The International Convention on Civil Liability for Oil Pollution Damage, 1992 (1992 CLC) was adopted by the International Maritime Organization to make ship owners strictly liable for oil pollution damage from the ship and thus ensuring that compensation is available. The 1992 CLC covers ships carrying persistent oil as cargo (i.e. tankers). It also provides for compulsory insurance for ship owners to cover their liability.

OBJECTIVE

The objective of this Convention is the ensure that compensation is available to those who suffer oil pollution damage from tankers in a State Party.

KEY ELEMENTS

The 1992 CLC places the liability for oil pollution damage on the owner of the ship from which the polluting oil escaped or was discharged. Oil pollution damage includes loss or damage caused by contamination, reasonable measures to reinstate the environment and preventive measures to prevent or minimize further damage.

Subject to certain defences, this liability is strict. The 1992 CLC also allows a ship owner to limit their liability based on the limits set out in the Convention, which are based on the tonnage of the ship.

A ship owner cannot limit liability if it is proved that the pollution damage resulted from the shipowner's personal act or omission, committed with the intent to cause such damage, or recklessly and with knowledge that such damage would probably result. The total amount of compensation available for the largest tankers is 89.770 million Special Drawing Rights.

The 1992 CLC requires ships to maintain adequate insurance or other financial security in sums equivalent to the owner's total liability. State parties issue certificates attesting that insurance or financial security is in place.

The 1992 CLC applies to all seagoing vessels carrying oil in bulk as cargo, but only ships capable of carrying more than 2,000 tons of oil are required to maintain insurance in respect of oil pollution damage.
EXPECTED RESULTS

This convention continues to allow Canada to ensure compensation from shipowners is provided to those who are affected by oil pollution from tankers.

CANADA’S INVOLVEMENT

Maritime shipping is an important part of trade and the Canadian economy. Through international agreements, Canada can ensure losses and damage from oil pollution are covered.

The International Convention on Civil Liability for Oil Pollution Damage, 1969 first entered into force in Canada in 1989 as part of the Canada Shipping Act. Following amendments made in May 1998 to the Act, the 1969 CLC was replaced by the 1992 CLC.

Since 2001, these provisions are contained in the Marine Liability Act.

RESULTS / PROGRESS

Activities

Canada has been party to the 1992 CLC since 1989. It is also party to the complimentary conventions creating the International Oil Pollution Compensation Funds.

Canada remains active in the international discourse on the implementation of the 1992 CLC at the Legal Committee of the International Maritime Organization

Reports

Under the 1992 CLC, Canada issues certificates of financial security to ship owners who require them in accordance with the Convention’s requirements.

Results

The results of being party to the 1992 CLC is that Canada promotes global uniformity and ensures that a liability regime is in place for ships carrying oil as cargo in its waters.