



# Merchant Shipping Act 1979

## 1979 CHAPTER 39

### *Miscellaneous*

#### **38 Replacement of gold francs by special drawing rights for certain purposes of Merchant Shipping (Oil Pollution) Act 1971 and Merchant Shipping Act 1974**

- (1) In section 4 of the Merchant Shipping (Oil Pollution) Act 1971 (which among other things enables a ship's owner to limit in certain circumstances his liability under section 1 of that Act so that it does not exceed 2,000 gold francs for each ton of the ship's tonnage or 210 million gold francs, whichever is less)—
- (a) for the words " 2,000 gold francs " and " 210 million gold francs" in subsection (1)(b) there shall be substituted respectively the words " 133 special drawing rights " and " 14 million special drawing rights " ; and
  - (b) subsections (3) to (5) (which relate to the value of gold francs) shall cease to have effect.
- (2) In section 5 of that Act (which among other things relates to payment into court of the amount of a limit determined in pursuance of that section), after subsection (2) there shall be inserted the following subsection—
- “(2A) A payment into court of the amount of a limit determined in pursuance of this section shall be made in sterling; and—
- (a) for the purpose of converting such an amount from special drawing rights into sterling one special drawing right shall be treated as equal to such a sum in sterling as the International Monetary Fund have fixed as being the equivalent of one special drawing right for—
    - (i) the day on which the determination is made, or
    - (ii) if no sum has been so fixed for that day, the last day before that day for which a sum has been so fixed;
  - (b) a certificate given by or on behalf of the Treasury stating—
    - (i) that a particular sum in sterling has been so fixed for the day on which the determination was made, or
    - (ii) that no sum has been so fixed for that day and that a particular sum in sterling has been so fixed for a day which is the last

---

*Status: This is the original version (as it was originally enacted).*

---

day for which a sum has been so fixed before the day on which the determination was made,

shall be conclusive evidence of those matters for the purposes of this Act;

(c) a document purporting to be such a certificate shall,

in any proceedings, be received in evidence and, unless the contrary is proved, be deemed to be such a certificate.”

(3) For the purposes of sections 10(2) and 11(1) of that Act (which refer to Article VII of the International Convention on Civil Liability for Oil Pollution Damage signed in Brussels in 1969) references in that Article to Article V of the Convention shall be construed as references to Article V as amended by Article II of the protocol dated 19th November 1976 to the Convention; and in section 14(2) of that Act (which refers to the limit prescribed by the said Article V) for the words " Article V thereof " there shall be substituted the words " Article V of the Convention as amended by Article II of the protocol dated 19th November 1976 to the Convention ".

(4) The Merchant Shipping Act 1974 shall have effect with the following amendments, namely—

(a) section 1(6) and (7) (which relate to the value of gold francs) shall cease to have effect;

(b) in section 2(7)(a) (which provides for a person's contributions to the International Fund there mentioned to be of an amount determined under articles 11 and 12 of the convention which established the Fund) and in section 4(10) (which provides for the liability of the said Fund to be subject to the limits imposed by article 4 of the said convention) after the words " the Fund Convention" there shall be inserted the words " (as amended by Article III of the protocol dated 19th November 1976 to that Convention) ";

(c) at the end of section 4 (which relates to compensation from the said Fund for persons suffering pollution damage) there shall be inserted the following subsection—

“(13) Any steps taken to obtain payment of an amount or a reduced amount in pursuance of such a judgment as is mentioned in subsection (12) above shall be steps to obtain payment in sterling; and—

(a) for the purpose of converting such an amount from special drawing rights into sterling one special drawing right shall be treated as equal to such a sum in sterling as the International Monetary Fund have fixed as being the equivalent of one special drawing right for—

(i) the day on which the judgment is given, or  
(ii) if no sum has been so fixed for that day, the last day before that day for which a sum has been so fixed;

(b) a certificate given by or on behalf of the Treasury stating—

(i) that a particular sum in sterling has been so fixed for the day on which the judgment was given, or  
(ii) that no sum has been so fixed for that day and that a particular sum in sterling has been so fixed for a day which is the last day for which a sum has been so fixed before the day on which the judgment was given,

- shall be conclusive evidence of those matters for the purposes of this Act;
- (c) a document purporting to be such a certificate shall, in any proceedings, be received in evidence and, unless the contrary is proved, be deemed to be such a certificate.;"
- (d) in section (5)(1)(a) and (b) (which specify the portion of the aggregate amount of a liability for which the said Fund is to give indemnity) for the words " 1,500 francs " and " 2,000 francs " there shall be substituted respectively the words " 100 special drawing rights " and " 133 special drawing rights " and for the words " 125 million francs " and " 210 million francs " there shall be substituted respectively the words " 8,333,000 special drawing rights " and " 14 million special drawing rights ";
- (e) at the end of section 5 there shall be inserted the following subsection—
- “(8) For the purpose of converting into sterling the amount in special drawing rights adjudged to be payable by the Fund by way of indemnity in such proceedings as are mentioned in subsection (4) of this section, paragraphs (a) to (c) of subsection (13) of section 4 of this Act shall have effect—
- (a) if the liability in question has been limited in pursuance of section 5 of the Merchant Shipping (Oil Pollution) Act 1971, as if—
- (i) for the reference in the said paragraph (a) to the amount there mentioned there were substituted a reference to the amount adjudged as aforesaid, and
- (ii) for any reference to the day on which the judgment is or was given there were substituted a reference to the day on which the determination of the limit was made in pursuance of the said section 5; and
- (b) if the liability in question has not been so limited, with the modification made by paragraph (a)(i) of this subsection and as if for any reference to the day on which the judgment is or was given there were substituted a reference to the day on which the said amount was so adjudged.;"
- (f) in section 6(5)(a) (which refers to provisions of the said article 4 as set out in Schedule 1 to that Act) after the words "as set out" there shall be inserted the words " as amended ";
- (g) in Schedule 1 for the words "450 million francs" wherever they occur there shall be substituted the words " 30 million special drawing rights "and for the words "900 million francs" there shall be substituted the words " 60 million special drawing rights ".
- (5) It is hereby declared that the powers to make Orders in Council conferred by section 18 of the said Act of 1971 and section 20 of the said Act of 1974 (which provide for the extension of those Acts to any of the countries mentioned in those sections and for those Acts to have effect as if references in them to the United Kingdom included references to any of those countries) include power to make Orders in Council in respect of those Acts as amended by this section.
- (6) An order made by virtue of section 52(2) of this Act which appoints a day for the coming into force of any of the preceding provisions of this section may contain such

---

*Status: This is the original version (as it was originally enacted).*

---

transitional provisions as the Secretary of State considers appropriate in connection with the coming into force of the provision in question.