REPUBLIC OF TURKIYE MINISTRY OF TRASNPORT AND INFRASTRUCTURE General Directorate of Maritime Affairs

Ref: : E-19463099-199-779495 About: P&I Confirmation Letter 16.11.2022

As it is known, shipowners, during the operation of their ships, get Protection and Indemnity (P&I) insurance to cover their liabilities for the possible damages to the cargo, as well as penalties and penalties for such damages. According to international conventions, P&I insurance is an obligation for ships of certain types and tonnages and in accordance with the provisions of our national legislation, ships of certain types and tonnage that will call on sovereignty areas of our country's maritime must also have a valid P&I insurance. As a matter of fact, Article 13 of the Implementation Directive of the Turkish Straits Maritime Traffic Regulation also stipulates that all vessels carrying dangerous cargo to pass through the Straits, vessels of 300 GT and above and towing vessels must have a valid P&I policy.

Regarding the subject, when we look at the statements made by many P&I insurance companies recently; in case of an illegal commercial act or non-compliance with the prohibitions or in other cases such as these prior to a liability giving rise to a loss,, it is stated that the damages will not be covered even if the ship has a valid P&I policy. As a matter of fact, it is known that these rules are generally printed texts in insurance rules and policies, but these warning statements are additional measures that remind ship owners about current developments.

When the subject is evaluated particularly for our country in terms of a ship that will enter our maritime sovereignty areas; in maritime trade, which is a very dynamic sector, where more than 100 thousand ships are involved and the majority of them operate on an international scale, it does not seem possible to track whether a ship has performed a prohibited or illegal action before arriving at our country's maritime sovereignty. On the other hand, it is necessary to confirm that the P&I insurances are still valid and inclusive during the passage of cargo ships, especially crude oil products, which are likely to have catastrophic consequences for our country, values and people in the event of a possible accident, through the Turkish Straits. Otherwise, after a possible accident, in case the P&I insurance company cannot be found or the insurance company rejects the work and actions required for the above-mentioned reasons, or the processes regarding all these take time and the necessary interventions are delayed; first of all, our country, our values and our

people may be damaged to a vital extent, and besides that, if our Straits, which is an important waterway, are closed during this process, the supply chain and logistics mobility will come to a standstill, and a global crisis may occur. For this reason, it was considered that it would be the most cost-effective and reasonable solution to receive an additional confirmation letter that the ship would still be covered by the valid P&I insurance during this voyage.

In this respect, I kindly present for your information and ask for your action, starting from 01/12/2022, that a letter from the P&I insurance companies of the ships carrying crude oil that will pass through the Turkish Straits as loaded, stating that the ship's details, cargo and voyage and that the P&I insurance will be valid and inclusive for this ship, voyage and cargo are received and added to the Sailing Plan-1 (SP-1) report to be submitted by the ship by these insurance companies or their representatives, and also sent to istcan.gth@kiyiemniyet.gov.tr e-mail address, and that all work and process regarding this matter are coordinated by shipping agencies as soon as possible so that possible time losses are prevented and the transit of the ship is not delayed.

Ünal BAYLAN On behalf of Minister Maritime General Manager