

## **IMO**INTERNATIONAL MARITIME LAW INSTITUTE



Established under the auspices of the International Maritime Organization
A specialized agency of the United Nations

## Decree of Accession and Decree-Law to Incorporate the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001 into the Laws of Portugal

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: Paula de Castro Silveira (Portugal)

Supervisor: DR. NORMAN A. MARTÍNEZ GUTIÉRREZ

Academic Year 2013/2014

#### Contents

Chapte	er 1 - Explanatory Notes	3
Introdu	action	4
I. T	The Bunkers Convention: An Overview	5
1.	General	5
2.	Definitions	5
a.	"Ship"	6
b.	"Person"	6
c.	"Bunker Oil"	6
d.	"Pollution Damage"	7
3.	Strict Liability	7
4.	Limitation of liability	8
5.	Exclusions	. 10
6.	Compulsory insurance or financial security	. 11
7.	Time Bar	. 11
8.	Jurisdiction	. 11
9.	Recognition and Enforcement	. 12
10.	Responder Immunity	. 13
II. A	Accession to the Bunkers Convention by Portugal	. 14
11.	The importance of the Convention for Portugal	. 14
12.	Implementation	. 14
Chapte	er 2 – Decree of Accession of Portugal to Bunkers Convention	. 17
Chapte	er 3 – Decree-Law to Incorporate The Bunkers Convention Into The Laws Of Portugal	.31
Bibliog	graphy	. 38

**Chapter 1 - Explanatory Notes** 

#### Introduction

Portugal is a Party to the 1992 International Convention on Civil Liability for Oil Pollution Damage<sup>1</sup> (hereinafter 1992 CLC) and to the 1992 International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage (hereinafter 1992 Fund Convention).<sup>2</sup> Recently, Portugal also ratified the 2003 Protocol to the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage 1992 (hereinafter 2003 Fund Convention).<sup>3</sup>

These conventions provide for compensation for bunker oil pollution damage only if the bunker oil escapes from a ship "constructed or adapted for the carriage of oil as cargo". This restrictive coverage left an important gap in the regulatory regime, as bunker spills from other types of vessel, such as dry-cargo and passenger ships, were not covered even though such vessels carry substantial quantities of bunker fuel, in some cases exceeding the cargo carrying capacity of some oil tankers.<sup>4</sup> Due to the particular characteristics of fuel oil, a bunker spill may cause considerable ecological damage and may be more damaging than a spill of crude oil.<sup>5</sup>

Having in consideration this lacuna, a Diplomatic Conference was held, in March 2001, and the International Convention on Civil Liability for Bunker Oil Pollution Damage 2001 (hereinafter Bunkers Convention) was adopted under the auspices of the International Maritime Organization (IMO). This Convention has the aim of ensuring adequate, prompt and effective compensation of persons who suffer damage caused by spills of oil carried as fuel in ships.<sup>6</sup>

<sup>&</sup>lt;sup>1</sup> The CLC 1992 was approved by Portugal by the Decree-Law n.° 40/2001, on 28 September 2001.

<sup>&</sup>lt;sup>2</sup> The IOPC Fund 1992 was approved by Portugal by Decree-Law n.º 38/2001, on 25 September 2001.

<sup>&</sup>lt;sup>3</sup> The 2003 IOPC Fund was adopted in Portugal by the Decree-Law n.º 1/2005, on 28 January 2005.

<sup>&</sup>lt;sup>4</sup> United Nations; Liability and Compensation for Ship-source Oil Pollution, United Nations Conference on Trade and Development, Studies in Transport Law and Policy n.º 1, United Nations, New York and Genova, 2012, available in <a href="http://unctad.org/en/PublicationsLibrary/dtltlb20114">http://unctad.org/en/PublicationsLibrary/dtltlb20114</a> en.pdf, viewed on January 12, 2014, p. 33.

<sup>&</sup>lt;sup>5</sup> Brans, Edward H.P.; Liability for Damage to Public Natural Resources: Standing, Damage and Damage Assessment, International Environmental Law and Policy Series, Vol. 61, Kluwer Law International, Netherlands, 2001, p. 368.

<sup>&</sup>lt;sup>6</sup> Faure, Michael and Ying, Song; China and International Environmental Liability: Legal rRemedies for Transboundary Pollution, New Horizons in Environmental Law, Edward Elgar Publishing Limited, UK, 2008, p. 77.

#### I. The Bunkers Convention: An Overview

#### 1. General

The Bunkers Convention follows the structure of the 1992 CLC regime. In fact, the Convention, similarly as the CLC, imposes strict but limited liability for pollution damage to the shipowner, joined with compulsory insurance and the claimant's right of direct action against the insurer.<sup>7</sup>

As stated in Article 2, the Convention applies exclusively to pollution damage caused in the territory, including the territorial sea, of a State Party, and in the exclusive economic zone of a State Party, established in accordance with international law, or an equivalent area of any State Party, as well as to the measures taken to prevent or mitigate such damage at the same areas.

The provisions of the Convention, however, shall not apply to pollution damage as defined in the CLC, whether or not compensation is payable in respect of it under that Convention; or "...to warships, naval auxiliary or other ships owned or operated by a State and used, for the time being, only on Government non-commercial service". Nevertheless, any State, which is a Party to the Convention, may decide to apply the Convention to such ships. 9

#### 2. Definitions

To understand properly the scope of application of the Convention it is essential have in consideration some relevant definitions such as:

<sup>&</sup>lt;sup>7</sup> United Nations; Liability and Compensation for Ship-source Oil Pollution, United Nations Conference on Trade and Development, Studies in Transport Law and Policy n.º 1, United Nations, New York and Genova, 2012, available in <a href="http://unctad.org/en/PublicationsLibrary/dtltlb20114">http://unctad.org/en/PublicationsLibrary/dtltlb20114</a> en.pdf, viewed on January 12, 2014, p. 34.

<sup>&</sup>lt;sup>8</sup> Article 4 (1) and (2).

<sup>&</sup>lt;sup>9</sup> Article 4 (3).

#### a. "Ship"

The Bunkers Convention defines a "ship" as "any seaborne craft, of any type whatsoever". <sup>10</sup> This definition incorporates the central goal of the regime: to cover bunker-oil spills from all types of vessel. <sup>11</sup>

#### b. "Person"

Person as defined in the Bunkers Convention "means any individual or partnership or any public or private body, whether corporate or not, including a State or any of its constituent subdivisions". <sup>12</sup> As per this definition is clear that the regime is applicable to all, either private or public persons, thereby, covering a wider spectrum of activities.

#### c. "Bunker Oil"

The Convention defines "Bunker Oil" as "any hydrocarbon mineral oil, including lubricating oil, used or intended to be used for the operation or propulsion of the ship, and any residues of such oil". Is important to highlight the fact that this wider definition leaves behind the controversies related to the CLC regime in relation to the stress of the "persistent" nature of the oil carried as cargo in tankers. If The Bunkers Convention definition is broad enough to include both "persistent" and "non-persistent" hydrocarbon mineral oil. Is

<sup>&</sup>lt;sup>10</sup> Article 1(1)

<sup>&</sup>lt;sup>11</sup> Zhu, Ling; Compulsory Insurance and Compensation for Bunker Oil Pollution Damage, Hamburg Studies on Maritime Affairs 5, Springer, Germany, 2007, p. 20.

<sup>&</sup>lt;sup>12</sup> Article 1, (2).

<sup>&</sup>lt;sup>13</sup> Article 1, (5).

<sup>&</sup>lt;sup>14</sup> Martínez Gutiérrez, Norman A.; Limitation of Liability in International Maritime Conventions, The relationship between global limitation conventions and particular liability regimes, IMLI Studies in International Maritime Law, Routledge, Oxon, 2011, p. 160 (hereinafter "Martínez Gutiérrez, Norman A.; Limitation of Liability in International Maritime Conventions").

<sup>&</sup>lt;sup>15</sup> Zhu, Ling; op. cit., p. 22.

#### d. "Pollution Damage"

Pollution Damage is one of the central concepts of a compensation regime. In fact, this concept will delineate the scope of application of the regime. Therefore, the definition of Pollution Damage covers:

- "loss or damaged caused outside the ship by contamination resulting from the escape or discharge of bunker oil from the ship, wherever such escape or discharge may occur, provided that compensation for impairment of the environment other than loss of profit from such impairment shall be limited to costs of reasonable measures of reinstatement actually undertaken or to be undertaken; and
- "the costs of preventive measures and further loss or damage caused by preventive measures". 16

#### 3. Strict Liability

The Bunkers Convention imposes strict liability on the shipowner. It is stated that "the shipowner at the time of an incident shall be liable for pollution damage caused by any bunker oil on board or originating from the ship". <sup>17</sup>

The strict liability or no-fault liability means that the shipowner is liable irrespective of the existence of any fault in his side. In consequence, he is liable just because of the fact that his ship carrying oil had a spill and caused pollution damage.<sup>18</sup>

Therefore, definition of "shipowner" is extremely important to understand that provision. Whereas the CLC imposes liability exclusively on the registered owner, <sup>19</sup> the Bunkers Convention defines shipowner as the "owner, including the registered owner, bareboat charterer, manager and operator of ship". <sup>20</sup>

<sup>&</sup>lt;sup>16</sup> Article 1 (9) (a) and (b).

<sup>&</sup>lt;sup>17</sup> Article 3(1).

<sup>&</sup>lt;sup>18</sup> Zhu, Ling; op. cit, p. 30.

<sup>&</sup>lt;sup>19</sup> Martínez Gutiérrez, Norman A.; Limitation of Liability in International Maritime Conventions, p. 162.

<sup>&</sup>lt;sup>20</sup> Article 1 (3).

Moreover, in relation to an incident consisting of a series of occurrences with the same origin, the liability shall attach to the shipowner at the time of the first of such occurrences.<sup>21</sup> This all means that the owner of the ship is obliged to repair and compensate the damage, regardless of incurring fault.

However, notwithstanding this heavy liability imposed to the shipowner, the Bunkers Convention does not exclude claims against parties other than the owner, as was done by the CLC regime and no claim for compensation for pollution damage shall be made against the shipowner otherwise than in accordance with the Bunkers Convention. <sup>22</sup>

#### 4. Limitation of liability

The right to limit liability is classical in the maritime field, and the Bunkers Convention maintains this tradition.<sup>23</sup> Usually the level of limitation of liability is closely linked with the adoption of strict forms of liability, as expressed at the preamble of the Convention.

However, the Convention does not create a separate limitation regime.<sup>24</sup> The financial liability of the liable party is subject to the limits laid down in the applicable national or international regime, such as the Convention on Limitation of Liability for Maritime Claims, 1976, as amended<sup>25</sup> (hereinafter LLMC Convention 1976, as amended).<sup>26</sup>

This provision, however, is too wide comparing for example with the provision adopted in the CLC. Here we have just the confirmation of the shipowner's right to limit his liability, but no precise indications of the extent of it is given relying just on "any applicable national or international regime".

<sup>&</sup>lt;sup>21</sup> Article 3 (1).

<sup>&</sup>lt;sup>22</sup> Martínez Gutiérrez, Norman A.; Limitation of Liability in International Maritime Conventions, p. 163.

<sup>&</sup>lt;sup>23</sup> Zhu, Ling; *op. cit.*, p. 32.

<sup>&</sup>lt;sup>24</sup> Martínez Gutiérrez, Norman A.; Limitation of Liability in International Maritime Conventions, p. 165

<sup>&</sup>lt;sup>25</sup> The Convention on Limitation of Liability for Maritime Claims (LLMC), was adopted on 19 November 1976 and entered into force on 1 December 1986. The Convention was amended by the Protocol of 1996, adopted on 2 May 1996, which is in force since 13 May 2004.

<sup>&</sup>lt;sup>26</sup>Article 6.

Portugal is still a Party to the International Convention relating to the Limitation of the Liability of Owners of Sea-Going Ships and Protocol of Signature of 1957.<sup>27</sup> Therefore, the limits of liability of the shipowner applicable to the Bunkers Convention in Portugal are those of the 1957 Convention. Article 3 (1) of the Convention states that the amounts to which the owner of a ship may limit his liability under Article 1 shall be:

- (a) where the occurrence has only given rise to property claims an aggregate amount of 66.67 units of account for each ton of the ship's tonnage;
- (b) where the occurrence has only given rise to personal claims an aggregate amount of 206.67 units of account for each ton of the ship's tonnage;
- (c) where the occurrence has given rise both to personal claims and property claims an aggregate amount of 206.67 units of account for each ton of the ship's tonnage, of which a first portion amounting to 140 units of account for each ton of the ship's tonnage shall be exclusively appropriated to the payment of personal claims and of which a second portion amounting to 66.67 units of account for each ton of the ship's tonnage shall be appropriated to the payment of property claims. Provided however that in cases where the first portion is insufficient to pay the personal claims in full, the unpaid balance of such claims shall rank ratably with the property claims for payment against the second portion of the fund."

Having in consideration that those limits are extremely low, its applicability to the Bunkers Convention will jeopardize the central aim of the regime – to ensure adequate, prompt and effective compensation of persons who suffer damage caused by spills of oil carried as fuel in ships. Therefore, in accordance with Article 6 of Bunkers Convention, it is recommended that, Portugal accede, as soon as possible, to the LLMC Convention of 1976, as amended. After that, the limits of liability for claims arising on any distinct occasion, shall be calculated as follows:<sup>28</sup>

a) In respect of claims for loss of life or personal injury

<sup>&</sup>lt;sup>27</sup> The Convention on Limitation of Liability for Maritime Claims (LLMC) of 1957 was approved by Portugal by the Decree-Law n.° 48 036, September 14, 1967 and implemented by Decree-Law n.° 49 028, May 26, 1969.

<sup>&</sup>lt;sup>28</sup> Article 6 of the LLMC Convention, as amended by the Protocol of 1996 (in force since May 13, 2014) and by the amendments to the Protocol (will entry into force on June 8, 2015).

- i) 3.02 million Units of Account for a ship with a tonnage not exceeding 2,000 tons,
- ii) For a ship with a tonnage in excess thereof, the following amount in addition to that mentioned in (i):
  - (1) For each ton from 2,001 to 30,000 tons, 1,208 Units of Account;
  - (2) For each ton from 30,001 to 70,000 tons, 906 Units of Account; and
  - (3) For each ton in excess of 70,000 tons, 604 Units of Account,
- b) In respect of any other claims,
  - i) 1.51 million Units of Account for a ship with a tonnage not exceeding 2,000 tons,
- ii) For a ship with a tonnage in excess thereof, the following amount in addition to that mentioned in (i):
  - (1) For each ton from 2,001 to 30,000 tons, 604 Units of Account;
  - (2) For each ton from 30,001 to 70,000 tons, 453 Units of Account; and
  - (3) For each ton in excess of 70,000 tons, 302 Units of Account.

#### 5. Exclusions

The liability of the shipowner related to the pollution damage caused by its bunker oil is strict but not absolute.<sup>29</sup> Therefore, the shipowner is strictly liable for pollution damage, unless he proves that:

- The damage resulted from an act of war, hostilities, insurrection or a natural phenomenon of an exceptional, inevitable and irresistible character; or
- The damage was caused by an act or omission done with intent to cause damage by a third party; or
- The damage was wholly caused by the negligence of any Government or other authority responsible for the maintenance of lights or other navigational aids in the exercise of that function.<sup>30</sup>

<sup>&</sup>lt;sup>29</sup> Martínez Gutiérrez, Norman A.; Limitation of Liability in International Maritime Conventions, p. 164.

<sup>&</sup>lt;sup>30</sup> Article 3 (3).

#### 6. Compulsory insurance or financial security

Although the question of compulsory insurance is not an innovation of this Convention, the compulsory insurance or financial security is one of the most controversial issues. Article 7 stipulates that the owners of the ships with a gross tonnage greater than 1,000 registered in a State which is a Party to the Convention, are required to maintain insurance or other financial security, such as the guarantee of a bank or similar financial institution, to cover their liability for pollution damage up to the limits of limitation of liability described above.<sup>31</sup>

Furthermore, a certificate attesting that insurance or other financial security is in force is issued to each ship after the appropriate authority of a State which is a Party to the Convention has determined that insurance or other financial security exists. This certificate must be carried on board the ship and a copy must be deposited with the authorities who keep the ship's registration.<sup>32</sup>

Finally, one of the most important issues related to compulsory insurance, that it is thought to facilitate the effective compensation of the victims, is the fact that any claim for compensation for pollution damage may be brought directly against the insurer or other person providing financial security for the registered owner's liability for pollution damage.<sup>33</sup>

#### 7. Time Bar

Rights to compensation under this Convention will lapse if no action is brought within three years from the date when the damage occurred. However, in no case may an action be brought more than six years from the date of the incident, which caused the damage.<sup>34</sup>

#### 8. Jurisdiction

Where an incident has caused pollution damage in the territory of one or more States which are Parties to the Convention, or preventive measures have been taken to prevent or minimize pollution damage in such territory, actions for compensation against the shipowner, insurer or

<sup>&</sup>lt;sup>31</sup> Article 7 (1).

<sup>&</sup>lt;sup>32</sup> Article 7 (2) and (5).

<sup>&</sup>lt;sup>33</sup> Article 7 (10).

<sup>&</sup>lt;sup>34</sup> Article 8.

other person providing security for the shipowner's liability, may be brought only in the courts of any such States Parties. The Convention defines the conditions under which a judgment given by a court in one State which is a Party to the Convention can be recognized or enforced in another.<sup>35</sup>

However, Judgments on matters covered by the Convention, when given by a court of another Member State of the European Union, with the exception of Denmark, shall be recognized and enforced in Portugal according to the relevant Community rules on the subject.<sup>36</sup>

#### 9. Recognition and Enforcement

Any judgment given by a Court with jurisdiction in accordance with Article 9 of the Bunkers Convention which is enforceable in the State of origin where is no longer subject to ordinary forms of review, shall be recognized in any State Party, except:

- a) Where the judgment was obtained by fraud; or
- b) Where the defendant was not given reasonable notice and a fair opportunity to present his or her case.<sup>37</sup>

Articles 9 and 10 of the Bunkers Convention affect Community secondary legislation on jurisdiction and the recognition and enforcement of judgments, as laid down in Council Regulation (EC) N.º 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters.

The Community therefore has sole competence in relation to Articles 9 and 10 of the Bunkers Convention inasmuch as those Articles affect the rules laid down in Regulation (EC) N.° 44/2001. While the Member States retain their competence for matters covered by that Convention which do not affect Community law.

The European Court of Justice has ruled that the Community alone is empowered to negotiate and conclude international commitments in fields over which it has exclusive

<sup>&</sup>lt;sup>35</sup> Article 9 (1) and (2).

<sup>&</sup>lt;sup>36</sup> The Council Decision 2002/762/EC of 19 September 2002 authorize the Member States, in the interest of the Community, to sign, ratify or accede to the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001.

<sup>&</sup>lt;sup>37</sup> Article 10 (1).

competence. However, the Bunkers Convention makes no provision for an international organization such as the European Community to become a Contracting Party to the Convention. Hence, it will therefore be up to the Member States, after the authorization given by the Community, to sign, ratify or accede to the Convention in the interest of the Community.<sup>38</sup>

Consequently, the Council of the European Union (EU), on 19 September 2002, adopted a Decision authorizing the Member States to sign, ratify or accede to the Bunkers Convention, subject to the conditions set out in the Decision and in accordance with that is recommendable the establishment of reservations in that matter.

#### 10. Responder Immunity

The Bunkers Convention does not have provisions dealing with responder immunity. Hence, the person that takes preventive measures in response to a bunker oil spill does not have any legal protection for eventual damages resulting of the activities.<sup>39</sup>

However, in order to fulfill the aims of the Bunkers Convention – prevent and minimize pollution damage – it is essential to encourage prompt and effective response to a shipping accident as stressed by the IMO Diplomatic Conference of 2001.<sup>40</sup>

In accordance with that, and because there is a great deal to gain and nothing to lose by affording salvors and other persons taking preventive measures the same degree of protection from liability that they enjoy under the 1992 CLC and the 1996 International Convention on Liability and Compensation for Damage in connection with the Carriage of Hazardous and Noxious Substances by Sea (hereinafter HNS Convention). Therefore, Portugal should provide the necessary measures to guarantee that this will be stated in the implementation of the Convent

<sup>&</sup>lt;sup>38</sup><u>http://europa.eu/legislation\_summaries/environment/water\_protection\_management/124090\_en.htm</u>, viewed on January 11, 2014.

<sup>&</sup>lt;sup>39</sup> Martínez Gutiérrez, Norman A.; *The Bunkers Convention 2001: Challenges for Its Implementation*, Paper presented ate the round-table "EU Maritime Policy and the (Northern) Adriatic", organized by the Maritime Law Association of Slovenia (MLAS), Portoroz, Slovenia, 20 May 2011, p. 5, (hereinafter "Martínez Gutiérrez, Norman A.; *The Bunkers Convention 2001: Challenges for Its Implementation"*).

<sup>&</sup>lt;sup>40</sup> See IMO Resolutions: LEG/CONF. 12/8, of 12 January 2001 and LEG/CONF. 12/10, 18 January 2001.

#### II. Accession to the Bunkers Convention by Portugal

#### 11. The importance of the Convention for Portugal

Portugal has one of the largest exclusive economic zones (hereinafter EEZ) in Europe, covering more than 1,700,000 Km<sup>2</sup>. This vast area of the ocean contains some of the world's most important marine ecosystems. The bio geographical and geomorphological characteristics of the zones under the Portuguese jurisdiction contain a wealth of marine biodiversity and confer to Portugal a unique natural heritage, which is important to value and preserve.

It is generally agreed that the risks resulting from ship accidents and marine pollution represents nowadays an enormous threat to coastal zones and its marine environment and biodiversity. In an attempt to guarantee an effective reparation and compensation for pollution damage resulting for oil, Portugal became a Party to the 1969 CLC and to the 1971 Fund convention. Portugal followed the adopted amendments to those Conventions and ratified the 1992 CLC, the 1992 Fund Convention and 2003 Fund Convention.

However, the CLC does not apply to all kinds of oil pollution from ships, it leaves away the compensation of persons who suffer damage caused by spills of oil carried as fuel in ships that are not oil tanker. Therefore, "completing the regime for pollution damage related claims, the Bunkers Convention is of utmost importance considering that nearly half of the total number of pollution claims result from bunker spills". <sup>42</sup> In the light of above, it is opportune for Portugal to accede to the International Convention on Civil Liability for Bunker Oil Pollution of 2001.

#### 12. Implementation

In its international relations Portugal shall be governed by the principles of national independence, respect for human rights, the rights of peoples, equality between states, the peaceful settlement of international conflicts, non-interference in the internal affairs of other

<sup>&</sup>lt;sup>41</sup> Portuguese Republic, National Ocean Strategy, viewed on January 21, 2014, in https://webgate.ec.europa.eu/maritimeforum/system/files/National Ocean Strategy Portugal en.pdf

<sup>&</sup>lt;sup>42</sup> Martínez Gutiérrez, Norman A.; Limitation of Liability in International Maritime Conventions, p. 158.

states and cooperation with all other peoples with a view to the emancipation and progress of mankind.<sup>43</sup>

The rules set out in duly ratified or passed international agreements shall come into force in Portuguese internal law once they have been officially published, and shall remain so for as long as they are internationally binding on the Portuguese state.<sup>44</sup>

Therefore, the Government, understanding that this is a matter that falls in the field of its competence, incorporate the Bunkers Convention in Portugal by the emission of a Decree.<sup>45</sup>

In addition, considering that, the regime established by the Bunkers Convention provides that:

- (i) Shipowners may limit their liability; and
- (ii) The owners of ships with a gross tonnage greater than 1,000 must be insured to cover their liabilities for bunker oil pollution;
- (iii) A certificate attesting that insurance or other financial security is in force in accordance with the provisions of the Convention shall be issued to each ship after the appropriate authority of a State Party; and
- (iv) Each State shall ensure that its courts have jurisdiction to entertain actions for compensation under the Convention;

In the light of the above, it is necessary set down some details in order to properly implement the Bunkers Convention in Portugal. This should be done by a Decree-Law, of the Minister of Public Work, Transport and Communications, which should be read together with the Decree mentioned above, which will define, among others:

a) The exception of liability for any person performing salvage operations with the consent of a shipowner or on the instructions of a competent public authority and for any person taking preventive measures.

<sup>&</sup>lt;sup>43</sup> Article 7 (1) of the Constitution of the Portuguese Republic (thereof CPR), Seventh Revision, 2005, viewed on January 22, in <a href="http://app.parlamento.pt/site">http://app.parlamento.pt/site</a> antigo/ingles/cons leg/Constitution VII revisao definitive.pdf

<sup>&</sup>lt;sup>44</sup> Article 8 (2) of the CPR.

<sup>&</sup>lt;sup>45</sup> Article 197 (2) of the CPR.

- b) The identification of the "Instituto Portuário e dos Transporte Marítimos, I.P (IPTM, I.P)" as the "appropriate authority of a State Party" to issue the insurance certificates.
- c) The requirements for prove of evidence of a valid insurance or other financial security, as well as the conditions of acceptance of the Blue Card, and the electronic Blue Card, issue by the P&I Clubs as a form of evidence of it.
- d) The Admiralty Court as the competent jurisdiction to entertain actions for compensation under the Bunkers Convention.

Chapter 2 – Decree of Accession	of Portugal to Bunkers Convention
	17

#### MINISTRY OF FOREIGN AFFAIR

#### Decree n. ° X/2014 12 May

The Council Decision 2002/762/EC of 19 September 2002 authorize the Member States, in the interest of the Community, to sign, ratify or accede to the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001 (the Bunkers Convention).

The Convention was adopted, on 23 March 2001, under the auspices of the International Maritime Organization (IMO), with the aim of ensuring adequate, prompt and effective compensation of persons who suffer damage caused by spills of oil carried as fuel in ships' bunkers.

Considering the particular importance of the Convention, regionally, given the interests of the Community and its Member States, because it improved victim protection under international rules on marine pollution liability, keeping with the 1982 United Nations Convention on the Law of the Sea.

Considering also the great extension of Portuguese maritime zones, open to international navigation, which covers the area of the autonomous regions of Madeira and Azores, that make it one of the EU wider sea areas and the improvement of the system of compensation for

pollution that the Convention is to establish, it is opportune their approval.

Like this:

Pursuant to subparagraph c) of paragraph 1 of Article 197 of the Portuguese Constitution, the Government decrees the following:

### Article 1 Object

It is approved, for accession, the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001 (the Bunkers Convention), made in London, which authentic version of the text in English and its translation to Portuguese, it is published in the Annex.

### Article 2 Reservation

At this convention, Portugal makes the following reservation:

Judgments on matters covered by the Convention, when given by a court of another Member State of the European Union, with the exception of Denmark, shall be recognized and enforced in Portugal according to the relevant Community rules on the subject.

#### Article 3

#### Regulations

The procedural rules necessary to implement the provisions of the Convention, shall be established by Decree-Law of the Ministry of Public Works, Transport and Communications.

#### **Article 4**

#### **Entry Into Force**

This law applies to the whole territory of Portugal and will entry into force in Continental Portugal, five days after publication in the Official Gazette, and in Azores and Madeira 15 days after that publication, in accordance with the provisions of Article 2 of the Law n.º 6/83 of 29/07.

## INTERNATIONAL CONVENTION ON CIVIL LIABILITY FOR BUNKER OIL POLLUTION DAMAGE, 2001

The States Parties to this Convention,

RECALLING article 194 of the United Nations Convention on the Law of the Sea, 1982, which provides that States shall take all measures necessary to prevent, reduce and control pollution of the marine environment,

RECALLING ALSO article 235 of that Convention, which provides that, with the objective of assuring prompt and adequate compensation in respect of all damage caused by pollution of the marine environment, States shall co-operate in the further development of relevant rules of international law,

NOTING the success of the International Convention on Civil Liability for Oil Pollution Damage, 1992 and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1992 in ensuring that compensation is available to persons who suffer damage caused by

pollution resulting from the escape or discharge of oil carried in bulk at sea by ships,

NOTING ALSO the adoption of the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea, 1996 in order to provide adequate, prompt and effective compensation for damage caused by incidents in connection with the carriage by sea of hazardous and noxious substances,

RECOGNIZING the importance of establishing strict liability for all forms of oil pollution which is linked to an appropriate limitation of the level of that liability,

CONSIDERING that complementary measures are necessary to ensure the payment of adequate, prompt and effective compensation for damage caused by pollution resulting from the escape or discharge of bunker oil from ships,

DESIRING to adopt uniform international rules and procedures for determining questions of liability and providing adequate compensation in such cases,

HAVE AGREED as follows:

#### Article 1

#### **Definitions**

For the purposes of this Convention:

- 1. "Ship" means any seagoing vessel and seaborne craft, of any type whatsoever.
- 2. "Person" means any individual or partnership or any public or private body, whether corporate or not, including a State or any of its constituent subdivisions.

- 3. "Shipowner" means the owner, including the registered owner, bareboat charterer, manager and operator of the ship.
- 4. "Registered owner" means the person or persons registered as the owner of the ship or, in the absence of registration, the person or persons owning the ship. However, in the case of a ship owned by a State and operated by a company which in that State is registered as the ship's operator, "registered owner" shall mean such company.
- 5. "Bunker oil" means any hydrocarbon mineral oil, including lubricating oil, used or intended to be used for the operation or propulsion of the ship, and any residues of such oil.
- "Civil Liability Convention" means the International Convention on Civil Liability for Oil Pollution Damage, 1992, as amended.
- 7. "Preventive measures" means any reasonable measures taken by any person after an incident has occurred to prevent or minimize pollution damage.
- 8. "Incident" means any occurrence or series of occurrences having the same origin, which causes pollution damage or creates a grave and imminent threat of causing such damage.
  - 9. "Pollution damage" means:
- (a) loss or damage caused outside the ship by contamination resulting from the escape or discharge of bunker oil from the ship, wherever such escape or discharge may occur, provided that compensation for impairment of the environment other than loss of profit from such

- impairment shall be limited to costs of reasonable measures of reinstatement actually undertaken or to be undertaken; and
- (b) the costs of preventive measures and further loss or damage caused by preventive measures.
- 10. "State of the ship's registry" means, in relation to a registered ship, the State of registration of the ship and, in relation to an unregistered ship, the State whose flag the ship is entitled to fly.
- 11. "Gross tonnage" means gross tonnage calculated in accordance with the tonnage measurement regulations contained in Annex 1 of the International Convention on Tonnage Measurement of Ships, 1969.
- 12. "Organization" means the International Maritime Organization.
- 13. "Secretary-General" means the Secretary-General of the Organization.

#### Article 2

#### Scope of application

This Convention shall apply exclusively:

- (a) to pollution damage caused:
- (i) in the territory, including the territorial sea, of a State Party, and
- (ii) in the exclusive economic zone of a State Party, established in accordance with international law, or, if a State Party has not established such a zone, in an area beyond and adjacent to the territorial sea of that State determined by that State in accordance with international law and extending not more than 200 nautical miles from the baselines from

which the breadth of its territorial sea is measured;

(b) to preventive measures, wherever taken, to prevent or minimize such damage.

#### Article 3

#### Liability of the shipowner

- 1. Except as provided in paragraphs 3 and 4, the shipowner at the time of an incident shall be liable for pollution damage caused by any bunker oil on board or originating from the ship, provided that, if an incident consists of a series of occurrences having the same origin, the liability shall attach to the shipowner at the time of the first of such occurrences.
- 2. Where more than one person is liable in accordance with paragraph 1, their liability shall be joint and several.
- 3. No liability for pollution damage shall attach to the shipowner if the shipowner proves that:
- (a) the damage resulted from an act of war, hostilities, civil war, insurrection or a natural phenomenon of an exceptional, inevitable and irresistible character; or
- (b) the damage was wholly caused by an act or omission done with the intent to cause damage by a third party; or
- (c) the damage was wholly caused by the negligence or other wrongful act of any Government or other authority responsible for the maintenance of lights or other navigational aids in the exercise of that function.
- 4. If the shipowner proves that the pollution damage resulted wholly or partially either from

an act or omission done with intent to cause damage by the person who suffered the damage or from the negligence of that person, the shipowner may be exonerated wholly or partially from liability to such person.

- 5. No claim for compensation for pollution damage shall be made against the shipowner otherwise than in accordance with this Convention.
- 6. Nothing in this Convention shall prejudice any right of recourse of the shipowner which exists independently of this Convention.

#### **Article 4**

#### **Exclusions**

- 1. This Convention shall not apply to pollution damage as defined in the Civil Liability Convention, whether or not compensation is payable in respect of it under that Convention.
- 2. Except as provided in paragraph 3, the provisions of this Convention shall not apply to warships, naval auxiliary or other ships owned or operated by a State and used, for the time being, only on Government non-commercial service.
- 3. A State Party may decide to apply this Convention to its warships or other ships described in paragraph 2, in which case it shall notify the Secretary-General thereof specifying the terms and conditions of such application.
- 4. With respect to ships owned by a State Party and used for commercial purposes, each State shall be subject to suit in the jurisdictions

set forth in article 9 and shall waive all defences based on its status as a sovereign State.

#### Article 5

#### **Incidents involving two or more ships**

When an incident involving two or more ships occurs and pollution damage results therefrom, the shipowners of all the ships concerned, unless exonerated under article 3, shall be jointly and severally liable for all such damage which is not reasonably separable.

#### Article 6

#### Limitation of liability

Nothing in this Convention shall affect the right of the shipowner and the person or persons providing insurance or other financial security to limit liability under any applicable national or international regime, such as the Convention on Limitation of Liability for Maritime Claims, 1976, as amended.

#### Article 7

#### Compulsory insurance or financial security

1. The registered owner of a ship having a gross tonnage greater than 1000 registered in a State Party shall be required 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 in an amount equal to the limits of liability under the applicable national or international limitation regime, but in all cases, not exceeding an amount calculated in accordance with the Convention on Limitation of Liability for Maritime Claims, 1976, as amended.

- 2. A certificate attesting that insurance or other financial security is in force in accordance with the provisions of this Convention shall be issued to each ship after the appropriate authority of a State Party has determined that the requirements of paragraph 1 have been complied with. With respect to a ship registered in a State Party such certificate shall be issued or certified by the appropriate authority of the State of the ship's registry; with respect to a ship not registered in a State Party it may be issued or certified by the appropriate authority of any State Party. This certificate shall be in the form of the model set out in the annex to this Convention and shall contain the following particulars:
- (a) name of ship, distinctive number or letters and port of registry;
- (b) name and principal place of business of the registered owner;
  - (c) IMO ship identification number;
  - (d) type and duration of security;
- (e) name and principal place of business of insurer or other person giving security and, where appropriate, place of business where the insurance or security is established;
- (f) period of validity of the certificate which shall not be longer than the period of validity of the insurance or other security.
- (a) A State Party may authorize either an institution or an organization recognized by it to issue the certificate referred to in paragraph 2.
   Such institution or organization shall inform that State of the issue of each certificate. In all cases,

the State Party shall fully guarantee the completeness and accuracy of the certificate so issued and shall undertake to ensure the necessary arrangements to satisfy this obligation.

- (b) A State Party shall notify the Secretary-General of :
- (i) the specific responsibilities and conditions of the authority delegated to an institution or organization recognised by it;
- (ii) the withdrawal of such authority; and(iii) the date from which such authority or withdrawal of such authority takes effect.

An authority delegated shall not take effect prior to three months from the date on which notification to that effect was given to the Secretary-General.

- (c) The institution or organization authorized to issue certificates in accordance with this paragraph shall, as a minimum, be authorized to withdraw these certificates if the conditions under which they have been issued are not maintained. In all cases the institution or organization shall report such withdrawal to the State on whose behalf the certificate was issued.
- 4. The certificate shall be in the official language or languages of the issuing State. If the language used is not English, French or Spanish, the text shall include a translation into one of these languages and, where the State so decides, the official language of the State may be omitted.
- 5. The certificate shall be carried on board the ship and a copy shall be deposited with the

authorities who keep the record of the ship's registry or, if the ship is not registered in a State Party, with the authorities issuing or certifying the certificate.

- 6. An insurance or other financial security shall not satisfy the requirements of this article if it can cease, for reasons other than the expiry of the period of validity of the insurance or security specified in the certificate under paragraph 2 of this article, before three months have elapsed from the date on which notice of its termination is given to the authorities referred to in paragraph 5 of this article, unless the certificate has been surrendered to these authorities or a new certificate has been issued within the said period. The foregoing provisions shall similarly apply to any modification which results in the insurance or security no longer satisfying the requirements of this article.
- 7. The State of the ship's registry shall, subject to the provisions of this article, determine the conditions of issue and validity of the certificate.
- 8. Nothing in this Convention shall be construed as preventing a State Party from relying on information obtained from other States or the Organization or other international organisations relating to the financial standing of providers of insurance or financial security for the purposes of this Convention. In such cases, the State Party relying on such information is not relieved of its responsibility as a State issuing the certificate required by paragraph 2.

9. Certificates issued or certified under the authority of a State Party shall be accepted by other States Parties for the purposes of this Convention and shall be regarded by other States Parties as having the same force as certificates issued or certified by them even if issued or certified in respect of a ship not registered in a State Party. A State Party may at any time request consultation with the issuing or certifying State should it believe that the insurer or guarantor named in the insurance certificate is not financially capable of meeting the obligations imposed by this Convention.

10. Any claim for compensation for pollution damage may be brought directly against the insurer or other person providing financial security for the registered owner's liability for pollution damage. In such a case the defendant may invoke the defences (other than bankruptcy or winding up of the shipowner) which the shipowner would have been entitled to invoke, including limitation pursuant to article 6.

Furthermore, even if the shipowner is not entitled to limitation of liability according to article 6, the defendant may limit liability to an amount equal to the amount of the insurance or other financial security required to be maintained in accordance with paragraph 1. Moreover, the defendant may invoke the defence that the pollution damage resulted from the wilful misconduct of the shipowner, but the defendant shall not invoke any other defence which the defendant might have been entitled to invoke in proceedings brought by the shipowner

against the defendant. The defendant shall in any event have the right to require the shipowner to be joined in the proceedings.

- 11. A State Party shall not permit a ship under its flag to which this article applies to operate at any time, unless a certificate has been issued under paragraphs 2 or 14.
- 12. Subject to the provisions of this article, each State Party shall ensure, under its national law, that insurance or other security, to the extent specified in paragraph 1, is in force in respect of any ship having a gross tonnage greater than 1000, wherever registered, entering or leaving a port in its territory, or arriving at o or leaving an offshore facility in its territorial sea.
- 13. Notwithstanding the provisions of paragraph 5, a State Party may notify the Secretary-General that, for the purposes of paragraph 12, ships are not required to carry on board or to produce the certificate required by paragraph 2, when entering or leaving ports or arriving at or leaving from offshore facilities in its territory, provided that the State Party which issues the certificate required by paragraph 2 has notified the Secretary-General that it maintains records in an electronic format, accessible to all States Parties, attesting the existence of the certificate and enabling States Parties to discharge their obligations under paragraph 12.
- 14. If insurance or other financial security is not maintained in respect of a ship owned by a State Party, the provisions of this article relating thereto shall not be applicable to such ship, but

the ship shall carry a certificate issued by the appropriate authority of the State of the ship's registry stating that the ship is owned by that State and that the ship's liability is covered within the limit prescribed in accordance with paragraph 1. Such a certificate shall follow as closely as possible the model prescribed by paragraph 2.

15. A State may, at the time of ratification, acceptance, approval of, or accession to this Convention, or at any time thereafter, declare that this article does not apply to ships operating exclusively within the area of that State referred to in article 2(a)(i).

#### Article 8

#### **Time limits**

Rights to compensation under this Convention shall be extinguished unless an action is brought thereunder within three years from the date when the damage occurred. However, in no case shall an action be brought more than six years from the date of the incident which caused the damage. Where the incident consists of a series of occurrences, the six-years' period shall run from the date of the first such occurrence.

#### Article 9

#### Jurisdiction

1. Where an incident has caused pollution damage in the territory, including the territorial sea, or in an area referred to in article 2(a)(ii) of one or more States Parties, or preventive measures have been taken to prevent or minimise pollution damage in such territory, including the territorial sea, or in such area,

actions for compensation against the shipowner, insurer or other person providing security for the shipowner's liability may be brought only in the courts of any such States Parties.

- 2. Reasonable notice of any action taken under paragraph 1 shall be given to each defendant.
- 3. Each State Party shall ensure that its courts have jurisdiction to entertain actions for compensation under this Convention.

#### Article 10

#### Recognition and enforcement

- 1. Any judgement given by a Court with jurisdiction in accordance with article 9 which is enforceable in the State of origin where it is no longer subject to ordinary forms of review, shall be recognised in any State Party, except:
- (a) where the judgement was obtained by fraud; or
- (b) where the defendant was not given reasonable notice and a fair opportunity to present his or her case.
- 2. A judgement recognised under paragraph 1 shall be enforceable in each State Party as soon as the formalities required in that State have been complied with. The formalities shall not permit the merits of the case to be re-opened.

#### Article 11

#### **Supersession Clause**

This Convention shall supersede any Convention in force or open for signature, ratification or accession at the date on which this Convention is opened for signature, but only to the extent that such Convention would be in

conflict with it; however, nothing in this article shall affect the obligations of States Parties to States not party to this Convention arising under such Convention.

#### Article 12

### Signature, ratification, acceptance, approval and accession

- 1. This Convention shall be open for signature at the Headquarters of the Organization from 1 October 2001 until 30 September 2002 and shall thereafter remain open for accession.
- 2. States may express their consent to be bound by this Convention by:
- (a) signature without reservation as to ratification, acceptance or approval;
- (b) signature subject to ratification, acceptance or approval followed by ratification, acceptance or approval; or
  - (c) accession.
- 3. Ratification, acceptance, approval or accession shall be effected by the deposit of an instrument to that effect with the Secretary-General.
- 4. Any instrument of ratification, acceptance, approval or accession deposited after the entry into force of an amendment to this Convention with respect to all existing State Parties, or after the completion of all measures required for the entry into force of the amendment with respect to those State Parties shall be deemed to apply to this Convention as modified by the amendment.

#### Article 13

#### States with more than one system of law

- 1. If a State has two or more territorial units in which different systems of law are applicable in relation to matters dealt with in this Convention, it may at the time of signature, ratification, acceptance, approval or accession declare that this Convention shall extend to all its territorial units or only to one or more of them and may modify this declaration by submitting another declaration at any time.
- 2. Any such declaration shall be notified to the Secretary-General and shall state expressly the territorial units to which this Convention applies.
- 3. In relation to a State Party which has made such a declaration:
- (a) in the definition of "registered owner" in article 1(4), references to a State shall be construed as references to such a territorial unit;
- (b) references to the State of a ship's registry and, in relation to a compulsory insurance certificate, to the issuing or certifying State, shall be construed as referring to the territorial unit respectively in which the ship is registered and which issues or certifies the certificate;
- (c) references in this Convention to the requirements of national law shall be construed as references to the requirements of the law of the relevant territorial unit; and
- (d) references in articles 9 and 10 to courts, and to judgements which must be recognized in States Parties, shall be construed as references respectively to courts of, and to judgements

which must be recognized in, the relevant territorial unit.

#### Article 14

#### **Entry into Force**

- 1. This Convention shall enter into force one year following the date on which eighteen States, including five States each with ships whose combined gross tonnage is not less than 1 million, have either signed it without reservation as to ratification, acceptance or approval or have deposited instruments of ratification, acceptance, approval or accession with the Secretary-General.
- 2. For any State which ratifies, accepts, approves or accedes to it after the conditions in paragraph 1 for entry into force have been met, this Convention shall enter into force three months after the date of deposit by such State of the appropriate instrument.

#### Article 15

#### **Denunciation**

- 1. This Convention may be denounced by any State Party at any time after the date on which this Convention comes into force for that State.
- 2. Denunciation shall be effected by the deposit of an instrument with the Secretary-General.
- 3. A denunciation shall take effect one year, or such longer period as may be specified in the instrument of denunciation, after its deposit with the Secretary-General.

#### Article 16

#### **Revision or amendment**

- 1. A conference for the purpose of revising or amending this Convention may be convened by the Organization.
- 2. The Organization shall convene a conference of the States Parties for revising or amending this Convention at the request of not less than one-third of the States Parties.

#### Article 17

#### **Depositary**

- 1. This Convention shall be deposited with the Secretary-General.
  - 2. The Secretary-General shall:
- (a) inform all States which have signed or acceded to this Convention of:
- (i) each new signature or deposit of instrument together with the date thereof;
- (ii) the date of entry into force of this Convention;
- (iii) the deposit of any instrument of denunciation of this Convention together with the date of the deposit and the date on which the denunciation takes effect; and
- (iv) other declarations and notifications made under this Convention.
- (b) transmit certified true copies of this Convention to all Signatory States and to all States which accede to this Convention.

#### Article 18

#### **Transmission to United Nations**

As soon as this Convention comes into force, the text shall be transmitted by the Secretary-General to the Secretariat of the

United Nations for registration and publication in accordance with Article 102 of the Charter of the United Nations.

#### Article 19

#### Languages

This Convention is established in a single original in the Arabic, Chinese, English, French, Russian and Spanish languages, each text being equally authentic.

#### **ANNEX**

### CERTIFICATE OF INSURANCE OR OTHER FINANCIAL SECURITY IN RESPECT OF CIVIL LIABILITY FOR BUNKER OIL POLLUTION DAMAGE

Issued in accordance with the provisions of article 7 of the

International	Distinctive	IMO Ship	Port of Registry	Name and full
Convention on	Number or	Identification		address of the
Civil Liability	letters	Number		principal place
for Bunker Oil				of business of
Pollution				the registered
Damage, 2001				owner.
Name of Ship				

This is to certify that there is in force in respect of the above-named ship a policy of insurance or other financial security satisfying the requirements of article 7 of the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001.

Type of Security	
Duration of Security	
Name and address of the insurer(s)and/o	r guarantor(s)
Name	
Address	
This certificate is valid until	
Issued or certified by the Government of	f
(Full designation of the State) OR	
The following text should be used when a	a State Party avails itself of article 7(3)
The present certificate is issued under the	ne authority of the Government of(full designation of the
State) by(name of institution	or organization)
At	On
(Place)	(Date)
(Signature and T	Γitle of issuing or certifying official)

#### **Explanatory Notes:**

- 1. If desired, the designation of the State may include a reference to the competent public authority of the country where the Certificate is issued.
- 2. If the total amount of security has been furnished by more than one source, the amount of each of them should be indicated.
  - 3. If security is furnished in several forms, these should be enumerated.
  - 4. The entry "Duration of Security" must stipulate the date on which such security takes effect.
- 5. The entry "Address" of the insurer(s) and/or guarantor(s) must indicate the principal place of business of the insurer(s) and/or guarantor(s). If appropriate, the place of business where the insurance or other security is established shall be indicated

Chapter 3 – Decree-Law to Incorporate The Bunkers Convention
Into The Laws Of Portugal

#### $N.^{\circ} X - 12 May of 2014$

# MINISTRY OF PUBLIC WORKS, TRANSPORT AND COMMUNICATIONS Decree-Law n. ° X/2014 12 May

The Decree n.º X/2014, of 10 of March 2014, approve the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001 (Bunkers Convention). The Convention establishes a liability and compensation regime to apply in cases of pollution damage following the escape or discharge of bunker oil from a ship that is not an oil tanker.

The regime established by the Bunker Oil Convention provides that: (i) shipowners are strictly liable for pollution damage resulting from the discharge or escape of bunker oil from their ships; (ii) shipowners may limit their liability; and (iii) the owners of ships with a gross tonnage greater than 1,000 must be insured to cover their liabilities for bunker oil pollution. It is necessary prescribe certain details in order to properly implement the Bunkers Convention in Portugal.

#### Like this:

Pursuant to subparagraph a) of paragraph 1 of Article 198 of the Portuguese Constitution, the Government decrees the following:

## Part I – General Provisions Article 1 Object

This Decree-Law aims to regulate the Bunkers Convention in force in national law since the Decree. ° X/2014 of 10 of March 2014.

#### Article 2

#### **Definitions**

- 1) In these regulations, unless the context otherwise requires:
- a) "Bunkers Convention" means the International Convention on Civil Liability for Bunker Oil Pollution Damage signed in London on 23rd March, 2001, including any amendment or Protocol related thereto as may from time to time be ratified, acceded to or accepted by the Government of Portugal and other instruments, standards and specifications of a mandatory nature related thereto adopted or developed by the International Maritime Organization (IMO);
- b) "Competent Authority" means the "Instituto Portuário e dos Transporte Marítimos, I.P (IPTM, I.P)" and includes any person acting under its authority;
- c) "Blue Card" means a Certificate furnished as Evidence of Insurance or other financial security pursuant to Article 7 of the Convention;
- d) "Unit of Account" means the Special Drawing Right as defined by the International

Monetary Fund. The amounts mentioned shall be converted into national currency on the basis of the value of it by reference to the SDR on the date of the constitution of the fund for of limitation of liability. The value of the national currency, in terms of the SDR, of a Contracting State which is a member of the International Monetary Fund shall be calculated in accordance with the method of valuation applied by the International Monetary Fund in effect on the date in question for its operations and transactions. The value of the national currency, in terms of the SDR, of a Contracting State which is not a member of the International Monetary Fund shall be calculated in a manner determined by that State.

### Part II – Potential Liability Article 3

#### **Responder Immunity**

- 1) In addition to Article 3 of the Bunkers Convention, and subject to paragraph 6 of the same Article, no claim for compensation for pollution damage under this convention or otherwise may be made against:
- a) The servants or agents of the owner or the members of the crew;
- b) The pilot or any other person who, without being a member of the crew, performs services for the ship;
- c) Any person performing salvage operations with the consent of a owner or on the instructions of a competent public authority; and
- d) the servants or agents of persons mentioned in c).

2) The previous number is not applicable if the damage resulted from their personal act or omission, committed with the intent to cause such damage, or recklessly and with knowledge that such damage would probably result.

#### Article 4

#### **Limitation of Liability**

In accordance with Article 6 of Bunkers Convention, the applicable limitation of liability regime applicable shall be the international regime to which Portugal is a State Party at the time of the incident.

#### Article 5

#### **Conduct barring limitation**

1) A person liable shall not be entitled to limit his liability if it is proved that the loss resulted from his personal act or omission, committed with the intent to cause such loss, or recklessly and with knowledge that such loss would probably result.

## Part III – Compulsory Insurance or Financial Security Article 6

Competent Authority

1) The appropriate authority for the purposes of issuing the certificate attesting that insurance or other financial security is in force, as referred to in Article 7, paragraph 2 of the Bunkers Convention, in respect of ships registered in Portugal shall be the "Instituto Portuário e dos Transporte Marítimos, I.P" (IPTM, I.P) who shall for the purposes of Article 7, paragraph 7 of that Convention and subject to

the provisions of the same Convention and of these regulations determine the conditions of issue and validity of such certificate.

2) In respect of ships registered in a State not Party to the Bunkers Convention shall be the said "Instituto Portuário e dos Transporte Marítimos, I.P (IPTM, I.P)" who shall have such powers as aforesaid.

#### Article 7

#### **Insurance Certificate**

- 1) The certificate attesting that insurance or other financial security in force in accordance with Article 7 of the Bunkers Convention, paragraph 2, shall be issued by the Competent Authority defined in Article 6 of this regulation in Portuguese and in English, in accord with the as Anexx I.
- 2) The certificate can be issued against the provision of a Blue Card issued by a P&I Club. The presentation of a Blue Card will be treated as evidence of insurance by the Competent Authority and no further evidence is required to be provided.
- 3) To comply with the Bunkers Convention requirements the Blue Card will need to state the name of the ship; the distinctive number or letters; the port of registry; the name and principal place of business of the registered owner; the IMO ship identification number; the type and duration of security; name and principal place of business of insurer or other person giving security and, where appropriate, place of business where the insurance or security

is established; period of validity of the insurance or other security.

- 4) The Blue Card issued in electronic format by a P&I Club is considered acceptable if it is provided a means for verification on the website of the P&I Club. This does not prevent the Competent Authority from requiring further documentation in case of doubt.
- 5) For other insurance providers or other providers of financial security in general, evidence of the elements referred in paragraph 3 of this Article is required to be provided. The Competent Authority can require further information and evidence.
- 6) The certificate will have the same validity date of the insurance or other financial security evidence provided.

#### Part IV - Enforcement

#### **Article 8**

#### Jurisdiction

- 1) Subject to the provisions of Article 9 of the Bunkers Convention, the Admiralty Court, in accordance with the Article 4, paragraph a), of the Law n.º 35/86, of September 4, shall have jurisdiction to try and determine cases and actions that, in accordance with these regulations, are to be brought before it.
- 2) Judgments of foreign courts having jurisdiction under Article 9 of the Bunkers Convention and adjudicating compensation for bunker oil pollution damage are recognized and declared enforceable in Portugal, unless:
- a) The judgment was fraudulently obtained;

- b) The defendant was not given reasonable notice and a fair opportunity to present his case.
- 3) Judgments on matters covered by the Convention, when given by a court of another Member State of the European Union, with the exception of Denmark, shall be recognized and enforced in Portugal according to the relevant Community rules on the subject.

#### Article 9

#### **Entry Into Force**

This law applies to the whole territory of Portugal and will entry into force in Continental Portugal, five days after publication in the Official Gazette, and in Azores and Madeira 15 days after that publication, in accordance with the provisions of Article 2 of the Law n.º 6/83 of 29/07.

#### Annex I



## CERTIFICADO DE SEGURO OU OUTRA GARANTIA FNANCEIRA RELATIVA À RESPONSABILIDADE CIVIL PELOS PREJUÍZOS DEVIDOS À POLUIÇÃO POR HIDROCARBONETOS CONTIDOS EM TANQUES DE COMBUSTÍVEL

[CERTIFICATE OF INSURANCE OR OTHER FINANCIAL SECURITY IN RESPECT OF CIVIL LIABILITY FOR BUNKER OIL POLLUTION DAMAGE]

Emitido de acordo com a previsão do artigo 7 da

[Issued in accordance with the provisions of article 7 of the]

Portuguese	Convenção	Número	Número de	Porto de	
	Internacional sobre a Responsabilidade Civil pelos Prejízos devidos à Poluição por Hidrocarbonetos contidos em Tanques de Combustível	distintivo ou letras	Identificação do Navio atribuído pela IMO	Registo	
English	International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001 Name of Ship	Distinctive Number or letters	IMO Ship Identification Number	Port of Registry	Name and full address of the principal place of business of the registered owner



Certifica-se, pelo presente documento, de que está em vigor no que diz respeito ao navio acima nominado uma apólice de seguro ou outra garantia financeira que satisfaz os requisitos do artigo 7 º da Convenção Internacional sobre a Responsabilidade Civil por Prejuízos devidos à Poluição por Hidrocarbonetos contids em Tanques de Combustível, de 2001.

[This is to certify that there is in force in respect of the above-named ship a policy of insurance or other financial security satisfying the requirements of article 7 of the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001]

Tipo do seguro	ou outra garantia finai	nceira [ <i>Type of Securi</i>	ty]:	
Duração do seg	uro ou outra garantia i	financeira [Duration o	f Security]:	
			financeiro [Name and	of the
Nome [Name]:				
Endereço [Addı	ress]:			
Este certificado	é válido até [ <i>This cer</i>	tificate is valid until]:		
		do pelo Governo de Po ed by the Government	•	
-	(Fu	Republic of Portuga all designation of the S		
Em [At]		A [On]		
	(Place)		(Date)	

Director do Instituto Portuário e dos Transportes Marítimos, I.P (Signature and Title of issuing or certifying official)

#### Bibliography<sup>46</sup>

Brans, Edward H.P.; Liability for Damage to Public Natural Resources: Standing, Damage and Damage Assessment, International Environmental Law and Policy Series, Vol. 61, Kluwer Law International, Netherlands, 2001.

Faure, Michael and Ying, Song; China and International Environmental Liability: Legal Remedies for Transboundary Pollution, New Horizons in Environmental Law, Edward Elgar Publishing Limited, UK, 2008.

Martínez Gutiérrez, Norman A.; Limitation of Liability in International Maritime Conventions, The relationship between global limitation conventions and particular liability regimes, IMLI Studies in International Maritime Law, Routledge, Oxon, 2011.

Martínez Gutiérrez, Norman A.; *The Bunkers Convention 2001: Challenges for Its Implementation*, Paper presented ate the round-table "EU Maritime Policy and the (Northern) Adriatic", organized by the Maritime Law Association of Slovenia (MLAS), Portoroz, Slovenia, 20 May 2011.

United Nations; Liability and Compensation for Ship-source Oil Pollution, United Nations Conference on Trade and Development, Studies in Transport Law and Policy n.º 1, United Nations, New York and Genova, 2012, available in <a href="http://unctad.org/en/PublicationsLibrary/dtltlb20114\_en.pdf">http://unctad.org/en/PublicationsLibrary/dtltlb20114\_en.pdf</a>, viewed on January 12, 2014, p. 33.

Zhu, Ling; Compulsory Insurance and Compensation for Bunker Oil Pollution Damage, Hamburg Studies on Maritime Affairs 5, Springer, Germany, 2007.

<sup>&</sup>lt;sup>46</sup> All web references correct as at May 12, 2014.