

GLOBALPANDI

Circular for P & I Clubs

DATE: 15th MARCH 2011

Correspondents for:

Britannia, British Marine, Charterers P&I Club, GARD, ITIC, Navigators, Nordisk Defence Club (Through Sabatino Pizzolante), North of England P&I Club, Raets Club, Shipowners P&I Club, Skuld, South of England, Steamship Mutual, The American Club, The London P&I Club, West of England and Through Transport Club (TTC).

Exemption Certificate issued by Venezuela under the IMBSC Code

In November 2010 the Bolivarian Republic of Venezuela issued an Exemption Certificate, under the provisions of the International Maritime Code for Solid Bulk Cargo "IMBSC Code", regarding the transport of iron ore obtained by direct reduction. Generally speaking, DRI fines at the Orinoco River are of high moisture content (between 5% and 12%), for which reason the Venezuelan Aquatic Authority (INEA) advised this cargo to be treated different than the DRI "C" referred to by the IMSBC Code, which came into force as mandatory from 1st January 2011. Consequently, the Competent Authority issued the certificate in question, in order to allow the transportation of this product with mechanical ventilation instead of inert gas.

According to the said Exemption Certificate is authorized the transport by sea under the safety standards specified in document DSC 12/4/1 dated 13th June 2007 and as agreed by the document DSC 13/WP.1 paragraphs 13 to 16 dated 25th September 2008 and document MSC 85/26 in paragraph 13.6 dated 19th December 2008, the product known as IRON OBTAINED BY DIRECT REDUCTION (FINE OBTAINED AS BY-PRODUCTS) TYPE (C) DRI (C), WITH MOISTURE CONTENT OVER A 0.3% AND 12%, fulfilling the following points listed by the document:

- 1) In general, the compliance with the mandatory aspects established by the IMSBC Code.
- 2) Specifically, to comply with sections 3.4, 3.5, 9.3.2.1.2, 9.3.2.1.3 and 9.3.2.1.4 of the IMSBC Code in reference to mechanical ventilation.

3) To follow the recommendations provided in the shipper's maritime guide regarding procedures for loading, transport, monitoring during transit, and emergency plans.

4) A copy of this exemption shall be accompanied with the documents delivered to the captain of the vessel in each shipment.

5) Shall every month be notified the Maritime Safety Management National Institute of Aquatic Spaces (INEA) of the Bolivarian Republic of Venezuela, the amount of the load and also the name of the ship, shipping agency, flag, port of loading and port of destination.

The certificate issued by the aquatic authority is valid until 17th November 2013.

Recently, it has been learned that the Exemption Certificate under comment, is currently reviewed by the INEA to make minor changes including a possible reduction in the validity period.

Should you need any assistance or further information regarding the topic stated above, please feel free to contact:

GLOBALPANDI, S.A.

Phones: +58-242-3641801/3641026/3641798

Fax: +58-242-3640998

E-mail: mail@globalpandi.com

Webpage: www.globalpandi.com

AOH: +58-412-4210036

Contact: Mr. José Alfredo Sabatino Pizzolante.