

## **C-5:CONVENTION ON LIMITATION OF LIABILITY FOR MARITIME CLAIMS**

**Name of the Convention:** Convention on Limitation of Liability for Maritime Claims

**Acronym or short name:** LLMC

**International organisation in:** International Maritime Organization (IMO)

**Summary description (in plain language):**

**The 1976 LLMC Convention :** The 1976 LLMC replaces “the International Convention relating to the Limitation of Liability of Owners of Seagoing Ships of Brussels 1957” (art.17-4). Under the LLMC 1976, the limits of liability for maritime claims were raised considerably, in some cases up to 250-300 per cent. Limits are specified for two types of claims, for loss of life or personal injury, and property claims. In the Convention, the limitation amounts are expressed in terms of unit of account which is equivalent in value of IMF’s Special Drawing Right(SDR). The art. 1 of LLMC defines the circle of persons around the ship-owners and salvors who are entitled to limit their liability. The maritime claims subject to limitation are defined in art. 2-1, however art. 3 excludes claims for a) salvage and contribution in general average, b) claims for oil pollution damage to which 1969 CLC applies, c) claims for nuclear damage arising from nuclear ship and d) claims from crew members from limitation.

With regard to personal claims, liability for ships not exceeding 500 tons is limited to 333,000 SDR. For property claims, the limit of liability is fixed at 167,000 SDR for ships not exceeding 500 tons. For larger ships, the additional amounts will be calculated for each exceeding tonnage. For passenger claims, LLMC 1976 sets the limit of liability at 46,666 SDR multiplied by the passenger capacity of the ship with an overall maximum of 25 million SDR. (art. 7)

The Convention declares that a person will not be able to limit liability if “it is proved that the loss resulted from his personal act or omission, committed with the intent to cause such a loss, or

recklessly and with knowledge that such loss would probably result”.(art.4)

**Date of first approval:** 19 November 1976

**Date of coming into force:** 1 December 1986

**Major Revision or Amendments:**

**-1996 Protocol (The 1996 LLMC); (Adoption 3 May 1996, Entry into force 13 May 2004)**

Amount of compensation for maritime claims were significantly increased. A “tacit acceptance” procedure for prompt updating the liability amount was also introduced.

a) The limit of liability for claims for Loss of Life or Personal Injury

For ships not exceeding 2,000 gross tonnage was fixed as 2 million SDR .

For larger ships, the following additional amounts are used in calculating the limitation amount:

-For each ton from 2,001 to 30,000 tons; 800 SDR/ton

-For each ton from 30,001 to 70,000 tons; 600 SDR/ton

-For each ton in excess of 70,000 tons; 400 SDR/ton.

b) The limit of liability for property claims

For ships not exceeding 2,000 gross tonnage was fixed as 1 million SDR.

For larger ships, the following additional amounts are used in calculating the limitation amount:

-For each ton from 2,001 to 30,000 tons; 400 SDR/ton

-For each ton from 30,001 to 70,000 tons; 300 SDR/ton

-For each ton in excess of 70,000 tons; 200 SDR/ton

**-Amendments to 1996 Protocol (Adoption 19 April 2012, Entry into force 8 June 2015)**

Under the Amendments, the limit of liability is raised as below.

a) The limit of liability for claims for loss of life or personal injury

For ships not exceeding 2,000 gross tonnage was raised to 3.02 million SDR .

For larger ships, the following additional amounts are used in calculating the limitation amount:

-For each ton from 2,001 to 30,000 tons; 1,208 SDR/ton

-For each ton from 30,001 to 70,000 tons; 906 SDR/ton

-For each ton in excess of 70,000 tons; 604 SDR/ton.

**b) The limit of liability for property claims**

For ships not exceeding 2,000 gross tonnage was raised to 1.51 million SDR.

For larger ships, the following additional amounts are used in calculating the limitation amount:

-For each ton from 2,001 to 30,000 tons; 604 SDR/ton

-For each ton from 30,001 to 70,000 tons; 453 SDR/ton

-For each ton in excess of 70,000 tons; 302 SDR/ton

**Applicability (situation of ratification):**

**LLMC 1976;** 53 States, 53.75% of world tonnage (as at 31 August 2012)

**LLMC 1996;** 46 States, 45.95 % of world tonnage (as at 31 August 2012)

**Stakes for ports:**

The LLMC may apply to liability claims of port authorities against ship-owners and salvors for damage to harbour works resulting from a maritime casualty involving a ship. It will depend on the way each contracting State has ratified the LLMC, whether or not claims for wreck and cargo removal are subject to limitation of liability.

Damage occurred to ports' "Harbour works, basins, waterways and aids to navigation" constituted a claim subject to limitation of liability ([art.2](#)). These claims may have the priority over other property claims by introducing relevant articles in the national law of a State Party ([art.6 -3](#)).

After a limitation fund has been constituted, any ship or property arrested within the jurisdiction of

a State Party for a claim, may be released by order of the Court. ([art.13-2](#))

**Links with other conventions:** [BUNKERS](#); [CLC](#); [International Convention relating to the limitation of Liability of Owners of Sea going Ships, and Protocol of signature](#)

**Key-words:** maritime claims, liability, limitation, fund

**Internet hyperlink with other website:**

<http://www.imo.org/>, <http://www.comitemaritime.org/>,

(full text) <http://www.admiraltylawguide.com/conven/limitation1976.html>

<http://www.admiraltylawguide.com/conven/protolimitation1996.html>