INTERNATIONAL OIL POLLUTION
COMPENSATION FUND 1992

92FUND/A.1/27
10 May 1996
Original: ENGLISH

ASSEMBLY
1st session
Agenda item 27

WORKING CAPITAL

Note by the Director of the International Oil Pollution Compensation Fund

1 In accordance with proposed Financial Regulation 8.1(b) (cf document 92FUND/A.1/24), the 1992 Fund shall maintain a working capital at such a level as the Assembly may decide from time to time. The working capital is required to cover claim payments not included in the estimated expenses for minor claims, and to make loans to major claims funds for the satisfaction of claims to the extent that sufficient money is not available in the major claims funds in question.

2 As indicated in document 92FUND/A.1/28, it is proposed that the Assembly should postpone the first levy of contributions until an extraordinary session, to be held in October 1996, by which time the Assembly would be in a better position to assess an appropriate level for contributions. For the same reason, it is proposed that the Assembly should postpone its decision on the level at which the 1992 Fund's working capital should be maintained.

Action to be taken by the Assembly

3 The Assembly is invited to consider whether to decide on the level of the 1992 Fund's working capital at its present session or to defer that decision to its next session.