

D-8: INTERNATIONAL CONVENTION ON LIENS AND MORTGAGES

Name of the convention: International Convention on Liens and Mortgages

Acronym or short name: LMC

International organisation in charge of it: United Nations Commission on International Trade Law (UNCITRAL)

Summary description (in plain language): This convention aims at harmonizing national laws relating to maritime securities; it does not apply to seagoing vessels owned or operated by a state only for non-commercial purposes.

Several types of securities are recognized by the convention: mortgages, hypothèques and charges, maritime liens created by the convention, State Parties created liens and rights of retention.

Mortgages, hypothèques and registrable charges are maritime securities of a consensual character. The convention does not specially regulate the creation of these charges, they are created under national law.

The convention lays down conditions for the recognition of the charges by other State Parties: the charge must have been validly created and registered under domestic law of the State in which the vessel is registered, the register must be open to public inspection and the relevant documents must be obtainable and contain some specific information.

The convention allows the parties to create "other maritimes liens", thus other claims than the ones covered in the convention can be secured. The "national" maritime liens rank after article 4 "maritimes liens" and article 1 "charges", and are extinguished after six months or sixty days following the sale of vessel.

Under the convention, the payment of creditors will be made as follows: legal costs, costs of removal of a stranded or sunken vessel if done by a public authority in the interest of safe navigation or the protection of the marine environment.

The convention also contains provisions on forced sale. Apart from notification which is dealt with in the convention, domestic laws remain in full effect as the actual procedure to follow in

order to enforce a security through forced sale. Among the effects of a forced sale listed in the convention, it is worth to mention that all securities cease to attach the vessel.

Date of first approval: 6 may 1993

Date of coming into force: not yet in force

Dates of revision: no

Reasons of revisions: no

Applicability (situation of ratification): This convention shall enter into force 6 months after 10 states have expressed their consent to be bound by it (art.19).

Stakes for ports: Maritime liens are relevant for ports because port's claims are often secured by a maritime lien on the vessel (art.4). The convention provides liens with respect to a variety of claims, all of which are civil in nature.

Links with other conventions: [LLMC](#); [International Convention relating to the limitation of Liability of Owners of Sea going Ships, and Protocol of signature, 1957](#)

Key-words: Mortgages, hypothèques, charges, maritime liens, state of registration, right of retention, forced sale

Internet hyperlink with other website:

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

<http://www.uncitral.org/>

(full text) <http://www.admiraltylawguide.com/conven/liens1993.html>