

**立法會**  
**Legislative Council**

LC Paper No. LS65/07-08

**Paper for the House Committee Meeting  
on 28 March 2008**

**Legal Service Division Report on  
Subsidiary Legislation Gazetted on 14 March 2008**

**Date of tabling in LegCo** : 9 April 2008

**Amendment to be made by** : 7 May 2008 (or 28 May 2008 if extended by resolution)

**PART I INTEREST RATE**

**Merchant Shipping (Limitation of Shipowners Liability) Ordinance (Cap. 434)  
Merchant Shipping (Limitation of Shipowners Liability) (Rate of Interest)  
(Amendment) Order 2008 (L.N. 56)**

The principal Ordinance was enacted in October 1993 to, *inter alia*, enable the Convention on Limitation of Liability for Maritime Claims 1976 (the Convention) to have the force of law in Hong Kong. Article 11 of the Convention provides that shipowners or salvors alleged to be liable in respect of certain claims may limit their liability by constituting limitation funds. The funds shall be constituted in such sums specified by the Convention together with interest thereon from the date of the occurrence giving rise to the liability until the date of the constitution of the funds.

2. The rate of interest was prescribed by the Monetary Authority (MA) for different periods of time. The current rate (7.45%) was prescribed by MA with reference to the six-month-moving-average of the Hongkong and Shanghai Banking Corporation Limited's (HSBC) Best Lending Rate on 19 December 2007.

3. This Order is made by the MA under section 19(1) of the principal Ordinance by amending section 1 of the Merchant Shipping (Limitation of Shipowners Liability) (Rate of Interest) Order (Cap. 434 sub. leg. D) to prescribe the new interest rate at 6.76% from 14 March 2008 to reflect the reduction in the HSBC's Best Lending Rate.

4. Members may refer to the LegCo Brief issued by the Financial Services and the Treasury Bureau issued on 14 March 2008 for further information.

## **PART II LEGAL NOTICES NOT REQUIRED TO BE TABLED AND NOT SUBJECT TO AMENDMENT**

### **United Nations Sanctions Ordinance (Cap. 537)**

### **United Nations Sanctions (Liberia) Regulation 2008 (L.N. 57)**

### **United Nations Sanctions (Liberia) Regulation 2005 (Repeal) Regulation (L.N. 58)**

5. The United Nations Sanctions (Liberia) Regulation 2008 (the 2008 Regulation) was made by the Chief Executive under section 3 of the United Nations Sanctions Ordinance (Cap. 537) on the instruction of the Ministry of Foreign Affairs of the People's Republic of China and after consultation with the Executive Council to give effect to certain decisions of the Security Council of the United Nations (UNSC) in Resolution 1792 (2007) as adopted by UNSC on 19 December 2007.

6. Since March 2001, UNSC has adopted various resolutions imposing sanctions against Liberia. Regulations under the principal Ordinance have been made to implement such resolutions. The latest one is the United Nations Sanctions (Liberia) Regulation 2005 (Cap. 537 sub. leg. X) (the 2005 Regulation). Other than those related to financial sanctions, the provisions in the 2005 Regulation expired on 19 December 2007. On 19 December 2007, UNSC adopted Resolution 1792 (2007) renewing the following sanctions for a period of 12 months -

- (a) prohibition against supply and delivery of arms and related material to Liberia or persons connected with Liberia;
- (b) prohibition against provision of technical training or assistance related to the provision, manufacture, maintenance or use of arms or related material to person connected with Liberia; and
- (c) prohibition against the entry into or transit through Hong Kong by certain persons.

7. Resolution 1792 (2007) also provides that the financial sanctions imposed against Liberia remain in force.

8. The 2008 Regulation makes provisions to further implement the above sanctions including the financial sanctions in the 2005 Regulation which have been repealed by L.N. 58. It also makes provisions for the investigation of any contravention of the respective prohibitions and for the gathering of evidence and other matters relating to the enforcement of the prohibitions.

9. Other than sections 6 and 11 of the 2008 Regulation concerning financial sanctions, which came into operation on 21 March 2008, the other provisions of the 2008 Regulation had come into operation on 14 March 2008.

10. L.N. 58 repeals the 2005 Regulation upon the making of the 2008 Regulation. It has come into operation on 21 March 2008.

11. Members may refer to the information paper issued by the Commerce and Economic Development Bureau in March 2008 (CB(1)1073/07-08(01)) to the Subcommittee to Examine the Implementation in Hong Kong of Resolutions of the United Nations Security Council in relation to Sanctions (the Subcommittee) on the two regulations.

12. Under section 3(5) of the principal ordinance, sections 34 and 35 of the Interpretation and General Clauses Ordinance (Cap. 1) shall not apply to regulations made under the principal Ordinance. Therefore, the two regulations are not subject to amendment by the Legislative Council. However, since the two regulations come within the terms of reference of the Subcommittee, Members may consider referring them to the Subcommittee for further consideration.

### **Concluding Remarks**

13. No difficulties have been identified in the legal or drafting aspects of the above items of subsidiary legislation.

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