

# **BMA INFORMATION BULLETIN No. 112**

## INTERNATIONAL CONVENTION ON CIVIL LIABILITY FOR BUNKER OIL POLLUTION DAMAGE (BUNKERS CONVENTION)

Guidance and Instructions for Ship-owners, Managers, Masters, Bahamas Recognised Organisations and Bahamas Approved Nautical Inspectors

#### 1 Introduction

- **1.1** The Bahamas has recently ratified the Bunkers Convention. This bulletin gives guidance on the implementation of the Convention, which enters into force on 21 November 2008.
- **1.2** The Convention requires that The Bahamas, as a State Party, issues appropriate Certificate of Insurance to Bahamas registered vessels.
- **1.3** In order to facilitate smooth entry into force of the Convention, the Bahamas Maritime Authority has agreed to also issue appropriate Certificates of Insurance to vessels registered in States which are not a party to the Convention.
- **1.4** Vessels found without a valid original Bunker CLC on board on or after 21 November 2008 could be subject to detention and/or deficiency.

### 2 Application of the Convention

**2.1** The Convention applies to pollution damage and measures taken to prevent or minimise damage, caused by any bunker oil, including lubricating oil, on board or originating from the ship.

**2.2** The Convention applies to all vessels over 1000 gross tonnage, with minor exceptions. Gross tonnage is calculated in accordance with Annex 1, International Convention on Tonnage Measurement of Ships, 1969.

#### 3 Liability Cover

- **3.1** It is incumbent upon the Registered Owner to obtain insurance or financial security in respect of bunker oil pollution damage.
- **3.2** A Bunker CLC may be issued for insured parties where insurance cover is provided by:
  - (i) Protection and Indemnity Club which is a member of The International Group of P&I Clubs; or
  - (ii) Member of an insurance body/group of similar international standing or
  - (iii) Banking Corporation or Financial Institutions of similar international standing.
- **3.3** Proof of Insurance or other Financial Security must be provided in the form of:
  - (i) A 'Blue Card' usually issued by P&I Clubs; or
  - (ii) an 'insurance certificate'; or
  - (iii) a 'Financial guarantee Certificate'.
- **3.4** The certificate showing proof of insurance cover must indicate:
  - (i) Name of Registered Owner
  - (ii) Principal Place of Business of Registered Owner (Note that this is not necessarily the same as the registered office of the Owner)
  - (iii) Name of Insurer or Guarantor
  - (iv) Principal Place of Business of Insurer or Guarantor
  - (v) Duration of Security
  - (vi) "Certificate furnished as Evidence of Insurance Pursuant to Article 7 of the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001."

- (vii) Name of Ship
- (viii) IMO Ship Identification Number
- (ix) Distinctive Numbers/Letters
- (x) Port of Registry
- (xi) "This is to certify that there is in force in respect of the abovenamed ship while in above-named ownership a policy of insurance satisfying the requirement of Article 7 of the International Convention for Civil Liability for Bunker Oil Pollution Damage, 2001." (the Convention)
- (xii) Insurance cover will not cease before three months has lapsed from the date on which notice of termination is given.
- **3.5** Bahamas registered vessels need only supply proof of liability cover, together with the requisite fee, in order to initiate the process of certification by this Administration.
- **3.6** For vessels which are registered with non-State parties, in addition to the proof of liability cover and requisite fee, the following are required:
  - (i) Application Form (see 6.1).
  - (ii) A Transcript of Register must accompany the application for the issuance of a Bunker CLC. The transcript must be issued no later than five (5) days before the application is submitted to BMA.
  - (iii) For oil tankers, a copy of a valid Certificate in respect of the Convention on Civil Liability for Oil Pollution Damage, 1992 must be provided, if not being applied for simultaneously.

#### 4 Certification

**4.1** A certificate (Bunker CLC) will be issued by BMA for a maximum insurance period of 12 months to confirm each vessel is in compliance with the Convention.

- **4.2** The certificate will be issued in accordance with Article 7 of the Convention and relevant Bahamas Shipping legislation upon receipt of proof of insurance or financial security from the vessel's P&I Club or other appropriate financial guarantor.
- **4.3** If there are any changes to the issued certificate, the owner must inform BMA immediately, for any change will invalidate the certificate.

#### 5 Fees

- 5.1 Bahamas Registered Vessels Bunker CLC (includes processing fee) - GB£105 or US\$150
- **5.2** *Vessels registered in States not party to the Convention* Bunker CLC (includes processing fee) - GB£210 or US\$300
- **5.3** All Bunker CLCs will be returned to the applicant via courier. The courier fee is GB£43 or US\$60.

#### 6 Making an application

- **6.1** For ships registered with a non-State party, an application form must be completed for the issuance of a Bunker CLC. The form may be forwarded to BMA via electronic copy to <u>reg@bahamasmaritime.com</u>, with the original to follow. The application form R216 can be downloaded from our website <u>Form R216</u>
- **6.2** All details must be provided in full, in order to expedite processing of the Bunker CLC.
- **6.3** To ensure an application for a Bunker CLC is processed quickly, please use the following checklist as a guide:
  - (i) Confirmation of Cover (see 3.3 above)
  - (ii) Application Form (see 6.1 above)
  - (iii) Transcript of Register (see 3.6(ii) above)
  - (iv) Copy of valid Civil Liability Convention certificate (Oil Tankers only see 3.6(iii) above)
  - (v) Payment (see 5 above)

All applications submitted which do not satisfy the above will not be processed and will be returned to the applicant.