

# Merchant Shipping Act 1974

## **1974 CHAPTER 43**

### PART I

#### THE INTERNATIONAL OIL POLLUTION COMPENSATION FUND

#### Contributions to Fund

## 2 Contributions by importers of oil and others

- (1) Contributions shall be payable to the Fund in respect of oil carried by sea to ports or terminal installations in the United Kingdom.
- (2) Subsection (1) above applies whether or not the oil is being imported, and applies even if contributions are payable in respect of carriage of the same oil on a previous voyage.
- (3) Contributions shall also be payable to the Fund in respect of oil when first received in any installation in the United Kingdom after having been carried by sea and discharged in a port or terminal installation in a country which is not a Fund Convention country.
- (4) The person liable to pay contributions is—
  - (a) in the case of oil which is being imported into the United Kingdom, the importer, and
  - (b) otherwise, the person by whom the oil is received.
- (5) A person shall not be liable to make contributions in respect of the oil imported or received by him in any year if the oil so imported or received in the year does not exceed 150,000 tonnes.
- (6) For the purpose of subsection (5) above—
  - (a) all the members of a group of companies shall be treated as a single person, and
  - (b) any two or more companies which have been amalgamated into a single company shall be treated as the same person as that single company.
- (7) The contributions payable by a person for any year shall—

- (a) be of such amount as may be determined by the Assembly of the Fund under Articles 11 and 12 of the Fund Convention and notified to him by the Fund;
- (b) be payable in such instalments, becoming due at such times, as may be so notified to him ;

and if any amount due from him remains unpaid after the date on which it became due, it shall from then on bear interest, at a rate determined from time to time by the said Assembly, until it is paid.

(8) The Secretary of State may by regulations contained in a statutory instrument impose on persons who are or may be liable to pay contributions under this section obligations to give security for payment to the Secretary of State, or to the Fund.

Regulations under this subsection-

- (a) may contain such supplemental or incidental provisions as appear to the Secretary of State expedient,
- (b) may impose penalties for contravention of the regulations punishable on summary conviction by a fine not exceeding £400, or such lower limit as may be specified in the regulations, and
- (c) shall be subject to annulment in pursuance of a resolution of either House of Parliament.

(9) In this and the next following section, unless the context otherwise requires—

" company " means a body incorporated under the law of the United Kingdom, or of any other country;

" group " in relation to companies, means a holding company and its subsidiaries as defined by section 154 of the Companies Act 1948 (or for companies in Northern Ireland section 148 of the Companies Act (Northern Ireland) 1960), subject, in the case of a company incorporated outside the United Kingdom, to any necessary modifications of those definitions;

" importer " means the person by whom or on whose behalf the oil in question is entered for customs purposes on importation, and "import" shall be construed accordingly;

" oil " means crude oil and fuel oil, and

- (a) " crude oil " means any liquid hydrocarbon mixture occurring naturally in the earth whether or not treated to render it suitable for transportation, and includes— (i) crude oils from which distillate fractions have been removed, and
  - (i) crude oils to which distillate fractions have been added,
- (b) "fuel oil " means heavy distillates or residues from crude oil or blends of such materials intended for use as a fuel for the production of heat or power of a quality equivalent to the " American Society for Testing and Materials' Specification for Number Four Fuel Oil (Designation D 396-69)", or heavier.

" terminal installation " means any site for the storage of oil in bulk which is capable of receiving oil from waterborne transportation, including any facility situated offshore and linked to any such site.

(10) In this section " sea " does not include any waters on the landward side of the baselines from which the territorial sea of the United Kingdom is measured.