SCOPE OF PRESENTATION

- Why Russia consider the Arctic as the part of the state development strategy
- What are current Russian legislations on Arctic marine shipping
- What future legal measures going to be taken by the country based on shipping and other maritime practice.
Why Russia consider the Arctic as the part of the state development strategy?

For Russia in XXI century, the Arctic is

• a reserve of geographical space,
• the most important potential source of natural resources,
• the application of skills and ambitions for the young generation;
• tremendous field for the scientific research.

A complete dependence of population on supplies of fuel and food, the ensuring of trouble-free functioning of the Northern Sea Route ...requiring special measures of state support.
Russian Arctic Strategy implementation is carried out in two stages

- **The first stage** of the Strategy (2015) provides:
  - improvement of the legal framework;
  - completion in major areas hydrographic surveys;
  - revise the list of geographical coordinates of points defining the position of the baseline for measuring the maritime spaces under Russian jurisdiction;
  - providing international legal registration of the outer limit of the continental shelf;
  - establishment and development of the Coast Guard forces;
  - improvement of an integrated information and telecommunications infrastructure and rescue centers.
During the second (2020) provides:

• development of mineral resources of the continental shelf;
• development of border infrastructure Arctic zone and the retooling of federal border security;
• creation and development of a unified system of integrated control surface situation;
• establishment and development of multipurpose space system "Arctic", the modernization of long range radio navigation system "RSDN-20" ("Route");
• implementation of measures to ensure the long-term sustainable use of marine biological resources of the Russian Arctic zone.
Russian-Soviet-Russian NSR Legislation

1910 – Law on Maritime Customs belt
1911 – Law on location of 4 radio stations on the coasts of Beloe and Kara seas
1914 – Decree on Organization of Russian-flagged steam-vessels express service between the Russian European ports and ports of Ob and Yenisei creeks through the Kara sea
1932 – Decree № 1606 on establishing the Main Administration of the Northern Sea Route
1999 – Maritime Code
2001 – Russian Maritime Doctrine (up to 2020)
2006 – Order of the Federal Tariff Service (N 322-т with changes from 12/12/2006 N 337-т) On adoption of the tariffs for the services of the NCR icebreakers fleet
2008 – Government order (N 1734-p) On adoption of Russian Transportation strategy
2008 – Government Decree (N 293) On State regulation and control of charges (tariffs, dues) for the services ….
2012 – Northern Sea Route Law (Draft) – was not adopted!
2013 - NORTERN SEA ROUTE RULES OF NAVIGATION (NSR-RN) Approved by the order of the RF Ministry of Transport in January 17, 2013 № 7
2013 – Adoption of the state tariff policy in Arctic.
Current legislations on Arctic marine shipping

1932-1990 NS Rules were mostly designed to support “North delivery”.
2013 NS Rules must provide legal regulations for international shipping along the Russian Arctic coast.*

Federal Laws:
“On Internal Sea Waters, Territorial Sea and Adjacent Zone of the RF” 1998 and


* Based on the UNCLOS, article 234 provisions stated that “Coastal States have the right to adopt and enforce non-discriminatory laws and regulations for the prevention, reduction and control of marine pollution from vessels in ice-covered areas within the limits of the exclusive economic zone…”
Russian NSR Transit Rules & Regulations

4151B Guide to navigating through the NSR

Russian Pilot books
By 2013 NSR Rules:

Navigation in the NSR based on the authorization-based order:
(1) Application to NSR Administration.

(2) Granting permission for the navigation.

NSR Service Performance based on the conditions of a Commercial Contract and fees
(Arctic tonnage dues (based on gross registered tonnage); range of escort, ice class, navigation season, pilotage dues).
NSR Rules consists of:

- rules of the icebreaker assistance;
- rules of the ice pilotage; navigational-hydrographic and hydro meteorological support;
- rules of the radio communication; and
- requirements to ships in relation to the safety of navigation and protection of the marine environment against the pollution from ships.
Application to NSR Administration:

Must contain the confirmation that shipowner ensures the compliance of ship with the Rules prior to the entering of ship into the NSR.

Must contain certain documents (voyage information; copy of the classification certificate; tonnage certificate; document certifying availability of the insurance or of other financial provision of the civil liability for the damage by pollution and some others..).

Should be emailed not earlier than 120 calendar days and not later than 15 working days before the intended date of the entering to the NSR).

Should be consider by NSR Administration considers within 10 working days.
Icebreaker assistance could be provided only by Russian flagged vessels.

Icebreaker assistance include:
- the ice reconnaissance by icebreaker making channels in ice,
- formation of a group of ships and allocation of ships following the icebreaker(s),
- sailing of ship through the channel behind icebreaker in tow, without towing in the independent mode or within a group of ships.
Pilotage Rules in the SMP

Ice Pilot should have a service record not less than for three years as a ship master from which at least six months of the navigation of ship under ice conditions.

Ice pilot is taken aboard at sea port of the Russian Federation or at foreign port from which ship is to move to the NSR.

Ice pilot disembarks at sea port of the Russian Federation, or at foreign port being the first port of the calling of ship after the transit in the water area of the NSR.

24, 12 and 3 hours before approaching the point of taking aboard an ice pilot ship master informs the organization rendering services of the ice pilot assistance of time of the approach of ship to the point of taking aboard an ice pilot.
Icebreaker’s and Pilots fees should be estimated taking into account:

- the capacity of ship,
- ice class of ship,
- distance of the escorting,
- period of navigation.
**NSR Management**

1954  Ministry of Maritime fleet (MINMORFLOT) USSR

1970  Administration of the NSR

1991  Ministry of Transportation (President Order № 66)

1994  All Icebreakers where turn over to the shipping companies.

1999  Ministry of Transportation got an authority to govern all issues related to safety of navigation and hydrographic survey on NSR

2008  All nuclear powered Icebreakers where turn over to the federal state unitary enterprise

2008  «Atomflot» (Goskorporatsii «Rosatom») for the management, operation, maintenance and service.

2012  Draft Law on NSR - FGU “Administration of the NSR” (The main administration state body responsible for shipping in the Arctic region and interaction with other federal agencies). **Base on Archangelsk (Project)**.

2013  NSR Administration - Federal government institution (NSR Administration). **Headquarters located in Moscow**
Russian Arctic shipping scenario based on 3 assumptions:

- Future developing of Arctic seabed resources.
- Increasing of commercial shipping in the NSR.
- Creation of the Arctic laws and Regulations for shipping acceptable for international marine logistics.
NSR Commercial value

Reduction of number of days at sea (7-22 days)*

Cost savings for fuel

(more than a doubling of the vessel fuel efficiency if shipping from northern European to northern Pacific ports).

Using Arctic resources on the World market.

*6,5 days took the voyage of the tanker “PALVA” (DW 74 940 t.) in 2011
To keep SMP commercially attractive, Russia must provide the passage of at least 50 mil. t. of cargo annually

- The highest volume of traffic in NSR was recorded in 1987.
- 2010 – 11 voyages,
- 2011 - 41 voyages.
- 2011 - the total volume of transported cargo - 835,000 tons.
- 2012 - the total volume of transported goods - about 5 million tons (1.2 mil. t. of cargo).
- 2020 – expected 64 mil. tons.
MAIN ROUTES:

“Northern” Northern sea route

Draught more than 11 m. but less than 16

“Coastal” Northern sea route

Draught less than 11 m.
NSR requires special icebreakers and cargo fleet

• **Icebreakers fleet**

  *(To be able to deliver 5 million tons of cargo through NSR need to make about 100 ice escorts which will require not less then 6 multipurpose icebreakers).*

• **Double hull tankers (LU4-LU9)**

• **Arctic design general cargo vessels**

• **Vessels with icebreakers capability**
Future legal measures which going to be taken based on shipping practice

• The further development of Russian Arctic legislation will be focused on measures which should provide a legal base for
  • state security;
  • safety of the transportation of goods in Arctic spaces;
  • the protection of the environment.
Problems in the development of the Russian Arctic legislation

To be able to solve the problem of legal support of Arctic shipping Russian legislators should solve at least two problems:

1. Codify numerous government regulations and departmental instructions and give them the status of federal law.

2. Close legislation gaps.
   (For ex., establish a procedure for financing the work related with the development of the seabed resources; adopt uniform principles for the implementation of activities on the continental shelf and develop a special law that defines the search, development and production of offshore resources)
Federal law "On the Arctic zone of the Russian Federation"?

Developing since 2010. In 2013 legislators confirmed the necessity of its further development and adoption.

(1) "the Arctic zone of the Russian Federation" - all spaces under Russian jurisdiction;
(2) shipping in waters under Russian jurisdiction should be carried out with the priority use of Russian vessels - at least 70 percent from all traffic;
(3) in order to prevent negative impacts on the environment … some water and air areas could be announced temporarily closed to aircraft and sea operations;
(4) state regulation of tariffs for coastal, export-import and transit transportation.
(5) protection of the Arctic zone should be a part of the Russian security system and has to be provided by the Coast Guard forces.
In order to solve the economic challenges Russian Arctic shipping legislation going to be based on the concept of the state-private partnership

• state ensures delivery of socially important goods to the North, support the priority sectors of the northern economy, developing SMP transport infrastructure (building nuclear icebreakers, supporting navigation, hydrography, hydrometeorology, communications, search and rescue …);

• private companies mastering the natural resources of the Arctic will take care of building commercial vessels, together with shipping companies develop Arctic oil and gas transport fleet and shipment terminals with their own and borrowed funds.
Icebreakers fleet trafficability

Nuclear powered type “Arctica” – 4
(2 decommissioned)
propulsion power 75,000 HP
Maximum Ice Thickness: 2 to 2.8 m

Nuclear powered type “Taimur” – 2
propulsion power 35,000 HP
Maximum Ice Thickness: 2 to 2.8 m

SEVMORPUT
Nuclear powered icebreaking LASH carrier and container ship; capacity: 74 lighters and 1336 20 f. containers
Reactor power: 135 MW
BIG TANKERS REQUIRED APLICATIONS OF THE NEW TACTIS OF THE ICE ESCORT and NEW REULATIONS

✓ Stepwise use of icebreakers to make a big channel

✓ Inertial characteristics of tankers like SUEZMAX requires bigger distance between icebreakers and tankers

(To stop the tanker like Suezmax needs 11 min. or it takes 1,5 miles if the speed is about 10 knots)
Icebreakers fleet under construction:

The diesel-electrical icebreaker
Project 22600
Builder: Baltic shipyard, St. Petersburg
EYC: 2015
L – 142 m.
Power – 25 MGW
Icebreaking capability - 2 m.

Universal nuclear powered icebreaker
Project 22220
Arctic Cargo Fleet

Arctic ships should be assigned ice categories LU4 to LU9 in RS rules (Arc 4 to Arc 9 in PMPC rules) determined considering, navigation season, service area, ice condition and operation mode.
Arctic shuttle tankers PANAMAX size
Built by SAMSUNG Heavy Ind. and Admiralteiskiye Verfi shipyard in St. Petersburg

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ARCTIC CARGO FLEET

LNG Carriers (Arctic Discoverer). The cargo capacity of the gas carrier is 140,000 cubic meters. Deadweight of 75,485 metric tons. Gross tonnage of 118,571 gross tons.

Arctic Container Vessel Norilskiy Nickel

The Norilskiy Nickel is a specialised container/cargo vessel concept which has been designed to traverse ice-covered seas without assistance from an icebreaker. This is enabled by means of a novel double-acting hull form and propulsion system. When crossing waters in heavy ice conditions, the vessel moves stern-first to break its way through ice 1.5m thick (with a 20cm snow layer).
NSR LEVEL OF MAINTENANCE

Lack of hydrographic information (Intensive hydrographic survey started in 2011, for which 17 HV involved. MT started publication of a new n. charts and supplements)

Poor port infrastructure

Air rescue coverage needs to be increased

Sufficient navigational (ГЛОНАСС & GPS) and meteorological support
CONCLUSION

✓ NSR is the most convenient for navigation purposes route through the Arctic sea spaces on the line eastward Rotterdam to ports northward from Guangzhou
✓ Russian NSR “Rules” could be transferred to “Russian Arctic Zone Law”.
✓ “Legal Partnership” will be consider as the long-term frame for contract obligations.
✓ To be able to support Arctic navigation the whole year Russia should:
  - maintain the icebreakers fleet and build new icebreakers to avoid the “icebreakers pause”;
  - provide the hydrographic survey on the “Northern NSR”;
  - open Dikson and Pevek ports for foreign vessels and should make investments to develop ports infrastructure.
Thank you