

German MLA
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THE PRESTIGE – challenges and opportunities

Viggo Bondi
Chairman, Maritime Law Committee
International Chamber of Shipping

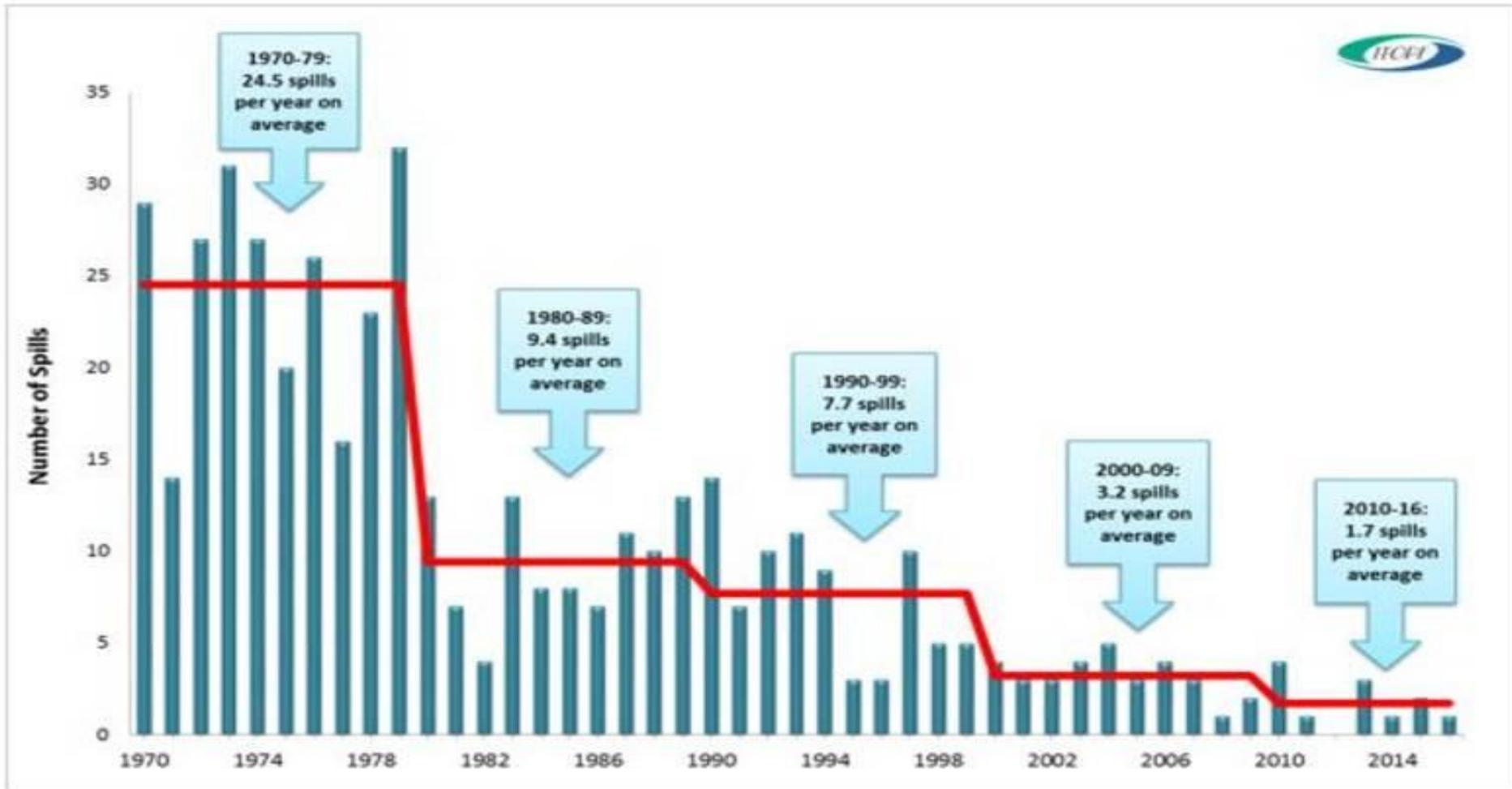


ICS

- ➔ Promotion of best industry practice, quality operations, and **continuous improvement**
- ➔ Goal = **zero accidents, zero pollution and a genuine safety culture**
- ➔ Mantra = “**global regulation for a global industry**”



Reduced Number of Incidents



Number of large oil spills (>700 tonnes) from 1970 to 2016

IMO Legal Committee

- ➔ Established after Torrey Canyon incident
- ➔ Civil Liability and Fund Conventions compensation for oil pollution damage from tankers



CLC

- ⇒ Strict liability of shipowner
- ⇒ Channelling of liability to shipowner
- ⇒ Compulsory insurance
- ⇒ Direct action against the shipowner's Insurer
- ⇒ Virtually unbreakable right to limit liability

FUND

- ⇒ Based on shared liability principle
- ⇒ Second tier of compensation funded by oil industry



CLC Principles Under Attack

Examples:

- ➔ Erika case
- ➔ Prestige cases
- ➔ New Environmental law in France (2016)



Erika

➔ CLC channelling provisions

No claim may be made against ... any charterer, manager or operator of the ship ... unless personal act or omission committed with intent to cause pollution damage, or recklessly and with knowledge that such damage would probably result



Prestige

➔ CLC limitation provisions

Shipowner entitled to limit liability unless personal act or omission committed with intent to cause pollution damage, or recklessly and with knowledge that such damage would probably result

Insurer entitled to limit even if shipowner is not



Compensation amounts

CLC – 90m SDR (US\$120m) for largest tankers

FUND – 203m SDR (US\$275)

SUPPLEMENTARY FUND – 547m SDR
Total – 750m SDR (US\$1bn)



Status of Ratifications

- ➔ CLC – 136 States
- ➔ Fund – 114 States
- ➔ Supplementary Fund – 31 States



Thank you for your attention!

