

A RESOLUTION

Approving 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.

1 WHEREAS, the International Convention on Civil Liability for
2 Oil Pollution Damage, 1992, ("CLC Convention") acknowledges the
3 danger of pollution posed by the worldwide maritime carriage of
4 oil in bulk; and

5 WHEREAS, the CLC Convention endeavors to ensure that adequate
6 compensation is available to persons who suffer damage caused by
7 pollution resulting from the escape or discharge of oil from
8 ships, through the adoption of uniform international rules and
9 procedures for determining questions of liability and providing
10 adequate compensation; and

11 WHEREAS, the CLC Convention addresses pollution damage
12 suffered in the territory, territorial sea or EEZ or equivalent
13 area of a State Party, and will pay for both damage and efforts to
14 minimize damage; and

15 WHEREAS, the CLC Convention provides that the owner of a ship
16 shall be liable for loss or damage caused by contamination
17 resulting from the escape or discharge of oil from the ship,
18 provided that compensation for impairment of the environment other
19 than loss of profit shall be limited to costs of reasonable
20 measures of reinstatement actually undertaken or to be undertaken;

1 and

2 WHEREAS, under the CLC Convention, ship owners are entitled
3 to limit their liability to an amount linked to the tonnage of
4 their ships, unless it is proved that pollution damage resulted
5 from their own personal act or omission, however, ship owners
6 carrying over 2,000 tons of oil in bulk as cargo must maintain
7 insurance or other financial security up to their limits of
8 liability; and

9 WHEREAS, actions for compensation may only be brought in the
10 jurisdiction of the Contracting States in which pollution damage
11 has occurred or preventative measures have been undertaken; and

12 WHEREAS a ship owner must constitute a fund with the relevant
13 Court of that jurisdiction for the total limit of his liability in
14 order to avail himself of the benefit of limitation of liability;
15 and

16 WHEREAS, the International Convention on the Establishment of
17 an International Fund for Compensation for Oil Pollution Damage,
18 1992, ("Fund Convention") was established in acknowledgment that
19 the regime created by the CLC Convention does not afford full
20 compensation for victims of oil pollution, for example in cases
21 where no liability exists under the CLC Convention, where the
22 owner liable for damage under the CLC Convention is financially
23 incapable of meeting his obligations in full, where security is
24 insufficient to satisfy claims for compensation, or where the
25 damage exceeds the owner's liability under the CLC Convention; and

1 WHEREAS, the Fund Convention seeks to ensure full
2 compensation to victims and to spread financial responsibility for
3 the economic consequences of oil pollution damage beyond ship
4 owners to those benefiting from the shipment of oil cargo, through
5 financial contributions by persons receiving in excess of 150,000
6 tons of contributing oil in a calendar year; and

7 WHEREAS, by becoming a party to the CLC Convention and Fund
8 Convention the FSM will benefit from a strict liability regime and
9 compensation scheme if an oil tanker suffers a spill that affects
10 FSM waters; now, therefore,

11 BE IT RESOLVED by the Twelfth Congress of the Federated
12 States of Micronesia, Second Regular Session, 2001, that pursuant
13 to article IX, section 2(b) of the Constitution of the Federated
14 States of Micronesia, the Congress hereby ratifies the
15 International Convention on Civil Liability for Oil Pollution
16 Damage, 1992, and the International Convention on the
17 Establishment of an International Fund for Compensation for Oil
18 Pollution Damage, 1992; and

19 BE IT FURTHER RESOLVED that certified copies of this resolution be tr
20 Economic Affairs and the Governor of each State.

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22 Date: _____ Introduced by: _____

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Joseph J. Urusemal
(by request)

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