



International Oil Pollution
Compensation Funds

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2010 HNS CONVENTION

Note by the Secretariat

Summary:

This document provides information about recent activities conducted by the 1992 Fund relating to outreach and technical assistance, HNS reporting and contributions, the drafting of a Claims Manual, and various other items related to the preparations for the entry into force of the 2010 HNS Convention.

A workshop on the 2010 HNS Convention, organised by the IOPC Funds in collaboration with the International Maritime Organization (IMO), will take place immediately after the April 2024 sessions of the IOPC Funds' governing bodies and will focus on reporting matters.

Action to be taken: 1992 Fund Assembly

Information to be noted.

1 Introduction

- 1.1 In April 2010, an International Conference on the revision of the HNS Convention adopted the Protocol of 2010 to the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea, 1996 (2010 HNS Protocol).
- 1.2 Resolution 1 of the Conference requested the 1992 Fund Assembly to instruct the Director of the 1992 Fund to carry out the tasks necessary to set up the International Hazardous and Noxious Substances Fund (HNS Fund) and make preparations for the first session of the HNS Fund Assembly. To this end, the IOPC Funds' Secretariat has undertaken a number of administrative tasks in cooperation with the International Maritime Organization (IMO) and has regularly reported progress at sessions of the 1992 Fund Assembly, as well as the IMO Legal Committee. Document LEG 111/3 was submitted to the 111th session of the IMO Legal Committee, and this meeting will take place the week before the April 2024 sessions of the IOPC Funds' governing bodies.
- 1.3 This document provides an update on the progress being made towards entry into force of the Protocol as well as the work carried out by the 1992 Fund Secretariat since the last session of the 1992 Fund Assembly in November 2023.

2 Progress towards entry into force of the 2010 HNS Convention

- 2.1 The 1992 Fund Secretariat is pleased to note that Slovakia has become the most recent State to deposit an instrument of accession to the 2010 HNS Protocol, bringing the number of Contracting States to eight: Canada, Denmark, Estonia, France, Norway, Slovakia, South Africa and Türkiye.
- 2.2 The official instrument of accession of Slovakia was deposited with the Secretary-General of IMO on

21 November 2023. This positive step by Slovakia follows the one taken by France, who ratified the Protocol at the end of October 2023, and comes ahead of several other States who have indicated their progress towards accession to the HNS Convention.

3 Outreach activities and technical assistance

- 3.1 The 1992 Fund Secretariat has continued to take opportunities to promote the entry into force of the 2010 HNS Convention, to engage with interested States and other key stakeholders, and to share information with industry representatives through the delivery of various workshops or other training and outreach activities, often in close cooperation with the IMO Secretariat.
- 3.2 States are encouraged to consider holding online workshops for the purpose of highlighting the value of the 2010 HNS Convention, as well as explaining how to prepare the HNS Contributing Cargo Reports, to a wide audience. The 1992 Fund Secretariat remains available to support such activities.
- 3.3 Meetings with visiting delegations or new representatives of States, such as India, Mexico, Namibia, South Africa and Türkiye, have allowed the 1992 Fund Secretariat to introduce the 2010 HNS Convention and explain the value of its entry into force, and for States Parties to get clarification on the HNS reporting rules, before the entry into force of the Convention.
- 3.4 On 15 February 2024, the Director delivered a guest lecture to students at the World Maritime University (WMU), established by IMO to provide postgraduate maritime and ocean education, and based in Malmö, Sweden. That lecture included an overview of the 2010 HNS Convention where he explained the current status of the Convention and the IOPC Funds' role in the preparations for its entry into force.
- 3.5 The Director participated in Cedre's 28th Information Day on 21 March 2024 in Paris, France, during which he joined an interactive panel session alongside experts from the Directorate General for Maritime Affairs, Fisheries and Aquaculture of France, the French General Secretariat for the Sea, Transport Canada and Gard P&I Club. He explained the current status of the Convention and the positive progress by States towards implementing this important treaty as well as the anticipated timeline for its entry into force. He referred to Member States' responsibilities under the Convention, specifically with regards to reporting requirements and identified the different challenges resulting from incidents involving HNS compared to those relating to oil and the types of claims for compensation that can be expected.
- 3.6 Updating of the HNS Finder
- 3.6.1 The HNS Finder is an online database that allows users to search the list of all HNS as defined by the 2010 HNS Convention. It provides information on HNS classification criteria and verifies whether a substance qualifies as contributing cargo. Users can also obtain information on which accounts the contributing substances belong to. It has been in operation since 2011 and has been updated annually by the 1992 Fund Secretariat. The most recent update of the list (version 14, with HNS data for 2023 reports) will be uploaded on 31 May 2024 and can be found under the HNS Finder section of the website, www.hnsconvention.org.
- 3.6.2 The annual deadline for States to submit their reports to IMO is 31 May, as indicated in Article 45.6 of the 2010 HNS Convention.
- 3.7 Improvements to the HNS reporting guidelines
- 3.7.1 Ensuring correct reporting of HNS cargo is an important area of focus for existing and future contracting States. The 1992 Fund Secretariat continues to engage with interested States to develop a set of guidelines and support for HNS reporting and contributions as a priority.

- 3.7.2 In this regard, following discussions on the subject during the HNS workshop organised by Canada in cooperation with IMO and the IOPC Funds, and delivered in London on 3 and 4 April 2023, it was agreed that to facilitate the entry into force of the Convention, as well as the effective functioning of the HNS Fund once established, it was essential that an efficient and jointly approved system for reporting HNS contributing cargo was developed.
- 3.7.3 At that same workshop, the 1992 Fund Secretariat highlighted the difficulties that some States had experienced with regards to the implementation of the definition of 'Receiver' in Article 1.4(a). It was proposed that using the definition of 'Receiver' under the Article 1.4(b) provision would simplify the reporting process, as States could rely on the physical receiver only, and not use the Agent/Principal option within Article 1.4(a). This would significantly simplify the management of reporting and contributions for States and for the HNS Fund.
- 3.7.4 Accordingly, the Secretariat has continued to work with States and the industry to make further progress on an improved set of guidelines to facilitate the reporting process. The Director was invited to join a meeting between the Governments of Belgium, Germany and the Netherlands on 23 January 2024, as they were discussing the final steps in their progress towards ratification of the 2010 HNS Protocol. The Government of France was also invited to share its experience and provided information on its own practices which were prepared prior to ratification, including a customised reporting system. The 1992 Fund Secretariat offered clarification on the options available for a practical and effective implementation of the reporting requirements under the Protocol.
- 3.7.5 The 1992 Fund Secretariat has regularly provided online answers and support to States and companies during their preparation, or clarification, of the HNS reporting requirements. On these occasions, a number of States have indicated that they were open to discussing clarifications on the definition of 'Receiver', and other changes to the current HNS Reporting Guidelines, on the condition that further detailed discussions be conducted. Other States have clarified that they would like to keep the Agent/Principal option open.
- 3.7.6 The 1992 Fund Secretariat, in cooperation with IMO, has organised another workshop on the 2010 HNS Convention which will focus on reporting matters. The workshop will take place in London immediately after the closure of the meeting of the IOPC Funds' governing bodies, from 2.30 pm on Wednesday, 1 May 2024, and will continue on Thursday, 2 May 2024.

3.8 Online HNS reporting system

- 3.8.1 As previously indicated, one of the key tasks included in the action plan being followed by the 1992 Fund Secretariat, is the development of a HNS reporting system, similar to the system developed for oil reporting (ORS) used by the IOPC Funds. As a consequence, the work to be undertaken to develop a HNS reporting system will provide benefits for the further development of the current ORS.
- 3.8.2 During 2024, work has commenced on developing a set of requirements for an online reporting system.

4 HNS Convention website

- 4.1 The 1992 Fund Secretariat continues to update and maintain the website www.hnsconvention.org which is an important tool for accessing information related to the 2010 HNS Convention and its progress towards entry into force. The Secretariat has been maintaining the current version of the site since 2011, ensuring that its infrastructure and content remain fit for purpose.
- 4.2 Given the increased interest in the 2010 HNS Convention and the need for additional tools and information, the intention is to introduce new features corresponding to some of the important developments ahead, including:

- (i) a Q&A system to record and share questions and the answers provided;
- (ii) information documents to better understand the content of the HNS Finder and demonstrate how it is maintained;
- (iii) a HNS reporting system to complete the existing HNS Finder;
- (iv) access to the websites and data of other organisations that have useful information on the subject (IMO, Cedre, ITOPF, CEFIC among others); and
- (v) information in relation to the types of HNS transported in large quantities, such as those that are most frequently lost.

5 Development of a draft HNS Convention Claims Manual

- 5.1 The 1992 Fund Secretariat has been working with a number of relevant organisations, namely IMO, Cedre, the International Chamber of Shipping (ICS), the International Group of P&I Associations (International Group) and ITOPF, to develop a draft HNS Convention Claims Manual.
- 5.2 The group has met on several occasions and has finalised a draft text of the Claims Manual. The manual will be presented for adoption by the HNS Fund Assembly.

6 Preparation of documentation for the first meeting of the HNS Fund Assembly

6.1 Looking ahead – Rules of Procedure for the HNS Fund Assembly

The 1992 Fund Secretariat will prepare draft Rules of Procedure for the consideration of the HNS Fund Assembly at its first session.

6.2 Internal and Financial Regulations of the HNS Fund

- 6.2.1 Under Article 26(c) of the 2010 HNS Convention, the HNS Fund Assembly shall develop, apply and keep under review Internal and Financial Regulations related to the aim and related tasks of the HNS Fund.
- 6.2.2 The Internal Regulations will govern the internal operational rules of the HNS Fund. The 1992 Fund Secretariat will prepare draft Internal and Financial Regulations for the consideration of the HNS Fund Assembly at its first session.

7 Financing of work to be undertaken in 2024

- 7.1 Given the extensive list of activities to be conducted, some costs are being incurred in 2024 relating to the work of the 1992 Fund Secretariat (staff costs and management fees), as well as development costs.
- 7.2 As a consequence, the amount of £424 000 was included in the 2024 budget for the 1992 Fund ([document IOPC/NOV23/11/1](#), paragraph 9.1.16) to cover the costs for the preparations and other administrative tasks in respect of the HNS Fund.
- 7.3 All costs incurred by the 1992 Fund for the setting up of the HNS Fund will be reimbursed by the HNS Fund with interest.

8 Action to be taken

1992 Fund Assembly

The 1992 Fund Assembly is invited to take note of the information contained in this document.
