



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 November 2021 sessions of the governing bodies – In brief

5 November 2021



The governing bodies of the International Oil Pollution Compensation Funds (IOPC Funds) held sessions from Monday 1 to Friday 5 November 2021 via the e-conferencing platform KUDO. A record 88 States, representing 86 Member States of the 1992 Fund, 26 Member States of the Supplementary Fund and two observer States, as well as 12 observer organisations, attended sessions of the 1992 Fund Assembly, the 1992 Fund Executive Committee and the Supplementary Fund Assembly. Despite being held over KUDO, as a consequence of the lifting of restrictions in the United Kingdom, delegations were permitted to attend the meeting in person for the first time since 2019, and a number of representatives did join the Director and Chairs to follow discussions from the main conference hall of the IMO building. 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 (77th session)**

Information was provided to the 1992 Fund Executive Committee on all open incidents involving the IOPC Funds. In particular, recent developments in the following incidents were reported.

#### **Incident in Israel (February 2021)**

In 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.

Analyses of samples collected from the polluted site confirmed that they were of crude oil which had originated from a single source. As there were no offshore platforms or pipelines in the area, experts concluded that the only possible source was a tanker carrying crude oil. Following its investigation, the Government of Israel identified only one tanker that it considered likely to be responsible for the spill. However, there was insufficient

proof to establish that it was that specific tanker that had caused the pollution. 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 it is shown that the oil originated from a ship as defined in the 1992 Civil Liability Convention (CLC). With this in mind, the Executive Committee decided, in July 2021, that the 1992 Civil Liability and Fund Conventions would apply to this incident and authorised the Director to make compensation payments for admissible claims.

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 (£12.2 million). Additional claims for economic losses are expected. The total amount available for compensation under the 1992 Conventions is ILS 943 024 320. The 1992 Fund has appointed a local firm with a long history of assisting P&I Clubs, to act as the focal point for this incident, in order to help potential claimants and to facilitate the submission and processing of claims. The Israeli Government has compiled a set of information for claimants, which would soon be disseminated through the press and the media. Once this information is in the public domain, claims are likely to be submitted. In the meantime, the 1992 Fund is continuing to investigate the possible origin of the spill.

### ***Hebei Spirit* (Republic of Korea, December 2007)**

All lawsuits relating to the *Hebei Spirit* incident have been withdrawn or dismissed by the Seosan Court and, therefore, all legal proceedings relating to the incident have been finalised. In February 2021, the Samsung Heavy Industries Co., Ltd (SHI) Limitation Court issued a decision on the distribution of the SHI limitation fund and granted the 1992 Fund KRW 3 271 486 069 (£2.2 million). That amount was paid to the 1992 Fund in June 2021.

In November 2021, the delegation of the Republic of Korea delivered a presentation to the 1992 Fund Executive Committee in which it expressed its appreciation to the Skuld Club, the 1992 Fund, as well as for the technical support of the experts involved and for the work of the national courts, which resolved most of the cases through reconciliation. The Director took the opportunity to point out that in his experience, the key to the effective management of an incident was strong cooperation between the IOPC Funds, the insurer and the government affected by the spill. He stated that the *Hebei Spirit* case had shown that when the main parties work together, even an incident of such magnitude can be successfully resolved. Both the delegation of the Republic of Korea and the Director, nevertheless agreed that valuable lessons could be learned from this incident and had planned a meeting between the Secretariat, the Skuld Club and the Government of the Republic of Korea to consider the lessons learned. However, due to the global COVID-19 situation, the meeting has been postponed until travel restrictions ease.

### **Other incidents**

The Secretariat also provided information in respect of the *Prestige* (Spain 2002), *Solar 1* (Philippines 2006), *Redferm* (Nigeria, March 2009), *Haekup Pacific* (Republic of Korea, April 2010), *Alfa I* (Greece, March 2012), *Nesa R3* (Oman, June 2013), *Trident Star* (Malaysia, August 2016) *Nathan E. Stewart* (Canada, October 2016) *Agia Zoni II* (Greece, 2017), *Bow Jubail* (Netherlands, June 2018) and *MT Harcourt* (Nigeria, November 2020) incidents.

### **1992 Fund Assembly (26th session) and Supplementary Fund Assembly (18th session)**

During their simultaneous sessions, the governing bodies took several decisions and noted a wide range of information provided in relation to compensation matters, treaty matters, financial policies and procedures and secretariat and administrative matters.



### **Appointment of the next Director**

Following an election, which was held in-person, in a private meeting by secret ballot, the 1992 Fund Assembly elected Mr Gaute Sivertsen of Norway as the next Director of the IOPC Funds. A long-standing delegate at IOPC Funds' meetings and former Chair of the 1992 Fund Assembly for ten years, Mr Sivertsen is well known to the organisation and officially takes up his duties as Director on 1 January 2022 for a term of five years.

### **Status of the Conventions**

Two new States, the Republic of San Marino and Costa Rica, deposited instruments of accession to the 1992 Fund Convention in 2021. The Convention will enter into force for those States on 19 April 2022 and 19 May 2022 respectively, bringing the number of 1992 Fund Member States to 120. The Supplementary Fund has 32 Member States.

### **Election of members of the 1992 Fund Executive Committee**

In accordance with 1992 Fund Resolution N°5, the 1992 Fund Assembly elected the following States as members of the 1992 Fund Executive Committee to hold office until the end of the next regular session of the 1992 Fund Assembly:

Ecuador (Vice-Chair, Mrs Luisa Burgess)	Jamaica	Morocco
France	Japan	Netherlands
Germany	Liberia	Philippines
India	Malaysia	Singapore (Chair, Mr Samuel Soo)
Italy	Marshall Islands	Spain

### **Budgetary matters and assessment of contributions**

The 1992 Fund Assembly made the following decisions relating to the 2022 budget and 2021 contributions:

- To adopt an administrative budget for the 1992 Fund of £4 855 778 for 2022.
- To levy contributions for the sum of £12.2 million in 2021, payable by 1 March 2022.
- To levy 2021 contributions of £8 million to the Incident in Israel Major Claims Fund, with £4 million payable by 1 March 2022, and £4 million, or part thereof, to be invoiced later in 2022 if required.

The Supplementary Fund Assembly adopted an administrative budget for 2022 of £52 400.

### **Report of the joint Audit Body and appointment of the external expert**

The joint Audit Body presented its annual report to the governing bodies, setting out the work it had undertaken since the December 2020 meeting of the IOPC Funds, describing in detail its areas of focus in line with its agreed work programme and making a number of recommendations. The governing bodies took the opportunity to thank Mr Michael Knight, the external expert of the Audit Body, who was at the end of his term, after 10 years as a member of the Audit Body. Following the proposal of the Chair, the 1992 Fund Assembly decided to appoint Mrs Alison Baker as the new external expert to the joint Audit Body for a term of three years from 1 January 2022 to 31 December 2024.

### **2010 HNS Convention**

At the time of the sessions, the number of Contracting States to the 2010 HNS Convention remained at five (Canada, Denmark, Norway, South Africa and Turkey). The Secretariat reported further improvements to the HNS Finder, which facilitates the identification of HNS that would be considered contributing cargo, had been introduced at [hnsconvention.org](https://hnsconvention.org). The Secretariat also reported to the Assembly that meetings with external organisations had continued to be held as they worked to develop a draft HNS claims manual. The IOPC Funds continues to work in close cooperation with IMO to provide assistance to those States considering ratification and to prepare for the entry into force of the Convention.

### **Other decisions**

The governing bodies also took decisions regarding the following:

- the approval of the 2020 Financial Statements of the 1992 Fund and Supplementary Fund;
- the appointment of new members of the Appeals Board

They also noted information reported in respect of:

- the submission of oil reports and payment of contributions to the IOPC Funds
- the report of the joint Investment Advisory Body
- the application of the European Union General Data Protection Regulation;
- the outreach activities and information services delivered since 2020 and those planned for 2022

### **Future meetings**

The governing bodies decided to hold the next regular sessions of the 1992 Fund Assembly and the Supplementary Fund Assembly during the week of 24 October 2022. They also agreed that the next sessions of the governing bodies would take place during the week of 28 March 2022.

### **Farewell to the out-going Director, Mr José Maura**

Since the second term of the Director of the IOPC Funds, Mr José Maura, will expire on 31 December 2021, the November 2021 meetings were his last as Director. Mr Maura, who has served as Director for 10 years and had worked in other positions within the Secretariat for 15 years before, delivered a farewell speech. The Chairs of the governing bodies, many Member States and observer delegations, took the floor to express their gratitude and appreciation to the outgoing Director for his invaluable contribution to the work of the international oil pollution compensation regime for over 25 years. Given that not all delegates were attending the meeting in person, the Chair of the 1992 Fund Assembly proposed organising a farewell gathering for the Director at the next available opportunity.

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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](https://www.iopcfunds.org).