



International Oil Pollution
Compensation Funds

Agenda Item 5	IOPC/OCT22/5/1	
Date	29 September 2022	
Original	English	
1992 Fund Assembly	92A27	●
1992 Fund Executive Committee	92EC79	
Supplementary Fund Assembly	SA19	●

SUBMISSION OF OIL REPORTS

Note by the Secretariat

Summary:

As at 20 September 2022, 94 States have submitted reports for 2021 to the 1992 Fund, representing some 88% of the expected total contributing oil. Oil reports are outstanding from 31 States with respect to the 1992 Fund, of which 29 States have yet to report for the year 2021.

Thirty States have submitted reports for 2021 to the Supplementary Fund, representing some 89% of the expected total contributing oil. One State has not submitted oil reports for the year 2021 and one State has made a partial submission with respect to the Supplementary Fund.

Action to be taken:

1992 Fund Assembly and Supplementary Fund Assembly

Information to be noted.

1 Introduction

- 1.1 This document sets out the status of the submission of oil reports in respect of the 1992 Fund and the Supplementary Fund. It also provides an update on the development of the online reporting system (ORS) for the submission of oil reports by Member States.
- 1.2 In January 2022, the Director invited 1992 Fund and Supplementary Fund Member States to submit to the Secretariat their reports on contributing oil received in 2021 by 30 April 2022. The submission of any outstanding reports from previous years was also requested, as appropriate. The Secretariat maintains a list of contributors for each State. Member States are provided with the list of the contributors in their State along with the contributing oil receipts for the previous years to assist them in submitting the current oil reports.
- 1.3 Electronic reminders were sent out in May, June and August 2022 and reminder letters were sent in August 2022. As in previous years, these were followed up by phone calls and meetings with the competent authorities of States with outstanding reports.
- 1.4 Clarification is sought from Member States in the event that oil reports are not submitted for all contributors or when there are inconsistencies with previously reported tonnages. The Secretariat also has access to information on persistent oil received after sea transport, published by Refinitiv Eikon's service, to which the Secretariat already subscribes for information on counterparty banks. This information is used by the Secretariat, together with web-based open-source research, to assist Member States with reporting and clarifying reasons for large variations in tonnages.

- 1.5 Competent authorities were reminded of the governing bodies' concern about States that did not fulfil their treaty obligations to submit reports, as it is crucial for the functioning of the international compensation regime, and they were referred to Resolution N°12—Measures in respect of outstanding oil reports and outstanding contributions, which was adopted at the April 2016 session of the 1992 Fund Administrative Council. Attention was drawn to the fact that in accordance with Resolution N°12 with respect to the 1992 Fund, the extent to which a State fulfilled its obligation to submit reports would be taken into account when making payments of claims for compensation and when the 1992 Fund Assembly elects members of the 1992 Fund Executive Committee.
- 1.6 With respect to the Supplementary Fund, States were reminded that failure to submit oil reports could lead to a temporary or permanent denial of compensation.

2 Situation with regard to outstanding reports

2.1 1992 Fund

- 2.1.1 For the year 2021, 120 Member States plus three autonomous partners (i.e. Aruba, Curaçao and Sint Maarten) were liable to submit oil reports. The 94 States that have submitted reports for 2021 are estimated to represent some 88% of the expected total contributing oil. It should be noted that, in September 2021, the 1992 Fund had received reports for 95% of the expected contributing oil for the year 2020. The significant drop in the percentage of reported contributing oil compared to the previous year is due mainly to outstanding reports from large contributors in the Netherlands and Malaysia, representing some 7% and 1.5% of total contributing oil for 2020, respectively.
- 2.1.2 Based on the reports received thus far, the total quantity of oil received in 2021 has increased by some 4% compared to 2020, with the total expected contributing oil in 2021 estimated to be some 1.4 billion tonnes.
- 2.1.3 As at 20 September 2022, 31 States had not completed the submission of reports on contributing oil for 2021 or prior years, as shown in the Annex. Out of the 31 States with outstanding reports, 13 States recorded outstanding reports for one year only. It is further expected that 'nil' quantities will be reported by 13 of the States yet to submit.
- 2.1.4 Of the 18 States with reports outstanding for more than one year, Syrian Arab Republic has not submitted any reports for 13 years since joining the 1992 Fund. Oil reports are outstanding for Saint Lucia for 11 years (2004–2013, 2021), Albania for nine years (2013–2021) and Mauritania for six years (2016–2021).
- 2.1.5 Dominican Republic, which had not submitted any reports for 23 years since joining the 1992 Fund in 2000, submitted oil reports on 15 February 2022. The Secretariat has analysed the data and liaised with the Member State to ensure that the correct quantities of oil have been recorded and once confirmed, the corresponding contributions will be invoiced.
- 2.1.6 As at 20 September 2022, the Netherlands had only partially submitted oil reports for 2021, with reports outstanding for some large contributors. The Netherlands is estimated to be responsible for over 7% of total contributing oil.
- 2.1.7 Aruba, Curaçao and Sint Maarten are autonomous partners within the Kingdom of the Netherlands, a status which obliges them to submit reports of contributing oil to the 1992 Fund directly. Reports for 2020 and 2021 are outstanding for Curaçao and reports for 2019–2021 are outstanding for Sint Maarten.

2.1.8 In addition to the outstanding 2021 reports from the Netherlands (paragraph 2.1.6), reports of two contributors in Bonaire and Sint Eustatius are outstanding for more than one year. The authorities in the Netherlands have informed the Secretariat they are taking the appropriate steps under their national legislation to ensure that reports are submitted by the contributor in Sint Eustatius. In March 2021, the contributor in Bonaire filed for bankruptcy. The authorities are continuing their efforts to liaise with this contributor's head office, which is located in another Member State.

2.2 Supplementary Fund

2.2.1 As at 20 September 2022, reports for 2021 had been submitted by 30 Member States of the Supplementary Fund. The oil reports from two Member States are outstanding, of which, Congo has not yet submitted and the Netherlands had made a partial submission of reports.

2.2.2 The financial consequences of the missing reports are limited with respect to the Supplementary Fund. The reports already submitted by States for 2021 are estimated to represent some 89% of the expected total contributing oil (97% at the same point in the previous year).

3 Online reporting system (ORS)

3.1 The Secretariat has been trialling an ORS to assist Member States to submit their data on oil receipts to the Secretariat.

3.2 The Secretariat will identify opportunities to integrate the ORS with the new Enterprise Resource Planning (ERP) system, which currently contains contributions management and financial accounting.

4 Measures encouraging the submission of oil reports

4.1 At the October 2019 sessions of the governing bodies, the Director was instructed to examine other ways to incentivise the submission of oil reports, including the possibility of invoicing contributions based on estimates in the event that no reports were submitted (document IOPC/OCT19/11/1, paragraph 5.1.17).

4.2 The Director has worked on this issue with the Audit Body. Advice was sought on the legal basis for levying contributions based on estimations and issuing invoices to contributors retrospectively.

4.3 More detail on this issue is reported in document IOPC/OCT22/6/1.

5 Director's considerations

5.1 The Director is grateful for the continued cooperation and engagement of Member States with respect to the submission of oil reports. Work is still required to ensure that all Member States continue to fulfil this important obligation under the 1992 Fund Convention and the Supplementary Fund Protocol.

5.2 The Director, however, notes with concern that seven States have outstanding reports for five or more years and that one State has never submitted reports despite being a member of the 1992 Fund for many years.

5.3 The Director is concerned about outstanding 2021 oil reports from large contributors in some Member States, which has a significant impact on the total amount of reported contributing oil. This affects the Secretariat's ability to calculate an accurate levy per tonne for the 2022 levies. The Director will continue his efforts to engage with those States that have outstanding reports and will continue to examine measures to encourage the submission of oil reports, including the possibility of levying based on estimations. He encourages States to contact the Secretariat if they have trouble compiling information on oil receipts.

5.4 Ongoing work is required to ensure that all Member States continue to fulfil this important obligation under the 1992 Fund Convention and the Supplementary Fund Protocol. The Director strongly encourages all 1992 Fund and Supplementary Fund Member States to support the Secretariat in this matter.

6 Action to be taken

1992 Fund Assembly and Supplementary Fund Assembly

The 1992 Fund Assembly and the Supplementary Fund Assembly are invited to take note of the information contained in this document.

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ANNEX

Non-submission of oil reports by Member States, as at 20 September 2022

	Member State	Number of years of outstanding reports	Tonnage given in most recent complete report	Years for which reports are outstanding	
				1992 Fund	Supplementary Fund
1	Dominican Republic ^{<1>}	23	No record	1999–2021	
2	Syrian Arab Republic	13	No reports received	2009–2021	
3	Saint Lucia ^{<2>}	11	3 213 886	2004–2013, 2021	
4	Albania	9	0	2013–2021	
5	Netherlands ^{<3>}	9	98 276 422	2004–2009, 2019–2021	2019–2021
6	Mauritania	6	241 649	2016–2021	
7	Djibouti	5	167 042	2017–2021	
8	Argentina	4	12 607 018	2018–2021	
9	Bahrain	4	0	2018–2021	
10	Guinea	4	173 942	2018–2021	
11	Panama	4	10 339 086	2018–2021	
12	Sint Maarten (Kingdom of the Netherlands)	3	0	2019–2021	
13	Senegal	3	1 474 654	2019–2021	
14	Venezuela (Bolivarian Republic of)	3	9 389 318	2019–2021	
15	Curaçao (Kingdom of the Netherlands)	2	179 719	2020–2021	
16	Dominica	2	0	2020–2021	

^{<1>} Due to insufficient information and non-conformity with the oil reporting format, quantities of oil have not been recorded. See paragraph 2.1.5 for further details.

^{<2>} Oil reports for calendar years 2014–2020 have been submitted.

^{<3>} Reports outstanding for calendar years 2004–2009 and 2019–2021 relate to two contributors in Bonaire and Sint Eustatius and their most recent tonnages were collectively 14 669 626 tonnes (2018). In addition, there are outstanding oil reports for 2021 from some large contributors in the Netherlands. The Supplementary Fund Protocol has applied to Bonaire and Sint Eustatius since 22 June 2011. See paragraphs 2.1.6–2.1.8 for further details.

ANNEX

	Member State	Number of years of outstanding reports	Tonnage given in most recent complete report	Years for which reports are outstanding	
				1992 Fund	Supplementary Fund
17	Nauru	2	No reports received	2020–2021	
18	Saint Kitts and Nevis	2	0	2020–2021	
19	Liberia	1	0	2019	
20	Cameroon	1	1 004 132	2020	
21	Cabo Verde	1	0	2021	
22	Cambodia	1	0	2021	
23	China (Hong Kong Special Administrative Region)	1	5 536 106	2021	
24	Congo	1	0	2021	2021
25	Costa Rica	1	No reports received	2021	
26	Kenya	1	0	2021	
27	Luxembourg	1	0	2021	
28	Malaysia	1	20 291 298	2021	
29	Nicaragua	1	661 162	2021	
30	Palau	1	0	2021	
31	Seychelles	1	0	2021	