



INTERNATIONAL  
OIL POLLUTION  
COMPENSATION  
FUND

ASSEMBLY  
13th session  
Agenda item 15

FUND/A.13/12  
1 August 1990

Original: ENGLISH

## **FUTURE DEVELOPMENT OF THE INTERGOVERNMENTAL OIL POLLUTION LIABILITY AND COMPENSATION SYSTEM BASED ON THE 1969 CIVIL LIABILITY CONVENTION AND THE 1971 FUND CONVENTION**

Note submitted by the United Kingdom of Great Britain  
and Northern Ireland

1 The intergovernmental oil pollution liability and compensation system based on the 1969 Civil Liability Convention and the 1971 Fund Convention has now been in operation for some 12 years and 44 States are Parties to this system.

2 The operation of the intergovernmental system was, after extensive preparatory work, reviewed by the International Conference on Liability for Damage in Connection with the Carriage of Certain Substances by Sea, 1984 and at that Conference Protocols were adopted to both the 1969 Civil Liability Convention and the 1971 Fund Convention aimed at providing an intergovernmental oil pollution liability and compensation regime appropriate for the 1990s and into the 21st century.

3 A key underlying assumption concerning the early entry into force of the 1984 Protocols will now not be fulfilled. It therefore appears that for the foreseeable future the intergovernmental oil pollution liability and compensation system will continue to be based on the terms of the 1969 Civil Liability Convention and 1971 Fund Convention.

4 The United Kingdom Government is concerned that the 1969 Civil Liability Convention and 1971 Fund Convention may not meet the likely needs of the 1990s and early decades of the 21st century. If the Conventions were held to have been in need of change in 1984 it could be assumed that some of the amendments adopted in the 1984 Protocols remain valid. Experience since 1984 may indicate other reasons for reconsidering the Conventions.

5 The United Kingdom therefore proposes that the International Oil Pollution Compensation Fund should undertake a thorough review of the 1969 Civil Liability Convention and the 1971 Fund Convention aimed at considering, inter alia:

- (a) the continued relevance of the definition of "pollution damage" found in the Conventions;
- (b) the geographical scope of the Conventions;

- (c) the future adequacy of the limits of compensation in the Conventions having regard to the experience of recent oil pollution incidents and bearing in mind the maintenance of an appropriate balance between shipowning and cargo interests;
- (d) the future availability and cost of Protection and Indemnity Club cover;
- (e) the spread of cost across developed and developing countries of possible increased contributions from cargo interests; and
- (f) the relationship between the intergovernmental scheme and any compensation that may be available in future from voluntary, industry based oil pollution compensation schemes.

6 The United Kingdom considers that it is particularly appropriate that a thorough review of the 1969 Civil Liability Convention and 1971 Fund Convention should be undertaken at this time having regard to the concerns expressed on the costs of oil pollution response during the preparatory work for the International Maritime Organization's International Conference on International Co-operation on Oil Pollution Preparedness and Response which is to be held in November.

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