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OIL POLLUTION  
COMPENSATION  
FUND 1992

ASSEMBLY  
2nd session  
Agenda item 4

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## GRANT OF OBSERVER STATUS

Note by the Director

### Introduction

1 Article 18.10 of the 1992 Fund Convention provides that the Assembly determines which intergovernmental and international non-governmental organisations shall be admitted to take part, without voting rights, in meetings of the Assembly and subsidiary bodies. The Assembly adopted at its 1st session "Guidelines on Relations between the International Oil Pollution Compensation Fund 1992 (1992 Fund) and Intergovernmental Organisations and International Non-Governmental Organisations" (document 92FUND/A.1/34/1). These guidelines contain the criteria for the granting of observer status to international non-governmental organisations. The paragraphs dealing with international non-governmental organisations read as follows:

Observer status may be granted by the Assembly to an international non-governmental organisation, at its request, if:

- (a) the organisation concerned is of truly international character and its objectives are in harmony with those of the 1992 Fund;
- (b) it has aims, responsibilities or activities in the fields related to those of the 1992 Fund or which are of concern or interest to the 1992 Fund, particularly in connection with pollution and environmental matters, maritime and shipping affairs, marine insurance, production or transport of oil or relevant questions of international law; and
- (c) it is able to make a contribution to the work of the 1992 Fund, for example by providing specialised information, advice or expertise, or by identifying or helping to procure the services of experts or consultants, or by otherwise furnishing technical assistance or by making research facilities available.

2 At its 1st session, the Assembly decided, in accordance with Rule 5 of the Rules of Procedure of the Assembly, to grant observer status to 13 international non-governmental organisations (Advisory Committee on Protection of the Sea (ACOPS), Baltic and International Maritime Council (BIMCO), Comité Maritime International (CMI), Cristal Limited, Federation of European Tank Storage Associations (FETSA), Friends of the Earth International (FOEI), International Association of Independent Tanker Owners (INTERTANKO), International Chamber of Shipping (ICS), the International Group of P & I Clubs, International Salvage Union (ISU), International Tanker Owners Pollution Federation Limited (ITOPF), International Union for the Conservation of Nature and Natural Resources (IUCN) and Oil Companies International Marine Forum (OCIMF)).

3 The European Chemical Industry Council (CEFIC) has requested observer status with the 1992 Fund.

#### **European Chemical Industry Council (CEFIC)**

4 CEFIC has submitted information about its structure and has indicated the areas in which it has common interests with the 1992 Fund. This information may be summarised as follows.

CEFIC is the European forum of the chemical industry. It is made up of 16 national chemical industry federations as full members and six such federations as associated members. Large international companies, with a centre of operation in a CEFIC member country and engaged in chemical manufacture in more than one European country, are direct CEFIC members in their own right.

The objective of CEFIC is to provide a mechanism for structured discussion of issues affecting chemical companies operating in Europe and to represent the industry's position on these issues in order to contribute to the legislative decision-making process. CEFIC's external contacts are focussed on organisations and individuals whose role and authority extend beyond national boundaries and whose decisions have international effect. These contacts include a number of specialised agencies of the United Nations, as well as the OECD, the European Union and the Council of Europe. CEFIC addresses various issues in which the European chemical industry has a common interest and which can be progressed most effectively at an international level, including protection of the environment.

As an authoritative voice of many chemical companies and national federations, CEFIC provides policy makers with access to the collective expertise and opinion of the European chemical industry. Through its contacts with intergovernmental organisations, CEFIC is also able to assist its members to prepare for and comply with international legislation affecting the chemical industry.

#### **HNS Convention**

5 Under the 1996 International Convention on liability and compensation for damage in connection with the carriage of hazardous and noxious substances by sea (HNS Convention), there will be established a system of compensation similar to that created by the 1992 Civil Liability Convention and the 1992 Fund Convention. The financial burden created by this system will be shared between the shipping industry and the cargo interests. The primary liability will rest on the shipowner, with additional compensation available from the International

Hazardous and Noxious Substances Fund (HNS Fund), financed by the cargo interests. The functioning of the HNS Fund under the HNS Convention will follow very closely the operation of the 1992 Fund under the 1992 Fund Convention.

6 In a Resolution adopted by the International Conference which adopted the HNS Convention (Resolution 1), the Assembly of the 1992 Fund was invited to assign to the Director of the 1992 Fund, in addition to his functions under the 1992 Fund Convention, the administrative tasks necessary for setting up the HNS Fund in accordance with the HNS Convention. At its 1st session, the Assembly instructed the Director to carry out the tasks requested by the HNS Conference (document 92FUND/A.1/34, paragraph 33.1.3).

#### **Director's consideration**

7 It is likely that a significant portion of the contributions to be paid to the HNS Fund will fall on the chemical industry. In view of the work to be carried out under the auspices of the 1992 Fund in connection with the preparations for the entry into force of the HNS Convention, the Director considers that it would be of assistance to the 1992 Fund Secretariat if formal contacts could be established between the 1992 Fund and the chemical industry. The Director is of the view that the granting of observer status to CEFIC, which represents a considerable part of the chemical industry, would be beneficial to the work of the 1992 Fund in this field.

#### **Action to be taken by the Assembly**

8 The Assembly is invited:

- (a) to consider whether the European Chemical Industry Council fulfils the criteria laid down in the above-mentioned guidelines; and
  - (b) to take a decision on its application for observer status.
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