

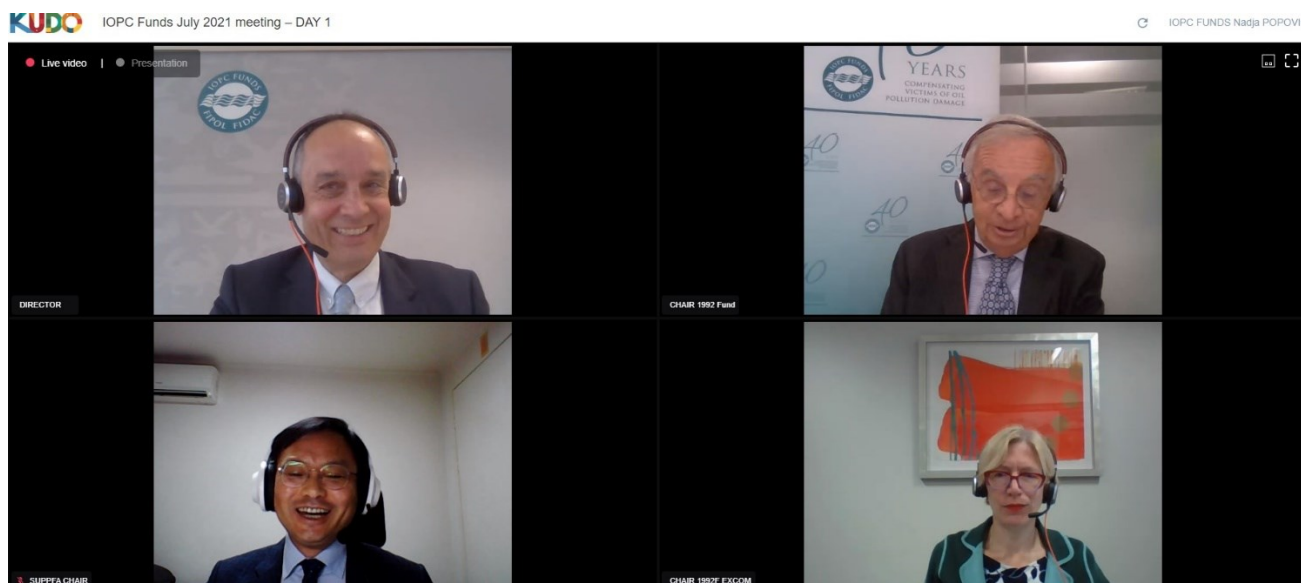


International Oil Pollution
Compensation Funds

Fonds internationaux
d'indemnisation pour les
dommages dus à la pollution
par les hydrocarbures

Fondos internacionales
de indemnización de daños
debidos a contaminación por
hidrocarburos

The July 2021 sessions of the governing bodies – In brief 23 July 2021



The governing bodies of the International Oil Pollution Compensation Funds (IOPC Funds) held remote sessions from Thursday 22 to Friday 23 July 2021 via the e-conferencing platform KUDO. Sixty-nine States, representing 67 Member States of the 1992 Fund, 22 Member States of the Supplementary Fund and two observer States, as well as 10 observer organisations, attended sessions of the 1992 Fund Assembly, the 1992 Fund Executive Committee and the Supplementary Fund Assembly. A series of procedural decisions were taken, amending or temporarily suspending the Rules of Procedure, to allow the sessions to be conducted remotely and facilitate discussion of meeting items.

1992 Fund Executive Committee (76th session)

Incident in Israel (February 2021)

On 19 February 2021, the Government of Israel contacted the 1992 Fund requesting assistance with a mystery spill, which resulted in tar balls being washed up along the Israeli coastline. The Israeli Ministry of Environment organised a full response to the spill and an investigation was undertaken to identify the source.

The 1992 Fund instructed a technical expert to travel to Israel to take oil samples for analysis. The result of the analysis show that the samples collected were of crude oil which had originated from a single source. The experts explored possible sources for the oil and concluded that, as there were no offshore platforms or pipelines in the area, the only possible source was a tanker carrying crude oil. The composition of the sampled oil was consistent with crude oil washing which would, therefore, indicate that the source was a recent illegal dumping from an unknown tanker and not a historical incident. Following its investigation, the Government of Israel identified only one tanker that it considered likely to be responsible for the spill. However, since this was based on circumstantial evidence only, it was concluded that there was insufficient proof to establish that it was that

specific tanker that caused the pollution of Israel's coastline. Whilst no claims have been submitted yet, initial estimates of the cost of the response to the oil spill are in the region of ILS 55 million (£12.1 million). Additional claims for economic losses are expected.

The existing interpretation by the 1992 Fund Executive Committee, based on precedent, is that the 1992 Fund Convention also applies to spills of persistent oil even if the ship from which the oil is released cannot be identified, provided that it is shown to the satisfaction of the 1992 Fund, or in the case of dispute to the satisfaction of a competent court, that the oil originated from a ship as defined in the 1992 Civil Liability Convention (CLC). In this case, the Executive Committee supported the Director's view that the pollution which affected the coastline of Israel could be considered as a spill from an unknown source (a so-called 'mystery spill'). For this reason, the Executive Committee decided that the 1992 Civil Liability and Fund Conventions would apply and authorised the Director to make compensation payments for admissible claims arising out of the incident. The Director was also instructed to continue to try to identify the ship which had caused the pollution, in order to pursue recourse actions against the shipowner and/or insurer for the compensation paid by the 1992 Fund.

1992 Fund Administrative Council (20th session acting on behalf of the 26th extraordinary session of the 1992 Fund Assembly) and Supplementary Fund Assembly (9th extraordinary session)

Appointment of the Director - Procedures

The July 2021 sessions of the governing bodies were convened specifically to discuss the process for the appointment of the next Director in November 2021.

The second term of the Director of the IOPC Funds will expire on 31 December 2021 and, therefore, the post of Director will become vacant on 1 January 2022. A circular was issued in July 2021 announcing the three candidates nominated for the post and at its regular session in November 2021, the 1992 Fund Assembly will elect a new Director. The 1992 Fund Assembly decided in March 2021 that in the event that it is possible to hold an in-person meeting in full at that time, the appointment of the Director should take place in person, in accordance with established practice. However, since the November 2021 meeting may be held partly or fully remotely, depending on the progression of the COVID-19 pandemic, the Assembly also considered a number of alternative options for ballot procedures at that session.

In light of a number of developments since March 2021, the 1992 Fund Administrative Council continued to consider alternative options, including a new option to organise a vote in person, by appointment, which had become a possibility since the IMO building had reopened to visitors. This was considered to be the closest to the established practice of the 1992 Fund Assembly and the option which would most easily satisfy the requirements for security and secrecy of the vote. Reference was also made to the precedents set by other organisations who had used, or had decided to use, that method, including the IMO Council. With this in mind, the 1992 Fund Administrative Council decided that in the event that the November 2021 meeting is held partly or fully remotely, the ballot procedure for the appointment of the Director should take place in person, by appointment, whilst ensuring that all Member States are able to cast a vote.

Note: This is a summary of key aspects of the sessions held and does not reflect the sessions in full. A comprehensive Record of Decisions may be obtained via the Document Services section of the IOPC Funds' website at www.iopcfunds.org.