



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND 1992

FONDS INTERNATIONAL
D'INDEMNISATION DE 1992
POUR LES DOMMAGES DUS À
LA POLLUTION PAR LES
HYDROCARBURES

FONDO INTERNACIONAL
DE INDEMNIZACIÓN DE
DAÑOS DEBIDOS A LA
CONTAMINACIÓN POR
HIDROCARBUROS DE 1992

PRESS RELEASE

THE INTERNATIONAL COMMUNITY ADOPTS PROTOCOL ON THE ESTABLISHMENT OF A SUPPLEMENTARY FUND FOR COMPENSATION FOR OIL POLLUTION

London, 16 May 2003

A Diplomatic Conference, held in London this week under the auspices of the International Maritime Organization, adopted a new Protocol which improves the international regime for compensation of victims of oil pollution from oil tankers. The Protocol, which had been prepared by the International Oil Pollution Compensation Fund (IOPC Fund), will create a Supplementary Compensation Fund.

The Supplementary Fund will not replace the existing Fund ('1992 Fund') but will make available additional compensation to victims in the States which accede to the Protocol.

The Supplementary Fund will have available an amount of some £475 million (US\$770 million), in addition to the amount of some £176 million (US\$286 million) which will be available in the present 1992 Fund after the increase which takes effect on 1 November 2003. As a result, the total amount available for compensation for each incident in the States which are Members of the Supplementary Fund will be approximately £651 million (US\$1 billion). The Supplementary Fund will only cover incidents which occur after the entry into force of the Protocol.

One important effect of the Protocol will be that, in practically all cases, it will be possible to pay compensation at 100% of the amount of the damage agreed between the Fund and the victim. It will also avoid the need to fix the level of payment below 100% of the amount of the damage suffered during the early stages of most major incidents as has been the case in respect of several recent incidents.

The new Protocol will enter into force three months after the following conditions have been fulfilled:

- The Protocol has been ratified by at least 8 States
- The aggregate quantity of contributing oil received in these States after sea transport is at least 450 million tonnes.