TO NATIONAL MARITIME LAW ASSOCIATIONS

1 May 2012

Dear President,

Review of the Salvage Convention: Report for Consideration of Delegates to the Beijing Conference - October 14 to 19, 2012

Attached to this letter is the report of the International Working Group which has been reviewing the Salvage Convention 1989 over the last couple of years. That report contains many annexures which are also attached. The first annexure contains the provisions of the Salvage Convention which are being considered, the questions which are posed for NMLAs to debate at the Conference, as well as the proposals which have been made (principally by ISU). Many of the other attachments are also available on the CMI website.

For those who attended the Argentine MLA and CMI Colloquium in Buenos Aires in 2010 you will know that this is a topic which has caused a considerable divergence of views. The International Salvage Union and the London property market insurers are strongly of the belief that the Salvage Convention 1989 needs to be amended. The International Chamber of Shipping and the P&I Clubs are equally of the view that the Convention is working and does not need to be amended.

National Maritime Law Associations and their delegates who will be attending the Beijing Conference are invited to read the attached report and its annexures and to form a view as to whether the Convention needs to be amended and the correct approach to be taken by the CMI on this issue. They will no doubt consult with interested organisations such as shipowners, insurers and others in the industry.
The International Working Group has reproduced in the report comments which I made at a joint meeting of the Maritime Law Associations of the United States, Canada and Australia and New Zealand in Hawaii in December 2011 and for ease of reference (and because I would like to emphasise them), I repeat them here:

"All MLAs who attend the Beijing Conference will need to have formulated their opinions by that time. They need to engage with salvors in their jurisdictions who enter into salvage contracts which are subject to the Convention and, I would suggest, need to ascertain answers to the following questions:

1. Has there been an increase or a decrease in the number of salvors operating around your shores?

2. Has there been an increase or decrease in the number of employees and amount of equipment employed and owned in the salvage industry operating around your shores?

3. Do the salvors have the capacity to deal with major incidents around your shores, both in terms of personnel, skills and equipment?

4. Are salvors satisfactorily rewarded so as to encourage them to:
   (a) remain in the industry
   (b) retain and train sufficient employees and acquire and maintain appropriate equipment to cope with major casualties in sensitive areas?"

There has been a lot written on this topic since the appointment of the International Working Group in 2009. There are a number of papers on the CMI website (under Work in Progress/Salvage Convention 1989) including those which were given at the Buenos Aires Colloquium, a paper given earlier this year by Archie Bishop at Tulane University and a "Position Paper" recently submitted by the ISU. It is possible that between now and the Beijing Conference additional materials will be submitted and placed on the website. I will write to you further if that should be the case, but invite you (or those who will be representing your delegation in Beijing to refer to the website from time to time).

I look forward to seeing you in Beijing.

Yours sincerely,

Stuart Hetherington
Chairman, International Working Group
Review of the Salvage Convention 1989