Shipping Act

Announced Date 1981.06.03 Amended Date 2014.01.22

Chapter 1 General Principles

Article 1

The present Act is prescribed for the purpose of strengthening the shipping system so as to develop the shipping industry and economy of this country.

Article 2

MOTC of the Act is the Ministry of Transportation and Communications; the shipping industry shall be regulated by the shipping administration authority.

Article 3

For the purposes of this Act:

- (1) "Shipping Industry" means the industry engaged in vessel transportation, shipping agencies, freight forwarding, and container terminal operation.
- (2) "Vessel Carrier" means the industry engaging in transportation of passengers and cargoes by power-driven vessels of gross tonnage above 20 tons or non-power-driven vessels of gross tonnage above, wherefrom it receives remuneration.
- (3) "Shipping Agency" means the industry that entrusts vessel carriers or authorized clients with handling transportation of passengers and cargoes, within the scope of authorization agreed upon, under the clients' name, wherefrom it receives remuneration.
- (4) "Freight Forwarder" means the organization engaging in soliciting cargoes in its own name for carriers to transport, wherefrom it receives remuneration.
- (5) "Container Terminal Operator" means the operator providing containers, container yards and equipment for cargo consolidation and distribution of container-loads, wherefrom it receives remuneration.
- (6) "Sailing Route" means the route in which vessels navigate to transport passengers and cargoes.
- (7) "Domestic Route" means the route in which vessels navigate to transport passengers and cargoes between coastal ports within the ROC territory.
- (8) "International Route" means the route in which vessels navigate to transport passengers and cargoes between domestic ports and foreign ports, or between foreign ports.
- (9) "Liner Service" means the route in which vessels regularly navigate to transport passengers and cargoes between ports or specific waters.
- (10) "International Joint Service Organization" means the organization set up permanently or with specific purposes under an agreement achieved on matters relating to the operation in the international routes,

negotiations of sea freight rates, passenger ticket fees, volume of carriage and charter space and others as to operation of routes.

- (11) "International shipping protocol" means the convention entered into by the international joint associations to regulate such matters as the relationship between the operators, transport operations, costs, intermodal and picking.
- (12) Privately Contracted Armed Security Personnel: refers to foreign national private maritime security companies' staff possessing or owning firearms, ammunition and knives who are employed by undertaking operating vessel carriers registered under the flag of R.O.C.

Article 4

Unless a franchise is granted, a non-ROC vessel may not transport passengers or cargoes between Republic of China (ROC) ports.

Article 5

Except when expressly authorized by law, any asset(s) belonging to and any goods transported by the shipping industry shall not be inspected, requisitioned or seized.

Article 6

Small ships engaging in the transportation of passengers and cargoes or other purposes shall not be regulated by the Act herein.

Chapter 2 Regulations for Vessel Carriers Section 1 Vessel Carriers

Article 7

Any individual desiring to engage in maritime transportation as a vessel carrier shall apply to the shipping administration authority for examining and submitting to MOTC for approval of the organization of the company by enclosing (1)business plan, (2)specifications of construction or purchase of vessels, (3)total capital and(4) plan of raising funds and (5)other relevant documents.

The vessel carrier shall complete by law the Registration of Company, prepare at least one R.O.C-flagged vessel and file relevant documents within six (6) months from the approval of organization establishment. The vessel carrier shall then make an application to the shipping administration authority for examining and submitting to MOTC to issue a Vessel Carrier Permit, and only with that may the vessel carrier be allowed to commence its commercial activities.

In the event of the failure of the application for issuing the said Permit within the prescribed time limit as above, the permit of organization shall be revoked. However, with reasons justified, an extension may be applied for in thirty (30) days upon the expiry date; the extension period shall be subject to six months and twice.

Except when approved prior to the effect given to the present Law as amended on August 9, 1995, the organization of a vessel carrier shall be confined to limited companies.

The vessel carrier shall commence operation within six months after receipt of the Permit. If it fails to do so, the permit shall be revoked and terminated by MOTC through a report made by the shipping administration authority. However, an application for extension may be accepted if it is supported by proper reason(s); the extension shall be for six months, once only.

Any vessel carrier that suspends its own business or loses its own vessel in Nationality of R.O.C. for six months shall surrender the Vessel Carrier Permit it received within thirty days from the second day after the six-month loss to the shipping administration authority for submission to MOTC for revocation. If it fails to do so, the permit shall be immediately revoked and cancelled by MOTC. However, an application for extension may be made if it is supported by proper reasons, but the extension shall be for six months and for one time only. Any vessel carrier that closes its business shall surrender the Vessel Carrier Permit it received within thirty days after closing to the shipping administration authority for submission to MOTC for revocation. If it fails to do so, the permit shall be immediately revoked and cancelled by MOTC.

Any vessel carrier desiring to alter the organization and name of its company shall apply to the shipping administration authority for ratification by submission to MOTC for approval and shall complete by law the Registration of Alterations of Company Information thereafter by applying to the shipping administration authority to submit to MOTC for replacing the Permit. The alterations made to the director, managers or other items in the legal registry shall be filed with the shipping administration authority for file and further inspection within thirty (30) days of completion of the registry of alteration.

Any vessel carrier desiring organization of the branch shall complete by law the registration of branch and within thirty (30) days of completion of the whole process, apply to the shipping administration authority for filing and inspection.

Article 10

Article 9

Any vessel carrier that causes its vessels to be demolished or bareboat leased, mortgaged or sold abroad or altered with a non-ROC title shall apply, elaborating reasons, to the shipping administration authority for examining and submission to MOTC for file and further inspection.

Any vessel carrier operating chartered vessels in liner service shall apply to the shipping administration authority for file and further inspection.

Article 11

Any vessel carrier intending to construct vessels shall apply fundraising and specifications of vessel and operation to the shipping administration authority for file and further inspection.

Article 12

A vessel carrier intending to purchase existing vessels abroad shall submit beforehand for MOTC approval a proposal for purchase through the shipping administration authority. The vessels to be purchased shall not exceed allowable age limitations for import

Any vessel carrier engaging in liner service shall apply to the shipping administration authority for registry of route by enclosing proposal for operation and related documents once vessel allocation has been completed. For any changes made on the aforementioned registry, an application for registry change shall be made to the shipping administration authority.

Any vessel carrier engaging in liner service shall transport passengers and cargoes in accordance with the routes and schedules specified in the registry.

Any vessel carrier engaging in domestic liner service shall not decrease the sailing shifts or suspend them without due reason. The reduction or suspension, if any, shall be reported to shipping administration authority for file and inspection three (3) days prior to commencement for approval. Passengers shall be given notice by telecom network, newspaper or broadcast & TV. However, in case of notification failure arising out of force majeure, passengers shall be updated immediately and the shipping administration authority notified for rectification within three (3) days after the occurrence.

The aforementioned period of suspension shall be limited to six (6) months; however, justifying reasons shall be explicitly depicted while applying for extension with the shipping administration authority; the term of extension shall be limited to six (6) months, once only.

Article 14

Any vessel carrier shall subscribe to operator liability insurance in accordance with the amount provided by MOTC.

Any vessel carrier engaging in transportation of passengers shall subscribe to insurance covering injuries to passengers.

The beneficiary of the aforementioned insurance policy shall be limited to the insured party or his legal heir without being subject to paragraph 1, Article 132 and Article 135 applying mutatis mutandis to Article 105 & 107.

Upon expiry of the insurance mentioned in paragraph 1 & 2 of this Article the vessel carrier shall obtain renewal.

The execution, alteration, termination or dissolution of the insurance contracts mentioned in paragraph 1 & 2 of this Article shall be by written notice to MOTC by the vessel carrier and the surrender shall not be effective without the approval of MOTC; manner of insurance, threshold of insurance, coverage and other related matters shall be prescribed by MOTC on discussion with related authorities.

Article 15

Vessel carriers operating domestic liner service desiring to apply for a consortium system shall make an application, accompanied by the proposal for a consortium and relevant documents, to the shipping administration authority for submission to MOTC for approval.

The approaches in application, alteration, management, revocation and supervision of the aforementioned permit shall be prescribed by MOTC on discussion with related authorities.

MOTC may, depending on the need, designate ROC vessel carriers to conduct transportation of passengers and cargoes in specific routes; any loss incurred therefrom shall be compensated by the government.

Approach as to condition, scope, manner and supervision and accreditation in the aforementioned compensation shall be prescribed by MOTC on discussion with related authorities.

Article 17

For the purpose of developing the economy of the nation as a whole, materials and instruments imported by government and public sectors shall be provided at reasonable prices and in compliance with open and fair contest principles by appropriate vessel carriers who are recommended by the dedicated institutes approved by MOTC.

The description, conditions applying to the procurement, procedures of approval and recommendation from the government, public sector and dedicated institutes, as well as management of such aforementioned materials and instruments shall be prescribed by MOTC in discussion with related authorities.

Article 18

If any foreign government or any foreign vessel carrier has taken any adverse measure against ROC vessel carriers, MOTC may conduct an investigation and consult with other relevant authorities to take necessary actions.

Article 19

Any vessel carrier must publish its company name, vessel names, ports of call and Vessel Carrier Permit No. in its advertisements soliciting passengers or cargoes; those carriers engaging in operation of liner service shall state sailing routes and schedules.

Article 20

Anyvessel carrier issuing cargo Bills of Lading or passenger tickets shall provide samples in advance to the shipping administration authority for file and further inspection; the same procedure shall be followed on alteration.

Article 21

Any vessel carrier issuing cargo Bills of Lading at the request of shippers may issue the same only after the cargoes are loaded on board vessels. No false onboard date is permitted to on such Bills of Lading.

Article 22

Any vessel carrier engaging in liner service shall file cargo and passenger fares with the shipping administration authority for file and further inspection—and publish any information regarding the fares in telecom network, newspapers or magazines; any vessel carrier engaging in liner service shall publish information about fares at its place of business.

If such fares, rates or charges aforementioned be found apparently improper or disadvantageous to importation and exportation or the development of the shipping industry of the R.O.C., the shipping administration

authority may order such carriers to make corrections and revisions. The authority may also suspend the effect of the whole or part of such implementations if it deems it necessary.

Article 23

Any vessel carrier engaging in domestic and international liner service shall collect freights against the fare list which was mentioned in paragraph 1 of the previous Article; however, preferred fares provided by both parties are excluded.

No vessel carrier may unreasonably discriminate against passengers or consigners.

Article 24

The shipping administration authority may, as it deems necessary, notify the vessel carriers to provide operational and financial information and other relevant documents for audit.

Article 25

For the purposes of ensuring national security, abetting the public interest, promoting the shipping industry and maintaining navigation order, MOTC may take necessary actions or notify vessel carriers to take necessary cooperative measures.

Article 26

Any vessel carrier desiring to engage in other businesses set forth in the present Law shall apply to and be approved by MOTC through the shipping administration authority pursuant to the provisions set forth in the present Act and the orders issued in pursuance thereof.

Article 27

MOTC shall undertake to prescribe and give effect to regulations for administrating vessel carriers' applications for minimum capital, organizations, issuance and replacement of permits, registrations of alterations of company information, ship construction, purchases, demolitions and sales, limits to the age of ships imported from overseas areas, operations, management, file and further inspection of the fare list, insurance amounts and permit fees collection.

Article 27-1

The employment of privately contracted armed security personnel shall be applied to vessel carriers operating R.O.C national vessels and sailing in sea areas with a high risk of being threatened by pirates or illegal forces. The vessel carriers specified in the preceding paragraph shall attach relevant documents of individual vessels for reporting to the shipping administration authority for filing and inspection. The shipping administration authority shall provide this information to the Ministry of Interior, the Ministry of Finance and the Coast Guard Administration, Executive Yuan.

Vessel carriers shall order the privately contracted armed security personnel who possess firearms, ammunition and knives to embark (disembark) abroad, and prohibit them to enter any territory of R.O.C outside the vessels which have already reported for filing and inspection.

Sea areas with a high risk of the threats specified in Paragraph 1 are to be announced by the shipping administration authority.

Regulations governing the procedures of reporting for filing and inspection, vessel documents required to be attached, navigation plan, employment plans, documents of insurance plans and regulations governing the management, application rules, record and other requirements for private armed security personnel and their possession or use of firearms, ammunition, knives on the vessel should be prescribed by the competent authority in conjunction with the Ministry of Interior, the Ministry of Justice, the Ministry of Finance and the Coast Guard Administration, Executive Yuan.

The shipping administration authority should collect relevant unified information of foreign national private maritime security companies for vessel carriers' reference.

Section 2 Foreign Vessel Carriers

Article 28

Unless a foreign vessel carrier establishes a branch by law or commissions a ROC shipping agency as its agent, no foreign vessel carrier shall solicit passengers and cargoes in ROC territory.

Article 29

Any foreign vessel carrier shall complete by law the registrations of franchise and branch office during the period in which it is approved to organize the branch in ROC territory by enclosing proposal of operation and ships list, along with other relevant documents to apply to the shipping administration authority for examining and submitting to MOTC for them to issue a permit; the informalities aforementioned shall be executed within six months after the permit is issued, only after that, may such branch be allowed to commence its commercial activities.

Should any branch of foreign vessel carriers terminate business, the permit shall be submitted within 30 days of termination to the shipping administration authority through MOTC for revocation and cancellation; failure to do so will cause the shipping administration authority to report to MOTC for revocation and cancellation.

Article 30

Before commissioning a ROC shipping agent to handle transportation of passengers and cargoes and other related business, the foreign vessel carrier shall furnish the company registration issued by its government, agency contract and other relevant documents to register with the shipping administration authority through its authorized agent.

Article 31

The shipping administration authority may not approve the establishment of a branch or register the registration of the agency of a foreign vessel carrier pursuant to the first paragraph of Article 29 if it deems one of the following conditions present:

- 1. The documents furnished are inadequate or inconsistent and have not been corrected within the notified time limit.
- 2. A bad record of damaging the lawful interests of passengers or shippers over the past 3 years.

- 3. There is definite evidence proving poor financial status.
- 4. There is any other activity impeding the order of shipping.

Article 32

The provisions set forth in Articles 13, 14, 19 through 26, 34 and 35 shall also apply to the foreign vessel carriers that have branches in R.O.C. or havecommissioned ROC shipping agencies to perform or deal with the transportation of passengers and cargoes.

Article 32-1

The regulation stipulated in Article 27-1 is applicable to vessel carriers of foreign nationals who operate vessels that registered under the flag of R.O.C.

Article 33

MOTC shall develop regulations pertaining to the applications of organizations, issuance and reissuance of permits, management of registering changes, fundraising for operations, collection of certificate fees or commissioning shipping agencies in soliciting passengers and cargos for any foreign vessel carrier having a branch in ROC.

Section 3 International Joint Organization and International Shipping Agreement Article 34

Any vessel carrier operating in ROC, joining or setting up an international joint service organization shall file the Articles of Association, proposal for joint operations and relevant documents with the shipping administration authority for ratification through submission to MOTC for approval on discussion with other authorities. The said filing requirements shall also apply to the alteration or dismissal of such organization.

If such international organization is organized primarily on the basis of discussing freight charges and ticket fares, the fares of the member carriers may be filed by those member carriers authorized by the said organization with the shipping administration authority the shipping administration authority for file and further inspection.

Provision of Article 22 applies to such international joint organization.

Article 35

Any vessel carrier operating in ROC and entering an international shipping agreement shall file name, content and membership list of such international shipping agreement with the shipping administration authority the shipping administration authority for submission to MOTC for approval. The filing requirements stated as above also apply to the alteration of such international shipping agreement.

If such international shipping agreement is manipulated primarily on the basis of discussing freight charges and ticket fares, the fare list shall be filed by one of such party, with signatures given on the agreement stated above, with the shipping administration authority for file and further inspection.

The fare list stated above shall permit the vessel carrier to make decisions on the freight charges and ticket fares at his own discretion.

Chapter 3 Regulations for Shipping Agency and Freight Forwarding

Article 36

Whoever desires to operate a shipping agency shall submit relevant documents in application to the shipping administration authority for examining and submitting to MOTC for them to approve the establishment of the company.

A shipping agency shall legally register the company within six months after its establishment was approved; in addition, commercial activity may commence with an application for issuance of the permit delivered to the shipping administration authority for examining and submitting to MOTC. Article 37

Any agency activity shall be operated by the shipping agency under the name of its client and shall be limited to the extent agreed upon by both parties.

Article 38

The shipping agency of a foreign vessel carrier shall be responsible for providing necessary assistance to any dispute or argument arising out of the solicited passengers and cargos in ROC.

Article 39

Whoever desires to engage in freight forwarding shall apply with relevant documents to the shipping administration authority the shipping administration authority for examining and submitting to MOTC for approval of the establishment.

The freight forwarder shall legally register the company within six months after it is approved.; in addition, a fixed amount of deposit or carrier's liability insurance as regulated by MOTC while in application for permit issuance.

When the insurance stated above expires, the freight forwarder shall renew it automatically.

Article 40

Unless the branch was established by law or with a commission to ROC freight forwarder as agents in ROC territory, no commercial activities shall be initiated in ROC territory.

The said forwarder as above shall submit relevant documents to register the agency with the shipping administration authority the shipping administration authority.

The forwarding agency activity shall be operated by the forwarder under the names of its clients and shall be limited to the scope agreed upon by both parties.

Article 41

Except the freight forwarder that is operated by a vessel carrier, no freight forwarder shall bareboat charter vessels to transport the cargoes it solicits.

Article 42

The provisions set forth in Articles 7(3), 8, 9, 19 through 21, 24 and 26 shall also apply to the shipping agency industry and freight forwarding.

The provisions set forth in Articles 7(3), 8, 9, 19 through 21, 24 to 26, 31 and 38 shall also apply to freight forwarding and foreign freight forwarding.

The provisions set forth in Article 28, 29 and 31 shall also apply to the foreign shipping agency industry. The provision set forth in Article 29 shall also apply to foreign freight forwarding.

Article 43

MOTC shall undertake to prescribe and give effect to the regulations regarding the minimum capital of the shipping agency industry, operational funds for branch establishment, applications for organization, issuance and replacement of permits, registrations of alterations of company information, operations, administration and permit fees for the shipping agency industry and the foreign shipping agency industry.

MOTC shall undertake to prescribe and give effect to regulations regarding the minimum capital of the vessel carrier industry, operational funds for branch establishment, applications for organization, issuance and replacement of permits, registration of alterations of company information, operations, administration and insurance amounts, guarantees and permit fees for the foreign vessel carriers industry.

Chapter 4 Regulations for Container Terminal Operators

Article 44

Whoever desires to operate a container terminal shall apply by submitting relevant documents to the shipping administration authority for examining and submitting to MOTC for approving the establishment of a company.

The container terminal operator shall provide by regulation adequate yards for storing containers, cargoes, vehicles and machinery, and for loading and unloading cargo, and shall complete the registration of company within 6 months after the company is approved. The operator shall then submit relevant documents in application to the shipping administration authority the shipping administration authority for examining and submitting to MOTC to issue a permit and to register at the Customs House for commencement of its commercial activities.

Article 45

The passages for entrance into and exit out of the container terminal shall be properly accessible to rail and road systems, without any hindrance to traffic order and safety.

Article 46

The shipping administration authority the shipping administration authority shall file and further inspection the rates list of a container terminal operator. The same requirement shall also apply to revisions thereof when made.

The provisions set forth in Articles 7(3), 8, 9, 23 through 26 shall also apply to the container terminal operators and foreign container terminal operators.

The provision set forth in Article 28 pertaining to the legal establishment of branches as a condition for operation in ROC and Article 29, as well as Article 31 shall apply to foreign container terminal operators. Article 48

MOTC shall undertake to prescribe and give effect to regulations for the minimum capital of the container terminal operators, operational funds for branch establishment, applications for organization, issuance and replacements of permits, registrations of alterations of company information, operations, administrations and permit fees for container terminal operators and foreign container terminal operators.

Chapter 5 Penalties

Article 49

Any vessel carrier or foreign vessel carrier joining or setting up an international joint service organization in default in implementation of joint service shall be ordered to improve within a specific period; failure to do so, or if reason for or background of joint service is found to have been extinguished, MOTC shall coordinate with related authorities to revoke its approval.

Failure of performance in the provision set forth in Article 34(2) or 35(2), the shipping administration authority shall, if necessary, suspend the implementation of all or partial fares list.

Article 50

If the operation of the said organization aforementioned or implementation of the said agreement aforementioned impedes the ROC order of shipping or economic development, the shipping administration authority the shipping administration authority may order correction made within a definite period. Failure to improve may cause the shipping administration authority the shipping administration authority to report to MOTC through coordination with related authorities to revoke approval.

Article 50-1

Vessel carriers committing one of the following offences shall be punished by the shipping administration authority with fines ranging between five hundred thousand to three million NT dollars and terminate all or part of their business operations: 1. Violation of the provision of Article 27-1 Paragraph 2 herein by not reporting and applying shipping administration authority's filing and inspection prior to employing private armed security personnel.

- 1. Violation of the provision of Article 27-1 Paragraph 2 herein by not reporting privately contracted armed security personnel to the shipping administration authority for filing and inspection.
- 2. Violation of the provision of Article 27-1 Paragraph 3 herein to the employed private armed security personnel who possess firearms, ammunition and knives and haven't embarked (disembarked) abroad, or who enter any territory of R.O.C outside vessels that have already reported for filing and inspection.

Foreign national vessels that commit one of the following offences will be punished by the shipping administration with fines ranging between five hundred thousand to three million NT dollars and terminate all or part of their business operations:

- 1. Violation of the provision of Article 32-1 applying mutatis mutandis to Article 27-1 Paragraph 2 herein by not reporting privately contracted armed security personnel to the shipping administration authority for filing and inspection.
- 2. Violation of the provision of Article 32-1 applying mutatis mutandis to Article 27-1 Paragraph 3 herein to the privately contracted armed security personnel who possess firearms, ammunition and knives and haven't embarked (disembarked) abroad, or who enter any territory of R.O.C outside vessels that have already reported for filing and inspection.

Article 51

Any vessel carrier, shipping agency, freight forwarder or container terminal operator who without prior approval, operates vessel carrying, shipping agency, freight forwarding or container terminal operation shall be punished by a fine ranging between one hundred thousand and five hundred thousand N.T. dollars and ordered to improve within a definite period; failure of the same shall be punished each time until improvement is completed.

Article 52

Any vessel carrier violating one of following provisions shall be fined by the shipping administration authority the shipping administration authority in a range from thirty thousand NT dollars to three hundred thousand NT dollars, and, in addition, required correction within a specified period and a possible suspension of the whole or part of its commerce:

- 1. The carrier violates the provision of Article 10 herein to demolish, charter on bareboat basis, mortgage or sell abroad its vessels, alteration of boat into a non-ROC one or liner service through lease mode without prior application for file and further inspection
- 2. The carrier violates the provisions set forth in Article 13 herein by operating a liner service without registering the route, by route alteration or transporting passengers and cargoes not covered in the registered route and schedules; or by the reduction or suspension of domestic liner service not reported to the local administration authority for filing and further inspection within the prescribed term or by failing to post at the place of business or notify passengers through telecom network, newspaper or broadcast television after applying for approval.
- 3. The carrier violates the provision of Article 14 herein to subscribe to operator liability insurance and passenger injury insurance; or the insurance amount is insufficient or not renewed upon expiry or surrendered without reason after subscription.

Failure to improve within the time limit set forth in the previous paragraph shall incur a fine imposed consecutively for every violation and again a forcible improvement by order within another time limit, and may, in addition, be subject to the revocation of the whole or part of route registry.

Failure to improve within the time limit set forth in the preceding paragraph or to observe the punishment of

suspension, or committing any one of the violations listed in the same paragraph of section 1 three times within two years shall be subject to revocation and cancellation of the Vessel Carrier Permit.

Article 53

Any foreign vessel carrier in violation of one of following regulations shall be liable to the shipping administration authority for a fine of more than NT thirty thousand dollars and less than NT three hundred thousand dollars, and shall be required to improve within a specific period and prohibited from transporting passengers and cargoes or entering and departing from any ROC port for six months:

- 1. The carrier violates the provision set forth in Article 4 transporting passengers and cargoes among each ROC port without authorization by MOTC.
- 2. The carrier violates the provision set forth in Article 28 soliciting passengers or cargoes in ROC territory without legally establishing a branch or never commissioning a ROC shipping agency to handle vessels carrying passengers or cargoes.
- 3. The carrier violates the provisions set forth in Article 32 applying to Article 13 herein to operate a liner service without registering the route, route alteration or transporting passengers and cargoes not covered in the registered route and schedules; or the reduction or suspension of domestic liner service without applying to the shipping administration authority for file and further inspection within the prescribed term or fails to post at its place of business or notify passengers through telecom network, newspaper or broadcast television after applying for filing and further inspection.
- 4. The carrier violates the provision of Article 32 applying to Article 14 herein by failing to subscribe to operator liability insurance or passenger injury insurance; or, the insurance amount is in sufficient or not renewed upon expiry or is surrendered without reason after subscription.

Failure to improve within the time limit set forth in the previous paragraph shall be incur a fine imposed consecutively for every violation and again a forcible improvement by order within another time limit, and may, in addition, be subject to the revocation of the whole or part of route registry in six months.

Failure to improve within the time limit set forth in the preceding paragraph or to observe the suspension punishment, or committing any one of the violations listed in same paragraph of section 1 three times within two years, shall be subject to revocation and cancellation of the Vessel Carrier Permit.

Article 54

Any vessel carrier in violation of one of the following regulations shall be liable to the shipping administration authority for a fine of more than NT twelve thousand dollars and less than NT one hundred and twenty thousand dollars, and shall be subject to a required improvement within a specific period:

- 1. The carrier violating the provision set forth in Article 9 where a permit is yet to be reissued or registration of alteration is still not yet complete or reported for file and further inspection 30 days after completion of registration of the establishment of a branch.
- 2. The carrier violating the provision set forth in Article 19, in that the name of the company, boat, shipping port or permit is not stated on advertisements; or operating a liner service without stating route and schedule.
- 3. The carrier violating the provision set forth in Article 20 that samples, including cargo Bills of Lading or

passenger ticket, have not yet been reported for filing and further inspection.

- 4. The carrier violating the provision set forth in Article 22(1) that the fare list is not yet reported for filing and further inspection or the freight charge is not yet published.
- 5. The carrier violating the provision set forth in Article 22(2) that it has not yet made correction in compliance with a notice for correction within a specified period.
- 6. The carrier violating the provision set forth in Article 24, non-provision of financial or operation statements or other related documents.

Failure to improve within the time limit set forth in the previous paragraph shall incur a fine imposed consecutively for every violation and a further requirement for improvement within another time limit, and may, in addition, be subject to the revocation of the whole or part of the route registry within six months.

Failure to improve within the time limit set forth in the preceding paragraph or to observe the suspension

punishment, or committing any one of the violations listed in the same paragraph of section 1 three times within two years shall be subject to the revocation and cancellation of the Vessel Carrier Permit.

Article 55

Any foreign vessel carrier in violation of one of following regulations shall be liable to the shipping administration authority for a fine of more than NT twelve thousand dollars and less than NT one hundred and twenty thousand dollars, and shall be subject to a forcible improvement within a specified period:

- 1. The carrier evades, obstructs or rejects investigation as provided in Article 18.
- 2. The carrier violating the provision set forth in Article 32 applying to Article 19 that the name of the company, boat, shipping port or permit is not stated on the advertisement; or operating a liner service without stating the route and schedule.
- 3. The carrier violating the provision set forth in Article 32 applying to Article 20 that samples, including cargo Bills of Lading or passenger ticket, are not yet reported for approval.
- 4. The carrier violating the provision set forth in Article 32 applying to Article 22(1), that the fare list is not yet file and further inspectionor the freight charge is not yet published.
- 5. The carrier violating the provision set forth in Article 32 applying to Article 22(2) that yet made correction in compliance with a notice for correction within a specified period.
- 6. The carrier violating the provision set forth in Article 32 applying to Article 24, non-provision of financial or operation statements or other related documents.

Failure to improve within the time limit set forth in the previous paragraph shall incur a fine imposed consecutively for every violation and again a required improvement within another time limit, and may, in addition, be subject to the revocation of the whole or part of the route registry within six months.

Failure to improve within the time limit set forth in the preceding paragraph or to observe the suspension punishment or committing any one of the violations listed in same paragraph of section 1 three times within two years shall be subject to revocation and cancellation of the Vessel Carrier Permit.

Article 56

Any shipping agency or foreign shipping agency in violation of one of following regulations shall be liable to the shipping administration authority for a fine of more than NT twelve thousand dollars and less than NT one hundred and twenty thousand dollars, and shall be subject to a required improvement within a specified period:

- 1. The agency violating the provision set forth in Article 42(1) applying to Article 9, that the permit has yet to be reissued or registration of alteration not yet completed or applying for file and further inspection within 30 days after completion of registration of establishment of a branch.
- 2. The agency violating the provision set forth in Article 42(1) applying to Article 19 that the name of a company, boat, shipping port or permit is not stated on the advertisement; or operating a liner service without stating the route and schedule.
- 3. The carrier violating the provision set forth in Article 42(1) applying to Article 20 that samples including cargo Bills of Lading or passenger ticket are yet to be reported for approval.
- 4. The carrier violating the provision set forth in Article 32 applying to Article 24, non-provision of financial or operation statements or other related documents.
- 5. The carrier violating the provision set forth in Article 42(3) applying to Article 28, operating in ROC territory without legal establishment of a branch or commissioning a ROC shipping agency. Failure to improve within the time limit set forth in the previous paragraph shall incur a fine imposed consecutively for every violation and again a required improvement within another time limit, and may, in addition, be subject to the revocation of the whole or part of route registry within six months. Failure to improve within the time limit set forth in the preceding paragraph or to observe the suspension punishment, or committing any one of the violations listed in same paragraph of section 1 three times within two years shall be subject to revocation and cancellation of the Vessel Carrier Permit.

Any freight forwarder or foreign freight forwarder in violation of one of the following regulations shall be liable to the shipping administration authority the shipping administration authority for a fine of more than NT twelve thousand dollars and less than NT one hundred and twenty thousand dollars, and shall be subject to a

required improvement within a specified period:

- 1. The carrier violating the provision set forth in Article 39(3) or (4), non-payment of a fixed amount of margin, or if the insurance is not subscribed for the stipulated amount; or not renewed upon expiry or surrendered without reason after subscription.
- 2. The carrier violating the provision set forth in Article 40(1) applying to Article 28, operating in ROC territory without legal establishment of a branch or by commissioning a ROC shipping agency.
- 3. The carrier violating the provision set forth in Article 42(2) applying to Article 9, that the permit is yet to be reissued or registration of alteration not yet completed or applying for filie and further inspection within 30 days after completion of registration in establishment of a branch.
- 4. The carrier violating the provision set forth in Article 42(2) applying to Article 19 that the name of the company, shipping port or permit number not stated on the advertisement.
- 5. The carrier violating the provision set forth in Article 42(2) applying to Article 20, that samples, including cargo Bills of Lading or passenger ticket, not submitted for file and further inspection
- 6. The carrier violating the provision set forth in Article 42(2) applying to Article 24, non-provision of financial or operation statements or other related documents.

Failure to improve within the time limit set forth in the previous paragraph shall incur a fine imposed

consecutively for every violation and a further requirement for improvement within another time limit, and may, in addition, be subject to the revocation of the whole or part of the route registry within six months. Failure to improve within the time limit set forth in the preceding paragraph or to observe the suspension punishment, or committing any one of the violations listed in same paragraph of section 1 three times within two years shall be subject to revocation and cancellation of the Vessel Carrier Permit.

Article 58

Any container terminal operators or foreign container terminal operators in violation of one of following regulations shall be liable to the shipping administration authority for a fine of more than NT twelve thousand dollars and less than NT one hundred and twenty thousand dollars, and shall be subject to a required improvement within a specified period:

- 1. The operator violating the provision set forth in Article 46, that the business rate list has not yet been submitted for file and further inspection.
- 2. The operator violating the provision set forth in Article 47(1) applying to Article 9, that a permit has yet to be reissued or registration of alteration is not yet completed or reporting for approval 30 days after completion of registration for establishment of a branch.
- 3. The operator violating the provision set forth in Article 47(1) applying to Article 24 that non-provision of financial or operation statements or other related documents.
- 4. The operator violating the provision set forth in Article 47(2) applying to Article 28, operating in ROC territory without legal establishment of a branch.

Failure to improve within the time limit set forth in the previous paragraph shall incur a fine imposed consecutively for every violation and a further required improvement within another time limit, and may, in addition, be subject to the revocation of the whole or part of a route registry within six months.

Failure to improve within the time limit set forth in the preceding paragraph or to observe the suspension punishment, or committing any one of the violations listed in the same paragraph of section 1 three times within two years shall be subject to revocation and cancellation of the Vessel Carrier Permit.

Chapter 6 Supplementary Provisions

Article 59

If any foreign vessel carrier has been fined for violating the present Act herein and did not establish a branch legally in ROC, and has failed to pay within a specified period after notification, the shipping administration authority the shipping administration authority may prohibit its vessels from entering into or departing from any ROC port before a guarantee is furnished.

Article 60

In case provisions involving international matters are not provided in the present Act, MOTC may, by reference, undertake to adopt, promulgate and enact the relevant international conventions or agreements and the regulations, directives, standards, recommendations or programs prescribed in the annexes thereto as provisions.

Article 60-1

Where shipping affairs are otherwise prescribed in an agreement signed between the government of the Republic of China and another country, such prescription shall apply.

Article 61

The present Act shall come into force on the day of promulgation.