

Shipping Consultative Committee

**Limitation on the Amount of Judgement Enforceable in Hong Kong
in the Event of Bunker Oil Pollution**

1. Introduction

1.1 At the moment the Government is working on the bill to give effect to the Bunkers Convention. Urgent consultation is required on the issue of limitation on the amount of judgment enforceable in Hong Kong.

2. The Proposal

2.1 Apart from making available an effective regime to facilitate parties seeking compensation due to oil spills by non-tankers, the Convention also serves the purpose of limiting shipowners' liability. Article 10 of the Bunker Convention requires that the court of a party to it may only enforce judgments given by another party up to a prescribed limit. It is however silent on the enforcement of judgments regarding oil spills given by non-parties.

2.2 We propose that a similar limit should be imposed to the enforcement of judgment given by non-parties on account of the following considerations:

- (i) the proposal is consistent with the spirit of the Convention;
- (ii) the Merchant Shipping (Liability and Compensation for Oil Pollution) Ordinance (Cap.414) which provides for a similar compensation regime for oil spills from tankers has also introduced similar limit through an amendment bill in 1997 upon the request of shipowners.
- (iii) the proposed arrangement should help maintain the competitiveness of the Hong Kong Shipping Register.

3. Action Requested

3.1 SCC members' support is sought on the above proposal.

Marine Department
Multi-lateral Policy Division
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Encl. The Bunkers Convention