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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations govern transfers consisting wholly or mainly of oil between ships, known as ship to ship transfers, within the seaward limits of the territorial sea of the United Kingdom.

*Regulation 1(2) and (3)* provide that the regulation of cargo transfers under *regulation 3(2)* takes effect either on 1st April 2011, or, if later, on the making of a licence decision where a harbour authority has applied for an oil transfer licence within two months of the coming into force of the Regulations and the licence decision has not been made by 1st April 2011.

*Regulation 3(1)* prohibits ship to ship transfers consisting wholly or mainly of oil unless they are carried out within harbour authority waters.

Under *regulation 3(2)* ship to ship transfers of cargo consisting wholly or mainly of oil are subject to prior authorisation by the relevant harbour authority under an oil transfer licence granted by the Secretary of State, having considered the programme's likely impact on the environment by the procedure set out in *Schedules 1 and 2*. Where cargo transfers are likely to have a significant effect on a European site, the procedure implements Article 6 of Council Directive [92/43/EEC](#) of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (O.J. No. L 206, 22.7.92, p.7).

*Regulation 3(3)* excludes from the Regulations ship to ship transfers involving ships engaged in certain offshore activities, ships engaged at the relevant time on government non-commercial service and general lighthouse authorities.

*Regulation 3(4)* excludes from regulation 3(2) two categories of cargo transfers: transfers to lighten a ship to enable it to move to shallower waters and to consolidate cargo for bunkering operations.

*Regulation 4* sets out requirements for the authorisation of regulated transfers pursuant to an oil transfer licence.

*Regulation 5* sets out the procedure for an application for an oil transfer licence and for an amended oil transfer licence and requires a harbour authority to apply for an amendment to an existing licence within three months of becoming aware of a material change in circumstances.

*Regulation 6* confers on the Secretary of State the power to grant exemptions from regulation 3(1).

*Regulation 7* makes the contravention of certain provisions of the Regulations an offence.

*Regulation 8* provides transitional arrangements under which, in respect of a harbour in which at least six ship to ship cargo transfer operations have taken place during the year prior to 1st October 2010, regulation 3(2) does not apply to the relevant harbour authority for a maximum period of two years starting from that date, pending the obtaining of such a licence.

An impact assessment of the effect of these Regulations on the cost of business has been prepared and copies can be obtained from the Maritime and Coastguard Agency, Spring Place, 105 Commercial Road, Southampton SO15 1EG. A copy has been placed in the library of each House of Parliament.