

Session 3 – Presentation of the different reporting models

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Reporting

Who is the receiver?

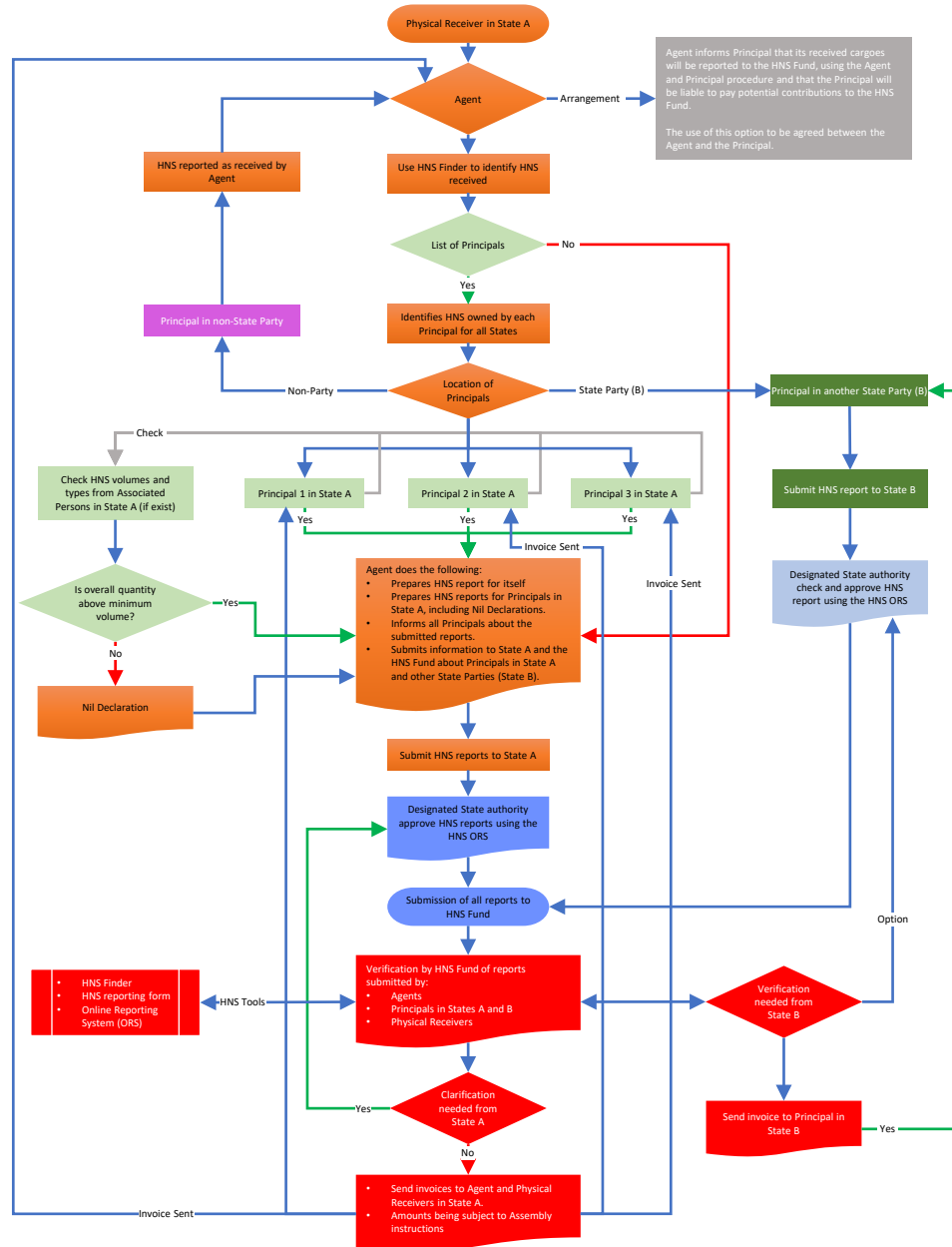
Physical receiver of contributing cargo after sea transport in a Member State, in a calendar year, in quantities above the threshold specified in the Convention

Particularities are:

-  Physical receiver of HNS on behalf of a third party can designate third party as receiver (Agent / Principal concept)
-  For persistent oil, annual contribution is made in line with the rules established under the 1992 Fund Convention - Art.19.1(a)(i)
-  For LNG, annual contribution is made by the receiver or the titleholder, if it has agreed to it – Art.19.1bis (a) and (b)
-  Member States can establish their own definition of 'receiver', provided the quantity of contributing cargo remains the same



Current HNS reporting procedure
Application of Article 1.4 (a) using Agent/Principal option



HNS Reporting system

Use of Article 1.4(a) – with Agent/Principal option



Using the Physical Receiver option is the default solution under Article 1.4(a).



The Agent/Principal option only applies “IF the agent discloses the Principal to the HNS Fund”,
It is therefore the decision of the Agent and its Principal(s) concerned whether it is their preferred option. That decision will form part of their commercial agreement.



The parties may decide that the Agent/Principal option is too complex and entails additional bureaucracy. They may therefore decide not to use that option.

HNS Reporting system

Use of Article 1.4(b) – State adopts own reporting system



States can make policy decision to adopt their own reporting system, choosing to identify the Physical Receiver as the only 'Receiver' when total contributing cargo received is same as total received under Article 1.4(a)



State, and HNS Fund will avoid difficulties keeping track of Principals and other issues raised by the option under Article 1.4 (a)

Secretariat Recommendation

Use of Article 1.4(b) – choosing to identify the Physical Receiver as the only ‘Receiver’



State to use Article 1(4)(b)



State chooses to identify the Physical Receiver as the only ‘Receiver’

This mirrors the success of the IOPC Funds and simplifies:

Bureaucracy

Contributions for States and the HNS Fund

Reporting

Management

Simplified HNS reporting procedure
Application of Article 1.4(a) – without using Agent/Principal option
Application of Article 1.4(b) – Physical Receiver only

