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WORKING METHODS OF THE SECRETARIAT

Note by the Director

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| Summary: | Details are given of the steps taken to improve the efficiency of the Secretariat, to make optimum use of the Secretariat resources and to ensure the best possible service to Member States, victims of oil pollution damage, contributors and society at large. The Director sets out his intentions as to the further development of the operations of the Secretariat so as to use the full potential of staff members. |
| Action to be taken: | (a) to note the Director's intentions as regards measures to be taken to increase the efficiency of the Secretariat; and (b) to give the Director such instructions in respect of the issues dealt with in this document as appropriate. |

1 Introduction

The Director has continued his efforts to increase the efficiency of the Secretariat and has reassessed the Secretariat's working methods. In this document the Director reports on recent developments and sets out his intentions as to further developments in this regard.

2 Structure established in 1998

- 2.1 At their sessions in April/May 1998, the 1992 and 1971 Fund Assemblies took a number of decisions relating to a new structure of the Secretariat, the introduction of new working methods and the strengthening of the Funds' activities in certain fields (documents 92FUND/A/ES.3/21, paragraph 8 and 71FUND/A/ES.4/16, paragraph 4). The decisions were based on a review carried out by two external consultant firms and proposals presented by the Director in the light of the consultants' report (documents 71FUND/A/ES.4/3, 71FUND/A/ES.4/3/1 and 92FUND/A/ES.3/7). The progressive implementation of the Assemblies' decisions commenced in the autumn of 1998.

- 2.2 The Director reported on the developments of the Secretariat's working methods to the governing bodies at their October 2001 sessions (documents 92FUND/A.5/28, paragraph 17.8 and 71FUND/AC.2/A.23/22, paragraph 15.8).

3 Consideration by the governing bodies at their October 2001 sessions

- 3.1 At their October 2001 sessions the governing bodies considered a document presented by the Director on the working methods and structure of the Secretariat (document 92FUND/A.6/15 and 71FUND/A.24/14).
- 3.2 The governing bodies took *inter alia* the following decisions (document 92FUND/A.6/28, paragraph 17.2 and 71FUND/ A.24/22, paragraph 16.2):
- (a) to approve the Director's proposal to establish a network of persons in various regions and sub-regions serving as contact points;
 - (b) to separate the roles of Technical Adviser and Head of the Claims Department;
 - (c) to instruct the Director to appoint a Deputy Director;
 - (d) to create an additional post in the General Service category in the External Relations and Conference Department;
- as regards items (b) – (d) with effect from 1 January 2002.
- 3.3 As regards the post of Deputy Director, the governing bodies instructed the Director to appoint one of the staff members to that post and indicated the qualifications of the person to be appointed. The governing bodies also instructed the Director to develop a clear job description for the Deputy Director and inform the governing bodies on this issue at its next session.
- 3.4 The governing bodies authorised the Director to create positions in the General Service category as required provided that the resulting cost would not exceed 10% of the figure for salaries in the budget.

4 Appointment of Deputy Director/Technical Adviser

At their April/May 2002 sessions, the governing bodies noted that the Director had appointed Mr Joseph Nichols as Deputy Director/Technical Adviser and took note of the job description issued by the Director for this post as set out in document 92FUND/A/ES.6/7. It was also noted that the Director had appointed Mr José Maura as Head of the Claims Department in succession to Mr Nichols (documents 92FUND/A/ES.6/10, paragraph 8 and 71FUND/AC.7/A/ES.9/14, paragraph 7).

5 Present structure of the Secretariat

- 5.1 The Secretariat has budgetary appropriations for 30 staff members, 16 in the Professional and higher categories and 14 in the General Service category as detailed in paragraph 5.5 below.
- 5.2 The Secretariat is structured in departments, namely the Claims Department, the Finance and Administration Department and the External Relations and Conference Department. The Director's Office, which is outside the departmental structure, comprises the Director, the Deputy Director/Technical Adviser, the Legal Counsel, the Director's Personal Assistant and a Secretary to the Deputy Director/Technical Adviser and to the Legal Counsel.
- 5.3 The Director, the Deputy Director/Technical Adviser, the Legal Counsel and the three Heads of Department comprise a Management Team which manages the operation of the Organisations.
- 5.4 Under the structure established by the Assemblies, the Director delegates considerable authority to the Deputy Director/Technical Adviser, the Legal Counsel and the Heads of Departments, within the limits laid down by the governing bodies in the Internal and Financial Regulations.

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This has enabled the Director to concentrate on matters of major strategic importance, policy issues, long term planning and high level contacts with governments.

- 5.5 The present staffing of the Secretariat is set out in the table below. An organisation chart showing the structure is at the Annex.

| Posts | Staffing Approved by Assembly |
|--|----------------------------------|
| Professional Staff Group | |
| Director | 1 |
| Deputy Director/Technical Adviser | 1 |
| Legal Counsel | 1 |
| Head, Claims Department | 1 |
| Claims Managers (one working part-time, one post vacant) | 3 |
| Head, Finance & Administration Department | 1 |
| Finance Officer | 1 |
| IT Officer | 1 |
| Personnel Administrator (part-time) | 1 |
| Office Administrator | 1 |
| Head, External Relations & Conference Department | 1 |
| Senior French Translator/Reviser | 1 |
| Publications/Conference Administrator | 1 |
| Spanish Translator (vacant) | 1 |
| <i>Sub-total</i> | <i>16</i> |
| General Service Staff Group | |
| <i>Director's Office</i> | |
| Personal Assistant to the Director | 1 |
| Secretary to the Deputy Director/Technical Adviser and Legal Counsel | 1 |
| <i>Claims Department</i> | |
| Claims Administrators | 2 |
| Claims Assistant | 1 |
| <i>Finance & Administration Department:</i> | |
| Accounts Assistants | 2 |
| IT Administrator | 1 |
| Office Assistant | 1 |
| Receptionist | 1 |
| <i>External Relations & Conference Department</i> | |
| Translation Assistants | 2 |
| External Relations Administrator | 1 |
| Secretary/Administrative Assistant | 1 |
| <i>Sub-total</i> | <i>14</i> |
| Established posts | 30 |
| Posts vacant | 2 |

- 5.6 In connection with the approval of the 2000 budget, the governing bodies authorised the Director to engage a Spanish translator on a temporary basis on contract for a period of up to one year

which would make it possible to assess whether the Funds should create a permanent post of Spanish translator. However, the Director has not used this authority since he considers that the volume of Spanish translation work does not yet make the employment of an in-house translator cost effective.

5.7 One post of Claims Manager is also vacant.

6 Changes in staff and promotions since the October 2001 sessions

6.1 At its October 1998 session, the 1992 Fund authorised the Director to determine the grades of individual posts in the general service category and in the professional category up to grade P5 and to decide on promotions for these categories, provided that the increased costs resulting therefrom could be covered within the total budget appropriation for Personnel adopted by the Assembly. It was decided that decisions relating to grades above the P5 level (ie grades D1 and D2) would be taken by the Assembly, on the basis of proposals by the Director (document 92FUND/A.3/27, paragraph 23.6; cf document 71FUND/EXC.54/17/A.21/24, paragraph 22.3).

6.2 Mr Modesto Zotti, Office Administrator, and Ms Jill Copley, Publications/Conference Administrator, have been promoted from the General Services category to the Professional category with effect from 1 January 2002.

6.3 Promotions to higher grades within the respective Professional and General Service categories have been made in respect of some staff due to their having taken on increased responsibilities.

6.4 At their October 2001 sessions, the governing bodies authorised the Director to create positions in the General Service category as required, provided that the resulting cost would not exceed 10% of the figure for salaries in the budget (document 92FUND/A.6/28, paragraph 26.3 and 71FUND/AC.6/A.24/22, paragraph 16.5). In view of the increasing work in the IT field, the Director used this authorisation to create a new post of IT Administrator within the Finance and Administration Department in the General Service category with effect from 1 January 2002.

7 Consultant review in 2001

7.1 During the summer of 2001, one of the consultants^{<1>} who had carried out the original review of the Secretariat's working methods was re-engaged to review the developments. This review concentrated on the internal working of the Secretariat in order to establish what steps should be taken to increase efficiency, make the optimum use of available resources and ensure that staff find job satisfaction. To this effect he carried out individual interviews with each staff member on their views of the working methods and the need for further improvements. During these interviews a number of valuable proposals were made. The consultant's proposals were brought to the attention of the governing bodies at their October 2001 sessions.

7.2 The consultant's main recommendations were as follows:

- 1 The Management Team should provide a clear sense of vision and purpose of the IOPC Funds by setting up overall objectives and goals for the Organisations.
- 2 The effectiveness of the organisations could be improved by better planning and structuring of certain work activities. As the workload of the Organisations increases, there is a need for improved guidelines for document production and work organisation.
- 3 There was a desire by staff to receive feedback about personal, departmental and organisation performance. The structural changes within the Secretariat had resulted in the need for a systematic process whereby departmental and individual goals were agreed, where possible,

<1> Mr David Wilks, Wilks & Partners

followed by regular reviews of performance and feedback. Through this process, improved staff morale and higher quality of work could be achieved.

- 4 There was a need to develop personnel policies and procedures, eg performance review and staff development.

- 7.3 The Director has considered the consultant's proposals, some of which have been acted upon whereas others will be implemented shortly.

8 Developments in various fields and the Director's intentions for further developments

8.1 General

- 8.1.1 The Director considers that it is important to review continuously the working methods and structure of the Secretariat, in the light of experience, so as to make optimum use of the Secretariat's resources and to ensure the best possible service to the increasing number of Member States, victims of oil pollution and contributors. It is also important to ensure that the potential of staff members is used and that staff find job satisfaction.

- 8.1.2 Due to the increased complexity of the issues dealt with by the Funds and the large amounts of money involved there is a need for increased transparency in respect of the operations. It should be noted that although the Secretariat is still relatively small (at present 28 staff members), the IOPC Funds engage a considerable number of people to work for the Funds in various countries. In fact during 2002 over 50 persons (including the staff in the Locals Claims Offices in Japan and France) worked full time for the IOPC Funds, and over 25 experts and lawyers were engaged to assist the Funds in respect of various incidents.

- 8.1.3 As a result of experience gained in recent years, in particular as a result of several major incidents, considerable efforts have been made to improve the functioning of the Secretariat. The Director considers, however, that more should be done in the light of the recommendations by the consultants set out in paragraph 7.2. This relates to claims handling, financial matters, staff policy and development, information technology, public information and organisation of meetings.

8.2 Management Team

- 8.2.1 As a result of the review of the Secretariat's working methods referred to in Section 7, the Management Team's role has been strengthened. The Management Team held training workshops with the assistance of outside consultants in October and November 2001 and in July 2002. Further training will be given to the members of the Management Team, individually or as a group, as appropriate.

- 8.2.2 The Management Team holds a short weekly meeting (normally on Monday mornings) to review on-going activities. Monthly meetings are held to consider substantive issues. *Ad hoc* meetings are held to discuss major issues, as required. A meeting to consider long-term planning and strategic issues will be held in early October 2002.

8.3 Claims handling and related issues

Claims handling

- 8.3.1 The Secretariat has continued to strengthen its monitoring of the claims handling process. The Director and other officers have visited the *Nakhodka* Claims Office in Kobe several times. The claims handling process in the *Erika* case has been monitored through repeated visits to the Claims Handling Office in Lorient by the Director and other staff members. A number of meetings have been held in London, Brest, Lorient and Paris between Fund officers and the

experts examining various categories of claims arising from the *Erika* incident. The IT Officer has been active in the development and monitoring of the use of IT in the claims handling process, and he has made a number of visits to the Claims Handling Office in Lorient and to the office in Paris where tourism claims are being examined.

- 8.3.2 As reported to the governing bodies at their October 2001 sessions, a database has been developed to support the claims handling process. In order to speed up the examination of claims in the tourism sector arising from the *Erika* incident, a computer programme has been developed by the 1992 Fund, with support from the firm of tourism experts engaged in France, to make it possible to compare data relating to new claims with data relating to claims previously assessed. If the data provided in respect of the claim under assessment are consistent with those in respect of previously-assessed similar claims in the same sector and geographical location, the time spent on the assessment process can be substantially reduced. This programme has been developed further during 2002 in the light of experience. The intention is to use the programme in other cases where there are a large number of claims of a similar nature.
- 8.3.3 It is important in the Director's view that the claims handling process is constantly reviewed.
- 8.3.4 A working group has been set up by the IOPC Funds and the International Group of P&I Clubs to consider the preparation of guidelines on the establishment and operation of claims handling offices and the claims handling process. The Deputy Director/Technical Adviser has produced draft guidelines which are at present being considered by the working group.
- 8.3.5 The Deputy Director/Technical Adviser and staff in the Claims Department have prepared revised claim forms designed to be more claimant friendly. Generic assessment reports are also being developed for different categories of claims.
- 8.3.6 The Director has commissioned a study to develop technical guidelines for the assessment of claims in the fishery, mariculture and fish processing sectors in States where documentary evidence is likely to be limited or lacking totally. The study should be completed in early 2003.

Establishing contact points

- 8.3.7 As mentioned above, at their October 2001 sessions the governing bodies approved the Director's proposal that the Funds should establish a network of persons in various regions and sub-regions serving as contact points. A database has been established of experts worldwide suitable to fulfil this role. The intention is to develop this network further.
- 8.3.8 As set out in the document presented by the Director to the governing bodies' October 2001 sessions, these persons have been chosen from surveyors or experts who have already carried out work for the IOPC Funds in relation to specific incidents or persons generally suitable to act for the Funds because of their experience in relevant fields. Consideration is being given to providing some of these contact persons with training so as to give them a better understanding of the Funds' work, objectives and policy. Training may be arranged in the form of regional and sub-regional workshops, which could be organised when IOPC Funds' staff visit the area for other purposes, or in London when the persons concerned visit London on business for non-Fund purposes. These persons would be available to assist the Funds in the handling of incidents in their respective regions and could assist the Funds in setting up local claims offices, if required. If they have the necessary qualifications and experience, they could also be used – in addition to staff from the International Tanker Owners Pollution Federation Ltd (ITOPF) – as technical experts.
- 8.3.9 It is intended that the persons in question should not receive any fee for their role as contact points, but they would obviously be paid for work actually carried out for the Funds, for example in connection with incidents. Some costs would, however, be incurred for training these persons, for example by the organisation of workshops and the distribution of information material. The

establishment and maintenance of a network of contact persons would however have only relatively modest budgetary implications.

8.4 Financial, administrative and personnel matters

Financial control

- 8.4.1 The work on strengthening financial control has continued, taking into account recommendations made by the External Auditor. The Investment Advisory Bodies have also made valuable proposals in this regard.
- 8.4.2 The Head of Finance and Administration now prepares quarterly accounts which has resulted in an improvement in financial control. Payments are increasingly being made using electronic methods.
- 8.4.3 At their October 2001 sessions the governing bodies decided to create a joint Audit Body for the 1992 Fund and the 1971 Fund. The governing bodies will be invited to appoint the members of the Audit Body at their October 2002 sessions (document 92FUND/A.7/10 and 71FUND/AC.9/6). The Director believes that this Audit Body will contribute to increased transparency in the operation of the IOPC Funds.

Information technology

- 8.4.4 As part of the development of the Secretariat's use of information technology, new computer systems have been introduced in the Secretariat, incorporating the latest advances in information technology, thereby giving higher levels of performance and reliability. Critical systems have been duplicated in order to reduce the vulnerability of the systems. Steps have been taken to secure the confidentiality of the Secretariat's IT systems and to ensure the complete restoration of the systems in the event of a major computer failure.
- 8.4.5 A global communications network has been established to administer all computer systems in the Secretariat and in local claims handling offices. This network allows IOPC Funds' staff on mission to communicate with the Secretariat's computer systems.
- 8.4.6 The financial database has been improved. A new database and an intranet (internal information source) are being developed to facilitate the Secretariat's work.
- 8.4.7 Work is being undertaken to introduce a 'Knowledge Management System' which will include a facility to search and index the contents of all IOPC Funds' documents.

Personnel and management matters

- 8.4.8 With the growth of the size of the Secretariat, it has become necessary to strengthen personnel management.
- 8.4.9 As a result of the review of the Secretariat's working methods carried out by a consultant in the summer of 2001, the Management Team decided in October 2001 to set out in writing the IOPC Funds' policies relating to personnel matters. The personnel section has been preparing a number of policy documents on various issues. Drafts of the policy documents have been examined by a consultation group composed of staff from the various departments. Some of these policies have been issued by the Director and the remaining ones will be issued before the end of 2002.
- 8.4.10 Job descriptions for all staff members, defining the tasks and responsibilities of each staff member, are being reviewed.
- 8.4.11 Preparations are being made to introduce a performance review system.

- 8.4.12 As in previous years, the Director will, with the assistance of the Management Team, review annually the grading of posts in the professional category below Grade P5 and in the General Service category.
- 8.4.13 Staff training is continuously carried out and will be further developed during 2003.
- 8.4.14 Consideration will be given to the preparation of a Management Manual setting out the procedures to be followed in various fields of activities (e.g. claims handling, finance, personnel, document production, translations and public relations).

8.5 Public information, document production and translation services

Website

- 8.5.1 The IOPC Funds' website was created in October 1999. Its appearance was modified in January 2001. The information provided in the website is updated regularly and currently includes news items, information on the *Erika* incident, general information on the international compensation regime, answers to frequently asked questions, statistical data and printable publications. In view of the importance of the website, considerable effort is being devoted to its re-structuring and expansion in order to provide a wider range of information. The intention is to add further information documents to the website. Except for some parts, the website is at present only available in English, but French and Spanish versions of the entire website will be made available shortly.

Publications

- 8.5.2 The 2001 Annual Report was produced in English, French and Spanish versions.
- 8.5.3 A new version of the publication Texts of the Conventions, consisting of the texts of the 1992 Conventions and the Resolutions adopted by the IMO Legal Committee in October 2000 on the increase of the compensation limits, was published in English in June 2001 and in French in April 2002. These texts are also available on the IOPC Funds' website. It is intended to publish a Spanish version for the first time, but problems have arisen as a result of there being no authentic Spanish texts of the 1992 Conventions. Discussions are being held with the Legal Office of the International Maritime Organization in order to resolve these problems.
- 8.5.4 A brochure describing the international compensation regime in a reader-friendly form will be developed in English, French and Spanish, based on the brochure produced in French for the *Erika* incident. A short document setting out the main features of the regime was made available on the occasion of the World Summit on Sustainable Development held in Johannesburg (South Africa) in August/September 2002.
- 8.5.5 A News Brief is currently produced after each session of the governing bodies summarising the most significant issues dealt with at the session and is distributed to government representatives, contributors and media contacts.

Press contacts

- 8.5.6 In connection with the *Erika* incident, the Director and the Head of the Claims Department have given numerous interviews on television and radio and to various journalists. The Director has prepared articles for publication in French newspapers. Press releases have been issued where appropriate. Circular letters have been sent to key categories of people. In these activities the 1992 Fund has been assisted by a French agency specialising in these matters.

Information related to specific incidents

- 8.5.7 Further development of the Funds' information activities relating to specific incidents is being considered. When this issue has been discussed by the governing bodies, the view has been expressed that improved information to victims could reduce the number of claims which are presented in court. The experience of the *Erika* incident in particular has shown that targeted information in the State where a major incident has occurred is of great importance. It is the Director's intention to pursue this issue, although it must be recognised that each incident has its specific characteristics and that the information must be presented in a way which is in line with the cultural and media traditions in the country concerned.
- 8.5.8 Preparations are being made to set up a database containing the decisions taken by the governing bodies on compensations claims, so as to enable easy access to these decisions by staff members and experts dealing with claims for compensation. Once the database has been established and tested, consideration will be given to making it available to delegations.

Documentation production

- 8.5.9 The increased number of meetings of the governing bodies and the large number of documents presented to the Third Intersessional Working Group established by the 1992 Fund Assembly has resulted in a very heavy workload in respect of the production of documents. Consideration has been given as to whether it would be possible to plan and organise the production of documents in a more efficient manner. A working group, composed of staff from the various departments, has been set up to examine the issues involved. The Group has recently presented its preliminary proposals to the Director. In this regard reference is made to document 92FUND/A.7/13 and 71FUND/AC.9/11.

Documents server

- 8.5.10 In January 2001 a system was set up which allowed delegations to access documents for meetings of the IOPC Funds' bodies via the Internet by using a password. This system is used regularly by a significant number of delegations.
- 8.5.11 At their October 2001 sessions, the governing bodies decided that, except as regards restricted documents, documents on the document server should be accessed without the use of a password (documents 92FUND/A.6/28, paragraph 16.3 and 71FUND/AC.6/A.24/23, paragraph 15.3). This decision was implemented in May 2002. Work is being carried out to expand the system to provide access to Circulars, the Record of Decisions of all previous sessions of the governing bodies and to the reports of Intersessional Working Group. The document server provides access to documents in English, French and Spanish. The user interface is at present available in English and work is being carried out to make it available also in French and Spanish.

Translation services

- 8.5.12 The increased volume of documents has resulted in a heavy workload on the translation services. Further work will be required in order to make the website available in French and Spanish.
- 8.5.13 Consideration has been given as to whether ways could be found to facilitate the translation of documents by means of use of information technology. After study visits by staff in the External Relations and Conference Department to some other intergovernmental organisations, the Director decided to introduce a system known as 'Trados' which is increasingly used in other *fora* for this purpose.

9 Action to be taken by the governing bodies

The governing bodies are invited:

- (a) to take note of the information contained in this document;
- (b) to take note of the Director's intentions as regards the steps to be taken to increase the efficiency and the work of the Secretariat and, in particular, in the claims handling procedure (Section 8); and
- (c) to give the Director such instructions in respect of the issues dealt with in this document as they deem appropriate.

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ANNEX

STRUCTURE OF THE IOPC FUNDS' SECRETARIAT

