



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND 1971

EXECUTIVE COMMITTEE
62nd session
Agenda item 3

71FUND/EXC.62/13
13 October 1999
Original: ENGLISH

INCIDENTS INVOLVING THE 1971 FUND

OTHER INCIDENTS

Note by the Director

Summary:	In this document developments are considered regarding the following incidents: <i>Irving Whale</i> , <i>Vistabella</i> , <i>Iliad</i> , <i>Honam Sapphire</i> , <i>Kriti Sea</i> , <i>Plate Princess</i> , <i>Diamond Grace</i> , <i>Katja</i> , <i>Kyungham N°1</i> and <i>Maritza Sayalero</i> .
-----------------	---

Action to be taken:	Information to be noted.
----------------------------	--------------------------

1 *Irving Whale* (Canada, 7 September 1970)

The incident

1.1 While being towed, the Canadian registered oil barge *Irving Whale* loaded with 4 270 tonnes of heavy fuel oil sank on 7 September 1970 in approximately 67 metres of water in the Gulf of St Lawrence (Canada).

1.2 The 1971 Fund Convention entered into force in respect of Canada in April 1989.

1.3 Following the sinking, heavy fuel oil was released from the barge. Over the years, small quantities of oil continued to seep from the barge. In 1991 it was determined that there was still over 3 000 tonnes of oil on board, and the Canadian Government decided to raise the barge.

1.4 The barge was successfully refloated and removed in 1996. A small quantity of oil was released during the refloating operation. The cost of the preparations in 1995 and of the refloating operation in 1996 (including clean-up costs) amounted to some Can\$42 million (£17.5 million)^{<1>}.

Court proceedings

1.5 In 1997 the Canadian Government took action before the Federal Court of Canada against the owners and operators of the *Irving Whale*, claiming compensation for the costs referred to above, but not for the cost of the clean-up operations incurred in connection with the sinking of the *Irving Whale* in 1970. The defendants denied liability and formal defences were filed by all parties. The Government notified the 1971 Fund of the legal action.

1.6 The Canadian Government's claim was considered by the Executive Committee at its 58th session. The Committee took the view that, although the lifting of the barge was carried out in 1996, these operations should be considered as being part of the incident which had started with the sinking of the barge in 1970. The Committee noted that 'incident' was defined in the Conventions as any occurrence or series of occurrences having the same origin (Article I.8 of the 1969 Civil Liability Convention and Article 1.1 of the 1971 Fund Convention). In March 1998 the 1971 Fund submitted a note to the other parties involved in the court proceedings informing them that, in the Fund's view, the 1971 Fund Convention did not apply to this incident and giving the reasons therefor. The 1971 Fund requested the parties to acknowledge that the Fund had no involvement in this matter. However, the other parties were not prepared to make such an acknowledgement. The 1971 Fund therefore made a submission to the Court in September 1998 requesting the Court to declare by summary judgement that the 1971 Fund had no liability with regard to the *Irving Whale* incident.

1.8 At a Court hearing in December 1998 the Canadian Government contested certain arguments put forward by the 1971 Fund, including the argument that the claim was time-barred, but conceded that the 1971 Fund could not be liable for incidents which occurred before the entry into force of the 1971 Fund Convention in respect of Canada.

1.9 In December 1998 the Court dismissed the action against the 1971 Fund. It held that the 1971 Fund could not be liable for events occurring prior to the date of the entry into force of the 1971 Fund Convention in respect of Canada. The Court also held that, although it was not strictly necessary to decide the question, the claim against the 1971 Fund was time-barred. There has been no appeal against the Court's decision.

2 *Vistabella* (*Caribbean*, 7 March 1991)

The incident

2.1 While being towed, the sea-going barge *Vistabella* (1 090 GRT), registered in Trinidad and Tobago and carrying approximately 2 000 tonnes of heavy fuel oil, sank to a depth of over 600 metres, 15 miles south-east of Nevis. An unknown quantity of oil was spilled as a result of the incident, and the quantity, which remained in the barge, is not known.

2.2 The *Vistabella* was not entered in any P & I Club but was covered by a third party liability insurance with a Trinidad insurance company. The insurer argued that the insurance did not cover this incident. The limitation amount applicable to the ship was estimated at FF2 354 000 (£230 000). No limitation fund was established. It was unlikely that the shipowner would be able to meet his obligations under the 1969 Civil Liability Convention without effective insurance cover. The shipowner and his insurer did not respond to invitations to co-operate in the claim settlement procedure.

2.3 The 1971 Fund paid compensation amounting to FF8.1 million (£986 500) to the French Government in respect of clean-up operations. Compensation was paid to private claimants in

<1> In this document, the conversion of currencies has been made on the basis of the rate of exchange at 20 September 1999, except in respect of amounts paid by the 1971 Fund where conversion has been made at the rate on the date of payment.

St Barthélemy and the British Virgin Islands and to the authorities of the British Virgin Islands for a total of some £14 250.

Court proceedings

2.4 The French Government brought legal action against the owner of the *Vistabella* and his insurer in the Court of first instance in Basse-Terre (Guadeloupe), claiming compensation for clean-up operations carried out by the French Navy. The 1971 Fund intervened in the proceedings and acquired by subrogation the French Government's claim. The French Government withdrew from the proceedings.

2.5 In a judgement rendered in 1996, the Court of first instance held that the 1969 Civil Liability Convention was not applicable, since the *Vistabella* had been flying the flag of a State (Trinidad and Tobago) which was not Party to that Convention, and instead the Court applied French domestic law. The Court accepted that, on the basis of subrogation, the 1971 Fund had a right of action against the shipowner and a right of direct action against his insurer. The Court held that it was not competent to consider the 1971 Fund's recourse claim for damage caused in the British Virgin Islands. The Court awarded the Fund the right to recover the total amount which it had paid for damage caused in the French territories.

2.6 The 1971 Fund took the view that the judgement was wrong on two points. Firstly, the 1969 Civil Liability Convention which formed part of French law applied to damage caused in a State Party to that Convention, and this was independent of the State of the ship's registry. Secondly, the French courts were competent under that Convention to consider claims for damage in any State Party (including the British Virgin Islands). The 1971 Fund decided nevertheless not to appeal against this judgement as regards the applicability of the 1969 Civil Liability Convention, as it would hardly have any value as a precedent in other cases, since the Court had awarded the 1971 Fund the total amount paid by it for damage in the French territories and as the amount paid by the Fund for damage outside those territories was insignificant.

2.7 The shipowner and the insurer appealed against the judgement.

2.8 The Court of Appeal rendered its judgement on 23 March 1998. In the judgement - which dealt mainly with procedural issues - the Court of Appeal held that the 1969 Civil Liability Convention applied to the incident, since the criterion for applicability was the place of the damage and not the flag State of the ship concerned. The Court further held that the Convention applied to the direct action by the 1971 Fund against the insurer. It was held that this applied also in respect of an insurer with whom the shipowner had taken out insurance although not having been obliged to do so, since the ship was carrying less than 2 000 tonnes of oil in bulk as cargo.

2.9 The case has been referred back to the Court of first instance which will have to decide on the merits of the case as regards the direct action taken by the 1971 Fund against the insurer.

3 **Iliad**
(Greece, 9 October 1993)

The incident

3.1 The Greek tanker *Iliad* (33 837 GRT) grounded on rocks close to Sfaktiria island after leaving the port of Pylos (Greece). The *Iliad* was carrying about 80 000 tonnes of Syrian light crude oil, and some 200 tonnes was spilled. The Greek national contingency plan was activated and the spill was cleaned up relatively rapidly.

3.2 In March 1994 the shipowner's P & I insurer established a limitation fund amounting to Drs 1 496 533 000 (£2.9 million) with the competent court by the deposit of a bank guarantee. One claimant took legal action to challenge the shipowner's right to limit his liability. The Court of first instance rejected this action. The claimant appealed against that decision but the appeal was rejected.

3.3 The Court decided that claims should be lodged by 20 January 1995. By that date, 527 claims had been presented, totalling Drs 3 071 million (£6 million) plus Drs 378 million (£740 000) for compensation of 'moral damage'.

3.4 The Court appointed a liquidator to examine the claims in the limitation proceedings. It is expected that this examination will be completed in the near future.

3.5 Claims against the 1971 Fund in respect of this incident became time-barred on or shortly after 9 October 1996. With the exception of an owner of a fish farm, the shipowner and the P & I insurer who have claims totalling Drs 1 339 million (£2.6 million), the claimants failed to take action against the 1971 Fund or to notify the Fund formally of an action brought against the shipowner and his insurer.

3.6 The shipowner and his insurer have taken legal action against the 1971 Fund in order to prevent their rights to reimbursement from the Fund for any compensation payments in excess of the shipowner's limitation amount and to indemnification under Article 5.1 of the 1971 Fund Convention from becoming time-barred.

4 **Honam Sapphire** (Republic of Korea, 17 November 1995)

The incident

4.1 During berthing manoeuvres at the oil terminal in Yosu (Republic of Korea), the fully laden Panamanian tanker *Honam Sapphire* (142 488 GRT) struck a fender, puncturing a tank. An unknown quantity of heavy crude oil escaped from the damaged tank. The spilt oil drifted south and contaminated shorelines up to 30 kilometres away, and there was also a slight impact on an island 50 kilometres from the site of the incident.

4.2 The offshore clean-up operations were led by the Marine Police. The onshore impact was in most areas comparatively light and the onshore clean-up operations were completed in many areas by early January 1996, although in the most heavily polluted areas the operations continued until March 1996.

Claims for compensation

4.3 Claims for clean-up costs were presented by various local authorities and contractors for a total amount of Won 9 727 million (£4.9 million). Fishery-related claims were submitted totalling Won 49 115 million (£25 million).

4.4 All claims but one have been settled by the shipowner/insurer for a total of US\$13.5 million (£8.4 million). The outstanding claim is for costs of US\$1 million (£630 000) for post-spill environmental studies relating to both the *Honam Sapphire* and *Sea Prince* incidents (cf document 71FUND/EXC.62/6, paragraphs 2.26 and 2.27).

4.5 The limitation amount applicable to the *Honam Sapphire* is 14 million SDR (£11.8 million). The 1971 Fund will not therefore be called upon to make any payments in respect of this incident.

5 **Kriti Sea** (Greece, 9 August 1996)

5.1 The Greek tanker *Kriti Sea* (62 678 GRT) spilled 20 - 50 tonnes of Arabian light crude while discharging at an oil terminal in the port of Agioi Theodori (Greece) some 40 kilometres west of Piraeus. Rocky shores and stretches of beach were oiled, seven fish farms were affected and the hulls of pleasure craft and fishing vessels in the area sustained oiling.

5.2 Clean-up operations were undertaken by the staff of the terminal and by contractors engaged by the shipowner, the Ministry of Merchant Marine and the local authorities.

5.3 The limitation amount applicable to the *Kriti Sea* is estimated at Drs 2 241 million (£4.4 million). The shipowner established the limitation fund in December 1996 by means of a bank guarantee.

5.4 The shipowner and his P & I insurer (the United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Ltd (UK Club)), and the administrator appointed by the Court to examine claims against the limitation fund were notified of claims totalling Drs 4 054 million (£7.9 million). The administrator reported on his examination of the claims in March 1999. The total amount of the claims accepted by the administrator was Drs 1 130 million (£2.2 million).

5.5 The experts engaged by the UK Club and the Fund do not agree with a number of the assessments carried out by the administrator. Appeals have been lodged in court by the shipowner, the Club and the 1971 Fund in respect of those claims.

5.6 A number of claimants have appealed against the decision of the administrator and the amounts set out in the appeals total Drs 2 680 million (£5.3 million).

5.7 A hearing on the appeals has been fixed for 16 December 1999.

5.8 On 6 September 1999, lawyers representing the shipowner and his insurer served a writ on the 1971 Fund in respect of claims in excess of the shipowner's limitation fund as well as a claim for indemnification in the amount of Drs 556 million (£1.1 million).

6 Plate Princess (Venezuela, 27 May 1997)

The incident

6.1 The Maltese tanker *Plate Princess* (30 423 GRT) was berthed at an oil terminal at Puerto Miranda on Lake Maracaibo (Venezuela). While the ship was loading a cargo of 44 250 tonnes of Lagotreco crude oil, some 3.2 tonnes was reportedly spilled.

6.2 A few days before the incident satisfactory examinations of the *Plate Princess*' cargo tanks and ballast tanks had been carried out by an independent inspector and by a pollution inspector. Following the ballast tank inspection, the master had been granted permission by a government inspector to discharge the ballast into Lake Maracaibo.

6.3 The master of the *Plate Princess* reported that he believed that couplings on the ship's ballast line might have become loose during bad weather encountered on the ship's voyage to Puerto Miranda. The master suspected that, since the ballast line passed through the tanks into which the cargo of crude was being loaded, oil from those tanks seeped into the ballast line during deballasting, spilling into Lake Maracaibo.

6.4 An expert engaged by the 1971 Fund and the shipowner's P & I insurer attended the site of the incident on 7 June 1997 and reported that there were no signs of oil pollution in the immediate vicinity of where the *Plate Princess* was berthed at the time of the spill, nor at nearby launch and tug jetties. The expert was informed that the oil was observed to drift towards the north-west, in the direction of a small stand of mangroves approximately one kilometre away. Oil was observed coming ashore in an area which was uninhabited. No fishery or other economic resources are known to have been contaminated or affected.

6.5 The limitation amount applicable to the *Plate Princess* under the 1969 Civil Liability Convention is estimated at 3.6 million SDR (£2.9 million).

6.6 In June 1997 the Executive Committee considered that, if it were confirmed that the spilt oil was the same Lagotreco crude as was being loaded on to the *Plate Princess*, then it would appear that the oil which escaped via a defective coupling in the ballast line had first been loaded into the cargo tanks. The Committee took the view that the incident would therefore fall within the scope of the Conventions, as the oil was carried on board as cargo.

Court proceedings

6.7 Immediately after the incident a Criminal Court of first instance in Cabimas commenced an investigation into the cause of the incident. The Criminal Court decided that criminal proceedings should be brought against the master of the *Plate Princess*.

6.8 A fishermen's trade union (FETRAPESCA) has presented a petition in the Criminal Court on behalf of 1 692 fishing boat owners, claiming an estimated US\$10 060 per boat (£6 100), ie a total of US\$17 million (£10 million). The claim is for alleged damage to fishing boats and nets and for loss of earnings.

6.9 FETRAPESCA has also presented a claim against the shipowner and the master of the *Plate Princess* before the Civil Court of Caracas for an estimated amount of US\$10 million (£6 million). The claim is for the fishermen's loss of income as a result of the spill.

6.10 A local fishermen's union has presented a claim in the Civil Court in Caracas against the shipowner and the master of the *Plate Princess* for an estimated amount of US\$20 million (£12 million) plus legal costs.

6.11 The 1971 Fund has not been notified of the legal actions.

6.12 The master and the shipowner have filed a motion before the Civil Court of Caracas requesting that the Court should declare that it does not have jurisdiction over actions brought as a result of the *Plate Princess* incident and that the Criminal Court of Cabimas has exclusive jurisdiction over all such actions because the incident occurred within the area over which the Criminal Court has jurisdiction. They have also maintained that the action in the Caracas Court should in any case be dismissed, since the Criminal Court is already carrying out an investigation into the circumstances of the spill. So far, no decision has been taken on the motion.

6.13 There has been no progress in the court proceedings during 1998.

7 Diamond Grace (Japan, 2 July 1997)

7.1 The Panamanian tanker *Diamond Grace* (147 012 GRT), carrying a cargo of about 257 000 tonnes of crude oil, grounded in Tokyo Bay (Japan). As a result, the shell plating of three starboard tanks was fractured and crude oil spilled into the sea. Initial estimates of the quantity of oil spilled were in the region of 15 000 tonnes, but the estimate was revised to 1 500 tonnes when much of the cargo reported missing from one of the starboard tanks was located in a ballast tank.

7.2 The *Diamond Grace* was registered in Panama which at the time of the incident was Party to the 1969 Civil Liability Convention but not to the 1992 Civil Liability Convention. The shipowner's right of limitation is therefore governed by the 1969 Civil Liability Convention to which both Japan and Panama were Parties.

7.3 The limitation amount applicable to the *Diamond Grace* under the 1969 Civil Liability Convention is 14 million SDR, corresponding to approximately ¥2 060 million (£11.8 million).

7.4 Immediately after the incident there were fears that the incident would give rise to claims for compensation for very high amounts. The 1971 Fund and the shipowner's P & I insurer therefore jointly set up a Claims Handling Office in Tokyo.

7.5 The Claims Handling Office has received 77 claims totalling ¥2 138 million (£12.4 million). Out of this amount, ¥1 356 million (£7.9 million) relates to clean-up operations and ¥592 million (£3.4 million) to fishery damage. Sixty-two claims have been settled for a total of ¥980 million (£5.7 million). The outstanding claims total ¥702 million (£4.1 million).

7.6 It is unlikely that there will be any further claims for significant amounts. It is likely, therefore, that the total amount of the claims will not exceed the limitation amount applicable to the *Diamond Grace* and that the 1971 Fund will not be called upon to make any payments in respect of this incident.

8 **Katja**
(France, 7 August 1997)

8.1 The Bahamas tanker *Katja* (52 079 GRT) struck a quay while manoeuvring into a berth at the Port of Le Havre (France). The contact with the quay caused a hole in a fuel oil tank, and 190 tonnes of heavy fuel oil was spilled. Booms were placed around the berth, but oil escaped from the port and affected beaches both to the north and to the south of Le Havre. Approximately 15 kilometres of quay and other structures within the port were contaminated. Oil entered a marina at the entrance to the port and many pleasure boats were polluted. Oil was also found in the area of the port where a new harbour for inshore fishing boats was being constructed.

8.2 Clean-up operations within the port area were arranged by the port authority and the operators of various berths. The operations were undertaken by local contractors. The cleaning of the beaches was organised by the local authorities using local contractors, the fire brigade and the army. Bathing and watersports were prohibited for a short time (one or two days) while oil remained on the beaches. Some shrimp fishermen from Le Havre were prevented from storing their catch in the port, as is their custom.

8.3 At the time of the incident, the Bahamas was not Party to the 1992 Civil Liability Convention. The limitation amount applicable to the *Katja* is therefore to be determined in accordance with the 1969 Civil Liability Convention and is estimated at FFr48 million (£5.2 million).

8.4 Claims for compensation have been presented for the cost of clean-up operations incurred by the regional and local authorities in the amount of FFr17.3 million (£1.8 million).

8.5 A number of claims have been presented for damage to property in the amount of FFr7.8 million (£821 000) and for loss of income in the amount of FFr1.2 million (£130 000).

8.6 It is expected that all claims will be settled for an amount significantly lower than the limitation amount which applies to the *Katja* under the 1969 Civil Liability Convention. It is not expected, therefore, that the 1971 Fund will be called upon to make any payments in this case.

9 **Kyungnam N°1**
(Republic of Korea, 7 November 1997)

The incident

9.1 The coastal tanker *Kyungnam N°1* (168 GRT), registered in the Republic of Korea, ran aground off Ulsan (Republic of Korea). The Marine Police estimated that about one tonne of cargo oil was spilled. The 1971 Fund's experts estimate, however, that there was a spill of some 15 - 20 tonnes. The spilt oil affected several kilometres of rocky shoreline.

9.2 There are significant aquaculture activities along the affected coast. Some sea mustard farms and some set nets were contaminated, as well as 20 - 30 small fishing vessels which were moored in the area at the time of the incident.

9.3 Offshore clean-up operations were carried out by the Marine Police. Local fishermen and divers were engaged by the shipowner to carry out manual clean-up operations on shore.

Claims for compensation

9.4 So far 31 claims totalling Won 971 million (£500 000) have been submitted. Twenty-eight of these claims totalling Won 963 million (£494 000) have been assessed by the 1971 Fund at Won 228 million (£117 000). The three remaining claims are being examined.

9.5 The shipowner made payments of compensation to six claimants at amounts higher than those assessed by the 1971 Fund. As a result, the shipowner has waived his right of subrogation against the limitation fund in respect of the six claims.

9.6 At its 60th session the Executive Committee decided that, in view of the relatively small amounts involved, the 1971 Fund should pay all established claims in full and present subrogated claims against the shipowner's limitation fund (document 71FUND/EXC.60/17, paragraph 3.11.2).

9.7 As a result of that decision, the 1971 Fund paid Won 225 million (£116 000) to 11 claimants in June 1999. One assessment in respect of a clean-up claim has not been accepted by the claimant.

Limitation proceedings

9.8 The Ulsan District Court fixed the limitation amount applicable to the *Kyungnam N°1* at Won 43 543 015 (£22 355). The shipowner deposited this amount in court.

9.9 The Court decided that claims in the limitation proceedings should be filed by 17 August 1998. In August 1998 the 1971 Fund filed subrogated claims with the limitation court for Won 449 million (£230 000), comprising Won 207 million (£106 000) for clean-up costs and Won 242 million (£124 000) for fishery claims. These claims were those known to the 1971 Fund at that time. Six other claimants also filed claims for clean-up costs totalling Won 212 million (£108 800), and one fishery association presented a claim for Won 752 million (£386 000). The claims filed in court total Won 965 (£495 000).

9.10 The limitation court is waiting for the 1971 Fund's experts to finalise their assessments of the outstanding claims before closing the limitation proceedings.

10 Maritza Sayalero (Venezuela, 8 June 1998)

The incident

10.1 The Panamanian tanker *Maritza Sayalero* (28 338 GRT) was berthed at an oil terminal at Carenero Bay (Venezuela) operated by Petroleos de Venezuela SA (PDVSA), the national oil company, where it was to discharge its cargo. While the tanker was discharging medium diesel oil, a member of the crew observed a slick of oil of about 140 m² on the port side of the ship. The crew stopped the discharging operation. On the basis of shore tank and ship's cargo tank measurements it was estimated that 262 tonnes of medium diesel was lost from the tanker and a further 699 tonnes of medium diesel was lost from the terminal.

10.2 A diver checked the hoses and found two ruptures on the submarine hose used to discharge the medium diesel. This hose, which belonged to the oil terminal, consisted of six pieces of flexible hose of about 9 metres each, hooked together by bolts. One end of this set of hoses was connected to the shore submarine pipeline and the other to the vessel's manifold. The ruptures were located in the second and third hoses from the end which was connected to the shore submarine pipeline. The distance between the tanker and the rupture was approximately 40 metres.

Clean-up operations

10.3 Under the Venezuelan National Contingency Plan for Oil Pollution, PDVSA is responsible for implementing oil spill response measures in Carenero Bay. PDVSA activated the contingency plan and booms were deployed to protect sensitive areas. A small quantity of spilt medium diesel reached a nearby beach and reportedly affected bivalves living in the intertidal zone. Clean-up operations were carried out on the affected beaches. PDVSA instructed three Venezuelan bodies to assess the damage caused to the environment.

Impact on fishing and tourism

10.4 Although it appears that there was minimal impact on fishing and tourism, PDVSA has estimated that the claims for commercial losses will be in the region of US\$700 000 (£425 000). It is understood that PDVSA has settled some claims. There has not been any consultation between PDVSA and the 1971 Fund with regard to claim settlements.

Court proceedings

10.5 The town of Brion presented a claim for compensation against the terminal operator, PDVSA, the shipowner and his P & I insurer before the Supreme Court in Caracas for an estimated amount of Bs10 000 million (£10.6 million) plus legal costs. The town of Brion requested that the Court should notify the 1971 Fund of the proceedings. The 1971 Fund has not yet been notified of this action.

Applicability of the Conventions

10.6 At its October 1998 session the Executive Committee noted that the spill emanated from a hose belonging to the oil terminal that had ruptured at a distance of approximately 40 metres from the ship's manifold. The Committee considered that the maritime transport of the oil had been completed and that the oil could not be considered as being carried by the *Maritza Sayalero* at the time of the spill. For this reason the Committee decided that the incident fell outside the scope of application of the 1969 Civil Liability Convention and the 1971 Fund Convention (document 71Fund/EXC.59/17, paragraph 3.13.2).

10.7 The 1969 Civil Liability Convention and the 1971 Fund Convention apply only to spills of oil falling within the definition of 'oil' in Article I.5 of the 1969 Civil Liability Convention which covers only persistent oil. The 1971 Fund has elaborated a non-technical guide to the nature and definition of persistent oil, which was considered by the Assembly in 1981. Under this guide an oil is considered non-persistent if at the time of shipment at least 50% of the hydrocarbon fractions, by volume, distill at a temperature of 340°C and at least 95% of the hydrocarbon fractions, by volume, distill at a temperature of 370°C. The Committee noted in October 1998 that the analysis of a sample of the medium diesel oil taken from one of the ship's cargo tanks had shown that the oil was non-persistent. The Committee therefore decided that, for this reason also, the incident fell outside the scope of application of the Conventions (document 71FUND/EXC.59/17, paragraph 3.13.3).

Limitation proceedings

10.8 The shipowner has not yet commenced limitation proceedings.

10.9 If the 1969 Civil Liability Convention were to apply to the incident, the limitation amount applicable to the *Maritza Sayalero* would be in the region of 3 million SDR (£2.5 million).

Investigations into the cause of the incident

10.10 A criminal first instance Court in Miranda is carrying out an investigation into the cause of the incident. The Court will determine whether anyone has incurred criminal liability as a result of the incident.

10.11 An investigation by the shipowner's insurer into the cause of the incident has ruled out any fault or negligence on the part of the vessel.

11 Action to be taken by the Executive Committee

The Executive Committee is invited to take note of the information contained in this document.
