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# THE HAZARDOUS AND NOXIOUS SUBSTANCES (HNS) **CONVENTION**

## Comparison of the HNS Convention with other regimes

Workshop on the HNS Convention  
April 26-27, 2018

# IMO Liability & Compensation Instruments

- IMO has adopted 8 key liability and compensation conventions:
  - 1996 LLMC – limitation of liability only (not a liability regime)
  - 1992 Civil Liability Convention (CLC) – persistent oil pollution from tankers
  - 1992 Fund Convention
  - 2003 Supplementary Fund Protocol
  - 2001 Bunkers Convention – bunker oil pollution
  - 2002 Athens Protocol – passengers and their luggage
  - 2007 Nairobi Wreck Removal Convention
  - 2010 HNS Protocol



# Shipowner Liability Regimes

- 2001 Bunkers Convention (linked to LLMC)
- 2002 Athens Protocol
- 2007 Nairobi Wreck Removal Convention (linked to LLMC)
  - ☐ All related to the shipowner's liability only
  - ☐ No 2-Tier regime
  - ☐ No International Fund
  - ☐ No reporting requirement
  - ☐ No contributions levied



# CLC & IOPC Funds

- 1992 CLC – shipowner's liability
- 1992 Fund Convention – creates the 1992 Fund
- Supplementary Fund Protocol – optional third tier of compensation
  - ❑ Limited to oil pollution damage caused by Persistent Oil carried by tankers
  - ❑ 2-Tier Regime and International Funds to cover damages
  - ❑ Reporting requirement and contributions levied on the physical receiver of 150,000 tonnes of oil or more in member states



	1992 CLC	1992 Fund Convention	Supplementary Fund Protocol	2010 HNS Convention
General	-Shipowner’s Liability	-Creates the 1992 Fund -Must be party to 1992 CLC	-Creates Supplementary Fund -Must be party to 1992 Fund	-2-Tier regime in one Convention
Liability	-Strict Liability of the Shipowner -Limits set out in CLC	-Supplements shipowner liability -Limits include tier 1	-Supplements 1992 Fund -Limits include tiers 1&2	-Strict Liability of the Shipowner -HNS Fund supplements -Limits for both tiers
Damage Covered	-Persistent Oil -Economic losses -Preventive measures -Clean-up costs	-Persistent Oil Pollution -Economic losses -Preventive measures -Clean-up costs	-Persistent Oil Pollution -Economic losses -Preventive measures -Clean-up costs	-Oil and Chemical Pollution -Economic losses -Preventive measures -Clean-up costs - <u>Loss of life &amp; personal injury</u>
Insurance	-Compulsory + Certificate	-Compulsory + Certificate	-Compulsory + Certificate	-Compulsory + Certificate
Substances Covered	-Persistent oil	-Persistent oil	-Persistent oil	-Persistent oil -Non-Persistent oil -Chemicals -LNG and LPG
Application	-Physical receiver	-Physical receiver	-Physical receiver	-Physical receiver -Agent/Principal
Contribution	-No	-Levied on receiver with threshold	-Levied on receiver with threshold	-Levied on receiver with threshold – except transit



# 2010 HNS Convention

- Single convention two-tier regime: No prior adoption of other convention needed
- Creation of a new international organization – the HNS Fund, similar to the IOPC Funds.
- Maximum protection as soon as the Convention enters into force, no need for a Supplementary Fund.



# 2010 HNS Convention

- Broadest number of substances covered carried in both bulk and packages/containers, close to 7000 substances
- Contributions to be levied on receiver with a pre-established threshold according to account – no cross-subsidization
- Agent / Principal relation addresses issues of independent storage terminals receiving HNS on behalf of other companies
- HNS in transit / transshipment ensures that HNS will only be captured at its final destination

