



INTERNATIONAL  
OIL POLLUTION  
COMPENSATION  
FUND 1992

EXECUTIVE COMMITTEE  
12th session  
Agenda item 3

92FUND/EXC.12/2  
9 March 2001  
Original: ENGLISH

## INCIDENTS INVOLVING THE 1992 FUND

### ERIKA

#### Note by the Director

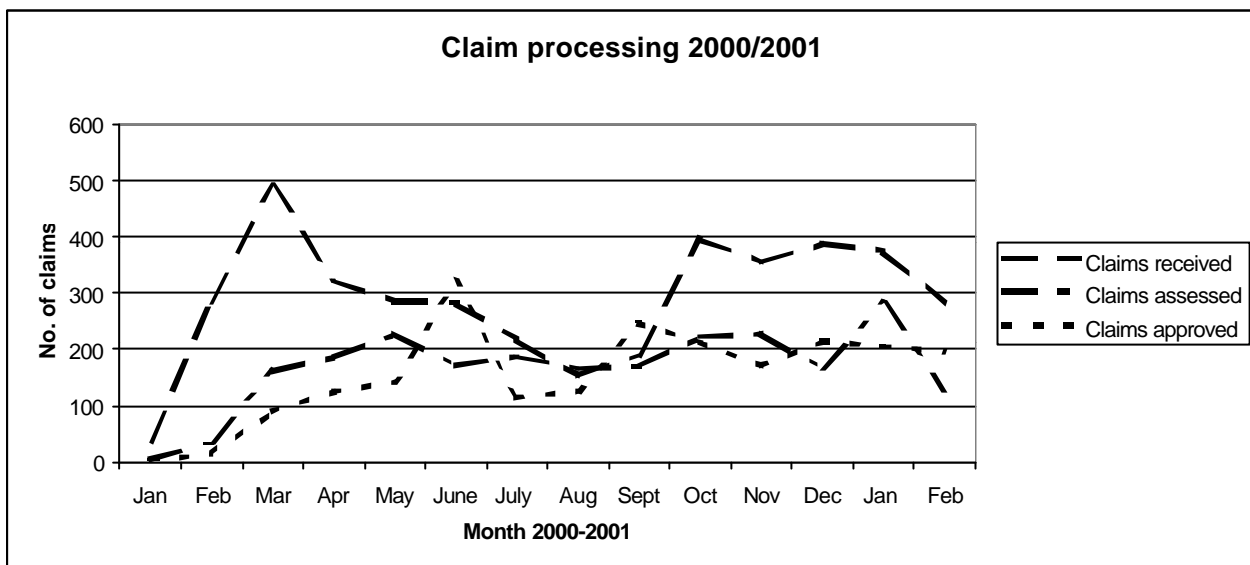
**Summary:** Updated information on the claims situation is given.

**Action to be taken:** To consider the level of the 1992 Fund's payments.

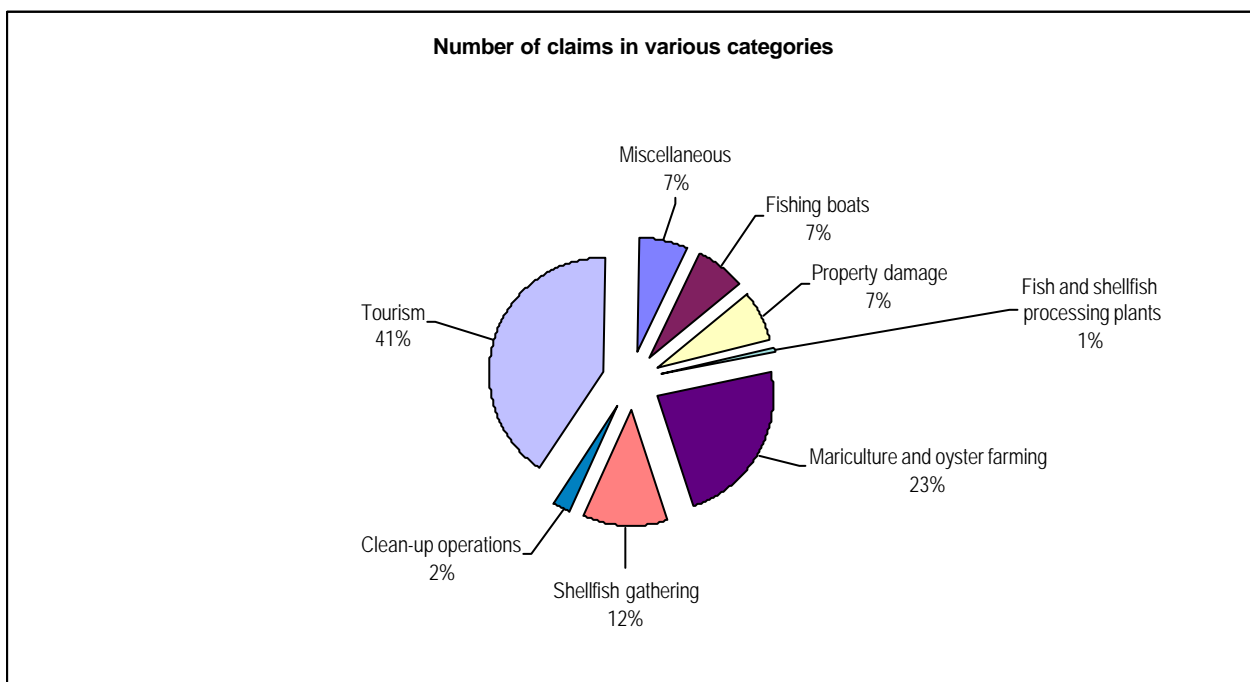
#### 1 Claims situation

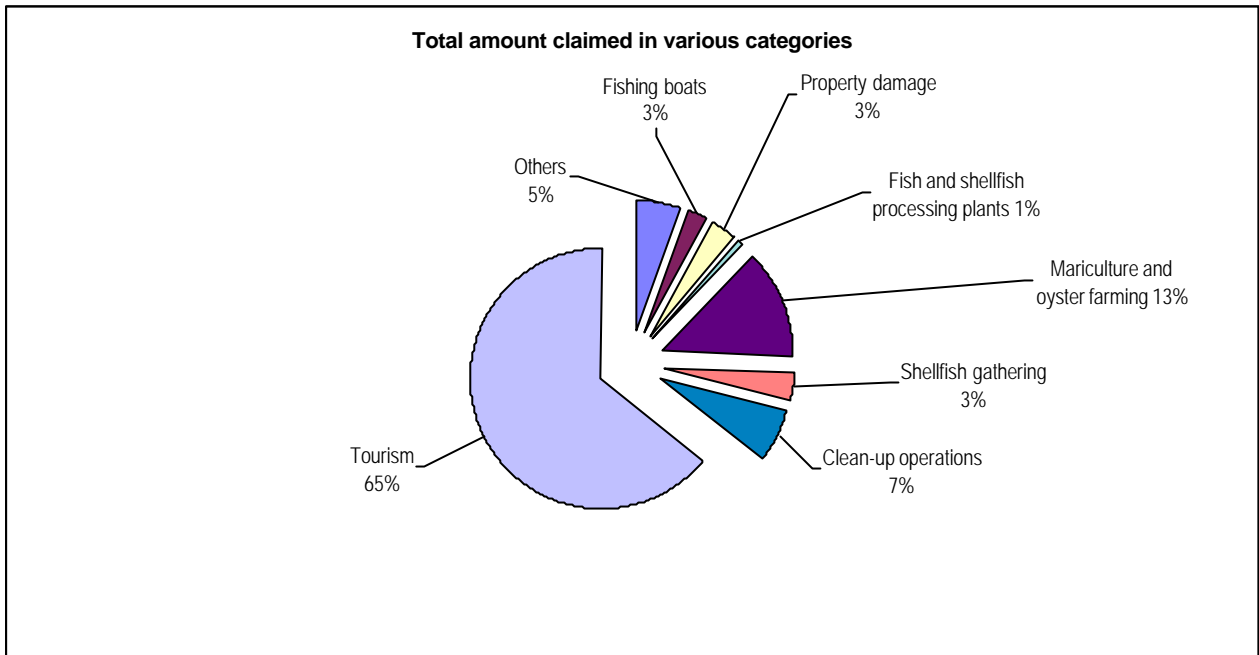
- 1.1 As at 8 March 2001, 4 087 claims for compensation had been submitted for a total of FFr575 million (£55 million). Of these claims 1 039 were presented during the period December 2000 - March 2001.
- 1.2 Some 2 350 claims totalling FFr214 million (£20 million) had been assessed at a total of FFr138 million (£13 million). Assessment had thus been carried out of 57% of the total number of 4 087 claims received and of 77% of the claims which had been received by 30 November 2000.
- 1.3 One hundred and sixty-six claims, totalling FFr14 million (£1.3million), had been rejected. Many of the rejected claims are being reassessed in the light of additional documentation provided by the claimant.
- 1.4 Payments had been made by Steamship Mutual in respect of 1 290 claims for a total of FFr54 million (£5.2 million). Most of these payments correspond to 50% of the approved amounts, but some hardship payments made at an early stage were made in full or at percentages higher than 50%, and additional payments at 10% of the approved amounts have been made recently in respect of a number of claims (see paragraph 2.2 below).
- 1.5 Approved payments in respect of a further 341 claims, totalling FFr8 million (£770 000), had not been made. This is due to the fact that confirmation and acceptance of the assessed amount had not been received in respect of 251 claims, and that the receipt and release forms had not been signed in respect of 90 claims.

- 1.6 The assessment had been rejected by the claimants in respect of 254 claims of which 235 are undergoing re-assessment.
- 1.7 A further 1 734 claims, totalling FFr361 million (£34.6 million), were either in the process of being assessed or were awaiting claimants providing further information necessary for the completion of the assessment.
- 1.8 The graph below shows the number of claims received each month against those assessed and approved during January 2000 - February 2001. It can be seen that the rate at which claims have been assessed has continued to keep in step with the rate at which claims are received.



- 1.9 The graphs below show the distribution of the claims between various categories both as to the number of claims and as to the amounts claimed.





## **2 Level of 1992 Fund's payments**

- 2.1 At its 8th session, the Executive Committee decided that the 1992 Fund's payments should for the time being be limited to 50% of the amount of the loss or damage by the respective claimants, as assessed by the 1992 Fund's experts (document 92FUND/EXC.8/8, paragraph 3.38).
- 2.2 At its 11th session, the Executive Committee decided to increase the level of the 1992 Fund's payments from 50% to 60% of the amount of the damage actually suffered by the respective claimants. It was agreed that the level of payments should be reviewed again at the Committee's 12th session (document 92FUND/EXC.11/6, paragraph 3.58).
- 2.3 As a result of this decision, additional payments totalling FFr7 million (£670 000) have been made in respect of 210 claims. Further additional payments will be made.
- 2.4 The Director has continued his efforts to collect information on the likely level of claims. However, in view of the short period of time which has elapsed since the Committee's 11th session at the end of January 2001, the Director has not been able to obtain any further substantial information in this regard.
- 2.5 In view of the continuing uncertainty as to the level of claims arising out of the *Erika* incident, the Director proposes that the level of payments should be maintained for the time being at 60% of the amount of the damage actually suffered by the respective claimants as assessed by the 1992 Fund's experts and that the level of payments should be reviewed at the Committee's 13th session.

## **3 Action to be taken by the Executive Committee**

The Executive Committee is invited:

- a) to take note of the information contained in this document; and
  - b) to decide on the level of the 1992 Fund's payments.
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