
A Legislation Drafting Project submitted in partial fulfillment of the requirements for the award of the Degree of Master of Laws (LL.M.) in International Maritime Law at the IMO International Maritime Law Institute

Submitted By: Aleksej Karciomov (Lithuania)

Supervisor: Ms. Elda Belja

Academic Year 2011/2012
# TABLE OF CONTENTS

INTRODUCTION .................................................................................................................................. 1

The HONG KONG CONVENTION, 2009 ........................................................................................... 2
  Historical background......................................................................................................................... 2
  Scope of the Convention .................................................................................................................... 3
  Objectives ........................................................................................................................................... 4
  Applicability ....................................................................................................................................... 5
  Hazardous Materials ........................................................................................................................... 5
  Health and Safety of Workers ............................................................................................................ 6
  Enforcement........................................................................................................................................ 7

The importance of the Convention to the Republic of Lithuania ........................................................... 8

Procedure of implementation of International Conventions in the Republic of Lithuania ............ 10

DRAFT LAWS .................................................................................................................................... 13
INTRODUCTION

Ships have always been recycled. The fabric of a ship, whether of wood a century and more ago, or steel – today – has always had considerable value. The good news is that the shipping industry is well ahead of other industries, such as the automotive and aviation sectors, in re-using some 95–98% of a ship by weight.

On the other hand however, even if ship recycling has been efficient in providing a ready supply of steel and other metals for re-use, there has been a cost in terms of lives lost and local environmental impact. The demolition of ships is widely associated with dangerous practices and pollution.

Cutting apart big steel structures is a complex and hazardous business. And even though a high proportion by weight of the ship’s structure is re-usable, there are significant amounts of plastics and other materials that should be handled carefully and appropriately. The beaching methods, most common during demolition, make it difficult to ensure safety and to contain and manage pollutants. Although hazardous materials such as asbestos are already prohibited by previous international conventions, there was no requirement to design a ship so that lifecycle safety and environmental costs are considered.

Considering the need to protect the environment, it has become a paramount objective for legislative bodies in Sovereign States to pass bills on ship recycling. This is in view of the increasing health and safety risks generated by ships that are dumped in developing countries where ships get scrapped on the beaches without any drydock facilities and without consideration on the effects on people that use the beach. Continuous exposure to toxic substances and the absence of proper equipment for the handling of hazardous materials contained in the old vessel has resulted to pollution of water and soil, which in turn affects the surrounding habitation and fishing ground.

In view of the safety concern and environmental hazards, the International Maritime Organization’s (IMO) member States and other relevant non-government organizations, in cooperation with the International Labour Organization (ILO) proposed guidelines for the adoption of a new convention that would deal with the recycling of ships.

This proposal gave rise to The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, which was adopted in May 2009.
The HONG KONG CONVENTION, 2009

Historical background

IMO’s role in the recycling of ships was first raised at the 44th MEPC session in March 2000 following which a correspondence group was established to research this issue and provide information about current ship recycling practices and suggestions on the role of IMO.

Guidelines were developed by the Marine Environment Protection Committee (MEPC) and finalized at the MEPC 49th session in July 2003. These guidelines were adopted as the: Guidelines on Ship Recycling by the 23rd Assembly in November-December 2003 by resolution A.962(23) and were subsequently amended by resolution A.980(24).

Resolution A.962(23) on ship recycling gave advice to all stakeholders in the recycling process, including administrations of ship building and maritime equipment supplying countries, flag, port and recycling States, as well as intergovernmental organizations and commercial bodies such as shipowners, ship builders, repairers and recycling yards.

The Guidelines on ship recycling also introduced the concept of a "Green Passport" for ships. It was envisaged that this document, containing an inventory of all materials used in the construction of a ship that are potentially hazardous to human health or the environment, would accompany the ship throughout its working life. Produced by the shipyard at the construction stage and passed to the purchaser of the vessel, the document would be in a format that would enable any subsequent changes in materials or equipment to be recorded. Successive owners of the ship would maintain the accuracy of the Green Passport and incorporate into it all relevant design and equipment changes, with the final owner delivering it, with the vessel, to the recycling yard.

Subsequently, at its 53rd session in July 2005, the MEPC agreed that the IMO should develop, as a high priority, a new instrument on recycling of ships with a view to providing legally binding and globally applicable ship recycling regulations for international shipping and for recycling facilities. MEPC 53 also agreed that the new IMO instrument on ship recycling should include regulations for the design, construction, operation and preparation of ships so as to facilitate safe and environmentally sound recycling, without compromising the safety and operational efficiency of ships; the operation of ship recycling facilities in a safe and environmentally sound manner; and the establishment of an appropriate enforcement mechanism for ship recycling (certification/reporting requirements).

The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 (Hong Kong Convention), was adopted at a diplomatic conference held in Hong Kong, China, from 11 to 15 May 2009, which was attended by delegates from 63 countries.²

The text of the Hong Kong Convention was developed over three and a half years, with input from IMO Member States and relevant non-governmental organizations, and in co-operation with the ILO and the Parties to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, adopted in 1989 (Basel Convention), which provides the general framework for the reduction of international movement and the environmentally safe management of hazardous wastes. This was followed by the 1995 Ban Amendments which proscribe exports of hazardous wastes for final disposal and recycling from OECD countries" to non-OECD countries.³

Ships destined for ship dismantling fall within the definition of 'wastes' under the Basel Convention and consequently may not be exported for such purpose unless environmentally sound management can be ascertained at the State of breaking.

The Hong Kong Convention may be said to support the Basel Convention by adopting general principles of law and devising a system of control and standards for the ship construction and the ship recycling industry.

The text of the Hong Kong Convention is supplemented by the Annex containing the regulations for the environmentally safe recycling of ships. The Annex applies to the design, construction, survey and certification of ships. The implementation of the Annex is to be done in conjunction with relevant ILO standards, and the relevant and applicable recommendations and guidances developed under the Basel Convention.

**Scope of the Convention**

The Hong Kong Convention applies mostly to privately owned and commercial ships, covering any type of vessel operating or having operated in the marine environment, including submersibles, floating crafts, floating platforms, self elevating platforms. Floating Storage Units (FSU), and Floating Production Storage and Offloading Units (FPSO), and also including a vessel stripped of equipment or being towed.⁴

---

⁴ Hong Kong Convention, Article 3.
It does not apply to small ships (less than 500GT), warships, naval auxiliary or other State-owned or operated vessels which are used only on non-commercial service or ships for domestic transport.\textsuperscript{5} Nevertheless, the Convention requires that these ships act in a manner consistent with the Convention, as far as reasonable and practicable.

The Hong Kong Convention also applies to ship recycling facilities which means "a defined area that is a site, yard or facility used for the recycling of ships".\textsuperscript{6} Ship recycling is deemed to cover the activity of dismantling ships in order to recover components and materials for reprocessing and re-use, including on-site storage and treatment of components and materials at the recycling site. Interim operations, further processing, disposal or management of waste in separate facilities are not covered.

With respect to ships entitled to fly the flag of non-Parties to the Hong Kong Convention, the requirements of the Convention will be applicable as it may be necessary for Parties to ensure that no more favourable treatment is given to such ships.\textsuperscript{7}

**Objectives**

The Hong Kong Convention intends to address all the issues around ship recycling, including the fact that ships sold for scrapping may contain environmentally hazardous substances such as asbestos, heavy metals, hydrocarbons, ozone-depleting substances and others. It also addresses concerns raised about the working and environmental conditions at many of the world's ship recycling locations.

Regulations in the new Convention cover: the design, construction, operation and preparation of ships so as to facilitate safe and environmentally sound recycling without compromising the safety and operational efficiency of ships; the operation of ship recycling facilities in a safe and environmentally sound manner; and the establishment of an appropriate enforcement mechanism for ship recycling, incorporating certification and reporting requirements.

The Convention establishes, at a global level, mandatory requirements to ensure the safe and environmentally sound recycling of ships in an efficient and effective manner. In order to raise the level of standards in the ship recycling industry, the Convention relies on the survey and certification of ships, the authorisation of ship recycling facilities, and specific requirements such as the obligation for shipowners to establish an inventory of hazardous materials on board their ships, for ship

\textsuperscript{5} Ibid, Article 3.
\textsuperscript{6} Ibid, Article 2.
\textsuperscript{7} Ibid, Article 3.
recycling facilities to establish a ship recycling plan and for the flag States to conduct a final survey in order to issue a recycling certificate.

**Applicability**

Each State Party shall ensure that ships flying its flag or operating under its authority are surveyed and certified in accordance with the Convention.\(^8\) The shipowner is required to notify in due time and in writing his flag State administration of his intention to recycle a ship in order to enable the administration to prepare for the survey and certification.\(^9\) The Convention contains provisions on exchange of information between State Parties, inspections of ships and violations\(^10\).

Ship recycling facilities operating under the jurisdiction of a State Party shall comply with the requirements of the Convention and be authorised in accordance with the Convention\(^11\). Recycling facilities should be managed so as to prevent adverse effects to human health and the environment, and to ensure safe and environmentally sound management of hazardous materials, emergency preparedness and response and worker safety and training.

Facilities shall establish and use procedures taking into account specific Guidelines to be developed by the IMO. At present the following Guidelines are being developed to assist in the Convention's implementation:\(^12\)

- Guidelines for the development of the Inventory of Hazardous Materials, adopted by resolution MEPC.179(59);
- Guidelines for safe and environmentally sound ship recycling;
- Guidelines for the development of the ship recycling plan;
- Guidelines for the authorization of ship recycling facilities;
- Guidelines for survey and certification;
- Guidelines for inspection of ships; and
- Other guidelines or circulars that may be identified by MEPC.

**Hazardous Materials**

The Convention stipulates that the hazardous materials listed in Appendix 1 are prohibited in new and old ships as for the design, construction and maintenance of ships. Contracting States must ensure that ships operating under their authority and ports, ship yards or other facilities in their

\(^8\) Ibid, Article 5.
\(^10\) Ibid, Article 7.
\(^11\) Ibid, Article 6.
jurisdiction involved in the building, repair, maintenance and operation of ships would also comply with the prohibition or restricted use permitted under the Convention.\textsuperscript{13}

The recycling of ships is further regulated by ensuring that the hazardous materials on the ship are well documented and marked and that the ship recycling facility is properly authorised in order to conduct the recycling operation. This is provided by virtue of the "International Inventory of Hazardous Materials Certificate" issued by the flag State or a recognised organisation or surveyor.\textsuperscript{14} Contracting States are bound to recognise each other's certificates as equally valid in terms of Regulation 11.

New ships must carry this certificate on board from the time of their construction, whilst each authorised ship recycling facility will be issued a certificate which will include contact details, and a supplement which will certify a number of aspects of the operation of the recycling facility. Thus, the authorisation document of the ship recycling facility should have all the necessary information for a State or a shipowner to assess whether a ship recycling facility is authorised to remove and dispose of the hazardous materials as required under the Hong Kong Convention.

**Health and Safety of Workers**

The Convention provides for each authorised ship recycling facility to establish and utilise adequate hot-work procedures to prevent fires, explosions and other unsafe conditions. Similar dangerous atmospheres and other unsafe conditions are to be avoided by ensuring safe-for-entry conditions in ship spaces, including confined spaces and enclosed spaces, throughout the entire dismantling process. Furthermore, adequate measures are to be in place to prevent accidents, occupational diseases and injuries or other adverse effects on human health.\textsuperscript{15}

The safety of the workers is further safeguarded through the requirement for facilities to supply personnel with protective equipment and clothing for all ship recycling operations. Ship recycling facilities are to ensure that training programmes are provided to enable workers to safely undertake all operations they are tasked to do. In addition, all workers have to be provided with appropriate training and familiarisation prior to perform any ship recycling operation.\textsuperscript{16}

\textsuperscript{13} Hong Kong Convention, Regulation 4.
\textsuperscript{14} Ibid, Regulation 11.
\textsuperscript{15} Ibid, Regulation 20.
\textsuperscript{16} Ibid, Regulation 22.
**Enforcement**

The Convention provides for State Parties to prohibit any violation of the Regulations within their jurisdiction and to further discourage such violations by establishing adequate sanctions. Parties are also required to cooperate with each other in the detection of violations and the enforcement of the Convention.

A ship in any port or offshore terminal of another Party may be subject to inspections to determine whether it is in compliance with the Convention. Such inspections are limited to verifying that relevant certificates are on board. All possible efforts are to be made to avoid a ship being unduly detained or delayed, as otherwise the vessel may be entitled to compensation for any loss or damage suffered.

If the ship is detected to be in violation of the Convention, the Party carrying out the inspection may take steps to warn, detain, dismiss, or exclude the ship from its ports. In this case, it shall immediately inform the flag State administration of the ship concerned and the IMO.

The Convention requires each Party to establish a mechanism for ensuring compliance of its recycling facilities, including the establishment and effective use of inspection, monitoring and enforcement provisions and powers of entry and sampling. In terms of Regulation 15, this may include audit schemes. Following a substantiated request from another Party for an investigation, a State Party should investigate the ship or the ship recycling facility and make a report. This report shall be sent to the Party requesting it, including information on action taken or to be taken, if any, and to the IMO for appropriate action.

---

17 Ibid. Article 8.
18 Ibid, Article 11.
19 Ibid. Article 9.
The importance of the Convention to the Republic of Lithuania

Worldwide, between 200 and 600 large end-of-life ships are broken up and recycled every year, as their steel, other scrap metal and equipment constitute valuable raw materials. Until the late 20th century, ship breaking took place in port cities of industrialized countries such as the United Kingdom and the United States of America. Today, most ship breaking yards are in developing countries. This is due to lower labor costs and less stringent environmental regulations dealing with the disposal of lead paint and other toxic substances.

In addition to steel and other useful materials, however, ships (particularly older vessels) can contain many substances that are banned or considered dangerous in developed countries. Asbestos and polychlorinated biphenyls (PCBs) are typical examples. Asbestos was used heavily in ship construction until it was finally banned in most of the developed world in the mid 1980s. Currently, the costs associated with removing asbestos, along with the potentially expensive insurance and health risks, have meant that ship-breaking in most developed countries is no longer economically viable.

Ship breaking has also become an issue of major environmental concern. Many ship breaking yards in developing nations, including Lithuania, have lax environmental law, enabling large quantities of highly toxic materials to escape into the environment and causing serious health problems among ship breakers, the local population, and wildlife.

As many ships sail under the flag of an EU member State, and even more are owned by European companies, the situation is of concern to the EU. The EU acknowledges that the level of control and enforcement established by the Hong Kong Convention will depend on economic factors and regulatory and enforcement actions by State Parties, and that the legal obligations of the Convention could require significant capacity building to be successfully implemented by all States.

The EU therefore underlines the need to actively support through technical and other cooperation, the implementation and enforcement of the Convention by other States, in particular those developing countries which have or intend to create recycling facilities.

The Council of the European Union strongly encourages EU Member States “to ratify the Hong Kong Convention as a matter of priority so as to facilitate its entry into force as early as possible and to generate a real and effective change on the ground”.

---

Ratifying and adopting the Hong Kong Convention is very important for Lithuania by several additional reasons:

- Lithuania, as it has ship building, repairing and recycling facilities in port Klaipėda, needs to develop and implement comprehensive national strategies to ensure environmentally sound recycling of ships, in accordance with its national sustainable development strategies and relevant international commitments and obligations.
- Lithuania's transportation system has great potential, and transit traffic by ships represents an important part of Lithuania's future development. The Convention would contribute to improve occupational safety and health and to reduce the environmental impacts of ship recycling. It will especially help in designing and building ships to reduce or replace hazardous materials, to accurately provide an Inventory of Hazardous Materials and to make the ship easy to dismantle.
- Lithuania may play an even more vital role in reducing hazards relating to ship recycling by virtue of the ships registered under its flag. As a matter of fact, Lithuania is planning to open the second ship register to attract shipowners from other countries\(^\text{23}\), and the implementation of the Hong Kong Convention would bring change at an international level and effectively contribute to phase out unsafe and environmentally harmful working methods, including the unsafe practice of beaching end-of-life ships.
- The Hong Kong Convention provides additional benefits in setting up a comprehensive system of control and enforcement from 'cradle-to-grave'. Its implementation would be beneficial to Lithuania and to the International Community as a whole as the clear and relatively simple system of rules embodied in the Convention satisfy the public demand for safe and environmentally sound ship recycling without creating unnecessary burdens for shipowners and administrations.
- This sound approach to ship recycling also reduces the environmental impact – meaning no oil spills, no discharge of toxic waste, proper dealing with asbestos, no burning of cables, proper refrigerant recovery, recycling of all recyclable materials and environmentally sound disposal of all materials – and it ensures a documented safe and secure working environment for shipyard recycling staff.
- Proper organized ship recycling offers a possibility to reuse significant parts and equipment of the ship. Steel can be recycled to produce new steel, reducing the energy

\(^{22}\text{Ibid, Section 9}.
\(^{23}\text{http://www.jura24.lt/lt/naujienos/uostas/nuolat-mazejo-laivu-su-lietuvos-veliava-327957/psl-2; translated by the author; accessed on 5 January 2012.}
required for processing by two-thirds. Copper cables and aluminium may also be recycled in similar ways.

In a world of growing demand and with the need to use energy intelligently and cost-effectively, all those involved in industry need to become better at re-using materials and at understanding where the costs are in the process of designing, building, operating and recycling ships. By recognising at the building stage the eventual certainty that every ship will need to be demolished and recycled the process will become safer.

**Procedure of implementation of International Conventions in the Republic of Lithuania**

Powers to conclude (as refers to signing) an international convention (or treaty) of the Republic of Lithuania (Lithuania) on behalf of the country according to the laws are granted as follows:

- The President, the Prime Minister or the Minister of Foreign Affairs of Lithuania shall be entitled, without possessing special powers, to perform all acts relating to the conclusion of treaties on behalf of the State.

- The Head of a Diplomatic Mission of Lithuania or the authorized representative of the State at an international conference, international organization or one of its bodies shall be entitled to negotiate the conclusion of a treaty or to approve its text without possessing special powers.

- Other persons may perform acts relating to the conclusion of the treaty on behalf of Lithuania provided only they possess powers granted to them according to the procedure established by law.

The procedure for granting powers to conclude treaties on behalf of Lithuania is established in Article 6 of Law on Treaties. According to the said Law, after a decision has been taken to conclude a treaty, powers to perform the acts relating to the conclusion of treaties on behalf of Lithuania (which are subject to ratification) shall be granted by the President of the State on the advice of the Government of Lithuania or by the Prime Minister on the instruction of the President of the State.

Full powers shall be issued and registered by the Ministry of Foreign Affairs of Lithuania according to the procedure established by the Government of the State.

---

24 Law on Treaties of the Republic of Lithuania No. VHI-1248 (22 June 2004).
Powers to ratify an international convention (or treaty) on behalf of the Republic are granted solely to the Parliament of Lithuania (called “Seimas”). Such treaty is either considered by the President of the State on his own initiative or is submitted for the consideration of the President on the proposal of the Government. When the proposal comes from the Government, a Resolution will usually be prepared which requires the President of Lithuania, upon consideration, to submit the said convention for approval to the Seimas. In such a case, the President will draft a decree which will stipulate that the convention is being submitted for approval by the relevant minister to the Seimas. Once approval has been obtained, the Seimas will adopt the Law on Ratification of the convention.

According to Article 138 of the Constitution of Lithuania, international conventions duly ratified by the Seimas and which have entered into force for Lithuania, shall be an integral part of the legal order of Lithuania. The binding character of such conventions, not only for the State at an international level, but also for the domestic courts and the citizens, is further determined in Article 11 of Law on Treaties, which reads: “International treaties that have entered into force for the Republic of Lithuania shall be binding in the Republic of Lithuania”.

However, an international convention, once duly ratified, becomes a part of the domestic law of Lithuania only when it is published in the publication "Valstybes Zinios" (Official gazette) on the advice of the Ministry of Foreign Affairs. So the official translation of the convention automatically becomes binding for the State and its citizens. Lithuania recognizes the primacy of international treaties over the domestic law. In accordance with Article 11 of Law on treaties, if a duly ratified treaty by Lithuania, and which has entered into force, establishes norms different from those established by the laws or other legal acts of Lithuania which are in force at the moment of conclusion of the treaty or which have entered into force after the entry into force of the treaty, the provisions of the treaty shall prevail.

In the case of the Hong Kong Convention, as a first step, the Government of Lithuania, through a Resolution, will refer to the President a proposal to submit the Convention to the Seimas for approval, according to the established procedure. The President of Lithuania will draft a decree regarding the proposal to the Seimas to approve the Convention. The next step will then be the adoption by the Seimas of the Law on the Accession to the Hong Kong Convention. This Law will

---

25 The Law refers only to ratification as means of expressing consent to be bound by an international treaty. However such expression should be interpreted to also include acceptance, approval and accession to a particular treaty.
27 Or accession, as the case may be.
29 Law on Treaties of the Republic of Lithuania No. VIII-1248 (22 June 2004).
30 Ibid, Article 11.
also stipulate that from the moment the Convention enters into force for Lithuania, it shall be a constituent part of the legal order of Lithuania and bind upon the State, the courts and citizens.

Together with the Law on the Accession to the Hong Kong Convention, the Seimas will also approve the Law on the Implementation of the Convention which empowers the Maritime Safety Administration with the implementation of the Law and provides for sanctions in case of violations of any of the provisions of the Convention which is now part of the legal order of Lithuania.
DRAFT LAWS
GOVERNMENT OF THE REPUBLIC OF LITHUANIA

RESOLUTION

TO REFER TO THE PRESIDENT OF THE REPUBLIC OF LITHUANIA A PROPOSAL TO SUBMIT THE HONG KONG INTERNATIONAL CONVENTION FOR THE SAFE AND ENVIRONMENTALLY SOUND OF RECYCLING OF SHIPS, 2009 TO THE SEIMAS OF THE REPUBLIC OF LITHUANIA FOR APPROVAL

…… 201.. No.....

Vilnius

Government of the Republic of Lithuania resolves:

Pursuant to Article 84.2 and Article 138.1(6) of the Constitution of the Republic of Lithuania, it is referred to the President of the Republic of Lithuania a proposal to submit to the Seimas of the Republic of Lithuania, for their approval, the Hong Kong International Convention for the Safe and Environmentally Sound of Recycling of Ships, 2009.

Prime Minister Andrius Kubilius
Minister of Foreign Affairs Audronius Azubalis
PRESIDENT OF THE REPUBLIC OF LITHUANIA

DECREE

REGARDING THE PROPOSAL TO THE SEIMAS OF THE REPUBLIC OF LITHUANIA TO APPROVE THE HONG KONG INTERNATIONAL CONVENTION FOR THE SAFE AND ENVIRONMENTALLY SOUND OF RECYCLING OF SHIPS, 2009

...... 201.. No.....

Vilnius

Article 1

Pursuant to Article 84.2 of the Constitution of the Republic of Lithuania, the Hong Kong International Convention for the Safe and Environmentally Sound of Recycling of Ships is hereby submitted to the Seimas of the Republic of Lithuania for approval.

Article 2

This decree shall be submitted to the Seimas of the Republic of Lithuania by the Minister of Transport and Communication Eligijus Masiulis.

Article 3

This decree shall become effective from the date it is signed.
Article 1.

Pursuant to Article 67.16 and Article 138.1(6) of the Constitution of the Republic of Lithuania and Decree No..., of ….. 201.... of the President of the Republic of Lithuania, the Seimas of the Republic of Lithuania approves the accession to the Hong Kong International Convention for the Safe and Environmentally Sound of Recycling of Ships, 2009.

Article 2.

The Convention, as from the date it enters into force for the Republic of Lithuania, shall be a constituent part of the legal order of the Republic of Lithuania and bind upon the State, Courts and citizens.

Article 3.

This Law shall enter into force on the day of its publication in the “Valstybes Zynios” Gazette.

Article 4.

The English text of the Convention and its official Lithuanian translation are herewith attached.

I promulgate this Law passed by the Seimas of the Republic of Lithuania.

PRESIDENT OF THE REPUBLIC 

DALIA GRYBAUSKAITE
Article 1


Article 2

For the purposes of this Law, unless expressly provided otherwise:

1. “Convention” means the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 acceded to by the Republic of Lithuania on the ________ 201_ . Unless expressly provided for otherwise, a reference to the Hong Kong Convention constitutes at the same time a reference to its Annex.


3. “Lithuanian waters” means waters subject to the sovereignty or jurisdiction of the Republic of Lithuania.

4. Unless otherwise defined in this Law, or unless the context so requires, words and expressions used in these Law shall have the same meaning assigned to them in the Hong Kong Convention
Article 3

1. Unless expressly provided otherwise in this Law, this Law shall apply to:
   a) Ships entitled to fly the flag of the Republic of Lithuania or operating under its authority;
   b) Ship Recycling Facilities operating under the jurisdiction of the Republic of Lithuania.

2. This Law shall not apply to:
   a) any warships, naval auxiliary, or other ships owned or operated by Lithuania and used, for the time being, only on government non-commercial service.
   b) ships of less than 500 GT or to ships operating throughout their life only in Lithuanian waters.

Article 4

1. The Administration may:
   a) Expound on the requirements of this Law or Convention, or clarify their applicability or interpretation; and
   b) Extend any of the provisions of the Convention to other classes of ships flying the flag of the Republic of Lithuania or operating under its authority when they are in Lithuanian waters.

2. Without prejudice to the generality of the foregoing, the Administration shall be guided by the circulars, clarifications, codes, directives, guidelines, publications, recommendations, regulations, resolutions, rules or other similar medium of the International Maritime Organization.

Article 5

1. The Administration shall:
   a) Survey and certify all ships flying the flag of the Republic of Lithuania or operating under its authority in accordance with the regulations in the Annex of the Convention.
   b) Authorize any Ship Recycling Facility that operates under the jurisdiction of the Republic of Lithuania and that recycles ships to which this Law applies in accordance with the regulations of the Convention.
   c) Appoint the officers who will carry out the inspections for the purpose of determining whether the ship is in compliance with this Law and the Convention.
   d) Impose fines for any violation of this Law and of the Convention.

Article 6

The Administration for the purposes of issuing certificates in terms of the Convention shall, subject to the provisions of this Law and such Convention, determine the conditions of issue and validity of such certificates.
Article 7
1. It is a duty of the registered owner of the ship or of the master to ensure that the ship is in compliance with the provisions of this Law and of the Convention.
2. It is a duty of the owners or operators of a Ship Recycling Facilities under the jurisdiction of Lithuania to ensure compliance with the provisions of this Law and of the Convention.
3. The installation or use on ships, flying the flag of the Republic of Lithuania or operating under its authority, of Hazardous Materials listed in Appendix 1 of the Convention is prohibited. The installation or use of such materials on any other ship whilst in any port, shipyard, ship repair yard, or offshore terminal in Lithuania is prohibited.

Article 8
1. Any violation of this Law and of the Convention shall be regarded as an offence.
2. Any person if in fault shall be liable for each offence to a fine not exceeding 50000 (fifty thousand) litas, as imposed by the Administration.
3. In case of default in receiving a payment of the fine prescribed in the above paragraph, within 30 days, the Administration is entitled to cause the proceedings in the Court according to the Laws of Lithuania.

Article 9
Where any provisions of any rules and regulations made under this Law are inconsistent with the provisions of the Convention, the provisions of that Convention shall, unless specifically provided for in such rules or regulations, apply.

Article 10
This Law shall enter into force on the ninetieth day upon entry into force of the Convention.

I promulgate this Law passed by the Seimas of the Republic of Lithuania.

PRESIDENT OF THE REPUBLIC Dalia Grybauskaitė

19