



International Oil Pollution
Compensation Funds

Agenda Item 3	IOPC/NOV23/3/12	
Date	19 September 2023	
Original	English	
1992 Fund Assembly	92A28	
1992 Fund Executive Committee	92EC81	●
Supplementary Fund Assembly	SA20	

INCIDENTS INVOLVING THE IOPC FUNDS — 1992 FUND

INCIDENT IN ISRAEL

Note by the Secretariat

Objective of document:	To inform the 1992 Fund Executive Committee of the latest developments regarding this incident.
Summary:	<p>In February 2021, the Government of Israel contacted the 1992 Fund requesting assistance with oil found along the Israeli coast. The Israeli Government reported that tar balls had begun to wash up along its coastline and that it believed a spill had occurred in the waters of the exclusive economic zone (EEZ) of Israel. However, the source of the spill had not been identified.</p> <p>Tar balls affected the entire Mediterranean coastline of Israel to varying degrees. Clean-up operations were carried out under the direction of the Marine Environment Protection Division of the Israeli Ministry of Environmental Protection following their National Contingency Plan, with local authorities organising the response on the beaches.</p> <p>Firstly, efforts to identify the cause of the spill centred on identifying vessels within the vicinity of the spill location. Analyses of the polluting oil carried out by two laboratories in Israel indicated that the oil found along the coastline was crude oil, and the authorities believed that the oil was released from a tanker, i.e. a ship as defined by the 1992 Civil Liability Convention (1992 CLC).</p> <p>Initial estimates of the cost of the response to the oil spill so far are in the region of ILS 55 million (£11.6 million)^{<1>}. Further claims for economic losses are expected. The main clean-up operations were completed by mid-April 2021.</p> <p>In July 2021, the 1992 Fund Executive Committee decided that the pollution which had affected the coastline of Israel could be considered as a spill from an unknown source (a so-called 'mystery spill') and that, for this reason, the 1992 Civil Liability and Fund Conventions would apply to this incident. The 1992 Fund Executive Committee therefore authorised the Director to pay compensation with respect to the incident.</p>
Recent developments:	As at 31 August 2023, a total of 46 claims had been submitted for clean-up operations, property damage and economic losses, totalling ILS 26.5 million (£5.6 million). Ten

<1> The exchange rate used in this document is based on the exchange rate as at 30 June 2023 of £1 = ILS 4.7179, except for the amounts already paid by the 1992 Fund, for which the exchange rate at the time of the payment has been used.

claims have been assessed at ILS 6.5 million (£1.4 million), and six of those have been paid ILS 4 163 042.85 (£910 322) in compensation. Twenty-three claims have been rejected for lack of information or lack of link of causation.

Action to be taken: 1992 Fund Executive Committee

Information to be noted.

1 Summary of incident

Ship	Unknown
Date of incident	17.02.2021 (date of the oil reaching the shoreline)
Place of incident	Israeli EEZ (presumed)
Cause of incident	Unknown (presumed to be crude oil washing)
Quantity of oil spilled	Unknown
Area affected	Israeli coastline (approximately 170 km) with tar balls
Flag State of ship	Unknown
Gross tonnage	Unknown
P&I insurer	Unknown
CLC limit	Unknown
CLC + Fund limit	SDR 203 million or ILS 943 024 320 (£199.9 million) ^{<2>}
Legal proceedings	No legal proceedings commenced to date

2 Background information

- 2.1 On 17 February 2021, tar balls, began to wash up along the Israeli coastline, ranging in severity from medium-heavy pollution to very light, dispersed tar balls. The pollution affected the entire coastline to varying degrees.
- 2.2 An investigation carried out by the Israeli Government concluded that sometime between 1 and 2 February 2021, an oil spill incident occurred within the offshore waters of the Israeli exclusive economic zone (EEZ), to the west-northwest of the coastline and that the resulting oil spill was the cause of the contamination of the Israeli coastline.
- 2.3 The Israeli Marine Environment Protection Division responded under their National Contingency Plan and took control of the overall response to the spill, utilising the local authorities who were in charge of organising the response on the beaches. A company was tasked to remove the oil waste for disposal.
- 2.4 Clean-up operations were carried out with the deployment of personnel from municipal authorities, nature and parks authorities and government departments as well as volunteers. The total number of people involved was between 7 000 and 12 000 per day. They were organised and monitored by an Israeli non-governmental organisation (NGO) and the local authorities.
- 2.5 Clean-up operations were largely finished by mid-April 2021, although removal of tar from different locations, mainly the centre and northern part of the country as far as the northern border, continued

^{<2>} The conversion of SDR 203 million into Israeli New Shekel (ILS) was made on the basis of the value of that currency *vis-à-vis* the Special Drawing Rights (SDR) on the date of the adoption of the 1992 Fund Executive Committee's Record of Decisions of its 76th session, i.e. 23 July 2021 at the rate of SDR 1 = ILS 4.645440, giving a total amount available for compensation of ILS 943 024 320.

into the early summer. By the end of April 2021, some 1 360 tonnes of debris and oil waste had been collected and taken away from the beaches to the treatment facility.

- 2.6 Bans on fishing and on bathing were imposed immediately after the tar balls first washed ashore. The fisheries restrictions were lifted in early March 2021. The bathing prohibitions were removed in mid-March 2021.

3 Applicability of the Conventions

- 3.1 Israel is Party to the 1992 Civil Liability Convention (1992 CLC) and the 1992 Fund Convention.
- 3.2 At its October 2022 session, the 1992 Fund Executive Committee had endorsed the Director's interpretation of the 1992 Fund Convention. This interpretation stipulated that the 1992 Fund Convention also applied to spills of persistent oil, even if the ship from which the oil originated could not be identified. However, this applied under the condition that it had been satisfactorily demonstrated to the 1992 Fund, or in case of dispute, to a competent court, that the oil originated from a ship as defined in the 1992 CLC (92FUND/EXC.18/14, paragraph 3.12.13).
- 3.3 In July 2021, the 1992 Fund Executive Committee decided that the pollution which had affected the coastline of Israel could be considered as a spill from an unknown source (a so-called 'mystery spill') and that, for this reason, the 1992 Civil Liability and Fund Conventions would apply to this incident.
- 3.4 The 1992 Fund Executive Committee, therefore, authorised the Director to settle and pay claims for compensation arising from this incident to the extent that they did not give rise to questions of principle not previously decided by the 1992 Fund Executive Committee (document IOPC/JUL21/9/2, paragraph 3.2.22).

4 Claims for compensation

- 4.1 As at 31 August 2023, a total of 46 claims had been submitted. Of these, 18 claims have been submitted by the Israeli authorities and one NGO for clean-up and clean-up related activities totalling ILS 20.2 million (£4.3 million). Seven clean-up claims have been assessed at ILS 6.2 million (£1.3 million). Four of these claims been paid at ILS 3 871 515.12 (£847 737). The remaining 11 claims are being assessed. The Israeli authorities had estimated that the total clean-up costs for the spill would be in the region of ILS 55 million (£11.6 million). Claims for the costs incurred in the response activities are being prepared and will be submitted in the near future.
- 4.2 A total of 23 claims have been submitted in the fisheries and aquaculture sector, totalling ILS 4.9 million (£1 million). Twenty-two of these claims, referring to property damage and economic losses in the fisheries sector, have been rejected due to the lack of supporting information. One claim, from an aquaculture farm, totalling ILS 1 million (£220 000) has been settled at ILS 264 907 (£57 226).
- 4.3 Two claims have been submitted for economic losses by two marine sport operators and schools. One claim has been settled at ILS 26 720 (£6 359). The other has been rejected since the claimant has not submitted sufficient information to determine whether they have suffered a loss. One claim for property damage has been rejected as it was found to be inadmissible.
- 4.4 Three claims have recently been submitted by three fish restaurants for economic losses, totalling ILS 1.3 million (£ 280 000). These claims are being reviewed.
- 4.5 The Director will report on any developments with regard to this incident in future sessions of the 1992 Fund Executive Committee.

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.
