



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND 1992

ASSEMBLY
12th extraordinary session
Agenda item 10

92FUND/A/ES.12/10
24 May 2007
Original: ENGLISH

GRANT OF OBSERVER STATUS

Note by the Director

Summary:	The International Group of Liquefied Natural Gas Importers (GIIGNL) has applied for observer status with the 1992 Fund.
Action to be taken:	Decide whether to grant observer status to GIIGNL.

1 The issue

- 1.1 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 following criteria for the granting of observer status to international non-governmental organisations:

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.
- 1.2 Sixteen non-governmental organisations have observer status with the 1992 Fund (ACOPS, BIMCO, CEFIC, CMI, CPMR, FETSA, FOEI, IACS, INTERTANKO, ICS, the International Group of P&I Clubs, ISU, ITOPE, IUCN, IUMI and OCIMF).

- 1.3 The International Group of Liquefied Natural Gas Importers (GIIGNL) has requested observer status with the 1992 Fund. A letter from GIIGNL setting out the aims and purposes of the organisation is contained at the Annex.

2 HNS Convention

- 2.1 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), a system of compensation will be established 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.
- 2.2 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).

3 Director's consideration

- 3.1 The HNS Fund will have up to four accounts, one of which will be for contributions based on receipts of liquefied natural gas (LNG). 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 is of the view that the granting of observer status to GIIGNL, which represents 53 member companies in 17 different countries involved in the LNG industry, would be beneficial to the work of the 1992 Fund in this field.
- 3.2 The Director is of the view that GIIGNL meets the criteria for the granting of observer status to international non-governmental organisations set out in paragraph 1.1 and therefore recommends that the organisation should be granted observer status to the 1992 Fund.

4 Action to be taken by the Assembly

The Assembly is invited:

- (a) to consider whether the International Group of Liquefied Natural Gas Importers 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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**GROUPE INTERNATIONAL DES IMPORTATEURS DE GAZ NATUREL LIQUÉFIÉ**

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**FOR THE ATTENTION OF THE DIRECTOR
INTERNATIONAL OIL POLLUTION FUNDS**

Portland House
Bressenden Place
London SW1E 5PN
GREAT-BRITAIN

Levallois, May 22, 2007

Dear Sir,

I am pleased to provide some information about the International Group of Liquefied Natural Gas Importers (GIIGNL).

GIIGNL, a non-profit organization, was founded in Paris in December 1971. It is composed of 53 member companies, usually represented by their Chairman or C.E.O., scattered over 17 different countries (in North America, Asia and Europe) and involved in the importation of Liquefied Natural Gas.

GIIGNL's main objective is to promote the development of activities related to LNG : purchasing, importing, processing, transportation, handling, regasification and various uses of LNG. To this purpose, the Group aims to provide an overview of the state-of-the art technology in the LNG industry and its general economic state, to enhance facility operations, to diversify contractual techniques, to develop positions to be taken in international agencies, and so on.

According to GIIGNL's By-Laws, the Group consists of full members and associate members and is managed by an Executive Committee, composed of 9 to 12 full members elected at the General Assembly. At the working level, a commercial study group is holding meetings twice a year and is debating on commercial subjects referring to GIIGNL's main objectives related to LNG, including the HNS Convention study.

Indeed, as the HNS Convention system is a key issue for the development of the LNG industry, the Group decided from 1996 to work on the implementation of such a regime. From 2003 notably, a dedicated HNS Convention sub-working group has been developing a GIIGNL's position paper on this subject, the main objectives being:

- to gain a better understanding of the Convention and its impact on the LNG industry, in the form of a Question & Answer document,
- to better understand the position of the different countries regarding the ratification process of the HNS Convention,
- to propose an executive summary of the main challenges for the LNG industry, where applicable including a position paper for GIIGNL.



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It is the wish of GIIGNL to exchange with Maritime Organisations and particularly with the IOPC Funds. Our request hereby is to be elected as one of the Non Government Organisations with Observer Status, in order to learn from your deliberations and possibly contribute.

Yours sincerely,

Françoise le Cotonnec (Mrs.)
General Delegate