carry a wreck removal certificate as proof that the owner has taken out insurance or other financial security.

Issuance of wreck removal certificates

DMA can issue wreck removal certificates for ships of the following types:

1. Danish ships, including ships owned by authorities, schools, institutions or the like, with cover from a municipal or regional self-insurance scheme.
2. Foreign ships from states that are non-Parties to the Convention and do not possess a wreck removal certificate from a state that is Party to the Convention. However, this is the case, only, if the ships intend to call at a Danish port or at another place of loading or unloading in Denmark or in the Danish continental shelf area or if they intend to operate on a permanent basis in Danish territorial waters. The link [IMO conventions](#) lists the states that are Parties to the Convention. See "Ratification by State".
3. Foreign ships from states that are non-Parties to the Convention and neither hold a wreck removal certificate from a state that is Party to the Convention, nor intend to call at a Danish port, etc. as mentioned under item 2).
4. Ships ownership-registered in Denmark and bareboat-registered abroad.
5. Ships bareboat-registered in Denmark and ownership-registered abroad.

Applications for wreck removal certificates

Before forwarding an application to DMA please upload a declaration (typically a Blue Card) from the insurance provider certifying that insurance has been taken out to cover liability under the Wreck Removal Convention and within the liability limits of section 175 of the merchant shipping act. The insurance provider must also confirm in the declaration that the insurance covers said liability. In addition, the declaration must provide information about the ship as shown in the application form.

Shipowners applying for a wreck removal certificate for a Danish ship must use an insurance company approved as an insurance operator in Denmark by the Danish Financial Supervisory Authority and as a provider of wreck removal insurance by the Danish Maritime Authority.

Shipowners applying for a wreck removal certificate for a foreign ship must use an insurance company approved as an insurance operator in Denmark by the insurance regulator in its homeland and as a provider of wreck removal insurance by the Danish Maritime Authority.

DMA criteria for approval of insurance companies

DMA follows the guidelines issued by the International Maritime Organization (IMO) on the subject in broad terms. This means that DMA has preapproved insurance companies that are members of the International Group of P&I Clubs (IG) as providers of wreck removal insurance. However, IG members' insurance policies are applicable for Danish ships, only, if the Danish Financial Supervisory Authority has approved the members as insurance operators in Denmark, too.

Insurance companies without IG membership are subject to an initial DMA approval and to subsequent DMA approval once a year. For the initial DMA approval, the insurance company must forward

1. a declaration from the relevant authority in its home country that it is approved as an insurance operator in the home country,
2. a declaration (Blue Card) that it covers liability pursuant to the Wreck Removal Convention,
3. a declaration that it covers liability pursuant to the Wreck Removal Convention due to an act of terrorism,
4. a declaration that it has adequate reinsurance for liability pursuant to the Wreck Removal Convention and
5. a declaration from its external auditor that it is not subject to liquidation, public administration or otherwise in the process of seeking protection from its creditors.

DMA must receive a fresh reinsurance declaration as mentioned under 4) and a fresh auditor declaration as mentioned under 5) for the subsequent annual approval.

If the insurance company has its home base in an EEA Country, i.e. the EU plus Iceland, Norway and Liechtenstein, DMA normally collects information mentioned under 1, 4 and 5 on its own.

Notes

- Normally, DMA issues certificates valid for up to one year. However, DMA cannot issue certificates for a period longer than that the period covered by the insurance or other financial security.
- DMA issues certificates valid for up to three months for foreign ships intending to call at Danish ports or at other places of loading or unloading in Denmark or in the Danish continental shelf area or intending to operate on a permanent basis in Danish territorial waters. However, it is possible to issue certificates valid for a longer period for foreign ships intending to operate on a permanent basis in Danish territorial waters.
- Danish ships with a gt of or above 300 must not engage in trade without holding a wreck removal certificate. Foreign ships with a gt of or above 300 must not call at Danish ports or at other places of loading or unloading in Denmark, etc. without holding a wreck removal certificate. It is therefore important to apply for wreck removal certificates in due time.

Payment for wreck removal certificates

Applicants pay a cost-related fee per wreck removal certificate. DMA forwards an invoice, unless the applicant chooses to transfer the amount directly to the Danske Bank:

Account no. : 0216 406903 1625
IBAN no. : DK 8402164069031625
SWIFT : DABADKKK

Please indicate the name of the ship and its IMO number as reference. DMA issues the certificate upon reception of the payment.