



International Oil Pollution  
Compensation Funds

<b>Agenda item 3</b>	IOPC/MAY26/3/8	
<b>Date</b>	18 March 2026	
<b>Original</b>	English	
<b>1992 Fund Assembly</b>	92AES30	
<b>1992 Fund Executive Committee</b>	92EC86	●
<b>Supplementary Fund Assembly</b>	SAES14	

## INCIDENTS INVOLVING THE IOPC FUNDS — 1992 FUND

### AGIA ZONI II

#### Note by the Secretariat

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

**Summary:**

The product tanker *Agia Zoni II* (1 597 GT, built 1972) sank at anchor on 10 September 2017, close to Salamina island and the northern part of the designated Piraeus anchorage area in the Saronic Gulf, Greece. Upon sinking, or shortly thereafter, it is believed that approximately 500 tonnes of oil were released, contaminating approximately 20-25 kilometres of the mainland in the vicinity of Athens and Piraeus and 3-4 kilometres of Salamina island. Clean-up operations commenced very shortly after the incident and concluded at the end of 2017.

In November 2017, the wreck of the *Agia Zoni II* was lifted and towed to the salvor's shipyard at Salamina island, where it was arrested by the Public Prosecutor pending the investigation into the cause of the incident. As at 5 March 2026, it remains at the salvor's shipyard.

Limitation fund claims evaluation procedure

The Limitation Fund Administrator concluded the evaluation procedure of the claims filed at the Limitation Court (totalling EUR 94.4 million) by publishing his provisional assessed amount totalling EUR 45.45 million. Various parties (including the three main clean-up contractors and the 1992 Fund) appealed.

In October 2020, the Administrator dismissed the 1992 Fund's appeals in respect of the subrogated claims which were not recognised. The 1992 Fund filed an appeal for a judgment resolving the apparent contradiction between the time allowed by the presidential decree 666/1982 for submission of claims to the limitation fund and the time bar provided by the 1992 Civil Liability Convention (CLC). All appeals against the Administrator's decision were dismissed and appeals were filed before the Appeals Court which were heard in September 2024. Judgment in civil proceedings 643/2025 was given in late 2025.

Claims assessment

Assessment of the 424 claims filed against the 1992 Fund has continued. As at 5 March 2026, 418 claims have been approved and compensation payments for 192 claims totalling EUR 16.92 million have been paid.

Legal proceedings against the 1992 Fund

Claims have been filed against the 1992 Fund by the clean-up contractors; representatives of 78 fishers; the Greek State; and 49 further claimants in the tourism, fisheries and clean-up sectors.

Criminal trial

In May 2025, the Criminal Court of Piraeus issued its judgment, finding guilty the Master, the manager/legal representative of the owning company, and the Managing Director of one of the clean-up contractors, for the sinking of the ship and the ensuing pollution. The above parties were condemned to 12 years of imprisonment with suspension. The indicted parties have filed an appeal and the legal proceedings are continuing.

**Recent developments:** Civil Proceedings

In late 2025, the Piraeus Appeal Court issued its detailed judgment (643/2025), of 1 074 pages commenting on the application of the CLC provisions, the reasonableness of the claims submitted, the right of the 1992 Fund to appeal against the decisions of the Limitation Fund Administrator in respect of the subrogated claims filed after the deadline of 5 May 2018, and the amounts awarded per claimant.

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

Information to be noted.

**1 Summary of incident**

Ship	<i>Agia Zoni II</i>
Date of incident	10.09.2017
Place of incident	Saronic Gulf, Greece
Cause of incident	Intentional sinking — circumstances under investigation
Quantity of oil spilled	Unknown but estimated to be approximately 500 tonnes <sup>&lt;1&gt;</sup>
Area affected	3-4 km of the coastline of Salamina island and 20-25 km of the coastline south of Piraeus Port and Athens, Saronic Gulf, Greece
Flag State of ship	Greece
Gross tonnage	1 597 GT
P&I insurer	Lodestar Marine Limited <sup>&lt;2&gt;</sup>
CLC limit	SDR 4.51 million (EUR 5.53 million) <sup>&lt;3&gt;</sup>
STOPIA/TOPIA applicable	Not applicable

<sup><1></sup> Some 2 200 mt of fuel oil and oily water mixture were pumped from the wreck of the *Agia Zoni II*.

<sup><2></sup> Lodestar Marine Limited sold its fixed premium insurance business to Thomas Miller Speciality, a market leading global insurance provider.

<sup><3></sup> Based on the limitation fund figure established at the Piraeus Court of First Instance in October 2017.

CLC + Fund limit	SDR 203 million
Legal proceedings	<p>Limitation proceedings were commenced by the insurer. The Limitation Fund Administrator published the provisional assessment of claims filed at the limitation fund.</p> <p>The 1992 Fund has been served with legal proceedings by the three main clean-up contractors, a claim by 78 fishers, the Greek State and 49 further claims by claimants in the tourism, fisheries and clean-up sectors.</p>

## 2 Background information

2.1 The product tanker *Agia Zoni II* (1 597 GT, built 1972), laden with approximately 2 194 metric tons (mt) of heavy fuel oil, and 370 mt of marine gas oil (MGO)<sup><4></sup>, sank at anchor in good weather conditions at 0200 hours on 10 September 2017, close to Salamina island and the northern part of the designated Piraeus anchorage area in the Saronic Gulf, Greece. It is believed that approximately 500 tonnes of oil were released upon sinking or shortly thereafter, contaminating approximately 20-25 kilometres of the mainland in the vicinity of Athens and Piraeus and 3-4 kilometres of Salamina island. Clean-up operations commenced very shortly after the incident and concluded at the end of 2017.

2.2 Further background information is provided in more detail in the [online \*Agia Zoni II\* incident report](#).

2.3 Applicability of the Conventions

2.4 Insurance details

The *Agia Zoni II* was insured for oil pollution risks and wreck removal with Lodestar Marine Limited, a fixed premium insurer, which was not part of the International Group of P&I Associations. The ship did not have any hull insurance. The insurance policy between the shipowner and the insurer contains a limit of liability of EUR 5 million. Nevertheless, the insurer indicated that it would honour the blue card it issued, which has a limit of SDR 4.51 million (EUR 5.53 million). The insurer established a limitation fund for EUR 5.59 million by lodging a bank guarantee with the Court.

## 3 Claims for compensation

3.1 The 1992 Fund has received 424 claims amounting to EUR 100.21 million and one claim for property damage of USD 175 000. The 1992 Fund has approved 418 claims and paid some EUR 16.92 million in compensation. Further offers of compensation and advance payments have been made to a number of claimants whose responses are awaited. Further details of the claims received and payments made by the 1992 Fund are provided in the document IOPC/NOV25/3/10.

3.2 Claims submitted by the clean-up contractors, including wreck removal expenses

3.2.1 Further details of the 34 claims, amounting to EUR 83.54 million submitted to the limitation fund and to the 1992 Fund by clean-up contractors and other companies, are provided in document [IOPC/OCT19/3/11](#). The Greek State amended its claim for liquid waste disposal costs by virtue of a ministerial decision of the Minister of Maritime Affairs and Insular Policy. The amended claim was paid in February 2024.

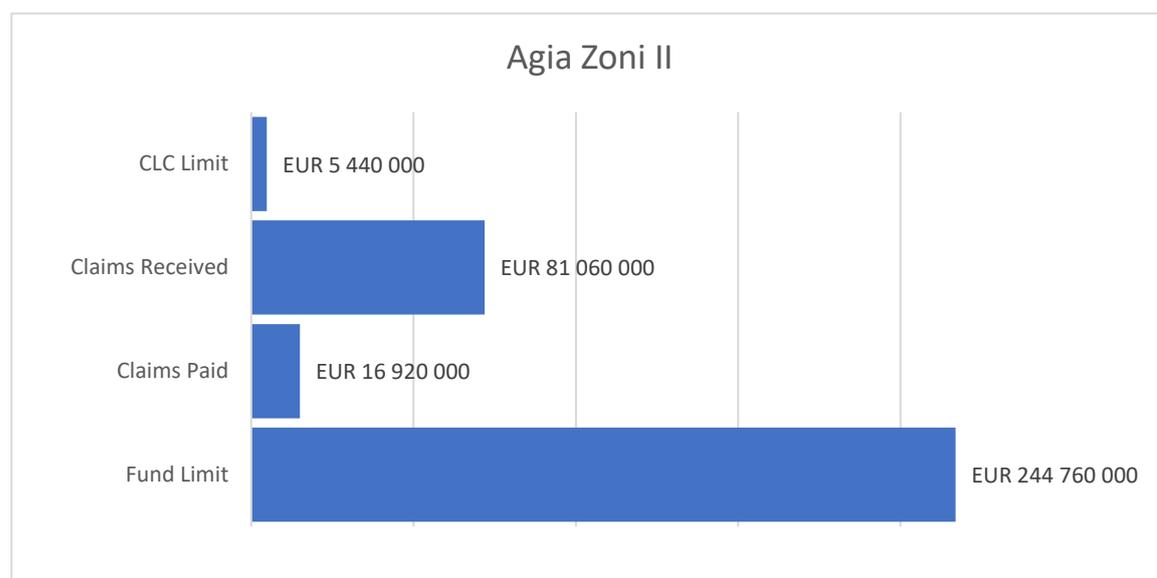
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<sup><4></sup> The vessel also carried approximately 15 mt of bunkers of MGO, 300 litres of lubricants and 200–300 litres of chemicals.

3.2.2 The claims relate to oil removal from the wreck; shoreline clean-up; preparation for, and actual, wreck removal; subsequent cleaning of the wreck in order for the Public Prosecutor's investigation to be conducted; and caretaking of the wreck following cleaning. Together, these claims cover the period from 10 September 2017, when the *Agia Zoni II* sank, to 30 June 2018.

### 3.3 Summary of compensation<sup><5></sup>

	Incident currency (EUR)	GBP
CLC limit (SDR 4.51 million)	5.44 million	4.82 million
1992 Fund Convention limit including 1992 CLC (SDR 203 million)	244.76 million	216.98 million
Claims received	81.06 million	71.85 million
Claims approved	17.35 million	15.38 million
Claims paid	16.92 million	14.99 million



### 3.4 Limitation proceedings

3.4.1 The 1992 Fund cooperated closely with, and met on numerous occasions, the Limitation Fund Administrator to discuss issues of applicability under the Conventions regarding those claims which were filed both with the limitation fund and the 1992 Fund's Claims Submission Office.

3.4.2 By 5 May 2018 (the date by which claims against the limitation fund were to be filed), the Limitation Fund Administrator had received 84 claims, totalling EUR 94.4 million. The Limitation Fund Administrator concluded the claims evaluation procedure in September 2019 by publishing the provisional assessments at a figure of EUR 45.45 million. Eight parties (including the 1992 Fund) appealed the Limitation Fund Administrator's assessments.

<sup><5></sup> With the exception of claims paid, currency conversions are indicative only and intended to assist the reader. Currency conversions are calculated using the FX rates applicable as at 2 November 2017 when the Director was authorised to pay claims. SDR 1 = EUR 1.205840 and SDR 1 = GBP 1.068890. Figures are subject to change due to fluctuations in the exchange rates and intervening events.

- 3.4.3 In September 2020, the 1992 Fund's lawyers filed additional claims for some EUR 798 000 against the limitation fund in respect of the subrogated claims the 1992 Fund had paid since 5 May 2018 (the date set under Greek law for filing claims against the limitation fund), or which had not been recognised by the Limitation Fund Administrator since the publication of his assessment in September 2019. In October 2020, the claims were dismissed due to the time bar. The 1992 Fund filed an appeal and further supplementary pleadings in respect of the subrogated claims it had paid.
- 3.4.4 In June 2022, the Piraeus Multi-Member Court of First Instance issued a judgment (1891/2022) on the appeals against the Limitation Fund Administrator's assessments, which generally ratified the amounts accepted by the Limitation Fund Administrator and dismissed further claims including those of the 1992 Fund for the subrogated claims it had paid. For further information on the judgment, see document [IOPC/NOV23/3/9](#).
- 3.4.5 In late 2022, the 1992 Fund appealed against judgment 1891/2022, on two legal issues, namely: whether the 1992 Fund had the right to appeal against the Limitation Fund Administrator's list of claims; and what was the significance of the extinction of time provided in Article VIII of the 1992 CLC, when the limitation fund had been established. The Court set a hearing date which was adjourned until September 2024.
- 3.4.6 At the September 2024 hearings, five appeals were heard against the first instance judgment issued in the limitation proceedings. The appeals addressed legal points (the right of the 1992 Fund to question directly the provisional list of claims issued by the Limitation Fund Administrator, and to submit subrogated claims against the limitation fund later than the time permitted under Greek procedural rules) and points on the merits regarding the reasonableness of the claims awarded in the first instance.

*Judgment 643/2025*

- 3.4.7 In late 2025, the Piraeus Appeal Court issued judgment 643/2025 of 1 074 pages, providing a very detailed analysis of a large amount of documentary evidence.
- 3.4.8 In summary, most of the cleaning actions, were accepted to have been reasonable, but the Court also accepted most of the 1992 Fund's arguments (both legal and substantive) on the reasonableness of the costs, and held that the monetary units on the basis of which amounts payable were calculated should be slightly lower than those accepted by the Limitation Fund Administrator.
- 3.4.9 The judgment also held a number of legal precedents, including *inter alia*:

- (i) On the application of the CLC provisions and the reasonableness of claims, the judgment held that:

The meaning of Article III(4) of the 1992 CLC, is that the provisions of the 1992 CLC are the only legal ground for any pollution claim subject to the 1992 CLC. The provisions of tort or other national legislation on pollution cannot be applicable in such cases;

The 1992 CLC provisions are not applicable to damages/losses to persons/objects carried or situated on board the ship, and the costs for cleaning a ship (or shipwreck that has been lifted from the ocean), are not compensable under the 1992 CLC provisions;

Anti-pollution costs (cleaning actions and preventive measures) are compensated only if those actions and measures are considered reasonable, which is considered on an *ad hoc* basis taking into consideration the geographical position of the incident, the time of year, weather conditions, type and quantity of oil spilled (or at risk of being spilled), the risk of

pollution and the availability of antipollution services;

In addition to the reasonableness of the cleaning/preventive measures, the cost of such actions should also be reasonable, which requires an examination of the principle of proportionality between the actual cost and the result achieved, so as to keep a fair equilibrium between the interests of the party providing anti-pollution services and the party paying the cost. As a result, the reasonableness of such costs cannot be identical to tariff rates used by the anti-pollution service provider;

The reasonableness of costs (units of calculation) apply to the use of equipment, ships, aircraft, vehicles and consumables by the State and any ministerial decisions issued setting up costs per units used, are not binding on the Court that applies the CLC provisions, but such costs set by ministerial decisions for personnel remuneration are binding because they prove the actual cost incurred.

- (ii) On the right of the 1992 Fund to appeal against the decisions of the CLC Limitation Fund Administrator, the judgment held that:

The obligation within Article 7(4) of the 1992 Fund Convention upon a State to ensure that the Fund has the right to intervene as a party to any legal proceedings instituted in accordance with Article IX of the 1992 CLC, does not provide the 1992 Fund a direct right to appeal on its own against decisions of the Limitation Fund Administrator on the grounds that the 1992 Fund may be called to pay compensation if the limitation fund is insufficient to pay the claims. However, because the 1992 Fund had paid (wholly or partially) certain claimants, and was included within the provisional list of claims having been subrogated under the 1992 CLC provisions, it was entitled to appeal against the decisions of the Limitation Fund Administrator.

- (iii) On the submission of the 1992 Fund's appeal against the refusal of the Limitation Fund Administrator to accept subrogated claims that had been settled after the provisional list of claims had been issued, the judgment held that:

(a) the procedure of establishing and distributing the limitation fund is not regulated by the 1992 CLC, but is left to national legislation.

(b) The time for extinguishing a claim provided for under Article VIII of the 1992 CLC, is not related to the procedural time of notification of a claim before the Limitation Fund Administrator, and as a result there is no contradiction between them.

(c) Because the notification of some of the subrogated claims was served to the Limitation Fund Administrator, after the provisional list of claims had been issued, no appeal could be allowed against its dismissal.

- (iv) Amounts awarded per claimant:

As a general point, the Court dismissed the clean-up contractors' appeals, which had complained about the dismissal of their management claims (calculated at 7.5% of their claims), ruling that the claimants had not provided any evidence why this should be considered reasonable compensation, when they had already claimed all other different items, such as personnel, equipment, etc.

3.4.10 Overall, the judgment awarded one clean-up contractor a higher sum than was originally awarded by the Limitation Fund Administrator, but reduced the sums payable to another clean-up contractor,

the Greek State and many of the other minor claimants.

- 3.4.11 In total, with regard to the claims involved in the appeal (with a total value of EUR 22 666 901.07 accepted by the Limitation Fund Administrator), the Piraeus Appeal Court judgment reduced the amount payable to EUR 21 003 892.64, of which the 1992 Fund is already subrogated for the amount of EUR 1 541 536.20.

*Further legal proceedings*

- 3.5 Judgment having been rendered by the Piraeus Appeal Court, any party to those proceedings may file an appeal before the Supreme Court (limited to examining legal errors in the interpretation of the law) within two years from 31.10.2025, i.e. until 31.10.27. Under Greek procedural rules, the distribution of the limitation fund will commence upon the Supreme Court issuing its judgment, or the time period for appealing before the Supreme Court lapsing, with no such appeal having been filed. In terms of timescales, if an appeal were filed today, the hearing before the Supreme Court would probably be set six to eight months later and assuming the hearing progressed with no adjournment, a judgment would not be expected to be issued until at least one year later.
- 3.6 Notably, the Court of Appeal suspended the hearing for the clean-up contractor recently indicted in the criminal proceedings, until evidence is provided of developments in the criminal proceedings.
- 3.7 The 1992 Fund's lawyers have advised that they believe that a number of the claimants are waiting for an indication from the 1992 Fund as to whether it will appeal any of the legal issues identified in the judgment, before they decide how further to respond.
- 3.8 In view of the fact that interest on the claims submitted at court continues to accrue, the 1992 Fund's lawyers agree that, based on the likelihood of success or otherwise of the Fund's case, it would be prudent to pay further sums in respect of the claims that are unlikely to be reduced further by any appeal to the Supreme Court. Such payments will be based on the quantum determined by the Appeal Court judgment, which is very comprehensive and broadly supports the assessment provided by the Limitation Fund Administrator.
- 3.9 However, the 1992 Fund will await the results of the criminal proceedings to conclude before paying any further sums in respect of the claims submitted by the clean-up contractor indicted for sinking the ship.

#### **4 Civil proceedings**

- 4.1 The following claims have been filed against the 1992 Fund in the Greek courts:

<b>Claims submitted against the 1992 Fund in the Greek courts</b>		
<b>Claim category</b>	<b>Number of claims in court</b>	<b>Claimed amount (EUR)</b>
Clean up	7	73.33 million
Environmental monitoring	2	27 086
Fisheries	36	3.35 million
Property	3	54 373
Tourism	6	4.3 million
<b>Total</b>	<b>54<sup>&lt;6&gt;</sup></b>	<b>81.06 million</b>

<sup><6></sup> Some claims have been filed on behalf of several claimants.

4.2 For further details of the claims filed against the 1992 Fund in the Greek courts, see document [IOPC/NOV23/3/9](#).

4.3 The hearings of all writs of action against the 1992 Fund have been adjourned until an unappealable judgment is issued against the limitation fund.

## **5 Investigation into the cause of the incident**

5.1 Full details of the investigations into the cause of the sinking, the investigations and conclusions reached by the National Technical University of Athens and by the Marine Accident Investigation Council (ASNA) for the Public Prosecutor, are detailed in document [IOPC/OCT19/3/11](#).

### **5.2 Decision of the Council of judges**

5.2.1 In March 2024, the 1992 Fund's Greek lawyers were allowed by the District Attorney to obtain copies of the criminal file for the incident, which included decisions of the criminal judges sitting in Council.

#### *Surveys/investigations*

5.2.2 Details of the conclusions of the National Technical University of Athens and other experts regarding the cause of sinking are detailed in document [IOPC/OCT19/3/11](#).

#### *Criminal evaluation/indictment*

5.2.3 The criminal investigation commenced on 15 September 2017 and was completed on 9 March 2022. The Criminal Department of the Piraeus Court handled 21 separate criminal complaints. All of the certificates of the ship were up-to-date, and there were no indications of any criminal liability of the Greek Coast Guard officers in charge of the ship inspection and seaworthiness certificates.

5.2.4 The two crew members who remained on board, were indicted for:

- (i) Intentionally causing malicious maritime pollution that could, and did, damage the environment and third-party properties, by unscrewing the cargo tanks' covers from which oil leaked into the sea following the ship's starboard list, which they caused by intentionally allowing ballast water in the starboard bottom ballast tanks 2, 3 and 4;
- (ii) Intentionally sinking the ship by illegally opening the starboard valves of the bottom ballast tanks 2, 3 and 4, and opening the engine room port hole, which endangered human life; and
- (iii) Intentionally discharging polluting materials into the sea.

5.2.5 The master, the shipowner company representative and the representative of the first clean-up company were indicted as instigators of all the indictable criminal actions, aiming to cause extensive maritime pollution in order to benefit from the remuneration for anti-pollution works.

5.2.6 It may be noted that the decision of the criminal judges committing the above five parties to trial contained the following negative remarks about the first clean-up company:

- The quality and speed of anti-pollution services offered is considered insufficient since the company had no anti-pollution expertise or experience; and
- That company's personnel were not cooperating with the authorities but, on the contrary, tried to prevent persons acting for the Greek authorities from gaining access to the wreck.

- 5.2.7 A date of 24 October 2024 was set for a full trial with the five indicted parties facing the charges detailed above. Over 30 witnesses were called including crew and masters of the rescue boats and of the Hellenic Coastguard attending the sinking vessel, executives, crew, and masters of vessels owned by the clean-up companies involved, representatives of the environmental monitoring organisation, naval architects and engineers of the Marine Accident Investigation Board (ASNA) and of the National Technical University of Athens, and experts from the Greek State.

*Criminal judgment*

- 5.2.8 In May 2025, the Criminal Court of Piraeus issued its judgment finding the Master, the manager/legal representative of the owning company, and the Managing Director of one of the clean-up contractors, guilty of the sinking of the ship and the ensuing pollution. The judgment was taken by a majority of four persons (three judges and one jury member) against three jury members who voted for the acquittal of all accused parties. The indicted parties were condemned to 12 years of imprisonment with suspension. The indicted parties have filed an appeal and the legal proceedings will continue.

5.3 Impact of the investigative reports on the 1992 Fund's payment of compensation

The 1992 Fund has received legal advice from its lawyers not to continue to assess and make payment of the claims for compensation submitted by the representatives of the salvor/the clean-up contracting company which has been specifically mentioned in the ASNA report, pending the final results of the criminal proceedings.

**6 Director's considerations**

- 6.1 The 1992 Fund continues to deal with claims that have been validly presented. After over eight years, the final conclusion to the criminal trial of the individuals indicted for their alleged involvement in the cause of the incident remains pending. The Director will report the results of the appeal filed in the criminal trial in due course.
- 6.2 In relation to the Piraeus Appeal Court judgment 643/2025, the Director notes with disappointment that the 1992 Fund's appeal regarding subrogated claims that had been settled after the five-month period permitted to file claims was unsuccessful. The net result of this is that many payments made by the 1992 Fund have not been recognised as subrogated against the established Limitation Fund.
- 6.3 The Director notes that whilst the time permitted to file claims against a limitation fund is not governed by the 1992 CLC, it would be preferable that domestic legislation be implemented to allow a suitable time period for the submission of all valid and subrogated claims. This would ensure that the 1992 Fund does not lose the right to have its subrogated claims paid from the limitation fund proceeds, upon its distribution.
- 6.4 In view of the foregoing, caution will be exercised in future cases when considering the payment of claims that may not be recognised as subrogated in accordance with Article 9(1) of the 1992 Fund Convention.
- 6.5 The Director will continue to monitor this incident and report the latest developments to the 1992 Fund Executive Committee.

**7 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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