## EUROPEAN ECONOMIC AREA

## STANDING COMMITTEE OF THE EFTA STATES

2/00/W/073 19 September 2001 Brussels

## SUBCOMMITTEE II ON FREE MOVEMENT OF CAPITAL AND SERVICES

EEA EFTA COMMENT ON THE PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND THE COUNCIL, AMENDING DIRECTIVE 94/57/EC ON COMMON RULES AND STANDARDS FOR SHIP INSPECTION AND SURVEY ORGANISATIONS AND FOR THE RELEVANT ACTIVITIES OF MARITIME ADMINISTRATIONS

## **Proposed amendments to Article 6**

- 1. Reference is made to the ongoing discussion concerning the proposal for amendments in directive 94/57/EC on common rules and standards for ship inspection and survey organisations and for the relevant activities of maritime administrations. The EEA EFTA States would like to provide the following comments regarding the proposed provisions on **financial liability**:
- (a) The financial liability of a ship inspection and survey organisation ("classification society") should be sufficient to cover any loss, which is likely to occur from incorrect instructions or omissions by that organisation.
- (b) Financial liabilities of classification societies have to be limited. Otherwise such liabilities will not be insurable.
- (c) It is important to have an uncomplicated and efficient insurance system, from which claimants can have their losses covered quickly and fully. If unlimited liability is imposed on classification societies, they may decide not to insure any part of their liabilities, and the assets may be insufficient to cover losses.
- (d) The liability of a classification society working on behalf of a national administration cannot, as a matter of principle, be more extensive than what would have applied to the national administration itself. Governments have legislated to the effect that the shipowner has primary responsibility for the management of a vessel. The liability of classification societies should not be more extensive than the responsibility of the shipowner. The internationally

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Original proposal: COM (2000) 142 final - 2000/0066 (COD) of 21.03.2000 Communication on the Common Position: SEC (2001) 343 final Opinion on the European Parliament's amendments to the Common Position: COM (2001) 338 final

agreed rules on limitation of liabilities should therefore apply to classification societies as well.

2. In conclusion, the EEA EFTA states believe that a solution should be sought where a maximum level is fixed in the Directive. Alternatively, the Directive could provide for an exemption where a specific higher, but limited, maximum amount is set within the framework of agreements between the Member States and the classification societies.

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