

EXECUTIVE COMMITTEE 44th session Agenda item 3 FUND/EXC.44/12 15 September 1995

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INCIDENTS INVOLVING THE IOPC FUND

YEO MYUNG

Note by the Director

1 The incident

- 1.1 On 3 August 1995, the Korean tanker *Yeo Myung* (138 GRT), laden with some 440 tonnes of heavy fuel oil, collided with a tug which was towing a sand barge off Maemul Island, near Koeje Island (Republic of Korea).
- 1.2 Two of the tanker's cargo tanks were breached, and about 40 tonnes of oil were spilled. The oil drifted in a north-easterly direction and stranded at a number of locations on Koeje Island from 4 to 8 August. Many of these locations had been previously oiled as a result of the spill from the *Sea Prince* incident which occurred on 23 July, the clean-up of which was largely completed when the *Yeo Myung* incident took place. Rocks, breakwaters and harbour walls were stained and some beaches were polluted. The main tourist beaches on Koeje Island were not affected by the spill.
- 1.3 The *Yeo Myung* was entered with the North of England Protection and Indemnity Association Limited (The North of England P & I Club) for pollution risks.

2 Clean-up operations and impact on aquaculture, fishery and tourism

- 2.1 A Korean firm of surveyors was appointed by the IOPC Fund and the North of England P & I Club to monitor clean-up operations and to conduct investigations into potential damage to fisheries, mariculture and tourism. The International Tanker Owners Pollution Federation Ltd. (ITOPF), which had a representative on site in connection with the *Sea Prince* incident, also provided assistance.
- 2.2 In response to the spill, the Marine Police in Tongyoung initiated clean-up at sea using dispersants and sorbents. Shoreline clean-up was initially organised by officials from the Koeje City

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Hall using local labour. On 9 August the Marine Police and the Keoje City Hall handed over the clean-up to a specialised contractor, which continued to use local labour drawn from the inhabitants of the villages affected by the spill.

- 2.3 Since the oil from the *Sea Prince* and the oil from the *Yeo Myung* affected partly the same area, the surveyors acting in the two cases were asked to pay special attention to this aspect in monitoring the clean-up and disposal operations. A large number of pollution samples for hydrocarbon fingerprinting were taken in order to establish the sources of the pollution.
- 2.4 In addition to traditional fishery, mariculture is carried out in the area affected by the *Yeo Myung* incident, although not to the same extent as in the area around Sorido, where the *Sea Prince* grounded. At the time of the *Yeo Myung* incident, surveys of the fishery damage resulting from the *Sea Prince* incident had not been undertaken in the Koeje area. Consequently, the surveyors acting in respect of the two incidents conducted joint surveys in this area. Whilst there may be some overlap between the two cases, it should be possible to establish to a large extent the effects of each spill on the basis of circumstantial evidence and chemical analyses of pollution samples.
- 2.5 The total clean-up costs resulting from the *Yeo Myung* incident are expected to be in the region of Won 1 100 million (£900 000). It is not yet possible to estimate the level of damage to fisheries.

3 Claims for compensation

- 3.1 Claims for the cost of the clean-up operations have been received for a total of some Won 600 million (£500 000). Further claims are expected.
- 3.2 The shipowner has made provisional payments in respect of some of the above-mentioned claims, totalling Won 119 275 200 (£98 900). These payments were made after consultation with the Director.
- 3.3 The Director has examined the claims submitted, on the basis of the reports of the surveyors and technical experts. He is of the opinion that the payments made so far by the P & I Club relate to operations which fall within the definitions of "pollution damage" and "preventive measures" and that the amounts paid are reasonable.
- 3.3 The fishermen in the area have indicated that they will present claims for losses caused by the *Yeo Myung* incident for significant amounts.
- 3.4 The Executive Committee may wish to consider whether it is prepared to authorise the Director to make final settlement of all claims arising out of this incident, to the extent that these claims do not give rise to questions of principle which have not previously been decided by the Committee.

4 Limitation proceedings and investigation into the cause of the incident

- 4.1 The shipowner has not yet commenced limitation proceeding.
- 4.2 The limitation amount applicable to the Yeo Myung is estimated at Won 21 million (£17 300).
- 4.3 The Korean authorities are carrying out an investigation into the cause of the incident. The Director is following this investigation through the IOPC Fund's Korean lawyer.

5 Action to be taken by the Executive Committee

The Executive Committee is invited to:

- (a) take note of the information contained in this document;
- (b) give the Director such instructions as it may deem appropriate in respect of the handling of the claims arising out of this incident; and
- (c) authorise the Director to settle the claims arising out of this incident to the extent that the Committee deems appropriate.