



TECHNICAL CIRCULAR No. 696 of 4th September 2021

To	All Surveyors/Auditors. All flags
Title	IMO Convention-Limited Liability
Reference	IMO, ILO, LEG

Unified interpretation for limit liability

Legal Committee (LEG) of the IMO agreed on a unified interpretation of the test for breaking a shipowner's right to limit liability under certain IMO conventions.

The unified interpretation was agreed to recognize the importance of providing legal certainty in the interpretation and application of the IMO liability and compensation conventions, and to assist states parties to the conventions in applying them in a uniform manner.

The unified interpretation was agreed in a form of three draft resolutions for approval at the next session of the IMO Assembly to be held in December 2021. The resolutions affirm that the test for breaking the right to limit liability is to be interpreted as virtually unbreakable.

An owner's right to limit liability is a fundamental component of the IMO liability and compensation conventions regime. The regime includes the 1992 Civil Liability Convention, the 2010 HNS Convention, the Bunkers Convention, and the 2007 Nairobi Wreck Removal Convention.

It seeks to ensure that claimants received prompt and adequate compensation for damage caused by ship source pollution. An owner's right to limit liability is also set out in the 1996 LLMC Protocol (the Convention on Limitation of Liability for Maritime Claims, 1976, as amended by the Protocol of 1996).

The conventions represent a carefully negotiated compromise which balance strict liability of the owner, channeling of liability to the owner irrespective of fault, and compulsory insurance backed by state certification with the right to limit liability.

The LEG also considers the abandonment of seafarers and noted the alarming increase in the numbers reported to the joint database on abandonment of seafarers set up by the IMO and the International Labor Organization (ILO).

LEG must develop guidelines for port and flag state's authorities on how to deal with cases of seafarer's abandonment. The intention is for the guidelines to be considered and finalized by a tripartite working group to be set up jointly by the IMO and ILO.

CONARINA Head Office

6505 Blue Lagoon Dr. Suite 455

Miami, Fl., 33126

Tel: 1 (786) 558 5288,

Fax: 1 (786) 325 0200,

Joel@conarinagroup.com

Summary:

- International Maritime Organization (IMO) was agreed on a unified interpretation of the test for breaking a shipowner's right to limit liability under certain IMO conventions.
- The unified interpretation was agreed in a form of three draft resolutions for approval at the next session of the IMO Assembly to be held in December 2021.
- The LEG also completed its work on the regulatory scoping exercise of conventions for the use of Maritime Autonomous Surface Ships (MASS).

REFERENCES:

- International Maritime Organization (IMO); ILO;

ATTACHMENTS: No

Kindest Regards,
CONARINA Technical Office

CONARINA Head Office

6505 Blue Lagoon Dr. Suite 455

Miami, Fl., 33126

Tel: 1 (786) 558 5288,

Fax: 1 (786) 325 0200,

Joel@conarinagroup.com