1) *Nairobi International Convention on the Removal of Wrecks*

Adoption: 18 May, 2007; Entry into force: 14 April 2015

The Nairobi International Convention on the Removal of Wrecks, 2007, was adopted by an international conference held in Kenya in 2007. the Convention provides the legal basis for States to remove, or have removed, shipwrecks that may have the potential to affect adversely the safety of lives, goods and property at sea, as well as the marine environment.

The Convention provides a set of uniform international rules aimed at ensuring the prompt and effective removal of wrecks located beyond the territorial sea.

The Convention also includes an optional clause enabling States Parties to apply certain provisions to their territory, including their territorial sea.

Although the incidence of marine casualties has decreased dramatically in recent years, mainly thanks to the work of IMO and the persistent efforts of Governments and industry to enhance safety in shipping operations, the number of abandoned wrecks, estimated at almost thirteen hundred worldwide, has reportedly increased and, as a result, the problems they cause to coastal States and shipping in general have, if anything, become more acute.

These problems are three-fold: first, and depending on its location, a wreck may constitute a hazard to navigation, potentially endangering other vessels and their crews; second, and of equal concern, depending on the nature of the cargo, is the potential for a wreck to cause substantial damage to the marine and coastal environments; and third, in an age where goods and services are becoming increasingly expensive, is the issue of the costs involved in the marking and removal of hazardous wrecks. The convention attempts to resolve all of these and other, related, issues.

The Convention provides a sound legal basis for coastal States to remove, or have removed, from their coastlines, wrecks which pose a hazard to the safety of navigation or to the marine and coastal environments, or both. The treaty also covers any prevention, mitigation or elimination of hazards created by any object lost at sea from a ship (e.g. lost containers).
The Convention makes shipowners financially liable and require them to take out insurance or provide other financial security to cover the costs of wreck removal. It also provides States with a right of direct action against insurers.

Articles in the Convention cover:

reporting and locating ships and wrecks - covering the reporting of casualties to the nearest coastal State; warnings to mariners and coastal States about the wreck; and action by the coastal State to locate the ship or wreck;

- criteria for determining the hazard posed by wrecks, including depth of water above the wreck, proximity of shipping routes, traffic density and frequency, type of traffic and vulnerability of port facilities. Environmental criteria such as damage likely to result from the release into the marine environment of cargo or oil are also included;
- measures to facilitate the removal of wrecks, including rights and obligations to remove hazardous ships and wrecks - which sets out when the shipowner is responsible for removing the wreck and when a State may intervene;
- liability of the owner for the costs of locating, marking and removing ships and wrecks - the registered shipowner is required to maintain compulsory insurance or other financial security to cover liability under the convention; and
- settlement of disputes.

From: http://www.imo.org/en/About/Conventions/ListOfConventions/Pages/Nairobi-International-Convention-on-the-Removal-of-Wrecks.aspx

2) ***International Convention on Civil Liability for Bunker Oil Pollution Damage (BUNKER)***

Adoption: 23 March 2001; Entry into force: 21 November 2008

The Convention was adopted to ensure that adequate, prompt, and effective compensation is available to persons who suffer damage caused by spills of oil, when carried as fuel in ships' bunkers.

The Convention applies to damage caused on the territory, including the territorial sea, and in exclusive economic zones of States Parties.

The bunkers convention provides a free-standing instrument covering pollution damage only.

"Pollution damage" means:

- (a) loss or damage caused outside the ship by contamination resulting from the escape or discharge of bunker oil from the ship, wherever such escape or discharge may occur, provided that compensation for impairment of the environment other than loss of profit from such impairment shall be limited to costs of reasonable measures of reinstatement actually undertaken or to be undertaken; and
- (b) the costs of preventive measures and further loss or damage caused by preventive measures.

The convention is modelled on the International Convention on Civil Liability for Oil Pollution Damage, 1969. As with that convention, a key requirement in the bunkers convention is the need for the registered owner of a vessel to maintain compulsory insurance cover.

Another key provision is the requirement for direct action - this would allow a claim for compensation for pollution damage to be brought directly against an insurer. The Convention requires ships over 1,000 gross tonnage to maintain insurance or other financial security, such as the guarantee of a bank or similar financial institution, to cover the liability of the registered owner for pollution damage in an amount equal to the limits of liability under the applicable national or international limitation regime, but in all cases, not exceeding an amount calculated in accordance with the Convention on Limitation of Liability for Maritime Claims, 1976, as amended.

From: http://www.imo.org/en/About/Conventions/ListOfConventions/Pages/International-Convention-on-Civil-Liability-for-Bunker-Oil-Pollution-Damage-(BUNKER).aspx

3) *International Convention on Civil Liability for Oil Pollution Damage (CLC)*

Adoption: 29 November 1969; Entry into force: 19 June 1975; Being replaced by 1992 Protocol: Adoption: 27 November 1992; Entry into force: 30 May 1996

The Civil Liability Convention was adopted to ensure that adequate compensation is available to persons who suffer oil pollution damage resulting from maritime casualties involving oil-carrying ships.

The Convention places the liability for such damage on the owner of the ship from which the polluting oil escaped or was discharged.

Subject to a number of specific exceptions, this liability is strict; it is the duty of the owner to prove in each case that any of the exceptions should in fact operate. However, except where the owner has been guilty of actual fault, they may limit liability in respect of any one incident.

The Convention requires ships covered by it to maintain insurance or other financial security in sums equivalent to the owner's total liability for one incident.

The Convention applies to all seagoing vessels actually carrying oil in bulk as cargo, but only ships carrying more than 2,000 tons of oil are required to maintain insurance in respect of oil pollution damage.

This does not apply to warships or other vessels owned or operated by a State and used for the time being for Government non-commercial service. The Convention, however, applies in respect of the liability and jurisdiction provisions, to ships owned by a State and used for commercial purposes. The only exception as regards such ships is that they are not required to carry insurance. Instead they must carry a certificate issued by the appropriate authority of the State of their registry stating that the ship's liability under the Convention is covered.

The Convention covers pollution damage resulting from spills of persistent oils suffered in the territory (including the territorial sea) of a State Party to the Convention. It is applicable to ships which actually carry oil in bulk as cargo, i.e. generally laden tankers. Spills from tankers in ballast or bunker spills from ships other than other than tankers are not covered, nor is it possible to recover costs when preventive measures are so successful that no actual spill occurs. The shipowner cannot limit liability if the incident occurred as a result of the owner's personal fault.

The Protocol of 1976, which entered into force in 1981, provided for the aplicable unit of account used under the convention to be based on the Special Drawing Rights (SDR) as used by the International Monetary Fund (IMF), replacing the the "Poincaré franc", based on the "official" value of gold, as the applicable unit of account.

The Protocol of 1984 set increased limits of liability but was superseded by the 1992 Protocol.

The Protocol of 1992 changed the entry into force requirements by reducing from six to four the number of large tanker-owning countries that were needed for entry into force.

The compensation limits were set as follows:

- For a ship not exceeding 5,000 gross tonnage, liability is limited to 3 million SDR
- For a ship 5,000 to 140,000 gross tonnage: liability is limited to 3 million SDR plus 420 SDR for each additional unit of tonnage
- For a ship over 140,000 gross tonnage: liability is limited to 59.7 million SDR.

The 1992 protocol also widened the scope of the Convention to cover pollution damage caused in the exclusive economic zone (EEZ) or equivalent area of a State Party. The Protocol covers pollution damage as before but environmental damage compensation is limited to costs incurred for reasonable measures to reinstate the contaminated environment. It also allows expenses incurred for preventive measures to be recovered even when no spill of oil occurs, provided there was grave and imminent threat of pollution damage.

The Protocol also extended the Convention to cover spills from sea-going vessels constructed or adapted to carry oil in bulk as cargo so that it applies apply to both laden and unladen tankers, including spills of bunker oil from such ships.

Under the 1992 Protocol, a shipowner cannot limit liability if it is proved that the pollution damage resulted from the shipowner's personal act or omission, committed with the intent to cause such damage, or recklessly and with knowledge that such damage would probably result.

From 16 May 1998, Parties to the 1992 Protocol ceased to be Parties to the 1969 CLC due to a mechanism for compulsory denunciation of the "old" regime established in the 1992 Protocol. However, there are a number of States which are Party to the 1969 CLC and have not yet ratified the 1992 regime - which is intended to eventually replace the 1969 CLC.

The 1992 Protocol allows for States Party to the 1992 Protocol to issue certificates to ships registered in States which are not Party to the 1992 Protocol, so that a shipowner can obtain certificates to both the 1969 and 1992 CLC, even when the ship is registered in a country which has not yet ratified the 1992 Protocol. This is important because a ship which has only a 1969 CLC may find it difficult to trade to a country which has ratified the 1992 Protocol, since it establishes higher limits of liability.

From: http://www.imo.org/en/About/Conventions/ListOfConventions/Pages/International-Convention-on-Civil-Liability-for-Oil-Pollution-Damage-(CLC).aspx

4) *Maritime Labour Convention 2006 (MLC) and amendments Financial Security Requirements*

The Maritime Labour Convention (MLC) was established in the year 2006 in Geneva, Switzerland as a part of the International Labour Organisation (ILO). The convention was established with a view to ensure that the rights and needs of the seamen are safeguarded and they are enabled to get what is rightfully due to them without being exploited.

Maritime Labour Convention (MLC), according to the ILO or International Labour Organisation, provides a broad perspective to the seafarer's rights and fortification at work. The maritime regulation will finally enter into force on August 20th, 2013. Nearly 1.2 million seafarers will be affected by the terms and conditions of this human rights act, which will lay down a set of regulations for protection at work, living conditions, employment, health, social security and similar related issues.

Under MLC, 2006, the ship owners are required to submit a DMLC or Declaration of Maritime Labour Compliance to their respective flag states which form a party to the convention. The flag states will accordingly issue the MLC Certificate to the fleet flying their flag following, surveys, inspections, paperwork and approvals. The certificate would be then required to be posted at a conspicuous position onboard.

In short, the member states require each vessel to maintain a hard copy of the convention at all times along with the MLC certificate, a Declaration of Maritime Labour Compliance stating the obligations of the convention that involve working and living conditions for the seafarers and measures to put in place for the MLC compliance.

The Maritime Labour Convention 2006 which will enter into force on 18 January 2017. After this date, ships that are subject to the MLC will be required to display certificates issued by an insurer or other financial security provider confirming that insurance or other financial security is in place for liabilities in respect of

- outstanding wages and repatriation of seafarers together with incidental costs and expenses in accordance with MLC Regulation 2.5, Standard A2.5.2 and Guideline B2.5,
- and compensation for death or long-term disability in accordance with Regulation 4.2., Standard A4.2. and Guideline B4.2.

The P&I Clubs should provide the necessary certification.

Ships requiring MLC Certificates

Ships will require MLC Certificates if they are

- registered in a state where MLC is in force; or
- calling at a port in a jurisdiction where MLC is in force

Details of States which are party to MLC can be found in the MLC Database maintained by the International Labour Organisation.

MLC Certificates are not required by ships registered in States which are not party to MLC and which will not call at States which are party to MLC.