



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND

ASSEMBLY
13th session
Agenda item 18

FUND/A.13/15
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LEASE OF IOPC FUND'S OFFICES

Note by the Director

Introduction

1 In November 1982 the IOPC Fund moved into its present offices in the headquarters building of the International Maritime Organization (IMO) at 4 Albert Embankment, London SE1. The IOPC Fund was granted a lease of ten years in respect of these premises, with effect from 1 November 1982. Consequently, the lease expires on 31 October 1992.

Present Situation

2 At present, the IOPC Fund Secretariat occupies eight office rooms plus one storage room (1 872 sq ft). Under the agreement with IMO, the IOPC Fund would be entitled to two additional rooms in the building, for which additional rent would be payable, if the Fund were to need additional office space. The IOPC Fund has recently made a request to IMO for more office space.

3 After consultation with the United Kingdom Government, IMO decided to charge sub-tenants, including the IOPC Fund, a market rent for their accommodation. The rent agreed with IMO is £15 per square foot, exclusive of rates and service charges. In the event that the IOPC Fund were to be granted an extended lease in the IMO building after 1 November 1992, it is expected that there would be a considerable increase in the rent.

4 It should be noted that the United Kingdom Government refunds 80% of the IOPC Fund's rent. The IOPC Fund thus pays in the end only 20% of the rent and rates. This subsidy was granted by the United Kingdom Government at the 2nd session of the IOPC Fund Assembly (documents FUND/A.2/9, Annex, page 7 and FUND/A.2/16/1, paragraph 12(iii)). The United Kingdom Government also refunds 80% of the cost of property insurance, as well as 80% of the cost of major repairs, replacements and major services.

Situation after 1 November 1992

5 Since the IOPC Fund's present arrangements with IMO in respect of offices ends on 31 October 1992, ie within two years, the Director considers it necessary to initiate at this stage a study of the

options open to the IOPC Fund beyond that date. An assessment must then be made of the needs of the IOPC Fund Secretariat for a number of years ahead. In view of the continually increasing membership of the IOPC Fund and the resulting increase in the Secretariat's workload, it is probable that the IOPC Fund would need further additional office space in the not too distant future. It would therefore be necessary to examine whether the needs of the IOPC Fund could be met within the IMO building or whether it would be necessary for the IOPC Fund to move its offices to premises outside that building.

6 The Director proposes that he should be instructed to examine this question and to discuss the matter with the Secretary-General of IMO and the United Kingdom Government, in order to find the best solution, and to report the results of his examination to the 14th session of the Assembly. The Assembly may also wish to authorise the Director to take such measures as he considers necessary to protect the IOPC Fund's interests with regard to office accommodation, pending a decision by the Assembly.

Action to be Taken by the Assembly

7 The Assembly is invited to consider the information contained in this document and to give the Director such instructions as it may deem appropriate.
