

LEGAL COMMITTEE 107th session Agenda item 3 LEG 107/3/2 10 January 2020 Original: ENGLISH Pre-session public release: ⊠

FACILITATION OF THE ENTRY INTO FORCE AND HARMONIZED INTERPRETATION OF THE 2010 HNS PROTOCOL

Implementation of the 2010 HNS Protocol

Submitted by the Republic of Korea

SUMMARY

Executive summary: This document provides information on the implementation

of the 2010 HNS Protocol by the Republic of Korea

Strategic direction, if 6

applicable:

Output: 6.12

Action to be taken: Paragraph 10

Related documents: None

Introduction

- Since its adoption in April 2010, the Legal Committee has on its agenda the facilitation of the entry into force and harmonized interpretation of 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).
- The purpose of this document is to provide the Legal Committee with information on the status of the implementation process of the 2010 HNS Protocol in the Republic of Korea
- 3 The Republic of Korea, as a major importer of HNS contributing cargo, has paid attention to the international trends on ratification of the 2010 HNS Protocol. To review the implication of the 2010 HNS Protocol on the industry in the country, the Republic of Korea is conducting a comprehensive examination on potential contributors and shipowners.



Development of an electronic reporting system

- According to the data on potential contributors collected by the Republic of Korea in writing in 2017, nearly 90 physical receivers will be subject to the 2010 HNS Protocol and the number of principals is expected to be much larger.
- 5 From 2019 to 2020, the Republic of Korea has been establishing an electronic reporting system, deciding that it is necessary to develop it so as to collect reports from a large number of potential contributors. The reporting system has two functionalities:
 - .1 a reporting system functionality that enables a receiver to report the quantity of contributing cargo received; and
 - .2 a reporting system functionality that can manage compulsory insurance certificates issued by the appropriate authority.
- Furthermore, in order to identify potential contributors and total quantities of HNS contributing cargo received in the preceding calendar year, the Republic of Korea issued a document to encourage receivers to report the total quantities of contributing cargo by February 2020. For reference, according to the data collected in 2017, the total quantity of cargo contributing to the general account in the Republic of Korea is estimated at approximately 20 million tonnes.

Domestic legislation and implementation

In order to be able to ratify the 2010 HNS Protocol, the Republic of Korea drafted domestic legislation for the implementation of the Protocol in 2019 and is currently preparing for separate legislation that covers all marine transport-related liability and compensation matters. In 2020, a review and amendment of the draft legislation and establishment of sub-regulations for the implementation of the 2010 HNS Protocol will be carried out.

Consultations with industrial stakeholders

- Since the Convention applies to large numbers of receivers and cargoes, there have been many difficulties in identifying potential contributors. To address this, the authorities in the Republic of Korea individually checked 250 physical receivers who unload contributing cargo in ports and terminals and their contacts, in cooperation with the regional office of Oceans and Fisheries and Port Authorities, and eventually identified nearly 90 receivers. Thereafter, when the electronic reporting system was developed, the Republic of Korea organized a workshop and collected opinions from invited industrial experts. The Republic of Korea has reflected on these collected ideas to create a future plan.
- In the case of shipowners, it is expected that their insurance premium will increase due to the entry into force of the 2010 HNS Protocol. Considering the impact of the increased premium of ships which are also carrying fuel oils that are subject to the 1976 LLMC, the Government of the Republic of Korea is planning to have a workshop with related industries to discuss how the 2010 HNS Protocol may seamlessly be incorporated into national legislation in 2020.

Action requested of the Committee

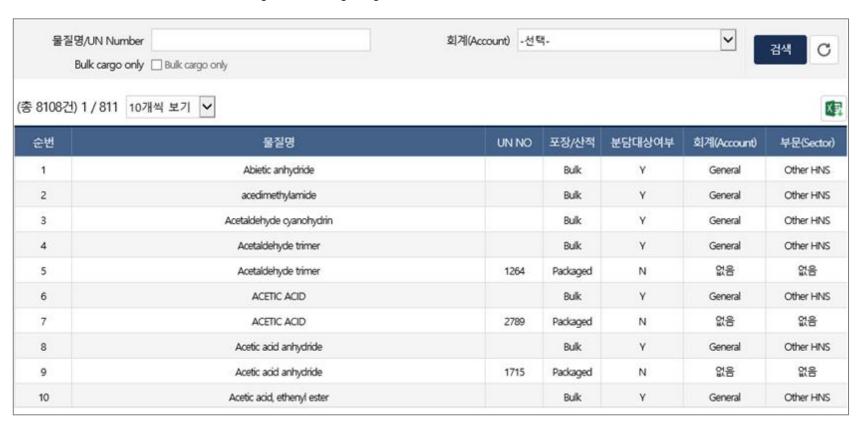
The Legal Committee is invited to take note of the information contained in this document and to comment, as appropriate.

ANNEX 1

DEMONSTRATION OF AN ELECTRONIC REPORTING SYSTEM IN REPUBLIC OF KOREA

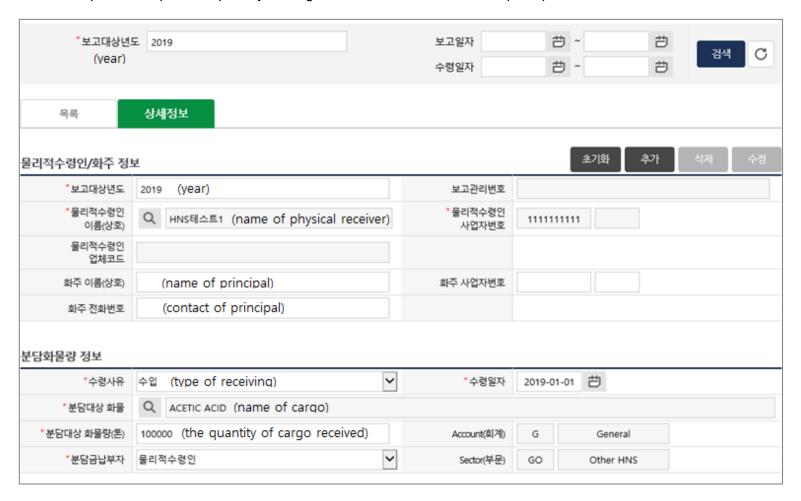
Searching cargo through list of contributing cargo

Database of HNS Finder is utilized for searching contributing cargo as below.



Reporting the quantity of cargo received

Physical receivers are required to report the quantity of cargo received and information of principals as below:



ANNEX 2

AN ESTIMATE OF TOTAL QUANTITIES OF CONTRIBUTING CARGO RECEIVED DURING 2017 IN REPUBLIC OF KOREA

The total quantities of contributing cargo liable for contributions, measured in tonnes and received during 2017, in respect of the general account and each separate account, are specified below:

General account	Oil account	LNG account	LPG account
20,241,778	193,871,328	37,729,905	6,297,829