



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND 1992

ASSEMBLY
2nd extraordinary session
Agenda item 3

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INCIDENTS OF INTEREST TO THE 1992 FUND

NAKHODKA

Note by the Director

1 General situation

Disposal of bow section and removal of causeway

1.1 Preparations are being made by a Japanese salvage company engaged by the shipowner to remove the bow section from the shoreline at Mikuni, Fukui Prefecture. This work has been scheduled for completion by early May, weather permitting. It is intended to lift the bow section on to a barge and transport it to a shipyard in Hiroshima Prefecture for scrapping.

1.2 The Japanese authorities intend to carry out work during the summer months to remove the causeway which was constructed to facilitate access to the bow section.

Stern section

1.3 The stern section is lying at a depth of 2 500 metres, some 140 kilometres from the nearest coast. It continues to leak at a low rate, estimated by MSA as between 3 and 15 m³ per day. Observations at the surface show that under the current weather conditions the oil released dissipates within two kilometres of reaching the surface, and the released oil is not considered to be a significant threat to coastal resources.

1.4 An investigation by a deep-sea unmanned submarine has shown that the oil is leaking from two tanks which together contained some 2 480 m³. A committee set up by the Japanese Government to consider options available for preventing further release of oil from the sunken stern section has concluded that current technology does not offer any practicable methods to prevent such release. Since the release does not pose

a significant threat of pollution, the Committee has not proposed any immediate action in respect of the stern section other than the continued monitoring of the oil reaching the surface.

2 Clean-up operations

2.1 One Prefecture (Hyogo) made a public declaration on 5 April 1997 that the clean-up operation in that prefecture had been completed. Other prefectures are anxious to follow this example at the earliest opportunity.

2.2 In all prefectures the number of volunteers making themselves available has decreased markedly in recent weeks, and the remaining clean-up work is falling largely on municipal staff. The main focus of the work is the collection of tar balls from sandy beaches and the removal of oil from within the structure of tetrapod sea defences.

2.3 It appears that difficulties in the transport and disposal of collected oily waste have been overcome, and the remaining oil awaiting disposal is being stored at various locations in drums. Tenders have been invited for the reinstatement of sites used for the temporary storage of recovered liquid oil.

3 Claims for compensation

3.1 Nine claims from contractors engaged in clean-up operations under the JMDPC umbrella have been submitted for ¥611 435 575 (£3 million). Five Prefectures (Yamagata, Niigata, Toyama, Ishikawa and Fukui) have submitted claims for costs incurred in the clean-up operations which together amount to some ¥2 000 million (£10 million).

3.2 A claim in the tourism sector for ¥6 661 879 (£33 000) has been submitted in respect of contamination of an aquarium located on the shoreline close to the grounding position of the bow section.

4 Action to be taken by the Assembly

The Assembly is invited:

- (a) to take note of the information contained in this document;
 - (b) to give the Director such instructions in respect of the handling of this incident and of claims arising therefrom as the Assembly may deem appropriate;
 - (c) to take a position in respect of certain issues relating to the applicability of the 1969 and 1992 Civil Liability Conventions and the 1971 and 1992 Fund Conventions;
 - (d) to decide whether to authorise the Director to make final settlements of claims; and
 - (e) to decide whether to authorise the Director to make payments and, if so, at what level.
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