

INTERNATIONAL OIL POLLUTION COMPENSATION FUND 1971

EXECUTIVE COMMITTEE 54th session Agenda item 3

71FUND/EXC.54/3/1 13 June 1997

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INCIDENTS INVOLVING THE 1971 FUND

SEA EMPRESS

Note by the United Kingdom Delegation

1 Introduction

- 1.1 In papers 71FUND/EXC.48/2/1, 71FUND/EXC.49/9/1 and 71FUND/EXC.52/7/1 the United Kingdom presented an analysis of likely total compensation payments following the *Sea Empress* incident. In these papers, we expressed our hope that the Fund would soon be in a position to make payments at 100% of eligible claims.
- 1.2 At the 53rd meeting of the Executive Committee, it emerged that claims for tourism losses were very unlikely to exceed £4 million. The Director's analysis at that meeting suggested that the fishery claims may be as high as £15 million.
- 1.3 At the 53rd meeting of the Executive Committee, it also became clear that up to an additional £20 million would be available for *Sea Empress* claimants from CRISTAL, in the event that the 1971 Fund limit of £51 million proved insufficient.
- 1.4 The following updated information is provided for the information of the Executive Committee.

Likely Claims (£ million)	Low	High
Clean-up operations	22	23
Preventive measures (salvage)	0	4
Fishing industry	8	10 [15*]
Tourism industry	2	4
TOTAL	32	41 [46*]

* - as with the Director's estimate at the 53rd Executive Committee. The UK has seen no evidence to suggest that the maximum figure for eligible claims will be over £10 million - the total annual value of the whole south-west Wales and Bristol Channel fisheries is £15 million.

2 <u>Conclusion</u>

The United Kingdom remains of the view that the total amounts of claims following the Sea Empress will not exceed the limit of liability for the shipowner and the 1971 Fund. In the light of this and the scope for some £20 million of additional funding being available from CRISTAL, we again urge the Committee to authorise the Director to make payments at 100% of eligible claims.