

Cabinet Resolution No. (71) of 2021
Regarding Marine Wrecks and Violating Vessels

The Cabinet:

- Having reviewed the Constitution;
- Federal Law No. (1) of 1972 Regarding the Competencies of Ministries and the Powers of Ministers, as amended;
- Federal Law No. (26) of 1981 Regarding Maritime Commercial Law, as amended;
- Federal Law No. (24) of 1999 Regarding the Protection and Development of the Environment, as amended;
- Federal Law No. (14) of 2016 Regarding the Administrative Violations and Penalties in the Federal Government; and
- Upon the proposal of the Minister of Energy and Infrastructure and the approval of the Cabinet,

Hereby resolves as follows:

Article (1)

Definitions

For the purposes of the provisions of this Resolution, the following words and expressions shall have the meanings assigned to each of them, unless the context requires otherwise:

- State** : The United Arab Emirates (UAE).
- Ministry** : The Ministry of Energy and Infrastructure.
- Minister** : The Minister of Energy and Infrastructure.
- Competent Authority** : The port authority or the competent local maritime authority.
- Committee** : The Wrecks and Violating Vessels Committee referred to in Article (7) of this Resolution.
- State Waters** : The internal, territorial and exclusive economic waters of the State, and its zone.

- Ports** : The seaports in the State.
- Vessel** : Any seagoing vessel normally operated or intended to operate in maritime navigation, regardless of its power, cargo or purpose of navigation. The term “vessel” shall include all the appurtenances necessary for its operation, in addition to barges and hovercraft used for commercial or non-commercial purposes.
- Wreck** : Marine wreck, which shall include the following:
1. Any sunken or stranded vessel, or any part thereof, including any object that is or was on board;
 2. Any stranded, sunken or floating object that was lost from a vessel at sea; or
 3. Any vessel that is about, or reasonably expected, to sink or to strand, where no effective measures to assist it or to protect the property in danger are being taken, or where such measures are in the process of being taken.
- Violating Vessel** : A vessel that violates the laws in force in the State, in accordance with Article (3) hereof.
- Arrested Vessel** : A vessel arrested under an order of a court, arbitration tribunal, the Ministry or a competent authority.
- Derelict Vessel** : Includes the following:
1. A vessel abandoned by its owner or operator.
 2. A vessel where the person responsible for management or navigation is unknown.
 3. A vessel neglected by its owner or operator.
 4. A vessel left without an adequate crew on board in the State waters or ports.
- Owner** : The natural or legal person who owns the vessel according to its registration certificate.

Operator : The natural or legal person exploiting the vessel for their own account, either as an owner or demise charterer. The owner shall be deemed the operator unless proven otherwise.

Written Warning : A warning issued based on a recommendation by the Committee, requiring the violating vessel to depart from the State waters, regularize its status or obligate the owner of the wreck to recover and remove such wreck.

Article (2)

Scope of Application

The provisions of this Resolution shall apply to all national and foreign vessels in the State waters and ports in the following cases:

1. When they fall under the description of wreck.
2. Violating vessels.
3. Vessels arrested in the State waters or ports that are unseaworthy, or have become unseaworthy due to a prolonged period of arrest, deterioration in their technical condition, abandonment by their seafarers, non-payment of seafarers' salaries by the owner or operator for two consecutive months or more, failure to provide supplies and fuel to operate the vessels' engines, failure to meet the minimum safe manning requirements, or the existence of hazardous goods onboard that the owner or operator has failed to secure.
4. This Resolution shall not apply to warships or public service vessels owned by the federal or local governmental entities.

Article (3)

Violating Vessels

A vessel shall be considered in violation in the following cases:

1. Failure of the vessel's owner or operator to secure the seaworthiness of the vessel as a floating marine facility, to pay seafarers' salaries for two consecutive months or more, or to provide the crew with the supplies and fuel to operate the vessel's engines.
2. Failure of the vessel's owner or operator to pay the fees and expenses of its towing, insurance, and berth.
3. If the vessel is derelict.
4. Berth in an undesignated area in the State waters or without a permit from the competent authorities.
5. If the vessel constitutes a danger, an obstacle, or a threat to maritime navigation.
6. Expiry of its insurance policies covering damage and marine liabilities.
7. The vessel is not registered under the flag of a particular country; it is proven that its registration documents are forged or expired.
8. The vessel's berth permit is revoked at the port or within the State waters, and the Ministry or the competent authority has ordered it to depart, but it failed to comply.
9. The vessel harms the interests of the State in terms of security or maritime safety, or threatens the marine environment and endangers lives.

Article (4)

Insurance

1. The owner of a national or foreign vessel holding a navigation license, or a foreign vessel intending to call a port within the State or berthed in the State waters, having a gross tonnage of three hundred (300) tons or more, shall have insurance or provide financial security issued by a bank or financial institution to cover liability for the removal of the wreck and its impacts in accordance with the rules and conditions determined by the Ministry.
2. The shipping agent shall verify the existence of the insurance or financial security before accepting the agency; otherwise, the agent shall be responsible for removing the wreck.
3. The competent authorities shall verify the existence of insurance or financial security before permitting the vessel to enter the port or berth in the State waters.

Article (5)

Wreck Recovery

The wreck shall not be recovered without prior approval from the Ministry. If the wreck is within the limits of a port, the approval of the competent authority in coordination with the Ministry shall be obtained.

Article (6)

Towing

1. The Ministry or the competent authority may take the necessary measures to tow the vessel and direct it to a safe location without consulting the vessel owner or the operator in emergency circumstances requiring urgent intervention in order to preserve the State's security interests, maritime safety or the marine environment, or to protect lives.
2. The provisions of Clause (1) of this Article shall not prejudice the fulfillment of the environmental requirements stipulated in the legislation in force in the State by the Ministry or the competent authority, when responding to emergency situations.
3. The fees and expenses related to the towing of the vessel shall be recovered from the vessel owner, operator or the right-holder of the vessel.

Article (7)

The Wrecks and Violating Vessels Committee

1. A committee titled "The Wrecks and Violating Vessels Committee" shall be formed under the Ministry. The Minister shall issue a resolution regarding the Committee's rules of procedure and decision-making mechanism.
2. The Committee, referred to in this Article, shall be chaired by a representative from the Ministry with membership of representatives from the following authorities:
 - a. Ministry of Defense.
 - b. Ministry of Climate Change and Environment.
 - c. Competent Authority.
 - d. Local authority concerned with the environment.

3. The Committee, referred to in this Article, shall undertake the following duties:
 - a. Study the technical case of the wrecks and violating vessels.
 - b. Study the measures taken against the vessel owner, operator, master, or agent of the vessel or wreck, to ensure compliance with the legislation in force in the State.
 - c. Recommend that the Ministry issue a written warning.
 - d. Recommend the assistance of experts and specialists, if required.
4. The Committee may, if necessary, invite a representative of the port authority within whose maritime limits the wreck is located to attend the meeting.

Article (8)

Written Warning

- a. If the Committee recommends the issuance of a written warning, the Ministry shall issue and deliver the same to the vessel owner, operator, master, agent, the right-holder of the vessel or a crew member of the vessel or the wreck. If delivery is not possible, a written warning shall be affixed to the vessel or wreck. In case of a foreign vessel, the flag State shall be notified.
- b. The written warning shall specify the action to be taken, such as the departure of the violating vessel from the State waters, the regularisation of its status, or removal and salvage of the wreck or any other action within a period not exceeding sixty (60) days from the date the written warning is delivered or affixed to the vessel or wreck.
- c. If the timeframe stated in Clause (2) of this Article lapse and the vessel owner or the operator of the vessel or wreck fails to take the necessary measures, the Ministry, or the entity authorized by the Ministry, or the competent authority may, as applicable, remove and sell the vessel or the wreck by public auction or by any other means, at the expense of the vessel owner or the right-holder of the vessel. In the case of a foreign vessel, the flag State shall be notified accordingly by the Ministry.
- d. If the vessel is arrested by the court or another authority, the Ministry shall request the court or the arresting authority to serve a warning to the vessel owner or the operator of the vessel. The Ministry may request such court or the arresting authority to direct the arrest applicant to undertake all necessary procedures to cover the subsistence

requirements of the vessel's crew, supplies and fuel to maintain the vessel's seaworthiness and take all measures to regularize its status. These expenses shall be considered as a debt against the vessel.

- e. If the vessel owner or operator of the arrested vessel fails to implement the procedures specified in the written warning, the Ministry may request the court or the arresting authority to approve the sale of the vessel by the public auction and charging the vessel owner or operator for all expenses and fees, and depositing the selling price into the treasury of the competent court.
- f. The clauses contained in this Article shall apply to the vessel and its appurtenances as well as the cargo that may be found on board.

Article (9)

Recovery and Removal Expenses

The Ministry, the competent authority, or the entity authorized by either of them may recover all expenses incurred for the salvage of the wreck, removal of the vessel, remediation of any environmental damage, or the implementation of preventive measures to reduce marine pollution during the salvage of the wreck. These costs may be recovered by selling the wreck or the vessel administratively by public auction after the expiration of the written warning period, and after the lapse of fifteen (15) days from the sale auction advertisement in two local newspapers one of which shall be in English.

Article (10)

Entitlements

- a. The dues owed to the Ministry, the competent authority and the entity delegated by either of them, including the administrative fees, expenses and fines imposed under this Resolution, shall be deducted from the proceeds of the sale. The remaining balance shall be deposited into the treasury of the court, in whose jurisdiction the competent port authority lies. The right-holders shall collect their rights from such balance.

- b. If the proceeds of the sale are insufficient to cover the dues mentioned in Clause (1) of this Article, the vessel owner or operator may be required to pay the difference between the sale price and the costs, fees and expenses incurred if such costs exceed the sale price.
- c. The sale of the vessel shall not release the vessel owner or operator from civil liability towards the Ministry, competent authority or third parties concerning compensation for any damage resulting from removal of the wreck or the vessel.

Article (11)

Administrative Violations and Penalties

1. The administrative penalties listed in the schedule attached hereto shall be imposed on violators of the provisions hereof. Fines shall be collected by the means determined by the Ministry of Finance.
2. Any party who has capacity and interest may submit a written grievance to the Ministry against any administrative penalty imposed thereon, within five (5) working days of being notified of the contested decision. Such grievance shall be reasoned and attached to all supporting documents. The Ministry shall consider the grievance within ten (10) working days from its submission, in accordance with the procedures applicable in the Ministry.

Article (12)

Executive Resolutions

The Minister shall issue the resolutions required to implement the provisions hereof.

Article (13)

Repeals

Any provision that contradicts or conflicts with the provisions hereof is hereby repealed.

Article (14)

Publication and Entry into Force

This Resolution shall be published in the Official Gazette and shall enter into force two months after the date of its publication.

Mohammed bin Rashid Al Maktoum

Prime Minister

Issued by Us:

Dated: 21 Dhul-Qa'dah 1442 A.H.

Corresponding to: 01 July 2021 A.D

Administrative Violation and Penalties Schedule
Attached to Cabinet Resolution No. (71) of 2021
Regarding Marine Wreck and Violating Vessels

No.	Description of Violation	Administrative Penalty
1	<p>The vessel owner or the operator commits any of the following violations:</p> <ul style="list-style-type: none"> a. Abandons the vessel. b. Refrains from paying the salaries of the seafarers working on the vessel for two consecutive months or more. c. Fails to provide supplies and health care to the seafarers working on the vessel. 	<ul style="list-style-type: none"> 1. An administrative fine of (20,000) twenty thousand dirhams, and (10,000) ten thousand dirhams for each seafarer. 2. Prohibition of the entry of the foreign vessel into the ports of the State or berth in its waters for a period of three (3) months following its departure. 3. In case of recidivism: <ul style="list-style-type: none"> a. The administrative fine shall be doubled. b. The license of the company shall be revoked, if issued in the State. c. The foreign vessel shall be denied entry into the State's ports or berth in its waters after leaving the State waters for a period of one (1) year following its departure therefrom.
2	<p>Berthing in non-designated areas or failure to obtain a permit from the competent authority.</p>	<p>An administrative fine of (10,000) ten thousand dirhams imposed on the vessel owner or operator, and (10,000) ten thousand imposed on the shipping agent, if they provide services to the vessel.</p>
3	<p>Hiding wreck inside the State's ports or waters or removing or erasing its markings.</p>	<p>An administrative fine of (100,000) one hundred thousand dirhams.</p>

4	Wreck removal without obtaining prior approval of the competent authority.	An administrative fine of (100,000) one hundred thousand dirham administrative fine.
5	Failing to obtain insurance or provide financial security.	An administrative fine of (20,000) twenty thousand dirhams.