

PORT STATE CONTROL COMMITTEE INSTRUCTION 56/2023/02

Guidelines for PSCOs on Conventions related to financial liability

1. Introduction

The Instruction provides guidance for the following Relevant Instruments:

- Protocol of 1992 to amend the International Convention on Civil Liability for Oil Pollution Damage 1969 (CLC PROT 1992)
- International Convention on Civil Liability for Bunker Oil Pollution Damage 2001 (Bunkers Convention)
- Nairobi International Convention on the Removal of Wrecks, 2007 (NAIROBI WRC 2007)

Contrary to other Relevant Instruments, the application of these three conventions relate to a territory specified in the respective conventions of States, party to these conventions.

A key requirement for the three conventions is the need for **the registered owner** of a ship to maintain compulsory insurance cover.

Each convention requires ships over a certain limit to maintain insurance or other financial security, such as the guarantee of a bank or similar financial institution, to cover the liability of the registered owner for pollution damage. The limits applied are:

- CLC PROT 92: carrying more than 2,000 tons of oil in bulk as cargo
- Bunkers Convention: ships of more than 1000 gross tonnage
- Nairobi Convention: ships of more than 300 gross tonnage

2. Application

The following is applicable for all three Relevant Instruments

Flag State party to the Convention:

Generally, an evidence of insurance (known as "Blue Cards") will be issued by P&I Clubs. "Blue Cards" are non-mandatory supplementary documents only.

When the flag State is party to the Convention, the Flag State shall issue a certificate attesting that insurance or other financial security is in force in accordance with the provisions of this Convention.

Flag State not party to the Convention:

Vessels of ship owners registered in a State which is not party to the Convention, should obtain such certificate from a State that is a party to the Convention.

For an overview of States party to the Convention refer to www.imo.org (Conventions-Status of Conventions by Countries) or the PSCO Manual – Table of ratification of Relevant Instruments.

3. Port State Control inspections

1. During an initial inspection the PSCO shall verify that any vessel, wherever registered, to which a convention applies carries the mandatory certificate attesting that insurance or other financial security is in force.
2. Certificate(s) issued under the authority of a State Party must be duly signed by a certifying official. “Blue-cards”, issued by P & I Clubs are not sufficient,
3. According to principles laid down in conventions or related IMO instruments¹, a State Party may authorize an institution or a recognized organization to issue the certificate. These certificates shall also be recognized.

4. Action taken

The absence of a valid certificate for any of the three conventions, as appropriate, must be rectified before departure and the PSCO should consider a detention.

¹ IMO Resolution A.1124(30) on DELEGATION OF AUTHORITY TO ISSUE CERTIFICATES OF INSURANCE OR OTHER FINANCIAL SECURITY REQUIRED UNDER THE 1992 CIVIL LIABILITY CONVENTION AND THE 2010 HAZARDOUS AND NOXIOUS SUBSTANCES CONVENTION