

INTERNATIONAL TANKER OWNERS POLLUTION FEDERATION LIMITED



OIL SPILL COMPENSATION

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October 1999



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A BRIEFING GUIDE ON THE INTERNATIONAL CONVENTIONS ON LIABILITY AND COMPENSATION FOR OIL POLLUTION DAMAGE

INTRODUCTION

The TORREY CANYON incident in 1967 provided a major stimulus to the development of two voluntary agreements and two international Conventions through which compensation is available to those who incur clean-up costs or suffer pollution damage¹ as a result of a spill of persistent oil² from a tanker³.

The voluntary agreements of TOVALOP (Tanker Owners Voluntary Agreement Concerning Liability for Oil Pollution) and CRISTAL (Contract Regarding a Supplement to Tanker Liability for Oil Pollution) were established by the tanker and oil industries in the late 1960s as interim arrangements pending the widespread ratification of the two international Conventions. The voluntary agreements lasted far longer than anyone expected although their relevance was progressively eroded as countries around the world ratified the equivalent Conventions. In view of this, and the entry into force in 1996 of Protocols which updated the original Conventions, the voluntary agreements of TOVALOP and CRISTAL were terminated on 20th February 1997.

The international Conventions were developed under the auspices of the International Maritime Organization (IMO). The original Conventions were the 1969 International Convention on Civil Liability for Oil Pollution Damage ("1969 CLC") and the 1971 International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage ("1971 Fund Convention" or "1971 FC"). This 'old' regime was amended in 1992 by two Protocols which increased the compensation limits and broadened the scope of the original Conventions. The amended Conventions are known as the 1992 Civil Liability Convention ("1992 CLC") and the 1992 Fund Convention ("1992 FC").

1. 'Pollution damage' is defined in the 1992 Conventions as loss or damage caused by contamination. The costs of reasonable preventive measures (which include cleanup) also fall under this definition, as does any further loss or damage caused by preventive measures. For environmental damage (other than loss of profit from impairment of the environment) compensation is restricted to costs actually incurred or to be incurred for reasonable measures of reinstatement.

2. The term 'persistent oil' is not precisely defined in the 1992 Conventions but, as a guide, it can be taken to include crude oil, heavy and medium fuel oil, heavy diesel oil and lubricating oil. A definition based on the distillation characteristics of an oil has been developed by the IOPC Funds.

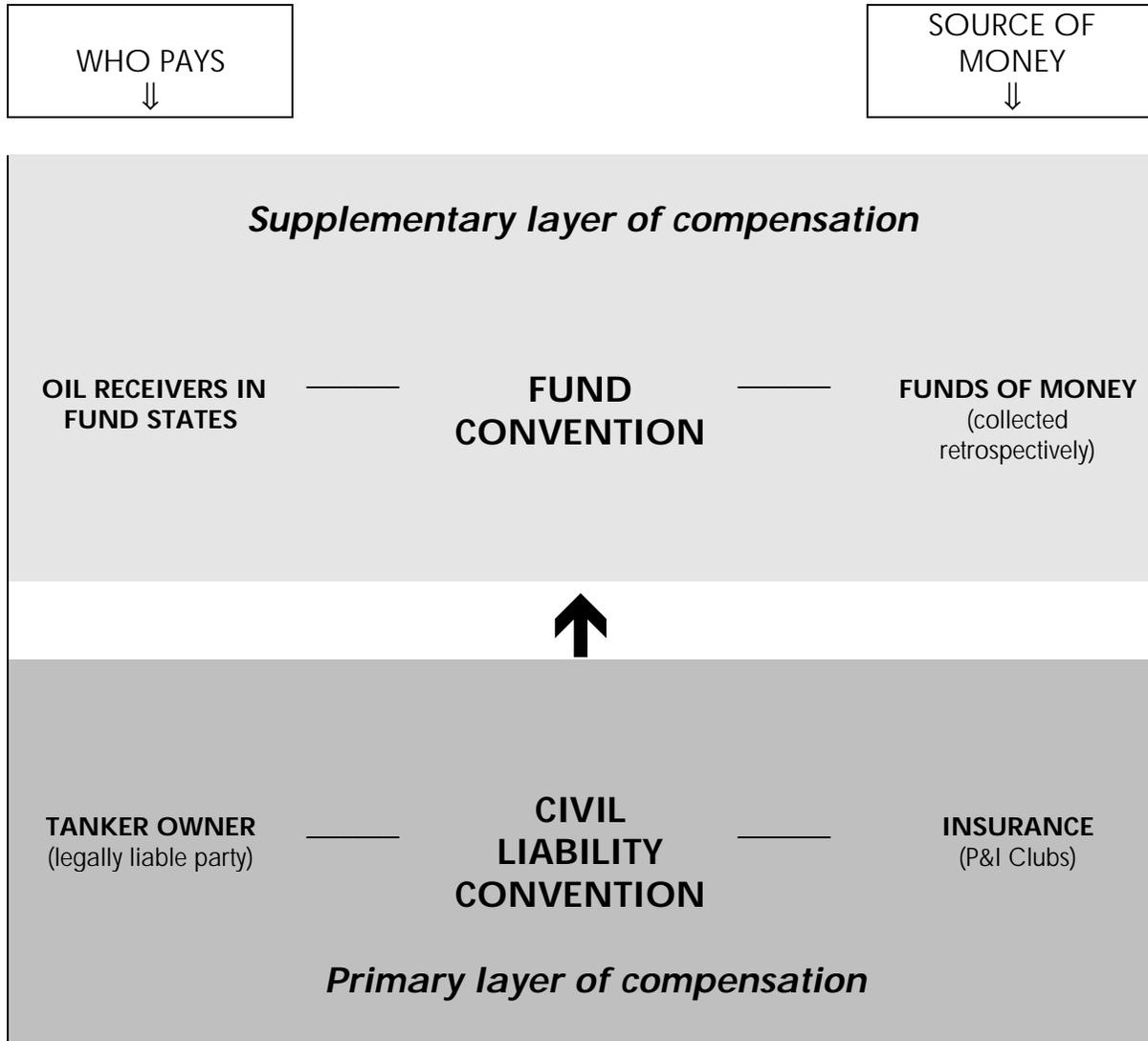
3. Although this paper refers throughout to 'tankers', the 1992 Conventions actually use the term 'ship', defined as "any sea-going vessel and seaborne craft of any type whatsoever constructed or adapted for the carriage of oil in bulk as cargo, provided that a ship capable of carrying oil and other cargoes shall be regarded as a ship only when it is actually carrying oil in bulk as cargo and during any voyage following such carriage unless it is proved that it has no residues of such carriage of oil aboard".

Over 100 countries have ratified one or a combination of the Conventions (up-to-date information can be found on the web sites of the organisations listed at the end of the paper) and compensation totalling many hundreds of millions of US dollars has been paid to the victims of oil spills without the need in the vast majority of cases for recourse to litigation or to the Courts. The system can therefore truly be viewed as highly successful, even if it has limitations in the eyes of some claimants.

Because of the entry into force on 30th May 1996 of the 1992 CLC and 1992 Fund Convention, the 1969 CLC and 1971 Fund Convention are being denounced by States as they ratify or accede to the 1992 Conventions. The original Conventions are therefore rapidly losing significance. For this reason this paper deals primarily with the 'new' 1992 regime. It aims to provide a summary of the fundamental features of the 1992 CLC and Fund Convention, the various bodies involved in the payment of compensation, and some general issues regarding the types of claims for compensation that are likely to be admissible. Brief guidance is also given on record keeping and the presentation of claims.

For a more complete understanding of the international compensation Conventions, including the particular conditions which have to be met for each to apply in the case of an incident, reference should be made to the full texts of the 1992 CLC and 1992 Fund Convention, or to explanatory publications produced by the 1992 IOPC Fund. The secretariat of the IOPC Funds, whose address appears at the end of this paper, is also able to give detailed advice on matters concerned with the ratification of the Conventions, implementing legislation and the operation of the Funds.

FUNDAMENTAL FEATURES OF THE COMPENSATION CONVENTIONS



As shown above, a two-tier system of compensation is established by the international Conventions, with the owner of the tanker that caused the spill being legally liable for the payment of compensation under the first tier, and with oil cargo receivers in general contributing once the tanker owner's applicable limit of liability has been exceeded. It should be noted that neither the charterer of the tanker nor the owner of the oil cargo involved in an incident has any direct liability to pay compensation under the terms of the international Conventions.

First layer of compensation - the tanker owner and his P&I Club

Scope of application – The 1992 CLC covers pollution damage suffered in the territory or territorial sea or exclusive economic zone (EEZ) or equivalent area of a State Party to the Convention. The flag State of the tanker and the nationality of the owner are irrelevant for determining the scope of application. As the 1992 CLC covers spills of persistent cargo and fuel (bunker) oil from sea-going tankers, it can apply to both laden and unladen tankers (but not to dry cargo ships).

Strict liability – The 1992 CLC is based on the principle of 'strict liability'. This means that the owner of the tanker which spills the oil is liable regardless of whether or not he was actually at fault, subject to very few exceptions (e.g. if the damage resulted from an act of war or grave natural disaster, was wholly caused by sabotage by a third party, or was wholly caused by the negligence of public authorities in maintaining lights or other navigational aids). As a result, claimants can receive compensation promptly, without the need for lengthy and costly litigation.

Limitation of liability - Under the 1992 CLC the tanker owner will normally be entitled to limit his liability to an amount based on the gross tonnage of the tanker involved in the incident (see later). If it is proved, however, to the satisfaction of a Court that the pollution damage resulted from the owner's personal act or omission, done with intent to cause pollution damage, or recklessly and with knowledge that such damage would probably result, the owner will be deprived of the right to limit his liability.

Who can be held liable? - Claims for pollution damage under the 1992 CLC can be made only against the registered owner of the tanker concerned or his pollution insurer. The Convention prohibits making such claims against the servants or agents of the owner, members of the crew, the pilot, the charterer (including bareboat charterer), manager or operator of the tanker, or any person carrying out salvage operations or preventive measures (including clean-up measures). This latter aspect should provide considerable reassurance to responders. Taken with a high degree of certainty of reimbursement for the costs of technically-justified ("reasonable") clean-up measures, the 1992 Conventions should facilitate prompt response.

Compulsory insurance - In order to be able to meet their potential financial obligations under 1992 CLC, owners of tankers carrying more than 2,000 tonnes of persistent oil in bulk as cargo are required to maintain insurance or other financial security, and to carry onboard each tanker a certificate attesting to the fact that it is in force. Most tanker owners arrange oil pollution insurance with a Protection and Indemnity Association (P&I Club). Under the 1992 CLC, claims for pollution damage (including clean-up costs) for which the tanker owner would be liable may be brought directly against the insurer or provider of financial security.

P&I Clubs are mutual, non-profit making associations which insure their shipowner members against various third party liabilities, including oil pollution. Whilst each Club bears

the first part of any claim, the concept of mutuality is extended by the 'pooling' of large claims by the major P&I Clubs that are members of the International Group. To safeguard members in the event of a catastrophic claim above the limit of this 'pool', excess reinsurance is placed by the International Group Clubs on the world's insurance markets, in the case of oil pollution currently up to \$500 million. It should be emphasised, however, that this sum has no relevance in the majority of oil spill cases since it would only be available in rare circumstances, for example if an owner loses the right to limit his liability under the CLC in a very expensive case.

Each P&I Club has full-time managers who deal with the day to day business of the Club. They are assisted by a world-wide network of commercial representatives (correspondents) who act as the Club's local contact at the site of an incident.

Second layer of compensation - the 1992 IOPC Fund

Who administers the 1992 Fund? - The 1992 International Oil Pollution Compensation Fund ("1992 IOPC Fund" or "1992 Fund") has the responsibility of administering the regime of compensation created by the 1992 Fund Convention. By becoming a Party to the 1992 Fund Convention a State automatically becomes a Member of the 1992 IOPC Fund. The organisation's secretariat is based in London.

When does the IOPC Fund pay? - Supplementary compensation may be available from the 1992 Fund when the compensation available from the tanker owner under the 1992 CLC is insufficient to meet all valid claims (the scope of application of the 1992 Fund Convention is the same as the 1992 CLC). In some rare cases, the 1992 Fund may meet the totality of claims for compensation if, for example, the tanker owner cannot be identified, is uninsured and insolvent, or if the tanker owner is exonerated from liability under certain provisions in the 1992 CLC which do not apply in the case of the 1992 Fund Convention.

The 1992 Fund will not pay compensation if the damage occurred in a State which was not a Member of the 1992 Fund, or if the pollution damage resulted from an act of war or was caused by a spill from a warship. It also has to be proved that the oil originated from a tanker, as defined in the 1992 Conventions (see footnote 3 on page 1).

Who contributes to the 1992 IOPC Fund? - Payments of compensation and the administrative expenses of the 1992 Fund are financed by contributions levied on any company in a 1992 Fund-Member State that receives an annual quantity of more than 150,000 tonnes of crude oil and/or heavy fuel oil ("contributing oil") following carriage by sea. Thus, companies importing such oils bear the cost of the 1992 Fund, not governments. There is no regular levy on such companies which would lead to the establishment of a large standing fund. Instead, the 1992 Fund's Director issues invoices to contributors to meet the anticipated payments of compensation in respect of specific incidents, as well as the organisation's administrative expenses for the coming year. The amount of each company's contribution is proportional to the annual quantity of contributing oil. The levy per tonne of

contributing oil is set by the Assembly of the 1992 Fund, on which are represented the States which are Party to the 1992 Fund Convention.

It may be of interest to note that oil importing companies located in Japan are, in total, the largest contributors to the 1992 Fund, currently followed by those located in the Republic of Korea, Netherlands, France, UK, Germany and Spain. At the other end of the spectrum, small island States or other countries that do not import large quantities of crude or heavy fuel oil can become members of the 1992 Fund without imposing a financial burden on their oil industry or power generating companies.

Approval and settlement of claims - The Director of the 1992 Fund is authorised to settle claims and pay compensation if it is unlikely that the total payments in respect of the incident will exceed SDR 2.5 million (about \$3.4 million)¹. For incidents leading to higher claims, the Director needs the approval of the settlement from the Executive Committee of the 1992 Fund. In certain circumstances and within certain limits, the Director may also make provisional payments of compensation before a claim is settled, if victims would otherwise suffer undue financial hardship.

Working Together

To whom should a claim be addressed? - Claims for compensation under the 1992 CLC should be brought against the tanker owner, or directly against his P&I insurer. To obtain compensation from the 1992 Fund, claimants should submit their claims directly to the secretariat of the 1992 IOPC Fund (see address at the end of this paper). Whilst it is necessary to notify the relevant bodies in writing of the existence of a claim, it is not normally necessary to submit full supporting documentation to both the tanker owner/P&I Club and the 1992 Fund.

Co-operation between the P&I Clubs and the IOPC Funds - The 1992 Fund will take a very active interest early on in any incident in a Member State when it appears that it may ultimately be called upon to pay compensation. The P&I Club and the 1992 Fund will usually jointly investigate the incident and assess the damage, and will co-operate closely in the settlement of claims in order to ensure a consistent and efficient approach.

Joint claims offices - In some cases, claimants are advised to channel their claims through the P&I Club's local correspondent, or the office of a designated local surveyor. In the event of a major incident the P&I Club involved and the 1992 Fund may establish a joint claims office at an early stage of the incident to facilitate the submission and handling of claims. Details of such claims offices will be given in the local press. It should be emphasised that neither local surveyors nor local claims offices may decide on the admissibility of claims; this is the responsibility of the P&I Club and the 1992 IOPC Fund.

¹Compensation limits in the Conventions are expressed in Special Drawing Rights (SDR), which is a currency unit created by the International Monetary Fund. Conversion rates are given in various newspapers.

In all cases, whether or not a joint claims office is established, the P&I Club and the 1992 IOPC Fund will make every effort to settle valid claims promptly, either in whole or in part, in order to minimise any financial hardship suffered by claimants. Difficulties and/or delays can arise, however, if submitted claims are unlikely to be admissible, if they are poorly presented and have insufficient supporting evidence, or if it appears early on that the total of valid claims may exceed the total amount of compensation available. As explained later, this latter concern can result in approved claims being paid at less than 100% until the total claims picture becomes clearer.

Technical experts - The co-operation between the P&I Clubs and the IOPC Funds usually extends to the appointment of the same technical advisers and experts. In most cases, a member of the technical staff of The International Tanker Owners Pollution Federation (ITOPF) will be asked to attend on-site at a tanker spill by both the P&I Club and IOPC Fund. ITOPF staff have extensive, first-hand practical experience of combating marine oil spills as a result of having attended on-site at over 400 incidents in more than 80 countries. Their primary role at the site of a spill is to give advice and assistance to whoever is in charge of the response operation with the aim of reaching mutual agreement on the clean-up measures which are technically justified in the particular circumstances. This not only helps to ensure that the clean-up is as effective as possible and that the minimum of damage is caused, but also that subsequent claims for compensation can be dealt with promptly and amicably. ITOPF is almost invariably involved in the post-spill assessment of the technical merits of claims for clean-up costs and damage arising from cases attended on-site. However, the final decision on the admissibility of claims and the appropriate settlement level rests solely with the relevant P&I Club and IOPC Fund.

COMPENSATION LIMITS

The approximate amounts of compensation available under the 1992 CLC and 1992 Fund Convention are set out below. (The limits of liability are actually expressed in Special Drawing Rights (SDR). The value of the limits in a national currency will therefore vary depending upon the exchange rate at the particular time. For ease of comparison, an approximate US dollar equivalent is given, based on 1 SDR = \$1.35.)

1992 CLC - For a tanker not exceeding 5,000 gross tons, a set maximum limit of SDR 3 million (approximately \$4 million); for a tanker in excess of 5,000 gross tons, SDR 3 million (\$4 million) plus SDR 420 (approximately \$567) for each additional gross ton up to a maximum (reached for a tanker of 140,000 gross tons) of SDR 59.7 million (approximately \$80 million).

1992 Fund Convention - A maximum of SDR 135 million (approximately \$180 million) per incident, irrespective of the size of the tanker but including the sum actually paid by the tanker owner or his insurer under the 1992 CLC.

**Maximum Amounts of Compensation Available (\$ million) for
Various Sizes of Tankers**

| GROSS TONNAGE | 1992 CLC | 1992 FUND CONVENTION |
|------------------|-------------|-------------------------|
| 5,000 | 4 | 180 |
| 25,000 | 15 | 180 |
| 50,000 | 29 | 180 |
| 100,000 | 58 | 180 |
| 140,000 | 80 | 180 |

Note: The maximum amount of compensation shown as potentially available under the 1992 Fund Convention includes the compensation payable by the tanker owner under the 1992 CLC.

What if the total amount of compensation is insufficient to pay all valid claims in full? - If the total of all approved claims for pollution damage exceeds the total amount of compensation available under the 1992 CLC and Fund Convention, the compensation paid to each claimant will be reduced proportionately. (All claimants are required to be treated equally and no class of claim has priority.) Concerns in the early stages of an incident that this situation might arise can result in an initial settlement of approved claims or provisional payments being made at a fixed percentage, with later adjustments as the claims position becomes clearer. However, this situation is only likely to arise following major oil spills.

SCOPE OF COMPENSATION - ADMISSIBLE CLAIMS

For a claim to be admissible it must fall within the definition of pollution damage or preventive measures in the 1992 CLC and Fund Convention. A uniform interpretation of the definitions is essential for the efficient functioning of the international system of compensation established by the Conventions and for this reason the governments of the Member States of the IOPC Funds have established clear policies and guidelines (while accepting the need for a certain degree of flexibility). Further information on these policies and guidelines, as well as on claims presentation, can be found in the 1992 Fund's Claims Manual. It is strongly recommended that all those potentially involved in this area of activity obtain a copy of the Manual from the 1992 IOPC Fund (see address at the end of this paper).

Claims in respect of pollution damage fall under one of the following broad categories:

- Preventive measures (including clean-up)
- Damage to property
- Economic losses
- Reinstatement/restoration of impaired environments

Each of these categories is considered briefly below.

Preventive Measures

Claims for measures aimed at preventing or minimising pollution damage may in some cases include a proportion of the costs of removing oil (cargo and fuel) from a damaged tanker posing a serious pollution threat, as well as the costs of clean-up measures at sea, in coastal waters and on shore involving, for example, the use of booms, skimmers, dispersants and labour. The costs of disposing of recovered oil and associated debris are also covered, as would be any consequential loss or damage caused by the preventive measures. For example, if clean-up operations result in damage to a road, pier or embankment, the cost of any work carried out to repair the damage should be an admissible claim, subject to deductions for normal wear and tear.

Claims for preventive measures are assessed on the basis of objective criteria. The fact that a government or other public body decides to take certain measures does not in itself mean that the measures and the associated costs are "reasonable" for the purpose of the Conventions. "Reasonable" is generally interpreted to mean that the measures taken or equipment used in response to an incident were, on the basis of an expert technical appraisal at the time the decision was taken, likely to have been successful in enhancing the natural process of oil removal and in minimising pollution damage. The fact that the response measures turned out to be ineffective or the decision was shown to be incorrect with the benefit of hindsight are not reasons in themselves for disallowing a claim for the costs involved. A claim may be rejected, however, if it was known that the measures would be ineffective but they were instigated simply because, for example, it was considered necessary "to be seen to be doing something". On this basis, measures taken for purely public relations reasons would not be considered reasonable.

Most oil spill clean-up techniques have been in existence for a number of years and their practical limitations are well understood through world-wide experience of their use during actual incidents. It is recognised, however, that the boundary between reasonable and unreasonable measures is not always clear-cut even after a full technical evaluation has been made. Furthermore, a particular response measure may be technically justified early on in an incident but may become inappropriate after some time has elapsed due to the weathering of the oil or other changes in circumstances. It is therefore important that all clean-up operations are closely monitored by experienced personnel to assess their effectiveness on an on-going basis. Once it has been demonstrated that a particular method is not working satisfactorily, or it is causing disproportionate damage, it should be terminated.

Property Damage

Claims under this category would include, for example, the costs of cleaning contaminated fishing gear, mariculture installations, yachts and industrial water intakes. In cases of very severe contamination of fishing gear and mariculture equipment where effective cleaning is impossible, replacement of the damaged property may sometimes be justified, with a reduction for normal wear and tear.

Economic Loss

Spills can result in economic loss through, for example, preventing fishing activity or causing a reduction in tourism. Such economic losses may be the direct result of physical damage to a claimant's property ("consequential loss") or may occur despite the fact that the claimant has not suffered any damage to his own property ("pure economic loss"). An example of the first category is the fisherman who cannot fish because his boat and gear are contaminated with oil, whereas in the latter case the fisherman remains in port while there is oil on the water in order to avoid damaging his property but still suffers "pure economic loss" as he is thereby prevented from catching any fish or shellfish.

Claims for pure economic loss are admissible only if they are for loss or damage caused by oil contamination. The starting point is the pollution and not the incident itself. In order to qualify for compensation it is necessary that there is a reasonable degree of geographic and economic proximity between the contamination and the loss or damage sustained by the claimant.

Reinstatement/Restoration of Impaired Environments

Claims for impairment of the environment are accepted only if the claimant has sustained an economic loss which can be quantified in monetary terms. Concern about the use of theoretical and speculative 'models' to calculate the value of environmental damage led to the 1971 IOPC Fund passing a Resolution in 1980 affirming that "...the assessment of compensation to be paid by the IOPC Fund is not to be made on the basis of an abstract quantification of damage calculated in accordance with theoretical models."

The revised definition of pollution damage in the 1992 Conventions includes "... compensation for impairment of the environment..." but "... limited to costs of reasonable measures of reinstatement actually undertaken or to be undertaken." However, for any such reinstatement measures to be considered admissible they would have to satisfy a number of criteria aimed at demonstrating that the measures were technically justifiable and likely to enhance natural recovery, and that the costs were reasonable and not disproportionate to the expected results.

The costs of post-spill environmental studies will only be considered admissible by the 1992 Fund to the extent that they concern damage which itself would fall within the definition of pollution damage.

RECORD KEEPING

The speed with which claims are settled depends largely upon how long it takes claimants to provide the P&I Club and the 1992 IOPC Fund with the information they require in a format that readily permits analysis. For this reason it is vital during any counter pollution incident that all those involved keep records of what was done, when, where and why in order to support claims for the recovery of the money spent in clean-up. Unfortunately, pressures, frequently severe, to deal with new issues and problems will often result in record keeping being relegated to a lesser priority.

It is important that the financial records can be linked with policy/strategy decisions taken by those in overall charge of the response, as well as actions taken at individual work sites. Records should therefore extend from minutes of decision-making meetings to records of the source and number of personnel, plant and materials used on particular beaches on specific days. Daily work sheets should be completed by supervisory personnel to record the operation in progress at each major work site, the equipment in use, consumable materials used, where and how they are being used, the number of personnel, how and where they are deployed. The appointment of a financial controller at an early stage of an incident can be very valuable, both to co-ordinate expenditure and to ensure that adequate records are maintained.

CLAIMS PRESENTATION

Who is entitled to compensation under the 1992 Conventions? - Anyone may make a claim who has suffered pollution damage (including the taking of preventive measures) in a State which is Party to the 1992 CLC and/or 1992 Fund Convention. Claimants may be private individuals, partnerships, companies (including shipowners, charterers and terminal operators) or public bodies (including central and local government authorities and agencies).

Within what period must a claim be made? - Claimants should be aware that claims under the 1992 CLC and Fund Convention are subject to time limits and so they should submit their claims as soon as possible after the damage has occurred. If a formal claim cannot be made shortly after an incident, the P&I Club and 1992 Fund should be notified as soon as possible of a claimant's intention to present a claim at a later stage.

Claimants will ultimately lose their right to compensation unless they bring a court action against the tanker owner and his P&I Club, or against the 1992 Fund within three years of the date on which the damage occurred. Although damage may occur some time after an incident takes place, court action must in any case be brought within six years of the date of

the incident. Claimants are recommended to seek legal advice on the formal requirements of court actions, to avoid their claims becoming time-barred.

Formal legal action to enforce a claim will usually be the last resort since P&I Clubs and the IOPC Funds always endeavour to settle claims out of court. However, claimants are advised to present their claims against the 1992 Fund well in advance of the expiry of the periods mentioned above. This allows time for claims to be examined and settled out of court, but also ensures that claimants will be able to prevent their claims from being time-barred, if they and the P&I Club/IOPC Fund are unable to agree on amicable settlements.

How should a claim be presented? - Claims should be presented clearly and in sufficient detail so that the amounts claimed can be assessed on the basis of the facts and the documentation presented. Each item of claim must be supported by an invoice or other relevant documentation, such as work sheets or explanatory notes. Photographs or videos can be helpful to explain the extent and nature of the contamination and the problems which had to be confronted. If there is any doubt as to the source of the pollution, chemical analysis of correctly preserved samples may be necessary.

Claimants would be well advised to contact the relevant P&I Club, 1992 IOPC Fund or ITOPF early on in an incident to seek advice on the preparation and submission of claims. The 1992 IOPC Fund's Claims Manual, referred to earlier, provides helpful guidance.

COMPENSATION IN STATES THAT ARE NOT PARTY TO THE CONVENTIONS

Some States which have not ratified the international compensation Conventions have their own domestic legislation for compensating those affected by oil spills from tankers within their territory. Some of these national laws may be highly specific, such as the Oil Pollution Act of 1990 in the USA, and are beyond the scope of this briefing paper.

In other countries that have not acceded to the international compensation Conventions reliance in the event of an spill may have to be placed on broader laws originally developed for other purposes. In such cases there can be considerable uncertainty in the event of a tanker spill as to the legal, operational and financial responsibilities of the main parties involved (e.g. tanker owner, cargo owner, P&I Club), as well as the amount of compensation that will be available to pay for clean-up and damage. This is not always conducive to the rapid implementation of required response measures or to the prompt and complete settlement of valid claims. This can result in significant financial and political problems for the Government and, potentially, for local oil companies, even if they do not have a direct involvement in the incident. These problems can be overcome if governments accede to the 1992 CLC and 1992 Fund Convention.

CONCLUSIONS

The 1992 CLC and 1992 Fund Convention provide a straightforward mechanism whereby the costs of clean-up measures and pollution damage can be recovered on a strict liability ('no fault') basis from the individual tanker owner and P&I Club involved in an incident and from the 1992 IOPC Fund, where the contributors are the receivers of crude oil and heavy fuel oil located in States that are Party to the 1992 Fund Convention. So long as the clean-up measures taken in response to an incident and the associated costs are "reasonable" in the particular circumstances, and the claims for compensation are well presented and supported by relevant documentation and evidence, few difficulties should be encountered. The total amount of compensation available under the 1992 Conventions (approximately \$180 million) should be more than adequate to deal with the vast majority of cases.

Further reading:

"Claims Manual" (June 1998) and IOPC Fund Annual Reports available free from the 1992 International Oil Pollution Compensation Fund.

Useful addresses:

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