



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND

ASSEMBLY
17th session
Agenda item 21

FUND/A.17/18
25 August 1994

Original: ENGLISH

ASSESSMENT OF ANNUAL CONTRIBUTIONS

Note by the Director

1 Introduction

1.1 Article 12 of the Fund Convention provides that the Assembly shall determine the amount of annual contributions to be levied, if any. For this purpose the Assembly shall make an estimate in the form of a budget of the IOPC Fund's expenditure and income for each calendar year, taking into account the necessity to maintain sufficient liquid funds.

1.2 The IOPC Fund's expenditure consists of:

- (a) costs and expenses of the administration of the IOPC Fund, and any deficit from preceding years;
- (b) payments of claims up to 15 million (gold) francs per incident (minor claims); and
- (c) payments of claims to the extent that the aggregate amount of the payments in respect of any one incident is in excess of 15 million (gold) francs (major claims).

Expenses mentioned in sub-paragraphs (a) and (b) above have to be met from the General Fund (Financial Regulation 5.1(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 5.2(d)).

2 General Fund

2.1 Estimate of Contributions Needed for 1995

2.1.1 Financial Regulation 5.1 provides that the General Fund shall be maintained at such level as the Assembly may decide from time to time and that the monies in the General Fund shall be used to meet the costs and expenses of the administration of the IOPC Fund and for the satisfaction of claims up to 15 million (gold) francs per incident (minor claims).

2.1.2 The amount of annual contributions needed for the General Fund in 1995 is estimated as follows:

	£
(i) Expenditure	
(a) Administrative expenses	1 212 880
(b) Minor claims	590 677
(c) Working capital	<u>20 000 000</u>
	<u>21 803 557</u>
(ii) Income	
(a) Surplus as at 31.12.94	11 100 396
(b) Interest to be earned in 1995	600 000
(c) Annual contributions required for General Fund	<u>10 103 161</u>
	<u>21 803 557</u>

2.1.3 This estimate is based on the following considerations^{<1>}. As for the individual incidents, reference is made to the information contained in document FUND/A.17/5 (Annex IV, Schedule III) and the various documents relating to incidents submitted to the 40th session of the Executive Committee.

2.1.4 It should be noted that any estimate in this document of amounts to be paid by the IOPC Fund in compensation or indemnification has been made solely for the purpose of the assessment of annual contributions, without prejudice to the position of the IOPC Fund in respect of the claims.

2.2 Surplus as at 31 December 1994

2.2.1 As shown in the draft budget for 1995 (document FUND/A.17/16, Annex, section B.I), the surplus at the end of 1994 is estimated at £11 100 396, calculated as set out low:

	£	£
Surplus at 1 January 1994		5 740 157
<u>Add</u>		
1993 Annual Contributions receivable in 1994	7 907 141	
Annual Contributions for previous years receivable in 1994	30 829	
Initial Contributions receivable in 1994	30 000	
Interest earned in 1994 (estimate)	<u>500 000</u>	
	8 467 970	<u>8 467 970</u>
		14 208 127
<u>Less</u>		
Administrative expenditure, Budget 1994	1 172 730	
General Claims expenditure in 1994 (as set out in Annex I)	<u>1 935 001</u>	
	3 107 731	<u>3 107 731</u>
Surplus at 31 December 1994		<u>11 100 396</u>

2.2.2 The total payments by the IOPC Fund in respect of the VISTABELLA incident have reached the maximum amount payable from the General Fund, viz 15 million (gold) francs (£743 092). The excess over that maximum amount has been borrowed from the General Fund and will be repaid when contributions to the VISTABELLA Major Claims Fund have been levied and received. With regard to the establishment of a Major Claims Fund, reference is made to paragraph 3.2 below.

<1> As mentioned in paragraph 2.3.8 below, the estimates in this document are based on the assumption that the Director's proposal to increase the working capital to £20 million is approved by the Assembly. If this proposal is not adopted, the Director will have to revise certain figures in the table set out in paragraph 2.1.2 above.

2.2.3 It is expected that the total amount of compensation paid by the IOPC Fund by the end of 1994 in respect of the AEGEAN SEA incident will exceed the maximum amount payable from the General Fund, ie 15 million (gold) francs (£891 471). Any sums above that amount will be paid from the AEGEAN SEA Major Claims Fund which was established by the Assembly at its 16th session, in October 1993 (document FUND/A.16/32, paragraph 17.4). With regard to the AEGEAN SEA Major Claims Fund, reference is made to paragraph 3.5 below.

2.2.4 As can be seen from Annex I, payments of compensation and/or indemnification have been made or are anticipated during 1994 in respect of five other incidents.

2.2.5 The IOPC Fund has paid considerable amounts in fees out of the general fund in 1994 in respect of the AEGEAN SEA incident. In addition, fees have been or will be incurred in respect of a number of other incidents.

2.3 Estimated 1995 Expenditure

Administrative Expenses

2.3.1 The administrative expenses of the IOPC Fund for 1995, as proposed by the Director in the draft budget for 1995, amount to £1 212 880 (document FUND/A.17/16).

Minor Claims

2.3.2 The known incidents in respect of which payments may have to be made from the General Fund during 1995 are listed in Annex II.

2.3.3 With regard to the PATMOS incident, the Court of Appeal in December 1993 granted compensation to the State of Italy in the amount of Lit 2 100 million (£860 000) in respect of damage to the marine environment. As a result of this judgement, the total amount of the claims accepted in the PATMOS case (Lit 11 583 298 650, or £4.8 million) was below the limitation amount applicable to the ship (Lit 13 263 703 650, or £5.4 million). Since the PATMOS was flying the flag of a State (Greece) which at the time of the incident was not Party to the Fund Convention, the shipowner is not entitled to indemnification under Article 5.1 of the Fund Convention. Consequently, if this judgement were to stand, the IOPC Fund would not be called upon to make any payments of compensation or indemnification as a result of the PATMOS incident. For this reason, the IOPC Fund is not entitled to appeal against this judgement. The State of Italy, the shipowner and the P & I insurer have not yet decided whether or not to appeal against the judgement. If, following an appeal to the Supreme Court of Cassation, the Italian Government's claim were to be accepted for an amount significantly higher than that approved by the Court of Appeal, the total amount of the established claims may exceed the limitation amount, and the IOPC Fund may then be called upon to pay compensation. In view of the uncertainty that exists in this regard, the Director has not made any provision for the payment of compensation during 1995 in respect of the PATMOS incident.

2.3.4 Concerning the AGIP ABRUZZO incident, the total amount of the settled claims (Lit 17 917 500 000 or £7.3 million) and the pending claims (Lit 1 398 635 000 or £574 000) falls below the limitation amount applicable to the vessel (approximately Lit 21 900 million or £9.0 million). It should be noted that claims became time-barred on or shortly after 10 April 1994. The IOPC Fund will therefore not be called upon to pay compensation as a result of this incident. However, the IOPC Fund will have to indemnify the shipowner under Article 5.1 of the Fund Convention, to the extent that the total amount paid by the shipowner or his insurer exceeds 7 192 000 Special Drawing Rights (SDR), which corresponds to approximately Lit16 500 million or £6.8 million. Whilst the exact amount of indemnification cannot be established at this stage, it may be such that the total amount to be paid by the IOPC Fund during 1995 in respect of this incident will reach the maximum amount payable from the General Fund, ie 15 million (gold) francs (£763 576). With regard to the establishment of a Major Claims Fund, reference is made to paragraph 3.3 below.

2.3.5 The IOPC Fund may incur costs during 1995 in respect of fees as a result of five incidents, as shown in Annex II.

2.3.6 It is estimated that the total payments from the General Fund in 1995 will amount to £590 677, as set out in Annex II. This estimate does not include any provision for the payment of claims in respect of incidents which may occur after the drafting of this document for which payments may have to be made before the end of 1995. Such payments would have to be met from the working capital. This would also apply to payments which, although envisaged as not being due before 1995, actually have to be made earlier.

Working Capital

2.3.7 In October 1993, at its 16th session, the Assembly decided that the IOPC Fund should maintain a working capital of £11 million (document FUND/A.16/32, paragraph 16.3). The working capital is needed to cover claim payments not included in the estimated expenses for minor claims, and to make loans to major claims funds for the satisfaction of claims to the extent that sufficient money is not available in the major claims funds in question.

2.3.8 The Director has submitted a proposal to the present session of the Assembly that the working capital should be increased from £11 million to £20 million (document FUND/A.17/17). The table in paragraph 2.1.2 above is based on the assumption that the Director's proposal is approved by the Assembly.

2.4 Estimated 1995 Income

Surplus

2.4.1 As set out in paragraph 2.2.1 above, the surplus in the General Fund at the end of 1994 is estimated at £11 100 396.

Interest

2.4.2 The income in interest during 1995 from the IOPC Fund's investments is estimated at £600 000, (Budget 1995, document FUND/A.17/16, Annex, section B.II). This estimated yield is based on an average principal of about £10 million.

Initial Contributions

2.4.3 At the time of drafting this document, no State is known in respect of which initial contributions may have to be paid in 1995.

2.5 General Fund Assessment

As shown from the estimates in the table in paragraph 2.1.2 above, contributions of £10 103 161 would be needed to balance the 1995 account of the General Fund and to increase the working capital from £11 million to £20 million. The Assembly may therefore wish to decide to levy annual contributions for the General Fund in 1994 in the amount of £10 million.

3 Major Claims Funds

3.1 PATMOS

3.1.1 The total amount paid by the IOPC Fund by the end of 1994 in respect of the PATMOS incident is estimated at £537 989. The maximum amount payable from the General Fund in respect of this incident, 15 million (gold) francs, corresponds to £841 483.

3.1.2 In view of the uncertain situation described in paragraph 2.3.3 above, the Director considers it not necessary to make a proposal for a levy to a PATMOS Major Claims Fund at this stage. Any payments during 1995 over the limit of 15 million (gold) francs would have to be made from money to be borrowed from the General Fund or another Major Claims Fund; the loan would be repaid with interest to the Fund in question when contributions to the PATMOS Major Claims Fund have been levied and received (cf Financial Regulations 5.1(c)(iv), 5.2(b)(iii) and 5.2(d)).

3.2 VISTABELLA

3.2.1 As stated in paragraph 2.2.2 above, the total payments by the IOPC Fund in respect of the VISTABELLA incident have reached the maximum amount payable from the General Fund, viz 15 million (gold) francs (£743 092). Payments over the limit of 15 million (gold) francs have been made from money borrowed from the General Fund; this loan will be repaid with interest to the General Fund when contributions to the VISTABELLA Major Claims Fund have been levied and received (cf Financial Regulations 5.1(c)(iv), 5.2(b)(iii) and 5.2(d)).

3.2.2 The total of the established claims amounts to £1 002 512. Any further claims are time-barred. The IOPC Fund will also incur certain amounts in costs in 1994 and 1995, in addition to those paid so far. The total payments by the IOPC Fund in respect of the VISTABELLA incident can be summarised as follows:

	£
Compensation:	
French Government (FFr8 127 519)	986 948
Private claimants (FFr110 010 + US\$6 099)	15 564
	<u>1 002 512</u>
Fees and expenses (estimate)	70 000
	<u>1 072 512</u>
To be paid from General Fund	- 743 092
	<u>329 420</u>
Interest on loan from General Fund	10 000
	<u>339 420</u>
To be paid from Major Claims Fund (estimate)	<u>339 420</u>

3.2.3 The IOPC Fund has taken legal action against the owner of the VISTABELLA and his insurer for the purpose of recovering the amount of compensation paid by the Fund (cf document FUND/EXC.40/8). It is uncertain when these proceedings will be completed.

3.2.4 In view of the uncertainty in respect of the legal proceedings referred to above and the relatively small amounts involved, the Director takes the view that a decision to levy annual contributions to the VISTABELLA Major Claims Fund should be postponed until the total cost of the incident to the IOPC Fund can be established.

3.3 AGIP ABRUZZO

In the light of the information set out in paragraph 2.3.4 above, the Director considers it premature to make any proposal at this stage for any contributions to be levied to an AGIP ABRUZZO Major Claims Fund. Any payments during 1995 over the limit of 15 million (gold) francs would have to be made from money borrowed from the General Fund or another Major Claims Fund; such a loan would be repaid with interest to the Fund in question when contributions to the AGIP ABRUZZO Major Claims Fund have been levied and received (cf Financial Regulations 5.1(c)(iv), 5.2(b)(iii) and 5.2(d)).

3.4 HAVEN

3.4.1 In October 1991, at its 14th session, the Assembly decided to levy £15 million for 1991 annual contributions to the HAVEN Major Claims Fund, due by 1 February 1992 (document FUND/A.14/23,

paragraph 16.2). At its 15th session, in October 1992, the Assembly decided to levy a further £10 million for 1992 annual contributions to the HAVEN Major Claims Fund, due by 1 February 1993 (document FUND/A.15/28, paragraph 14.4).

3.4.2 At the 16th session of the Assembly, in October 1993, several delegations expressed the view that it was important not to place too heavy a burden on contributors. A number of delegations questioned the necessity of levying further contributions to the HAVEN Major Claims Fund at that stage, since it was unlikely that any significant payments of compensation would be made to claimants during 1994 in respect of the incident. For this reason, the Assembly decided not to levy any 1993 annual contributions to the HAVEN Major Claims Fund (document FUND/A.16/32, paragraph 17.3).

3.4.3 The situation in respect of the claims arising out of the HAVEN incident is described in some detail in document FUND/EXC.40/4. It is almost certain that claims will be accepted in the limitation proceedings for a total amount exceeding 60 million SDR (Lit 102 864 000 000, corresponding to approximately £42 million), which in the IOPC Fund's view is the maximum amount available under the Civil Liability Convention and the Fund Convention. The limitation amount applicable to the shipowner is 14 million SDR (Lit 23 950 220 000 corresponding to approximately £9.8 million). If the IOPC Fund were to be held liable to pay compensation for the difference between 60 million SDR and the shipowner's limitation amount, the Fund would have to pay Lit 78 913 780 000 (£32 million) in compensation. Indemnification of the shipowner would amount to 85 million (gold) francs or 5 667 000 SDR, corresponding to Lit 9 694 706 910 or £4.0 million. In addition, the IOPC Fund will incur large expenses in fees. The total amount payable by the IOPC Fund in respect of this incident would in such an event be in the region of £40 million.

3.4.4 In view of the magnitude of the claims and the need to ensure that sufficient liquid funds will be available to pay any claims that have been agreed or have been established by the Court, it would, in the Director's view, normally have been appropriate to make a third significant levy to the HAVEN Major Claims Fund at this stage. However, as is set out in document FUND/EXC.40/4, the Director has maintained in the legal proceedings that the majority of the claims have become time-barred as regards the IOPC Fund on or shortly after 11 April 1994. The Executive Committee has been invited to give the Director instructions as to the Fund's position on this point.

3.4.5 Pending the Executive Committee's instructions, the Director considers it inappropriate to make any proposal for a further levy of annual contributions to the HAVEN Major Claims Fund. Any payments over the £25 million raised as 1991 and 1992 annual contributions to that Major Claims Fund would have to be made from money borrowed from the General Fund or another Major Claims Fund; such a loan would be repaid with interest to the Fund in question when further contributions to this Major Claims Fund have been levied and received (cf Financial Regulations 5.1(c)(iv), 5.2(b)(iii) and 5.2(d)). Depending on the instructions which the Executive Committee may give him, however, the Director may make a proposal for such a further levy in an addendum to the present document.

3.4.6 It should be noted that in March 1992 a judge of the Court of first instance in Genoa, who is in charge of the limitation proceedings in the HAVEN case, rendered a decision as to the maximum amount available under the Civil Liability Convention and the Fund Convention. The IOPC Fund had always taken for granted that the conversion of the maximum amount of 900 million (gold) francs laid down in the Fund Convention should be made on the basis of the Special Drawing Right (SDR) of the International Monetary Fund. The judge held, however, that the maximum amount payable by the IOPC Fund should be calculated by application of the free market value of gold which would give an amount of Lit 771 397 947 400 or (£316 million), including the amount paid by the shipowner under the Civil Liability Convention, instead of Lit 102 864 000 000 (£42 million), as maintained by the IOPC Fund calculated on the basis of the SDR. The IOPC Fund lodged opposition against this decision. The judge's decision was upheld by the Court of first instance in a judgement rendered on 26 July 1993. The IOPC Fund has appealed against this judgement (cf document FUND/EXC.40/4).

3.5 AEGEAN SEA

3.5.1 In October 1993, at its 16th session, the Assembly decided to levy £20 million for 1993 annual contributions to the AEGEAN SEA Major Claims Fund, due by 1 February 1994 (document FUND/A.16/32, paragraph 17.4).

3.5.2 As mentioned in paragraph 2.2.3 above, it is estimated that the total payments by the IOPC Fund in respect of the AEGEAN SEA incident will, during 1994, reach the maximum amount payable from the General Fund, viz 15 million (gold) francs (£891 471). The limitation amount applicable to the shipowner is approximately £5.6 million.

3.5.3 Claims have been submitted for a total amount of some £125 million. It is not possible at this stage to make any estimate of the total amount of the claims as settled or decided by a Court. In the Director's view, the total amount of the established claims may reach at least £40 million. It is possible that the major part of this amount will be paid before the end of 1995. The IOPC Fund will also incur significant amounts in fees and other costs.

3.5.4 On the basis of these considerations, the Director proposes that a second levy should be made to the AEGEAN SEA Major Claims Fund in the form of 1994 annual contributions for an amount of £15 million. If developments before the 17th session of the Assembly so justify, the Director will adjust this proposal in an addendum to the present document. Any payments over the amount raised as 1993 and 1994 annual contributions to that Major Claims Fund (£35 million, if the Director's proposal were approved), would have to be made from money borrowed from the General Fund or another Major Claims Fund; such a loan would be repaid with interest to the Fund in question when further contributions to the AEGEAN SEA Major Claims Fund have been levied and received (cf Financial Regulations 5.1(c)(iv), 5.2(b)(iii) and 5.2(d)).

3.6 BRAER

3.6.1 In October 1993, at its 16th session, the Assembly decided to levy £35 million for 1993 annual contributions to the BRAER Major Claims Fund, due by 1 February 1994 (document FUND/A.16/32, paragraph 17.4).

3.6.2 The total amount of the claims is not yet established. The aggregate amount of the claims accepted so far is approximately £33 million. The Director estimates that the total amount of the established claims will be in the region of £40-43 million. The limitation amount applicable to the shipowner is approximately £5.5 million, and the shipowner's P & I insurer has already made payments for that amount. The IOPC Fund may therefore have to make payments in the region of £35-38 million.

3.6.3 The Director considers it premature, however, to make any proposal at this stage for a further levy of annual contributions to the BRAER Major Claims Fund. Any payments over the £35 million raised as 1993 annual contributions to that Major Claims Fund would have to be made from money borrowed from the General Fund or another Major Claims Fund; such a loan would be repaid with interest to the Fund in question when further contributions to the BRAER Major Claims Fund have been levied and received (cf Financial Regulations 5.1(c)(iv), 5.2(b)(iii) and 5.2(d)).

3.7 KEUMDONG N°5

3.7.1 In October 1993, at its 16th session, the Assembly decided to levy £5 million for 1993 annual contributions to the KEUMDONG N°5 Major Claims Fund, due by 1 February 1994 (document FUND/A.16/32, paragraph 17.4).

3.7.2 The total amount of the claims accepted so far is approximately £4.6 million. Further claims have been received amounting to some £150 million. The limitation amount applicable to the

shipowner is approximately £60 000, and the shipowner's P & I insurer has already made payments for that amount.

3.7.3 The Director proposes that a second levy should be made to the KEUMDONG N°5 Major Claims Fund in the form of 1994 annual contributions for an amount of £10 million. Any payments over the amount raised as 1993 and 1994 annual contributions to that Major Claims Fund (£15 million, if the Director's proposal were approved) would have to be made from money borrowed from the General Fund or another Major Claims Fund; such a loan would be repaid with interest to the Fund in question when further contributions to the KEUMDONG N°5 Major Claims Fund have been levied and received (cf Financial Regulations 5.1(c)(iv), 5.2(b)(iii) and 5.2(d)). If developments before the 17th session of the Assembly so justify, the Director will adjust this proposal in an addendum to this document.

4 Date of Payment

Internal Regulation 3.8 provides that, unless the Assembly decides otherwise, payment of annual contributions shall be due on 1 February of the year following that in which the Assembly decides on the levy of annual contributions. It is suggested that the date of payment for the 1994 annual contributions to General Fund and to the AEGEAN SEA and KEUMDONG N°5 Major Claims Funds should be 1 February 1995.

5 Surplus on the KASUGA MARU N°1 Major Claims Fund

5.1 Internal Regulations 4.4.1 and 4.4.2 deal with the case where there is a surplus in a Major Claims Fund after the periods set out in Article 6 of the Fund Convention for bringing actions have lapsed and all claims and expenses arising out of the relevant incident have been settled, or where the Executive Committee is satisfied that no more claims will be made against the IOPC Fund and no more expenses will have to be met. If there remains a substantial amount in the Major Claims Fund, the Assembly shall decide whether such an amount shall be credited or reimbursed pro rata to the contributors to that Major Claims Fund. Should the Assembly consider that the remaining amount is not substantial, this amount shall be transferred to the General Fund.

5.2 At its 12th session, the Assembly decided to levy annual contributions to the KASUGA MARU N°1 Major Claims Fund in the amount of £1.5 million. The contributions to this Major Claims Fund were due on 1 February 1990. As at 31 December 1993, there was a surplus of £349 557 on this Major Claims Fund (document FUND/A.17/5, Annex IV, Statement IV). It is estimated that there will be a surplus of about £370 000 on this Major Claims Fund on 31 December 1994.

5.3 All known claims arising out of this incident have been settled and paid. However, in the Settlement Agreements between the IOPC Fund and the claimants, the claimants reserved their right to claim further compensation in respect of pollution damage caused by further leakage of oil from the sunken vessel after the date of the respective agreements (document FUND/EXC.24/4, Annex, paragraph 10.15). Although it is unlikely that further claims will be submitted, such claims cannot be totally ruled out. It is therefore not possible to assess with certainty at this stage whether there will be any surplus on this Major Claims Fund and, if so, the amount of such a surplus.

5.4 When it is established that there will be no further claims against the IOPC Fund arising out of this incident, the Director will submit a proposal to the Assembly in respect of the surplus on this Major Claims Fund. Any claims will become time-barred on 10 December 1994, at the expiry of the six year period laid down in Article 6 of the Fund Convention.

6 Surplus on the RIO ORINOCO Major Claims Fund

6.1 At its 14th session, the Assembly decided to levy annual contributions to the RIO ORINOCO Major Claims Fund in the amount of £6.7 million (document FUND/A.14/23, paragraph 16.2). Invoices were issued for a total of £6 731 584; by 30 June 1994 a total of £6 534 877 had been received.

6.2 All known claims for compensation have been settled and paid. The total payments made so far by the IOPC Fund in respect of this incident amount to £6 371 402. Out of this amount, £737 736 was paid from the General Fund and £5 633 666 from the Major Claims Fund. As at 31 December 1993, there was a surplus of £1 268 753 on this Major Claims Fund (document FUND/A.17/5, Annex IV, Statement V). During 1994 the IOPC Fund will incur legal expenses as a result of court proceedings taken by the Fund in Canada. It is estimated that the surplus on this Major Claims Fund will be approximately £1.2 million on 31 December 1994. Indemnification of the shipowner, Can\$295 654 (£139 100), has not yet been paid, since the limitation proceedings have not been completed.

6.3 When it is established that there will be no further claims arising out of this incident, the Director will submit a proposal to the Assembly in respect of the surplus on this Major Claims Fund.

7 Surplus on the TAIKO MARU N°1 Major Claims Fund

7.1 At its 16th session, in October 1993, the Assembly decided to levy annual contributions to the TAIKO MARU Major Claims Fund in the amount of £10 million (document FUND/A.16/32, paragraph 17.4). Invoices were issued for a total of £9 853 301; by 30 June 1994 a total of £9 807 402 had been received.

7.2 All known claims for compensation have been settled and paid for a total amount of £7 565 299. It is very unlikely that any further claims will be submitted. The total payments made so far by the IOPC Fund in respect of this incident amount to £7 724 131. Out of this amount, £915 317 was paid from the General Fund and £6 808 814 from the Major Claims Fund. Indemnification of the shipowner, ¥7 301 280 (£48 000), has not yet been paid, since the limitation proceedings have not been completed. It is estimated that there will be a surplus on the TAIKO MARU Major Claims Fund of approximately £3.0 million on 31 December 1994.

7.3 When it is established that there will be no further claims against the IOPC Fund arising out of this incident, the Director will submit a proposal to the Assembly in respect of the surplus on this Major Claims Fund. Any claims will become time-barred on 31 May 1999, at the expiry of the six year period laid down in Article 6 of the Fund Convention.

8 Action to be Taken by the Assembly

The Assembly is invited, in accordance with Article 12 of the Fund Convention, to:

- (a) take note of the information contained in this document;
- (b) decide in respect of:
 - (i) the assessment of 1994 annual contributions to the General Fund (paragraph 2.5);
Director's proposal: £10 million
 - (ii) the assessment of 1994 annual contributions to the HAVEN Major Claims Fund (paragraph 3.4);
Director's proposal: Nil

- (iii) the assessment of 1994 annual contributions to the AEGEAN SEA Major Claims Fund (paragraph 3.5);
Director's proposal: £15 million
- (iv) the assessment of 1994 annual contributions to the KEUMDONG N°5 Major Claims Fund (paragraph 3.7);
Director's proposal: £10 million
- (v) the date of payment of 1994 annual contributions to the General Fund and to the AEGEAN SEA and KEUMDONG N°5 Major Claims Funds (paragraph 4);
Director's proposal: 1 February 1995
- (c) take note of the Director's position that no 1994 annual contributions should be levied to the ATMOS, VISTABELLA and AGIP ABRUZZO Major Claims Funds (paragraphs 3.1, 3.2 and 3.3) and that no further levy in the form of 1994 annual contributions should be made to the BRAER Major Claims Fund (paragraph 3.6); and
- (d) take note of the situation in respect of the KASUGA MARU N°1, RIO ORINOCO and TAIKO MARU Major Claims Funds (paragraphs 5, 6 and 7).

* * *

ANNEX I

CLAIMS EXPENDITURE IN 1994 (General Fund)

(Figures in £ Sterling)

Incident	Compensation/Indemnification			Miscellaneous			1994	Total
	Paid by 31.12.93	Paid 1.1.94 – 30.6.94	Estimate 1.7.94 – 31.12.94	Paid by 31.12.93	Paid 1.1.94 – 30.6.94	Estimate 1.7.94 – 31.12.94	Total	
PATMOS	–	–	–	487 785	30 204	20 000	50 204	537 989
PORTFIELD	280 585	8 600	–	24 906	569	20 000	29 169	334 660
VISTABELLA	15 564	–	678 799*	27 202	1 527	20 000	700 326	743 092**
AGIP ABRUZZO	–	–	–	220 808	2 091	30 000	32 091	252 899
* KUMI MARU N°12	5 629	–	5 050	7	–	2 300	7 350	12 986
* AEGEAN SEA	–	–	268 228*	186 132	17 111	420 000	705 339	891 471**
* SAMBO N°11	168 952	14 527	–	38 801	5 870	–	20 397	228 150
RYOYO MARU	–	–	300 000	–	–	15 000	315 000	315 000
ILIAD	–	–	–	–	125	20 000	20 125	20 125
SEKI	–	–	–	–	–	20 000	20 000	20 000
DAITO MARU	–	–	30 000	–	–	5 000	35 000	35 000
Expenditure 1994							1 935 001	

* Remainder of first 15 million (gold) francs

** First 15 million (gold) francs

ANNEX II

CLAIMS THAT MAY HAVE TO BE PAID FROM THE GENERAL FUND DURING 1995 (estimates)

(Figures in £ Sterling)

Incident	Compensation/Indemnification	Miscellaneous	Total
PATMOS	-	30 000	30 000
AGIP ABRUZZO	490 677	20 000	510 677*
RYOYO MARU	-	10 000	10 000
ILIAD	-	20 000	20 000
SEKI	-	20 000	20 000
Expenditure 1995			590 677

* Remainder of first 15 million (gold) francs