

INFORMAL MEETING ON THE 2010 HNS CONVENTION

**October 23, 2014
LONDON, UK**

The meeting was chaired by Mr. François Marier of Canada, who is the Coordinator of the HNS Correspondence Group.

The meeting was attended by representatives of the following states, associate members, intergovernmental organizations and observer delegations: Argentina, Australia, Canada, Cyprus, Denmark, Germany, Greece, Estonia, Finland, France, Iran, Italy, Japan, Kenya, Latvia, Malaysia, Malta, Marshall Islands, Netherlands, New Zealand, Norway, Peru, Poland, Singapore, Spain, Sweden, Turkey, United Kingdom, European Commission, IMO, IOPC Funds, ICS, International Group of P&I Clubs, ITOPF, and World LP Gas Association.

1. Statement by the United Kingdom

1.1 The delegation of the United Kingdom made a statement that given the ramifications of the decision to wind-up the 1971 Fund, it is reviewing its position on the HNS Convention.

2. HNS Made Easy and Incident Scenarios

2.1 The Chair of the meeting presented the idea of creating a new publication, known as “HNS Made Easy”, which is intended to provide fundamental information on the intent of the HNS Convention and the gap in global liability and compensation regimes it would fill. The target audience would be the industry stakeholders, decision-makers and the public. Furthermore, an interest has been expressed by industry stakeholders to prepare a series of scenarios of potential HNS incidents and the compensation aspects of such incident scenarios. The representative of the IMO indicated that it is intended to provide a simple message rather than the details as to how the HNS Convention would function as this is already provided for in other publications, primarily produced by the IOPC Funds. A proposed draft text was circulated at the meeting (see Annex A).

2.2 The representative of ITOPF indicated that it is very interested in collaborating with the IMO and member states on the production of such a publication. He also pointed to the film series that ITOPF has produced on oil pollution as very useful and giving a comprehensive message. It was noted that should an HNS Made Easy publication and film be produced then it would benefit in being produced in a collaborative way and that ITOPF had worked in that way in producing the new “Responding to Marine Oil Spills” series:

<http://www.itopf.com/knowledge-resources/library/video-library/video/7oil-spill-compensation/>

In this series ITOPF had been able to provide the base funding for the filming with in kind contribution of time and access to resources being made by the collaborative partners.

2.3 It was generally agreed that such a publication would be very helpful to more effectively engage with stakeholders and decision-makers. The following views were presented:

- The message should be simple and focus on what is the objective of the HNS Convention in terms of provide a robust and comprehensive liability and compensation regime.
- The private sector usually takes a more pragmatic view and it is important to engage them before a major incident occurs. There should be information on past incidents, which grabs the attention of the industry affected as there are uncertainties in potential costs, particularly on the contributor side.
- The focus should be on the risks and exposure that transporting HNS by ship poses.
- There is information available on past HNS incidents from various sources (i.e. P&I Clubs, Cedre, etc.).
- There is a lack of understanding on the current coverage and what the HNS Convention would cover. The main concerns from industry focus on loss of life, personal injury, as well as damages to shore facilities and to the environment. An example of which is the LNG industry.
- The publication could also address the scenarios in terms of what the HNS Convention would cover if it were in force. However, it was also recognized that it would be difficult to estimate what bringing the HNS Convention in force would cost to contributors.
- It would be important to develop this publication further through the IMO Correspondence Group.

3. International Coordinated Implementation and Ratification

3.1 The Chair of the meeting discussed the need to ensure an international coordinated implementation and ratification effort among those states that have an interest in bringing the HNS Convention into force. It was suggested that the signatory states and others that are advancing their implementation should meet in 2015 to discuss these efforts and potentially agree to a timeframe to bringing the Convention into force.

3.2 It was recognized that a common approach was important to many states due to regional competition and considerations. Some states are also looking for more information on how other states have implemented the HNS Convention in terms of legislation and regulations as well as the administration of the reporting system.

3.3 The European Union member states are currently discussing the authorization to ratify the Convention.

3.4 It was proposed to create a table that would be circulated to interested states to provide information on the status of their implementation of the HNS Convention. The Chair of the meeting committed to creating such a table and circulating it within the Correspondence Group.

4. Conclusion

4.1 The Chair of the meeting will draft a report of the meeting and share it along with a list of members of the Correspondence Group.

ANNEX

HNS MADE EASY – INITIAL DRAFT TEXT

- Shipping is truly, and inherently, a global industry. The international shipping industry is responsible for carrying 90% of world trade and is critical to the functioning of global commerce.
- Much of global trade involves ships that can carry hazardous and noxious substances (HNS), which are critical components of manufacturing and energy production. However, in the unlikely event of an incident or spill, these HNS can be threat to safety, the environment and human health.
- HNS includes volatile and dangerous substances that can explode causing loss of life and personal injury. Others can be toxic to nearby populations. The marine environment can also be polluted disrupting economic activities, such as fishing and tourism, which depend on clean oceans.
- The international community has developed measures to prevent incidents from occurring in the first place and to effectively prepare for and respond to such incidents when they do occur.
- Incidents can be costly to clean-up and response measures can vary greatly depending on the type of HNS involved.
- There is currently no global mechanism in force to address losses and damages resulting from an HNS incident.
- The 2010 HNS Convention is the culmination of a global effort to address a critical gap in the network of liability and compensation regimes.