

LN086-E

L. N. 86 of 2002

Merchant Shipping (Limitation of Shipowners Liability) (Rate of Interest) Order
(Made under section 19(1) of the Merchant Shipping (Limitation of Shipowners
Liability) Ordinance (Cap. 434))

1. Rate of interest for purposes
of limitation fund

The rate of interest to be applied for the purposes of paragraph 1 of Article
11 of the Convention on Limitation of Liability for Maritime Claims, 1976 is---

- (a) from 16 January 1987 to 30 April 1987, 7.5%;
- (b) from 1 May 1987 to 5 November 1987, 6%;
- (c) from 6 November 1987 to 5 May 1988, 7.38%;
- (d) from 6 May 1988 to 5 October 1989, 5.89%;
- (e) from 6 October 1989 to 14 June 1990, 11.09%;
- (f) from 15 June 1990 to 25 July 1991, 10.24%;
- (g) from 26 July 1991 to 30 April 1992, 9.74%;
- (h) from 1 May 1992 to 22 October 1992, 8.72%;
- (i) from 23 October 1992 to 27 July 1995, 7.48%;
- (j) from 28 July 1995 to 11 June 1998, 8.82%;
- (k) from 12 June 1998 to 30 May 2002, 9.91%;
- (l) from 31 May 2002 onwards, 5.16%.

2. Repeals

The following Orders are repealed---

- (a) Merchant Shipping (Liability of Shipowners and Others) (Rate of Interest) (Hong Kong) Order 1987 (L. N. 13 of 1987);
- (b) Merchant Shipping (Liability of Shipowners and Others) (Rate of Interest) (Hong Kong) (No. 2) Order 1987 (L. N. 123 of 1987);
- (c) Merchant Shipping (Liability of Shipowners and Others) (Rate of Interest) (Hong Kong) (No. 3) Order 1987 (L. N. 368 of 1987);
- (d) Merchant Shipping (Liability of Shipowners and Others) (Rate of Interest) (Hong Kong) Order 1988 (L. N. 139 of 1988);
- (e) Merchant Shipping (Liability of Shipowners and Others) (Rate of Interest) (Hong Kong) Order 1989 (L. N. 331 of 1989);
- (f) Merchant Shipping (Liability of Shipowners and Others) (Rate of Interest) (Hong Kong) Order 1990 (L. N. 185 of 1990);
- (g) Merchant Shipping (Liability of Shipowners and Others) (Rate of Interest) (Hong Kong) Order 1991 (L. N. 304 of 1991);

- (h) Merchant Shipping (Liability of Shipowners and Others) (Rate of Interest) (Hong Kong) Order 1992 (L. N. 115 of 1992);
- (i) Merchant Shipping (Liability of Shipowners and Others) (Rate of Interest) (Hong Kong) (No. 2) Order 1992 (L. N. 333 of 1992);
- (j) Merchant Shipping (Limitation of Shipowners Liability) Ordinance (Rate of Interest) Order 1995 (Cap. 434 sub. leg.); and
- (k) Merchant Shipping (Limitation of Shipowners Liability) Ordinance (Rate of Interest) Order 1998 (Cap. 434 sub. leg.).

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Monetary Authority

27 May 2002

Explanatory Note

Under paragraph 1 of Article 11 of the Convention on Limitation of Liability for Maritime Claims, 1976 as applied by the Merchant Shipping (Limitation of Shipowners Liability) Ordinance (Cap. 434), shipowners and salvors may limit their liabilities for maritime claims by constituting limitation funds. Such limitation funds shall comprise the amounts set out in the Convention together with interest thereon.

2. According to section 19 of the Ordinance, the Monetary Authority may from time to time prescribe the rate of interest to be applied for the purposes of paragraph 1 of Article 11 of the Convention. This Order---

- (a) consolidates the various Orders prescribing the rates of interest to be applied to different periods of time into one Order; and
- (b) prescribes the new rate of interest applicable on or after 31 May 2002.