

Regulation of Maritime Accidents

Source: TH

Recent maritime accidents off Kerala's coast (fire and sinking of merchant vessels) highlight urgent concerns about the liability framework in global trade.

- Global shipping is regulated primarily by the <u>International Maritime Organization (IMO)</u>
 through conventions on pollution, safety, and liability, which member countries, including
 India, adopt into domestic laws.
- India's Status in Key Conventions: India has not ratified key conventions like the 2004 <u>Ballast Water</u> Convention and the 2010 Hazardous and Noxious Substances (HNS) Convention, limiting its ability to claim compensation for environmental damage.
- Flags of Convenience (FOC): Ships are often owned by companies in countries like Greece and China, but registered in nations such as Liberia and the Marshall Islands for easier operations and less scrutiny called Flags of Convenience (FOC), despite being governed by IMO norms.
- Liability for Loss and Environmental Damage: Liability for both loss of cargo and environmental damage rests with the ship owner, usually covered by insurance through Protection and Indemnity (P&I) Clubs, a group of insurers sharing the risk.
 - While liability for cargo loss is capped by international conventions, compensation for environmental damage (e.g., oil pollution) is uncapped (no limit) and follows the polluter pays principle under the International Convention for the Prevention of Pollution from Ships (MARPOL).
- Ship salvage responsibility lies with the ship owner, under the Nairobi Convention on the Removal of Wrecks, 2007, to which India is a signatory.

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