

LEGAL & LIABILITY WORKSHOP

Pollution Casualty Response
Legal & Practical Challenges

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SKULD



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INTRODUCTION

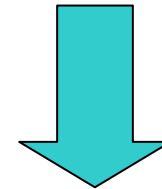
1. The Legal Regime
2. Practical Challenges & P&I Club Response
3. Peacetime activity

The Legal Regime



TORREY CANYON

1967



CIVIL LIABILITY
CONVENTION

1969

Civil Liability Convention (Tankers)

- Strict liability
- Compulsory insurance
 - direct action against insurer
 - no policy defences
 - certification

Civil Liability Convention

- Limitation
 - max USD 135 m.
- Second layer – IOPC Fund
- Third layer – Supplementary Fund

What about non-tankers?



Bunkers Convention 2001

- In force in 2008?
- CLC model but some “gaps” e.g.
 - no top up layers
 - charterers’ exposure

Practical Challenges & P&I Club Response



Emergency response

- ITOPF
- Club personnel
- Experts
 - fishing
 - tourism
- IOPC Fund (if tanker)

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952 92 200**

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HOURS A DAY, 7
DAYS A WEEK, IF
YOU HAVE AN
EMERGENCY
INCIDENT WHERE
SKULD CAN ASSIST.

Preliminary claims focus

- Claims profile
- Claims environment
- Making contact
- Education & information
 - window of opportunity



Claims handling long term

- Standardisation
- Consistency & fairness
- Global settlements
- Claims Handling Offices
- Claims control
- Winding down

Claims environment



Claims environment



Problem areas

- Factors beyond compensation
 - punishment
 - revenge
- Genuine disputes
- Opportunistic claims
- Aggressive representatives

Ground rules

- Hardball or softball?
- Sending signals
 - a genuine hardship claim
 - a bogus claim
 - give reasons - be transparent

Clubs' motivation

- Strict liability
- Insurer liability
- Settlement preferable to litigation
- Supporting the system

Peacetime activity

- Seminars
 - Individual Clubs
 - International Group
 - ITOPF
- Contact with states
 - IMO
 - Europe
 - IOPC Fund



International Group of P&I Clubs

Conclusions



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- An effective compensation system
 - for claimants
 - for industry
 - Increasing expectations
 - Political agendas
 - The role of insurance

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