



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUNDS

Agenda item: 6	IOPC/OCT12/6/1	
Original: ENGLISH	14 September 2012	
1992 Fund Assembly	92A17	●
1992 Fund Executive Committee	92EC56	●
Supplementary Fund Assembly	SA8	●
1971 Fund Administrative Council	71AC29	●

MEASURES ENCOURAGING THE SUBMISSION OF OIL REPORTS

DEVELOPMENT OF AN ONLINE REPORTING SYSTEM

Note by the Secretariat

Summary:	Information is provided on measures to encourage timely and accurate submission of oil reports by Member States. In particular, the latest developments of an online reporting system for contributing oil are described, together with the Director's considerations on this matter.
Action to be taken:	<p><u>1992 Fund Assembly</u></p> <ul style="list-style-type: none">(a) Decide whether to approve the continuation of the online reporting system and its further improvement as set out in paragraph 6.1;(b) Decide whether to approve the adoption of the electronic oil reporting form as the new official template; and(c) Approve an amendment to the Annex to the Internal Regulations of the 1992 Fund to reflect paragraph (b) above (see paragraph 6.2). <p><u>Supplementary Fund Assembly</u></p> <ul style="list-style-type: none">(a) Decide whether to approve the adoption of the electronic oil reporting form as the new official template; and(b) Approve an amendment to the Annex to the Internal Regulations of the Supplementary Fund to reflect paragraph (a) above (see paragraph 6.2). <p><u>1971 Fund Administrative Council</u></p> <p>Information to be noted.</p>

1 **Introduction**

- 1.1 The idea of an online oil reporting system was first suggested at the October 2005 sessions of the governing bodies as a way to make submissions of oil reports more timely and accurate.
- 1.2 The online system would help address recurring reporting issues, including missing signatures, lack of understanding of what constitutes contributing oil, or failure to inform the authority about changes in a contributor's status. A development of such a system would thus reduce the administrative work for the Secretariat and the Member States alike (see documents [92FUND/A.10/37](#), section 15, [SUPPFUND/A/ES.1/21](#), section 9 and [71FUND/AC.17/20](#), section 11).

2 The prototype phase

- 2.1 The first trial of a prototype system took place in March 2010 with the assistance of nine States (Bahamas, Canada, China^{<1>}, Germany, Italy, Malaysia, Marshall Islands, New Zealand and Turkey) and 50 of their contributors.
- 2.2 This initial trial yielded a number of valuable lessons, such as the need for ensuring an effective and secure way for users to log on to the system. Additionally, State users requested the installation of functions to view and amend contributor details and status of oil reports, and enter tonnage. The trial also highlighted the need for a slow-paced implementation to allow flexibility for the Secretariat to continuously make improvements and ensure State users receive ample technical support (see document [IOPC/OCT10/6/1](#)).
- 2.3 In July 2011, a new technical specification was drawn up, incorporating the suggestions and a new prototype was developed. Nine Member States (Australia, Bahamas, China^{<1>}, Germany, Italy, Latvia, Malaysia, New Zealand and Turkey) piloted the redeveloped prototype in September 2011 (see document [IOPC/OCT11/6/1](#)).
- 2.4 At its October 2011 session, the 1992 Fund Assembly instructed the Director to continue the trial of the online reporting system (see document [IOPC/OCT11/11/1](#)). In doing so, State users have the opportunity to explore the advantages brought on by the online procedure, while staying with the current paper-based system.

3 The live system phase

- 3.1 A live online reporting system was developed in 2012. As at 14 September 2012, four Member States (Australia, Germany, Latvia and New Zealand) had used the system and given their feedback. Four additional Member States (Bahamas, Italy, Malaysia and Turkey) were in the process of trying out the system.
- 3.2 The login difficulties previous users reported were resolved with the adoption of an advanced PIN-based security system. It is an element of the system the Secretariat has put a lot of effort in to, to ensure that data online remains completely secure while providing users with an efficient login system. One Member State user did experience difficulties logging on because of the internal security restrictions of his government. This has since been resolved, as the user changed his internet settings.
- 3.3 A user from a Member State whose reported tonnage is typically nil said the system was easy to navigate and user-friendly.
- 3.4 Users from two other Member States reported some error messages when they submitted tonnages using the system. Most of the errors were investigated and subsequently corrected. Further checks are being carried out at the time of writing.
- 3.5 More Member State users were being invited to test the system as this document was being written.
- 3.6 The Secretariat is also finalising a user guide for the system. It is envisaged that the user guide will provide useful information to enhance the understanding of State users and contributors on how to submit oil reports.
- 3.7 The online reporting system is now operational on a trial basis and States are encouraged to sign up. The Secretariat plans to amend the oil reporting system throughout 2013 in order to enhance the general user experience.

^{<1>} The 1992 Fund Convention applies to the Hong Kong Special Administrative Region only.

- 3.8 The Secretariat hopes that the development of the online reporting system will complement the Member States' continued efforts to designate and train a focal person responsible for oil reports.

4 Electronic oil reporting form

- 4.1 In 2011 an electronic oil reporting form with improved functionality was developed to complement the online initiative (see Annex). The electronic oil reporting form was well received, with some 80% of the Member States' contributors using it to submit their 2011 oil reports.
- 4.2 The form's re-designed contributing oil section has made it easier to record and read tonnage information. It also enables users to fill in information electronically and to save a copy offline. Users are still required to provide a physical signature for validation, once the form is printed.
- 4.3 The option of using an electronic form for submitting nil declaration is also available for States with no persons who receive more than 150 000 tonnes of oil in a given calendar year. For 2011, the majority of the nil declarations were submitted using this electronic form.
- 4.4 To be adopted as a definite replacement for the existing paper form, the new electronic form requires the approval of the 1992 Fund Assembly and the Supplementary Fund Assembly, as well as a change to the Annex of the Internal Regulations of the 1992 Fund and Supplementary Fund to reflect this.

5 Other measures encouraging the submission of oil reports

5.1 Lloyd's List Intelligence

- 5.1.1 Following up on the Audit Body's initiative involving the use of independent data to assist Member States with the timely and accurate submission of oil reports, the Secretariat began using the data acquired from Lloyd's Intelligence Unit for the year 2010. Preliminary findings have shown the data to be very useful for States that have yet to report any contributing oil, as it helps identify potential contributors. This also applies to States that may not have been in a position to maintain an updated list of contributors or those that lack resources to audit contributors regularly.
- 5.1.2 The preliminary findings were presented to the Audit Body at their June 2012 meeting. The Audit Body concluded that, with some refinements, the use of the Lloyd's data is a valuable tool to improve the accuracy of oil reports. The Secretariat has already used the analysis to reach out to some Member States with outstanding oil reports. The Secretariat will continue its analysis and report findings to the Audit Body at its next meeting.

5.2 Other measures

- 5.2.1 During 2012, the Secretariat has made a special effort to follow up on all correspondence with telephone calls and actual visits when possible, increasing the level of engagement with authorities regarding outstanding oil reports. This has generally been well received by the authorities and has proved useful as several Member States have submitted a number of outstanding reports, ranging from anywhere between four and 11 years (see document IOPC/OCT12/5/1).
- 5.2.2 In 2012, the Secretariat continued to hold a series of regional lunch meetings for London-based representatives of both Member and non-Member States. These lunch meetings provide an opportunity for the Secretariat to discuss oil reporting issues directly with representatives of Member States.

6 Director's considerations

- 6.1 Based on the development and the detailed feedback received from the pilot State users, the Director is of the view that the system is now operational and needs to be expanded to demonstrate its usefulness. This will require more Member States to sign up for trial of the system. Interested States are strongly encouraged to contact the Secretariat.

- 6.2 Taking into consideration the wide usage of the new electronic oil reporting form, the Director is of the view that the governing bodies should approve the adoption of the form as the official template for oil reporting. Therefore, the Director proposes that the Annex referred to in Internal Regulation 4.1 of the 1992 Fund and the Supplementary Fund be changed to reflect the adoption of the new form. No other editing is required. The form is attached as an Annex to this document.

7 Action to be taken

7.1 1992 Fund Assembly

The 1992 Fund Assembly is invited:

- (a) to take note of the information contained in this document;
- (b) to approve the continuation of the online reporting system and its further improvement (paragraph 6.1);
- (c) to approve the adoption of the electronic oil reporting form as the new official template; and
- (d) to approve an amendment to the Annex to the Internal Regulations of the 1992 Fund to reflect paragraph (c) above (see paragraph 6.2).

7.2 Supplementary Fund Assembly

The Supplementary Fund Assembly is invited:

- (a) to take note of the information contained in this document;
- (b) to approve the adoption of the electronic oil reporting form as the new official template; and
- (c) to approve an amendment to the Annex to the Internal Regulations of the Supplementary Fund to reflect paragraph (b) above (see paragraph 6.2).

7.3 1971 Fund Administrative Council

The 1971 Fund Administrative Council is invited to take note of the information contained in this document.

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INTERNATIONAL
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ANNEX

FONDS INTERNATIONAUX
D'INDEMNISATION POUR
LES DOMMAGES DUS
À LA POLLUTION PAR
LES HYDROCARBURES

FONDOS INTERNACIONALES
DE INDEMNIZACIÓN DE
DAÑOS DEBIDOS A
CONTAMINACIÓN POR
HIDROCARBUROS

REPORT ON RECEIPTS OF CONTRIBUTING OIL

made under

**Article 15.1 of the 1992 International Convention on the Establishment
of an International Fund for Compensation for Oil Pollution Damage
(1992 Fund Convention)**

and/or

**Article 13.1 of the 2003 Protocol to the 1992 Fund Convention
(Supplementary Fund Protocol)**

The 1992 Fund Convention and the Supplementary Fund Protocol require that all Member States report to the Director of the International Oil Pollution Compensation Funds (IOPC Funds) each year the name and address of any company or entity in that State which is liable to pay contributions to the 1992 Fund and/or to the Supplementary Fund, as well as the quantity of contributing oil received by each of these companies and entities in the preceding year. The Funds' Internal Regulations require that the reports should be submitted using this form and no later than 30 April each year.

Member States in which no company or entity is liable to pay contributions to the 1992 Fund and/or the Supplementary Fund should notify the Director accordingly.

Please note that a company or entity which receives contributing oil in a State which is a Member of the Supplementary Fund may need to submit separate reports in respect of the 1992 Fund and the Supplementary Fund, if that company or entity receives any contributing oil by modes of transport other than directly by sea (e.g. by pipeline, non-sea going barge, road or rail) from a State which was a Member of the 1992 Fund but was not a Member of the Supplementary Fund for all or part of the relevant year.

Please ensure that the report has been signed correctly before submitting it to:

Director of the IOPC Funds
23rd Floor Portland House
Bressenden Place
London SW1E 5PN
United Kingdom
Tel: +44 (0)20 7592 7100
Fax: +44 (0)20 7592 7111
oilreport@iopcfund.org

The form for reporting receipts of contributing oil should not be circulated without the notes on pages 1 - 2 and the definition of oil on the last page.

(Revised September 2012)

NOTES

COMPANY OR ENTITY RECEIVING CONTRIBUTING OIL

A report should be submitted for each company or entity that received more than 150 000 metric tonnes of contributing oil (crude oil and heavy fuel oil as set out on page 4 of this form) in any calendar year. Company or entity includes any individual or partnership, any public or private body, whether corporate or not, and a State or any of its sub-divisions, such as provinces or agencies.

However, a report should also be submitted for any individual entity that received less than 150 000 tonnes of contributing oil in any calendar year if it forms part of a group of "associated" companies or other entities which together received more than 150 000 tonnes of contributing oil in the same State in that year. "Associated" means any subsidiary or commonly controlled entity. Whether or not an entity is associated shall be determined by the national law of the State concerned.

RECEIPTS OF CONTRIBUTING OIL

All contributing oil received during the relevant calendar year should be reported if it was:

- A. received in the ports or terminal installations in the Member State directly after carriage by sea
- having been imported from other States, or
 - following coastal movement within the same State (e.g. from terminals at sea, from floating storage tanks, from offshore oil fields by vessel or after cabotage), or
- B. received by other modes of transport (e.g. by pipeline, non-sea going barge, road or rail transport) from a non-Member State, after having been received in a port or terminal installation in that State after carriage by sea. Such oil is only liable for contributions on first receipt in a Member State.

Discharge into a floating tank within the territorial waters of the Member State (including its ports) constitutes a receipt, irrespective of whether the tank is connected with onshore installations via pipeline or not. Ships are considered to be floating tanks in this connection if they are 'dead' ships, ie if they are not ready to sail, or if they are permanently or semi-permanently at anchor.

"Received" does not include ship-to-ship transfer, irrespective of whether such a transfer

- takes place within a port area or outside the port but within territorial waters, or
- is done solely by using the ships' equipment or by means of a pipeline passing over land, or
- is between two sea-going vessels or from a sea-going vessel to an internal waterway vessel.

When the oil, after having been transferred in this way from a sea-going vessel to another vessel, has been carried by the latter to an onshore installation situated in the same Member State or in another Member State, the receipt in that installation shall be considered as receipt of oil carried by sea. However, in the case where the oil passes through a storage tank before being loaded to the other ship, it has to be reported as oil received at that tank in that State.

"Carriage by sea" does not include movement within the same port area.

SIGNATURES

The form should be signed by a competent officer of the company or entity receiving contributing oil as certification that the figures are correct. Should a Member State have declared that it assumes itself the liability to pay contributions in respect of oil received in the territory of that State, such a signature is not obligatory.

The form should also be signed by a responsible official of the Government or competent Government authority to indicate that the Government or authority is satisfied that the information given is complete and that the figures are correct.



International Oil Pollution Compensation Funds

23rd Floor Portland House | Bressenden Place | London SW1E 5PN UK
Tel +44(0)20 7592 7100 | Fax +44(0)20 7592 7111 | oilreport@iopcfund.org

CONTRIBUTING OIL REPORT FORM

Member State

1992 Fund

Supplementary Fund

Oil Year

OIL RECEIVER

No Association

Associated with

Company Name

Invoice Contact Name		Title	
Street Address		City	Postal Code
Phone	Fax	Email	

Oil Report Contact Name (if different)		Title	
Street Address		City	Postal Code
Phone	Fax	Email	

OIL INFORMATION

Crude oil and heavy fuel oil. See back for more information.

Received directly after carriage by sea

metric tonnes

Coastal movement within the same State

metric tonnes

Received from non-Member State(s)

Name of non-Member State(s)

Mode of Transport

Pipeline

Ground Transportation

Others

metric tonnes

Pipeline

Ground Transportation

Others

metric tonnes

Total Contributing Oil

metric tonnes

SIGNATURES

Company Official

Government Official

Signature

Date

Name

Title

Phone

Email

Fax

Signature

Date

Name

Title

Phone

Email

Fax

For IOPC Funds' Use Only

CTR/

Processed

Date

Approved

Date

CONTRIBUTING OIL

"Contributing oil" means crude oil and fuel oil defined as below.

"Crude oil" means any liquid hydrocarbon mixture occurring naturally in the earth whether or not treated to render it suitable for transportation. It also includes crude oils from which certain distillate fractions have been removed (sometimes referred to as "topped crudes") or to which certain distillate fractions have been added (sometimes referred to as "spiked" or "reconstituted" crudes).

"Fuel oil" means heavy distillates or residues from crude oil or blends of such materials intended for use as a fuel for the production of heat or power of a quality equivalent to the "American Society for Testing and Materials' Specification for Number Four Fuel Oil (Designation D396-69)", or heavier.

The following list of contributing and non-contributing oil is intended as a guide for contributors.

Contributing Oil	Non-Contributing Oil
<p>Crude Oils</p> <ul style="list-style-type: none"> ● All naturally occurring crude oils * ● Condensate ● Topped crudes ● Spiked crudes ● Reconstituted crudes <p>Finished Products</p> <ul style="list-style-type: none"> ● No4 fuel (ASTM) ● Navy special fuel ● Light fuel oil ● No 5 fuel (ASTM) - light ● Medium fuel oil ● No 5 fuel (ASTM) - heavy ● Bunker C fuel oil ● Heavy fuel oil ● No 6 fuel oil (ASTM) ● Blended fuel oils by viscosity or sulphur content ● Bituminous emulsions and fuel oil emulsions** <p>Intermediate or Process Stocks</p> <ul style="list-style-type: none"> ● Fuel oil blend stocks 	<p>Crude Oils</p> <ul style="list-style-type: none"> ● Natural gas liquids ● Condensate * ● Casinghead naphtha ● Natural gasoline ● Cohasset-panuke <p>Finished Products</p> <ul style="list-style-type: none"> ● LNG and LPG ● Aviation gasolines - Motor gasoline (petrol, essence) ● White spirit ● Kerosene ● Aviation kerosene - Jet 1 A and No 1 fuel (ASTM) ● Gas oil ● Heating oil ● No 2 fuel (ASTM) - Lubricating oil ● Marine diesel <p>Intermediate or Process Stocks</p> <ul style="list-style-type: none"> ● Straight run naphtha ● Light cracked naphtha ● Heavy cracked naphtha ● Platformate ● Reformate ● Steam-cracked naphtha ● Polymers ● Isomers ● Alkylates ● Catalytic cycle oil ● Reformer feed ● Steam cracker feed ● Gas oil blend stocks ● Catalytic cracker feedstock ● Visbreaker feedstock ● Aromatic tar

*To be considered as 'non-contributing oil' if more than 50% by volume distils at a temperature of 340°C and at least 95% by volume distils at a temperature of 370°C, when tested by the ASTM Method D 86/78 or any subsequent revision thereof.

**Quantity of emulsion received should be reported with no allowance for its water content.