



INTERNATIONAL  
OIL POLLUTION  
COMPENSATION  
FUND

EXECUTIVE COMMITTEE  
31st session  
Agenda item 4

FUND/EXC.31/6  
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## INFORMATION ON OTHER INCIDENTS

### AGIP ABRUZZO

Note by the Director

#### **1** The Incident

1.1 Whilst lying at anchor two miles off the port of Livorno (Italy) on 10 April 1991, the Italian tanker AGIP ABRUZZO (98 544 GRT) was struck at night by the Italian ro-ro ferry MOBY PRINCE. Both vessels caught fire. All passengers and all crew members but one on board the ferry (143 persons in all) died, and the ferry was totally burned out. There were no fatalities on board the tanker, although some crew members were injured.

1.2 The AGIP ABRUZZO was carrying about 80 000 tonnes of Iranian light crude oil. As a result of the collision, the after end cargo tank on the starboard side was damaged and about 2 000 tonnes of cargo oil were lost, part of which was consumed by fire. The fire on board the tanker lasted seven days and destroyed the accommodation area and engine room. Explosions in the starboard bunker tank three days after the incident caused extensive structural damage to the ship and a subsequent loss of an unknown quantity of bunker fuel oil.

#### **2** Clean-up Operations and Salvage

2.1 Initially it was envisaged that the water from the flooded engine room and other spaces of the AGIP ABRUZZO would be pumped so as to reduce her draught sufficiently to make it possible to bring her into the port of Livorno to discharge the remainder of her cargo. However, due to difficulties that arose in preventing the engine room from flooding again, it was decided to conduct a ship-to-ship transfer of the cargo at the anchorage. The cargo transfer was carried out from 12 to 17 May, with several interruptions due to bad weather and operating difficulties. The AGIP ABRUZZO remained at the anchorage until 22 October 1991 when she was towed away, having been sold for scrap.

2.2 As a result of bad weather and the operations on board, further small releases of oil occurred some two weeks after the initial incident. The Italian Government then insisted that the number of vessels available for containment of oil at sea and recovery of floating oil be increased, and that these vessels should remain in place while the transfer of the cargo was being carried out.

2.3 Attempts to recover the oil at sea were partially successful, but difficulties were experienced due to the high viscosity of the burnt oil residue and because the spilt fuel oil was distributed over a wide area. The spilt oil eventually stranded over some 130 kilometres of shoreline, mostly north of Livorno, although the pollution was intermittent and for the most part consisted of a light scattering of tar balls.

2.4 Shoreline cleaning in the Livorno area was undertaken by local contractors. While most of these operations were completed by early June, before the beginning of the main tourist season, two areas required work to be continued through the summer. In addition, some localised re-oiling occurred, apparently as a result of heavy weather in June and again in August.

### **3 Limitation Proceedings**

The owner of the AGIP ABRUZZO (SNAM, a company belonging to the state owned ENI group) has not yet initiated limitation proceedings. It is estimated that the limitation amount applicable to the AGIP ABRUZZO under the Civil Liability Convention is approximately Lit 16 600 million (£7.5 million).

### **4 Claims for Compensation which have been Settled**

#### **Labromare and Neri**

4.1 At its 30th session the Executive Committee approved claims submitted by two Italian contractors, Labromare and Neri, for Lit 4 799 million (£2.2 million) and Lit 2 500 million (£1.1 million) respectively (document FUND/EXC.30/5, paragraph 4.2.4). The Labromare claim has been paid by the shipowner.

#### **Castalia**

4.2 RTI Castalia, an Italian contractor, carried out clean-up operations at sea and provided supply vessels, booms and skimmers in response to the requirements laid down by the Livorno Harbour Master. The total amount of the Castalia claim was Lit 11 352 880 984 (£5.1 million). The claim covered certain services carried out by a subcontractor (Logeco).

4.3 The Castalia claim was discussed at meetings with the claimant in November 1991 and in February and March 1992. The discussions dealt with whether certain operations were reasonable and whether the rates applied in respect of certain craft, equipment and personnel were reasonable. In particular, the Director questioned whether the number of vessels deployed during the later part of the operations were justified in view of the fact that the risk of serious pollution had decreased.

4.4 After protracted negotiations, this claim was settled in April 1992 at Lit 8 730 000 000 (£3 940 000). The Director made this settlement pursuant to the authorization given by the Executive Committee at its 30th session (document FUND/EXC.30/5, paragraph 4.2.5). The settlement agreement has not yet been completed.

4.5 At the meeting in November 1991, Castalia stated that a delay in the settlement of its claim would cause serious financial difficulties for the company and requested a substantial advance payment. For this reason, the owner of the AGIP ABRUZZO agreed, after consultation with the Director, to make an advance payment to Castalia of Lit 2 500 000 000 (£1.1 million).

### AAMPS

4.6 At its 30th session, the Executive Committee was notified of a claim by the Municipality of Livorno in the amount of Lit 230 359 720 (£104 000) (document FUND/EXC.30/4, paragraph 4.25). The Executive Committee authorised the Director to settle this claim (document FUND/EXC.30/5, paragraph 4.2.5). However, the claimant was in fact Azienda Autonoma Municipalizzata Pubblici Servizi (AAMPS), a wholly owned subsidiary of the Municipality which sells its services of rubbish disposal and removal to private companies and public bodies at tariffs approved by the Municipality.

4.7 After negotiations, the AAMPS claim was settled at Lit 180 000 000 (£81 300). This amount has been paid by the shipowner.

### Owner of Fishing Boat

4.8 The owner of a fishing boat submitted a claim in the amount of Lit 1 487 500 (£672) in respect of the costs associated with the cleaning and repainting of the hull after it had been contaminated by oil following this incident. This claim was settled at Lit 500 000 (£226). The Director approved this settlement pursuant to Internal Regulation 8.4.2, as amended by the Assembly at its 14th session (document FUND/A.14/23, paragraph 11.3).

## 5 Pending Claims

### SNAM

5.1 The shipowner (SNAM) has presented a claim in respect of services rendered in connection with this incident for an amount of Lit 10 303 035 703 (£4.7 million). This amount will probably be increased slightly. These services were partly rendered by SNAM and partly by 55 subcontractors which have been paid by SNAM. It is likely, however, that a significant part of this amount relates to operations that do not fall within the scope of application of the Civil Liability Convention and the Fund Convention. The supporting documents are being reviewed by the IOPC Fund Secretariat with the assistance of technical experts.

5.2 At its 30th session, the Executive Committee authorised the Director to settle the claim submitted by SNAM (document FUND/EXC.30/5, paragraph 4.2.6). At that stage, however, the claim presented by SNAM indicated a total amount of Lit 3 757 727 086 (£1.7 million) (document FUND/EXC.30/4, paragraph 4.22), corresponding to the payments made up to then by SNAM to a number of subcontractors. In view of the fact that the total amount of the claim is much higher than that on which the Executive Committee based its decision, the Director submits to the Executive Committee for consideration whether it would still be prepared to authorise him to settle the claim presented by SNAM.

### Labromare

5.3 Labromare has presented an additional claim in respect of the costs for disposal of collected oily waste in the amount of Lit 459 647 000 (£207 600). Documents in support of this claim are being reviewed by experts appointed by the shipowner and the IOPC Fund. At its 30th session, the Executive Committee authorised the Director to settle this claim (document FUND/EXC.30/5, paragraph 4.2.6).

### Bagni Roma

5.4 A claim has been received from a person operating a sea-bathing amenity in Livorno, Bagni Roma, in the amount of Lit 26 986 596 (£12 190). This claim, which relates to beach cleaning and restoration, is being examined by the IOPC Fund Secretariat with the assistance of technical experts.

### Italian Government

5.5 The Italian Government has informed the Director that it will submit a claim in respect of the operations of the various Government agencies involved in this incident. It is estimated that the costs for these operations will be in the region of Lit 2 000 million (£903 000). The Director has not yet been able to establish whether a claim relating to damage to the marine environment will be submitted by the Italian Government in respect of the AGIP ABRUZZO incident.

### Other Claims

5.6 It is possible that there will be some further claims from private individuals and small businesses.

## **6 Action to be Taken by the Executive Committee**

The Executive Committee is invited to:

- (a) take note of the information contained in this document; and
  - (b) consider whether to authorise the Director to settle the claim presented by SNAM (paragraphs 5.1 and 5.2 above).
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