

# REPUBLIC OF SINGAPORE GOVERNMENT GAZETTE

# ACTS SUPPLEMENT

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The following Act was passed by Parliament on 14 January 2019 and assented to by the President on 11 February 2019:—

# **REPUBLIC OF SINGAPORE**

### No. 3 of 2019.

I assent.

HALIMAH YACOB, President. 11 February 2019.

An Act to amend the Merchant Shipping (Maritime Labour Convention) Act 2014 (Act 6 of 2014) and the Merchant Shipping Act (Chapter 179 of the 1996 Revised Edition) to implement the International Convention on Salvage, 1989 and amendments to other maritime conventions, to make miscellaneous amendments relating to merchant shipping, and to make related amendments to the Maritime Conventions Act, 1911 (2004 Revised Edition).



Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

# Short title and commencement

**1.** This Act is the Merchant Shipping (Miscellaneous Amendments) Act 2019 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

# PART 1

# AMENDMENTS TO MERCHANT SHIPPING (MARITIME LABOUR CONVENTION) ACT 2014

# Amendment of section 2

**2.** Section 2(1) of the Merchant Shipping (Maritime Labour Convention) Act 2014 (Act 6 of 2014) is amended by deleting the definition of "Convention" and substituting the following definition:

- ""Convention" means the Maritime Labour Convention, 2006 adopted by the International Labour Organization at Geneva on 23 February 2006 and —
  - (a) includes any amendment to the Convention which has come into force and has been accepted by the Government; and
  - (*b*) where the context admits or requires, includes the Regulations, and the Standards in Part A of the Code, of the Convention;".

# Amendment of section 53

**3.** Section 53 of the Merchant Shipping (Maritime Labour Convention) Act 2014 is amended —

- (*a*) by deleting the words "subsection (6)" in subsection (1) and substituting the words "subsections (6) and (7A)";
- (b) by deleting the word "When" in subsections (6) and (7) and substituting in each case the words "Subject to subsections (7A) and (7B), when"; and
- (c) by inserting, immediately after subsection (7), the following subsections:

"(7A) Where the renewal inspection in respect of a ship is completed before the expiry of the existing Maritime Labour Certificate, but the new Maritime Labour Certificate cannot immediately be issued and made available on board that ship, the Director or a Recognised Organisation may extend the validity of the existing Maritime Labour Certificate for a period not more than 5 months after the date the existing Maritime Labour Certificate would otherwise expire.

(7B) Where the validity of the existing Maritime Labour Certificate is extended under subsection (7A), the new Maritime Labour Certificate is valid for a period not exceeding 5 years after the date of expiry of the existing Maritime Labour Certificate after the extension is granted under that subsection.".

## PART 2

# AMENDMENTS TO MERCHANT SHIPPING ACT

### Amendment of section 14

**4.** Section 14 of the Merchant Shipping Act (Cap. 179) is amended by inserting, immediately after subsection (5), the following subsection:

"(6) Any person authorised by the Minister for the purposes of this subsection may, either generally or on specific occasions, reduce the fee prescribed under subsection (1).".

#### Amendment of section 134

5. Section 134 of the Merchant Shipping Act is amended —

- (*a*) by inserting, immediately after the word "as" in the definition of "Convention", the words "amended by the Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims and"; and
- (b) by deleting the word "Schedule" in the definition of "Convention" and substituting the words "First Schedule".

# Amendment of section 136

**6.** Section 136 of the Merchant Shipping Act is amended by inserting, immediately after subsection (1), the following subsection:

"(1A) In paragraph 2 of Article 2 of the Convention —

- (a) the reference to paragraph 1 is a reference to paragraph 1(a), (b), (c) and (f) of that Article; and
- (b) the reference to paragraph 1(d), (e) and (f) is a reference to paragraph 1(f) of that Article.".

# Amendment of section 143

7. Section 143 of the Merchant Shipping Act is amended —

- (*a*) by deleting the word "Schedule" and substituting the words "First Schedule"; and
- (*b*) by deleting the word "Schedule" in the section heading and substituting the words "First Schedule".

# Repeal and re-enactment of section 144

**8.** Section 144 of the Merchant Shipping Act is repealed and the following section substituted therefor:

# "Saving

144. Nothing in section 5(a) or 16(a), (b) or (c) of the Merchant Shipping (Miscellaneous Amendments) Act 2019 applies in relation to any liability arising out of an occurrence which took place before the date of commencement of that provision, and the Merchant Shipping Act as in force immediately before that date continues to apply in relation to such an occurrence as if that provision had not been enacted.".

# Amendment of section 145

9. Section 145 of the Merchant Shipping Act is amended —

(*a*) by inserting, immediately before the definition of "receiver", the following definitions:

- ""inland waters of Singapore" means any stream, reservoir, waterway, lake or pond (whether natural or artificial) within the limits of the territorial waters of Singapore, but excludes —
  - (*a*) any waters within the ebb and flow of the tide; and
  - (b) any place, navigable river or waters declared to be a port by the Minister under section 3(1) of the Maritime and Port Authority of Singapore Act (Cap. 170A);
  - "Public Utilities Board" means the Public Utilities Board continued under section 3 of the Public Utilities Act (Cap. 261);";
- (*b*) by inserting, immediately after the definition of "receiver", the following definition:
  - ""reservoir" means a body of water maintained as a reservoir by the Public Utilities Board in the following areas as defined in regulations made under section 72 of the Public Utilities Act:
    - (a) a Catchment Area Park;
    - (b) the Central Water Catchment Area;"; and
- (c) by inserting, immediately after the definition of "salvage", the following definitions:
  - ""Salvage Convention" means the International Convention on Salvage, 1989, as set out in the Second Schedule;
    - "waterway" has the meaning given by section 2 of the Public Utilities Act;".

# New section 145A

**10.** The Merchant Shipping Act is amended by inserting, immediately after section 145, the following section:

# "Salvage Convention to have force of law

**145A.**—(1) Subject to subsection (2), the provisions of the Salvage Convention have the force of law.

(2) The provisions of the Salvage Convention do not apply to —

- (a) any salvage operation that takes place in inland waters of Singapore, and in which either no ship is involved or all the ships involved navigate in inland waters (whether of Singapore or otherwise); or
- (b) any salvage operation in which the property involved is maritime cultural property of prehistoric, archaeological or historic importance, and is situated on the seabed.

(3) Nothing in subsection (1) affects any rights or liabilities arising out of any salvage operations started or other acts done before the date of commencement of section 10 of the Merchant Shipping (Miscellaneous Amendments) Act 2019.

(4) The Minister may, by order in the *Gazette*, amend the Second Schedule in accordance with any revision to the Salvage Convention or any protocol to the Salvage Convention which may apply to Singapore from time to time.".

# Repeal and re-enactment of section 166

**11.** Section 166 of the Merchant Shipping Act is repealed and the following section substituted therefor:

# "Recourse for life salvage payment

**166.**—(1) This section applies where —

(*a*) services are rendered wholly or in part within Singapore in saving life from any ship or elsewhere in saving life from any Singapore ship; and (b) the ship and other property are destroyed, or the sum to which the salvor is entitled under paragraph 2 of Article 16 of the Salvage Convention is less than a reasonable sum for the services rendered in saving life.

(2) Where this section applies, the Minister may pay to the salvor out of the Consolidated Fund such sum or additional sum as the Minister thinks fit for the services rendered in saving life.".

### Amendment of section 167

**12.** The Merchant Shipping Act is amended by renumbering section 167 as subsection (1) of that section, and by inserting immediately thereafter the following subsection:

"(2) The right of a salvor to a reasonable amount of salvage under subsection (1) is subject to paragraph 2 of Article 12, and Articles 17, 18 and 19, of the Salvage Convention.".

### Amendment of section 174

**13.** Section 174 of the Merchant Shipping Act is amended by inserting, immediately after subsection (3), the following subsection:

"(3A) Any apportionment of the amount of salvage by the receiver under this section must be made in accordance with Article 15 of the Salvage Convention.".

### Amendment of section 175

14. Section 175 of the Merchant Shipping Act is amended —

- (*a*) by deleting the words "and whenever" and substituting the words "or whenever"; and
- (b) by renumbering the section as subsection (1) of that section, and by inserting immediately thereafter the following subsection:

"(2) Any apportionment of the amount of salvage by the High Court under this section must be made in accordance with Article 15 of the Salvage Convention.".

# Amendment of section 205

**15.** Section 205 of the Merchant Shipping Act is amended by deleting subsection (2) and substituting the following subsections:

"(2) The Director may compound any offence under this Act that is prescribed as a compoundable offence by collecting from the person reasonably suspected of having committed the offence a sum not exceeding the lower of the following:

- (*a*) one half of the amount of the maximum fine that is prescribed for the offence;
- *(b)* \$2,000.

(3) On payment of such sum of money under subsection (2), no further proceedings are to be taken against that person in respect of the offence.".

# Amendment and renaming of Schedule

16. The existing Schedule to the Merchant Shipping Act is amended —

- (*a*) by deleting paragraph (*a*) of Article 3 and substituting the following paragraph:
  - "(*a*) claims for salvage, including, if applicable, any claim for special compensation under Article 14 of the International Convention on Salvage, 1989, as amended, or contribution in general average;";
- (*b*) by deleting paragraph 1 of Article 6 and substituting the following paragraph:

"1. The limits of liability for claims other than those mentioned in Article 7, arising on any distinct occasion, shall be calculated as follows:

- (a) in respect of claims for loss of life or personal injury,
  - (i) 2 million Units of Account for a ship with a tonnage not exceeding 2,000 tons;

(ii) for a ship with a tonnage in excess of 2,000 tons, the following amount in addition to that mentioned in sub-paragraph (i):

for each ton from 2,001 to 30,000 tons, 800 Units of Account;

for each ton from 30,001 to 70,000 tons, 600 Units of Account; and

for each ton in excess of 70,000 tons, 400 Units of Account;

- (b) in respect of any other claims,
  - (i) 1 million Units of Account for a ship with a tonnage not exceeding 2,000 tons;
  - (ii) for a ship with a tonnage in excess of 2,000 tons, the following amount in addition to that mentioned in sub-paragraph (i):

for each ton from 2,001 to 30,000 tons, 400 Units of Account;

for each ton from 30,001 to 70,000 tons, 300 Units of Account; and

for each ton in excess of 70,000 tons, 200 Units of Account.";

(c) by deleting paragraph 1 of Article 7 and substituting the following paragraph:

"1. In respect of claims arising on any distinct occasion for loss of life or personal injury to passengers of a ship, the limit of liability of the shipowner of the ship is an amount of 175,000 Units of Account multiplied by the number of passengers that the ship is authorised to carry according to the ship's certificate."; and

(d) by renaming the Schedule as the First Schedule.

# **New Second Schedule**

**17.** The Merchant Shipping Act is amended by inserting, immediately after the First Schedule, the following Schedule:

# "SECOND SCHEDULE

Sections 145 and 145A(4)

# INTERNATIONAL CONVENTION ON SALVAGE, 1989 CHAPTER 1 — GENERAL PROVISIONS

### **Article 1. Definitions**

For the purpose of this Convention —

- (*a*) Salvage operation means any act or activity undertaken to assist a vessel or any other property in danger in navigable waters or in any other waters whatsoever.
- (b) Vessel means any ship or craft, or any structure capable of navigation.
- (c) Property means any property not permanently and intentionally attached to the shoreline and includes freight at risk.
- (d) Damage to the environment means substantial physical damage to human health or to marine life or resources in coastal or inland waters or areas adjacent thereto, caused by pollution, contamination, fire, explosion or similar major incidents.
- (e) Payment means any reward, remuneration or compensation due under this Convention.
- (f) Organization means the International Maritime Organization.
- (g) Secretary-General means the Secretary-General of the Organization.

### Article 2. Application of the Convention

This Convention shall apply whenever judicial or arbitral proceedings relating to matters dealt with in this Convention are brought in a State Party.

### Article 3. Platforms and drilling units

This Convention shall not apply to fixed or floating platforms or to mobile offshore drilling units when such platforms or units are on location engaged in the exploration, exploitation or production of sea-bed mineral resources.

#### Article 4. State-owned vessels

Without prejudice to Article 5, this Convention shall not apply to warships or other non-commercial vessels owned or operated by a State and entitled, at the time of salvage operations, to sovereign immunity under generally recognized principles of international law unless that State decides otherwise.

#### Article 5. Salvage operations controlled by public authorities

1. This Convention shall not affect any provisions of national law or any international convention relating to salvage operations by or under the control of public authorities.

2. Nevertheless, salvors carrying out such salvage operations shall be entitled to avail themselves of the rights and remedies provided for in this Convention in respect of salvage operations.

3. The extent to which a public authority under a duty to perform salvage operations may avail itself of the rights and remedies provided for in this Convention shall be determined by the law of the State where such authority is situated.

#### Article 6. Salvage contracts

1. This Convention shall apply to any salvage operations save to the extent that a contract otherwise provides expressly or by implication.

2. The master shall have the authority to conclude contracts for salvage operations on behalf of the owner of the vessel. The master or the owner of the vessel shall have the authority to conclude such contracts on behalf of the owner of the property on board the vessel.

3. Nothing in this Article shall affect the application of Article 7 nor duties to prevent or minimize damage to the environment.

#### Article 7. Annulment and modification of contracts

A contract or any terms thereof may be annulled or modified if —

- (a) the contract has been entered into under undue influence or the influence of danger and its terms are inequitable; or
- (b) the payment under the contract is in an excessive degree too large or too small for the services actually rendered.

#### CHAPTER 2 — PERFORMANCE OF SALVAGE OPERATIONS

#### Article 8. Duties of the salvor and of the owner and master

1. The salvor shall owe a duty to the owner of the vessel or other property in danger —

- (a) to carry out the salvage operations with due care;
- (b) in performing the duty specified in sub-paragraph (a), to exercise due care to prevent or minimize damage to the environment;
- (c) whenever circumstances reasonably require, to seek assistance from other salvors; and
- (d) to accept the intervention of other salvors when reasonably requested to do so by the owner or master of the vessel or other property in danger; provided however that the amount of his reward shall not be prejudiced should it be found that such a request was unreasonable.

2. The owner and master of the vessel or the owner of other property in danger shall owe a duty to the salvor —

- (a) to co-operate fully with him during the course of the salvage operations;
- (b) in so doing, to exercise due care to prevent or minimize damage to the environment; and
- (c) when the vessel or other property has been brought to a place of safety, to accept redelivery when reasonably requested by the salvor to do so.

#### Article 9. Rights of coastal States

Nothing in this Convention shall affect the right of the coastal State concerned to take measures in accordance with generally recognized principles of international law to protect its coastline or related interests from pollution or the threat of pollution following upon a maritime casualty or acts relating to such a casualty which may reasonably be expected to result in major harmful consequences, including the right of a coastal State to give directions in relation to salvage operations.

#### Article 10. Duty to render assistance

1. Every master is bound, so far as he can do so without serious danger to his vessel and persons thereon, to render assistance to any person in danger of being lost at sea. 2. The States Parties shall adopt the measures necessary to enforce the duty set out in paragraph 1.

3. The owner of the vessel shall incur no liability for a breach of the duty of the master under paragraph 1.

#### Article 11. Co-operation

A State Party shall, whenever regulating or deciding upon matters relating to salvage operations such as admittance to ports of vessels in distress or the provision of facilities to salvors, take into account the need for co-operation between salvors, other interested parties and public authorities in order to ensure the efficient and successful performance of salvage operations for the purpose of saving life or property in danger as well as preventing damage to the environment in general.

#### CHAPTER 3 — RIGHTS OF SALVORS

#### Article 12. Conditions for reward

1. Salvage operations which have had a useful result give right to a reward.

2. Except as otherwise provided, no payment is due under this Convention if the salvage operations have had no useful result.

3. This Chapter shall apply, notwithstanding that the salved vessel and the vessel undertaking the salvage operations belong to the same owner.

#### Article 13. Criteria for fixing the reward

1. The reward shall be fixed with a view to encouraging salvage operations, taking into account the following criteria without regard to the order in which they are presented below:

- (a) the salved value of the vessel and other property;
- (b) the skill and efforts of the salvors in preventing or minimizing damage to the environment;
- (c) the measure of success obtained by the salvor;
- (d) the nature and degree of the danger;
- (e) the skill and efforts of the salvors in salving the vessel, other property and life;
- (f) the time used and expenses and losses incurred by the salvors;
- (g) the risk of liability and other risks run by the salvors or their equipment;
- (*h*) the promptness of the services rendered;

- (*i*) the availability and use of vessels or other equipment intended for salvage operations;
- (*j*) the state of readiness and efficiency of the salvor's equipment and the value thereof.

2. Payment of a reward fixed according to paragraph 1 shall be made by all of the vessel and other property interests in proportion to their respective salved values. However, a State Party may in its national law provide that the payment of a reward has to be made by one of these interests, subject to a right of recourse of this interest against the other interests for their respective shares. Nothing in this Article shall prevent any right of defence.

3. The rewards, exclusive of any interest and recoverable legal costs that may be payable thereon, shall not exceed the salved value of the vessel and other property.

#### Article 14. Special compensation

1. If the salvor has carried out salvage operations in respect of a vessel which by itself or its cargo threatened damage to the environment and has failed to earn a reward under Article 13 at least equivalent to the special compensation assessable in accordance with this Article, he shall be entitled to special compensation from the owner of that vessel equivalent to his expenses as herein defined.

2. If, in the circumstances set out in paragraph 1, the salvor by his salvage operations has prevented or minimized damage to the environment, the special compensation payable by the owner to the salvor under paragraph 1 may be increased up to a maximum of 30% of the expenses incurred by the salvor. However, the tribunal, if it deems it fair and just to do so and bearing in mind the relevant criteria set out in Article 13, paragraph 1, may increase such special compensation further, but in no event shall the total increase be more than 100% of the expenses incurred by the salvor.

3. Salvor's expenses for the purpose of paragraphs 1 and 2 means the out-of-pocket expenses reasonably incurred by the salvor in the salvage operation and a fair rate for equipment and personnel actually and reasonably used in the salvage operation, taking into consideration the criteria set out in Article 13, paragraph 1(h), (*i*) and (*j*).

4. The total special compensation under this Article shall be paid only if and to the extent that such compensation is greater than any reward recoverable by the salvor under Article 13.

5. If the salvor has been negligent and has thereby failed to prevent or minimize damage to the environment, he may be deprived of the whole or part of any special compensation due under this Article.

6. Nothing in this Article shall affect any right of recourse on the part of the owner of the vessel.

#### Article 15. Apportionment between salvors

1. The apportionment of a reward under Article 13 between salvors shall be made on the basis of the criteria contained in that Article.

2. The apportionment between the owner, master and other persons in the service of each salving vessel shall be determined by the law of the flag of that vessel. If the salvage has not been carried out from a vessel, the apportionment shall be determined by the law governing the contract between the salvor and his servants.

#### Article 16. Salvage of persons

1. No remuneration is due from persons whose lives are saved, but nothing in this Article shall affect the provisions of national law on this subject.

2. A salvor of human life, who has taken part in the services rendered on the occasion of the accident giving rise to salvage, is entitled to a fair share of the payment awarded to the salvor for salving the vessel or other property or preventing or minimizing damage to the environment.

#### Article 17. Services rendered under existing contracts

No payment is due under the provisions of this Convention unless the services rendered exceed what can be reasonably considered as due performance of a contract entered into before the danger arose.

#### Article 18. The effect of salvor's misconduct

A salvor may be deprived of the whole or part of the payment due under this Convention to the extent that the salvage operations have become necessary or more difficult because of fault or neglect on his part or if the salvor has been guilty of fraud or other dishonest conduct.

#### Article 19. Prohibition of salvage operations

Services rendered notwithstanding the express and reasonable prohibition of the owner or master of the vessel or the owner of any other property in danger which is not and has not been on board the vessel shall not give rise to payment under this Convention.

#### CHAPTER 4 — CLAIMS AND ACTIONS

#### Article 20. Maritime lien

1. Nothing in this Convention shall affect the salvor's maritime lien under any international convention or national law.

2. The salvor may not enforce his maritime lien when satisfactory security for his claim, including interest and costs, has been duly tendered or provided.

#### Article 21. Duty to provide security

1. Upon the request of the salvor a person liable for a payment due under this Convention shall provide satisfactory security for the claim, including interest and costs of the salvor.

2. Without prejudice to paragraph 1, the owner of the salved vessel shall use his best endeavours to ensure that the owners of the cargo provide satisfactory security for the claims against them including interest and costs before the cargo is released.

3. The salved vessel and other property shall not, without the consent of the salvor, be removed from the port or place at which they first arrive after the completion of the salvage operations until satisfactory security has been put up for the salvor's claim against the relevant vessel or property.

#### Article 22. Interim payment

1. The tribunal having jurisdiction over the claim of the salvor may, by interim decision, order that the salvor shall be paid on account such amount as seems fair and just, and on such terms including terms as to security where appropriate, as may be fair and just according to the circumstances of the case.

2. In the event of an interim payment under this Article the security provided under Article 21 shall be reduced accordingly.

#### Article 23. Limitation of actions

1. Any action relating to payment under this Convention shall be time-barred if judicial or arbitral proceedings have not been instituted within a period of 2 years. The limitation period commences on the day on which the salvage operations are terminated.

2. The person against whom a claim is made may at any time during the running of the limitation period extend that period by a declaration to the claimant. This period may in the like manner be further extended.

3. An action for indemnity by a person liable may be instituted even after the expiration of the limitation period provided for in the preceding paragraphs, if brought within the time allowed by the law of the State where proceedings are instituted.

#### Article 24. Interest

The right of the salvor to interest on any payment due under this Convention shall be determined according to the law of the State in which the tribunal seized of the case is situated.

#### Article 25. State-owned cargoes

Unless the State owner consents, no provision of this Convention shall be used as a basis for the seizure, arrest or detention by any legal process of, nor for any proceedings in rem against, non-commercial cargoes owned by a State and entitled, at the time of the salvage operations, to sovereign immunity under generally recognized principles of international law.

#### Article 26. Humanitarian cargoes

No provision of this Convention shall be used as a basis for the seizure, arrest or detention of humanitarian cargoes donated by a State, if such State has agreed to pay for salvage services rendered in respect of such humanitarian cargoes.

#### Article 27. Publication of arbitral awards

States Parties shall encourage, as far as possible and with the consent of the parties, the publication of arbitral awards made in salvage cases.".

### PART 3

### AMENDMENTS TO MARITIME CONVENTIONS ACT, 1911

#### **Repeal of section 7**

**18.** Section 7 of the Maritime Conventions Act, 1911 is repealed.

# **Amendment of section 8**

**19.** Section 8(1) of the Maritime Conventions Act, 1911 is amended —

(a) by deleting paragraph (b); and

(b) by deleting the words "or the salvage services were rendered".