



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND

EXECUTIVE COMMITTEE
46th session
Agenda item 4

FUND/EXC.46/8
5 December 1995

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INFORMATION ON OTHER INCIDENTS

HONAM SAPPHIRE

Note by the Director

1 The incident

1.1 During berthing manoeuvres on 17 November 1995 at the crude oil terminal in Yosu (Republic of Korea), the fully laden Panamanian tanker *Honam Sapphire* (142,488 GRT) struck a fender, puncturing the N°2 port wing tank. An unknown quantity of Arabian heavy crude oil escaped from the damaged tank. The spilled oil drifted south and contaminated shorelines up to 30 kilometres away.

1.2 The *Honam Sapphire* was entered in the United Kingdom Steam Ship Assurance Association Ltd ("UK Club").

2 Clean-up operations and impact on mariculture and fisheries

2.1 The offshore clean-up operation was led by the Marine Police. A dozen Marine Police vessels and some fishing vessels were engaged in applying dispersants and sorbent material. Two helicopters were also used for spraying dispersants. By 23 November 1995, no more oil remained at sea.

2.2 The shoreline impact was comparatively light. On-shore clean-up using manual methods started on 21 November and is expected to continue for several weeks. Over 1 000 people are at work at about 15 different sites under the coordination of four different clean-up contractors. A fifth contractor has been appointed to dispose of collected oily waste at an incineration plant and approved landfill site.

2.3 Several floating fish farms and onshore hatcheries, set nets and common intertidal fishing areas were affected by the oil.

2.4 Some of the areas affected by the oil from the *Honam Sapphire* were also oiled in connection with the *Keumdong N°5* and *Sea Prince* incidents. However, no difficulty is expected in identifying the damage caused by the oil from the *Honam Sapphire*.

3 Claims for compensation

3.1 So far no claims for compensation have been presented.

3.2 It is not possible at this early stage to make any accurate estimate of the total amount of the pollution damage. However, according to the experts employed by the shipowner, the UK Club and the IOPC Fund, it is possible that the total amount of the established claims may stay below the limitation amount applicable to the *Honam Sapphire*.

3.3 The Director submits to the Executive Committee for consideration whether the Committee might be prepared to authorise him to make final settlement of all claims arising out of the *Honam Sapphire* incident, except to the extent that these claims give rise to questions of principle which have not yet been decided by the Committee. The Committee may also wish to consider whether, and, if so, to what extent the Director should be authorised to make any payments at this stage.

4 Limitation proceedings

4.1 The limitation amount applicable to the *Honam Sapphire* is 14 million SDR (£14 million).

4.2 The shipowner has not yet commenced limitation proceedings.

5 Investigation into the cause of the incident

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 lawyers.

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;
 - (b) give the Director such instructions as it may deem appropriate in respect of the handling of the claims arising out of this incident;
 - (c) authorise the Director to settle the claims arising out of this incident to the extent that the Committee deems appropriate; and
 - (d) give the Director instructions concerning the payment of claims.
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