



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND 1992

EXECUTIVE COMMITTEE
4th session
Agenda item 4

92FUND/EXC.4/4/1
11 October 1999
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INCIDENTS INVOLVING THE 1992 FUND

NAKHODKA

Note by the Director

Summary:

In the light of the opinions expressed by the IOPC Funds' experts the Director has examined whether the IOPC Funds should take recourse action against the shipowner and other third parties to recover the amount paid by the Funds in compensation.

Action to be taken:

Decide whether the 1971 Fund should take recourse action against the shipowner and his insurer or against any other third parties.

1 Recourse action

1.1 The IOPC Funds' experts have examined the reports of the investigations into the cause of the incident carried out by the Japanese and Russian authorities. They have also considered other information available, *inter alia* documents provided by the shipowner. The experts' conclusion is that the *Nakhodka* was not seaworthy at the start of the voyage and that the shipowner was or should have been aware of the unseaworthiness.

1.2 In the light of the opinions expressed by the experts the Director has examined whether the IOPC Funds should oppose the shipowner's right to limit his liability and take recourse action against the shipowner and other third parties to recover the amount paid by the Funds in compensation.

1.3 These issues have been dealt with in detail in a document presented to the 1971 Fund Executive Committee (document 71FUND/EXC.62/8/1). It is submitted that this document should form a sufficient basis for the 1992 Fund Executive Committee's consideration of these issues.

2 Action to be taken by the Executive Committee

The Executive Committee is invited:

- (a) to take note of the information contained in this document;
 - (b) to decide whether the 1992 Fund should oppose the shipowner's right to limit his liability; and
 - (c) to decide whether the 1992 Fund should pursue recourse action against:
 - (i) the registered owner, Prisco Traffic Ltd;
 - (ii) the parent company of the owner, Primorsk Shipping Corporation;
 - (iii) the UK Club; and
 - (iv) the Russian Maritime Register of Shipping.
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