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REIMBURSEMENT TO CONTRIBUTORS OF THE BALANCE ON THE TANIO MAJOR CLAIMS FUND

Note by the Director

Introduction

1 In respect of the TANIO incident, which occurred off the coast of Brittany (France) in 1980, the IOPC Fund paid FF222 140 163 (£18.3 million) to victims of oil pollution damage. At its 6th session, in September 1983, the Assembly decided to levy annual contributions in an amount of £20 million for the payment of compensation. The levy was based on the quantities of contributing oil received in the calendar year preceding that in which the incident occurred. A total amount of £20 022 433 was actually paid by the contributors.

2 It will be recalled that the IOPC Fund took legal action in the Court of Brest (France) against the owner of the TANIO and other third parties for the purpose of recovering the amount paid by the Fund to claimants. In December 1987, an out-of-court settlement was reached in respect of this legal action whereby the IOPC Fund recovered US\$17 480 029 (£9 537 856). As a result of this settlement, there was a substantial balance on the TANIO major claims fund after the IOPC Fund had made final payments to all victims and had paid all expenses arising out of this incident.

3 In a document submitted at the 11th session of the Assembly (FUND/A.11/10/Add.1), the Director estimated that the balance on the TANIO major claims fund would be £13 942 213 as at 1 February 1989. He proposed that an amount of £13.9 million should be distributed to the contributors to that major claims fund on 1 February 1989, and that any amount in excess of £13.9 million should be transferred to the general fund in accordance with Internal Regulation 4.4.2. This proposal was approved by the Assembly (document FUND/A.11/20, paragraph 13.2).

4 In addition, the Assembly decided that each contributor should be given the option to choose whether the amount to which he was entitled should be repaid to him, or whether the amount should be credited to his account with the IOPC Fund for set-off against annual contributions that would be levied in subsequent years, provided that a contributor would only be entitled to request repayment on 1 February in any given year.

Amount Available for Distribution

5 As at 31 December 1988, the balance on the TANIO major claims fund was £13 658 915.82 (cf document FUND/A.12/4, Annex IV, Statement III). By 1 February 1989, the balance stood at £13 973 943.57, as a result of accrued interest of £315 027.75 earned as follows:

		£
(a)	Interest on £2 139 815.07	16.09.88 - 16.01.89
	Interest on £2 228 324.27	16.01.88 - 01.02.89
(b)	Interest on £2 151 333.89	03.10.88 - 01.02.89
(c)	Interest on £6 068 468.40	19.12.88 - 01.02.89
(d)	Interest on £3 299 298.46	01.01.89 - 01.02.89
		34 577.41
		315 027.75
Add balance at 31.12.88		13 658 915.82
Balance at 1.2.89		<u>£13 973 943.57</u>

6 From the balance of £13 973 943.57, an amount of £13 899 964.60 was distributed to contributors, leaving £73 978.97 to be transferred to the general fund, after deduction of bank charges.

Distribution to Contributors

7 The distribution of the balance on the TANIO major claims fund to contributors was made as follows:

	£
Repayment to contributors who so requested	10 763 550.47
Set-off against 1988 annual contributions or outstanding contributions for previous years	2 075 439.84
Credits to the accounts of contributors who did not request repayment	<u>1 060 974.29</u>
	<u>£13 899 964.60</u>

8 It should be noted that 194 of the 257 contributors entitled to reimbursement opted for repayment.

9 A table showing the distribution of these amounts in respect of the Member States is at the Annex. The Annex only lists the 18 States which were Members of the IOPC Fund at the time of the TANIO incident (7 March 1980); since contributions were only paid in respect of contributing oil receipts in these States, only contributors in these States were entitled to reimbursement.

Action to be Taken by the Assembly

10 The Assembly is invited to take note of the information contained in this document.

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ANNEX

TANIO REIMBURSEMENT

State	Amount Distributed	Amount Repaid	Amount Set Off Against Invoices	Amount Credited to Contributors' Accounts
	£	£	£	£
Algeria	5 759.46	0.00	300.00	5 459.46
Bahamas	421 926.49	407 448.21	14 478.28	0.00
Denmark	191 212.38	169 051.24	22 161.14	0.00
France	2 194 599.36	1 808 564.31	258 580.34	127 454.71
Germany, Federal Republic of	888 546.25	684 890.47	28 878.32	174 777.46
Ghana	15 508.57	12 117.92	3 390.65	0.00
Indonesia	188 624.32	0.00	31 030.48	157 593.84
Italy	2 428 029.79	1 652 260.74	485 614.16	290 154.89
Japan	5 299 515.71	4 303 853.37	826 603.20	169 059.14
Liberia	8 092.30	0.00	56.53	8 035.77
*Monaco	-	-	-	-
Norway	127 233.48	91 788.01	35 445.47	0.00
Sweden	392 958.06	300 201.40	67 331.11	25 425.55
*Syrian Arab Republic	-	-	-	-
Tunisia	26 597.01	18 232.62	8 364.39	0.00
*Tuvalu	-	-	-	-
United Kingdom	1 551 798.27	1 211 563.72	261 542.65	78 691.90
Yugoslavia	159 563.15	103 578.46	31 663.12	24 321.57
TOTAL	13 899 964.60	10 763 550.47	2 075 439.84	1 060 974.29

* No liability for contributions to the TANIO Major Claims Fund