ADDENDUM TO "I/A" ITEM NOTE

from: General Secretariat of the Council
to: COREPER/COUNCIL
Subject: Maritime Safety:
– Adoption of
(a) the common position
(b) the statement of the Council's reasons
– Statement

STATEMENT BY THE MEMBER STATES
ON MARITIME SAFETY

THE MEMBER STATES TAKE THE FIRM COMMITMENT:

1. To further improve the quality and the performance of their maritime administrations, with the objective that all Member States flags be listed on the White List of the Paris Memorandum of Understanding on Port State Control by 2012 at the latest;
2. To act within the International Maritime Organisation (IMO) with the aim of achieving, as early as possible, an agreement on a widely acceptable international framework regulating the liability and compensation for damage in connection with the carriage of hazardous and noxious substances by sea;

3. To express, no later than 1 January 2012, their consent to be bound by the following international conventions:

   – the conventions listed in Part 1, point 6, of the Code for the implementation of mandatory IMO instruments, together with the protocols and amendments thereto, as well as all instruments made mandatory under these Conventions, in their version at the date of adoption of this statement;

   – the International Convention on Civil Liability for Oil Pollution Damage, 1992;

   – the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1992;

   – the Protocol of 1996 to the Convention on Limitation of Civil Liability for Maritime Claims, 1976 and, if applicable, to denounce the underlying Convention;

   – the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001;

4. To express, no later than 1 January 2013, their consent to be bound by the Nairobi International Convention on the Removal of Wrecks, 2007, or, in the case of landlocked Member States, take the necessary measures to ensure that ships flying their flag are holding a certificate issued by a party to the Convention;

5. To express their willingness to apply Parts 1 and 2 of the Code for the implementation of mandatory IMO instruments, of 2007, adopted by the IMO through Assembly Resolution A.996(25), and to have their Administration audited by the IMO;

6. To act in accordance with the relevant provisions of the Annex and the Appendix to IMO Resolution A.996(25) concerning the implementation of IMO instruments by flag States in order to ensure that their competent administrations are able to enforce appropriately the provisions of the international conventions;

7. To take all appropriate measures within the Community context and in cooperation with other IMO members within the IMO in order to render Parts 1 and 2 of the Code for the implementation of mandatory IMO instruments as well as the IMO Member State Audit Scheme mandatory at a global level, with the aim of minimising the disparities that exist in the extent to which States comply with their international flag State obligations and thus:

   • helping to enhance the safety, security and protection of the marine environment;

   • safeguarding the international level playing field in shipping which is of crucial importance to the viability of EU shipping;

8. This statement does not affect the competence of Member States to act and to undertake international obligations in this area in accordance with their constitutional requirements.
COUNCIL OF THE EUROPEAN UNION

Brussels, 19 November 2008 (20.11) (OR. fr)

15859/08

Interinstitutional File:
2005/0236 (COD)

CODEC 1565
MAR 212
ENV 837

"I/A" ITEM NOTE

from: General Secretariat of the Council
to: COREPER/COUNCIL

- Adoption of
  (a) a common position
  (b) a statement of the Council's reasons

1. On 24 February 2006 the Commission sent the Council the above proposal, based on Article 80(2) of the EC Treaty.

2. The European Economic and Social Committee delivered its opinion on 13 September 2006.

   The Committee of the Regions delivered its opinion on 15 June 2006.


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1 6843/06 MAR 23 ENV 131 CODEC 201.
4 7805/07 CODEC 277 MAR 20 ENV 171.
4. At its 2895th meeting, on 9 and 10 October 2008, the Council (Transport, Telecommunications and Energy) reached political agreement on a common position on the above Directive.

5. The Permanent Representatives Committee is asked to advise the Council to:

   - adopt the common position in 14288/08 and the statement of reasons in 14288/08 ADD 1 as an "A" item at a forthcoming meeting;

   - have the statement in the addendum hereto entered in the minutes of that meeting.
COUNCIL OF
THE EUROPEAN UNION

Brussels, 11 December 2008

17154/08

Interinstitutional File:
2005/0242 (COD)

17154/08

MAR 255
ENV 997
CODEC 1812

COVER NOTE
from: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt: 10 December 2008
to: Mr Javier SOLANA, Secretary-General/High Representative
Subject: Communication from the Commission to the European Parliament pursuant to
the second subparagraph of Article 251(2) of the EC Treaty concerning the
common position of the Council on the adoption of a Directive on the civil
liability and financial guarantees of shipowners


Encl.: COM(2008) 846 final
COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT

pursuant to the second subparagraph of Article 251(2) of the EC Treaty

concerning the

common position of the Council on the adoption of a Directive on the civil liability and financial guarantees of shipowners

(Text with EEA relevance)
2005/0242 (COD)

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT

pursuant to the second subparagraph of Article 251(2) of the EC Treaty

concerning the

common position of the Council on the adoption of a Directive on the civil liability and financial guarantees of shipowners

(Text with EEA relevance)

1. BACKGROUND

Date on which the proposal was sent to the European Parliament and to the Council (document COM(2005) 593 final – 2005/0242 COD):

Date of the proposal: 30.1.2006

Date of the opinion of the Committee of the Regions: 15.6.2006

Date of the opinion of the European Economic and Social Committee:

Date of the opinion of the European Parliament at first reading: 29.3.2007

Date of transmission of the amended proposal:

Date of adoption of the common position:

2. PURPOSE OF THE COMMISSION'S PROPOSAL

The proposal, presented as part of the third maritime safety package, aims to ensure that there is a minimum set of rules common to all Member States governing civil liability and insurance for shipowners and to define the basis for rules to make operators more accountable and guarantee compensation for damages.

The proposal contains the following measures:

- ratification by all the Member States of the Convention of the International Maritime Organisation (IMO) on the Limitation of Liability for Maritime Claims (1996 version) (hereinafter ‘LLMC 1996’). LLMC 1996 basically provides for two things:
  - it enshrines the principle of the limitation of liability by fixing at a relatively high level the threshold beyond which shipowners lose their right to limit their liability (‘reckless personal act or omission’),
– it lays down limits of liability that are sufficiently high to guarantee adequate compensation to victims in most cases (these limits are three times higher than those set out in the previous Convention: LLMC 1976);

– the incorporation of the Convention into Community law, with an amendment, compatible with the Convention, reducing the threshold beyond which the owners of ships flying the flag of a non-contracting State lose their right to limit their liability (‘gross negligence’);

– establishment of a system of obligatory civil liability insurance for shipowners:
  – cover equivalent to double the ceilings laid down in LLMC 1996,
  – verification by the Member States that insurance has been taken out, with the issue of certificates that are mutually recognised throughout Europe,
  – notification by the captain of a ship that certificates are being carried on board when the ship enters a maritime area under the jurisdiction of a Member State (notification requirement to cover ships in transit),
  – direct action by the victim against the insurer;

– the proposal also makes binding a Resolution of the IMO and the ILO on financial security certificates for abandonment of seafarers.

This system is designed inter alia to provide an immediate holding response to the enduring difficulties in implementing a number of IMO Conventions still in abeyance that aim in particular to make insurance for certain types of damage caused by these ships obligatory.

3. COMMENTS ON THE COMMON POSITION

The Commission’s initial ambitions, supported by the European Parliament in its opinion at first reading, were considerably curtailed by the Council. The common position retains only part of the initial proposal.

– The following amendments have been made:
  – the title ‘Directive on the civil liability and financial guarantees of shipowners’ has been superseded by a new title ‘Directive on the insurance of shipowners for maritime claims’;
  – the requirement to ratify LLMC 1996 has been deleted, the Member States undertaking in a parallel declaration to ratify it by 1 January 2012 (together with the other relevant Conventions); the provision on the incorporation of the Convention into Community law has also been deleted;
  – the provisions on the abandonment of seafarers have been deleted;
  – the provisions on Community checks to ensure that insurance has been taken out have been deleted;
  – the provision requiring notification of the insurance certificate on entry into maritime areas under the jurisdiction of Member States has been deleted;
– the provisions on direct action against insurers have been deleted.

– The following has been retained:

– the requirement for all ships flying the flag of a Member State (throughout the world) and for all ships entering a maritime area under the jurisdiction of a Member State to have insurance cover;

– the cover must correspond to the ceilings set out in LLMC 1996;

– the proof of insurance will be provided by a commercial insurance certificate;

– whether or not the ship is carrying an insurance certificate can be verified during an inspection under the Port State Control Directive;

– where the ship is not carrying a certificate, it may be detained or even expelled, without prejudice to any financial penalties to be determined by each Member State;

– the date of entry into force of the Directive is postponed until 1 January 2012, the date by which the Member States (by means of the declaration referred to above) undertake all to have ratified LLMC 1996.

Despite the deletions made by the Council, the common position retains a number of points of substance. Insurance is not currently obligatory for ships; the requirement laid down in the Directive that all ships, irrespective of where they are registered, must have insurance at the level of the ceilings set out in LLMC 1996, i.e. at levels three times higher than those provided for in the previous Convention, sends out a strong signal to citizens and operators. It should be pointed out that only a small percentage (20%) of global tonnage operates under flags subject to this level of limitation. Furthermore, not all ships are necessarily insured.

4. CONCLUSIONS

The Commission notes that the Council, after having expressed its opposition on principle to the proposal at its meeting in April 2008, was finally able unanimously to adopt a common position on a text that brings added value.