



International Oil Pollution
Compensation Funds

Agenda Item 9	IOPC/NOV24/9/2/1	
Date	20 September 2024	
Original	English	
1992 Fund Assembly	92A29	●
1992 Fund Executive Committee	92EC83	
Supplementary Fund Assembly	SA21	

ASSESSMENT OF CONTRIBUTIONS TO MAJOR CLAIMS FUNDS

1992 FUND

Note by the Director

Summary:

In the Director's view, there is no need to levy 2024 contributions to the Major Claims Funds established for the *Prestige*, *Alfa I*, *Agia Zoni II*, *Nesa R3*, Incident in Israel and *Bow Jubail* incidents. The Director proposes a levy for the *Princess Empress*, *Gulfstream* and *Marine Honour* Major Claims Funds.

Action to be taken: 1992 Fund Assembly

Decide whether to approve the Director's proposal to:

- (a) not levy 2024 contributions to the *Prestige* Major Claims Fund (paragraphs 2.2.1–2.2.8 and section 12);
- (b) not levy 2024 contributions to the *Alfa I* Major Claims Fund (paragraphs 3.2.1–3.2.7 and section 12);
- (c) not levy 2024 contributions to the *Agia Zoni II* Major Claims Fund (paragraphs 4.2.1–4.2.6 and section 12);
- (d) not levy 2024 contributions to the *Nesa R3* Major Claims Fund (paragraphs 5.2.1–5.2.7 and section 12);
- (e) not levy 2024 contributions to the Incident in Israel Major Claims Fund (paragraphs 6.2.1–6.2.7 and section 12);
- (f) not to levy 2024 contributions to the *Bow Jubail* Major Claims Fund (paragraphs 7.2.1–7.2.9 and section 12);
- (g) levy 2024 contributions of £10 million to the *Princess Empress* Major Claims Fund, payable by 1 March 2025 (paragraphs 8.2.1–8.2.9 and section 12);
- (h) levy 2024 contributions of £10 million to the *Gulfstream* Major Claims Fund, payable by 1 March 2025 (paragraphs 9.2.1–9.2.6 and section 12); and
- (i) levy 2024 contributions of £40 million to the *Marine Honour* Major Claims Fund, with £30 million payable by 1 March 2025, and £10 million, or part thereof, to be invoiced later in 2025 if it proves necessary (paragraphs 10.2.1–10.2.4 and section 12).

1 Introduction

- 1.1 Article 12 of the 1992 Fund Convention provides that the 1992 Fund Assembly shall determine the amount of contributions to be levied, if any. For this purpose, the Assembly shall make an estimate in the form of a budget of the 1992 Fund's expenditure and income for each calendar year, considering the necessity to maintain sufficient liquid funds.
- 1.2 The 1992 Fund's expenditure consists of:
- (a) costs and expenses of the administration of the 1992 Fund, and any deficit from preceding years;
 - (b) payments of claims and claims-related expenditure up to SDR 4 million^{<1>} per incident (minor claims); and
 - (c) payments of claims and claims-related expenditure to the extent that the aggregate amount of the payments in respect of any one incident is in excess of SDR 4 million (major claims).
- 1.3 Expenses mentioned in sub-paragraphs (a) and (b) of paragraph 1.2 have to be met from the General Fund (Financial Regulation 7.1(c)) and expenses with respect to major claims as defined in sub-paragraph (c) above have to be met from Major Claims Funds (Financial Regulation 7.2(d)).
- 1.4 The assessment of contributions to the General Fund, in accordance with Article 12.2(a) of the 1992 Fund Convention has been incorporated in the draft budget and is dealt with in a separate document (document IOPC/NOV24/9/1/1). This document deals only with the assessment of contributions to Major Claims Funds.
- 1.5 As for the individual incidents covered in this document, information on claims and claims-related expenditure is referred to in the Director's comments and the Notes to the 2023 Financial Statements (document [IOPC/NOV24/5/7/1](#), Section One and Section Three).
- 1.6 It should be noted that in this document, any estimate of amounts to be paid by the 1992 Fund in compensation has been made solely for the assessment of annual contributions. This does not consider the position of the 1992 Fund in respect of the admissibility of claims.
- 1.7 It should also be noted that, unless stated otherwise, information on the payments of compensation and claims-related expenditure reflects the situation as at 30 June 2024, on a cash basis.

<1> The SDR (Special Drawing Right) which is the unit of account used in the Conventions is valued on the basis of a basket of key international currencies and serves as the unit of account of the International Monetary Fund (IMF) and a number of other intergovernmental organisations.

2 Prestige Major Claims Fund

2.1 Background information in respect of the *Prestige* Major Claims Fund is as follows:

Incident:	<i>Prestige</i>		
Place of incident:	Spain		
Date of incident:	13/11/2002	EUR	GBP
Maximum amount of compensation payable by 1992 Fund (i.e. SDR 135 million = EUR 171 520 703 – 1992 Civil Liability Convention (CLC) limit = EUR 22 777 986)		148 742 717	
Compensation paid up to 31/12/23		147 937 442	106 621 902
Compensation paid 01/01/24 – 30/06/24		-	-
Total compensation paid by 1992 Fund up to 30/06/24		147 937 442	106 621 902
Balance of compensation available		805 275	
Estimated total compensation payable by 1992 Fund 01/07/24 – 01/03/26		805 275	
(a) EUR held by 1992 Fund, at rate of exchange applicable on 30/06/24 (£1 = EUR 1.1795)		805 275	682 726
(b) EUR required, at rate of exchange applicable on 30/06/24 (£1 = EUR 1.1795)		-	-
(c) Estimated total compensation payable by 1992 Fund 01/07/24 – 01/03/26 converted to GBP (a+b)			682 726
Claims-related expenses paid by 1992 Fund up to 31/12/23			24 772 856
Claims-related expenses paid by 1992 Fund 01/01/24 – 30/06/24			-
(d) Estimated claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26			120 000
(e) Estimated compensation and claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26 (c+d)			802 726
Maximum payable from General Fund (SDR 4 million)			3 369 200
Total previously levied to Major Claims Fund			119 000 000
Estimated balance on <i>Prestige</i> Major Claims Fund as at 30/06/24 (see Annex)			1 078 000

2.2 Analysis

- 2.2.1 The total amount payable in respect of the *Prestige* incident reached the maximum amount payable from the General Fund (£3 369 200) during 2003.
- 2.2.2 A total of some £119 million has previously been levied as contributions to the *Prestige* Major Claims Fund. No contributions remain outstanding as at 30 June 2024.
- 2.2.3 As set out in the table in paragraph 2.1 and at the Annex, the balance on the *Prestige* Major Claims Fund is estimated at some £1.1 million as at 30 June 2024 and includes unused provision of EUR 805 275, revalued on 30 June 2024 at £682 726.

- 2.2.4 The established claims will exceed the maximum amount available under the 1992 Conventions. As at 30 June 2024, some £106.6 million had been paid in compensation in addition to claims-related expenses totalling some £24.8 million.
- 2.2.5 Following the Supreme Court judgment in December 2018, the court in charge of the enforcement of the Supreme Court judgment issued an order in March 2019 requesting the 1992 Fund to pay to the limit of its liability after deducting the amounts already paid, i.e. to pay EUR 28 million.
- 2.2.6 At its April 2019 session, the 1992 Fund Executive Committee decided to authorise the Director to pay the Spanish Court EUR 28 million less:
- (i) EUR 800 000 to be kept available to pay judgments by French courts; and
 - (ii) EUR 4 800 which should also be kept available to pay the Portuguese Government to ensure that the principle of equal treatment between claimants is maintained.
- 2.2.7 Some £802 726, comprising compensation of EUR 805 275 (£682 726) and claims-related expenses (£120 000), may be payable by the 1992 Fund in respect of this incident for the 20-month period of 1 July 2024 to 1 March 2026 (the date when any 2025 contributions would be receivable).
- 2.2.8 The amount available in the *Prestige* Major Claims Fund of £1.1 million as at 30 June 2024 should be enough for payments to be made in respect of the *Prestige* incident up to 1 March 2026. The Director is of the view that there is no requirement to levy 2024 contributions to this Major Claims Fund.

3 Alfa I Major Claims Fund

3.1 Background information in respect of the *Alfa I* Major Claims Fund is as follows:

Incident:	<i>Alfa I</i>	EUR	GBP
Place of incident:	Elefsis Bay, Piraeus, Greece		
Date of incident:	05/03/2012		
Maximum amount of compensation payable by 1992 Fund (i.e. SDR 203 million = EUR 256 478 320 – 1992 CLC limit of SDR 4.51 million = EUR 5 698 114 ^{<2>})		250 780 206	
Compensation paid up to 31/12/23		12 000 000	10 856 126
Compensation paid 01/01/24 – 30/06/24		-	-
Total compensation paid by 1992 Fund up to 30/06/24		12 000 000	10 856 126
(a) Estimated compensation payable by 1992 Fund 01/07/24 – 01/03/26		-	-
Claims-related expenses paid by 1992 Fund up to 31/12/23			1 009 833
Claims-related expenses paid by 1992 Fund 01/01/24 – 30/06/24			-
(b) Estimated claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26			140 000
(c) Estimated compensation and claims-related expenses payable by 1992 Fund up to 01/03/26 (a+b)			140 000

Maximum payable from General Fund (SDR 4 million)		3 900 576
Total previously levied to Major Claims Fund		8 075 000
Estimated balance on <i>Alfa I</i> Major Claims Fund as at 30/06/24 (see Annex)		68 000
Outstanding contributions		(47 330)
Estimated balance net of outstanding contributions		20 670

3.2 Analysis

3.2.1 The total amount payable from the General Fund in respect of the *Alfa I* incident of £3 900 576 was reached in 2016.

3.2.2 A total of some £8 million has been previously levied as contributions to the *Alfa I* Major Claims Fund. Some £47 330 in contributions remain outstanding as at 30 June 2024 on this Major Claims Fund.

3.2.3 As set out in the table in paragraph 3.1 and at the Annex, the balance on the *Alfa I* Major Claims Fund is estimated to have a surplus of some £68 000 as at 30 June 2024.

<2> The amount payable under the 1992 CLC has not been set by the Limitation Court. The exchange rate used is based on the date when the 1992 Fund Executive Committee authorised payment, 23 October 2015, i.e. SDR 1 = EUR 1.2634.

- 3.2.4 No further compensation is expected to be paid for this incident, and the 1992 Fund is expected to only incur legal expenses in pursuing the shipowner/insurer through the Greek courts. Claims-related fees of some £140 000 are estimated for the 20-month period from 1 July 2024 to 1 March 2026.
- 3.2.5 As set out at the Annex, the amount available in the *Alfa I* Major Claims Fund of £68 000 as at 30 June 2024 will not be sufficient to cover estimated expenditure up to 1 March 2026. In addition, as stated in paragraph 3.2.3, contributions of £47 330 remain outstanding resulting in a reduced amount of cash available for this Major Claims Fund. All efforts are being made to recover these outstanding contributions to enable payments to be made from this Major Claims Fund.
- 3.2.6 The 1992 Fund has made a claim against the *Alfa I* insurer's liquidated properties. These properties will be sold, after which the liquidated insurer's funds should be distributed by the liquidator, potentially taking one to two years to complete. A loan may be required by the *Alfa I* Major Claims Fund if the remaining balance in the *Alfa I* Major Claims Fund is exhausted before the completion of the liquidation process.
- 3.2.7 The Director is of the view that there is no requirement to levy 2024 contributions to this Major Claims Fund, however, given the uncertainty of the timing of the receipt of outstanding contributions and income from the insurer liquidation process, should the need arise, loans can be taken from the General Fund or from a Major Claims Fund in accordance with Financial Regulations 7.1(c)(iv) or 7.2(d) of the 1992 Fund.

4 Agia Zoni II Major Claims Fund

4.1 Background information in respect of the *Agia Zoni II* Major Claims Fund is as follows:

Incident:	<i>Agia Zoni II</i>		
Place of incident:	Saronic Gulf, Greece		
Date of incident:	10/09/2017	EUR	GBP
Maximum amount of compensation payable by 1992 Fund (i.e. SDR 203 million = EUR 244 785 520 ^{<3>} – 1992 CLC limit of SDR 4.51 million = EUR 5 409 925 ^{<4>})		239 375 595	
Estimated liability of the 1992 Fund (i.e. EUR 60.0 million ^{<5>} – 1992 CLC limit of EUR 5.4 million)		54 600 000	
Compensation paid up to 31/12/23		16 564 731	14 576 221
Compensation paid 01/01/24 – 30/06/24		317 389	270 741
Total compensation paid by 1992 Fund up to 30/06/24		16 882 120	14 846 962
Estimated total compensation payable by 1992 Fund 01/07/24 – 01/03/26 in EUR		37 717 880	
(a) EUR held by 1992 Fund, at rate of exchange applicable on 30/06/24 (£1 = EUR 1.1795)		21 035 620	17 834 354
(b) EUR required, at rate of exchange applicable on 30/06/24 (£1 = EUR 1.1795)		16 682 260	14 143 501
(c) Estimated total compensation payable by 1992 Fund 01/07/24 – 01/03/26 converted to GBP (a+b)			31 977 855
Claims-related expenses paid by 1992 Fund up to 31/12/23			4 407 724
Claims-related expenses paid by 1992 Fund 01/01/24 – 30/06/24			98 525
(d) Estimated claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26			250 000
(e) Estimated compensation and claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26 (c+d)			32 227 855
Maximum payable from General Fund (SDR 4 million)			4 316 320
Total previously levied to Major Claims Fund			41 000 000
Estimated balance on <i>Agia Zoni II</i> Major Claims Fund as at 30/06/24 (see Annex)			27 641 000

<3> The exchange rate used is based on the date when the 1992 Fund Executive Committee authorised payment, 2 November 2017, i.e. SDR 1 = EUR 1.2058.

<4> Amount accepted by the Court of First Instance of Piraeus as the limitation of liability under the 1992 CLC.

<5> See document [IOPC/OCT17/9/2/1/1](#), section 2.

4.2 Analysis

- 4.2.1 The total amount payable from the General Fund in respect of the *Agia Zoni II* incident of £4 316 320 was reached in June 2018.
- 4.2.2 A total of some £41 million has been levied as contributions to the *Agia Zoni II* Major Claims Fund. Some £331 488 in contributions remain outstanding as at 30 June 2024.
- 4.2.3 As set out in the table in paragraph 4.1 and at the Annex, the balance on the *Agia Zoni II* Major Claims Fund is estimated at some £27.6 million as at 30 June 2024.
- 4.2.4 The Director takes the view that some £32.2 million, comprising compensation (£32.0 million) and claims-related expenses (£250 000), may be payable from the *Agia Zoni II* Major Claims Fund for the 20-month period of 1 July 2024 to 1 March 2026.
- 4.2.5 As set out at the Annex, the amount available in the *Agia Zoni II* Major Claims Fund of some £27.6 million as at 30 June 2024 would not be enough for payments to be made in respect of the *Agia Zoni II* incident up to 1 March 2026.
- 4.2.6 The Director is of the view that it is still not possible to estimate with confidence the 1992 Fund's final liability for this incident. The estimated total liability in paragraph 4.1 is based on the estimate provided by experts at the time of the incident. The Director is also of the view that, despite the deficit shown in the Annex of some £4.6 million, the balance available in the Major Claims Fund of £27.6 million as at 30 June 2024 will be sufficient until 1 March 2026. As such, the Director is of the view that there is no requirement to levy 2024 contributions to this Major Claims Fund at this time.

5 Nesa R3 Major Claims Fund

5.1 Background information in respect of the *Nesa R3* Major Claims Fund is as follows:

Incident:	<i>Nesa R3</i>		
Place of incident:	Off Port Sultan Qaboos, Muscat, Oman		
Date of incident:	19/06/2013	OMR/BHD	GBP
Maximum amount of compensation payable by 1992 Fund (i.e. SDR 203 million = OMR 120 827 630 – 1992 CLC limit of SDR 4.51 million = OMR 2 684 397 ^{<6>})		118 143 233	
Compensation paid up to 31/12/23 – OMR		3 521 364	6 687 915
Compensation paid up to 31/12/23 – BHD		8 419	15 885
Total compensation paid by 1992 Fund up to 30/06/24			6 703 800
(a) Estimated total compensation payable by 1992 Fund 01/07/24 – 01/03/26		-	-
Claims-related expenses paid by 1992 Fund up to 31/12/23			489 104
Claims-related expenses paid by 1992 Fund 01/01/24 – 30/06/24			4 930
(b) Estimated claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26			15 000
(c) Estimated compensation and claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26 (a+b)			15 000

Maximum paid from General Fund (SDR 4 million)		3 906 172
Total previously levied to Major Claims Fund		3 600 000
Estimated balance on <i>Nesa R3</i> Major Claims Fund as at 30/06/24 (see Annex)		316 000
Outstanding contributions		(43 427)
Estimated balance net of outstanding contributions		272 573

5.2 Analysis

5.2.1 At its October 2013 session, the 1992 Fund Executive Committee authorised the Director to make payment in respect of the *Nesa R3* incident.

5.2.2 The total amount payable from the General Fund in respect of the *Nesa R3* incident of £3 906 172 was reached in December 2018.

5.2.3 A total of some £3.6 million has been levied as contributions to the *Nesa R3* Major Claims Fund. Some £43 000 in contributions remain outstanding as at 30 June 2024.

^{<6>} The amount payable under the 1992 CLC has not been set by the Limitation Court. The exchange rate used is based on the date when the 1992 Fund Executive Committee authorised payment, 25 October 2013, i.e. SDR 1 = OMR 0.5952.

- 5.2.4 A total of some £6.7 million in compensation and some £494 000 in claims-related expenditure has been paid in relation to this incident as at 30 June 2024.
- 5.2.5 No further compensation is expected to be paid for this incident, and the 1992 Fund will only incur legal expenses in pursuing the shipowner/insurer through the courts. Claims-related expenditure of £15 000 is estimated for the 20-month period from 1 July 2024 up to 1 March 2026.
- 5.2.6 As set out in the table in paragraph 5.1 and at the Annex, the estimated balance on the *Nesa R3* Major Claims Fund as at 30 June 2024 is £316 000. It should be noted, however, that contributions of some £43 000 remain outstanding (paragraph 5.2.3), resulting in a reduced cash balance available for this Major Claims Fund. All efforts are being made to recover these outstanding contributions to enable payments to be made from this Major Claims Fund.
- 5.2.7 The Director is of the view that there is no requirement to levy 2024 contributions to this Major Claims Fund, however, given the uncertainty of the timing of the receipt of outstanding contributions, should the need arise, loans can be taken from the General Fund or from a Major Claims Fund in accordance with Financial Regulations 7.1(c)(iv) or 7.2(d) of the 1992 Fund.

6 Incident in Israel Major Claims Fund

6.1 Background information in respect of the Incident in Israel Major Claims Fund is as follows:

Incident:	Incident in Israel		
Place of incident:	Mystery spill – along Israel coastline		
Date of incident:	February 2021	ILS	GBP
Estimated liability of 1992 Fund ^{<7>}		55 000 000	
Compensation paid up to 31/12/23		4 163 043	910 322
Compensation paid 01/01/24 – 30/06/24		3 912 172	831 458
Total compensation paid by 1992 Fund up to 30/06/24		8 075 215	1 741 780
Estimated compensation payable by 1992 Fund 01/07/24 – 01/03/26		46 924 785	
(a) ILS held by 1992 Fund, at rate of exchange applicable on 30/06/24 (£1 = ILS 4.7621)		20 827 505	4 373 597
(b) ILS required, at rate of exchange applicable on 30/06/24 (£1 = ILS 4.7621)		26 097 280	5 480 204
(c) Estimated total compensation payable by 1992 Fund 01/07/24 – 01/03/26 converted to GBP (a+b)			9 853 801
Claims-related expenses paid by 1992 Fund up to 31/12/23			349 935
Claims-related expenses paid by 1992 Fund 01/01/24 – 30/06/24			76 407
(d) Estimated claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26			300 000
(e) Estimated compensation and claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26 (c+d)			10 153 801

Maximum payable from General Fund (SDR 4 million) ^{<8>}			4 135 680
(f) Remaining amount payable from General Fund as at 30/06/24			1 967 558
Total previously levied to Major Claims Fund			7 000 000
Estimated balance on Incident in Israel Major Claims Fund as at 30/06/24 (see Annex)			7 057 000
Estimated total expenditure 01/07/24 – 01/03/26, excluding amount payable by General Fund (e-f)			8 186 243

6.2 Analysis

6.2.1 At its July 2021 session, the 1992 Fund Executive Committee authorised the Director to make payment in respect of the Incident in Israel.

^{<7>} See document [IOPC/JUL21/9/2](#), paragraph 3.2.8.

^{<8>} The exchange rate used is based on the date when the 1992 Fund Executive Committee authorised payment, 23 July 2021, i.e. SDR 1 = GBP 1.033920.

- 6.2.2 The total amount payable from the General Fund in respect of the Incident in Israel is £4 135 680, and as at 30 June 2024, £2 168 122 in compensation and claims-related expenses had been paid.
- 6.2.3 At its session in July 2021, the 1992 Fund Executive Committee noted that initial estimates of the cost of response to the oil spill were in the region of ILS 55 million (£11.5 million, at rate of exchange applicable on 30 June 2024).
- 6.2.4 A total of some £7 million has been levied as contributions to the Incident in Israel Major Claims Fund. Some £148 547 in contributions remain outstanding as at 30 June 2024.
- 6.2.5 As set out in the table in paragraph 6.1 and at the Annex, the balance on the Incident in Israel Major Claims Fund is estimated at some £7.0 million as at 30 June 2024.
- 6.2.6 The Director takes the view that some £10.1 million, comprising compensation (£9.8 million) and claims-related expenses (£300 000), may be payable by the 1992 Fund for the Incident in Israel for the 20-month period of 1 July 2024 to 1 March 2026. The remaining amount payable from the General Fund is some £1.9 million, and some £8.2 million may be payable from the Incident in Israel Major Claims Fund.
- 6.2.7 The Director is of the view that, despite the projected deficit shown in the Annex of £1.2 million, the balance available in the Major Claims Fund of £7.0 million as at 30 June 2024 will be sufficient until 1 March 2026, the date when any 2025 contributions would be receivable. The Director is of the view that there is no requirement to levy 2024 contributions to this Major Claims Fund.

7 Bow Jubail Major Claims Fund

7.1 Background information in respect of the *Bow Jubail* Major Claims Fund is as follows:

Incident:	<i>Bow Jubail</i>		
Place of incident:	Port of Rotterdam, Netherlands		
Date of incident:	23/06/2018	EUR	GBP
Maximum amount of compensation payable by the 1992 Fund (i.e. SDR 203 million – STOPIA 2006 limit of SDR 20 million ^{<9>})	226 797 390		
(a) Estimated total compensation payable	60 000 000		
(b) Compensation covered by STOPIA 2006 (SDR 20 million ^{<9>})	24 786 600		
(c) Estimated liability of 1992 Fund (a-b) ^{<10>}	35 213 400		
Compensation paid up to 31/12/23	-		-
Compensation paid 01/01/24 – 30/06/24	-		-
Total compensation paid by 1992 Fund up to 30/06/24	-		-
Estimated compensation payable by 1992 Fund 01/07/24 – 01/03/26	35 213 400		
(d) EUR held by 1992 Fund, at rate of exchange applicable on 30/06/24 (£1 = EUR 1.1795)	10 055 956		8 525 609
(e) EUR required, at rate of exchange applicable on 30/06/24 (£1 = EUR 1.1795)	25 157 444		21 328 906
(f) Estimated total compensation payable by 1992 Fund 01/07/24 – 01/03/26 converted to GBP (d+e)			29 854 515
Claims-related expenses paid by 1992 Fund up to 31/12/23			380 616
Claims-related expenses paid by 1992 Fund 01/01/24 – 30/06/24			22 784
(g) Estimated claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26			510 000
(h) Estimated compensation and claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26 (f+g)			30 364 515

Maximum payable from General Fund (SDR 4 million) ^{<11>}		4 305 760
(i) Remaining amount payable from General Fund as at 30/06/24		3 902 360
Total previously levied to Major Claims Fund		20 000 000
Estimated balance on <i>Bow Jubail</i> Major Claims Fund as at 30/06/24 (see Annex)		20 110 000
Estimated total expenditure 01/07/24 – 01/03/26, excluding amount payable by General Fund (h-i)		26 462 155

^{<9>} The exchange rate used is based on the date when the 1992 Fund Executive Committee authorised payment, 25 May 2023, i.e. SDR 1 = EUR 1.239330.

^{<10>} See document [IOPC/MAY23/8/2](#), section 2.

^{<11>} The exchange rate used is based on the date when the 1992 Fund Executive Committee authorised payment, 25 May 2023, i.e. SDR 1 = GBP 1.076440.

7.2 Analysis

- 7.2.1 At its May 2023 session, the 1992 Fund Executive Committee authorised the Director to make payment in respect of the *Bow Jubail* incident.
- 7.2.2 The limitation amount applicable under the 1992 CLC will be SDR 15.99 million, but the owner of the *Bow Jubail* is a Party to the Small Tanker Oil Pollution Indemnification Agreement (STOPIA) 2006 (as amended 2017)^{<12>} whereby the shipowner will indemnify, on a voluntary basis, the 1992 Fund up to SDR 20 million.
- 7.2.3 A preliminary review of the amounts claimed by 29 legal actions before the Rotterdam District Court gives a total amount of nearly EUR 50 million. Not all claimants have quantified their damages in full, and some have not quantified them at all, so the total amount is expected to increase. Therefore, a provisional estimate of 1992 Fund liability for this incident has been made of EUR 60 million.
- 7.2.4 The amount covered by STOPIA 2006 of SDR 20 million, has been converted using the exchange rate applicable on 25 May 2023, the date when the 1992 Fund Executive Committee authorised payment. This provides an amount of compensation covered by STOPIA 2006 of some EUR 24.8 million. Therefore, the current estimated amount of compensation to be funded by 1992 Fund contributions is EUR 35.2 million.
- 7.2.5 The total amount payable from the General Fund in respect of the *Bow Jubail* incident is £4 305 760. As at 30 June 2024, £403 400 in claims-related expenses have been paid.
- 7.2.6 A total of some £20 million has been levied as contributions to the *Bow Jubail* Major Claims Fund. Some £809 248 in contributions remain outstanding as at 30 June 2024.
- 7.2.7 As set out in the table in paragraph 7.1 and at the Annex, the balance on the *Bow Jubail* Major Claims Fund is estimated at some £20.1 million as at 30 June 2024.
- 7.2.8 The Director takes the view that some £30.4 million, comprising compensation (£29.8 million) and claims-related expenses (£510 000), may be payable by the 1992 Fund for the *Bow Jubail* incident for the 20-month period of 1 July 2024 to 1 March 2026. The remaining amount payable from the General Fund is some £3.9 million, and some £26.5 million may be payable from the *Bow Jubail* Major Claims Fund.
- 7.2.9 The Director is of the view that, despite the projected deficit shown in the Annex of £6.3 million, the balance available in the Major Claims Fund of £20.1 million as at 30 June 2024 will be sufficient until 1 March 2026, the date when any 2025 contributions would be receivable. The Director is of the view that there is no requirement to levy 2024 contributions to this Major Claims Fund.

^{<12>} From this point forward, references to ‘STOPIA 2006’ should be taken to read ‘STOPIA 2006 (as amended 2017)’.

8 Princess Empress Major Claims Fund

8.1 Background information in respect of the *Princess Empress* Major Claims Fund is as follows:

Incident:	<i>Princess Empress</i>		
Place of incident:	Mindoro Island, the Philippines		
Date of incident:	28/02/2023	PHP	GBP
Maximum amount of compensation payable by the 1992 Fund (i.e. SDR 203 million – STOPIA 2006 limit of SDR 20 million ^{<13>})	13 578 179 100		
(a) Estimated total compensation payable	3 311 970 000		
(b) Compensation covered by STOPIA 2006 (SDR 20 million ^{<13>})	1 483 954 000		
(c) Estimated liability of 1992 Fund (a-b)	1 828 016 000		
Compensation paid by 1992 Fund up to 31/12/23	268 500 081		3 832 375
Compensation paid by 1992 Fund 01/01/24 – 30/06/24	192 125 311		2 797 953
Total compensation paid by 1992 Fund up to 30/06/24	460 625 392		6 630 328
Estimated compensation payable by 1992 Fund 01/07/24 – 01/03/26	1 367 390 609		
(d) PHP held by 1992 Fund, at rate of exchange applicable on 30/06/24 (£1 = PHP 74.0873)	-		-
(e) PHP required, at rate of exchange applicable on 30/06/24 (£1 = PHP 74.0873)	1 367 390 609		18 456 478
(f) Estimated total compensation payable by 1992 Fund 01/07/24 – 01/03/26 converted to GBP (d+e)			18 456 478
Claims-related expenses paid by 1992 Fund up to 31/12/23			817 846
Claims-related expenses paid by 1992 Fund 01/01/24 – 30/06/24			577 480
(g) Estimated claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26			2 200 000
(h) Estimated compensation and claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26 (f+g)			20 656 478

Maximum payable from General Fund (SDR 4 million) ^{<14>}		4 305 760
(i) Remaining amount payable from General Fund as at 30/06/24		-
Total previously levied to Major Claims Fund		10 000 000
Estimated balance on <i>Princess Empress</i> Major Claims Fund as at 30/06/24 (see Annex)		5 952 000
Estimated total expenditure 01/07/24 – 01/03/26, excluding amount payable by General Fund (h-i)		20 656 478

<13> The exchange rate used is based on the date when the 1992 Fund Executive Committee authorised payment, 25 May 2023, i.e. SDR 1 = PHP 74.197700.

<14> The exchange rate used is based on the date when the 1992 Fund Executive Committee authorised payment, 25 May 2023, i.e. SDR 1 = GBP 1.076440.

8.2 Analysis

- 8.2.1 At its May 2023 session, the 1992 Fund Executive Committee authorised the Director to make payment in respect of the *Princess Empress* incident.
- 8.2.2 The limitation amount applicable under the 1992 CLC will be SDR 4.5 million, but the owner of the *Princess Empress* is a party to STOPIA 2006 whereby the shipowner will indemnify, on a voluntary basis, the 1992 Fund up to SDR 20 million.
- 8.2.3 An estimation of liability for payment of compensation in respect of this incident has been made at PHP 3.3 billion (based on USD 60 million, using the exchange rate applicable on 30 June 2023^{<15>}).
- 8.2.4 The amount covered by STOPIA 2006 of SDR 20 million, has been converted using the exchange rate applicable on 25 May 2023, the date when the 1992 Fund Executive Committee authorised payment. This provides an amount of compensation covered by STOPIA 2006 of some PHP 1.5 billion. Therefore, the current estimated amount of compensation to be funded by 1992 Fund contributions is PHP 1.8 billion.
- 8.2.5 The total amount payable from the General Fund in respect of the *Princess Empress* incident of £4 305 760 was reached in October 2023.
- 8.2.6 A total of some £10 million has been levied as contributions to the *Princess Empress* Major Claims Fund. Some £267 390 in contributions remain outstanding as at 30 June 2024.
- 8.2.7 As set out in the table in paragraph 8.1 and at the Annex, the balance on the *Princess Empress* Major Claims Fund is estimated at some £5.9 million as at 30 June 2024.
- 8.2.8 The Director takes the view that some £20.6 million, comprising compensation (£18.4 million) and claims-related expenses (£2.2 million), may be payable by the 1992 Fund for the *Princess Empress* incident for the 20-month period of 1 July 2024 to 1 March 2026.
- 8.2.9 As set out at the Annex, the amount available in the *Princess Empress* Major Claims Fund of £5.9 million as at 30 June 2024 would not be enough for payments to be made in respect of the *Princess Empress* incident up to 1 March 2026, the date when any 2025 contributions would be receivable. The Director is of the view that there is a requirement to levy 2024 contributions to this Major Claims Fund of some £10 million, payable by 1 March 2025.

<15> Based on the exchange rate of USD 1 = PHP 55.1995, as applicable on 30 June 2023.

9 Gulfstream Major Claims Fund

9.1 Background information in respect of the *Gulfstream* Major Claims Fund is as follows:

Incident:	<i>Gulfstream</i>		
Place of incident:	Trinidad & Tobago		
Date of incident:	05/02/2024	TTD	GBP
Estimated liability of 1992 Fund		240 000 000	
Compensation paid up to 31/12/23		-	-
Compensation paid 01/01/24 – 30/06/24		-	-
Total compensation paid by 1992 Fund up to 30/06/24		-	-
Estimated compensation payable by 1992 Fund 01/07/24 – 01/03/26		240 000 000	
(a) TTD held by 1992 Fund, at rate of exchange applicable on 30/06/24 (£1 = TTD 8.5562)		-	-
(b) TTD required, at rate of exchange applicable on 30/06/24 (£1 = TTD 8.5562)		240 000 000	28 049 835
(c) Estimated total compensation payable by 1992 Fund 01/07/24 – 01/03/26 converted to GBP (a+b)			28 049 835
Claims-related expenses paid by 1992 Fund up to 31/12/23			-
Claims-related expenses paid by 1992 Fund 01/01/24 – 30/06/24			-
(d) Estimated claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26			400 000
(e) Estimated compensation and claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26 (c+d)			28 449 835

Maximum payable from General Fund (SDR 4 million ^{<16>})			4 212 760
(f) Remaining amount payable from General Fund as at 30/06/24			4 212 760
Total previously levied to Major Claims Fund			-
Estimated balance on <i>Gulfstream</i> Major Claims Fund as at 30/06/24 (see Annex)			-
Estimated total expenditure 01/07/24 – 01/03/26, excluding amount payable by General Fund (e-f)			24 237 059

9.2 Analysis

9.2.1 At its May 2024 session, the 1992 Fund Executive Committee authorised the Director to make payment in respect of the *Gulfstream* incident.

^{<16>} The exchange rate used is based on the date when the 1992 Fund Executive Committee authorised payment, 1 May 2024, i.e. SDR 1 = GBP 1.053190.

- 9.2.2 The limitation amount applicable under the 1992 CLC will be SDR 4.51 million, but at present the identity of the shipowner is unknown, and it is considered unlikely that the barge was insured. Consequently, the 1992 Fund will be liable for all payments in respect of this incident, to the maximum amount payable of SDR 203 million. If the shipowner's identity is subsequently ascertained, a recourse action will be commenced against the shipowner or its insurer to recover the 1992 CLC amount of SDR 4.51 million.
- 9.2.3 An estimation of liability for payment of compensation in respect of this incident has been made at TTD 240 million (based on USD 35 million, using the exchange rate applicable on 30 June 2024^{<17>}).
- 9.2.4 The total amount payable from the General Fund in respect of the *Gulfstream* incident is £4 212 776, and as at 30 June 2024, there has been no expenditure in respect of this incident.
- 9.2.5 The Director takes the view that some £28.4 million, comprising compensation (£28.0 million) and claims-related expenses (£400 000), may be payable by the 1992 Fund for the *Gulfstream* incident for the 20-month period of 1 July 2024 to 1 March 2026.
- 9.2.6 The Director takes the view that there will be a requirement to establish a Major Claims Fund for this incident and to levy 2024 contributions to this Major Claims Fund of some £10 million, payable by 1 March 2025.

<17> Based on the exchange rate of USD 1 = TTD 6.7686, as applicable on 30 June 2024.

10 Marine Honour Major Claims Fund

10.1 Background information in respect of the *Marine Honour* Major Claims Fund is as follows:

Incident:	<i>Marine Honour</i>		
Place of incident:	Singapore		
Date of incident:	14/06/2024	SGD	GBP
Maximum amount of compensation payable by the 1992 Fund (i.e. SDR 203 million ^{<18>})		353 540 464	
(a) Estimated total compensation payable		95 000 000	
(b) Compensation covered by 1992 CLC (SDR 4.51 million)		8 032 986	
(c) Estimated liability of 1992 Fund (a-b)		86 967 014	
Compensation paid by 1992 Fund up to 31/12/23		-	-
Compensation paid by 1992 Fund 01/01/24 – 30/06/24		-	-
Total compensation paid by 1992 Fund to 30/06/24		-	-
Estimated compensation payable by 1992 Fund 01/07/24 – 01/03/26		86 967 014	
(d) SGD held by 1992 Fund, at rate of exchange applicable on 30/06/24 (£1 = SGD 1.7132)		-	-
(e) SGD required, at rate of exchange applicable on 30/06/24 (£1 = SGD 1.7132)		86 967 014	50 762 908
(f) Estimated total compensation payable by 1992 Fund 01/07/24 – 01/03/26 converted to GBP (d+e)			50 762 908
Claims-related expenses paid by 1992 Fund up to 31/12/23			-
Claims-related expenses paid by 1992 Fund 01/01/24 – 30/06/24			-
(g) Estimated claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26			1 700 000
(h) Estimated compensation and claims-related expenses payable by 1992 Fund 01/07/24 – 01/03/26 (f+g)			52 462 908

Maximum payable from General Fund (SDR 4 million ^{<19>})			4 148 160
(i) Remaining amount payable from General Fund as at 30/06/24			4 148 160
Total previously levied to Major Claims Fund			-
Estimated balance on <i>Princess Empress</i> Major Claims Fund as at 30/06/24 (see Annex)			-
Estimated total expenditure 01/07/24 – 01/03/26, excluding amount payable by General Fund (h-i)			48 314 748

<18> Because the 1992 Fund Executive Committee has not yet authorised payment, the exchange rate used is based on the date of the incident, i.e. 14 June 2024, SDR 1 = SGD 1.78115.

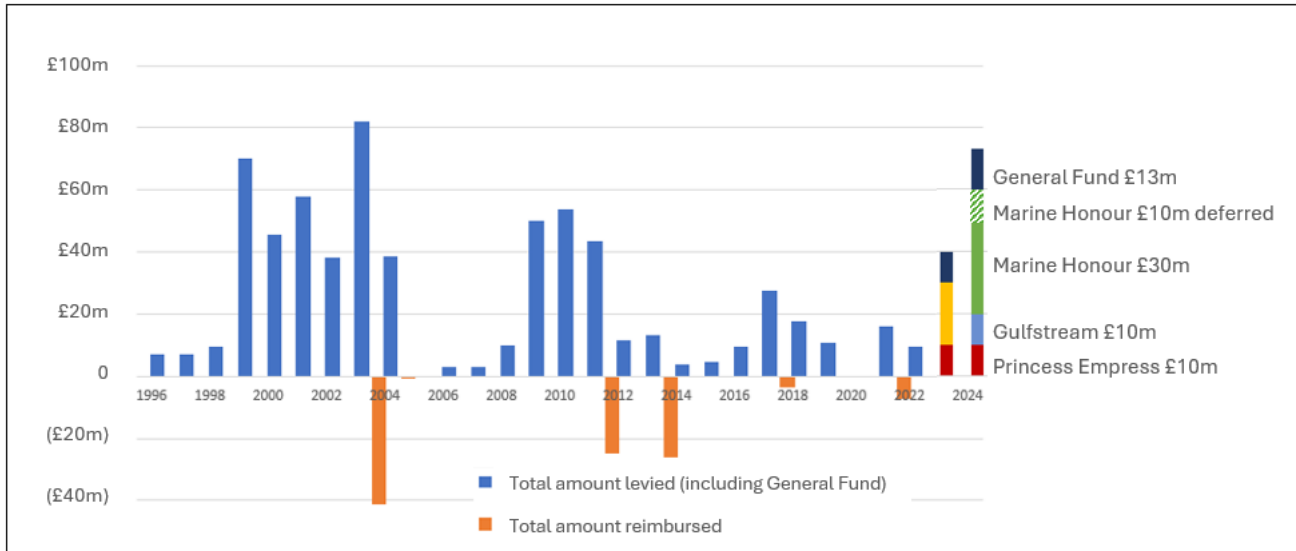
<19> Because the 1992 Fund Executive Committee has not yet authorised payment, the exchange rate used is based on the date of the incident, i.e. 14 June 2024, SDR 1 = GBP 1.03704.

10.2 Analysis

- 10.2.1 On 14 June 2024, the dredging ship *Vox Maxima* struck a stationary bunker vessel *Marine Honour*, resulting in an oil spill from one of the *Marine Honour's* cargo tanks. At the November 2024 meeting of the governing bodies, the 1992 Fund Executive Committee will decide whether to authorise the Director to make payments of compensation in respect of claims arising from this incident. If this authorisation is given, payments would be funded as laid out in the following paragraphs.
- 10.2.2 The total amount payable from the General Fund in respect of the *Marine Honour* is estimated at £4 148 160, based on SDR 4 million converted to GBP at the exchange rate applicable on the date of the incident. As at 30 June 2024, there has been no expenditure in respect of this incident.
- 10.2.3 The Director takes the view that some £52.4 million, comprising compensation (£50.7 million) and claims-related expenses (£1 700 000), may be payable by the 1992 Fund for the *Marine Honour* incident for the 20-month period of 1 July 2024 to 1 March 2026, which would create a requirement to establish a Major Claims Fund for this incident.
- 10.2.4 The Director takes the view that there would be a requirement to levy 2024 contributions to this Major Claims Fund of some £40 million, with £30 million payable by 1 March 2025, and £10 million, or part thereof, to be invoiced later in 2025 if it proves necessary.

11 Director's considerations

- 11.1 The Director notes that the volume of contributions required has risen in 2024, totalling £63 million to be invoiced for payment by 1 March 2025, plus £10 million to be deferred until later in 2025, if required. He notes that this follows a previous increase in 2023, when contributions invoiced totalled £40 million.
- 11.2 The Director is aware that high levies create a burden on contributors and that such increases may be unexpected and therefore difficult to budget for, with some contributors having become accustomed to lower levies in recent years. However, this fluctuation in the financial requirements of the organisation is unavoidable as it is due to a corresponding fluctuation in the number and size of incidents in which it has been called upon to pay compensation. The IOPC Funds does not operate on the basis of an annual levy, avoiding the invoicing of contributors for monies when they are not required but instead, only invoices when incidents occur or circumstances require it to do so.
- 11.3 As indicated in the chart below, over the years of operation of the organisation, contributors have been through periods where they have seen consecutive years of high levies, similar to those in 2023 and 2024 (see 1999–2004 and 2009–2011), followed by a period of reduced or minimal levies. Therefore, the current assessment of contributions, whilst a change to recent years, is by no means unprecedented and is very much in line with the long-term trend in respect of the financing of the IOPC Funds. Whilst unpredictable at times, it continues to be a fair, well-managed and efficient system. With this in mind, the Director would like to take this opportunity to thank contributors to the 1992 Fund for their understanding and continued cooperation.



12 Director's proposals

Proposed levies

- 12.1 The Director proposes that there should be no 2024 levy to the *Prestige* Major Claims Fund (paragraphs 2.2.1–2.2.8), the *Alfa I* Major Claims Fund (paragraphs 3.2.1–3.2.7), the *Agia Zoni II* Major Claims Fund (paragraphs 4.2.1–4.2.6), the *Nesa R3* Major Claims Fund (paragraphs 5.2.1–5.2.7), the Incident in Israel Major Claims Fund (paragraphs 6.2.1–6.2.7) or the *Bow Jubail* Major Claims Fund (paragraphs 7.2.1–7.2.9).
- 12.2 The Director further proposes a levy of £10 million in respect of the *Princess Empress* Major Claims Fund (paragraphs 8.2.1–8.2.9), a levy of £10 million in respect of the *Gulfstream* Major Claims Fund (paragraphs 9.2.1–9.2.6) and a levy of £40 million in respect of the *Marine Honour* Major Claims Fund (paragraphs 10.2.1–10.2.4), with £30 million payable by 1 March 2025, and £10 million, or part thereof, to be invoiced later in 2025 if it proves necessary.

13 Action to be taken

1992 Fund Assembly

The 1992 Fund Assembly is invited to decide whether to approve the Director's proposal to:

- not levy 2024 contributions to the *Prestige* Major Claims Fund (paragraphs 2.2.1–2.2.8 and section 12);
- not levy 2024 contributions to the *Alfa I* Major Claims Fund (paragraphs 3.2.1–3.2.7 and section 12);
- not levy 2024 contributions to the *Agia Zoni II* Major Claims Fund (paragraphs 4.2.1–4.2.6 and section 12);
- not levy 2024 contributions to the *Nesa R3* Major Claims Fund (paragraphs 5.2.1–5.2.7 and section 12);
- not levy 2024 contributions to the Incident in Israel Major Claims Fund (paragraphs 6.2.1–6.2.7 and section 12);

- (f) not levy 2024 contributions to the *Bow Jubail* Major Claims Fund (paragraphs 7.2.1–7.2.9 and section 12);
- (g) levy 2024 contributions of £10 million to the *Princess Empress* Major Claims Fund (paragraphs 8.2.1–8.2.9 and section 12), payable by 1 March 2025;
- (h) levy 2024 contributions of £10 million to the *Gulfstream* Major Claims Fund (paragraphs 9.2.1–9.2.6 and section 12), payable by 1 March 2025; and
- (i) levy 2024 contributions of £40 million to the *Marine Honour* Major Claims Fund (paragraphs 10.2.1–10.2.4 and section 12), with £30 million payable by 1 March 2025, and £10 million, or part thereof, to be invoiced later in 2025 if it proves necessary.

* * *

ANNEX
Major Claims Fund expenditure
(Figures in Pounds Sterling)

Incident	Previous levies					Maximum paid by the General Fund: SDR 4 million ^{<2>}	Payments by 31/12/23 (including General Fund)		Major Claims Fund balance as at 31/12/23 plus compensation provision added back	2024 Income/(Expenditure), Major Claims Funds (to 30/06/24)				Major Claims Fund balances at 30/06/24 plus unused compensation provision	Estimated total expenditure 01/07/24 - 01/03/26 excluding amount payable by General Fund	Projected surplus/(deficit) (excluding interest income from 01/07/24 - 01/03/26)
	Date of incident	Contribution year	Assembly session	Date due	Amount		Compensation paid by 31/12/23 (including amounts reimbursed under STOPIA ^{<1>})	Claims-related expenses paid by 31/12/23		Compensation (paid)/recovered	Claims-related expenses paid	Estimated interest received	Contributions due 01/03/24			
<i>Prestige</i>	13/11/02	2003	8th	01/03/04	75 000 000	3 369 200	(106 621 900)	(24 772 856)	1 070 551	-	-	7 500	-	1 078 000	(803 000)	275 000
		2004	9th	01/03/05	33 000 000											
		2011	16th	01/03/12	8 500 000											
		2013	18th	01/03/14	2 500 000											
					119 000 000											
			<i>Authorised but not levied</i>	01/09/04	35 000 000											
			<i>Authorised but not levied</i>	01/09/06	3 500 000											
		<i>Authorised but not levied</i>	01/09/10	3 000 000												
		<i>Authorised but not levied</i>	01/09/11	5 000 000												
<i>Alfa I</i>	05/03/12	2016	21st	01/03/17	6 400 000	3 900 576	(10 856 126)	(1 009 833)	68 615	-	-	-	-	68 000	(140 000)	(72 000)
		2018	23rd	01/03/19	1 675 000											
					8 075 000											
<i>Agia Zoni II</i>	10/09/17	2017	22nd	01/03/18	26 000 000	4 316 320	(14 576 221)	(4 407 724)	27 810 967	(270 741)	(98 525)	200 000	-	27 641 000	(32 219 000)	(4 578 000)
		2018	23rd	01/03/19	10 000 000											
		2019	24th	01/03/20	5 000 000											
					41 000 000											
		<i>Authorised but not levied</i>	01/09/19	16 000 000												
<i>Nesa R3</i>	19/06/13	2019	24th	01/03/20	3 600 000	3 906 172	(6 703 800)	(489 104)	320 445	-	(4 930)	1 000	-	316 000	(15 000)	301 000
Incident in Israel ^{<3>}	01/02/21	2021	26th	01/03/22	4 000 000	4 135 680	(910 322)	(349 935)	6 977 513	-	-	80 000	-	7 057 000	(8 265 000)	(1 208 000)
		2022	27th	01/03/23	3 000 000											
					7 000 000											
<i>Bow Jubail</i> ^{<1> <3>}	23/06/18	2023	28th	01/03/24	20 000 000	4 305 760	-	(380 616)	-	-	-	110 000	20 000 000	20 110 000	(26 463 000)	(6 353 000)
<i>Princess Empress</i> ^{<1> <3>}	28/02/23	2023	28th	01/03/24	10 000 000	4 305 760	(12 563 429)	(817 846)	(716 508)	(2 848 727)	(512 702)	30 000	10 000 000	5 952 000	(20 657 000)	(14 705 000)
<i>Gulfstream</i> ^{<3>}	05/02/24					4 212 760	-	-	-	-	-	-	-	-	(24 238 000)	(24 238 000)
<i>Marine Honour</i>	14/06/24					4 148 160	-	-	-	-	-	-	-	-	(48 315 000)	(48 315 000)

Figures in brackets show outflow.

NB The table highlights the current position in respect of current Major Claims Funds in terms of the fund balances, possible total expenditure and projected surplus or deficit. It also presents the principal components of amounts levied and expended in respect of such claims up to 30 June 2024. The amounts up to 31 December 2023 are as reported in pounds sterling as per the audited financial statements in each relevant year.

^{<1>} Under STOPIA 2006 and STOPIA 2006 (as amended 2017), compensation payments up to SDR 20 million will be reimbursed by the P&I Club within 14 days.

^{<2>} Liabilities converted from SDR on the date of the incident, unless otherwise specified by ^{<3>}.

^{<3>} Liabilities converted from SDR on the date of authorisation of payments by the 1992 Fund Executive Committee.