



The Wreck Removal Convention enters into force 14 April 2015

The Nairobi International Convention on the Removal of Wrecks 2007 (Wreck Removal Convention, WRC) enters into force on 14 April 2015. The states that have acceded the convention so far (as per 12.2.2015) are Antigua and Barbuda, Bulgaria, Congo, Cook Islands, Denmark, Germany, India, Iran, Liberia, Malaysia, Malta, Marshall Islands, Morocco, Nigeria, Palau and the United Kingdom. Finland, Sweden and Norway have not ratified the convention yet.

The convention is of great significance. Until now, it has not been an international regime in force that ensures the removal of wrecks. A wreck is defined as a) a sunken or stranded ship, b) any part of a sunken or stranded ship, including any object that is or has been on board such a ship, c) any object that is lost at sea from a ship and that is stranded, sunken or adrift at sea, d) a ship that is about, or may reasonably be expected, to sink or to strand, where effective measures to assist the ship or any property in danger are not already being taken. According to the WRC, the shipowner is strictly liable for removal of the wrecks in the exclusive economic zone (EEZ).

The WRC has an "opt-in"-clause whereby state parties can choose to extend the effect of the convention to their territorial waters. Some states have had their own national rules regarding wreck removal in the territorial sea, but no rules relating to wrecks in the EEZ.

Of the current state parties, only Antigua and Barbuda, Bulgaria, Denmark, Liberia, Malta, Marshall Islands and the UK have decided to apply the convention to territorial waters.

The master or the operator of the ship must report a wreck to the affected state. The report shall contain information of the location, place, the condition of the wreck, what type of cargo and the quantity of oil on board. The affected state shall make

a risk-assessment of the wreckage. If the wreck poses a danger, the wreck shall be marked and if so needed further measures shall be taken. The shipowner is liable for costs related to the location, marking and removal of the wreck.

According to the WRC, the member states have the right to oblige the shipowner to remove a wreck that poses a hazard to the navigation or to the marine environment. The state where the wreck lies shall set a reasonable deadline for the removal of the wreck. If the registered owner is inaccessible or does not remove the wreck within the deadline, the affected state may remove the wreck at the expense of the shipowner. The shipowner is exempted from liability if the event that led to the wreckage was 1) caused by an act of war or a natural phenomenon, 2) wholly caused by an act or omission done by a third party with intent to cause damage, or 3) caused by the negligence of any Government or other authority responsible for the maintenance of lights or other navigational aids. The shipowner can limit his liability in accordance with LLMC 1976 (as amended). Some states do not include wreck removal within the limitation regime.

According to the WRC, the registered owner of a ship of 300 GT or more shall obtain an insurance or other financial security which covers the liability of the shipowner according to the

WRC. The insurance shall provide coverage up to the limits of LLMC 1976 (as amended). Any claim under the WRC may be brought directly against the insurer. The insurer may always limit his liability in accordance with LLMC 1976 (as amended), even if the affected state has a higher limit for wreck removal or if the shipowner has lost his right to limitation.

Vessels flagged in a member state or vessels entering or leaving a port in a member state are obliged to carry a certificate on board as evidence of insurance coverage.

The insurer issues a "blue card" and the shipowner applies for a certificate from the vessel's flag state. If the flag state is not a member to the WRC, the shipowner applies for the certificate from any member state.

Summary

The WRC applies to all types of vessels. Vessels with a GT of 300 or more flagged in a member state or entering a member state are obliged to have a certificate of the insurance coverage. Vessels flagged in a non-member state and which only call ports in a non-member state are **not** obliged to carry a certificate. (For example vessels flagged in Finland operating only between Finland and Sweden, are not obliged to carry a certificate at this stage).

More information on how to apply for the certificates and contact details to the maritime authorities will be sent out separately to the shipowners concerned.

If you have any questions, contact Alandia Marine +358 18 29 000 for information and assistance. Emergency number: +358 40 7085300.

Alandia Marine is the unit within the Alandia Insurance group of companies, handling the core business, marine insurance. Alandia is presently the only Finnish domiciled marine insurance company and one of the leading marine insurers in the Nordic and Baltic countries.

