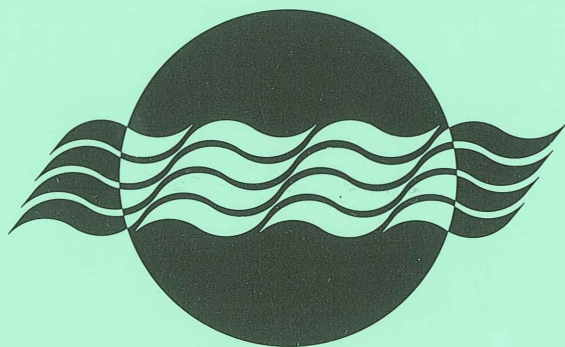


**INTERNATIONAL
OIL POLLUTION
COMPENSATION FUND**

**ANNUAL REPORT
1987**



**Report on the Activities of the
International Oil Pollution Compensation Fund
in the Calendar Year 1987**

1 INTRODUCTION

The International Oil Pollution Compensation Fund (IOPC Fund) was set up in October 1978, pursuant to the 1971 Fund Convention, for the purpose of providing compensation for oil pollution damage resulting from spills of persistent oil from laden tankers. This Annual Report for the calendar year 1987 covers the activities of the IOPC Fund during its ninth year of operation.

At the time of its establishment, the IOPC Fund had 14 Member States. Since then, the membership of this inter-governmental organisation has increased to 38 States. A list of the present Member States is set out in Annex I, and details of the IOPC Fund's organs (the Assembly, the Executive Committee and the Fund Secretariat) are given in Annex II.

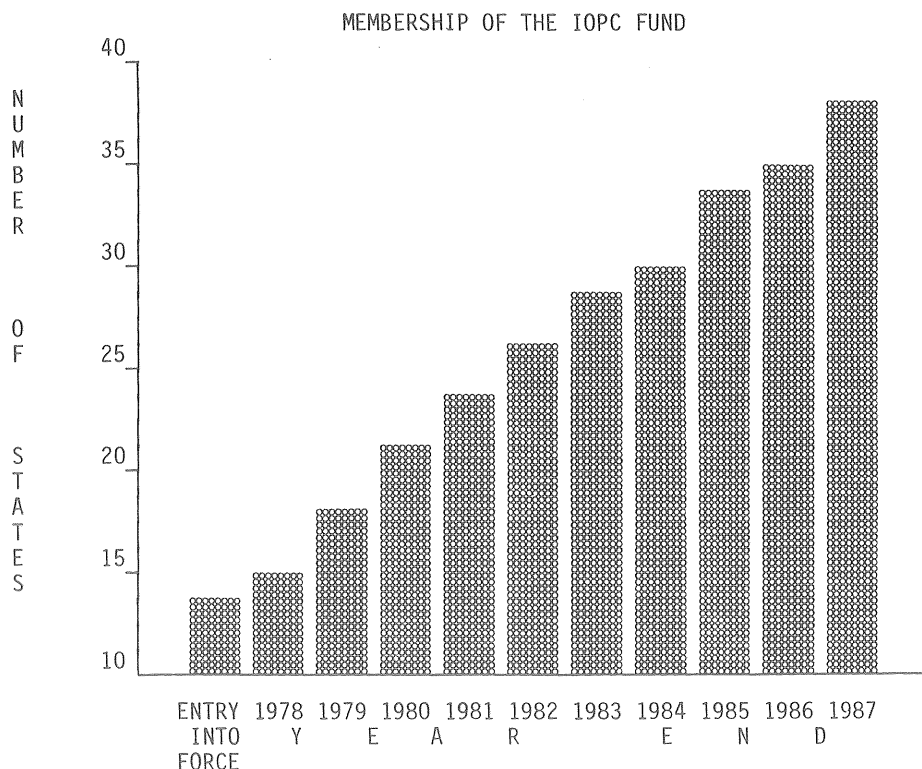
There have been three new incidents in 1987 involving the IOPC Fund, viz the ANTONIO GRAMSCI, the ELHANI and the AKARI incidents, which occurred in Finland, Indonesia and the United Arab Emirates, respectively. Several incidents which occurred in previous years still required a considerable amount of work by the IOPC Fund's Secretariat, and final settlements were reached during 1987 in respect of some of these incidents. The legal action in the TANIO case (France, 1980) which the IOPC Fund, together with the French Government, had taken against the owner of the TANIO and other parties entered a very active phase. After lengthy and complicated negotiations, this legal action was finally settled out of court in December 1987, and the IOPC Fund recovered over half the amount that it had paid to the French Government and other victims. The PATMOS incident, which occurred in the Straits of Messina in Italy in 1985, has given rise to large claims against the IOPC Fund, and the IOPC Fund has become involved in complicated court proceedings in Italy.

Pursuant to the decision of the IOPC Fund Assembly at its 9th session in October 1986, the maximum liability of the IOPC Fund in respect of any one incident was increased from 675 million (gold) francs (45 million Special Drawing Rights, SDR) to 787 500 000 (gold) francs (52.5 million SDR) for incidents which occurred after 30 November 1986. A further increase to 900 million (gold) francs (60 million SDR), as decided by the Assembly at its 9th session, came into effect for incidents occurring after 30 November 1987. The maximum amount of compensation payable by the IOPC Fund in respect of any one incident, including any amount actually paid by the shipowner or his insurer under the Civil Liability Convention, is consequently 60 million SDR, which corresponds to £45 million (on the basis of the value of the SDR on 31 December 1987).

2 MEMBERSHIP

Four States joined the IOPC Fund in 1987. The Fund Convention entered into force for Greece on 16 March 1987, for the Union of

Soviet Socialist Republics on 15 September 1987 and for the Federal Republic of Nigeria on 10 December 1987. In addition, Côte d'Ivoire acceded to the Fund Convention on 5 October 1987, and the Convention will enter into force in respect of Côte d'Ivoire on 3 January 1988, bringing the number of Member States to 38. The development of the IOPC Fund's membership is illustrated in the following graph.



There are reasons to expect that more States will join the IOPC Fund in the near future. The parliaments of Canada and Morocco have approved the Fund Convention and the necessary implementing legislation, and these States will soon deposit their instruments of accession to the Convention. In Ireland, legislation implementing the Fund Convention is being considered by Parliament. Such implementing legislation is in an advanced stage in Belgium and Cyprus. Several other States, eg Argentina, Chile, the People's Republic of China, the German Democratic Republic, Malaysia, Saudi Arabia, Senegal, the Seychelles, Trinidad and Tobago, Vanuatu and Venezuela, are also examining the question of accession to the Fund Convention.

3 CONTACTS WITH GOVERNMENTS AND INTERESTED BODIES

As instructed by the Assembly at its 9th session in October 1986, the IOPC Fund Secretariat has intensified its efforts to increase the number of Member States. To this end, the Secretariat has endeavoured to convey as much information as possible about the Civil Liability Convention and the Fund Convention to Governments and representatives of industry, since the compensation system created by these Conventions is very complex. The Director went to Canada, Saudi Arabia and the United States of America for discussions on the Civil Liability Convention and the Fund Convention with government officials in these States.

The Director visited four Member States - Algeria, Finland, Kuwait and Poland - for discussions with government officials on the Fund Convention and the operations of the IOPC Fund.

The Director and the Legal Officer also had discussions with government representatives of both Member and non-Member States in connection with meetings within the International Maritime Organisation (IMO), in particular during the session of the IMO Assembly in November 1987.

The Director participated in a Seminar on Marine Pollution Prevention, Control and Response in Jeddah (Saudi Arabia). He took part in the 1987 Oil Spill Conference in Baltimore (USA), organised by the United States Coast Guard, the American Petroleum Institute and the Environmental Protection Agency, where he lectured on the notion of oil pollution damage. In addition, he gave lectures on liability and compensation for oil pollution damage to the students of the World Maritime University in Malmö (Sweden). The Legal Officer lectured on oil pollution liability at a training course (MEDIPOL 87) which was organised in Valetta (Malta) by the Regional Oil Combating Centre for the Mediterranean Sea (ROCC), and he gave a lecture on oil pollution liability and compensation at a regional seminar on MARPOL 73/78 held in Accra (Ghana).

The operation of the IOPC Fund has, as in previous years, been greatly facilitated by close co-operation between the Fund and many international, inter-governmental and non-governmental organisations. Of special importance was the assistance and support given by IMO to the IOPC Fund. The examination and settlement of claims was greatly facilitated by the co-operation between the IOPC Fund and the P & I Clubs. For technical expertise in connection with oil pollution incidents, the IOPC Fund relied mainly on the services of the International Tanker Owners Pollution Federation Limited (ITOPF); ITOPF's assistance is vital, as the IOPC Fund does not have such expertise within its Secretariat. There was also close co-operation between the IOPC Fund, on the one hand, and oil industry interests represented by the Oil Companies International Marine Forum (OCIMF) and CRISTAL Limited (which administers the voluntary compensation scheme set up by the oil industry), on the other hand.

4 THE 1984 PROTOCOLS TO THE CIVIL LIABILITY CONVENTION AND THE FUND CONVENTION

In 1984 a Diplomatic Conference held in London under the auspices of IMO adopted two Protocols to amend the Civil Liability Convention and the Fund Convention, respectively. These Protocols provide for higher limits of compensation and a wider scope of application than the Conventions in their original versions.

The Protocol to the Civil Liability Convention has been ratified by France, Peru and South Africa, whereas only France has so far become Party to the Protocol to the Fund Convention. In the United States of America, the Protocols and necessary implementing legislation are being considered by Congress. In the Federal Republic of Germany and the United Kingdom, bills which would enable the Governments to ratify the Protocols have been submitted to the respective Parliaments. Several other States, eg Denmark, Finland, the Netherlands, Norway and Sweden, have begun preparing legislation enabling them to ratify the Protocols.

5 ASSEMBLY AND EXECUTIVE COMMITTEE

The Assembly held its 10th session on 7 and 8 October 1987. Mr J Bredholt (Denmark) was re-elected Chairman of the Assembly.

The Executive Committee held its 18th session on 6 and 7 October 1987, under the chairmanship of Professor H Tanikawa (Japan), and its 19th session on 8 October 1987 with Mr P Novia (Italy) in the chair.

The major decisions taken at these sessions were as follows.

5.1 10th Session of the Assembly

- (a) The Assembly took note of the opinion given in the External Auditor's Report on the Financial Statements of the IOPC Fund and approved the accounts for the financial period 1 January to 31 December 1986.
- (b) The following States were elected members of the Executive Committee to hold office until the end of the next regular session of the Assembly: Federal Republic of Germany, Finland, France, Ghana, Greece, Indonesia, Italy, Kuwait, Netherlands, Poland, Tunisia and the United Kingdom.
- (c) The Assembly adopted the budget appropriations for 1988 with an administrative expenditure totalling £344 130.
- (d) The Assembly decided to levy 1987 annual contributions in the amount of £800 000 for the general fund and in the amount of £400 000 for the BRADY MARIA major claims fund, to be paid by 1 February 1988.

- (e) The Assembly granted observer status to the Argentine Republic. It also granted a request for observer status from the International Union for Conservation of Nature and Natural Resources (IUCN).
- (f) The Assembly took note of the developments regarding the voluntary industry schemes TOVALOP and CRISTAL and of the procedure for co-operation agreed between the Director of the IOPC Fund and the President of CRISTAL.

5.2 18th Session of the Executive Committee

The Executive Committee was informed of the latest developments in the settlement of claims arising out of pollution incidents involving the IOPC Fund.

The Committee was advised of the developments in the legal action taken by the IOPC Fund and the French Government in the TANIO case (France, 1980) against the owner of the TANIO and other third parties. In a closed session, the Director informed the Committee of the main elements of a proposed agreement for an out-of-court settlement between the IOPC Fund, the French State and various defendants. The Committee approved the proposed agreement for an out-of-court settlement, as presented by the Director, provided that the agreement was approved by the competent authorities of the French State. The Executive Committee also authorised the Director to approve any necessary agreement concerning the details of this proposed settlement and to take any other decision on outstanding questions relating to the TANIO incident.

As for the PATMOS incident (Italy, 1985), the Committee was informed of the on-going court proceedings in Italy.

As regards the BRADY MARIA incident which occurred in the Federal Republic of Germany in January 1986, the Director informed the Committee that all claims against the IOPC Fund arising out of this incident had been settled.

5.3 19th Session of the Executive Committee

At its 19th session, the Executive Committee elected Mr P Novia (Italy) as its Chairman.

6 ACCOUNTS OF THE IOPC FUND

As already mentioned, the accounts of the IOPC Fund for the financial period 1 January to 31 December 1986 were approved by the Assembly at its 10th session in October 1987.

The Income and Expenditure Accounts for the period 1 January to 31 December 1986 are shown in Annexes III - V to this Report.

Regarding the general fund (Annex III), the major part of the income in 1986 consisted of annual contributions (£1 500 594 out of a total income of £1 963 973). A considerable amount, £381 907, was derived from interest on the investment of the IOPC Fund's assets. The administrative expenditure was £313 086, about 10% less than the budgetary appropriations. Expenditure on minor claims was £1 334 668. An excess of income over expenditure of £317 607 was recorded for the financial period 1986, and this amount was added to the accumulated surplus from previous years, bringing the surplus to £1 610 808.

There were no payments of compensation in 1986 from the major claims funds (Annexes IV and V).

As for the ONDINA/FUKUTOKU MARU N°8 major claims fund (Annex IV), this fund was liquidated by refunding £700 281 to contributors and transferring the balance of £4 479 to the general fund, following a decision taken by the Assembly at its 8th session in October 1985.

The balance sheet of the IOPC Fund as at 31 December 1986 is shown in Annex VI to this Report. The IOPC Fund's contingent liabilities as at that date with respect to pollution incidents were estimated at £17 498 483.

The accounts of the IOPC Fund for the financial period 1 January to 31 December 1987 will be submitted in the Spring of 1988 to the External Auditor for an audit opinion and presented to the Assembly for approval at its 11th session in October 1988. These accounts will then be reproduced in the Report on the Activities of the IOPC Fund for the calendar year 1988.

7 CONTRIBUTIONS

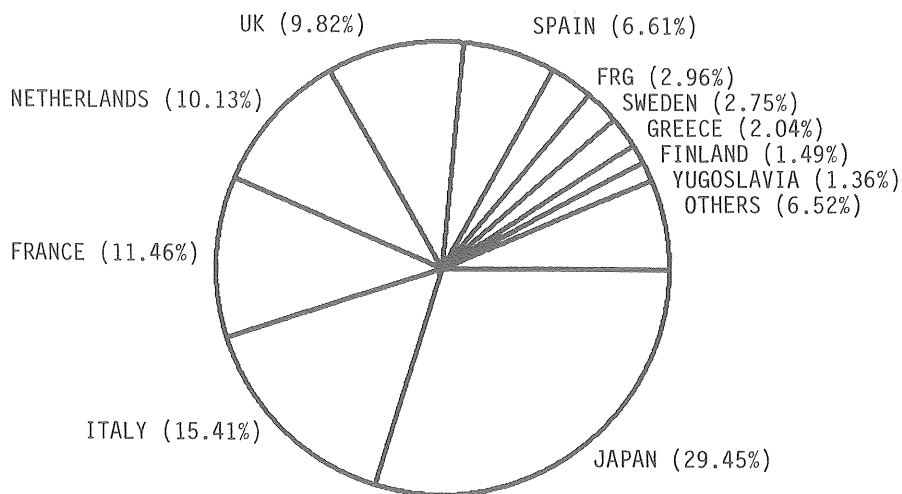
At its 9th session in October 1986, the Assembly decided to levy 1986 annual contributions for the general fund in the amount of £1.8 million. No contributions were levied for any major claims fund. Payment was due by 1 February 1987. Only a small amount remains unpaid.

As already mentioned, the Assembly decided at its 10th session to levy 1987 annual contributions in the amount of £800 000 for the general fund and in the amount of £400 000 for the BRADY MARIA major claims fund. The amount payable by each contributor per tonne of contributing oil received was £0.0010154 in respect of the general fund, based on the quantities of oil received in 1986, and £0.0005193 in respect of the BRADY MARIA major claims fund, based on the quantities received in 1985 (the year before the incident).

Only a small part of these contributions had been received by 31 December 1987, since the payments were not due until 1 February 1988.

The share of the 1987 annual contributions to be paid to the general fund by contributors in each Member State is illustrated in the following chart.

1987 GENERAL FUND CONTRIBUTIONS



The quantities of contributing oil received in 1986 in Member States are given in Annex VII to this report.

In respect of contributions levied for previous years, the situation must be considered very satisfactory, as only very small amounts are in arrears. On 31 December 1987, only £31 162 was outstanding, representing less than 0.05% of the contributions assessed for all previous years. At its 10th session, the Assembly again expressed its satisfaction with the positive response of contributors regarding the payment of contributions.

The payments made by the IOPC Fund in respect of claims for compensation for oil pollution damage and for indemnification of shipowners vary considerably from year to year. Consequently, the level of contributions to the IOPC Fund varies from one year to another, as illustrated in the following table setting out the contributions levied during the period 1979-1987.

<u>Year</u>	<u>General Fund</u>	<u>Major Claims Funds</u>	<u>Total Levy</u>
	£	£	£
1979	750 000	0	750 000
1980	800 000	9 200 000	10 000 000
1981	500 000	0	500 000
1982	600 000	260 000	860 000
1983	1 000 000	23 106 000	24 106 000
1984	0	0	0
1985	1 500 000	0	1 500 000
1986	1 800 000	0	1 800 000
1987	800 000	400 000	1 200 000

It should be noted that an important development took place in 1987 in respect of the financial burden on the contributors to the IOPC Fund, as a consequence of the revision of the voluntary compensation scheme set up by the oil industry, the Contract Regarding a Supplement to Tanker Liability for Oil Pollution (CRISTAL). A revised CRISTAL Contract entered into force on 20 February 1987. The revised CRISTAL contract provides for a reimbursement system for members of CRISTAL who pay contributions to the IOPC Fund because they are situated in a State Party to the Fund Convention. These CRISTAL members will be reimbursed by CRISTAL for contributions which they have paid to the IOPC Fund in respect of incidents involving cargoes owned by CRISTAL members. This means that the total contributions paid by CRISTAL members in respect of compensation to victims of oil pollution incidents will be practically the same whether or not the CRISTAL member concerned is situated in a State Party to the Fund Convention.

8 INVESTMENT OF FUNDS

In accordance with the IOPC Fund's investment policy as laid down in its Internal and Financial Regulations, the Director invests funds which are not required for the short-term operation of the IOPC Fund.

During 1987, investments were made with several leading London banks. Apart from investments placed overnight till the next business day, the investments were made at interest rates varying from 8 7/16% p.a to 13 1/16% p.a, with an average of 10 1/2%. Interest due in 1987 on the investments amounted to £547 000, on an average capital of £5.5 million.

As at 31 December 1987, the IOPC Fund's portfolio of investments totalled £15 632 808. This amount is made up of the assets of the IOPC Fund and the Staff Provident Fund. Of the IOPC Fund's assets, the TANIO major claims fund alone accounts for £12.8 million.

9 SETTLEMENT OF CLAIMS

9.1 General Information

During 1987 three incidents occurred which have given or may give rise to claims for compensation and indemnification against the IOPC Fund, namely the ANTONIO GRAMSCI, the ELHANI and the AKARI incidents.

In February 1987, the USSR tanker ANTONIO GRAMSCI grounded on the south coast of Finland, causing an escape of 600-700 tonnes of crude oil. Extensive operations to combat the spilt oil were carried out in Finland and the USSR. No claims have been submitted so far, and it is not yet possible to assess whether the IOPC Fund will have to pay any compensation as a result of this incident.

The ELHANI incident occurred in July 1987 in Indonesian territorial waters near Singapore. The extent of the pollution damage is not yet known. Although a request for advance payment has been submitted to the IOPC Fund by the Indonesian authorities, it is unlikely that the IOPC Fund will be called upon to pay compensation, since the limitation amount of the shipowner's liability is very high.

The AKARI incident took place in August 1987 off the coast of the United Arab Emirates. So far, due to the paucity of information available, it is not possible to predict whether the IOPC Fund will have to pay any compensation.

As for incidents which occurred in previous years, it has now been established that the IOPC Fund will not be called upon to pay any compensation or indemnification in respect of the JOSE MARTI and the ROSE GARDEN MARU incidents. In the EIKO MARU N°1 case, the only outstanding claim, a recourse claim, was settled in 1987. The TAKE MARU N°6 incident has also been settled, and indemnification of the shipowner has been paid.

In addition to the three new incidents mentioned above, there are, as at 31 December 1987, seven incidents in respect of which final settlements have not yet been reached: the TANIO, KOSHUN MARU N°1, PATMOS, JAN, BRADY MARIA (in respect of which only a recourse claim is outstanding), OUED GUETERINI and THUNTANK 5 incidents.

The most important development in 1987 relates to the TANIO incident which occurred in 1980 off the coast of Brittany (France). The IOPC Fund had taken action in the Court of Brest (France) against the owner of the TANIO and other parties to recover the amounts paid to the claimants, up till now FFr221 million (£18.2 million). The French Government had taken action against the same defendants for the purpose of obtaining compensation for that part of its total claim which was not compensated by the shipowner's limitation fund and the IOPC Fund. In December 1987, an out-of-court settlement was reached under which the IOPC Fund recovered

£9.5 million, ie more than half the amount paid by it to the French Government and other victims. The only outstanding issue in this case is a final part payment of some small amounts to claimants.

As already mentioned, the IOPC Fund has become involved in complicated legal proceedings in Italy concerning the claims arising out of the PATMOS incident which occurred in March 1985 in the Straits of Messina in Italy. Some major outstanding claims are subject to litigation in the Court of Appeal in Messina, and there has been very little progress in the proceedings during 1987.

The following details relate to incidents which the IOPC Fund dealt with in 1987. The conversion of foreign currencies into Pound Sterling is as at 31 December 1987, except for those claims in respect of which payment has already been made; in respect of the latter, the conversion is made at the rate of exchange on the date of payment.

Annex VIII contains a summary of all incidents with which the IOPC Fund has been dealing over the years and in respect of which the IOPC Fund has paid compensation or indemnification or in respect of which it is possible that such payments will be made by the Fund. It also includes some other incidents in which the IOPC Fund was involved but in respect of which the Fund in the end was not called upon to make any payments.

9.2 TANIO

(France, 7 March 1980)

As already mentioned, the legal action which the IOPC Fund had taken in France in the TANIO case was settled out of court in December 1987. In view of the importance of this settlement, it has been considered appropriate to recapitulate the major aspects of this case.

The Incident

The Malagasy tanker TANIO (18 048 GRT), carrying 26 000 tonnes of fuel oil, broke amidship in heavy weather conditions off the coast of Brittany, France. About 13 500 tonnes of cargo oil spilled from the wreck. More than 200 kilometres of the Brittany coast were polluted by the spilt oil; the Channel Islands were also affected. The stern section, with about 7 500 tonnes of cargo aboard, remained afloat and was towed to the port of Le Havre. The bow section, with about 5 000 tonnes of cargo oil on board, sank to a depth of 90 metres. The oil contained in the sunken bow section had to be pumped out in order to prevent further pollution from the wreck.

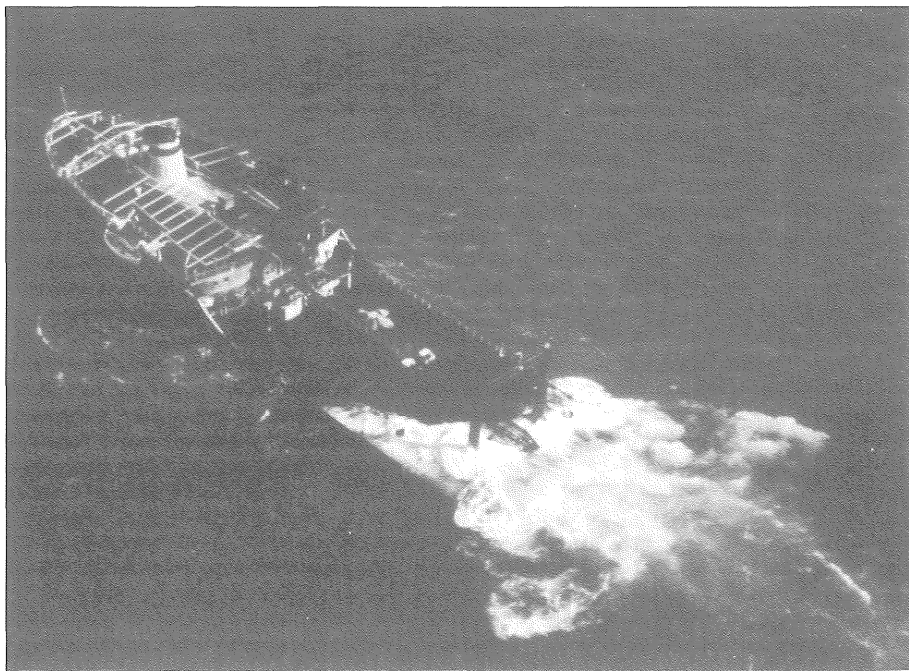
Claims Settlement and Part Payments

Claims for compensation were submitted by nearly 100 claimants, totalling FFr527 million (£52 million). The claim submitted by the French Government accounted for more than 90% of that amount. This

claim related to expenses for pumping the oil from the sunken bow section, costs of clean-up operations and compensation paid by the Government to private persons for loss of earnings. Claims from local authorities related to costs of clean-up work, road repairs, beach restoration and the loss of earnings of municipal camping sites. Private persons submitted claims for loss of earnings in their business. The shipowner's P & I insurer, the United Kingdom Mutual Steamship Assurance Association (Bermuda) Limited (the UK Club), claimed for expenses incurred for a survey of the sunken fore section and for a provisional sealing of holes in the wreck.

The limit of the shipowner's liability under the Civil Liability Convention is FFr11 833 717.79 (£1.2 million). The UK Club established the limitation fund under that Convention in April 1980 by paying this amount to the Court in Brest. The Court appointed a liquidator of the limitation fund, who invested the amount deposited by the Club.

After long and difficult negotiations, the Director reached agreement on the quantum of each of the claims. The total accepted by the IOPC Fund amounted to approximately FFr348 million (£34 million). Since that amount exceeds the compensation available under the Civil Liability Convention and the Fund Convention



The stern section of the TANIO being towed to Le Havre

(FFr244 746 000), each claimant will recover only about 70% of the agreed quantum. Part payments were made by the Fund in the period 1983-1985 totalling FFr221 201 452 (£18.2 million). Out of this amount, FFr208 million was paid to the French Government, FFr5.5 million to local authorities in France, FFr4.7 million to the UK Club and FFr2.8 million to private claimants in France. There only remains some small amounts to be paid by the IOPC Fund to claimants.

It should be noted that the amount claimed against the IOPC Fund by many of the claimants exceeded the amounts at which settlements were made. For example, the French Government had assessed the total damage at FFr489 820 401, whereas in the settlement between the IOPC Fund and the French Government only an amount of FFr326 921 937 was accepted by the Fund. However, the agreements on the amounts between the IOPC Fund and the various claimants were reached for the purpose of distributing the money available under the Fund Convention, in the interest of a speedy settlement, without prejudice to each claimant's right to claim beyond the amount accepted by the IOPC Fund against the owner of the TANIO and other third parties.

The only outstanding claim is one submitted to the Court of Brest by an Association of French fishermen, amounting to FFr500 000. However, the Director has not yet succeeded in ascertaining whether this claim is maintained against the IOPC Fund.

In September 1984, the liquidator of the limitation fund made a first distribution of the fund, amounting to FFr19 147 973. Out of this amount, FFr17 980 000 was paid to the French Government, FFr490 000 to local authorities in France, FFr420 000 to the UK Club and FFr260 000 to private claimants in France. An amount was reserved for the final distribution of the fund, since not all claims had been settled by the time of the first payment. A second distribution of FFr98 937 was made in November 1986 to some of the claimants. The reserve held in the limitation fund (including interest) amounted to approximately FFr3 500 000 as at 31 December 1987.

The limitation fund reserve is earning interest at market rate. The amount of compensation that will actually be paid under the Civil Liability Convention therefore increases as time passes. The total amount of compensation payable by the IOPC Fund in respect of this incident is FFr244 746 000, less the sum actually paid under the Civil Liability Convention. The amount of compensation to be paid by the IOPC Fund will, therefore, be reduced as the final distribution of the owner's limitation fund is delayed.

In March 1987, the Court of Brest authorised the liquidator of the limitation fund to make a final distribution of the fund on 1 June 1987, or as soon as possible thereafter. The Director has been informed that the distribution will take place in the beginning of March 1988. Once the exact amount paid to claimants from the limitation fund is known, the Director will examine whether further part payments should be made by the IOPC Fund to the various claimants.

Legal Action Against the Shipowner and Other Parties

In 1983, the IOPC Fund took legal action in the Court of Brest against the following persons for the purpose of recovering the amounts paid by the Fund to the claimants:

- (a) La société Industrie Navale Meccaniche Assini (INMA), the shipyard that repaired the TANIO in 1979;
- (b) La société Locafrance International Leasing (Locafrance), the registered owner of the TANIO at the time of the incident;
- (c) La société Guardiola Shipping Corporation (Guardiola), charterer of the TANIO at the time of the incident;
- (d) La compagnie Malgache de Transports Pétroliers (Petromad), the company having sub-chartered the vessel and being responsible for the management of the TANIO at the time of the incident;
- (e) La Société Française des Transports Pétroliers (SFTP), the company responsible for the control of the repairs carried out by INMA and the technical management of the TANIO at the time of the incident;
- (f) Le Bureau Véritas, the classification society that monitored the repairs to the TANIO in 1979; and
- (g) The United Kingdom Mutual Steamship Assurance Association (Bermuda) Limited (UK Club), in its capacity as insurer of the civil liability of certain defendants.

The French Government commenced proceedings against the same defendants for the purpose of obtaining compensation for that part of its total claim which was not compensated by the shipowner's limitation fund and the IOPC Fund. The IOPC Fund and the French Government co-operated closely in their respective legal actions and submitted joint pleadings.

The IOPC Fund claimed in subrogation an amount of FF221 201 452, being the aggregate it had paid so far to all claimants. The French Government claimed an amount of FF261 737 874, being the amount at which the French Government had assessed the damage minus the amounts paid to it from the limitation fund and by the IOPC Fund.

In addition, other claimants (namely the Département des Côtes-du-Nord, 28 communes in the Département des Côtes-du-Nord and in the Département du Finistère, and some 50 private claimants) have taken legal action against the above-mentioned defendants.

The grounds on which the actions taken by the IOPC Fund and the French Government against the various defendants were based can be briefly summarised as follows:

Locafrance, as the registered owner of the TANIO, had failed to put the ship in a seaworthy and navigable state. The failure of Locafrance to organise a proper mechanism of control of the quality of the extensive repairs carried out by INMA constituted a personal fault on the part of Locafrance, which was therefore not entitled to limit its liability under the Civil Liability Convention. INMA had not carried out the repairs to the TANIO in a proper manner. SFTP had not exercised due diligence in the supervision of the repair work at INMA and in checking the results thereof. Guardiola had failed to supervise the execution of the repair work properly. In addition, Guardiola had an obligation to put the ship in a seaworthy condition. Bureau Véritas did not fulfil its obligation to check the quality of the repair work at INMA properly. Petromad, being responsible for the operations of the TANIO, had an obligation to ensure that the crew was competent and properly trained. Petromad had failed to ensure that the Master of the TANIO was properly instructed concerning cargo distribution. The UK Club was sued as insurer of Petromad and Guardiola.

The IOPC Fund and the French Government maintained that the defendants were jointly and severally liable for the amounts claimed.

The defendants maintained that the actions of the IOPC Fund, the French Government and the other plaintiffs were ill-founded and that their claims should, therefore, be rejected.

Investigations into the cause of the incident were carried out by an Expertise Judiciaire ordered by the Court. The Expertise concluded that the initial fracture which broke the TANIO originated in the vicinity of frame 131 in wing tank n°6. As for the cause of the initial fracture, the Expertise maintained that there were three causes that contributed to the disaster, viz insufficient reduction of speed to allow for bad weather, defective cargo loading at the time of the disaster and on previous voyages, and defective realisation by INMA of the replacement of the bottom structure in n°6 wing tanks of the TANIO.

The IOPC Fund and the French Government employed eminent French and English technical experts for the purpose of establishing the cause of the incident. All parties submitted extensive pleadings to the Court both in respect of the technical aspects of the case and in respect of the legal position of the various defendants.

The oral hearing was scheduled to take place in the Court of Brest in October 1987. It was expected that the Court would then decide the question of liability, whereas the quantum of the claims would be dealt with at a later stage.

Negotiations for an Out-of-Court Settlement

During the summer of 1987, discussions were held between some of the defendants, on the one hand, and the IOPC Fund and the

French Government, on the other, with a view to reaching an out-of-court settlement. After very complex and difficult negotiations, agreement on the main elements of an out-of-court settlement was reached at the beginning of October 1987 between the Director of the IOPC Fund and the Agent Judiciaire du Trésor representing the French Government, on one side, and the defendants, on the other side.

The proposed agreement for an out-of-court settlement was submitted by the Director to the Executive Committee for consideration at its 18th session in October 1987. The Committee approved the proposed agreement, provided that the agreement was approved by the competent authorities of the French State. The Committee also authorised the Director to approve any necessary agreement concerning the details of the proposed settlement. The French authorities approved the settlement in November 1987.

The Settlement

The settlement was embodied in a Protocol (Protocole d'accord transactionnel) which was signed on 15 December 1987 in Paris. The main elements of the settlement are as follows:

Locafrance and the UK Club pay, on behalf of all defendants, a total amount of US \$50 million to the IOPC Fund and the French State, less the shipowners' limitation amount under the Civil Liability Convention, FF^r11 833 717.79 (US \$1 931 089.71), the total amount payable being US \$48 068 910.29. This payment represents full and final compensation from all the defendants in respect of all claims by the IOPC Fund and the French State arising out of this incident, including interest and costs. The settlement is without prejudice to the positions taken by the parties as to the question of liability. Locafrance and the UK Club waive their right to any further distribution of the amounts remaining in the shipowners' limitation fund, and the UK Club waives its rights to any further payments from the IOPC Fund.

On 15 December 1987, an amount of US \$17 480 028.50 (£9 537 855.90) was paid to the IOPC Fund and an amount of US \$30 588 881.79 (approximately £16.7 million) to the French Government. The apportionment between the IOPC Fund and the French Government of the amount recovered was made in accordance with an agreement reached between them in 1984. The amount recovered by the IOPC Fund has been credited to the TANIO major claims fund.

As already mentioned, the total amount paid so far by the IOPC Fund to claimants is FF^r221 201 452, corresponding to approximately £18.2 million at the rate of exchange when the respective payments were made. By this settlement, the IOPC Fund has thus recovered more than half the amount paid by it in compensation.

As a result of the settlement, the IOPC Fund and the French Government will withdraw their legal actions in the Court of Brest.

This out-of-court settlement does not cover the local authorities and the private claimants who have also instituted legal proceedings against the above-mentioned defendants.

Reimbursement to Contributors

The IOPC Fund Assembly will, at its 11th session in October 1988, take a decision on the reimbursement to the contributors who in 1984 paid contributions to the TANIO major claims fund of the amount remaining in that fund after any further part payments to victims have been made and all expenses incurred by the IOPC Fund in respect of this incident have been met.

9.3 JOSE MARTI

(Sweden, 7 January 1981)

The USSR tanker JOSE MARTI (27 706 GRT), carrying 40 000 tonnes of heavy fuel oil, grounded in a narrow channel near Dalarö, on the east coast of Sweden. About 1 000 tonnes of cargo oil were lost and polluted the Stockholm Archipelago. Clean-up operations were undertaken by the Swedish authorities, resulting in a claim by the Swedish Government amounting to SKr19.3 million (£1.8 million). In addition, two private persons claimed SKr850 000 (£78 000).

A court action was taken in the Stockholm City Court against the owner of the JOSE MARTI by the Swedish Government and the two private claimants. The shipowner constituted a limitation fund under the Civil Liability Convention, amounting to SKr23 844 593 (£2.2 million), with the Court. The IOPC Fund was notified of the action in accordance with Article 7.6 of the Fund Convention.

In the court action, the owner of the JOSE MARTI maintained that he had no liability for the pollution damage because the incident was wholly caused by the negligence of the Swedish Government in the maintenance of navigational aids (cf Article III.2(c) of the Civil Liability Convention). Secondly, the owner argued that if the Court were not to accept that the damage was wholly caused by such negligence, he should nevertheless be wholly exonerated from liability to the Swedish Government on the grounds of contributory negligence, due to lack of maintenance of navigational aids, or that the compensation should be substantially reduced (Article III.3).

In its judgement in May 1985, the City Court held that the incident was caused by negligence attributable to the shipowner. It was recognised by the Court that there was a certain negligence on the part of the Swedish authorities in the maintenance of navigational aids and that this negligence had contributed to the incident. However, this negligence was considered relatively minor. For this

reason, the Court did not reduce the compensation to the Swedish Government on the grounds of contributory negligence, but awarded the Government full compensation for the pollution damage. The shipowner was awarded compensation from the Swedish Government for the damage caused to the JOSE MARTI, but since the negligence on the part of the shipowner was the major factor that contributed to the incident, the compensation was fixed at 25% of the total amount of damage sustained.

Appeals against this judgement were lodged by the shipowner and the Swedish Government. The Court of Appeal in Stockholm rendered its judgement in November 1986. It confirmed the position taken by the City Court that the incident was caused by negligence attributable to the shipowner, ie an error committed by the pilot of the vessel. The Court of Appeal rejected the argument advanced by the owner of the JOSE MARTI that he should be exonerated from liability because the pilot should be considered as being covered by the notion of "navigational aids". Contrary to the City Court, the Court of Appeal held that the shipowner had not proved any negligence on the part of the Swedish Government in the maintenance of navigational aids or any negligence by any public official. The Court thus upheld the judgement of the City Court, obliging the shipowner to pay full compensation to the Swedish Government for the pollution damage arising out of the incident. Reversing the judgement of the City Court, the Court of Appeal rejected the claim by the shipowner for compensation for the damage caused to the JOSE MARTI.

The owner of the JOSE MARTI lodged an appeal to the Supreme Court against this judgement. Under Swedish law, an appeal is heard by the Supreme Court only if the Court considers that the case is of importance for the development of jurisprudence. In July 1987, the Supreme Court decided not to hear the case. Consequently, the judgement of the Court of Appeal has become final.

In the autumn of 1985, two further private claimants lodged claims amounting to SKr215 000 (£19 800) against the limitation fund. These claims are time-barred.

Under Swedish law, the limitation amount does not cover any interest to which claimants may be entitled. Since the limitation amount exceeds the aggregate amount of the principal of the claims, the IOPC Fund will not be called upon to pay any compensation as a result of this incident.

9.4 EIKO MARU N°1

(Japan, 13 August 1983)

The Japanese tanker EIKO MARU N°1 (999 GRT), loaded with 2 459 tonnes of heavy fuel oil, collided with the Panamanian cargo ship CAVALRY (4 827 GRT) in dense fog off Karakuwazaki, Miyagi, Japan. About 357 tonnes of cargo oil spilled from the fractured starboard tank. Because of the stormy weather due to an approaching typhoon,

the spilt oil moved towards the coast and polluted areas with extensive fishery activities.

In 1984 the IOPC Fund paid compensation amounting to ¥24 735 109 (£76 722), representing the amount of agreed claims minus the shipowner's liability under the Civil Liability Convention of ¥39 445 920. Indemnification of the owner of the EIKO MARU N°1, in the amount of ¥9 861 480 (£32 018), was paid in 1985.

The official investigation into the cause of the incident led to the conclusion that the incident was caused by improper navigation on the part of both vessels. The IOPC Fund started negotiations with the owner of the CAVALRY with a view to recovering part of the amount paid by the IOPC Fund. In 1987, agreement was reached between the CAVALRY interests and the EIKO MARU N°1 interests, including the IOPC Fund, on an apportionment of liability at 41:59 in favour of the CAVALRY interests. The amount to be recovered from the owner of the CAVALRY for pollution damage is ¥28 million, of which the IOPC Fund will receive approximately ¥15 million (£65 800).

9.5 KOSHUN MARU N°1

(Japan, 5 March 1985)

The Japanese tanker KOSHUN MARU N°1 (68 GRT), carrying 100 tonnes of heavy oil, collided with the coal carrier RYOZAN MARU (2 569 GRT) off Haneda, Tokyo Bay, Japan. The KOSHUN MARU N°1 sank with the exception of her bow section. Approximately 80 tonnes of oil leaked from the sunken tanker and spread rapidly across the bay.

Claims for clean-up costs were agreed in the amount of ¥28 020 909 (£123 000). In September 1985, the IOPC Fund paid ¥26 124 589 (£81 512), representing the total agreed amount of the clean-up costs minus the owner's liability of ¥1 896 320. It is unlikely that any further claims will be submitted.

An official investigation into the cause of the incident is being carried out. Indemnification of the shipowner, amounting to ¥474 080 (£2 080), has not yet been paid, as the limitation proceedings have not been concluded.

9.6 PATMOS

(Italy, 21 March 1985)

The Incident

The Greek tanker PATMOS (51 627 GRT), carrying 83 689 tonnes of crude oil, collided with the Spanish tanker CASTILLO DE MONTEARAGON (92 289 GRT), which was in ballast, off the coast of Calabria in the Straits of Messina, Italy. Fire broke out on the main deck of the PATMOS and spread to the accommodation and

wheelhouse. Three crew members died, and the crew had to abandon ship. The ship was damaged in the hull. Due to strong winds and currents, the PATMOS drifted onto a beach by a village on the Sicilian coast. The ship was refloated and tugs were used to control it in the Straits of Messina. Tugs were also used to combat the fire, which was extinguished within two days of the collision. The PATMOS was then towed to the Port of Messina and moored at the SMEB shipyard, where the oil was discharged.

Approximately 700 tonnes of oil escaped from the PATMOS. Most of the spilt oil drifted on the surface of the sea and dispersed naturally. Only a few tonnes of oil came ashore on the Sicilian coast. The Italian authorities undertook extensive measures in order to contain the spilt oil and to prevent it from polluting the Sicilian and Calabrian coasts. Dispersants were used in large quantities.

The owner of the PATMOS and the owner's insurer, the United Kingdom Mutual Steamship Assurance Association (Bermuda) Limited (the UK Club), established a limitation fund with the Court of Messina. The Court fixed the limitation amount at Lit13 263 703 650 (£6.0 million). The IOPC Fund was notified of the limitation proceedings in accordance with Article 7.6 of the Fund Convention.

Claims and Negotiations with the Claimants

43 claims were lodged against the limitation fund, totalling Lit76 112 040 216 (£35 million).

There were 30 claims that clearly related to costs of clean-up operations or to preventive measures as defined in the Civil Liability Convention, totalling approximately Lit14 000 million (£6.4 million). In many cases, the amounts claimed were unreasonable. In February 1986, all but two claims in this category had, after very difficult negotiations, been reduced by the plaintiffs to amounts which were considered reasonable by both the UK Club and the Director. In February 1986, these claims were settled by the UK Club at a total of Lit4 140 189 659 (£1.9 million).

Twelve claims totalling about Lit40 000 million (£18.3 million) related to costs of operations which, in the Director's view, would normally be considered as salvage operations and related measures. The Director took the position that operations could be considered as falling within the definition of "preventive measures" only if the primary purpose was to prevent pollution damage; if the operations primarily had another purpose, such as salvaging hull or cargo, the operations would not be covered by the definition. The Director came to the conclusion that these 12 claims did not relate to operations which had the prevention of pollution as their primary purpose. For this reason, he rejected these claims. As a result of the discussions with the claimants, two of the claims were withdrawn.

A claim of Lit20 000 million (£9.2 million), later reduced to Lit5 000 million (£2.3 million), was submitted by the Italian Government

for damage to the marine environment. In 1980 the IOPC Fund Assembly took the position that claims for non-economic environmental damage should not be accepted, and unanimously adopted a Resolution (IOPC Fund Resolution N°3) stating that "the assessment of compensation to be paid by the IOPC Fund is not to be made on the basis of an abstract quantification of damage calculated in accordance with theoretical models". In view of the position taken by the IOPC Fund Assembly, the Director rejected this claim.

At its 16th session, the Executive Committee endorsed the position taken by the Director in respect of the claims relating to salvage operations and damage to the marine environment.

First Decision by the Court

By decision of 18 February 1986, the Court of Messina included in the list of admissible claims ("stato passivo") the claims in respect of which agreement had been reached between the claimants and the UK Club, in the amounts thus agreed. With regard to the two claims relating to clean-up operations in respect of which no agreement had been reached on the quantum, the Court admitted them in amounts very much lower than those claimed. The total amount accepted by the Court was Lit4 267 312 659 (£2.0 million). The Court rejected the claims which had been opposed by the IOPC Fund and the UK Club.

Opposition Proceedings

In Italy, oppositions to the decision of a court on the admissibility of claims in limitation proceedings may be lodged with the same court. In the PATMOS case, oppositions were lodged by seven of the ten claimants whose claims had been rejected on the grounds that the measures had not been taken for the purpose of preventing pollution. The Italian Government also lodged an opposition in respect of the claim concerning damage to the environment.

The Court rendered its judgement in respect of the oppositions on 30 July 1986.

With regard to the claims relating to salvage operations, the Court made a general statement to the effect that salvage operations could not be considered as preventive measures, since the primary purpose of such operations was that of rescuing ship and cargo; this applied even if the operations had the further effect of preventing pollution. On the basis of this position of principle, the Court rejected four of the seven claims in this category; one claim was accepted with a small reduction in amount, one claim was accepted in principle but with a considerable reduction of the amount claimed, and one submitted by the SMEB shipyard was accepted in respect of part of the period of the operations.

The Court rejected the claim by the Italian Government relating to damage to the marine environment. The Court declared that the State had not suffered any loss of profit nor incurred any costs as a result

of the alleged damage to the territorial waters, or the fauna and flora, and had therefore not suffered any economic loss.

The aggregate amount of the claims as accepted by the Court is LIt5 797 263 479 (£2.6 million). This amount falls well below the limitation amount applicable to the owner of the PATMOS, viz LIt13 263 703 650 (£6.0 million).

Appeal Proceedings

Appeals against the judgement of 30 July 1986 were lodged with the Court of Appeal in Messina by all five claimants whose claims had been rejected in opposition, including the Italian Government. The SMEB shipyard, whose claim had been accepted in respect of part of the operations, also appealed. These claims total approximately LIt29 000 million (£13.3 million). The UK Club and the IOPC Fund lodged appeals against the judgement in respect of two claims - one by the SMEB shipyard and one which had been accepted with only a small reduction in amount.

There has been very little progress in the appeals proceedings during 1987. The main hearing in the Court of Appeal is expected to take place in late 1988, and the judgement would then be rendered in early 1989.

Payments by the UK Club

During 1986, the UK Club made payments totalling LIt4 331 576 479 (£2.0 million) in respect of the claims accepted by the Court and in respect of which the decision of the Court had become final.

Recourse Action

Legal proceedings concerning liability and compensation for damage arising out of the collision between the PATMOS and the CASTILLO DE MONTEARAGON were initiated in the Court of Genoa. After a settlement had been reached between the two shipowners and related interests, the legal actions were withdrawn.

The question as to whether the IOPC Fund should institute recourse proceedings against the owner of the CASTILLO DE MONTEARAGON will be examined when it is established whether the IOPC Fund will be called upon to pay any compensation under the Fund Convention.

9.7 JAN

(Denmark, 2 August 1985)

The tanker JAN (1 400 GRT), registered in the Federal Republic of Germany and carrying 3 000 tonnes of heavy fuel oil, collided with a fixed navigational light at the entrance to the port of Aalborg on the

eastern coast of Jutland in Denmark. Approximately 300 tonnes of oil escaped into the sea as a result of the collision.

More than 100 tonnes of oil came ashore on the south coast of the island of Laesø, which is situated between Jutland and Sweden, and polluted approximately ten kilometres of the coast. The polluted area consisted partly of sandy beaches, and partly of salt marshes of great importance to large populations of migrating birds. A small quantity of oil also polluted the coast of Jutland and the island of Hirsholmene.

Operations to clean up the polluted areas were carried out by the Danish authorities. The major part of the clean-up operations was completed within a few weeks of the incident, whereas in some sensitive areas these operations continued until October 1985.

In December 1985 the Maritime and Commercial Court of Copenhagen established the limit of the owner's liability at 157 936 SDR (DKr1 576 170, corresponding to £138 000). Under Danish law, an extra amount should be added to cover interest and costs, and the Court fixed the limitation fund at DKr2 million (£175 000). The limitation fund was established by the shipowner's P & I insurer, the Skuld Club, by means of a letter of guarantee.

The Danish Government has presented a claim in respect of the clean-up operations totalling DKr11 805 021 (£1.0 million).

In April 1987, agreement was reached between the Danish Government, on the one side, and the IOPC Fund and the Skuld Club, on the other side, regarding a number of items of the claim made by the Danish Government. These items totalled DKr3 307 044 (£290 000).

At the request of the Danish Government, the Director and the Skuld Club agreed to make payments in respect of the accepted items of the Government's claim. In August 1987, the IOPC Fund paid an amount of DKr1 789 432 (£158 849). The Skuld Club paid DKr1 517 612 to the Danish Government in July 1987.

The main outstanding items of the Government's claim relate to the tariffs applied in respect of State-owned vessels which took part in the clean-up operations at sea and to the rates for personnel of governmental agencies used for the clean-up operations on the beaches. Further discussions have been held and considerable progress has been made, but so far no final settlement has been reached in respect of the outstanding items.

Claims submitted by five private persons have been accepted in full by the IOPC Fund and the Skuld Club. Payments totalling DKr53 007 (£4 640) were made by the Skuld Club in April 1986 and September 1987. A claim presented by the Municipality of Laesø, amounting to DKr24 126 (£2 100), was also approved, and this sum was paid by the Skuld Club.

Indemnification of the shipowner, DKr394 043 (£34 500), has not yet been paid.

9.8 ROSE GARDEN MARU

(United Arab Emirates, 26 December 1985)

A leak of oil from a sea valve of the Panamanian tanker ROSE GARDEN MARU (2 621 GRT) occurred on 26 December 1985 in the Umm Al Qaiwain Municipality, in the United Arab Emirates. The quantity of oil spilt was not established. It was stated that the spilt oil polluted the coast, lagoon and islands of the Emirates, and that it caused massive damage to trees, vegetation and fishing resources.

The Umm Al Qaiwain Municipality sued the operator of the ROSE GARDEN MARU at the Court of Umm Al Qaiwain for compensation for any damage already sustained, in the amount of Dh2 million (£290 000), and for any damage which may arise in the future. No limitation fund was established.

In its judgement, which was rendered on 14 January 1986, the Court, *inter alia*, ordered the operator of the ROSE GARDEN MARU to pay Dh2 million (£290 000) to the Umm Al Qaiwain Municipality for indemnification of current damage, to be increased if the damage were aggravated. The Court also ordered the operator to deposit Dh1 million (£145 000) at a designated bank in the name of the Municipality as a precaution, to be paid to the Municipality subject to consent by the Court. The judgement contained no reference to either the Civil Liability Convention or the question of limitation of liability. No indication was given of how the damages were calculated. The operator appealed against the judgement, but the right of appeal was denied.

The IOPC Fund was not informed of the incident until 18 February 1986.

The operator of the vessel entered into negotiations with the authorities of the Emirates. In March 1986, agreement was reached on a reduction of the amount of compensation from Dh3 million to Dh1.5 million (£218 000). These negotiations were carried out without the involvement of the IOPC Fund.

The shipowner's P & I insurer, the Skuld Club, presented a claim against the IOPC Fund totalling US \$135 249 (£72 000), representing the amount paid to victims, Dh1.5 million or US \$408 386, minus the owner's limitation amount estimated at US \$364 182, plus indemnification of the shipowner of US \$91 045. After the Director had pointed out that the ROSE GARDEN MARU did not fulfil the condition for indemnification laid down in the Fund Convention, ie that the ship must be registered in or flying the flag of a State Party to that Convention, the Skuld Club accepted that no indemnification would be payable. The claim against the IOPC Fund was thus reduced to US \$44 204 (£24 000).

The Director informed the Skuld Club that the judgement by the Court in the United Arab Emirates was not binding on the IOPC Fund, since the latter had not been notified of the court proceedings in accordance with Article 7.6 of the Fund Convention. He also stated that there were many points where more information was required, for example the factual basis of the claim and the reasonableness of the assessment of the damages.

As already mentioned, no limitation fund was set up in the proceedings in the Court of Umm Al Qaiwain. At its 16th session in October 1986, the Executive Committee considered it premature to take any decision as to whether the IOPC Fund should in this case, exceptionally, waive the requirement in the Civil Liability Convention that the shipowner should establish a limitation fund, since there was a lack of information on many important points.

The Director continued the discussions with the Skuld Club on the basis of instructions given by the Executive Committee. In February 1987, the Director was informed by the Skuld Club that the Club had decided not to pursue its claim against the IOPC Fund. The reason for this decision was that, in view of the small amount of the claim, the Club did not consider it an economic proposition to investigate and discuss so many aspects of the case.

9.9 BRADY MARIA

(Federal Republic of Germany, 3 January 1986)

The Panamanian tanker BRADY MARIA (996 GRT) was proceeding up the River Elbe, south of the entrance to the Kiel Canal, with a cargo of 2 000 tonnes of heavy fuel oil. The dry cargo ship WAYLINK (3 453 GRT), registered in Gibraltar, which was proceeding down the river, suddenly turned to port across the river and hit the port forward bow of the BRADY MARIA. Approximately 200 tonnes of cargo oil escaped from the BRADY MARIA into the river as a result of the collision.

The spilt oil contaminated a large area on both banks of the River Elbe and the River Oste, as well as near-by islands. The major part of the clean-up operations carried out by the German authorities was completed by the end of February 1986, whereas in some sensitive areas the operations continued until June 1986.

The limitation amount of the BRADY MARIA under the Civil Liability Convention is DM324 629 (£110 000). The limitation fund was established at the Hamburg District Court (Amtsgericht) in May 1986.

A claim for compensation for clean-up costs totalling DM3 637 430 (£1 230 000) was submitted on behalf of the Federal Government, the Länder of Schleswig-Holstein and Niedersachsen and some local authorities.

In August 1986 agreement was reached on the majority of the items of the claim submitted by the German authorities, totalling DM2 767 874 (£935 000). In October 1986, at their request, the Director paid the German authorities DM2 443 244 (£846 438), representing the total of the accepted items less the limitation amount of the shipowner's liability under the Civil Liability Convention.

The outstanding items, totalling DM867 457 (£293 000), related in particular to the use of certain oil combating vessels, the tariffs applied in respect of certain vessels owned by public authorities and costs of permanent staff of public authorities carrying out work in connection with the incident. After lengthy negotiations, the German authorities agreed to reduce their claim, in respect of a number of items, to amounts which the Director considered reasonable. The outstanding items were settled at a total amount of DM679 963 (£230 000). Agreement was also reached on the payment of interest at DM96 218 (£32 506). In October 1987, the IOPC Fund paid DM776 181 (£259 488) to the German authorities, ie the sum of the accepted outstanding items plus the agreed interest.

The claim submitted by the German authorities was thus settled at a total amount of DM3 544 054 (£1 197 000), including interest. Out of this amount, DM3 219 425 (£1 105 926) was paid by the IOPC Fund. The BRADY MARIA limitation fund, DM324 629 (together with interest of DM1 882) was paid to the German authorities in March 1987.

Two private claimants had submitted claims relating to the cleaning of polluted vessels, totalling DM1 419. These claims were settled at DM1 086 (£363), and they were paid by the IOPC Fund in October 1987.

The official investigation into the cause of the incident showed that the pilot of the WAYLINK was mainly to blame for the collision, since he gave a wrong order to the helmsman of the WAYLINK, causing the vessel to cross the course of the on-coming BRADY MARIA.

A limitation fund for the WAYLINK was established at the District Court of Hamburg in January 1986. The limitation amount was fixed at DM440 185 (£149 000). The IOPC Fund is claiming in subrogation against the WAYLINK fund the aggregate amount paid by it to the German authorities and the other claimants, ie DM3 220 511 (£1 106 289). The other claims against this limitation fund relate to damage caused to the hull of the BRADY MARIA and loss suffered by the owner of the cargo of that vessel. The total claims against the WAYLINK limitation fund stand at approximately DM5.1 million. It is estimated that the IOPC Fund will recover approximately DM270 000 (£92 000).

The IOPC Fund has taken action in the Hamburg Landgericht against the owner of the WAYLINK, challenging his right to limit his liability. The Director will decide whether or not to pursue this action when more information is available concerning the appeal made by the pilot of the WAYLINK in the administrative proceedings against him.

The P & I insurer of the BRADY MARIA, the British Marine Mutual Insurance Association, instituted recourse proceedings in Gibraltar against the owner of the WAYLINK, for the purpose of breaking the owner's right of limitation. The Gibraltar Court of first instance accepted jurisdiction in the case. The owner of the WAYLINK appealed against this decision, and the Court of Appeal in Gibraltar reversed the decision, declaring that the Courts in Gibraltar had no jurisdiction. The insurer of the BRADY MARIA decided not to pursue the litigation in Gibraltar any further.

9.10 TAKE MARU N°6

(Japan, 9 January 1986)

While loading cargo oil at a refinery in Sakai-Senboku Port, Japan, the Japanese tanker TAKE MARU N°6 (83 GRT) spilled some of her cargo. The oil escaped from a manhole in a port-side tank, because its valve had not been tightly closed. It is estimated that 0.1 tonnes of cargo oil escaped on to the deck, and some of the oil spilled into the sea because of the heavy rolling of the vessel.

The claims for clean-up costs and costs of replacing severely damaged booms totalled ¥3 088 770 (£13 545). The Director agreed in July 1986 to settle these claims at ¥3 012 479 (£13 210). There were no fishery claims.

It was not possible to make an exact calculation of the limitation amount due to lack of some data in the tonnage certificate, until the tonnage could be measured when the vessel was next dry-docked. In order to avoid undue delay in payment to claimants, the Director agreed with the shipowner's P & I insurer, the Japan Ship Owners' Mutual Protection and Indemnity Association (JPIA), that the latter should pay the accepted amount of the claims. That amount was paid to the claimants in July 1986. The IOPC Fund undertook to reimburse its share of that amount to JPIA when the figure for the owner's liability under the Civil Liability Convention has been established.

On the basis of the measurement of the vessel's tonnage, which was made in July 1987, the limitation amount was fixed at ¥3 876 800 (£17 000), ie at an amount exceeding the aggregate amount of the claims as settled, ¥3 012 479 (£13 210). The IOPC Fund was thus not obliged to pay any compensation under Article 4 of the Fund Convention in respect of this incident.

The indemnification of the shipowner amounted to ¥104 987 (£446). This sum was paid by the IOPC Fund in September 1987.

9.11 OUED GUETERINI

(Algeria, 18 December 1986)

The Algerian tanker OUED GUETERINI (1 576 GRT) was unloading bitumen in the port of Algiers, when part of the cargo was spilt onto

the deck of the vessel. From there, some bitumen escaped into the water in the port area.

There was no pollution damage in the port itself. However, a considerable quantity of bitumen (approximately 15 tonnes) entered the sea-water intake of a power station, necessitating a shut-down of the station for a short period of time. Some equipment at the power station was polluted and had to be cleaned.

In September 1987, the owner of the power station brought legal action in the Court of Algiers against the shipowner's P & I insurer, the UK Club, and the IOPC Fund. Since there is some uncertainty as to the procedure to be followed, the limitation fund has not yet been established. The limit of the shipowner's liability is approximately 1.1 million Algerian Dinars (£125 000).

The claim of the owner of the power station totals 4 902 579 Algerian Dinars (£561 580) and relates to damage to equipment and loss of profit as a result of the closure of the station. The IOPC Fund and the UK Club, with the assistance of external experts, are considering how to assess this loss of profit, which constitutes the main part of the claim.

A claim has also been presented by the owner of the OUED GUETERINI in the amount of 5 650 Algerian Dinars (£650) in respect of costs for clean-up operations.

9.12 THUNTANK 5

(Sweden, 21 December 1986)

The Swedish vessel THUNTANK 5 (2 866 GRT), carrying 5 024 tonnes of heavy fuel oil, ran aground in very bad weather outside Gävle, on the east coast of Sweden, 200 kilometres north of Stockholm. The tanker was severely damaged, and there was a considerable risk that the ship would break up. However, after about half the cargo had been transferred to another vessel, the THUNTANK 5 was refloated. Most of the remaining cargo was then transferred to the other vessel and the THUNTANK 5 was towed to a safe port. It is estimated that 150-200 tonnes of oil escaped as a result of the incident.

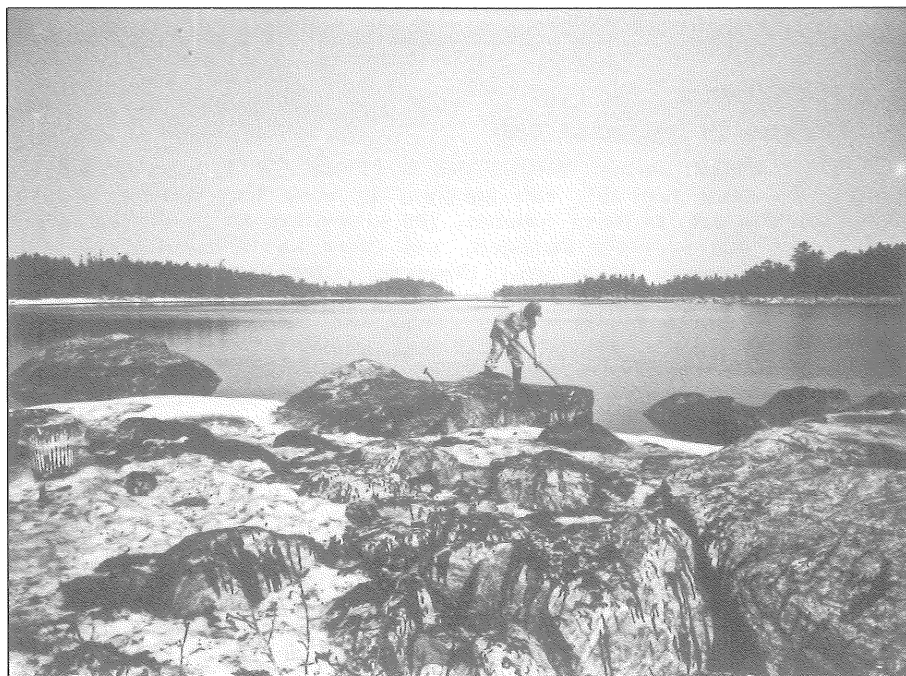
The official investigation into the cause of the incident has shown that the grounding was due to an error by the master of the THUNTANK 5 in the navigation of the ship.

Due to the difficult weather conditions, with very strong winds, snow and ice, no major clean-up operations could be carried out until the spring of 1987. On-shore operations were started at the beginning of April 1987. By then, the oil had affected various areas along a 150 kilometres stretch of coast around Gävle, including a number of small islands. The polluted areas were very difficult to clean, since they consisted mainly of small stones and rough rocks. The oil had to

be scraped off the stones and rocks manually. The oil which remained on the surface of the stones and rocks after the scraping was then removed by hot water washing or high pressure steam washing. Priority was given to nature reserves for wild birds and to areas of special importance for tourism. The clean-up operations on the coast were completed in late September 1987.

A small quantity of oil - estimated at 20-40 tonnes - was found on the sea bed at a depth of between 8 and 16 metres, close to where the vessel had grounded. Since it was feared that the sunken oil might resurface and pollute the coast, attempts were made by the Swedish Coast Guard in April and May 1987 to collect this oil, firstly by divers manually and, later, by hydraulic pumping. In view of the very high costs and the small quantities of oil collected, the Swedish authorities called off these operations in May. In August 1987, parts of the sunken oil resurfaced. The Coast Guard had by then developed new equipment for recovery of the sunken oil, and the operations were resumed. These operations, which were more successful than earlier attempts, were completed at the end of August 1987.

Fishermen in the area had expressed great concern about the risk of their equipment and catches becoming polluted when the fishing season started in late May 1987. A meeting was held between the



Polluted rocks in the archipelago

Director, a representative of the shipowner's P & I insurer (the Skuld Club) and representatives of the fishermen to discuss the situation and, in particular, how the fishermen could reduce the risk of damage to their equipment. Some fishing nets were in fact later polluted with oil from the THUNTANK 5.

In September 1987, the Swedish Government took legal action against the owner of the THUNTANK 5 in the City Court of Stockholm for the purpose of obtaining compensation for pollution damage. The aggregate amount of the damage was provisionally put at SKr27 million (£2.5 million). The IOPC Fund was notified of the action in accordance with Article 7.6 of the Fund Convention.

The Court established the limit of the shipowner's liability at SKr2 741 746 (£252 230). Under Swedish Law, an extra amount should be added to cover interest and costs, and the Court fixed that additional amount at SKr700 000 (£64 400). The limitation fund was constituted in October 1987 by the Skuld Club by means of a letter of guarantee.

Claims totalling SKr49 737 (£4 575) have been submitted by six fishermen and two other private claimants. They relate to compensation for destroyed equipment, costs of cleaning polluted equipment and loss of income due to polluted catches. Seven of these claims were accepted by the Director and the Skuld Club, after some reductions, at an aggregate amount of SKr43 407 (£3 990) and were paid by the Club in December 1987. One claim, amounting to SKr5 598 (£515), is still outstanding.

It is expected that the Swedish Government will submit its claim in the spring of 1988.

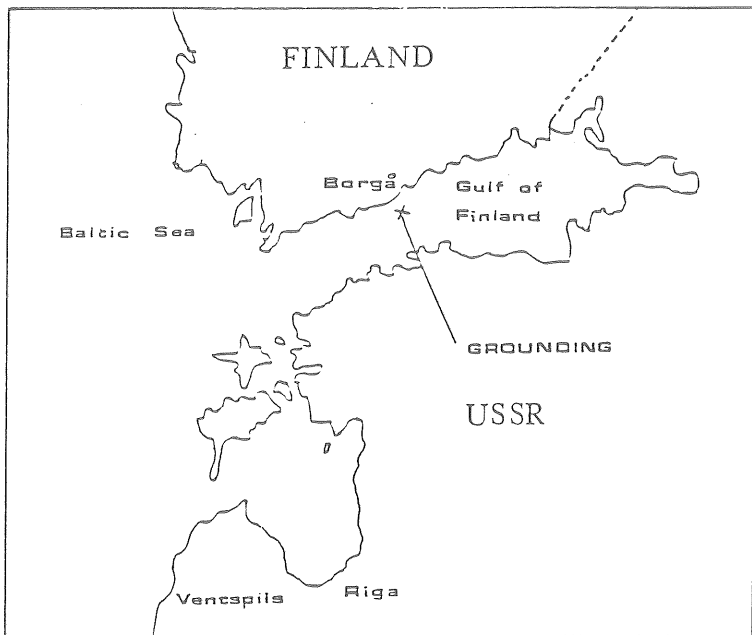
9.13 ANTONIO GRAMSCI

(Finland, 6 February 1987)

While on a voyage from Ventspils in Latvia (USSR), the USSR tanker ANTONIO GRAMSCI (27 706 GRT), loaded with 38 445 tonnes of crude oil, grounded near Borgå on the south coast of Finland. According to the results of the official Finnish investigation into the cause of the incident, the grounding was due to a misunderstanding between the master of the tanker and the pilot. It is estimated that 600-700 tonnes of the cargo escaped as a result of this incident.

Oil combating vessels were sent to the area on 9 February 1987. At first, the oil remained in open pack-ice in relatively thick layers. However, under the prevailing icy weather conditions, it was extremely difficult to recover the spilt oil. After two days, the Finnish authorities decided to suspend the clean-up operations until the conditions improved, in view of the very limited effect of the operations. By this time, the ice had closed up and the oil had mixed with the ice. On 18 February, when the operations were resumed, an attempt was made by the Finnish authorities to collect the oil, but

without success. It was reported that a considerable quantity of oil had been recovered by a USSR vessel. The operations were again suspended on 27 February, due to severe weather conditions. In March, attempts were made from time to time by the Finnish authorities to collect the oil, but without success, due to the weather.



In mid-April, strong northerly winds pushed the oily ice into international waters. At the end of April, part of the oily ice went into USSR territorial waters and remained there till early May. Thereafter, the oily ice stayed partly in Finnish territorial waters and partly in international waters. At the end of May, on-shore clean-up operations were carried out on the Finnish coast, east of the grounding site, and approximately 0.4 tonnes of oil and a large quantity of oily waste were collected.

No information is available concerning the operations undertaken in the USSR.

In March 1987, a limitation fund amounting to Rbls2 431 854 (£2 240 700) was established with the court in Riga (USSR) on behalf of the owner of the ANTONIO GRAMSCI, for the purpose of limiting his liability under the Civil Liability Convention.

No far, no claims have been submitted for damage sustained in Finland. It is, therefore, not yet possible to assess whether the IOPC Fund will be called upon to pay any compensation as a result of this incident.

Since the USSR was not a Contracting Party to the Fund Convention at the time of the incident, pollution damage in the USSR, including measures taken to prevent or minimise pollution damage in the USSR, is not covered by the Fund Convention. However, claims in respect of pollution damage in the USSR will be compensated under the Civil Liability Convention and will compete for the amount available in the limitation fund set up under that Convention with claims in respect of pollution damage in Finland. For this reason, the amount of compensation paid under the Civil Liability Convention for pollution damage in the USSR may be of importance in establishing whether the IOPC Fund will be called upon to pay compensation for pollution damage in Finland.

It may be recalled that in February 1979 the ANTONIO GRAMSCI grounded near Ventspils (USSR), when approximately 5 500 tonnes of oil escaped as a result of the incident and caused serious pollution damage in Sweden, Finland and the USSR. That was the first incident dealt with by the IOPC Fund.

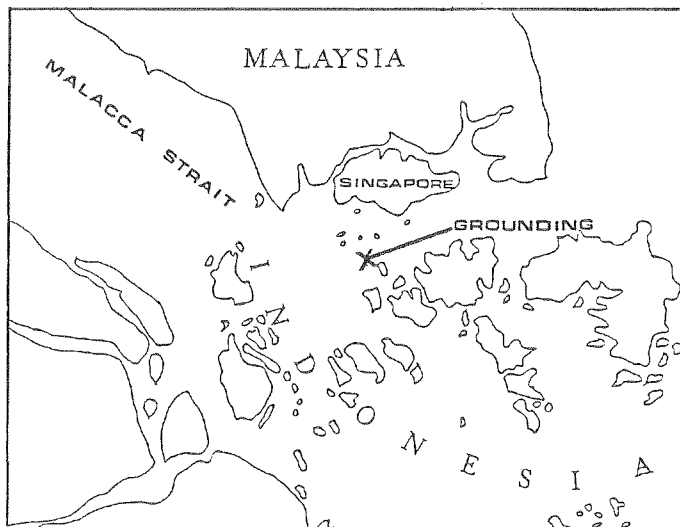


The ANTONIO GRAMSCI at the site of the grounding

9.14 ELHANI

(Indonesia, 22 July 1987)

The Libyan tanker ELHANI (81 412 GRT) ran aground outside Singapore in Indonesian territorial waters. The grounding caused fractures in the hull. Approximately 3 000 tonnes of crude oil escaped as a result of the incident. A large part of the spilt oil spread into Singapore territorial waters, and the Singapore authorities undertook extensive clean-up operations. Considerable quantities of oil drifted out to sea. Some oil may have stayed within Indonesian territorial waters. There was also a risk that pollution damage would be caused in Malaysia.



In August 1987, the Indonesian authorities informed the IOPC Fund that the incident had caused pollution damage in Indonesia and that they would claim compensation from the IOPC Fund. No information was given as to the nature and extent of the damage. The Indonesian authorities requested urgent advance payment from the IOPC Fund of US \$242 800 (£130 000) to enable them to carry out an assessment of the damage. The Director informed the Indonesian authorities that the IOPC Fund could pay compensation only if the aggregate amount of the damage in all States involved in the incident (Indonesia, Malaysia and Singapore) were to exceed the limitation amount of the shipowners' liability. Since the extent of the damage could not be estimated at that stage, the IOPC Fund could not make any payment in response to the request of the Indonesian authorities.

A claim from the Singapore authorities in respect of clean-up costs has been settled by the P & I insurer (the West of England Shipowners Mutual P & I Association) at approximately US \$950 000 (£500 00). It appears that there will be no claim in respect of Malaysia. Since Singapore and Malaysia are not Parties to the Fund

Convention, pollution damage in these countries, including measures taken to prevent or minimise pollution damage there, would not qualify for compensation under that Convention.

After the fractures in the hull of the ELHANI had been provisionally repaired, the vessel sailed to the Republic of Korea, where further leakage of oil occurred. Claims have been made against the shipowner for fishery damage and clean-up costs in the Republic of Korea.

The limitation amount of the shipowner's liability under the Civil Liability Convention is estimated at approximately £7.9 million. In view of this high figure, the Director considers it unlikely that the IOPC Fund will be called upon to pay any compensation as a result of this incident.

9.15 AKARI

(United Arab Emirates, 25 August 1987)

While outside Dubai, United Arab Emirates, the Panamanian coastal tanker AKARI (1 345 GRT) had a switchboard fire resulting in a loss of electrical power and main engines. The ship took in water and was towed towards the port of Jebel Ali, where she was refused entry. The AKARI was then towed along the coast. Since the vessel was



Polluted beach in the United Arab Emirates

listing badly, she was beached to the east of the Jebel Ali port with tug assistance. Approximately 1 000 tonnes of her cargo of heavy fuel oil escaped before the AKARI was refloated. The remaining cargo was then transferred to another vessel, and the AKARI was towed back to the port of Jebel Ali.

It is estimated that 25 - 30 kilometres of the coast were polluted as a result of the incident. Clean-up operations at sea were undertaken by the Dubai Petroleum Company and the Coast Guard. Booms were deployed to protect the water intakes of a power station and an aluminium plant. Both plants provide desalinated water for Dubai, and some contamination which required clean-up inside the plants was reported. However, no contamination of desalinated water occurred and the plants remained operational. On-shore clean-up was undertaken by the local authorities and continued over a period of some five weeks. Certain anti-pollution measures may have been undertaken by the company which salvaged the AKARI.

No claims have so far been submitted to either the shipowner or his P & I insurer (the Shipowners' Mutual Protection and Indemnity Association Ltd), or to the IOPC Fund.

The limitation amount of the shipowner's liability under the Civil Liability Convention is estimated at approximately £115 000.

Annex I

IOPC Fund Member States

as at 31 December 1987

Algeria
Bahamas
Benin
Cameroon
Côte d'Ivoire (from 3.1.88)
Denmark
Fiji
Finland
France
Gabon
Germany, Federal Republic of
Ghana
Greece
Iceland
Indonesia
Italy
Japan
Kuwait
Liberia
Maldives
Monaco
Netherlands
Nigeria
Norway
Oman
Papua New Guinea
Poland
Portugal
Spain
Sri Lanka
Sweden
Syrian Arab Republic
Tunisia
Tuvalu
Union of Soviet Socialist Republics
United Arab Emirates
United Kingdom
Yugoslavia

Annex II

Structure of the IOPC Fund

ASSEMBLY

Composed of all Member States

Chairman:	Mr J Bredholt	(Denmark)
Vice-Chairmen:	Professor H Tanikawa	(Japan)
	Mr C Douay	(France)

EXECUTIVE COMMITTEE

18th Session

Chairman:	Professor H Tanikawa (Japan)
Vice-Chairman:	Mr G Arku (Liberia)

Algeria	Netherlands
Bahamas	Oman
Finland	Poland
Germany, Federal	Spain
Republic of	Sri Lanka
Japan	Sweden
Liberia	

19th Session

Chairman:	Mr P Novia (Italy)
Vice-Chairman:	Mr H Muttillainen (Finland)

Finland	Italy
France	Kuwait
Germany, Federal	Netherlands
Republic of	Poland
Ghana	Tunisia
Greece	United Kingdom
Indonesia	

IOPC FUND SECRETARIAT

Officers

Mr M Jacobsson	Director
Mr K Wada	Legal Officer
Mr S O Nte	Finance/Personnel Officer

AUDITORS

Comptroller and Auditor General
United Kingdom

Annex III

General Fund

INCOME AND EXPENDITURE ACCOUNT FOR THE FINANCIAL PERIOD 1 JANUARY - 31 DECEMBER 1986

	£	£
INCOME		
<u>Contributions</u>		
Initial Contributions		28 800
Annual Contributions 1985		1 500 594
		<hr/> 1 529 394
<u>Miscellaneous</u>		
Transfer from ONDINA/FUKUTOKU MARU N°8		
Major Claims Fund	4 479	
Miscellaneous Income	45 940	
Interest on Overdue Contributions	2 253	
Interest on Investments	381 907	434 579
		<hr/> 1 963 973
EXPENDITURE		
<u>Secretariat Expenses</u>		
Unliquidated Obligations	35 238	
Liquidated Obligations	277 848	
	<hr/> 313 086	
Bad Debts written off	145	
<u>Claims</u>		
General Claims	1 334 668	1 647 899
		<hr/> 316 074
Exchange Adjustment		1 533
		<hr/> 317 607
Excess of Income over Expenditure		

Annex IV

Major Claims Fund - Ondina/Fukutoku Maru N°8

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 1986

	£	£
INCOME		
Interest on Investments		10
EXPENDITURE		
Bad Debts		11
Excess of Expenditure over Income		1
Balance brought forward from 1985		704 761
		704 760
Less Refund to Contributors	682 789	
Les Credit to Contributors' account	17 492	
	700 281	
Transfer to General Fund	4 479	704 760
		NIL

Annex V

Major Claims Fund - Tanio

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 1986

	£	£
INCOME		
Miscellaneous	9 776	
Interest on Overdue Contributions	11	
Interest on Investments	<u>293 128</u>	302 915
EXPENDITURE		
Bad Debts	87	
Fees & Travel Costs	<u>37 979</u>	38 066
Excess of Income over Expenditure		264 849
Balance brought forward from 1985		<u>2 730 636</u>
Balance as at 31 December 1986		<u>2 995 485</u>

Annex VI

Balance Sheet of the IOPC Fund as at 31 December 1986

<u>Liabilities</u>	£	£	<u>Assets</u>	£	£
Accumulated Surplus from General Fund			Cash at Banks and in Hand		4 839 704
1978/1985	1 293 201		Contributions Outstanding:		
Add Surplus 1986	317 607	1 610 808	Annual Contributions 1982	418	
			Annual Contributions 1983	1 483	
Due to Staff Provident Fund		75 625	Annual Contributions 1985	31 571	
			Initial Contributions	1 841	
Accounts Payable		3 130	Ondina/Fukutoku Maru	4 592	39 905
Unliquidated Obligations:			Due from Major Claims Fund:		
1985	2 955		Brady Maria		125 012
1986	35 238	38 193	VAT Recoverable		7 247
Prepaid Contributions		286 038	Miscellaneous Receivable		12 749
Contributors' Account		17 492	Interest on Overdue Contributions:		
Due to Major Claims Fund:			General Fund	947	
Tanio		2 995 485	Ondina/Fukutoku Maru	77	
			Tanio	1 130	2 154
		<hr/> 5 026 771 <hr/>			<hr/> 5 026 771 <hr/>

Note 1 There are contingent liabilities in respect of incidents which are estimated to amount to £17 498 483.

Note 2 In addition to the assets shown in this statement, investment in equipment, furniture, office machines, supplies and library books as at 31 December 1986 amounted at cost price to £32 607 net of VAT.

Annex VII

Contributing Oil Received in the Territories of Contracting States in the Calendar Year 1986

As reported at 31 December 1987

<u>Contracting State</u>	<u>Contributing Oil (tonnes)</u>	<u>% of Total</u>
Japan	232 758 392	28.92
Italy	121 806 661	15.14
France	90 587 643	11.26
Netherlands	80 088 366	9.95
United Kingdom	77 628 016	9.65
Spain	52 267 429	6.49
Germany, Federal Republic of	23 374 179	2.90
Sweden	21 732 706	2.70
Greece	20 215 584	2.51
USSR	14 653 730	1.82
Finland	11 794 205	1.47
Yugoslavia	10 777 286	1.34
Portugal	9 310 876	1.16
Indonesia	8 339 930	1.04
Norway	8 049 680	1.00
Bahamas	7 473 331	0.93
Denmark	7 182 807	0.89
Tunisia	2 776 676	0.34
Syrian Arab Republic	2 420 631	0.30
Ghana	843 144	0.10
Poland	704 992	0.09
Fiji	0	0
Kuwait	0	0
Iceland	0	0
Maldives	0	0
Monaco	0	0
Oman	0	0
Tuvalu	0	0
Algeria <1>	-	-
Benin <1>	-	-
Cameroon <1>	-	-
Gabon <1>	-	-
Liberia <1>	-	-
Nigeria <1>	-	-
Papua New Guinea <1>	-	-
Sri Lanka <1>	-	-
United Arab Emirates <1>	-	-
	<hr/> 804 786 264 <hr/>	<hr/> 100.00 <hr/>

<1> No report

ANNEX VIII

SUMMARY OF INCIDENTS

(31 December 1987)

Vessel (Flag State)	Gross Tonnage (CLC Liability)	Date & Place of Incident	Cause of Incident & Quantity of Oil Spilled (tonnes)	Claims Compensation & Indemnification			Remarks
Antonio Gramsci (USSR)	27 694 GRT RbIs 2 431 584	27.2.79 off Ventspils, USSR	Grounding (5 500)	Clean-up costs of Swedish Authorities Interest Total	SKr89 057 717 6 649 440 SKr95 707 157	paid paid	
Miya Maru No 8 (Japan)	997 GRT ¥37 710 340	22.3.79 Bisan Seto, Japan	Collision (540)	Clean-up costs Fishery damage Indemnification Total	¥108 589 104 31 521 478 9 427 585 ¥149 538 167	paid paid paid	¥5 438 909 recovered by way of recourse
Tarpenbek (FRG)	999 GRT £64 356	21.6.79 off Selsey Bill, UK	Collision (not known)	UK Government Nature Conservancy Council Local Authorities Owner's clean-up costs Total	£175 000 1 400 7 150 180 000 £363 550	paid paid paid paid	
Mebaruzaki Maru No 5 (Japan)	19 GRT ¥845 480	8.12.79 Mebaru Port, Japan	Sinking (10)	Clean-up costs Fishery damage Indemnification Total	¥7 477 481 2 710 854 211 370 ¥10 399 705	paid paid paid	
Showa Maru (Japan)	199 GRT ¥8 123 140	9.1.80 Naruto Strait, Japan	Collision (100)	Clean-up costs Fishery damage Indemnification Total	¥10 408 369 92 696 505 2 030 785 ¥105 135 659	paid paid paid	¥9 893 196 recovered by way of recourse
Unsei Maru (Japan)	99 GRT ¥3 143 180	9.1.80 off Akune Port, Japan	Collision (no information but less than 140 tonnes)	Owner's clean-up costs	¥6 903 461	estimated	Because of recourse against same insurer no compensation was paid by IOPC Fund
Tanio (Madagascar)	18 048 GRT FFr11 833 718	7.3.80 off Brittany, France	Breaking (13 500)	French Government French Local Authorities Private claimants Port Autonome du Havre UK P & I Club Total	FFr326 921 937 8 910 153 4 637 997 116 594 7 624 417 FFr348 211 098	agreed agreed agreed agreed agreed	Part payment made of FFr221 201 452; \$17 480 028 recovered by way of recourse
				Private claimant	FFr500 000	uncertain whether pursued	

Furenäs (Sweden)	999 GRT SKr612 443	3.6.80 Öresund, Sweden	Collision (200)	Clean-up costs: - Swedish Authorities - Swedish private claimants Sub-total	SKr2 911 637 paid 276 050 paid SKr3 187 687		SKr449 961 recovered by way of recourse
				Clean up costs: - Danish Authorities - Danish private claimants Sub-total Indemnification	DKr408 633 paid 9 956 paid DKr418 589 SKr153 111 paid		
Hosei Maru (Japan)	983 GRT ¥35 765 920	21.8.80 off Miyagi, Japan	Collision (270)	Clean-up costs Fishery damage Indemnification Total	¥163 051 598 paid 50 271 267 paid 8 941 480 paid ¥222 264 345		¥18 221 905 recovered by way of recourse
Jose Marti (USSR)	27 706 GRT SKr23 844 593	7.1.81 off Dalarö, Sweden	Grounding (1 000)	Clean-up costs of Swedish Authorities 4 Private claimants Total	SKr19 296 000 claimed 1 065 000 claimed SKr20 361 000		Total damage less than owner's liability. Owner's defence that he should be exonerated from liability rejected by final judgement in Sweden.
Suma Maru Nº 11 (Japan)	199 GRT ¥7 396 340	21.11.81 off Karatsu, Japan	Grounding (10)	Owner's clean-up costs Indemnification Total	¥6 426 857 paid 1 849 085 paid ¥8 275 942		No third party claims made
Globe Asimi (Gibraltar)	12 404 GRT Rbls1 350 324	22.11.81 Klaipeda, USSR	Grounding (esti- mated at more than 16 000 tonnes)	Indemnification	US \$467 953 paid		No damage in Member State
Ondina (Netherlands)	31 030 GRT DM10 080 383 (including interest)	3.3.82 Hamburg, FRG	Discharge of cargo oil (estimated 200-300 tonnes)	Clean-up costs: Owner Authorities Total	DM11 303 011 paid 42 163 paid DM11 345 174		
Shiota Maru Nº 2 (Japan)	161 GRT ¥6 304 300	31.3.82 Takashima Island, Japan	Grounding (20)	Clean-up costs Fishery damage Indemnification Total	¥46 524 524 paid 24 571 190 paid 1 576 075 paid ¥72 671 789		
Fukutoku Maru Nº 8 (Japan)	499 GRT ¥20 844 440	3.4.82 Tachibana Bay, Japan	Collision (85)	Clean-up costs Fishery damage Indemnification Total	¥200 476 274 paid 163 255 481 paid 5 211 110 paid ¥368 942 865		
Kifuku Maru Nº 35 (Japan)	107 GRT ¥4 271 560	1.12.82 Ishinomaki, Japan	Sinking (33)	Indemnification	¥598 181 paid		Total damage less than owner's liability

Vessel (Flag State)	Gross Tonnage (CLC Liability)	Date & Place of Incident	Cause of Incident & Quantity of Oil Spilled (tonnes)	Claims Compensation & Indemnification			Remarks
Shinkai Maru No 3 (Japan)	48 GRT ¥1 880 940	21.6.83 Ichikawa, Japan	Discharge of cargo oil (3.5)	Clean-up costs Indemnification Total	¥1 005 160 470 235 ¥1 475 395	paid paid	
Eiko Maru No 1 (Japan)	999 GRT ¥39 445 920	13.8.83 Karakuwazaki, Japan	Collision (357)	Clean-up costs Fishery damage Indemnification Total	¥23 193 525 1 541 584 9 861 480 ¥34 596 589	paid paid paid	Approximately ¥15 000 000 will be recovered by way of recourse
Koei Maru No 3 (Japan)	82 GRT ¥3 091 660	22.12.83 Nagoya, Japan	Collision (49)	Clean-up costs Fishery damage Indemnification Total	¥18 010 269 8 971 979 772 915 ¥27 755 163	paid paid paid	¥8 994 083 recovered by way of recourse
Tsunehisa Maru No 8 (Japan)	38 GRT ¥964 800	26.8.84 Osaka, Japan	Sinking (30)	Clean-up costs Indemnification Total	¥16 610 200 241 200 ¥16 851 400	paid paid	
Koho Maru No 3 (Japan)	199 GRT ¥5 385 920	5.11.84 Hiroshima, Japan	Grounding (20)	Clean-up costs Fishery damage Indemnification Total	¥68 609 674 25 502 144 1 346 480 ¥95 458 298	paid paid paid	
Koshun Maru No 1 (Japan)	68 GRT ¥1 896 320	5.3.85 Tokyo Bay, Japan	Collision (80)	Clean-up costs Indemnification	¥26 124 589 ¥474 080	paid not yet paid	
Patmos (Greece)	51 627 GRT L13 263 703 650	21.3.85 Straits of Messina, Italy	Collision (700)	Preventive measures and clean-up costs (including salvage) Damage to marine environment Total	Lit56 112 040 216 5 000 000 000 Lit61 112 040 216	claimed claimed	Certain claims settled; Lit4 331 576 479 paid by P & I insurer; court proceedings in progress against IOPC Fund.
Jan (FRG)	1 400 GRT DKr1 576 170	2.8.85 Aalborg, Denmark	Grounding (300)	Clean-up costs of Danish authorities, Municipality Private claimants Total Indemnification	DKr11 805 021 24 126 53 007 DKr11 882 154 DKr394 043	claimed paid paid not yet paid	Part of claims for clean-up costs settled; DKr3 307 044 paid by P & I insurer and IOPC Fund.

Rose Garden Maru (Panama)	2 621 GRT US \$364 182 (estimate)	26.12.85 Umm Al Qaiwain, UAE	Discharge of oil (unknown)	P & I Club in subrogation	US \$44 204 claimed	Claim against IOPC Fund withdrawn.
Brady Maria (Panama)	996 GRT DM324 629	3.1.86 Elbe Estuary, FRG	Collision (200)	German authorities, Preventive measures and clean-up costs Private claimants Total	DM3 544 054 paid 1 086 paid DM3 545 140	Recourse action taken by IOPC Fund.
Take Maru No 6 (Japan)	83 GRT ¥3 876 800	9.1.86 Sakai-Senboku, Port, Japan	Discharge of oil (0.1)	Indemnification	¥104 987 paid	Total damage less than owner's liability.
Oued Gueterini (Algeria)	1 576 GRT Din1 100 000 (estimate)	18.12.86 Algiers, Algeria	Discharge of oil (estimated 15)	Clean-up costs and consequential damage Indemnification	Din4 908 229 claimed Din275 000 not yet paid (estimate)	
Thuntank 5 (Sweden)	2 866 GRT SKr2 741 746	21.12.86 Gävle, Sweden	Grounding (150-200)	Swedish authorities, Clean-up costs and preventive measures Private claimants Private claimant Total Indemnification	SKr27 000 000 claimed 43 407 paid 5 598 claimed SKr27 049 005 SKr 685 437 not yet paid	Claimed amount for clean-up costs provisional; SKr43 407 paid by P & I insurer.
Antonio Gramsci (USSR)	27 706 GRT Rbbls2 431 854	6.2.87 Borgå, Finland	Grounding (600-700)			Claims not yet submitted
Elhani (Libya)	81 412 GRT £7 900 000 (estimate)	22.7.87 Indonesia	Grounding (3 000)	Indonesian authorities Request for advance payment.	US \$242 800 claimed	
Akari (Panama)	1 345 GRT £115 000 (estimate)	25.8.87 Dubai, UAE	Fire (1 000)			Claims not yet submitted

Notes: 1 Amounts are given in national currencies; the relevant conversion rates as at 31 December 1987 are as follows:

£1 = Din 8.73
DKr 11.4225
FM 7.3938
FFr 10.0350
DM 2.9600

£1 = Lira 2188.00
¥ 228.00
SKr 10.87
US \$ 1.8785
Rbbls 1.0853

- 2 Claims: Except where claims are indicated as "paid", the amounts shown are as claimed against the IOPC Fund. The inclusion of an amount for a claim is not to be understood as indicating that either the claim or the amount is accepted by the IOPC Fund. Where claims are indicated as "paid", the figure given shows the actual amount paid by the IOPC Fund (ie excluding the shipowner's liability).

