INTERNATIONAL OIL POLLUTION COMPENSATION FUND

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

ASSEMBLY lst extraordinary session Agenda item 11 FUND/A/ES.1/9/1 13 August 1980 Original: ENGLISH

CONSIDERATION OF CERTAIN ASPECTS OF THE TERM "POLLUTION DAMAGE" (ARTICLE 1.2 FUND CONVENTION)

Note by the United Kingdom Delegation

- 1. In the Record of Decisions taken at its second session (FUND/EXC.2/6) the Executive Committee "noted that in the discussion on the settlement of the ANTONIO GRAMSCI incident, some major questions of principle arcse in connexion with the interpretation of the Fund Convention, in particular the recovery of costs of standing personnel and equipment, and the extent to which cleanup and restorative measures can be considered as being reasonable. The Executive Committee recommends further study of those and related questions by a body and at a time to be decided by the Assembly. In this connexion it requested the Director to collect relevant information including National Laws or Regulations".
 - 2. The United Kingdom delegation welcomes this recommendation and believes that the study should be put in hand as soon as possible. If agreement can be reached on such questions of principle at an early date, it will facilitate the speedy settlement of future claims a point to which the United Kingdom attaches considerable importance. Indeed, the proposed study should be of the Fund's

overall "claims policy" and include consideration of the scope for rapid payment of claims, particularly those which are not disputed.

- 3. We, therefore, propose that at its first extraordinary session the Assembly be invited to set up an intersessional working group to consider inter alia:
 - the recovery of costs of standing equipment and personnel, including the extent to which the general costs of establishing some public force, which can take effective action in the event of an incident, can be recovered;
 - the admissibility of claims for interest;
 - the extent to which clean-up and restorative measures should be regarded as admissible;
 - the scope for rapid payment of claims, particularly those which are undisputed.
- 4. We suggest that suitable terms of reference might be as follows:

 "To consider the Fund's general policy in respect of the
 admissibility and payment of claims, with particular regard
 to their expeditious settlement; and to report to the
 Executive Committee at its next meeting".