

**Courtesy translation. Only the Danish version is authentic.**

*Order no. 217 of 8 April 1998 issued by the Danish Maritime Authority*

## **Order on insurance or other financial security in respect of civil liability for oil pollution damage from ships**

In pursuance of sections 198 and 514 of the Merchant Shipping Act, cf. Consolidated Act no. 39 of 20 January 1998, the following provisions are laid down:

### **Insurance or other financial security in connection with the carriage of oil by Danish or foreign ships**

**Section 1.** Owners of Danish ships carrying more than 2,000 tonnes of resistant mineral oil with carbon hydrides in bulk as cargo shall hold approved insurance or other financial security in respect of the liability stipulated in section 191(1), cf. section 191(2), of the Merchant Shipping Act and within the liability limit stipulated in section 194 of the Merchant Shipping Act.

*Subsection 2.* The provision of subsection 1 shall also apply to ships that are not Danish when they call at or leave Danish ports or other loading or unloading places in Denmark or on the Danish continental shelf if the ships carry more than 2,000 tonnes of oil in bulk as cargo.

*Subsection 3.* Ships mentioned in subsections 1 and 3 shall hold a certificate certifying that they hold insurance or other financial security in respect of the liability mentioned in subsection 1.

*Subsection 4.* For ships owned by Danish state institutions, subsections 1 and 3 shall also apply since these ships may, rather than the above-mentioned insurance or other financial security, hold a certificate issued by the Danish Maritime Authority certifying that the ship is owned by the state and that its liability is covered within the liability limit stipulated in the Merchant Shipping Act.

*Subsection 5.* For ships owned by a foreign state, subsections 1-3 shall also apply since these ships may, rather than the above-mentioned insurance or other financial security, hold a certificate issued by the relevant authority certifying that the ship is owned by the state and that its liability is covered within the liability limit stipulated in the Merchant Shipping Act.

### **Certificates of Danish ships**

**Section 2.** Applications for the issuance of certificates to Danish ships, including ships owned by Danish state institutions, shall be submitted to the Danish Maritime Authority accompanied by a declaration from the insurer or the guarantor on a form especially approved for this purpose, which is available from the Danish Maritime Authority.

*Subsection 2.* It shall be evident from the declaration that the owner of the ship has taken out insurance or other financial security in respect of his liability, cf. section 1(1) and that the insurer or guarantor confirms that the insurance or other financial security covers the liability mentioned and, in case of other financial security, of what this consists.

*Subsection 3.* In order for the insurance or other financial security to be approved, the insurer or guarantor shall also take the responsibility for compensating anyone who may have a legitimate claim against the ship's owner in connection with damages caused by oil pollution. The obligation to pay compensations shall be valid for up to three months after the date on which the Danish Maritime Authority has been informed about the termination of the insurance or other security. However, this shall not apply to damages occurring after the expiry of the validity period given in the certificate or if the certificate has been returned to the Danish Maritime Authority prior to this or a new certificate has been issued.

*Subsection 4.* Should the Danish Maritime Authority find the insurance or other financial security sufficient, a certificate shall be issued to the ship. The certificate shall be drawn up in accordance with model A of the Annex.

*Subsection 5.* For ships holding a certificate in pursuance of subsection 4, a declaration of insurance or other financial security in respect of liability under the International Convention on Civil Liability for Oil Pollution Damage (CLC), 1969, may be presented in addition to the declaration mentioned in subsection 1. The declaration shall be drawn up on an especially approved form, which is available from the Danish Maritime Authority. If the declaration complies with the requirements of subsection 3 and if the Danish Maritime Authority finds the insurance or other financial security sufficient, cf. also subsection 4, the Danish Maritime Authority may also issue a certificate drawn up in accordance with model B of the Annex at the owner's request unless this would be contrary to international decisions.

### **Certificates of foreign ships**

**Section 3.** For ships registered in a state Party to the Convention of 1992 on Civil Liability for Oil Pollution Damage, certificates issued by the competent authority of the relevant state shall be recognised. The certificate shall have been drawn up in accordance with model A or B of the Annex.

**Section 4.** For ships registered in a state that is not a Party to the Convention mentioned in section 3 and that does not hold a valid certificate, cf. sections 5 and 6, an application shall be submitted to the Danish Maritime Authority for the issuance of a certificate. The application shall be accompanied by a declaration from the insurer or the guarantor drawn up on a form especially approved for this purpose, which is available from the Danish Maritime Authority.

*Subsection 2.* The application shall be submitted not later than 20 days before the ship calls at a Danish port or another loading or unloading place on the Danish continental shelf. Section 2(2-5) shall also apply.

**Section 5.** For ships owned by a foreign state, cf. section 1(5), a certificate issued by the competent authority shall be recognised.

**Section 6.** Certificates issued by a competent authority in a state Party to the Convention of 1992 on Civil Liability for Oil Pollution Damage to a ship registered in a state that is not a party to this Convention shall be recognised as valid. The certificate shall be in accordance with model A of the Annex. Certificates that are in accordance with model B of the Annex may also be recognized unless this would be contrary to international decisions.

## Miscellaneous

**Section 7.** Certificates may be issued for a specific period of time or until terminated. However, certificates shall not be issued for a period of time longer than the validity period of the insurance or other financial security. Certificates in pursuance of section 4 shall be issued with a validity period of not more than three months.

**Section 8.** The Danish Maritime Authority shall forward a copy of the certificate issued to the ship to the ship's owner or anyone who has applied for the issuance of a certificate on behalf of the owner and, for ships that are not Danish, to the ship registry in the relevant country.

*Subsection 2.* The owner of a ship provided with a certificate shall be obliged to return this immediately to the authority that has issued the certificate upon the termination of the insurance or other financial security and when the validity period of the certificate expires. If there are changes to the insurance or other financial security of importance to the continued validity period of the certificate, the owner of the ship shall be obliged to inform the Danish Maritime Authority hereof immediately after having become aware of this.

**Section 9.** Danish ships carrying more than 2,000 tonnes of oil in bulk as cargo, cf. section 1(1), may not be used without a valid certificate.

*Subsection 2.* The Danish Maritime Authority or other authorities authorised by the Ministry of Economic and Business Affairs may refuse a ship access to or prohibit it from leaving a Danish port or a place of loading or unloading in Denmark or on the Danish continental shelf or order it to be unloaded or warped if it does not hold the certificate required.

**Section 10.** Police, customs authorities or port authorities which, when carrying out their duties, observe contraventions of this Order, shall, in accordance with instructions drawn up by the relevant ministry, inform the Danish Maritime Authority hereof.

*Subsection 2.* The Danish Maritime Authority may, upon the ship's arrival, check whether it holds the certificate required by section 1.

**Section 11.** Contraventions of section 1(1-4), section 4, section 8(2), section 9 or section 12(2) shall be punishable by fine.

*Subsection 2.* Companies etc. (legal personalities) may be liable to punishment according to the provisions of chapter 5 of the Penal Code.

**Section 12.** This Order shall enter into force on 16 May 1998. At the same time, Order no. 259 of 10 April 1996 on insurance or other financial security in respect of civil liability for oil pollution damage from ships shall be repealed.

*Subsection 2.* Certificates issued pursuant to Order no. 259 of 10 April 1996 on insurance or other financial security in respect of civil liability for oil pollution damage from ships may not be used after 15 May 1998 and shall be returned to the Danish Maritime Authority no later than 1 October 1998.

*Danish Maritime Authority, 8 April 1998*  
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## **Annex Model A Certificate**

Certificate of insurance or other financial security in respect of civil liability for oil pollution damage.

Issued in accordance with the provisions of article VII of the International Convention on Civil Liability for Oil Pollution Damage, 1992.

Name of ship	Distinctive number of letters	Port of registry	Name and address of owner

This is to certify that there is in force in respect of the above-named ship a policy of insurance or other financial security satisfying the requirements of Article VII of the International Convention on Civil Liability for Oil Pollution Damage, 1992.

Type of security	
Duration of security	
Name and address of the insurer(s) and/or guarantor(s)	
Name	
Address	
This certificate is valid until	
Issued or certified by the Gov. of (Full designation of the state)	
Place	
Date	
Signature and title of issuing or certifying official	

Explanatory notes:

1. If desired, the designation of the State may include a reference to the competent public authority in the country where the certificate is issued.
2. If the total amount of security has been furnished by more than one source, the amount of each of them should be indicated.
3. If security is furnished in several forms, these should be enumerated.
4. The entry "Duration of security" must stipulate the date on which such security takes effect.

## **Model B Certificate**

Certificate of insurance or other financial security in respect of civil liability for oil pollution damage.

Issued in accordance with the provisions of article VII of the International Convention on Civil Liability for Oil Pollution Damage, 1969.

Issued in accordance with the provisions of article VII of the International Convention on Civil Liability for Oil Pollution Damage, 1992.

Name of ship	Distinctive number of letters	Port of registry	Name and address of owner

This is to certify that there is in force in respect of the above-named ship a policy of insurance or other financial security satisfying the requirements of Article VII of the International Convention on Civil Liability for Oil Pollution Damage, 1969.

This is to certify that there is in force in respect of the above-named ship a policy of insurance or other financial security satisfying the requirements of Article VII of the International Convention on Civil Liability for Oil Pollution Damage, 1992.

Type of security	
Name and address of the insurer(s) and/or guarantor(s)	
Name	
Address	
This certificate is valid until	
Issued or certified by the Gov. of (Full designation of the state)	
Place	
Date	
Signature and title of issuing or certifying official	

Unless indicated to the contrary the signature of this certificate certifies that liability under both Conventions is covered.

Explanatory notes:

1. If desired, the designation of the State may include a reference to the competent public authority in the country where the certificate is issued.
2. If the total amount of security has been furnished by more than one source, the amount of each of them should be indicated.
3. If security is furnished in several forms, these should be enumerated.
4. The entry "Duration of security" must stipulate the date on which such security takes effect.