



International Oil Pollution
Compensation Funds

Agenda Item 3	IOPC/NOV24/3/15	
Date	22 August 2024	
Original	English	
1992 Fund Assembly	92A29	
1992 Fund Executive Committee	92EC83	●
Supplementary Fund Assembly	SA21	

INCIDENTS INVOLVING THE IOPC FUNDS—1992 FUND

MARINE HONOUR

Note by the Secretariat

Objective of document:

To report on a new oil pollution incident involving the 1992 Fund.

Summary:

On 14 June 2024, the product tanker *Marine Honour* was stationary alongside the container ship, *Ever Blink*, at Pasir Panjang Terminal, Singapore, when it was struck by the hopper dredger *Vox Maxima*. This caused the *Marine Honour* to contact the *Ever Blink*. The collision breached the hull of the *Marine Honour* resulting in an estimated 817 cubic metres of intermediate fuel oil (IFO) 380 being released into the environment.

The Maritime and Port Authority of Singapore (MPA) regulates and controls oil spill incidents within Singapore territorial waters. The shoreline clean-up is managed by the National Environmental Agency (NEA).

The spillage affected areas along the coast of Singapore from Pasir Panjang Terminal to East Coast Park and spread to the Southern Islands. Oil also reached the southern coast of Johor and the East Johor Strait in Malaysia.

Singapore and Malaysia are Parties to both the 1992 Civil Liability Convention (1992 CLC) and the 1992 Fund Convention.

The *Marine Honour* is insured by QBE Insurance (Singapore) Pte Ltd (QBE), under the British Marine brand. The limitation amount applicable to the *Marine Honour* in accordance with the 1992 CLC is SDR 4.51 million. The Small Tanker Oil Pollution Indemnification Agreement (STOPIA) 2006 (as amended 2017)^{<1>} does not apply as the vessel's owner is not a party to that agreement.

As at 19 August 2024, clean-up and response operations are still ongoing. Given the latest information reported, claims relating to this incident will exceed the limit of liability of the insurer under the 1992 CLC. The 1992 Fund, which provides a second tier of compensation up to a maximum of SDR 203 million, will therefore be called upon to pay compensation.

<1>

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

The 1992 Fund entered into a Memorandum of Understanding (MOU) with QBE on 1 July 2024 marking the start of close cooperation over the handling of claims. On 29 July 2024, the 1992 Fund and QBE jointly established a Claims Submission Office (CSO) in Singapore adjacent to the Pasir Panjang Terminal. Claimants from both Singapore and Malaysia have been invited to file their claims there.

The owners of the *Marine Honour* and QBE have filed an application with the Singapore court to constitute a limitation fund under the 1992 CLC. The hearing of the CLC limitation action is fixed for 18 September 2024 before the Singapore High Court.

Relevant documents:

An additional document will be issued prior to the November 2024 meeting, providing more details of the incident and the latest information available for the consideration of the 1992 Fund Executive Committee.

Action to be taken: 1992 Fund Executive Committee

Information to be noted.

1 Summary of incident

Ship	<i>Marine Honour</i>
Date of incident	14.06.2024
Place of incident	Pasir Panjang Terminal, Singapore
Cause of incident	Allision with hopper dredger, <i>Vox Maxima</i>
Quantity of oil spilled	Approximately 817 cubic metres of IFO 380
Area affected	Central South Coast and Southern Islands of Singapore, Southern coast of Johor, Malaysia
Flag State of ship	Singapore
Gross tonnage	4 709 GT
P&I insurer	QBE Insurance (Singapore) Pte Ltd, under the British Marine brand
CLC limit	SDR 4.51 million
STOPIA/TOPIA applicable	N/A
CLC + Fund limit	SDR 203 million
Legal proceedings	Application by the owner of the <i>Marine Honour</i> to limit liability under the 1992 CLC

2 Background information

- 2.1 On 14 June 2024, the *Marine Honour* (a 2007 built, 4 709 GT, Singapore-flagged product tanker) was stationary alongside the container ship, *Ever Blink* (a 2019 built, 32 691 GT, Taiwan-flagged container ship) at Pasir Panjang Terminal, Singapore, when it was struck by the *Vox Maxima* (a 2009 built, 29 920 GT, Netherlands-flagged hopper dredger). This caused the *Marine Honour* to contact the *Ever Blink*. The collision breached the hull of the *Marine Honour* resulting in an estimated 817 cubic metres of intermediate fuel oil (IFO) 380 being released into the environment.
- 2.2 On 1 July 2024, the 1992 Fund entered a Memorandum of Understanding (MoU) with the insurers of the *Marine Honour*, QBE Insurance (Singapore) Pte Ltd (QBE), under the British Marine brand. The MoU provides, *inter alia*, that the parties consult one another on claims-handling procedures and the establishment of a joint Claims Submission Office. It also states that QBE and the 1992 Fund should cooperate in the use of experts where necessary.

3 Impact of the spill

3.1 Singapore

The oil spill impacted Pasir Panjang Terminal and areas on the Singapore coast immediately to the east of the terminal to varying extents. Heavy contamination was reported on Sentosa Island, Keppel Marina, Labrador Nature Reserve and East Coast Park. The Southern Islands of Saint John's, Lazarus and Sisters' Islands were also affected. Amongst the contaminated areas were private properties, such as marinas, resorts and accommodation. Given the proximity of the spill to the port and marinas, a number of pleasure craft and commercial vessels' hulls were contaminated.

3.2 Malaysia

Large quantities of oil also moved to the east coast of Johor and the East Johor Strait in Malaysia. The oil eventually became stranded at Sungai Rengit, Pengerang Terminal and the uninhabited island of Pulau Cik Kamat.

4 Response operations

4.1 The Maritime and Port Authority of Singapore (MPA) regulates and controls oil spill incidents within Singapore territorial waters. The Port Master's Department directs operations. QBE carried out the initial response under the MPA's direction until 18 July 2024. The National Environmental Agency (NEA) then took over the handling of the shoreline clean-up.

4.2 QBE took on a proactive approach to the response operations and engaged local contractors.

4.3 All oil was removed from the *Marine Honour*, and the tanks were skimmed and mopped to ensure cleanliness. Following inspections, the vessel was towed to a repair yard and, on 5 July 2024, safely arrived at dry dock.

4.4 During the same week, the IOPC Funds' Deputy Director/Head of Claims travelled to Singapore to meet with the MPA and the insurer of the *Marine Honour*, QBE.

5 Applicability of the Conventions

5.1 Singapore and Malaysia are Parties to both the 1992 Civil Liability Convention (1992 CLC) and the 1992 Fund Convention.

5.2 Given the latest information reported, claims relating to this incident will exceed the limit of liability under the 1992 CLC. The owner of the *Marine Honour* is not a Party to STOPIA 2006 so it does not apply. The 1992 Fund will therefore be called upon to pay compensation.

5.3 Singapore

Pollution claims in Singapore are governed by the Merchant Shipping (Civil Liability and Compensation for Oil Pollution) Act 1998, which gives effect to the 1992 Civil Liability and 1992 Fund Convention. Singapore is not Party to the Supplementary Fund Protocol.

5.4 Malaysia

Malaysia is also Party to the 1992 CLC and 1992 Fund Convention.

6 Claims for compensation

6.1 Claims Submission Office

- 6.1.1 On 29 July 2024, the 1992 Fund and QBE jointly established a Claims Submission Office (CSO) in Singapore, to facilitate the submission of claims for compensation resulting from the incident. The IOPC Funds' Head of Administration travelled to Singapore to implement the CSO's claims management system. The office is adjacent to the Pasir Panjang Terminal where the incident took place, and close to the locations that were contaminated.
- 6.1.2 The 1992 Fund and QBE have issued press releases in regional news publications in Malaysia giving notice to potential Malaysian claimants to file their claims with the CSO or Singapore courts.

7 Limitation proceedings

On 16 July 2024, the owner of the *Marine Honour* and QBE filed an application with the Singapore Court to limit the owner's liability under the 1992 CLC. The hearing of the CLC limitation action will take place on 18 September 2024 before the Singapore High Court.

8 Recourse actions

8.1 Collision liability

- 8.1.1 Given that the pollution resulted from the allision, liability should ultimately rest with the vessel that was liable for the allision. The liability for the allision will be determined in accordance with the Convention on the International Regulations for Preventing Collisions at Sea (ColRegs), to which Singapore is a Party. The ColRegs provide that liability for collisions should be apportioned to each vessel involved to the extent its actions caused the incident.
- 8.1.2 The owner of the *Vox Maxima* has filed an application at the Singapore Court to limit its liability to SDR 18 373 680 under the Convention on Limitation of Liability for Maritime Claims, 1976, as modified by the 1996 Protocol (LLMC 76/96). The 1992 Fund's subrogated claims will exceed this limit which, with the addition of the allision claims, means that the 1992 Fund may not be able to fully recover the sums it pays in compensation from the owner of the *Vox Maxima*.

9 Director's considerations

- 9.1 The Director is grateful to the Singapore Government, in particular the MPA for promptly meeting and discussing the pollution incident with the 1992 Fund.
- 9.2 The Director would also like to thank QBE for its active response to this incident and its cooperation in the establishment of the CSO following the signing of the MoU.
- 9.3 The Secretariat will continue to liaise with key stakeholders, to monitor developments closely and will respond accordingly.
- 9.4 The Director will report the latest developments in this incident to the 1992 Fund Executive Committee in an addendum to this document.

10 **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.
