



International Oil Pollution  
Compensation Funds

<b>Agenda item 3</b>	IOPC/NOV25/3/3	
<b>Date</b>	18 August 2025	
<b>Original</b>	English	
<b>1992 Fund Assembly</b>	92A30	
<b>1992 Fund Executive Committee</b>	92EC85	●
<b>Supplementary Fund Assembly</b>	SA22	

## INCIDENTS INVOLVING THE IOPC FUNDS — 1992 FUND

### SOLAR 1

#### Note by the Secretariat

**Objective of document:** To inform the 1992 Fund Executive Committee of the latest developments regarding this incident.

**Summary:** On 11 August 2006, the Philippines-registered tanker *Solar 1* (998 GT), laden with a cargo of 2 081 tonnes of industrial fuel oil, sank in heavy weather in the Guimaras Strait, some 10 nautical miles south of Guimaras Island, the Philippines.

As at 18 August 2025, 32 466 claims have been received and payments totalling PHP 1 091 million (£12.3 million<sup><1></sup>) have been made in respect of 26 872 claims, mainly in the fisheries sector and also for the main clean-up claim presented by the Philippine Coast Guard (PCG). All claims have been assessed, and the local claims office has closed.

The owner of the *Solar 1* is a party to the Small Tanker Oil Pollution Indemnification Agreement (STOPIA) 2006, whereby the limitation amount applicable to the tanker is increased on a voluntary basis to SDR 20 million. It is very unlikely that the amount of compensation payable in respect of this incident will exceed the STOPIA 2006 limit.

Two claims remain outstanding, namely, a claim by 967 fishers and a claim by a group of municipal employees. Both are subject to legal proceedings in the Philippines.

**Recent developments:** In respect of the legal proceedings, the 1992 Fund is preparing to present its evidence in the two active actions in court.

**Action to be taken:** 1992 Fund Executive Committee

Information to be noted.

<1>

Based on the exchange rates applicable at the dates payments were made.

## 1 **Summary of incident**

Ship	<i>Solar 1</i>
Date of incident	11.08.2006
Place of incident	Guimaras Strait, the Philippines
Cause of incident	Sinking
Quantity of oil spilled	2 000 tonnes of industrial fuel oil
Area affected	Guimaras, the Philippines
Flag State of ship	The Philippines
Gross tonnage	998 GT
P&I insurer	Shipowners' Mutual Protection and Indemnity Association (Luxembourg) (Shipowners' Club)
CLC limit	SDR 4.51 million
STOPIA/TOPIA applicable	STOPIA 2006 limit of SDR 20 million
CLC + Fund limit	SDR 203 million
Legal proceedings	Two sets of legal proceedings against the 1992 Fund by: (1) 967 fishers and (2) a group of municipal employees remain to be settled.

## 2 **Background information**

2.1 On 11 August 2006, the Philippines-registered tanker *Solar 1* (998 GT), laden with a cargo of 2 081 tonnes of industrial fuel oil, sank in heavy weather in the Guimaras Strait, some 10 nautical miles south of Guimaras Island, the Philippines.

2.2 Full details of the incident can be found in the [Solar 1 incident report](#).

## 3 **Civil proceedings**

### 3.1 **Legal proceedings by 967 fishers**

3.1.1 A civil action was filed in August 2009 by a law firm in Manila that had previously represented a group of fishers from Guimaras Island. The suit pertains to claims from 967 of these fishers totalling PHP 286.4 million for property damage as well as economic losses. The claimants rejected the 1992 Fund's assessment of a 12-week business interruption, as applied to all similar claims in this area. The 1992 Fund filed defence pleadings in response to the civil action, noting that under the law of the Philippines, the claimants must prove their losses.

3.1.2 For a detailed chronology of legal proceedings please refer to document [IOPC/NOV23/3/3](#), paragraphs 3.1-3.15.

3.1.3 Throughout hearings in 2024, several claimants testified and were cross-examined by the 1992 Fund's lawyers. During cross-examination, three claimants admitted that their main source of income was from professions other than fishing, and that they did not have any documentary evidence to prove their claims.

3.1.4 As at 18 August 2025, the 1992 Fund is preparing to present its evidence in support of these proceedings by way of Judicial Affidavit.

### 3.2 **Legal proceedings by a group of municipal employees**

3.2.1 Ninety-seven individuals, employed by a Municipality of Guimaras during the response to the incident, have taken action in court against the mayor, the ship's captain, various agents, ship and cargo owners, and the 1992 Fund, on the grounds of not having been paid for their services. The

1992 Fund filed pleadings of defence in court, noting in particular that the majority of claimants were not engaged in activities admissible in principle. Furthermore, a number of the claimants were already included within a claim submitted and settled by the Municipality of Guimaras.

- 3.2.2 For a detailed chronology of legal proceedings please refer to document [IOPC/NOV23/3/3](#), paragraphs 3.16-3.30.
- 3.2.3 In a February 2024 hearing, the claimants' lawyer advised that one of the claimants had withdrawn their claim. The claimants have also filed their Formal Offer of Exhibits, to which the 1992 Fund's lawyers filed Comments and Objections.
- 3.2.4 As at 18 August 2025, the 1992 Fund is preparing to present its evidence in support of these proceedings by way of Judicial Affidavit.

#### **4 Director's considerations**

The Director notes that the legal proceedings for the claims submitted by the fishers and municipal employees are continuing and the 1992 Fund's lawyers will soon present the 1992 Fund's evidence. The 1992 Fund's lawyers are continuing to exert all efforts to fast-track the presentation of evidence and to finalise the legal proceedings.

#### **5 Action to be taken**

##### 1992 Fund Executive Committee

The 1992 Fund Executive Committee is invited to take note of the information contained in this document.

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