

INTERNATIONAL OIL POLLUTION COMPENSATION FUND

FONDS INTERNATIONAL D'INDEMNISATION POUR LES DOMMAGES
DUS A LA POLLUTION PAR LES HYDROCARBURES

ASSEMBLY -
3rd session
Agenda item 17

FUND/A.3/15
19 March 1980
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RECORD OF DECISIONS

1. Adoption of the Agenda (Agenda item 1)

The Assembly adopted the Agenda as contained in document FUND/A.3/1.

2. Election of the Chairman and two Vice-Chairmen (Agenda item 2)

The Assembly elected the following delegates to hold office until the next regular session of the Assembly:

Chairman:	Mr. J. Bredholt (Denmark)
First Vice-Chairman:	Mr. I. Sindija (Yugoslavia)
Second Vice-Chairman:	Mr. H. Boussoffara (Tunisia)

3. Grant of Observer Status (Agenda item 3)

The following Contracting States were represented at the third session of the Assembly:

Algeria
Denmark
France
Federal Republic of Germany
Ghana
Indonesia
Italy
Japan
Liberia
Norway
Sweden
Syrian Arab Republic
Tunisia
United Kingdom
Yugoslavia

The following non-Contracting States participated as observers:

Belgium
Canada
Ecuador
Finland
Ireland
Netherlands
Panama
Poland
United States

The following inter-governmental organization participated as observer:

Inter-Governmental Maritime Consultative Organization (IMCO)

The Assembly decided to grant observer status to the following eight international non-governmental organizations:

Baltic and International Maritime Conference (BIMCO)
Comité Maritime International (CMI)
Oil Companies Institute for Marine Pollution Compensation Ltd
and Marine Pollution Compensation Services Ltd (CRISTAL)
International Chamber of Shipping (ICS)
Oil Companies International Marine Forum (OCIMF)
International Group of P & I Clubs
Permanent International Association of Navigation Congresses
(PIANC)
International Tanker Owners Pollution Federation Ltd (ITOPF)

4. Examination of Credentials (Agenda item 4)

The Director informed the Assembly that the representatives of all fifteen Contracting States participating had submitted credentials to the Fund and that they were in order.

5. Consideration of the Report of the Director (Agenda item 5)

The Assembly considered and discussed the Report of the Director and the oral explanations given by the Director.

The Assembly took note of the undertaking given by IMCO to offer the Fund a five-year lease at the new IMCO Headquarters, with the possibility of further renewal, and the Assembly expressed the wish that IMCO may, after having made a final assessment regarding the occupation of the new Headquarters, give the Fund a ten-year lease or, at least, something very close to this.

6. Consideration of Report on Investments (Agenda item 6)

The Assembly considered and discussed the Report on Investments contained in documents FUND/A.3/4 and FUND/A.3/4/Add.1.

7. Adoption of Financial Regulations (Agenda item 7)

The draft Financial Regulations (document FUND/A.3/5, Annex II) as proposed by the Intersessional Working Group were adopted with the following amendments:

Regulation 3.2: Deletion of the words:

"and of a statement of receipts and payments".

Regulation 5:

- (a) Deletion of the square brackets in Regulation 5.1(a)(ii) with the retention of the words in the brackets;
- (b) Deletion of the square brackets in Regulation 5.1(c)(i) with the retention of the words in the brackets;
- (c) Deletion of the words in square brackets in Regulation 5.2(b).

In this connection, it was decided by vote that the Fund Convention should be interpreted in such a way that special contributions in respect of claims referred to in Article 12.1 (i)(c) shall be levied only for the amount exceeding 15 million francs.

Regulation 7.1(b): It was decided that no list of banks should be established and Regulation 7.1(b) be worded as follows:

"The assets shall be placed on term deposit not exceeding one year with banks enjoying a high reputation and standing in the financial community".

Regulation 7.1(c): According to the amendment made to Regulation 7.1(b) it was decided that Regulation 7.1(c) be worded as follows:

"The maximum investment in any bank shall not normally exceed £2 million".

Regulation 8.5: The Assembly decided to delete the square brackets and retain the wording with the exception of the words "exceeding £x".

Regulation 9.3: The Assembly adopted the wording contained in document FUND/A.3/5/Add.1.

Regulation 10.9: The amendment proposed in document FUND/A.3/5/Add.1 was adopted.

Regulation 10.11(d): The Assembly decided to reword Regulation 10.11(d) as follows:

"that the internal controls are adequate for their purpose".

Regulation 10.15: The Assembly adopted the wording contained in document FUND/A.3/5/Add.1.

As to Regulations 4.2 and 4.3 the Assembly adopted the following limits:

Regulation 4.2: "The Director may exceed an appropriation in respect of any single class of expenditure, other than payments in respect of claims, by 5%".

Regulation 4.3: "Transfers between appropriations within chapters of the budget (Roman figures) may be made without limitation. Transfers between appropriations in the budget between chapters may be made up to 10%, calculated on the appropriation to which the transfer is made".

On request by the Director, the Assembly agreed that, contrary to Regulation 9.5 of the Financial Regulations, the Director may submit the books of accounts and financial statements for the financial period of 1978-79 to the External Auditor in the second half of April 1980.

8. Staff Regulations and Rules (Agenda item 8)

The Assembly took note of the information on the Staff Regulations and Staff Rules (document FUND/A.3/6) containing the Regulations and the Rules as elaborated by the Director on the basis of the decisions taken by the Assembly at its second session.

The Assembly requested the Director to investigate the question of whether it was possible and advisable to adopt for the Fund a system allowing for appeals against the decisions of the Appeals Board. The Director was asked to report on this question to the Assembly at its next session.

9. Amendment of Internal Regulations (Agenda item 9)

The Assembly adopted the amendments contained in document FUND/A.3/7.

10. Budget 1980 (Agenda item 10)

The budget as contained in document FUND/A.3/8 was adopted.

The Assembly agreed that a booklet should be published containing the 1969 CLC, the 1971 Fund Convention, the Protocols of 1976 thereto, the Internal Regulations, the Rules of Procedure and a list of Contracting States, together with an explanatory note. A publication in printed form of the Staff Regulations and Rules and of the Financial Regulations was not considered necessary.

11. Assessment of Annual Contributions (Agenda item 11)

The Assembly authorized the Executive Committee to assess annual contributions up to the maximum amount of \$11 million if this amount was needed for the settlement of claims arising out of the Antonio Gramsci incident.

12. Election of Members of the Executive Committee (Agenda item 12)

The following Members were elected Members of the Executive Committee:

Elected under
Article 22.2(b)

Federal Republic of Germany

Italy

Japan

Elected under
Article 22.2(a)

Ghana

Indonesia

Sweden

Syria

13. Possible Allocation of Functions to the Executive Committee
(Agenda item 13)

The Assembly decided to allocate the following functions to the Executive Committee:

- (a) Regulation 7.1 FinReg
 - to review the investment principles;
- (b) Regulations 8.4.2 and 9.6 IntReg
 - to authorize the Director to settle claims beyond the limits established in Regulations 8.4.1 and 9.5;
- (c) Regulation 8.7 IntReg
 - to authorize the Director to make provisional payments beyond the limits established in Regulation 8.6;
- (d) Regulation 10.1 IntReg
 - to consider the payment for the satisfaction of claims if annual contributions are not sufficient and the Director is unable to obtain loans on reasonable terms;
- (e) Regulation 3 StaffReg
 - to decide whether the privileges and immunities of the Director are to be waived;
- (f) Regulation 13 StaffReg
 - to approve the classification standards on the basis of which the Director can determine appropriate categories and grades for established posts;
- (g) Regulation 15 StaffReg
 - to determine the terms and conditions of service of the Director.

14. Replacement of Instruments Enumerated in Article 5.3 of the Fund Convention (Agenda item 14)

The Assembly decided to replace the International Convention for the Safety of Life at Sea, 1960, by the International Convention for the Safety of Life at Sea, 1974. This replacement shall take effect on 1 January 1981.

15. Date of Next Session (Agenda item 15)

The Assembly decided to hold its next meeting as an extraordinary session from 8 to 10 October 1980. Future sessions of the Assembly for the adoption of the budget should in principle be held in late September or early October each year.

16. Any Other Business (Agenda item 16)

- (a) The Assembly decided to set up an Intersessional Working Group to consider the subjects set forth in documents FUND/A.3/14 and FUND/A.3/WP.1 and matters relating thereto. This Working Group consists of France, Federal Republic of Germany, Indonesia, Italy, Japan, Liberia, Sweden and United Kingdom. The Netherlands, OCIMF and CRISTAL were admitted as observers.

The Director was requested to submit a background paper giving the necessary information for the discussions of this Working Group as regards the subject raised in document FUND/A.3/14.

- (b) The Director was requested by the Assembly to negotiate with the International Group of P & I Clubs with a view to concluding an agreement between the Fund and the P & I Clubs, similar to the one existing between some P & I Clubs and CRISTAL, i.e., that the P & I Clubs cover the total compensation with respect to claims out of pollution incidents exceeding the limits of the CLC but not exceeding a certain limit to be agreed upon.
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