



**INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUNDS, 1971
AND 1992**

**FONDS INTERNATIONAUX
D'INDEMNISATION DE 1971
ET DE 1992 POUR LES
DOMMAGES DUS A LA
POLLUTION PAR LES
HYDROCARBURES**

4 Albert Embankment
London SE1 7SR

Telephone: 0171-582 2606
Telefax: 0171-735 0326
Telex: 23588 IMOLDN G

71FUND/Circ.54
92FUND/Circ.2
10 December 1996

Notice to the Governments of States considering accession to the Fund Convention

The International Oil Pollution Compensation Funds (IOPC Funds) are pleased to note that your Government is considering accession to the Fund Convention.

States will be aware that the International Convention on Civil Liability for Oil Pollution Damage, 1969 (1969 Civil Liability Convention) and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1971 (1971 Fund Convention) were amended by two Protocols in 1992. The Conventions as amended by the Protocols are known as the 1992 Civil Liability Convention and the 1992 Fund Convention. Following the entry into force of the 1992 Protocols on 30 May 1996, two Organisations exist with different memberships: the 1971 Fund and the 1992 Fund. The 1971 Fund and the 1992 Fund are administered by a joint Secretariat headed by one Director. As at 5 December 1996, 96 States are Parties to the 1969 Civil Liability Convention and 71 are Parties to the 1971 Fund Convention, while 20 States are Parties to the 1992 Civil Liability Convention and 19 are Parties to the 1992 Fund Convention.

The 1992 Protocols provide much higher limits of compensation than the Conventions in their original versions. In addition, they have a wider scope of application on several points, for example, spills of bunker oil from unladen tankers are covered by the 1992 Protocols, but are not included in the original Conventions.

When the Netherlands deposited an instrument of accession to the 1992 Fund Protocol on 15 November 1996, the requirements in the 1992 Fund Protocol for the compulsory denunciation of the 1971 Fund Convention were fulfilled. As a result, the States which have deposited instruments of ratification, acceptance, approval or accession in respect of the 1992 Fund Protocol (whether or not the Protocol is in force for the State in question), are obliged to deposit instruments of denunciation of the 1969 Civil Liability Convention and the 1971 Fund Convention by 15 May 1997. Such denunciations will take effect twelve months after that date. At present these 19 States belong both to the 'old' regime of the 1969 and 1971 Conventions and to the 'new' regime of the 1969/1971 Conventions as amended by the 1992 Protocols (the 1992 Conventions). From 16 May 1998, however, it will no longer be possible for a State to belong to both regimes.

The total quantity of contributing oil in the 71 States currently Parties to the 1971 Fund Convention is approximately 1 150 million tonnes. The 19 States which have so far deposited instruments of accession to the 1992 Fund Protocol represent some 790 million tonnes of contributing oil. After denunciation of the 1971 Fund Convention by these States, the quantity of contributing oil received in the remaining Members of the 1971 Fund would thus be reduced to 360 million tonnes. This could result in a significantly increased cost for the oil industry in those States which are Parties to the original Conventions, since the financial burden would be spread among fewer contributors. It is expected that a number of other States which are Members of the 1971 Fund, and which represent at least 100 million tonnes of contributing oil, will also soon deposit instruments of accession to the 1992 Protocols, and denounce the original Conventions.

In the light of the benefits of becoming a Member of the 1992 Fund, it is suggested that Governments might wish to accede to the 1992 Protocols to the Civil Liability Convention and the Fund Convention (and not to the 1969 and 1971 Conventions). The Protocols would enter into force for the State in question 12 months after the deposit of its instrument(s) of accession.

States which are already Parties to the 1969 Civil Liability Convention are advised to denounce that Convention at the same time as they deposit their instrument(s) in respect of the 1992 Protocol thereto, so that the denunciation of that Convention would take effect on the same day as the Protocols entered into force for that State.