

**Joint Standing Committee on Treaties**  
**Hearing on the HNS Convention**  
**Canberra 4 February 2013**

**Response by the Department of Infrastructure and Transport to PACIA's complaint that the RIS failed to acknowledge PACIA's opposition to the HNS Convention**

The Plastics and Chemicals Industries Association of Australia ("PACIA") complains in its public submission to the committee that the Regulatory Impact Statement ("RIS") failed to acknowledge PACIA's opposition to the HNS Convention and thereby provided an inaccurate and unbalanced representation of stakeholder views.<sup>1</sup>

The stakeholder consultation undertaken by the Department is described in paragraphs 198 to 209 of the RIS.

- *Paragraphs 198 to 207 describe the May 2011 consultation.*  
That consultation was undertaken through a discussion paper which contained a detailed description of the HNS Convention (the current version) and asked stakeholders for their views on whether Australia should accede to it. As stated in the RIS, only two submissions were received (which are described in paragraphs 200 to 204). PACIA did not make a submission.
- *Paragraph 208 describes the 2009-2010 consultation.*  
The last sentence of paragraph 208 states that "None of the stakeholders indicated any objections in relation to the Protocol." To the best of our knowledge, based on our perusal of our records, this statement is correct.
- *Paragraph 209 simply states that "Consultation also took place before the 1996 HNS Convention was adopted." This is correct.*

Stakeholder consultation also took place in 2006-2007 (which is not dealt with in the RIS). That consultation was focused on how to resolve concerns held by Australian industry stakeholders as well as industry stakeholders in a number of other countries about specific elements of the 1996 HNS Convention. Australia worked with other countries to agree amendments to address these concerns. The amendments were incorporated in the 2010 HNS Protocol which was adopted at the diplomatic conference held in London on 26-30 April 2010. Australian stakeholders, including PACIA, supported the amendments.<sup>2</sup>

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<sup>1</sup> PACIA submission fourth page.

<sup>2</sup> The amendments made by the 2010 HNS Protocol:

- removed the requirement for contributions to be paid in respect of packaged HNS, which would have been costly and cumbersome for businesses to implement, and made a compensating increase to the limits of liability of shipowners for damage caused by packaged HNS; *(continued on next page)*

Unfortunately, when we were writing the RIS late last year, the import of the qualification attached to PACIA's support for the HNS Convention in its letter to the Department of 12 February 2007 (which is quoted in PACIA's submission) escaped our attention.

PACIA's concerns about specific elements of the 1996 HNS Convention were resolved by the 2010 HNS Protocol. As PACIA did not make any submission to the May 2011 consultation process we concluded that PACIA had no further objection to Australian accession to the HNS Convention.

PACIA has now put its position on the record through its submission to the committee.

29 February 2013

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- gave receivers and titleholders of LNG flexibility to agree which of them is to have primary responsibility to pay contributions in respect of LNG; and
- strengthened reporting requirements relating to HNS receipts, to enhance the integrity of the contribution regime.