

Delay sought on passenger liability rules

Insurers also push for terrorism to be defined as 'act of war', creating an exclusion from liability, writes Justin Stares in Brussels

Thursday April 14 2005

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SHIPOWNERS have asked the European Commission to delay drawing up a new law on passenger liability while outstanding issues are discussed in the International Maritime Organisation.

Two issues remain to be resolved before the 2002 protocol to the Athens Convention can be effectively translated into European Union law, Brussels was told.

The request was made earlier this year during industry hearings on the Erika 3 package of maritime legislation, which the commission is expected to push forward under the British EU presidency in the second half of this year.

The commission told industry representatives in a closed-door session that it was considering a Bill on the liability of carriers of passengers by sea in the event of accidents. Such a Bill would give the 2002 protocol the force of law in Europe.

"Insurers are still not sure if they can cover the amounts mentioned in the convention, and you cannot apply the convention if there is no coverage," said Alfons Guinier of the European Community Shipowners' Association.

The second issue is in regard to terrorism.

The industry is pushing for terrorism to be defined as an "act of war", thereby creating an exclusion from liability. This was also under discussion in the IMO, said Mr Guinier.

The 2002 Protocol to the Athens Convention introduces compulsory insurance to cover passengers on ships and raises the limits of liability previously established.

The Erika 3 package contains suggestions for a separate insurance regime covering ports which might suffer economic damage after taking in a polluting vessel.

Here, too, the industry has asked the commission to think about the effects any laws could have outside Europe.

The commission has been criticised for pushing ahead with laws which break with internationally recognised standards in the maritime industry.

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