

REPUBLIC OF THE MARSHALL ISLANDS

Marine Notice

No. 2-011-27

MARITIME ADMINISTRATOR

Rev. Mar/2024

TO: ALL SHIPOWNERS, OPERATORS, MASTERS AND OFFICERS OF MERCHANT SHIPS, AND RECOGNIZED ORGANIZATIONS

SUBJECT: Civil Liability for Bunker Oil Pollution Damage, 2001, Certification Requirements

- **References:** (a) **Bunker Oil Pollution Damage**, International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001
 - (b) **Limitation of Liability for Maritime Claims (LLMC)**, Convention on Limitation of Liability for Maritime Claims, 1976, as amended
 - (c) **RMI** Maritime Act 1990
 - (d) **RMI** Maritime Regulations (MI-108)
 - (e) **RMI** *Vessel Registration and Mortgage Recordation* (MI-100)
 - (f) **RMI Marine Notice** <u>1-002-1</u>, *List of Office and Service Locations*
 - (g) **RMI Marine Notice** 2-023-1, *Proof of Liability Insurance*

PURPOSE

This Marine Notice (MN) implements the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001 (the "Bunker Convention" or "Convention") which entered into force for the Republic of the Marshall Islands (RMI) on 21 November 2008. It provides the procedures for a registered shipowner to obtain certification showing compliance with the requirements for compulsory insurance or financial security.

This MN supersedes revision 9/08. It has been streamlined to focus on actions that must be taken by the registered owner and ship. Direct text from the Convention has been removed. Section 3.1 has been amended to reference the proof of liability insurance requirements in MN 2-023-1.

BACKGROUND

The Bunker Convention is intended to ensure that adequate, prompt, and effective compensation is available to persons who suffer damage caused by spills of oil, when carried as fuel in ships' bunkers. It applies to pollution damage caused on the territory, including the territorial sea, and in the exclusive economic zones of States Parties.

APPLICABILITY

This MN applies to registered owners and their RMI-flagged ships of over 1,000 gross tons that:

- a. enter or leave a port or offshore facility in RMI territory; or
- b. enter or leave the territory of a State Party.

REQUIREMENTS

1.0 Compliance

In accordance with the RMI <u>Maritime Act 1990</u> and RMI <u>Maritime Regulations</u>, a vessel may not be issued an unrestricted RMI Certificate of Registry unless there is proof on file of third-party liability insurance or other financial security. Full compliance with the Bunker Convention is required.

2.0 Compulsory Insurance or Financial Security

- 2.1 The registered owner of a ship to which this MN applies must maintain insurance or other financial security to cover the liability of the registered owner for pollution damage under the Bunker Convention.
- 2.2 This amount may not exceed the amount calculated in accordance with the Convention on Limitation of Liability for Maritime Claims, 1976, as amended.
- 2.3 The ship's registered owner must obtain a *Certificate of Insurance or Other Financial Security in Respect of the Bunkers Convention (CLBC)* issued by the RMI Maritime Administrator (the "Administrator") attesting that the required insurance or other financial security is in force in accordance with the MI-100.

3.0 Certification Requirements and Procedures

- 3.1 To obtain a CLBC, the registered owner must submit to the Administrator proof of liability insurance or other financial security that meets the requirements of MN 2-023-1. Such proof must be sent to a regional office listed in MN 1-002-1.
- 3.2 Upon confirming that the proof of liability insurance or other financial security meets the requirements, the Administrator will issue a CLBC. The CLBC will take the form and contain the information required by the Convention. A sample is here: MI-234.
- 3.3 The Administrator will issue the CLBC to each vessel at registration or shortly thereafter setting forth the required security. A CLBC will not be issued with a validity period longer than that of the insurance or other security.

3.4 A CLBC must:

- .1 be renewed annually by the registered owner; and
- .2 always be carried on board the ship.
- 3.5 The Administrator will not permit an RMI-flagged ship, to which the Bunker Convention applies, to operate unless it has been issued a CLBC.
- 3.6 The validity of an RMI CLBC may be verified on <u>Vessel Document Verification</u>.

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¹ Proof of coverage will generally be in the form of a "cover note" or similar confirmation sometimes referred to as a "Blue Card," which verifies that insurance coverage, including for the Bunker Convention, is currently in full force and effect.