



China's Yangtze River Protection Law is now in force

A new Chinese environmental law that bans the carriage of a range of highly toxic and dangerous chemicals in the Yangtze River Basin took effect on 1 March 2021. Violation of the law may lead to substantial fines and ship operators trading in this area should carry out appropriate due diligence to check whether any cargoes carried are on the lists of banned chemicals.

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In order to strengthen the protection and restoration of the ecological environment in the Yangtze River Basin, the Yangtze River Protection Law entered into force on 1 March 2021. From this date, highly toxic chemicals and other hazardous chemicals that are currently not allowed to be transported on inland waterways under national standards, are also prohibited from being carried in the Yangtze River Basin.

Companies that violate the law will have their illegal income confiscated and will receive a fine of between CNY 200,000 (approx. USD 30,600) and CNY 2 million (approx. USD 306,000).

The Shanghai Maritime Safety Administration (MSA) issued a Notice on 18 February 2021 that provides further details on the implementation of the new law. The Notice clarifies that the chemicals subject to the ban are those marked as 'highly toxic' in the remarks column of the *Catalog of Hazardous Chemicals* (2015 Edition, Chinese version available [Catalogue of Hazardous Chemicals 2015 CH](#)), and those listed in the *Catalogue of Prohibited Dangerous Chemicals by Inland River* (2019 Edition, Chinese version available [Catalogue Chemicals Prohibited from Transport 2019 CH](#)).

The latter includes 228 chemicals that, regardless of their packaging, are completely prohibited from being carried, and 85 chemicals that are not permitted to be carried in bulk but can still be transported in packaged form, e.g. in steel cylinders, portable tanks, containers, etc. The MSA will use [CAS numbers](#), a unique, unmistakable identifier for chemical substances, to identify the prohibited cargoes.

A free translation of the MSA Notice of 18 February 2021 is included in our correspondent [Huatai Insurance Agency's circular of 24 March 2021](#), which also provides additional guidance and advice on the goods that are banned under the legislation, extent of banned waters, and measures to be implemented by ship operators in order to ensure compliance. Useful information, including free translations of the abovementioned catalogues of hazardous and dangerous chemicals, can also be found in [Oasis P&I Services' circular of 9 March 2021](#).

Recommendations

According to the correspondent, enforcement of the Yangtze Protection Law is not meant to interfere with the normal transport of goods in the region. However, as carriage of banned goods through the Yangtze River Basin may lead to substantial fines, ship operators trading in this area are recommended to familiarise themselves with the new requirements in force, liaise with their local ship agents during fixing of cargoes, and carry out appropriate due diligence to check whether any chemicals carried are on the lists of banned chemicals.

The following advice by our correspondent should be noted:

- Before fixing a cargo of chemicals which will be transported in the Yangtze River Basin, request the shipper/client to submit exact cargo information, including CAS number, UN number, customs code, technical specifications, etc.
- If the nature of the chemicals is not clear before transportation, especially when the cargo is a chemical mixture, seek advice from a qualified third-party expert and/or liaise with the local MSA to have the cargo verified.
- Be cautious about accepting bookings from unknown or small companies. Consider asking the shippers to submit a proper LOI issued by a reliable party before accepting their booking.

We thank our correspondent Huatai Insurance Agency and Consultant Service Ltd., and the company Oasis P&I Services, for providing the above information.

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