Amendments to increase the limits of liability in the 1996 Protocol to amend the Convention on Limitation of Liability for Maritime Claims, 1976 (LLMC Protocol 1996) entered into force on 8 June 2015, raising the amount claimable for loss of life or personal injury on ships (not exceeding 2,000 gross tonnage) to 3.02 million Special Drawing Rights (SDR), up from 2 million SDR (additional amounts are claimable on larger ships).

The 1976 LLMC Convention sets specified limits of liability for certain types of claims against shipowners:

- Claims for loss of life or personal injury; and
- Other claims, such as property claims (including damage to other ships, property or harbour works), delay, bunker spills, wreck removal, pollution damage, etc.

The Convention also allows for shipowners and salvors to limit their liability except if ‘it is proved that the loss resulted from his personal act or omission, committed with the intent to cause such loss, or recklessly and with knowledge that such loss would probably result’.

In the aftermath of the incident with the Pacific Adventurer, which occurred in the waters of southern Queensland in March 2009, it appeared that the limits of liability, as calculated under LLMC Protocol 96 for a bunker fuel oil spill, fell significantly short of the cost of responding to the incident.

Taking into account the experience of historic claims, as well as the impact of inflation rates, a proposal to increase the limits in the LLMC Protocol 1996 was submitted to IMO by 20 States Parties. Subsequently, IMO’s Legal Committee adopted resolution LEG.5(99) containing revised limits, when it met for its 99th session.

The LLMC Protocol has 52 Contracting States, which between them represent 58.40% of the world merchant shipping tonnage (as at 12 May 2016).