



# Maritime Liability and Compensation Conventions update

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International Group of P & I Clubs

- ***1992 CLC Protocol***
- ***1992 Fund Convention / 2003 Protocol***
- ***2001 Bunkers Convention***
- ***1996 HNS Convention***
- ***Athens Convention 2002 Protocol***
- ***2007 Wreck Removal Convention***
- ***1976 LLMC Convention / 1996 Protocol***
- ***2009 Rotterdam Rules***

## Civil Liability Convention 1992 Protocol (CLC 92):

Status – *in force from 30/05/1996*

- *121 contracting States (as at 31/08/2009).*
- *Strict liability with limited shipowner defences*
- *Shipowner funded compensation up to 90 m. SDR (approx US\$ 141 m.)*
- *Compensation enhanced through voluntary industry agreement - STOPIA 2006 – small vessels up to 29,548 GT (State parties to 1992 Fund only)*

## Fund Convention(92 Fund):

Status – *in force from 30/05/1996*

- *104 contracting States (as at 31/08/2009)*
- *Provides for compensation up to 203 million SDR (approx US\$ 318 m.) excess of applicable CLC limit*
- *Funded by member State contributions levied on industry*

## Supplementary Fund Protocol (2003):

Status – *in force from 03/03/2005*

- *24 contracting States (as at 31/08/2009)*
- *Provides for compensation up to 547 million SDR (approx US\$ 857 m.) excess of the 92 Fund limit*
- *Funded by member State contributions levied on industry*
- *50% co-funding of the Supplementary Fund through voluntary industry contribution - TOPIA 2006*

## 2001 Bunkers Convention:

Status – *in force from 21/11/2008*

- *44 contracting States (as at 31/08/2009)*
- *Strict liability with limited shipowner defences*
- *Compensation based on applicable national or international limitation regime e.g. LLMC*

## 1996 HNS Convention:

Status – *not yet in force (new Protocol likely to be adopted at 2010 Diplomatic Conference).*

- *Currently 14 signatory States*

### *Entry into force*

- *18 months after 12 ratifications including*
- *4 States with “not less than 2 m. units of GT”, and*
- *a minimum 40 m. tons of contributing cargo received by signatory States within preceding 12 months*

## 1996 HNS Convention (contd.):

- *Two tier compensation scheme as CLC/IOPC Funds*
- *Strict liability with limited shipowner defences*
- *Shipowner liability limit up to SDR 100 million (approx US\$ 157 m.) but likely to increase (for packaged goods only)*
- *Fund compensation up to SDR 250 million (approx US\$ 392 m.) excess of shipowner limit*



## 2002 Athens Protocol (Passengers and luggage):

Status – *not yet in force*

- *Currently 4 Contracting States – entry into force 12 months following 10 ratifications*
- *Strict liability with limited shipowner defences*
- *Shipowner liability limit for death/ PI 250,000 SDR per passenger (approx US\$ 392,000) or 400,000 SDR (approx US\$ 626,000) where fault or neglect involved*
- *Separate limits for luggage and vehicles*

## 2007 Nairobi Wreck Removal Convention:

Status – *not yet in force.*

- *Currently 1 Contracting State - entry into force 12 months following 10 ratifications*
- *Strict liability with limited shipowner defences*
- *Compensation based on applicable national or international regime e.g. LLMC (but note LLMC opt out for wreck removal claims)*

## 1976 LLMC Convention

Status – *in force from 01/12/1986*

- *52 contracting States*
- *Separate limits for passenger and other claims – calculated on a sliding scale SDR per GT basis – limit for largest vessels approx US \$ 60 m. (passenger claims) and US\$ 30 m. (other claims)*
- *No amendment procedure*

## 1996 LLMC Protocol

Status – *in force from 13/05/2004*

- *35 contracting States*
- *Separate limits for passenger and other claims – calculated on a sliding scale SDR per GT basis – limit for largest vessels approx US \$ 141 m. (passenger claims) and US\$ 70 m. (other claims)*
- *Proposal for review of limits by IMO Legal Committee. Under amendment procedure limits could more than double (6%pa compound)*

### **United Nations Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea' - the “Rotterdam Rules”**

- Status – *not yet in force – signing 23/09/09*
- *Entry into force - 12 months after 20 ratifications*
- *Increase in shipowners' liability*
- *Erosion of shipowners' defences*

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