

FLAGSHIP

NEWS FROM THE LIBERIAN REGISTRY

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Bunker pollution convention may fill last compensation gap

THE Liberian administration will be taking a close look at the new international agreement on Civil Liability for Bunker Oil Pollution Damage agreed recently at IMO before deciding whether to recommend its ratification.

The new convention aims to fill the one remaining significant gap in the international regime for compensating victims of oil spills from ships. A diplomatic conference held at IMO headquarters in March agreed the terms of the convention, which will enter into force one year after the date on which eighteen states — including five states each with ships whose combined gross tonnage is not less than one million gross tons — have ratified, accepted or approved it.

The International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001 will establish a liability and compensation regime for spills of oil carried as fuel in ships' bunkers. The existing conventions covering oil spills do not include bunker oil spills from vessels other than tankers.

The mother convention on oil pollution damage is the International Convention on Civil Liability for

Oil Pollution Damage, 1969 (CLC). The fundamental requirement of both CLC and the new instrument is the need for registered owners of vessels to maintain compulsory insurance cover for accidental spills. The new key provision in the bunker convention is the requirement for direct action, which would allow a claim for compensation for pollution damage to be brought directly against an insurer. The convention also includes articles on the scope of application, and sets a limitation on liability. A resolution associated with the convention urges all states that have not yet done so to ratify or accede to the 1996 protocol to the 1976 Convention on Limitation of Liability for Maritime Claims. This protocol raises the

limit of liability — and therefore amounts of compensation — payable in the event of an incident, beyond those of the 1976 convention.

In general, the convention will provide cover for pollution damage in the territory and territorial sea and exclusive economic zone of a party state.

The amount of bunkers carried in non-tanker tonnage is around 14 million tonnes at any given time, compared with approximately 130 million tonnes of oil carried as cargo worldwide. Oil spill intelligence reports confirm that non-tanker vessel spills

are significantly greater than tanker spills.

Liberia, which was represented at the IMO conference, along with 69 other IMO member states, is a party to the LLMC Protocol 1996. Before recommending ratification, the administration will be taking a very close look, with industry, at the new bunker convention.



The new convention establishes a liability and compensation requirement for bunker spills



Building on trust and confidence

In January 1999, Benoni Urey, Commissioner for Maritime Affairs of Liberia, announced in New York that Liberia was



Benoni Urey, Commissioner for Maritime Affairs of Liberia

not going to renew the contract of the existing managing agent of the Liberian Registry and had decided instead to appoint new managers to take over that role from January 1, 2000.

Although this was interpreted as a radical step, Commissioner Urey had no alternative. In order for the Liberian Registry to continue to operate effectively, there had to be complete trust and confidence between the managing agent and the government, and the truth was that, by this time, confidence between the government of Liberia and the then-agents had been seriously undermined. Today, of course, that trust is enjoyed by the Liberian International Ship and Corporate Registry (LISCR).

The Liberian Maritime and Corporate Programme provides for what is essentially a government function to be performed by a private company, and it is on this basis that the registry has built its reputation and continuing success. Commissioner Urey has developed a strategy to take the Liberian Registry forward into a new millennium, putting together a team of highly qualified, forward-thinking managers, while keeping in place the traditional framework which has served the Liberian Registry well for more than fifty years.

Benoni Urey combines a strong sense of commitment to upholding and developing the interests of Liberia, with the international outlook one would expect of somebody who has been exposed to a wide variety of global ideas and beliefs, particularly in the United States. He holds two masters degrees from the University of Southern California in the United States — a master of arts in public administration, with the emphasis on public finance, and an MSc in economic planning. He also holds a BSc from Cuttington University College in Liberia, where he studied general science before going on to work for the Liberian Electricity Company prior to being awarded a scholarship to study in the US.

Before his appointment as commissioner, Benoni's main commercial experience was in the banking sector. He worked as a consultant at the African Development Bank in Abidjan, before being appointed President of the Agriculture and Co-operative Development Bank in Liberia.

In 1997, Benoni was appointed Commissioner of Maritime Affairs for Liberia. He has brought his individual skills to that role, and continues to use them to drive the Liberian Registry forward.

In his role as commissioner, Benoni has travelled worldwide, meeting key shipowners and operators, as well as industry leaders. He has been involved in all aspects of the registry's operation, and has developed a particular interest in manpower development, being elected chairman of the West African Regional Maritime Training Institute in Ghana.

Benoni is a part-time farmer who lives on his farm outside Monrovia with his wife and three daughters. But he is a full-time commissioner for maritime affairs, and it is in that role that he will continue to build on Liberia's reputation as a customer-friendly registry which places a premium on quality and safety.

Liberia supports IMO agreements

The new convention on Civil Liability for Bunker Oil Pollution damage brings to seven the number of liability and compensation agreements adopted by IMO. Liberia is a party to all of them. They are:

- International Convention on Civil Liability for Oil Pollution Damage (CLC) 1969
- International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage (FUND) 1971
- Convention relating to Civil Liability in the Field of Maritime Carriage of Nuclear Material (NUCLEAR) 1971
- Athens Convention relating to the Carriage of Passengers and their Luggage by Sea (PAL) 1974
- Convention on Limitation of Liability for Maritime Claims (LLMC) 1976
- International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS) 1996
- International Convention on Civil Liability for Bunker Oil Pollution Damage 2001.



LISCR Japan provides strategic service

ONE of the ways in which an international shipping organisation can visibly demonstrate its commitment to a worldwide customer base is by establishing dedicated offices in selected geographic areas in order to better serve its clients in a timely and efficient manner.

The Liberian Registry has offices in strategic locations such as Piraeus, Tokyo, Hong Kong, Zurich, Taiwan and London, staffed by experienced personnel with, where appropriate, authority for legislative and certification work.

In Tokyo, the staff at LISCR Japan includes Capt Takashi Yoshiyama, and Mrs Michiko Nakajima. LISCR has a strong presence in the region, and Capt Yoshiyama expects more Japanese owners — particularly those building LNG carriers, oil tankers and bulkers — to register their tonnage with Liberia. "LISCR welcomes the opportunity to be of service to the Japanese shipping community," says Capt Yoshiyama. "We look forward to working and growing together."

The professional, experienced staff at LISCR Japan are able to provide assistance and advice in connection with vessel registration, seafarers' licences and documents, and interpretation of international maritime rules and regulations. They are there to help existing clients of the Liberian Registry, as well as owners and operators of ships looking for an open registry with a proven track record of quality service.

Capt Yoshiyama schedules and conducts annual shipboard safety inspections for the Liberian Registry, and can also help to resolve any issues which might arise from port state detentions of Liberian-flag ships in Japan.

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Confidence in the Liberian Registry continues to grow

ACTIONS speak louder than words. First-quarter 2001 results confirm the continuing buoyant performance of the Liberian Registry. During the first three months of the year, the registry recorded a net increase of over 645,000 gross tons. As of March 31, 2001, the register stood at 54.2 million gross tons.

We are greatly encouraged by this growth, which provides confirmation that an open registry observing the very highest standards of safety, and offering a rapid-response, quality service, can expand its business selectively in a highly competitive industry sector.

But the Liberian Registry will not rest on its laurels. Its commitment to its clients and to maritime safety will continue to form the basis of its customer-focused service, using proven expertise and a worldwide network of skilled professionals.

At the same time, we are committed to making technology work for our clients. One example of this is the Liberian Registry's electronic documentation of seafarers (SEA) system, more news of which in the next newsletter.



The Liberian Registry's growth includes modern containerships such as the "OOCL Los Angeles" managed by E R Schiffahrt GMBH & Cie.

Liberia welcomes V-Max vessels

WHEN it joins the Liberian registry shortly, under the management of Universe Tankships, New York, the *Stena Vision* will mark the welcome return to the Liberian flag of the vessel's principal, Concordia Maritime, after several years' absence.

The *Stena Vision* is the first in a series of two new V-Max environmentally friendly, double-hulled, 314,500 dwt

VLCCs. In addition to double hulls, the vessels have completely separate or duplicate engine-rooms, double rudders, double steering gear and double propellers. As well as improved ability to perform maintenance at sea while continuing a voyage with machinery secured, the double configuration provides the vessels with superior manoeuvrability.

For a full description of the new vessels, see Concordia's website www.concordia-maritime.se.



www.liscr.com

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On the register

JERRY Smith is the maritime policy adviser for the Liberian International Ship and Corporate Registry.

As part of LISCRC's senior management team, he looks after the briefing of delegates to IMO meetings and advises on all maritime matters with an international flavour. And he is well-suited for the role.



After coming ashore with a master's certificate, Jerry worked for shipowners in a variety of roles, initially with the UK Chamber of Shipping and the International Chamber of Shipping (ICS) and, starting in 1977, as general secretary of the Liberian Shipowners Council (LSC). For well over thirty years he has been attending IMO and ILO meetings, promoting the interests of owners. During a varied career he has helped write Annex II of MARPOL, and supervised the drafting of industry safety codes on oil, chemical and gas tankers. In 1969, he was appointed secretary of the ICS group appointed to study the causes of VLCC explosions.

Jerry thinks that nine-tenths of career success is down to being in the right place at the right time. He says, "I was at ICS for the ten years when the foundations for all the current SOLAS and MARPOL requirements were developed. I left to join LSC right at the time when the ITF and UNCTAD were convinced they could eliminate open registries on the grounds of political expediency. I was part of a team that proved that Liberia was a quality registry, and prevented outside forces from eliminating the whole issue of registry choice."

These days, Jerry is happy to be part of a highly professional team at LISCRC that is determined to maintain the right of owners to have a quality option to a national flag, and to provide them with the cutting-edge technology that will keep Liberia at the forefront of open registries.

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