



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND 1992

EXECUTIVE COMMITTEE
21st session
Agenda item 3

92FUND/EXC.21/4
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INCIDENTS INVOLVING THE 1992 FUND

BUYANG

Note by the Director

Summary:	The Korean tanker <i>Buyang</i> struck a submerged rock in a channel between Geoje Island and Tongyeong City, Republic of Korea, spilling 35-45 tonnes of heavy fuel oil. The oil impacted a number of islands in an area that supports important mariculture activities. It is not known whether the total claims arising from the incident will exceed the limitation amount applicable to the tanker under the 1992 Civil Liability Convention.
Action to be taken:	To authorise the Director to make final settlements on behalf of the 1992 Fund of claims arising from this incident.

1 The incident

- 1.1 On 22 April 2003 the Korean tanker *Buyang* (187 GT), laden with 90 tonnes of marine diesel oil and 260 tonnes of heavy fuel oil, struck a submerged rock under the Geoje Grand Bridge between Tongyeong City and Geoje Island, Republic of Korea. Two of the vessel's cargo tanks, one of which was empty, the other containing 140 tonnes of heavy fuel oil, were holed. An estimated 35-45 tonnes of heavy fuel was subsequently lost from the laden tank.
- 1.2 The *Buyang* was insured for pollution liabilities with the Korea Shipping Association (KSA). Although KSA is not a member of the International Group of P&I Clubs, the Association agreed with the 1992 Fund's proposal to apply the Memorandum of Understanding signed by the 1992 Fund and the International Group, whereby the two parties would jointly instruct surveyors and experts to monitor the clean-up and assist with the assessment of claims for compensation for pollution damage. A team of Korean surveyors and experts have been appointed to undertake this work on behalf of the KSA and the 1992 Fund.

2 Clean-up operations

- 2.1 On 22 April a fleet of 10 marine police patrol vessels and pollution response vessels were mobilised to contain oil around the vessel and to combat the oil that had escaped. On 23 April a further nine marine police vessels and one pollution response vessel belonging to the Korean Marine Pollution Response Corporation (KMPRC) participated in the clean-up response.
- 2.2 Also on 23 April the owner of the *Buyang* engaged an oil spill clean-up contractor to provide cleaning materials. The contractor subsequently hired a work force of 65 local labourers and three fishing vessels from village fishing association to commence shoreline clean-up operations and a further 13 fishing vessels to join the at sea clean-up response.
- 2.3 On 25 April the local government office on Hansan Island deployed an offshore response team comprising 15 local government employees and 30 local inhabitants.
- 2.4 Offshore clean-up operations were terminated on 26 April. Shoreline clean-up operations were expected to take about one month to complete.

3 Impact of the spill

- 3.1 The oil impacted a number of islands between Geoje Island and Tongyoung polluting a number of sand and pebble beaches. Some of the oil had encountered rafts of floating seaweed before stranding, which increased the volume of oily waste to be collected for disposal.
- 3.2 A large number of fish cage culture and other mariculture facilities have been impacted by oil. The oil has also affected a number of village fishing grounds. A substantial fleet of fishing vessels has been contaminated, which will interrupt fishing pending the cleaning of the vessel's hulls.

4 Claims for compensation

- 4.1 The limit of liability applicable to the *Buyang* under the 1992 Civil Liability Convention is 3 million SDR (£2.6 million). It is too early to predict whether the total claims arising from this incident will exceed this amount.
- 4.2 The Executive Committee may nevertheless wish to authorise the Director to settle claims arising from the incident to the extent that they do not give rise to issues of principle not previously considered by the Funds' governing bodies.

5 Action to be taken by the governing bodies

The Executive Committee is invited:

- a) to take note of the information contained in this document;
 - b) to consider whether to authorise the Director to make final settlements of claims arising from this incident; and
 - c) to give the Director such instructions in respect this incident as they may deem appropriate.
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