

International Oil Pollution Compensation Funds

| Agenda Item 5 | IOPC/APR19/ 5/1 | |
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| Date | 6 March 2019 | |
| Original | English | |
| 1992 Fund Assembly | 92AES23 | • |
| 1992 Fund Executive Committee | 92EC72 | |
| Supplementary Fund Assembly | SAES7 | |

2010 HNS CONVENTION

Note by the Secretariat

| Summary: | This document provides an update on the work carried out by the 1992 Fund Secretariat with regard to the administrative tasks necessary for the setting up of the HNS Fund and the preparations for the first session of the HNS Assembly. |
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| Action to be taken: | 1992 Fund Assembly |
| | Information to be noted. |

1 Introduction

- 1.1 In April 2010, an international conference on the revision of the HNS Convention adopted the Protocol of 2010 to the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea, 1996 (2010 HNS Protocol).
- 1.2 Resolution 1 of the Conference requested the 1992 Fund Assembly to instruct the Director of the IOPC Funds to carry out the tasks necessary to set up the International Hazardous and Noxious Substances Fund (HNS Fund) and make preparations for the first session of the HNS Assembly. To this end, the 1992 Fund Secretariat has undertaken a number of administrative tasks in cooperation with the International Maritime Organization (IMO) and has regularly reported progress at sessions of the 1992 Fund Assembly (see document IOPC/OCT18/8/2).

2 <u>Recent developments</u>

2.1 Progress towards entry into force of the 2010 HNS Protocol

- 2.1.1 As at 1 March 2019 and as previously noted by the 1992 Fund Administrative Council at its October 2018 session, four States have become Contracting States to the 2010 HNS Protocol (Canada, Denmark, Norway and Turkey) with each of those States having more than 2 million units of gross tonnage, thus already fulfilling one of the three conditions for entry into force of the 2010 HNS Protocol.
- 2.1.2 As per Article 20.6 of the 2010 HNS Protocol, those four States have the obligation to submit annually to the Secretary-General of IMO, data on the total quantities of contributing cargo liable for contribution until the entry into force of the Protocol. The deadline for submitting the data is on or before 31 May and it will present an opportunity for States having reported their data for the first time in 2018 to further refine their report where necessary.



2.2 Work carried out to facilitate the entry into force of the 2010 HNS Protocol

HNS Convention website

- 2.2.1 The HNS Convention website (<u>www.hnsconvention.org</u>) is an important tool for accessing information related to the HNS Convention and its progress towards entry into force. The Secretariat has been maintaining the current version of the site since 2011, ensuring that its infrastructure and content remained fit for purpose.
- 2.2.2 However, the content management system (CMS) that sits behind the IOPC Funds' website was due to be upgraded and it was decided that the HNS Convention website should also be managed under the same platform (document <u>IOPC/OCT17/7/3</u>). Although the work on the IOPC Funds' website is still ongoing, the HNS Convention website has now been migrated to the new CMS (WordPress).
- 2.2.3 The Secretariat took this opportunity to identify areas for improvement on the front end of the HNS Convention website and to develop those areas where possible, in particular the blog section. Originally set up as a platform for members of the HNS Correspondence Group to exchange information, the number of users has remained small. Given this, as well as the fact that its target audience has now changed slightly, the Secretariat decided to review the structure and consider the possible future purpose and content of the blog.
- 2.2.4 In October 2018, a number of delegations suggested that the IOPC Funds' brochure on the HNS Convention be replaced with practical information online, such as on HNS reporting or with a Q&A section, all aimed at facilitating understanding of the States obligations under the Convention. Based on that feedback, the blog section has been redesigned to allow for information to be accessible from the home page. For the time being, anyone wishing to ask a question or share information will be able to do so by sending an email to <u>hns@iopcfunds.org</u>. Emails sent to this address will be moderated by the Secretariat and then published on the blog section (with the prior agreement of the sender). Answers to questions will be prepared by the Secretariat and published at the same time. It is hoped that this feature will effectively be used as a forum to exchange experiences and provide clarifications regarding the functioning of the HNS Convention.
- 2.2.5 At the time of the April 2019 sessions of the governing bodies, the new version of the website will have been made available and delegations are encouraged to provide feedback to the Secretariat so further improvements can be made as required, the new CMS allowing for easier modifications to the structure than the previous platform.

HNS Finder

- 2.2.6 The HNS Finder is an online database of substances that fall within the definition of HNS, including contributing cargo. The Finder is aimed at facilitating the identification of HNS contributing cargo by entities liable to submit reports. It has been in operation since 2011 and has been updated annually.
- 2.2.7 However, due to the dynamic and indicative nature of the list of HNS, which is a consolidation of a number of codes and lists referred to in the HNS Convention, the possibility of inadvertent omissions or inaccuracies cannot be ruled out. As the HNS Finder gets used more by governments and potential contributors, it is important that its accuracy is kept under regular review. To that end, the Secretariat, in cooperation with the relevant technical divisions of IMO, will be undertaking a full review of the list during the course of 2019. It will also put in place a documented process for further updates to avoid any delays in the implementation of required changes.

Administrative tasks necessary for setting up the HNS Fund

- 2.2.8 In October 2018, the 1992 Fund Administrative Council endorsed the proposal that the Secretariat should continue its work to prepare for the setting up of the HNS Fund and the first session of the HNS Fund Assembly. In particular, it considered that it would be useful for the Secretariat to undertake the tasks originally listed in document IOPC/OCT18/8/2 and to report on its progress to the 1992 Fund Assembly on a regular basis. Those tasks are listed below:
 - (a) the HNS contributing cargo reporting and contributions system;
 - (b) the handling of claims for compensation, including the preparation of a Claims Manual and a proposed mechanism for cooperation with P&I Clubs;
 - (c) financial matters, including the preparation of Financial Regulations, the assessment of annual contributions and the budget;
 - (d) operational matters, in particular the preparation of Internal Regulations and a proposal for the appointment of auditors;
 - (e) the functioning of the HNS Fund Assembly and subsidiary bodies, including the adoption of Rules of Procedure and the relationship with non-State parties, intergovernmental and international non-governmental organisations;
 - (f) the location of the HNS Fund's headquarters and the preparation of a Headquarters Agreement; and
 - (g) the Secretariat of the HNS Fund, including the preparation of Staff Regulations and Staff Rules.
- 2.2.9 Given the limited resources available within the Secretariat to work on HNS matters and bearing in mind that expenditures incurred by the 1992 Fund will need to be reimbursed, with interest, by the HNS Fund once the Convention enters into force, the Secretariat needs to proceed with caution. To that end, the Secretariat is preparing an action plan, in consultation with other stakeholders, including IMO and the International Group of P&I Clubs, setting out the priorities for 2019–2020.
- 2.2.10 The Secretariat will provide a progress report at the next regular session of the 1992 Fund Assembly.

Assistance provided to States considering the ratification or accession to the 2010 HNS Protocol

- 2.2.11 Since the last progress report from the Secretariat (document <u>IOPC/OCT18/8/2</u>), no activities related specifically to the promotion of the HNS were conducted. However, the Secretariat noted with satisfaction the intention expressed by IMO, following on from the success of the workshop organised in April 2018 by IMO in cooperation with the IOPC Funds, to organise further regional and national workshops to promote the ratification and implementation of the HNS Protocol.
- 2.2.12 The Secretariat is looking forward to working with IMO on the delivery of such activities.

3 Action to be taken

1992 Fund Assembly

The 1992 Fund Assembly is invited to take note of the information contained in this document.