

ASSEMBLY - 1st session
Agenda item 17.

INCREASE OF MAXIMUM LIABILITY OF THE FUND

Note by the Secretary-General of IMCO

1. Article 4(4) of the Convention limits the aggregate amount of compensation payable by the Fund in respect of any one incident to 450 million francs. Article 4(6) empowers the Assembly to increase this limit up to 900 million francs, having regard to the experience of incidents which have occurred and in particular the amount of damage resulting therefrom and to changes in the monetary values.
 2. In the wake of the "Amoco Cadiz" disaster, the Government of France has suggested at the IMCO Council that consideration be given to the possibility of increasing the amount set out in Article 4(4). The Secretary-General will endeavour, in consultation with the Governments concerned, to provide as much information about the costs incurred in connexion with recent incidents as possible in order to assist the Assembly in taking a decision on the subject at the appropriate time.
 3. The Assembly is invited to give consideration to this matter either at the first session or at such other time as it may consider appropriate.
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