HNS Convention



Evaluation reporting procedure

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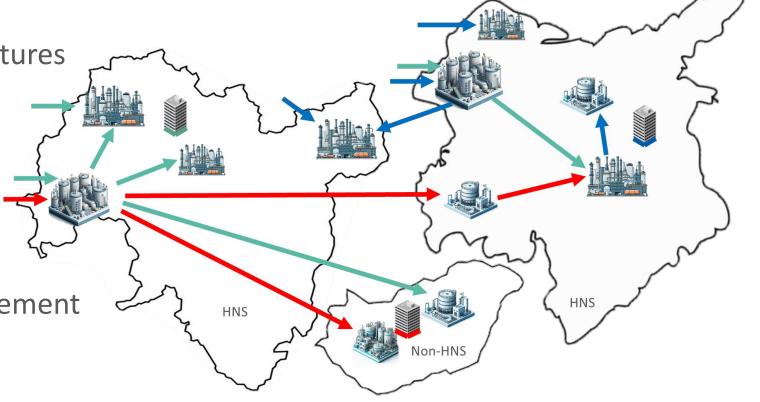




Reporting procedure needs clarification, harmonisation and simplification

Business and supply chain structures

- Who is considered receiver
- Which flows need to reported
- Reporting limits
- Monitoring, verification, enforcement





Cefic proposal for a simplification

Key principles

- User/polluters pays => supply chain organiser + executer (chemical company/trader + ship owner)
- A level playing field needs to be maintained at all times
- Implementation needs regulation to offer legal certainty to all stakeholders (<> contract negotiation)
- A subcontracted party cannot be the responsible (contributing) receiver. They act on behalf of a contracting party. Example:
 - Tank terminal => renter/ leaser of storage capacity
 - Forwarder => chemical company / trader
- Physical receiving country (first port of discharge) is always reporting & contributing country
- 1 national representative of the supply chain organiser must be appointed for all received HNS volumes in a country
- Agents (terminals) only report for supervision & enforcement purposes, incl. naming national representative of their contracting party



Simplified procedure

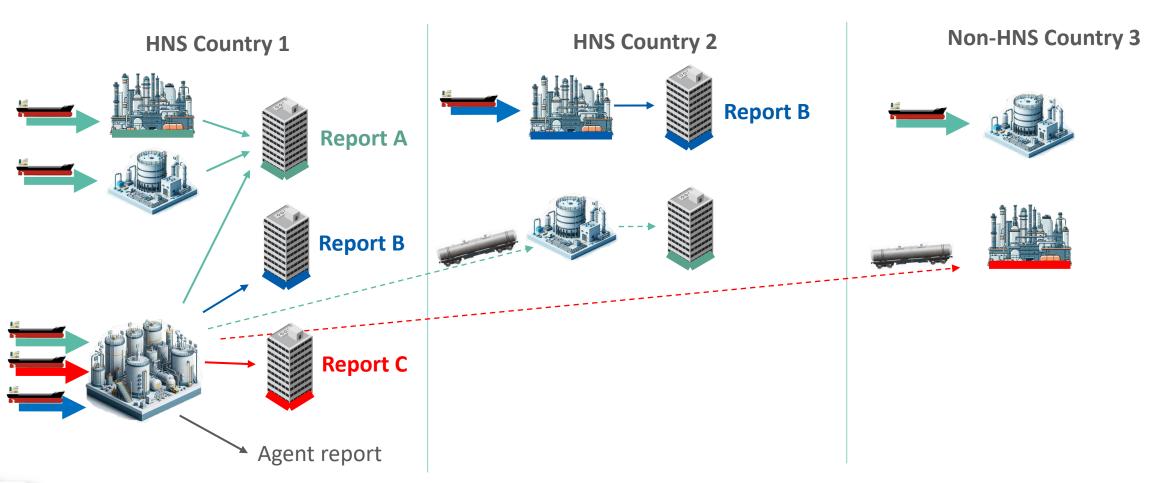
Practical

Company A

Company B

Company C







Conclusion

Cefic recommends the implementation of the proposed simplified procedure

- 1 receiving State Party => 1 national representative
- No exchange of information needed between State Parties
- The concept agent / principal remains but simplified: « the contracting party of the agent is considered as the principal and must appoint a national representative »
- Clear roles & responsabilities
- Level playing field



Thank you



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About Cefic

Cefic, the European Chemical Industry Council, founded in 1972, is the voice of large, medium and small chemical companies across Europe, which provide 1.1 million jobs and account for 15% of world chemicals production. Cefic members form one of the most active networks of the business community, complemented by partnerships with industry associations representing various sectors in the value chain. A full list of our members is available on the Cefic website.

Cefic is an active member of the International Council of Chemical Associations (ICCA), which represents

chemical manufacturers and producers all over the world and seeks to strengthen existing cooperation with global organisations such as UNEP and the OECD to improve chemicals management worldwide

The European Chemical Industry Council, AISBL – Rue Belliard, 40 - 1040 Brussels – Belgium Transparency Register n°64879142323-90



2010 HNS CONVENTION INTERNATIONAL CONVENTION ON LIABILITY AND COMPENSATION FOR DAMAGE IN CONNECTION WITH THE CARRIAGE OF HAZARDOUS AND NOXIOUS SUBSTANCES BY SEA, 2010 2013 EDITION



Back-up slides

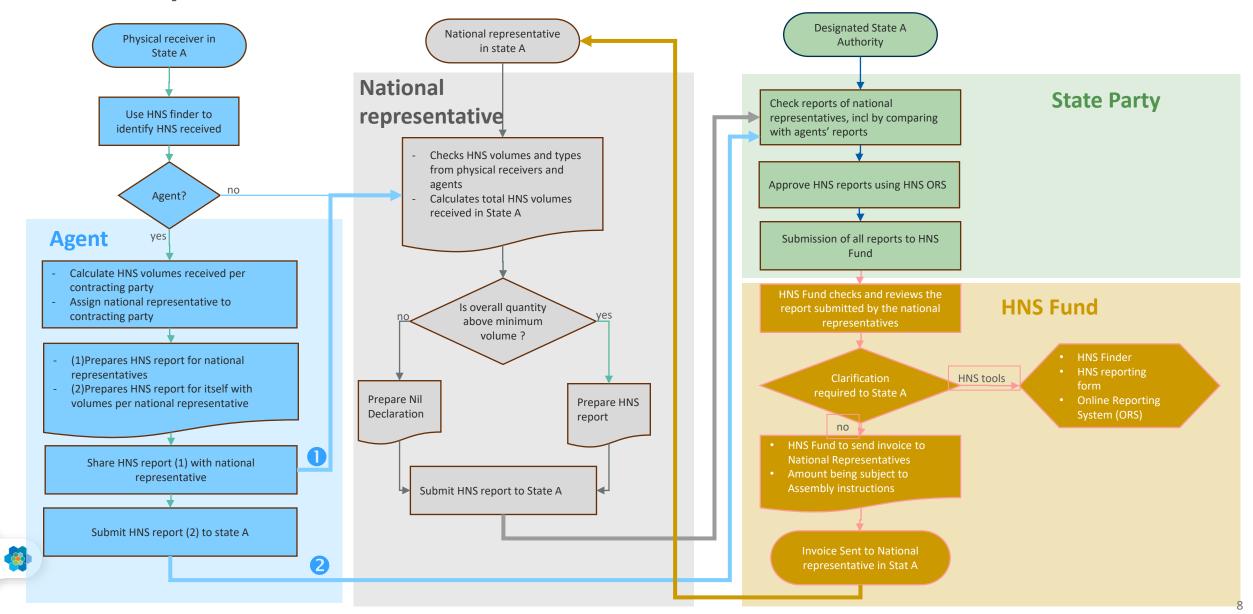


- Flowchart proposal
- Calculation example





Flowchart simplified reporting procedure Cefic Proposal



Reporting & contribution scenarios

Physical receiver	Country	volume	site
	(principal)		
direct site	Belgium	9.000	A1
direct site	Belgium	18.000	B1
direct site	Belgium	27.000	C1
direct site	Netherlands	9.000	A2
direct site	Netherlands	18.000	B2
direct site	Netherlands	27.000	C2
terminal T1 in Belgium	Belgium	9.000	A3
terminal T1 in Belgium	Belgium	18.000	В3
terminal T1 in Belgium	Belgium	27.000	C3
terminal T1 in Belgium	Netherlands	9.000	A4
terminal T1 in Belgium	Netherlands	18.000	B4
terminal T1 in Belgium	Netherlands	27.000	C4
terminal T1 in Belgium	Switzerland	9.000	A5
terminal T1 in Belgium	Switzerland	18.000	B5
terminal T1 in Belgium	Switzerland	27.000	C5
total		270.000	

Complex HNS procedure	reported	contributing	Cefic proposal	reported	contributing
terminal T1 in Belgium	54.000	54000 Company A in Belgium		36.000	36000
Company A in Belgium	18.000	O Company B in Belgium		72.000	72000
Company B in Belgium	36.000	36000 Company C in Belgium		108.000	108000
Company C in Belgium	54.000	54000	54000 Company A in Netherlands		0
Company A in Netherlands	18.000	0	Company B in Netherlands	18.000	0
Company B in Netherlands	36.000	36000	Company C in Netherlands	27.000	27000
Company C in Netherlands	54.000	54000			
total	270.000	234000	total	261.000	• 243000

total HNS received		Complex HNS procedure*		Cefic proposal	
Company A	45.000	9.000	20%	36000	80%
Company B	90.000	90.000	100%	72000	80%
Company C	135.000	135.000	100%	135000	100%
total	270.000	234.000	87%	243000	90%

