

IMO set to debate HNS convention

Sandra Speares - Wednesday 15 October 2008

DEBATE on the Hazardous and Noxious Substances Convention moves to the International Maritime Organization next week when the Legal Committee will seek to advance the entry into force of the remaining plank of the spill compensation regime.

Work on the convention by the Legal Committee and the International Oil Pollution Compensation Funds has been going on for many years, and the IOPC Funds set up a correspondence group last year to examine problems that various country delegations saw as a disincentive to the ratification of the convention.

One sticking point was contributions to the LNG account, as no consensus of opinion could be found between member states within the bounds of the existing 1996 HNS Convention text.

Under Article 19 of the current text, the liability for paying annual contributions is on the titleholder of the LNG cargo immediately prior to its discharge. This meant that titleholders in non-state parties could not be brought under the jurisdiction of states' party to the convention.

There were also, among other issues, concerns over which state parties would communicate to the director of the HNS Fund details of those required to pay contributions and quantities they had received.

A compromise proposal is to be considered by the Legal Committee submitted by Australia, Belgium, Canada, Denmark, France, Germany, Japan, Malaysia, the Netherlands, Norway, Sweden and the UK.

The sponsors of the compromise are advising that state parties "would communicate to the HNS Fund the names and addresses of LNG receivers in the state, as well as data on quantities. The state party would also inform the Fund of any agreement concerning arrangements between the receiver and titleholder, so that the titleholder that is party to an agreement with a receiver should be invoiced by the fund for the purposes of making contributions to the LNG account."

Speaking at a reception to mark the 30th anniversary of the coming into force of the 1971 Fund Convention, IOPC Funds director Willem Oosterveen said the Funds: "have overcome many challenges in the last 30 years and we have many more ahead of us."

He said that while the regime was by no means perfect it "was important to be aware of what the value of a system like this is in reality for claimants and the industry alike and to be measured and thoughtful when judging the regime and the way it works".

When the HNS convention comes into force it will complete the series of conventions governing liability and compensation regimes for spills. These include the Civil Liability and Fund Conventions and the Bunker Spill Convention which is due to come into force next month.

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