



LC/33
Flimsy No. 5
30/4/08

LEGAL COMMITTEE – 33RD SESSION

(Montréal, 21 April – 2 May 2008)

PROPOSED TEXT FOR REVISED PARAGRAPHS 8.6 AND 8.7

(Presented by Japan)

Paragraph 8.6

- a) The Supplementary Compensation Mechanism and its funds shall enjoy exemption from all direct taxation in all States Parties.
- b) The Supplementary Compensation Mechanism shall enjoy exemption from all custom duties, taxes and other related taxes in all States Parties on articles imported or exported by it or on its behalf for its official use.
- c) No exemption shall be accorded in the case of duties, taxes or duties which merely constitute payment for public utility services.

(As mentioned in Article 34 of *International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage*.)

Paragraph 8.7

The Supplementary Compensation Mechanism shall be immune from legal process, except in respect of actions relating to credits obtained according to Article 17 or to compensation payable according to Article 18. The Director and other personnel of the Supplementary Compensation Mechanism shall be immune from legal process with respect to acts performed by them in their official capacity. The immunity of the Director may be waived by the Conference of Parties. The immunity of the other personnel may be waived by the Director.

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