



International Oil Pollution
Compensation Funds

Agenda Item 3	IOPC/MAY23/3/8	
Date	5 April 2023	
Original	English	
1992 Fund Assembly	92AES27	
1992 Fund Executive Committee	92EC80	●
Supplementary Fund Assembly	SAES11	

INCIDENTS INVOLVING THE IOPC FUNDS—1992 FUND

PRINCESS EMPRESS

Note by the Secretariat

Objective of document:	To report on a new oil pollution incident that may involve the 1992 Fund.
Summary:	<p>The 1992 Fund has been informed of a new incident, which occurred off the coast of Oriental Mindoro, the Philippines on 28 February 2023.</p> <p>The Philippines is a Party to both the 1992 Civil Liability Convention (1992 CLC) and the 1992 Fund Convention. The IOPC Funds has therefore been working closely with The Shipowners' Mutual Protection and Indemnity Association (Luxembourg) (Shipowners' P&I Club) (the shipowner's insurer) and the Government of the Philippines since the incident occurred.</p> <p>Clean-up and response operations are ongoing. Given the latest information reported, claims relating to this incident may exceed the limit of liability of the insurer under the 1992 CLC. It is possible that the 1992 Fund will therefore be called upon to pay compensation. This document provides general information regarding the incident.</p>
Relevant documents:	An additional document will be issued in due course, providing more details of the incident and the latest information available for the consideration of the 1992 Fund Executive Committee.
Action to be taken:	<u>1992 Fund Executive Committee</u>
	Information to be noted.

1 Summary of incident

Ship	<i>Princess Empress</i>
Date of incident	28.02.2023
Place of incident	Oriental Mindoro, the Philippines
Cause of incident	Engine failure
Quantity of oil spilled	Unknown
Area affected	Oriental Mindoro, Western Visaya
Flag State of ship	The Philippines
Gross tonnage	508 GT
P&I insurer	Shipowners' P&I Club

CLC limit	SDR 4.51 million
STOPIA/TOPIA applicable	STOPIA applies up to SDR 20 million
CLC + Fund limit	SDR 203 million

2 Incident

- 2.1 The 1992 Fund has been informed of a new incident, which occurred off the coast of Oriental Mindoro, the Philippines on 28 February 2023.
- 2.2 The Philippine-flagged *Princess Empress* (508 GT) sank in rough seas off the coast of Naujan, Oriental Mindoro, the Philippines, whilst carrying 800 000 litres of fuel oil as cargo. Subsequently, an oil spill was detected around the location of the ship which extended to other areas, causing pollution damage.

3 Response operations

- 3.1 Clean-up and response operations are ongoing. Information about the impact of the incident and the ongoing clean-up operations can be found at the following dedicated page set up by The Shipowners' Mutual Protection and Indemnity Association (Luxembourg) (Shipowners' P&I Club): www.princessempressinformationcentre.com.
- 3.2 Members of the IOPC Funds' Claims Team travelled to Singapore to meet with the Shipowners' P&I Club during the week of 20 March 2023. They held discussions with the Club and local P&I correspondents from the Philippines, and met remotely with the Philippine Coast Guard.

4 Applicability of the Conventions

- 4.1 The Philippines is a Party to both the 1992 CLC and the 1992 Fund Convention. The 1992 Fund has therefore been working closely with the Shipowners' P&I Club and the Government of the Philippines since the incident occurred on 28 February 2023.
- 4.2 Given the latest information reported, claims relating to this incident may exceed the limit of liability of the insurer under the 1992 CLC. It is possible that the 1992 Fund will therefore be called upon to pay compensation.
- 4.3 Details of the shipowner's insurance and applicability of STOPIA 2006

The ship is insured with Shipowners' P&I Club, which is part of the International Group of P&I Associations (International Group). The limitation amount applicable to the *Princess Empress* in accordance with the 1992 CLC is SDR 4.51 million, but the owner of the *Princess Empress* is a Party to the Small Tanker Oil Pollution Indemnification Agreement (STOPIA) 2006 (as amended 2017)^{<1>} whereby the limitation amount applicable to the tanker is increased, on a voluntary basis, to SDR 20 million. The 1992 Fund, however, would continue to be liable to compensate claimants if, and to the extent that, the total amount of admissible claims exceeds the limitation amount applicable to the *Princess Empress* under the 1992 CLC. Under STOPIA 2006, the 1992 Fund has legally enforceable rights of indemnification from the shipowner of the difference between the limitation amount applicable to the tanker under the 1992 CLC and the total amount of admissible claims up to SDR 20 million.

5 Claims for compensation

- 5.1 The 1992 Fund and the Shipowners' P&I Club, have decided to open a Claims Submission Office to facilitate

<1> From this point forward, references to 'STOPIA 2006' should be taken to read 'STOPIA 2006 (as amended 2017)'.

the submission of claims for compensation resulting from the incident.

- 5.2 It was agreed that the joint Claims Submission Office should be located in Calapan, Oriental Mindoro. This central office was opened on 31 March 2023 and other smaller claims submission offices are expected to be opened in affected regions over the following weeks to allow claimants to submit their claims more easily.

6 Director's considerations

- 6.1 Initial estimates of the impact of the incident indicate that claims for pollution damage may surpass the 1992 CLC limit applicable to the *Princess Empress*. The 1992 Fund has invoked the 2006 Memorandum of Understanding between the 1992 Fund and the International Group so that the Shipowners' P&I Club and the 1992 Fund will share joint experts.
- 6.2 The Secretariat will continue to liaise with key stakeholders, to monitor developments closely and will respond accordingly.
- 6.3 The Director will report the latest developments in this incident to the 1992 Fund Executive Committee in an addendum to this document.

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.
