

Dear Colleagues,

I joined the group a little late so my talk was not on the agenda. Thanks to Alexander for arranging this, I am delighted to be here to give this 5-minute talk. I am a law professor, so my talk will purely on the legal side and because my time is short, I do not have a PowerPoint slide.

I would like to start my talk by introducing a famous Chinese MORU, which has been widely reported in the Chinese media. In June 2022, China's first deep-sea floating wind turbine, also the largest floating power plant, "Fuyao" has started her work in the deep waters of the South China Sea. "Fuyao" is equipped with 6.2-megawatt typhoon-proof wind turbines. So far, she has been through at least four typhoons and is still working well. In Chinese mythology, "Fuyao" means a magical sea wind that has the power to transform a fish into a fabulous bird that can fly far. It is a beautiful and fitting name for this unit.

So what is the legal status of "Fuyao" in the Chinese Maritime Code? Article 3 of the Code states: "'Ship' in this Code means seagoing vessels and other mobile units". In a ruling by the Shanghai Maritime Court in 2020, the court stated that "mobility" does not require the unit to be self-propelled or manned. Accordingly, I may say that the meaning of "other

mobile units” in the Chinese maritime law is broad enough to cover MORUs provided that their tonnage is at least 20 gross tonnes. This is a good start.

In addition, the Chinese Maritime Traffic Safety Law defines “offshore facilities” as all types of surface and underwater installations, whether fixed or floating. Literally, this definition is also broad enough to cover MORUs, and therefore safety issues and standards of MORUs such as search and rescue have some rules to follow in China.

Second, the issue of registration. “Fuyao” is not registered before her voyage and operation. A special permission to operate was granted to her. The main reason is that there is some debate in our registration authority whether “Fuyao” should be registered as a ship or as an offshore facility or as a facility of its own kind. This is yet to be settled, but I will surely bring Norway’s experience back to our registration authority.

Third, last year, a marine insurance case involving an offshore floating unit came before the Shanghai Maritime Court. The unit was insured under standard hull clauses in the Chinese market, which are very similar to the Institute clauses in the London market. The unit was involved in an accident that took 2 months to salvage and a further 4 months to repair.

The insured claimed approximately 33 million US dollars from the insurer for towage, salvage and repair costs. The court identified at least three issues: (1) whether the unit was a “vessel” under the hull policy; (2) whether the accident was covered; (3) how to determine thousands of items for repair costs. After an enormous effort by the judges, the claim was eventually settled for 26 million US dollars. I suspect that this judicial experience will shed some light on the MORU marine insurance case that may arise in the future.

In conclusion, I may say that the current Chinese law has provided a basic legal framework for MORUs to operate but there is still a lot of work to be done. China has a huge demand for renewable energy, which provides a wide market space for the development of MORUs. Of course, China’s development will certainly include cooperation with other countries and international organisations to share knowledge and experience in both technical and legal aspects, and we are ready to contribute in any way we can.

That is all I want to say. Thank you again for your attention.

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