



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND

EXECUTIVE COMMITTEE
46th session
Agenda item 4

FUND/EXC.46/6
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INFORMATION ON OTHER INCIDENTS

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 Koje 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 Koje 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 in progress when the *Yeo Myung* incident took place. Rocks, breakwaters and harbour walls were stained and some beaches were polluted. The main tourist beaches on Koje 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 (National Marine Surveyors and Consultants, NASCO) 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 Koje City Hall

using local labour. On 9 August the Marine Police and the Koje 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. As a result of the clean-up operations, large quantities of oily waste have been collected and disposed of.

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 Koje area. Consequently, the surveyors acting in respect of the two incidents conducted joint surveys in this area.

3 Consideration by the Executive Committee at its 44th session

3.1 At its 44th session, the Executive Committee authorised the Director to make final settlement of all claims arising out of this incident, to the extent that the claims did not give rise to question of principle which had not previously been decided by the Committee (document FUND/EXC.44/17, paragraph 3.9.2).

4 Claims for compensation

4.1 Claims have been received for a total of some Won 941 million (£798 610) for the cost of clean-up operations on Koje Island as a result of the *Sea Prince* and *Yeo Myung* incidents. Further claims are expected.

4.2 A claim for compensation has been made by the specialist contractor referred to in paragraph 2.2 for a total of Won 687 million (£583 050). After consultations with the Director, the North of England P & I Club made an advance payment of Won 120 million (£101 840) to this contractor on 11 September 1995.

4.3 It is possible that claims may be presented by some local clean-up operators in the Pusan area.

4.4 The fishermen have provisionally indicated that they will present claims for losses in the fishery and mariculture sector caused by the *Yeo Myung* incident in the region of Won 4 500 million (£3.8 million). They have also indicated claims for anticipated future losses amounting to about Won 15 300 million (£13 million). However, no documentation in support of the claims or the anticipated future losses has yet been provided.

4.5 In addition, the owners of set nets and fish farms have presented their claims separately for Won 644 million (£546 550) and an additional Won 1 671 million (£1.4 million) for anticipated future losses.

4.6 The Marine Police and the Koje City Hall have claimed compensation for the cost of their involvement in the clean-up operations for Won 29 million (£24 600) and Won 154 million (£130 700), respectively. The Marine Police has indicated that it will present claims for damaged booms and extra labour in the amounts of Won 15 million (£12 730) and Won 13 million (£11 030), respectively.

4.7 Local businesses in the tourist sector along the affected beaches have indicated that they will present claims for some Won 3 000 million (£2.5 million) for loss of income. It would appear that there is some overlap between these claims and corresponding claims arising out of the *Sea Prince* incident.

4.8 In September 1995, there was a red tide in the area affected by the oil from the *Sea Prince* and the *Yeo Myung*. The fisheries co-operative associations have maintained that this red tide, which caused massive damage to fisheries, resulted from the oil spill response to these two incidents, in particular the use of large quantities of dispersants. It is the view of the IOPC Fund's experts, however, that red tides are a common phenomenon in Korean waters in September and October and that they are caused by a combination of industrial pollutants, municipal waste and ambient sea temperatures at that time of the year.

4.9 The experts employed by the IOPC Fund and the P & I insurers of the *Yeo Myung* and the *Sea Prince* have examined how the distribution of the costs of clean-up operations carried out in certain areas should be made. They have considered it possible to make a clear separation between the incidents in respect of part of these operations. As regards some operations, the experts have recommended that the costs should be apportioned equally between the *Sea Prince* and the *Yeo Myung* incidents.

4.10 On the basis of the assessment made by the IOPC Fund's experts, the Director takes the view that the total amount of the established claims arising out of this incident is unlikely to exceed Won 3 000 million (£2.5 million). He has decided, therefore, that the established claims can be paid in full.

5 Limitation proceedings and investigation into the cause of the incident

5.1 The shipowner has not yet commenced limitation proceedings.

5.2 The limitation amount applicable to the *Yeo Myung* is estimated at Won 21 million (£17 820).

5.3 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.

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) give the Director such instructions as it may deem appropriate in respect of the handling of the claims arising out of this incident.
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