I am delighted to present the Annual Report of the IOPC Funds, which sets out in detail the activities and achievements of the Organisation during the course of 2014.

As Chairman of the 1992 Fund Assembly, I have had the great privilege of presiding over the sessions of the governing bodies in April and October 2014 but have also had the opportunity of working intersessionally with the Director and the Secretariat during what has been a challenging year for the Organisation.

Most notably, I have witnessed the great efforts of the Director, the Chairman of the 1971 Fund Administrative Council, the Secretariat and former 1971 Fund Member States to work together to complete the final stage of the transition from the old regime to the new regime, following the decision to dissolve the 1971 Fund with effect 31 December 2014.

While the transition may well have taken some time to complete, the 1992 Fund’s own development and appetite for improvement has certainly not been left behind.

The Online Reporting System (ORS) is now fully functional and more and more States volunteered in 2014 to use it to present their reports on contributing oil receipts. The success and efficiency of that system can only be fully appreciated when the majority of States make use of it and so I am happy to reiterate the request of the Secretariat to encourage States to submit their 2014 oil reports via the ORS in 2015. Taking into account the number of contributors to the 1992 Fund, I continue to be impressed each year by the Secretariat’s success rate for ensuring reports are submitted and contributions are paid. 2014 was no exception with only eight States with outstanding oil reports for more than one year and 0.04% of contributions unpaid.

The 1992 Fund continued to focus its work in 2014 on the preparedness of the Secretariat, claimants and Member States and produced a number of publications to that end. The Claims Information Pack contains the 2013 edition of the Claims Manual, sets of guidelines for presenting claims in different sectors and an example claim form. Further guidelines for claimants have been under development in 2014 and are expected to be added to this information pack and published in 2015.

A further booklet aimed at preparing Member States in advance of an oil spill was also published as a result of the work carried out by the 6th intersessional Working Group. The 7th intersessional Working Group focussing on clarifying the definition of ‘ship’ under the 1992 Civil Liability Convention held a further meeting in 2014 and is expected to conclude its work in 2015.

The Joint Audit Body, elected in 2011, reached the end of its three-year tenure in October and presented its final report to the governing bodies. The Audit Body has provided invaluable support and guidance to the Organisation and I would like to take this opportunity to express the appreciation of both myself and the Member States to the outgoing Chairman and members. I also welcome the new Chairman and members, who were elected in October and look forward to working with them all in 2015.

The year ahead certainly looks somewhat different without the 1971 Fund, and I will miss my fellow Chairman, Captain David Bruce, with whom it has been a pleasure to share the podium for the past three years. However, together with the 1992 Fund Executive Committee and Supplementary Fund Assembly Chairmen, I look forward to continuing to work with Member States and the Secretariat to ensure the Organisation continues to function effectively and successfully.

Gaute Sivertsen
Chairman of the 1992 Fund Assembly

58% - reduction since 2012 in the number of Member States with >2 years’ outstanding oil reports
The introduction of this new look Annual Report is very apt since it comes at a time when the organisation itself has undergone substantial development. The year 2014 saw the end of an era in the life of the International Oil Pollution Compensation Funds with the dissolution of the 1971 Fund after 36 years of operation. The decision to dissolve the Fund and the subsequent necessary speed with which the administrative and financial tasks relating to its dissolution were required to be carried out, undoubtedly represented two of the most significant challenges faced by the IOPC Funds in recent years.

In October 2014, for the first time in its history the 1971 Fund Administrative Council was required to hold a vote, with the majority of former 1971 Fund Member States voting in favour of the dissolution of the 1971 Fund with effect 31 December 2014. The decision taken by the Council was clearly a difficult one, but on balance it was a good decision. Once the decision to dissolve the 1971 Fund was taken the Secretariat dealt with all administrative aspects, including the reimbursement of £2.38 million to 213 former contributors to the 1971 Fund. However, it is difficult to look back happily at the way in which the 1971 Fund came to an end, given that the IOPC Funds’ longstanding relationship with the P&I Clubs was unfortunately damaged as a result. Repairing that damage and rebuilding the relationship between the Clubs and the Funds is at the very top of my agenda for 2015 and I am confident that despite this recent disagreement, both the Clubs and the Funds will be keen to find a new understanding that continues to enable them to work together to facilitate the prompt payment of compensation to victims.

The difficulties in 2014, should not, however, overshadow the success of the 1971 Fund as an organisation. Having been involved in over 100 tanker incidents worldwide, paying some £331 million in compensation, the success and experience of that first International Oil Pollution Compensation Fund, paves the way for the new ever growing 1992 Fund which exists today, currently with 114 Member States.

It is this new improved Fund that is the focus from now on. There may well be fewer incidents in comparison to the days of the 1971 Fund, however, the risks remain and the incidents that have occurred in recent years, although small in terms of damage incurred, have often raised new challenges. In 2014, the 1992 Fund was informed of two incidents which may involve the 1992 Fund, the MT Pavit, which occurred off the coast of India in July 2011 and the Shoko Maru, which occurred off the coast of Japan in May 2014. The 1992 Fund has been working with the authorities in both States to establish whether the 1992 Fund will be called upon to pay compensation.

The general engagement with Member States and non-Member States has continued to improve over the past year, in particular through the development of online country profiles, the annual Short Course and the regional lunch meetings in house, and through the Funds’ participation in or running of workshops, conferences and seminars within States. Coinciding with the International Maritime Organization’s theme for 2014, the IOPC Funds also focussed heavily at these events on the importance of correct implementation of the Conventions within national legislation.

I look forward to continuing to work with and to serve Member States in 2015, and would like to take this opportunity to thank all the Chairmen and Vice-Chairmen of the governing bodies for their support and guidance during 2014. I would like to extend that appreciation to my colleagues within the Secretariat who have maintained their professionalism and commitment in what was a particularly challenging year.

José Maura
Director
Funds Overview

The International Oil Pollution Compensation Funds (IOPC Funds) provide financial compensation for oil pollution damage that occurs in its Member States, resulting from spills of persistent oil from tankers.

The history of the IOPC Funds began with the oil spill from the Torrey Canyon, which ran aground near the Scilly Isles in 1967, losing its entire cargo of approximately 119,000 tonnes of crude oil, fouling UK and French coastlines. This incident exposed a number of serious shortcomings, in particular the absence of an international agreement on liability and compensation in the event of such a spill. It led the international community to establish, under the auspices of the International Maritime Organization (IMO), a regime for compensation for victims of oil pollution.

The framework for the regime was the 1969 International Convention on Civil Liability for Oil Pollution Damage (1969 Civil Liability Convention) and the 1971 International Convention on the Establishment of an International Fund for Compensation for Oil Pollution (1971 Fund Convention). Over time, it became clear that the amount of compensation available for major incidents needed to be increased, and the scope of the regime widened. This resulted in two further instruments, known as the 1992 Civil Liability Convention and the 1992 Fund Convention.

Following the Eríka and Prestige incidents, a third instrument, the Supplementary Fund Protocol, was adopted in 2003, providing additional compensation over and above that available under the 1992 Fund Convention for pollution damage in the States that become Parties to the Protocol.

The IOPC Funds are financed by contributions paid by entities that receive certain types of oil after sea transport. These contributions are based on the amount of oil received in the relevant calendar year, and cover expected claims, together with the costs of administering the Funds. Since their establishment, the 1992 Fund and the preceding 1971 Fund have been involved in 149 incidents of varying sizes all over the world. In the great majority of cases, all claims have been settled out of court: no incidents have occurred so far which have involved or are likely to involve the Supplementary Fund.

Since their establishment, the 1992 Fund and the preceding 1971 Fund have been involved in 149 incidents of varying sizes all over the world.

States Parties to the 1992 Fund Convention
- Albania
- Algeria
- Angola
- Antigua and Barbuda
- Argentina
- Australia
- Bahamas
- Bahrain
- Barbados
- Belgium
- Belize
- Benin
- Brunei Darussalam
- Bulgaria
- Cambodia
- Cameroon
- Canada
- Cape Verde
- China
- Colombia
- Comoros
- Congo
- Cook Islands
- Côte d’Ivoire
- Croatia
- Cyprus
- Denmark
- Djibouti
- Dominica
- Dominican Republic
- Ecuador
- Estonia
- Fiji
- Finland
- France
- Gabon
- Georgia
- Germany
- Ghana
- Greece
- Grenada
- Guinea
- Hungary
- Iceland
- India
- Ireland
- Islamic Republic of Iran
- Israel
- Italy
- Jamaica
- Japan
- Kenya
- Kiribati
- Latvia
- Lithuania
- Luxembourg
- Madagascar
- Malawi
- Malaysia
- Marshall Islands
- Mauritania
- Mauritius
- Mexico
- Monaco
- Montenegro
- Morocco
- Mozambique
- Namibia
- Netherlands
- New Zealand
- Nicaragua (from 4 April 2015)
- Nigeria
- Niue
- Norway
- Oman
- Palau
- Panama
- Papua New Guinea
- Philippines
- Poland
- Portugal
- Qatar
- Russian Federation
- Saint Kitts and Nevis
- Saint Lucia
- Saint Vincent and the Grenadines
- Samoa
- Senegal
- Serbia
- Seychelles
- Sierra Leone
- Singapore
- Slovakia
- Slovenia
- South Africa
- Spain
- Sri Lanka
- Sweden
- Switzerland
- Syrian Arab Republic
- Tonga
- Trinidad and Tobago
- Tunisia
- Turkey
- Tuvalu
- United Arab Emirates
- United Kingdom
- United Republic of Tanzania
- Uruguay
- Vanuatu
- Venezuela
- (Bolivarian Republic of)

The 1992 Civil Liability Convention, the 1992 Fund Convention and the Supplementary Fund Protocol all apply to pollution damage caused by spills of persistent oil from tankers in the territory (including the territorial sea) or the exclusive economic zone (EEZ) or equivalent area of a State Party to the respective treaty instrument.

The 1992 Civil Liability Convention

The 1992 Civil Liability Convention (1992 CLC) governs the liability of shipowners for oil pollution damage. Under this Convention, the registered shipowner has strict liability for pollution damage caused by the escape or discharge of persistent oil from his ship. This means that he is liable even in the absence of fault on his part. He is exempt from liability only if he proves that:

- the damage resulted from an act of war, hostilities, civil war, insurrection or a natural phenomenon of an exceptional, inevitable and irresistible character, or
- the damage was wholly caused by an act or omission done with the intent to cause damage by a third party, or
- the damage was wholly caused by the negligence or other wrongful act or any Government or other authority responsible for the maintenance of lights or other navigational aids, in the exercise of that function.

The shipowner is normally entitled to limit his liability to an amount determined by the size of the ship, as set out below.

For ships carrying more than 2,000 tonnes of oil as cargo in bulk, the shipowner is obliged to maintain insurance to cover his liability under the 1992 CLC, and claims have a right of direct action against the insurer. Any claims for pollution damage under the 1992 CLC can be made only against the registered owner of the ship concerned. This does not, in principle, preclude victims from claiming compensation outside the Conventions, from persons other than the shipowner.

However, the 1992 CLC prohibits claims against the servants or agents of the shipowner, the members of the crew, the pilot, the charterer (including a bareboat charterer), manager or operator of the ship, or any person carrying out salvage operations or taking preventive measures, unless the pollution damage resulted from the personal act or omission of the person concerned, committed with the intent to cause such damage, or recklessly and with knowledge that such damage would probably result.

The 1992 Fund Convention

The 1992 Fund Convention, which is supplementary to the 1992 CLC, establishes a regime for compensating victims of pollution damage under the 1992 CLC. The 1992 Fund is not available or is inadequate. The International Oil Pollution Compensation Fund, 1992 (1992 Fund) was set up under the 1992 Fund Convention.

The 1992 Fund pays compensation when:

- the damage exceeds the limit of the shipowner’s liability under the 1992 CLC, or
- the shipowner is exempt from liability under the 1992 CLC, or
- the shipowner is financially incapable of meeting his obligations in full under the 1992 CLC and the insurance is insufficient to pay valid compensation claims.

The maximum compensation payable by the 1992 Fund is 203 million SDR for incidents occurring on or after 1 November 2003, irrespective of the size of the ship. For incidents occurring before that date, the maximum amount payable is 135 million SDR. These maximum amounts include the sums actually paid by the shipowner under the 1992 CLC.

The 1992 Fund is financed by contributions levied on any person who has received in one calendar year more than 150,000 tonnes of crude oil and/or heavy fuel oil (contributing oil) in a Member State of the 1992 Fund.

The Supplementary Fund Protocol

The Supplementary Fund Protocol was adopted in 2003, entered into force in 2005, thereby establishing the International Oil Pollution Compensation Supplementary Fund, 2003 (Supplementary Fund). The Supplementary Fund provides additional compensation beyond the amount available under the 1992 Fund Convention to 1992 Fund Member States which are also Parties to the Protocol. The total amount available for compensation for each incident is 750 million SDR, excluding the amounts payable under the 1992 Conventions.

Annual contributions to the Supplementary Fund are made on the same basis as contributions to the 1992 Fund. The Supplementary Fund differs from the 1992 Fund in that, for the purpose of paying contributions, at least 1 million tonnes of contributing oil are deemed to have been received each year in each Member State.

The Old Regime

1969 Civil Liability Convention

The International Oil Pollution Compensation Fund, 1971 (1971 Fund) was set up under the 1971 Fund Convention, when it entered into force in 1978. The maximum amount of compensation payable by the 1971 Fund per incident was 60 million SDR, including the amount paid under the 1969 CLC. The 1971 Fund Convention ceased to be in force on 24 May 2002 and consequently did not apply to incidents occurring after that date. The 1971 Fund continued to operate for several years in order to settle outstanding claims and resolve the outstanding incidents involving that Fund. Finally, at the October 2014 session of the 1971 Fund Administrative Council, Member States decided to wind up the Fund with effect from 31 December 2014. Consequently the 1971 Fund ceased to exist as of that date. During its 36 years in operation the 1971 Fund was involved in over 100 incidents and paid some €313 million in compensation to victims of oil pollution damage. Further information relating specifically to the decision to wind up the 1971 Fund and the key events which took place over the course of the Fund’s final year, including the decisions taken by the 1971 Fund Administrative Council at its May and October 2014 sessions, are set out on pages 36-37. Full records of decisions setting out the discussions at the 2014 sessions of the governing bodies are available on the document services section of the website (www.iopcfunds.org).

1971 Fund Convention

The International Oil Pollution Compensation Fund, 1971 (1971 Fund) was set up under the 1971 Fund Convention, when it entered into force in 1978. The maximum amount of compensation payable by the 1971 Fund per incident was 60 million SDR, including the amount paid under the 1969 CLC. The 1971 Fund Convention ceased to be in force on 24 May 2002 and consequently did not apply to incidents occurring after that date. The 1971 Fund continued to operate for several years in order to settle outstanding claims and resolve the outstanding incidents involving that Fund. Finally, at the October 2014 session of the 1971 Fund Administrative Council, Member States decided to wind up the Fund with effect from 31 December 2014. Consequently the 1971 Fund ceased to exist as of that date. During its 36 years in operation the 1971 Fund was involved in over 100 incidents and paid some €313 million in compensation to victims of oil pollution damage. Further information relating specifically to the decision to wind up the 1971 Fund and the key events which took place over the course of the Fund’s final year, including the decisions taken by the 1971 Fund Administrative Council at its May and October 2014 sessions, are set out on pages 36-37. Full records of decisions setting out the discussions at the 2014 sessions of the governing bodies are available on the document services section of the website (www.iopcfunds.org).

The Supplementary Fund Protocol

The Supplementary Fund Protocol, which was adopted in 2003, entered into force in 2005, thereby establishing the International Oil Pollution Compensation Supplementary Fund, 2003 (Supplementary Fund). The Supplementary Fund provides additional compensation beyond the amount available under the 1992 Fund Convention to 1992 Fund Member States which are also Parties to the Protocol. The total amount available for compensation for each incident is 750 million SDR, excluding the amounts payable under the 1992 Conventions.

Annual contributions to the Supplementary Fund are made on the same basis as contributions to the 1992 Fund. The Supplementary Fund differs from the 1992 Fund in that, for the purpose of paying contributions, at least 1 million tonnes of contributing oil are deemed to have been received each year in each Member State.

STOPIA 2006 and TOPIA 2006

STOPIA 2006 and TOPIA 2006 are two voluntary agreements which were set up to indemnify the 1992 Fund and Supplementary Fund respectively, for compensation paid above the shipowner’s limit of liability under the 1992 CLC, up to certain amounts. The 1992 Fund and Supplementary Fund are not parties to these agreements, which nevertheless confer legally enforceable rights on the Funds to indemnification from the shipowner in States for which the 1992 Fund Convention or Supplementary Fund Protocol is in force.

The Small Tanker Oil Pollution Indemnification Agreement 2006 (STOPIA 2006) is a voluntary agreement between owners of small tankers (i.e. 20 548 GT or less) and their insurers, under which the maximum amount of compensation payable by owners of small tankers is increased to 20 million SDR. It applies to all small tankers entered in a P&I Club that is a member of the International Group and reinsured through the pooling arrangements of the Group. The first and only incident so far in respect of which indemnification has been paid to the 1992 Fund under STOPIA 2006 was the Solar 1 spill that occurred in the Philippines in 2005.

The Tanker Oil Pollution Indemnification Agreement 2006 (TOPIA 2006) is another voluntary agreement which applies to all tankers entered in P&I Clubs that are members of the International Group and reinsured through the pooling arrangements of the Group. Under TOPIA 2006, the Supplementary Fund is indemnified for 50% of any amounts paid in compensation in respect of incidents involving tankers entered in the agreement.

8 International Oil Pollution Compensation Funds

Legal Framework

Annual Report 2014
The 2010 HNS Convention

The HNS Convention was first adopted at an international conference held by IMO in May 1996, but did not enter into force. A second international conference, held in April 2010, adopted a Protocol to the HNS Convention (2010 HNS Protocol), designed to address practical problems that had prevented States from ratifying the original Convention. At the request of both Conferences, the 1992 Fund Secretariat was given the assignment to carry out administrative tasks necessary to set up the HNS Fund. This was decided on the basis that all expenses incurred would be repaid, with interest, to the 1992 Fund by the HNS Fund once the Convention enters into force. The Conventions’ three-tier system (with the Supplementary Fund where applicable), the 2010 HNS Convention offers a two-tier system in one single treaty, in which the shipowner is strictly liable to pay the first tier of compensation, while a Fund (the HNS Fund) generated from levies on cargo receivers in all Member States provides the second-tier of compensation. The shipowner’s liability varies for bulk HNS and packaged HNS. For bulk HNS it ranges from 10 million SDR for ships up to 2 000 GT to a maximum of 100 million SDR for ships of 100 000 GT and above. For damage caused by packaged HNS it ranges from 11.5 million SDR to a maximum of 115 million SDR. It is compulsory for all ships to have insurance to cover their liability and claimants have a right of direct action against the insurer. The HNS Fund will provide the second tier of compensation up to a total of 250 million SDR, including the amount payable by the shipowner under the first tier, irrespective of ship size, and will comprise a general account covering bulk solids and other HNS as well as three separate accounts for oil, LPG and LNG. Each separate account will meet claims attributable to the respective cargo and will be funded in proportion to total receipts of relevant cargoes in Member States, which means that there will be no cross-subsidisation between accounts. Contributions by individual receivers will be based on the thresholds shown in the table below. The 2010 HNS Protocol is open for accession and will enter into force 18 months after the date on which it is ratified or acceded to by at least twelve States. This must include four States that have no less than two million units of shipping gross tonnage each. The four States must also have received in the immediately preceding calendar year a total of at least 40 million tonnes of cargo, which would contribute to the general account. Since the 2010 HNS Protocol was adopted, the 1992 Fund Secretariat has carried out numerous tasks necessary to set up the HNS Fund. Throughout 2014, the Secretariat continued to provide assistance to IMO and States in order to support the Protocol’s early entry into force. In May 2014, the Legal Committee of the IMO approved the re-establishment of the HNS Correspondence Group, chaired by François Maqury of Canada, the group advocates for the ratification of the 2010 HNS Protocol through information and experience sharing. The 1992 Secretariat supports this group by administrating its online blogging site, which has been successfully used to publicise a number of workshops and informal meetings during the year, to share reports of those meetings and key papers produced as a result, including most recently a chart for States to update each other with progress towards ratification. The Secretariat has also continued to maintain and improve the website www.hnsconvention.org, which provides easy access to a number of tools and resources for the use of those States considering, or in the process of, ratifying the Protocol. This includes the IMO-approved HNS contributing cargo reporting guidelines and accompanying model reporting forms; the consolidated text of the 2010 HNS Convention, Protocol and reporting guidelines in English, French and Spanish; and the web-based database, the HNS Finder, which provides a complete list of HNS covered by the Convention. The HNS Finder includes a search function which enables users to look up substances and determine whether a substance is contributing cargo that must be reported, and whether it qualifies for compensation under the Convention. The Secretariat took advantage of every opportunity in 2014 to assist States in deepening their understanding of the implementation of the Protocol, including assisting the Italian Government with the running of a workshop on HNS, speaking at the European LPG Markets Conference and contributing to and participating in a number of other initiatives to promote awareness of the Protocol and encourage its prompt ratification by States. The following eight States have signed the 2010 HNS Protocol but no ratification has taken place yet.

Canada
Denmark
France
Netherlands
Germany
Norway
Turkey

---

The following table shows the establishment of account/sector per receiver:

<table>
<thead>
<tr>
<th>Account Type</th>
<th>Establishments of Account</th>
<th>Contributions to Account/sector per Receiver</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Account</td>
<td>40 million tonnes*</td>
<td>&gt; 20 000 tonnes</td>
</tr>
<tr>
<td>Oil Account</td>
<td>350 million tonnes</td>
<td>&gt; 150 000 tonnes</td>
</tr>
<tr>
<td></td>
<td>Persistent oil</td>
<td>&gt; 20 000 tonnes</td>
</tr>
<tr>
<td></td>
<td>Non-persistent oil</td>
<td>&gt; 20 000 tonnes</td>
</tr>
<tr>
<td>LPG Account</td>
<td>16 million tonnes</td>
<td>&gt; 30 000 tonnes</td>
</tr>
<tr>
<td>LNG Account</td>
<td>20 million tonnes</td>
<td>No minimum quantity</td>
</tr>
</tbody>
</table>

(*Condition for entry into force)
In this section, the administration and organisational structure of the IOPC Funds during 2014 are described.

The Secretariat, headed by the Director, has 34 established posts and is based in London, United Kingdom (pages 14-15). The relationship between the Host State and the IOPC Funds is governed by a Headquarters Agreement between the United Kingdom Government and the IOPC Funds. The Agreement sets out the privileges and immunities of the IOPC Funds, of delegates to meetings and of staff members.

In addition to the Secretariat, the Director is supported by the joint Audit Body and the joint Investment Advisory Body. Details of their role in the management of the IOPC Funds as well as key information regarding the running costs of the Secretariat are provided under Administration (pages 16-17). The contributions levied by the various Funds and a summary of the total quantities of contributing oil received by Member States is reported under Contributions, together with an outline of how the annual levies are calculated (pages 19-21).

The Funds engage in a variety of outreach activities. These include maintaining a website in the three official languages (English, French and Spanish), which provides up-to-date information about the Organisations and includes the Document Services website where users can download all documents for past and forthcoming meetings. The activities undertaken by the IOPC Funds during 2014 to increase awareness of the Funds’ role in the international oil pollution compensation regime, such as presentations at conferences, the organisation of workshops and meetings with interested parties, are set out under External Relations, which also includes lists of States and organisations that hold observer status with the Funds (pages 22-25).

Finally in this section, a summary is given of the incidents currently being dealt with by the Funds as well as an overview of the claims handling process (pages 26-29). In light of the frequent updates and improvements to the incident-related information available on the IOPC Funds’ website, the governing bodies decided in October 2014 that it was no longer necessary to annually print a full publication dedicated to the incidents involving the IOPC Funds. However, this section of the Annual Report has been expanded this year to include the general developments in the incidents over the course of 2014 (pages 30-31).
The 1992 Fund and the Supplementary Fund share a joint Secretariat, based in London. As at 31 December 2014, the Secretariat had 34 established posts. The Director is the chief administrative officer and is responsible for the overall management of the Funds, including maintaining a sound system of internal control that supports the achievement of the Funds’ policies, aims and objectives and safeguards its assets. The system of internal control is based on procedures designed to ensure conformity with the Funds’ Financial Regulations, Internal Regulations and decisions of the respective governing bodies.

For the strategic running of the Secretariat, the Director is assisted by a Management Team, comprising the Deputy Director/Head of the Finance and Administration Department, the Legal Counsel, the Head of the External Relations and Conference Department and the Head of the Claims Department. In the event that the Director was unable to assume his functions, the members of the Management Team, in the order set out above, would take on the responsibilities of the Director.

In addition to the permanent staff of the Secretariat, the Funds use external consultants to provide advice on legal and technical matters, as well as on other matters relating to the management of the Funds, where necessary. In connection with a number of major incidents, the Funds and the shipowner’s third-party liability insurer have jointly established local claims offices to provide more efficient handling of claims and to assist claimants.

IOPC Funds’ Secretariat as of March 2015
Financial administration

The General Funds cover the administration expenses of the respective Funds, including the costs of running the Joint Secretariat and, in respect of the 1992 Fund, for compensation payments and claims-related expenditure, up to a maximum amount defined by the sterling equivalent 4 million SDR (1992 Fund) per incident. Separate Major Claims Funds are established for incidents for which the total amounts payable exceed these amounts. A Claims Fund is established for any incident for which the Supplementary Fund has to pay compensation. Since there have been no incidents involving the Supplementary Fund, no Claims Funds have been established. The General Fund of the 1971 Fund also covered administration expenses, as well as claims-related expenditure up to a maximum amount defined by the sterling equivalent of 1 million SDR (1971 Fund). Separate Major Claims Funds were established for incidents for which the total amounts payable exceeded those amounts.

Financial information

Financial Statements prepared under the International Public Sector Accounting Standards (IPSAS) provide a comprehensive view of the financial position and the financial performance of the organisation at the entity level. The Funds’ activities have been classified into segments on the basis of the General Fund and Major Claims Funds and disclosure about each stream of activity is provided in the notes to the Financial Statements.

1992 Fund Financial Information for 2013 (audited)

Contributions of some £5 million were levied in 2013 for payment in 2014 in relation to the General Fund, Prestige Major Claims Fund and Volgojett 139 Major Claims Fund respectively. Reimbursement of £26.2 million was made to contributors to the Enka Major Claims Fund. Interest on investments amounted to some £2.1 million. Claims and claims-related expenditure during the period was some £3.8 million. The payments related mainly to the Hevia Spirit and Nasa R9 incidents.

Supplementary Fund

Financial Information for 2013 (audited)

No contributions were due during 2013. Interest on investments amounted to some £5.5 million. The payments related mainly to the £5.5 million. The payments related mainly to the £5.5 million. The payments related mainly to the Volgojett 139, Hevia Spirit and Prestige incidents.

Financial Information for 2014 (unaudited)

Contributions of some £3.5 million, £2.5 million, £7.5 million were levied in 2013 for payment in 2014 in relation to the General Fund, Prestige Major Claims Fund and Volgojett 139 Major Claims Fund respectively. Reimbursement of £26.2 million was made to contributors to the Enka Major Claims Fund. Interest on investments amounted to some £2.1 million. Claims and claims-related expenditure during the period was some £3.8 million. The payments related mainly to the Hevia Spirit and Nasa R9 incidents.

Joint Secretariat expenses

The joint administrative expenses (excluding the External Auditor’s fees which are paid directly by each of the Funds) for the Secretariat, administered by the 1971 Fund in respect of administrative expenses amounted to some £19,000. Total obligations incurred by the 1971 Fund in respect of administrative expenses amounted to £674,435, of which £480,000 was in respect of the management fee payable to the 1992 Fund. Claims and claims-related expenditure amounted to some £1.6 million.

Risk management

The Secretariat has a full risk management system in place, which is regularly reviewed and updated. In consultation with the Audit Body and the External Auditor the risks are categorised either as operational risks or institutional issues. Operational risks have five further subcategories, namely finance/contributions, governance/management, compensation, safety/security and communication/publications (including website). These identified risks, institutional issues and any corresponding mitigation measures which are put in place are continuously monitored to ensure a robust risk management system is maintained.

Audit Body

The joint Audit Body, established by the IOPC Funds’ governing bodies, normally meets three times a year to review the adequacy and effectiveness of the Organisations regarding key issues of management and financial systems, financial reporting, internal controls, operational procedures and risk management, and to review the Organisations’ Financial Statements and reports. It also considers all relevant reports by the External Auditor. The Audit Body reports to the governing bodies at their regular autumn session.

The seven current members of the joint Audit Body, elected in October 2014, are:

Mr John Gillies (Australia)
Mr Makato Hirasawa (Japan)
Mr Michael Knight (External expert)
Mr Jose Luis Herrera Vaca (Mexico)
Mr Eugene Nganga Ebandjo (Cameroon)
Mr Vitor-Adalberto Guissardi Oliveira (Brazil)
Mr Jerry Rysaneck (Canada/Chairman)

Investment Advisory Body

The joint Investment Advisory Body, established by the IOPC Funds’ governing bodies, advises the Director on procedures for investment and cash management controls. This Body also reviews the IOPC Funds’ investments and foreign exchange requirements, to ensure that reasonable investment returns are achieved without compromising the safety of the IOPC Funds’ assets. The Body normally meets four times a year with the Secretariat. It also meets with the Audit Body and External Auditor to share information, and reports to the governing bodies at their regular autumn session.

The three current members of the joint Investment Advisory Body, appointed in October 2014 are (left to right) Mr Alan Moore, Mr Simon Whitney-Long, Mr Brian Turner.

<table>
<thead>
<tr>
<th>Net Assets of the respective IOPC Funds</th>
<th>2014 unaudited</th>
<th>2013 audited</th>
<th>2012 audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992 Fund</td>
<td>€158,481,026</td>
<td>€193,442,370</td>
<td>€173,524,630</td>
</tr>
<tr>
<td>Supplementary Fund</td>
<td>€943,995</td>
<td>€971,465</td>
<td>€999,642</td>
</tr>
<tr>
<td>1971 Fund (Fund dissolved with effect 31/12/14)</td>
<td>€158,481,026</td>
<td>€193,442,370</td>
<td>€173,524,630</td>
</tr>
</tbody>
</table>
FAQs

Q: How are the IOPC Funds financed?
A: This is explained in full detail under the Contributions section opposite, but in general the receiving of contributing oil (persistent oil) in a Member State is liable to pay contributions to the IOPC Funds, if they have received in excess of 150,000 tonnes in a calendar year or if they receive less, but are associated with another oil receiver.

Q: Do oil exporters pay contributions?
A: No. In order to create a system which would not be too complicated to operate, it was decided to count oil quantities for contribution purposes only when they were received at a port after sea transport.

Q: If nobody in a Member State receives oil, what happens?
A: If there are no entities in a State that receive more than 150,000 tonnes of contributing oil in a year, the State must still inform the Fund by submitting a nil report. The State will have financial protection for any tanker spills but would not have to make any contributions.

Q: Does a company that receives oil temporarily in a storage facility for others have to pay?
A: Yes. It is the first physical receiver of the oil in a Member State who is liable to pay contributions, provided that the oil has previously been transported by sea. It does not matter whether the oil is received on behalf of another company.

Q: How much does it cost to be a Member of the 1992 Fund or the Supplementary Fund?
A: The level of contributions varies each year, depending on the amounts of compensation which the 1992 Fund or the Supplementary Fund has to pay. That depends on the incidents which occur and the amounts to be paid in compensation for each of them and the amount of claims-related expenditure required. There are no fixed premiums to pay and the annual administrative budget of the Secretariat is relatively small (see page 16).

The price per tonne of contributing oil is relatively small (see page 16).


does not pay?
A: Normally Member States do not pay any contributions. However, a State can choose to pay the contributions instead of the individual receivers if it wishes, but only a few States have chosen to do this. Under the Supplementary Fund Protocol a minimum of 1 million tonnes of contributing oil is deemed to be received by each Member State. When the aggregate quantity of contributing oil received in a Member State is less than 1 million, the State must assume the obligation for the difference.

Contributions to the IOPC Funds are calculated on the basis of the quantities of contributing oil received in the preceding calendar year by each contributor.
Contributions to Major Claims Funds and Claims Funds are calculated on the basis of the quantities of contributing oil received in the preceding calendar year by each Contributor.
Contributions are paid by the individual contributors directly to the Funds (see Financial Review).

The levy of contributions depends on reports of the amounts of oil received by individual contributors, which the governments or Member States are obliged to submit annually to the Secretariat. These amounts are used as the basis of the levy, calculated to provide money to administer the Funds and to pay claims approved by the governing bodies.
A system of deferral invoicing exists whereby the total amount to be levied is calculated for a given calendar year is fixed, but only a specific lower total amount is invoiced for payment by 1 March. The remaining amount of a part thereof is invoiced later in the year if necessary.

Contributions to the General Funds are calculated on the basis of the quantities of contributing oil received in the preceding calendar year by each contributor. The amounts to be paid are calculated to provide financial protection for any tanker spills but will not have to make any contributions.
<table>
<thead>
<tr>
<th>1992 Fund Member State</th>
<th>Contributing oil received in 2013 (tonnes)</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexico</td>
<td>6 803 803</td>
<td>0.39%</td>
</tr>
<tr>
<td>Morocco</td>
<td>6 597 936</td>
<td>0.38%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>6 434 762</td>
<td>0.37%</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>4 424 985</td>
<td>0.20%</td>
</tr>
<tr>
<td>Belgium</td>
<td>4 320 568</td>
<td>0.20%</td>
</tr>
<tr>
<td>China (HKSAR)</td>
<td>4 140 500</td>
<td>0.20%</td>
</tr>
<tr>
<td>Trinidad and Tobago</td>
<td>4 123 996</td>
<td>0.20%</td>
</tr>
<tr>
<td>Estonia</td>
<td>3 938 146</td>
<td>0.20%</td>
</tr>
<tr>
<td>Côte d’Ivoire</td>
<td>3 741 385</td>
<td>0.20%</td>
</tr>
<tr>
<td>Ecuador</td>
<td>3 131 754</td>
<td>0.20%</td>
</tr>
<tr>
<td>Tunisia</td>
<td>2 856 812</td>
<td>0.20%</td>
</tr>
<tr>
<td>Ireland</td>
<td>2 764 880</td>
<td>0.20%</td>
</tr>
<tr>
<td>Croatia</td>
<td>2 723 328</td>
<td>0.20%</td>
</tr>
<tr>
<td>Nigeria</td>
<td>2 652 237</td>
<td>0.20%</td>
</tr>
<tr>
<td>Malta</td>
<td>2 560 412</td>
<td>0.20%</td>
</tr>
<tr>
<td>Angola</td>
<td>2 197 919</td>
<td>0.20%</td>
</tr>
<tr>
<td>Uruguay</td>
<td>2 082 909</td>
<td>0.20%</td>
</tr>
<tr>
<td>Jamaica</td>
<td>1 978 354</td>
<td>0.20%</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>1 804 462</td>
<td>0.20%</td>
</tr>
<tr>
<td>Cameroon</td>
<td>1 748 429</td>
<td>0.20%</td>
</tr>
<tr>
<td>Ghana</td>
<td>1 283 141</td>
<td>0.20%</td>
</tr>
<tr>
<td>Papua New Guinea</td>
<td>1 235 238</td>
<td>0.20%</td>
</tr>
<tr>
<td>Mauritius</td>
<td>685 861</td>
<td>0.20%</td>
</tr>
<tr>
<td>Cyprus</td>
<td>646 163</td>
<td>0.20%</td>
</tr>
<tr>
<td>Tanzania</td>
<td>512 133</td>
<td>0.20%</td>
</tr>
<tr>
<td>Algeria</td>
<td>489 526</td>
<td>0.20%</td>
</tr>
<tr>
<td>Colombia</td>
<td>274 917</td>
<td>0.20%</td>
</tr>
<tr>
<td>Barbados</td>
<td>226 046</td>
<td>0.20%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1 477 428 499</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

Percentage of the only levy contributions (£1.4 million) to the Supplementary Fund which have been received (as at 31 December 2014)

Supplementary Fund

At the October 2014 meetings of the governing bodies, the Supplementary Fund Assembly decided not to levy 2014 contributions, since there had been no incidents involving the Supplementary Fund.

Contributing oil received in the calendar year 2013 in the territories of States which were Members of the Supplementary Fund on 31 December 2014 (as reported by 31 December 2014) is listed below.

<table>
<thead>
<tr>
<th>Supplementary Fund Member State</th>
<th>Contributing oil received in 2013 (tonnes)</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>226 383 140</td>
<td>22.08%</td>
</tr>
<tr>
<td>Republic of Korea</td>
<td>125 774 551</td>
<td>12.27%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>116 261 781</td>
<td>11.34%</td>
</tr>
<tr>
<td>Italy</td>
<td>111 116 821</td>
<td>10.84%</td>
</tr>
<tr>
<td>Spain</td>
<td>68 399 049</td>
<td>6.67%</td>
</tr>
<tr>
<td>France</td>
<td>62 564 522</td>
<td>6.10%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>88 888 722</td>
<td>5.72%</td>
</tr>
<tr>
<td>Canada</td>
<td>81 705 504</td>
<td>5.04%</td>
</tr>
<tr>
<td>Australia</td>
<td>28 265 338</td>
<td>2.76%</td>
</tr>
<tr>
<td>Greece</td>
<td>25 294 385</td>
<td>2.47%</td>
</tr>
<tr>
<td>Germany</td>
<td>25 146 701</td>
<td>2.45%</td>
</tr>
<tr>
<td>Sweden</td>
<td>20 819 003</td>
<td>2.00%</td>
</tr>
<tr>
<td>Turkey</td>
<td>18 899 503</td>
<td>1.84%</td>
</tr>
<tr>
<td>Norway</td>
<td>14 177 438</td>
<td>1.38%</td>
</tr>
<tr>
<td>Finland</td>
<td>12 864 174</td>
<td>1.25%</td>
</tr>
<tr>
<td>Portugal</td>
<td>12 836 073</td>
<td>1.23%</td>
</tr>
<tr>
<td>Lithuania</td>
<td>8 967 161</td>
<td>0.87%</td>
</tr>
<tr>
<td>Denmark</td>
<td>7 907 348</td>
<td>0.77%</td>
</tr>
<tr>
<td>Poland</td>
<td>6 331 502</td>
<td>0.62%</td>
</tr>
<tr>
<td>Morocco</td>
<td>5 587 908</td>
<td>0.55%</td>
</tr>
<tr>
<td>Belgium</td>
<td>4 320 568</td>
<td>0.42%</td>
</tr>
<tr>
<td>Estonia</td>
<td>3 938 146</td>
<td>0.38%</td>
</tr>
<tr>
<td>Ireland</td>
<td>2 764 880</td>
<td>0.27%</td>
</tr>
<tr>
<td>Croatia</td>
<td>2 723 328</td>
<td>0.27%</td>
</tr>
<tr>
<td>Barbados</td>
<td>1 000 000</td>
<td>0.10%</td>
</tr>
<tr>
<td>Hungary</td>
<td>1 000 000</td>
<td>0.10%</td>
</tr>
<tr>
<td>Latvia</td>
<td>1 000 000</td>
<td>0.10%</td>
</tr>
<tr>
<td>Slovenia</td>
<td>1 000 000</td>
<td>0.10%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1 025 227 216</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

As at 31 December 2014, oil reports had not been received from Montenegro and Slovakia.
The Secretariat of the IOPC Funds undertakes a range of activities aimed at strengthening the IOPC Funds’ relationships with Member States and other international, intergovernmental or non-governmental organisations. From time to time, the Secretariat organises or participates in events such as national and regional workshops or gives presentations to enhance understanding of the international regime for oil pollution compensation, to assist with implementation of the Conventions at national level and to assist potential claimants. Meetings between the Secretariat and government authorities within Member States may often prove highly beneficial to both parties. Such visits normally result in the resolution of longstanding issues such as the payment of outstanding contributions and submission of oil reports.

The main activities in 2014 are outlined here and shown on the following map, together with other key outreach activities delivered since 2010.

1. **Location:** Colombo, Sri Lanka  
   **Name of Event:** Regional workshop on spill preparedness and response  
   Presentation given on the international liability and compensation regime at the South Asia Co-operative Environment Programme (SACEP) and IMO-led meeting for the responsible national authorities in the South Asia region.

2. **Location:** Mumbai, India  
   **Name of Event:** Workshop on the international liability and compensation regime  
   Workshop delivered to a number of stakeholders in India who could potentially be involved in and/or impacted by an oil spill from a tanker.

3. **Location:** Hurghada, Egypt  
   **Name of Event:** Regional workshop on the international liability and compensation regime  
   Workshop conducted at the invitation of PERSSGA, at the Center for Emergency Mutual Aid in the Red Sea and Gulf of Aden. It was attended by six of PERSSGA’s member countries.

4. **Location:** Seoul, Republic of Korea  
   **Name of Event:** Launch of ITOPF film series  
   Attendance at the launch of the final film “Response to Marine Oil Spills”, jointly organised by ITOPF and KOMOS, the Korean Marine surveyors engaged by the IOPC Funds following the Hebei Spirit incident.

5. **Location:** Tangiers, Morocco  
   **Name of Event:** World Maritime Day Parallel Event  
   Participation at this event which focused on “IMO Conventions: effective implementation”.

6. **Location:** Kuala Lumpur, Malaysia  
   **Name of Event:** GI WACAF Workshop  
   Workshop delivered with ITOPF and Standard Club, as part of the IMO and IPECA-funded GI-WACAF project. The workshop aimed to facilitate a better understanding and encourage effective implementation of the compensation regime in West and Central African States.

7. **Location:** Brussels, Belgium  
   **Name of Event:** Stakeholder workshop, organised by the European Commissioner  
   Participation at meeting and workshop relating to the ongoing review of the application of the European Environmental Liability Directive (ELLD), Presentation given on the IOPC Funds handling of environmental damage claims.

8. **Location:** Terschelling, the Netherlands  
   **Name of Event:** Visit to the Maritime Institute Willem Barentsz (MIWB)  
   Visit to the simulator centre of the Maritime Institute Willem Barentsz (MIWB). Presentation given and opportunity taken to experience of the new oil spill response simulator.

9. **Location:** Helsinki, Finland  
   **Name of Event:** National workshop on the international liability and compensation regime  
   Workshop delivered in cooperation with the International Group of P&I Associations and ITOPF, with 40 participants.
External Relations

In-house visits
In addition to the activities overleaf, delegations from a variety of organisations and universities visit the Funds’ offices when in London. In 2014, visitors included students from the Erasmus University in Rotterdam, the Netherlands, the universities of Ghent in Belgium, Barcelona in Spain, and from the International Maritime Law Institute (IMLI) in Malta. During these visits, the Secretariat usually delivers presentations and holds question and answer sessions on the international liability and compensation regime. Further events are planned for 2015.

Regional lunch meetings
The Secretariat organises informal lunch meetings at the IOPC Funds’ offices for London-based representatives of Member and non-Member States according to geographical regions. These meetings provide an opportunity for the Secretariat to improve contacts with States and to deal with queries relating to membership, oil reporting and contributions. During 2014, three lunch meetings were held for States in regions of Asia, the Pacific, Africa and the Middle East. Further events are planned for 2015.

IOPC Funds’ Short Course
The fourth annual IOPC Funds’ Short Course took place in July 2014. The programme covered all aspects of the work of the IOPC Funds and the international liability and compensation regime in general and included practical exercises which allowed participants to study a theoretical incident and the subsequent claims submission process. Participants also had the opportunity to visit the IMO Headquarters, the offices of the UK Club and the West of England Club, and had a guided tour of Lloyd’s of London. The course is currently supported by IMO, the International Group of P&I Associations, ITOPF, INTERTANKO and ICS. Each year the course is open to a maximum of ten self-funded participants from 1992 Fund Member States, nominated directly by their government.

Activities relating to the 2010 HNS Convention
The Secretariat conducted a number of activities during 2014 as part of the 1992 Fund’s work in connection with the setting up of the HNS Fund (see pages 8-9). In particular, it assisted the Italian Government in running a workshop on the 2010 HNS Convention in October in Rome, Italy. It became apparent at that workshop that many States were advancing towards ratification but that both States and the industry required practical support to facilitate implementation. In addition, the workshop demonstrated that there was a need for increased coordination among interested States, internationally and regionally. A presentation on the HNS Convention was also delivered on the occasion of the European LP Gas Markets Conference that took place in London in November. A new edition of the HNS brochure was also published.

Website
The IOPC Funds’ website is the hub for all information pertaining to the Organisations and is available in English, French and Spanish. The site is divided into five main sections covering the work and structure of the Organisations, compensation and claims management, incidents, the latest news and upcoming events as well as a section containing the publications produced by the Funds. That section includes an online archive of all Annual Reports issued since 1978. Additionally, the site incorporates various interactive features, such as a map of incidents involving the IOPC Funds, with case studies and information relating to incidents dating back to the establishment of the 1971 Fund, a map displaying the membership of the IOPC Funds, a downloadable sample claim form and statistical information.
In addition, the website provides access to other IOPC Funds’ services and websites, including document services, the online reporting system and the HNS Convention website.

Publications
In addition to the Annual Report 2013 and the publication incidents involving the IOPC Funds 2013, during 2014 the Secretariat also published a new Claims Information Pack, which is primarily aimed at assisting claimants. This pack contains the new 1992 Fund Claims Manual, a new edition of the Guidelines for claimants in fisheries, manufacturing and fish processing sectors, Guidelines for claimants in the tourism sector, and an example claim form. Further guidelines for claimants in other sectors are under development and will be added to the pack in the future. In addition, the booklet ‘Guidance for Member States’ was published which contains measures which Member States might wish to consider in preparation for, or in the event that they suffer, pollution damage as a result of an oil spill. All publications, including the Texts of the Conventions are available to download from the IOPC Funds’ website.

Relations with Non-Member States
Former Member States of the 1971 Fund automatically have observer status with the 1992 Fund. In addition, the 1992 Fund Assembly has granted observer status to a number of States that have never been party to either Fund Convention. States which are invited to send observers to meetings of the Assembly of the 1992 Fund automatically also have observer status with the Supplementary Fund.

Observer States of the 1992 Fund and Supplementary Fund
- Bolivia (Plurinational State of)
- Brazil
- Chile
- Democratic People’s Republic of Korea
- Egypt
- Gambia
- Guatemala
- Guyana
- Honduras
- Indonesia
- Kuwait
- Lebanon
- Pakistan
- Peru
- Saudi Arabia
- Thailand
- Ukraine
- United States

Relations with International Organisations
A number of interested intergovernmental and non-governmental organisations also have observer status with the IOPC Funds, enabling them to participate in discussions at meetings of the governing bodies.

Intergovernmental organisations granted observer status
- Baltic Marine Environment Protection Commission (Helsinki Commission)
- Central Commission for Navigation on the Rhine (CCNR)
- European Commission
- International Institute for the Unification of Private Law (UNIDroit)
- International Maritime Organization (IMO)
- Maritime Organisation of West and Central Africa (MOWCA)
- Regional Marine Pollution Emergency Response Centre for the Mediterranean Sea (REMPEC)
- United Nations (UN)
- United Nations Environment Programme (UNEP)

Non-governmental organisations granted observer status
- BIMCO
- Comité Maritime International (CMI)
- Conference of Peripheral Maritime Regions (CEMP)
- European Chemical Industry Council (CEFIC)
- International Association of Classification Societies Ltd (IACS)
- International Association of Independent Tanker Owners (INTERTANKO)
- International Chamber of Shipping (ICS)
- International Group of Liquefied Natural Gas Importers (GIRI)
- International Group of P&I Associations
- International Salvage Union (ISU)
- International Spill Control Organization (ISCO)
- International Tanker Owners Pollution Federation Ltd (ITOPF)
- International Union of Marine Insurance (IUMI)
- Oil Companies International Forum (OCIF)
- World LP Gas Association (WGLPA)

The Funds’ annual short course is open to participants from Member States and is supported by the International Group of P&I Associations, ITOPF, INTERTANKO and ICS.
Compensation and Claims Management

The principal role of the IOPC Funds is to pay compensation to those who have suffered oil pollution damage in a Member State who cannot obtain full compensation for the pollution damage from the shipowner under the relevant Civil Liability Convention. Claimants may be individuals, partnerships, companies, private organisations or public bodies, including States or local authorities.

Claims settlement

In the great majority of cases, claims are settled out of court. The Director has the authority to settle claims and pay compensation up to predetermined levels. However, for incidents involving larger claims or where a specific claim gives rise to a question of principle which has not previously been decided by the governing body of the Fund in question, the Director needs approval from the relevant governing body of the Fund before a claim is settled if this is necessary to mitigate undue financial hardship to victims of pollution incidents.

Under the Fund Conventions, the Funds are obliged to ensure that all claimants are given equal treatment so that the total amount of the established claims exceeds the total amount of compensation available under the Civil Liability and Fund Conventions, each claimant will receive the same proportion of the loss. When there is a risk that this situation will arise, the Funds may have to restrict compensation payments to a percentage of the losses to ensure that all claimants are given equal treatment. The payment level may increase at a later stage if the uncertainty about the total amount of the established claims is reduced. One important effect of

the establishment of the Supplementary Fund is that, in practically all cases, it should be possible from the outset to pay compensation for pollution damage in Supplementary Fund Member States at 100% of the amount of damage agreed between the Fund and the claimant.

Admissibility of claims for compensation

To be entitled to compensation, the pollution damage must result in an actual and quantifiable economic loss. The claimant must be able to show the amount of their loss or damage by producing accounting records or other appropriate evidence. An oil pollution incident can generally give rise to claims for five types of pollution damage:

- Property damage
- Costs of clean-up operations at sea and on shore
- Economic losses by fishermen or those engaged in mariculture
- Economic losses in the tourism sector
- Costs for reinstatement of the environment

Claims are assessed according to criteria established by the Governments of Member States. These criteria, which also apply to claims against the Supplementary Fund, are set out in the 1992 Fund’s Claims Manual, which is a practical guide on how to present claims for compensation. The Funds, normally in co-operation with the shipowner’s insurer, usually appoint experts to monitor clean-up operations, to investigate the technical merits of claims and to make independent assessments of the losses.

How to submit a claim

Claims should be made in writing (including e-mail) and should be presented clearly and with sufficient information and supporting documentation to enable the amount of the damage to be assessed. Each item of a claim must be substantiated by an invoice or other relevant supporting documentation, such as work sheets, explanatory notes, accounts and photographs. It is the responsibility of claimants to submit sufficient evidence to support their claims. It is important that the documentation is complete and accurate.

To give an indication of the type of information which would be required to substantiate a claim, an example Claim Form is provided for information. However, in the event of a major incident, an incident specific form will be made available to claimants. Additional information may be requested for specific types of claim. For this reason, the example claim form includes specific sections for the typical sectors which experience losses as a result of a major incident. The relevant sections of the form would be made available depending on the location of the incident.

In most incidents claims should be sent to the offices of the shipowner’s insurer or to the IOPC Funds directly. Occasionally, when an incident gives rise to a large number of claims, the 1992 Fund and the P&I Club jointly set up a local claims office so that claims may be processed more easily. In such cases, claimants should submit their claims to that local claims office. The address to which claims for a specific incident should be sent would be given in the local press and also provided on the Funds’ website.

If claimants suffer damage in a State that is Party to the Supplementary Fund Protocol, their claims will automatically be considered for compensation from the Supplementary Fund if the amount available from the shipowner/insurer and the 1992 Fund is insufficient to pay full compensation for proven losses.

All claims are referred to the 1992 Fund and the shipowner’s P&I Club for decisions on whether or not they qualify for compensation, and, if so, the amounts of compensation due to the claimants. Neither designated local correspondents nor local claims offices have the authority to make these decisions.

When to submit a claim

Claimants ultimately lose their right to compensation under the 1992 Fund Convention unless they bring court action against the 1992 Fund within three years of the date on which the damage occurred, or make formal notification to the 1992 Fund of a court action against the shipowner or his insurer within the three-year period. Similarly, claimants lose their right to compensation from the Supplementary Fund, if their claims are not received within three years from the date on which the damage occurred. Although damage may occur some time after an incident takes place, in both cases court action must in any event be brought within six years of the date of the incident.

In cases of pollution damage in Member States, claims are sent to the local claims office. In Supplementary Fund incidents, claims are submitted to the Supplementary Fund office. The Fund and the P&I Club jointly set up local claims offices, which handle all claims in addition to local claims offices. The local claims offices also handle any claims for costs of clean-up operations. Local claims offices have the authority to make decisions on costs for reinstatement of the environment and to monitor clean-up operations, to investigate the technical merits of claims and to make independent assessments of the losses. Local claims offices have also the authority to make decisions on claims for economic losses in the tourism sector. Where a claimant is dissatisfied with the decision of the local claims office, he may make a formal appeal to the Director of the Funds. The Director of the Funds will then make a final decision on the claim.
Shoko Maru (Japan, May 2014)

On 29 May 2014, the Shoko Maru exploded and sank off the port of Himeji, Japan. The incident resulted, tragically, in the loss of the master’s life. The vessel had discharged its cargo the day before the incident and the authorities, shipowner and insurer had promptly taken action which had resulted in a very low pollution impact. Clean-up operations comprised principally of the monitoring of floating oil and preventive measures. As at 31 December 2014, no claims for compensation have been presented to the 1992 Fund. Claims already submitted to the shipowner’s insurer in respect of the preventive measures had not exceeded the shipowner’s limitation amount. At its October 2014 session, the 1992 Fund Executive Committee noted that it was unlikely that the losses in this incident would exceed the 1992 Civil Liability Convention limitation amount. However, the 1992 Fund will continue to monitor developments in this case in 2015.

Incidents involving the 1971 Fund

Prior to its dissolution on 31 December 2014, the 1971 Fund closed the remaining two incidents involving the 1971 Fund, namely the Iliad and Nossa Amoreg incidents. Details of how the developments in these cases leading ultimately to their closure are set out under pages 36-37.

Nesa R3 (Sultanate of Oman, June 2013)

As at 31 December 2014 four claims for clean-up related activities and survey of the wreck, totalling OMR 4 314 613 had been received. Further claims are expected for the initial survey of the wreck and from businesses in the fisheries sector and related sectors. Two clean-up claims were assessed at OMR 457 524. This amount was offered to the claimant. Since all the attempts made by the Omani authorities to obtain a financial commitment by the shipowner have been unsuccessful, there are strong indications that the shipowner will not meet his obligations under the 1992 CLC to pay compensation in full to persons suffering pollution damage arising out of the incident. As a consequence, although it is unknown whether the total amount of the admissible claims will fall below the limitation amount applicable to the Nesa R3, it is anticipated that the 1992 Fund will in any case be liable to pay compensation for this incident in accordance with Article 4.1 (b) of the 1992 Fund Convention. Having been authorised by the 1992 Fund Executive Committee to do so, it is expected that the 1992 Fund will begin to make payments in 2015.

Incidents involving the Supplementary Fund

As at 31 December 2014, there have been no incidents involving, or likely to involve the Supplementary Fund.

MT Pavit (India, July 2011)

In April 2014 the 1992 Fund was informed of this incident which occurred in 2011. The MT Pavit, having been abandoned by its crew off the coast of Mumbai, India, on 31 July 2011. At the time of grounding, the vessel was unladen. In June 2014, three claims were submitted to the 1992 Fund in respect of towage services, oil removal/ clean-up operations, salvage/re-floation operations, provision of helicopter operations/patrols by the coastguard and on-going storage costs for the vessel pending sale. The 1992 Fund was informed that two of the claims, totalling US $1.8 million, had been filed at Court, within three years of the date of damage. The 1992 Fund Executive Committee will have to decide at a future session whether the vessel created a ‘grave and imminent threat’ of causing pollution damage, in order to determine if the 1992 Civil Liability and Fund Conventions would apply to this incident.

Alfa I (Greece, March 2012)

In October 2013, a claim for some €16.1 million was filed by the clean-up contractors in this case against the shipowner and the shipowner’s insurer before the Court of First Instance in Piraeus. In February 2014, the 1992 Fund filed an intervention before the Court to defend the 1992 Fund’s interests and to challenge the quantum of the losses claimed by the clean-up contractors. In view of the contradiction between the ship’s insurance policy and the blue card, the 1992 Fund instructed a barrister to advise on the legal implications under English law of the warranty contained within the Alfa I’s insurance policy. The conclusions of the legal advisor were presented to the 1992 Fund Executive Committee at its October 2014 session, which noted in particular that in the advisor’s view the insurer would not be able to limit its liability to €2 million.

Prestige (Spain, November 2002)

In November 2013 the Criminal Court in La Coruña found the master, the Chief Engineer of the Prestige and the civil servant who had been involved in the decision not to allow the ship into a place of refuge in Spain, not criminally liable for damages to the environment. The master was, however, convicted of disobeying the Spanish authorities during the crisis. The Court also decided that the limitation fund deposited in Court by the London Club, totalling some €22.8 million, was at the Club’s disposal for it to decide on its distribution, subject to any appeals, which are expected to be made by a number of parties before the Supreme Court. The proceedings in the Bordeaux Court (France), relating to the 1992 Fund’s recourse action against ALPI, the classification society that certified the Prestige, have been stayed pending a final decision in the criminal proceedings in Spain.

Hebei Spirit (Republic of Korea, December 2007)

Almost 130,000 claims have been registered in this case. The Skuld Club has made payments totalling KRW 185 billion. In January 2013 the Limitation Court rendered a decision regarding the distribution of the Hebei Spirit Limitation Fund, assessing the damages arising out of the Hebei Spirit incident at a total of KRW 738 billion and rejecting 50% of the claims. The Court of Seosan has settled through mediation over 36,254 claims, or some 40% of the claims submitted. Some 60% of the claims in the Seosan Court, however, remain pending and it is unlikely that a decision will be made on the remaining claims before summer 2016. In view of the amount awarded by the Limitation Court and of the significant number of objections to the Court’s decision, the 1992 Fund Executive Committee decided at its May and October 2014 sessions to maintain the level of payments at 35% of the assessed amount so as to avoid the risk of an overpayment situation, and to review this decision at its next session.

Summary of all incidents involving the IOPC Funds
In this section, information is provided on the structure, composition and main functions of the governing bodies of the IOPC Funds (pages 32–33).

The governing bodies agree upon dates for their future sessions at each October meeting. Dates are agreed for two meetings per year, in spring and autumn, with the possibility to hold further meetings should the need arise. The 2014 meetings of the governing bodies took place in May and October.

The May 2014 meetings included sessions of the 1992 Fund Administrative Council, acting on behalf of the Assembly, of the 1992 Fund Executive Committee and of the 1971 Fund Administrative Council. The seventh 1992 Fund intersessional Working Group also met for the third time and continued to consider issues relating to the definition of ‘ship’ under the 1992 Civil Liability Convention.

The October meetings saw sessions of the 1992 Fund Assembly, the Supplementary Fund Assembly, a further session of the 1992 Fund Executive Committee, and the final session of the 1971 Fund Administrative Council.

Details of the key discussions and decisions taken at the 2014 meetings of the 1992 Fund and Supplementary Fund governing bodies are summarized on pages 34–35. Details of the discussions and decisions of the 1971 Fund Administrative Council are covered under the section relating to the winding up of the 1971 Fund (see pages 36–39).

Complete Records of Decisions for all meetings may be accessed via the document services section of the IOPC Funds’ website (www.iopcfunds.org).
Assemblies

The 1992 Fund and Supplementary Fund each have an Assembly composed of all Contracting States to the 1992 Fund Convention and Supplementary Fund Protocol, respectively. The Assembly must hold one regular session each year, normally in October, when it elects a Chairman and two Vice-Chairmen to hold office until its next regular session. Extraordinary sessions may be held as and when required.

The Assembly is the supreme organ of the relevant fund and, inter alia, decides on the annual budget and contributions to the Organisation, approves Financial Statements, appoints the External Auditor, adopts the Internal and Financial Regulations, determines which entities have observer status with the Organisation, and generally performs such tasks as are necessary for its proper functioning. Attendance of a simple majority of Member States constitutes a quorum for the Assembly.

Administrative Council

For the 1992 Fund Assembly, in cases where a quorum is not achieved, an Administrative Council is convened to act on behalf of the Assembly. The quorum requirement for the Administrative Council is 25 Member States.

Due to the growth of the membership of the 1992 Fund and the lack of attendance of many Member States, the 1992 Fund Administrative Council has had to act on behalf of the Assembly in a number of instances in recent years.

With 31 Member States, achieving a quorum has not been an issue for the Supplementary Fund Assembly and it has therefore not been necessary so far to establish an Administrative Council for that Fund.

Executive Committees

Each Assembly has the right to establish any temporary or permanent subsidiary body it may consider to be necessary, to define its terms of reference and to give it the authority needed to perform the functions entrusted to it. One such subsidiary body is the 1992 Fund Executive Committee. Its main function is to take policy decisions concerning the admissibility of claims for compensation for oil pollution damage relating to incidents involving the 1992 Fund. It holds its meetings as and when required, but in practice twice a year, during the week of the regular annual session of the Assemblies in October and in the spring.

At each regular session, the 1992 Fund Assembly elects 15 States as members of the Executive Committee, to hold office until the end of the next regular session of the Assembly. When electing the Committee members, the Assembly must first elect seven from among the eleven Member States in the territories of which the largest quantities of oil were received during the preceding calendar year. The remaining eight members are elected from the other Member States, taking into account an equitable geographical distribution and the extent to which a particular State has fulfilled its obligation to submit reports on receipts of contributing oil. No State may serve for consecutive terms.

Working Groups

Other such subsidiary bodies are the various inter-sessional Working Groups, which have been set up over the years to consider specific areas of interest to the 1992 Fund, and previously the 1971 Fund. The 1992 Fund seventh inter-sessional Working Group was set up by the Assembly in October 2013 to consider issues relating to the definition of “ship” under Article 1.1 of the 1992 Civil Liability Convention. It held its third meeting in May 2014 and is expected to meet for the fourth and final time in spring 2015.
Meetings of the governing bodies in 2014

**1992 Fund Assembly**

The 1992 Fund Administrative Council, acting on behalf of the Assembly, considered a number of items during its May 2014 session, including draft guidelines for presenting claims for clean-up and preventive measures, the relocation of the IOPC Funds’ offices and the option, which was taken up, to enter into a new lease with the current landlord; a number of improvements to the IOPC Funds’ website; and the latest developments in the course of 2014 regarding incident developments during 2014 in respect of the 14 incidents involving the 1992 Fund during 2014. Detailed presentations were given on a number of incidents and discussions took place on key points. In particular, the Executive Committee was informed of two new incidents involving the 1992 Fund: namely the MT Spirit incident (India, 2011) and the Shoko Maru incident (Japan, 2014). In respect of the Hebei Spirit incident (Republic of Korea, 2007), the 1992 Fund Executive Committee decided to maintain the level of payments at 35% of the assessed amount, so as to avoid the risk of an overpayment situation, and to review this decision at its next session. Further details regarding incident developments during 2014 are set out in pages 28–29.

**Supplementary Fund Assembly (10th session)**

The Supplementary Fund Assembly participated in the debates and took note of decisions taken by the 1992 Fund Assembly in respect of a number of items also relevant to the Supplementary Fund, in particular, the proposals by the Joint Audit Body relating to the non-fulfilment by Member States of obligations under the Conventions with regards to the non-submission of oil reports and non-payment of contributions, as well as the criteria for the appointment of future External Auditors. It approved the financial statements of the Supplementary Fund for 2013 and adopted an administrative budget for 2014 of £46.5 million. It also decided to maintain the working capital of the Supplementary Fund at £1 million and that no levies of 2014 contributions were required and agreed to pay a flat management fee of £33,000 to the 1992 Fund for the financial year 2015.

**1992 Fund Executive Committee**

Incidents involving the IOPC Funds

The Executive Committee was informed of all key developments during the course of the year in respect of the 14 incidents involving the 1992 Fund during 2014. Detailed presentations were given on a number of incidents and discussions took place on key points. In particular, the Executive Committee was informed of two new incidents involving the 1992 Fund: namely the MT Spirit incident (India, 2011) and the Shoko Maru incident (Japan, 2014). In respect of the Hebei Spirit incident (Republic of Korea, 2007), the 1992 Fund Executive Committee decided to maintain the level of payments at 35% of the assessed amount, so as to avoid the risk of an overpayment situation, and to review this decision at its next session. Further details regarding incident developments during 2014 are set out in pages 28–29.

1992 Fund seventh intersessional Working Group (third meeting)

The 1992 Fund seventh intersessional Working Group held its third meeting on 8 May 2014 under the chairmanship of Mrs Birgit Sølling Olsen (Denmark). The Working Group considered a number of proposals, including possible criteria to be applied by Member States when considering an issue involving the definition of ‘ship’ under Article I.1 of the 1992 Civil Liability Convention. The Working Group concluded that whilst there were merits in all the proposals put forward, at this stage there was insufficient supporting data for the Group to reach any firm agreement on the matter. It was suggested that further information and time to consider the proposals in detail and to study the possible consequences of the proposals made was required. The Chairman agreed to submit the report of the third meeting of the Working Group to the 1992 Fund Assembly in the usual way and to request that the Group meet for a fourth and final time in spring 2015 required. The Chairman agreed to submit the report of the third meeting of the Working Group to the 1992 Fund Assembly in the usual way and to request that the Group meet for a fourth and final time in spring 2015.
Winding up of the 1971 Fund

The 1971 Fund Convention ceased to be in force on 24 May 2002 and did not apply to incidents occurring after that date. However, before the 1971 Fund could be wound up all pending claims had to be settled and any remaining assets distributed in an equitable manner between contributors. Progress towards the winding up of the 1971 Fund had gained significant momentum in recent years but by 2013 there still remained five outstanding incidents to resolve. Despite the 1971 Fund having no liability to pay for these incidents, it was nevertheless involved in litigation which was expected to last many years. Levingy of contributions for such old incidents would have been inevitably difficult and as such the 1971 Fund found itself in a very challenging situation.

To facilitate further progress on the winding up of the 1971 Fund, the 1971 Fund Administrative Council decided to establish a consultation group to work interseessionally and develop a list of all the tasks necessary to wind up the Fund. The Consultation Group consisted of the Chairmen of the 1971 Fund Administrative Council and the 1992 Fund Assembly, representatives from the delegations of Italy, Japan, Mexico and Morocco and Mr Alfred Popp QC of the Canadian delegation and former Chairman of the IMO Legal Committee.

With Mr Pegg as its Chairman, the Consultation Group submitted a number of proposals to the 1971 Fund Administrative Council, including the recommendation that the Fund should be wound up within the £5 million it had available at the time and that a timetable should be adopted in order to accelerate the winding up.

In October 2013 the Administrative Council took the important decision of instructing the Director to provide a plan of action with the aim of taking a final decision on the dissolution of the Fund at its October 2014 session. The plan presented by the Director at the May 2014 session of the 1971 Fund Administrative Council covered outstanding incidents as well as the financial and administrative tasks required ahead of any possible dissolution. At that session, the Administrative Council decided to confirm its intention to dissolve the 1971 Fund at its October 2014 session and adopted the Resolution No17 on the Preparation for the Dissolution of the International Oil Pollution Compensation Fund (1971 Fund).

Closure of outstanding incidents

Nissos Amorgos

(Bolivarian Republic of Venezuela, February 1997)

In March 2014 the Gard Club lodged two claims against the 1971 Fund, one in the Bolivarian Republic of Venezuela and the other in the High Court (Commercial Court) in London, claiming that the 1971 Fund should in respect of the Nissos Amorgos incident, be liable to pay any amounts that the Gard Club is obliged to pay in excess of the shipowner’s limitation amount under the 1969 CLC Liability Convention. The Gard Club sought to freeze the remaining assets of the 1971 Fund in order to prevent the Fund from remitting from England any of its assets up to the sum of US$ 58.2 million until the claim was determined.

At its May 2014 session, the 1971 Fund Administrative Council decided that the 1971 Fund should contest vigorously the action brought by the Gard Club before the High Court since the 1971 Fund had immunity and because the claim was unfounded and had no legal basis. It also decided that the Director should not attend the Maritime Court in Caracas to answer the Gard Club’s action. The Council instructed the Director to approach the Gard Club to try to reach an amicable settlement by the October 2014 session of the Administrative Council within the limit of the amount presently available to the 1971 Fund, but stated that the Director should not, under any circumstances, take any action that would result in the 1971 Fund waiving its right to immunity from jurisdiction before the UK courts.

In a judgement handed down on 7 May 2014, the High Court in London decided that the Gard Club was entitled to a freezing order over the assets of the 1971 Fund in support of its claim in England. However, the Court also decided that it was not entitled to a freezing order in support of the proceedings brought by Gard Club in the Bolivarian Republic of Venezuela.

The 1971 Fund Administrative Council instructed the Director to appeal the decision to grant a freezing order and to contact the UK Foreign and Commonwealth Office to discuss the implications, on the 1992 Fund and the Supplementary Fund, of the judgement in which a discrepancy between the IOPC Fund (Innemours and Privileges) Order 1979 and the Headquarters Agreement between the UK Government and the 1971 Fund allowed the freezing order against the 1971 Fund to be granted.

On 17 October 2014 in a judgement handed down by the High Court in London, Mr Justice Hamblen found in favour of the 1971 Fund. The Judge ruled that the 1971 Fund had no contract with Gard, under which it was required to reimburse Gard in respect of the compensation claimed by the Bolivarian Republic of Venezuela above the shipowner’s limitation amount. The Judge also concluded that the 1971 Fund had immunity from the jurisdiction of the English Courts, in respect of the claim brought against it by Gard in London over the Nissos Amorgos incident. On Tuesday 21 October 2014, at the High Court in London, Mr Justice Hamblen denied Gard leave to appeal the judgement of 17 October 2014. He also awarded costs against Gard, with the P&I Club to make an immediate payment of €900,000 to the 1971 Fund. Following the finalisation of this case, the Nissos Amorgos incident was considered closed in respect of the 1971 Fund.

Iliad

(Greece, October 1993)

All claims were time-barred against the 1971 Fund except for a claim from the shipowner and his insurer (the North of England P&I Club) in respect of reimbursement for any compensation payments in excess of the shipowner’s limitation amount and for indemnification under Article 5.1 of the 1971 Fund Convention. Following the instructions given by the 1971 Fund Administrative Council in October 2013, the Director approached the North of England P&I Club in March 2014 to discuss a possible out-of-court settlement. Further discussions took place in August 2014 where the Club stated that, since in their view the total amount awarded by the Courts might well reach the shipowner’s limit under the 1969 CLC, the Club would not consider a settlement figure below €1 million, which would be the indemnification amount owed by the 1971 Fund to the shipowner under Article 5.1 of the 1971 Fund Convention.

In light of the decision adopted by the 1971 Fund Administrative Council to wind up the 1971 Fund in 2014, the Council, at its October 2014 session, authorised the Director to reach a global settlement with the Gard Club. On 17 October 2014, the 1971 Fund Administrative Council instructed the Director to provide a plan of action with the aim of taking a final decision on the dissolution of the Fund at its October 2014 session and adopted the Resolution No17 on the Preparation for the Dissolution of the International Oil Pollution Compensation Fund (1971 Fund).

Plate Princess

(Venezuela, 1997)

The Plate Princess reportedly spilled some 3.2 tonnes of crude oil whilst loading cargo at an oil terminal in Puerto Miranda (Venezuela). The 1971 Fund was notified of the incident in 2005 and again in 2007, when it was too late for the Fund to examine the alleged damages. However, in 2010, in a judgement rendered by the Supreme Court in Caracas, the 1971 Fund was ordered to pay compensation in connection with the incident. Having considered all the information available, the 1971 Fund Administrative Council decided that due process of law had not been followed and that the judgement had been obtained through fraud. Taking this into account the Administrative Council instructed the Director not to pay compensation and closed the case in respect of the 1971 Fund.
Winding up of the 1971 Fund

Outstanding oil reports, contributions and finances

During 2013 and 2014 the Secretariat increased its efforts and managed to acquire all outstanding oil reports and contributions relating to the 1971 Fund, except for contributions totalling £43,000 relating to two companies in Russian Federation, which had to be written off. At 31 December 2013 the 1971 Fund had a balance of £4.7 million. However, following the litigation in 2014 and global settlement in respect of the Iliad incident, this figure was reduced to some £2.4 million by later that year.

Final dissolution of the 1971 Fund

At the October 2014 session, the Council approved and adopted a resolution that the 1971 Fund be dissolved and its legal personality cease to exist with effect from 31 December 2014. That decision was taken after a lengthy debate. Strong opposition from shipping industry representatives was expressed, a number of Member States requested a delay to the winding up and many discussions took place among delegations but no consensus could be reached.

As a result of that decision the Secretariat reimbursed contributors the remaining £2.4 million, maintaining £29,000 for unforeseen expenditure during the final weeks of the Fund’s existence. In accordance with Resolution 18, that £29,000 was finally divided equally between the World Maritime University (Sweden), the International Maritime Law Institute (Malta) and the International Maritime Safety, Security and Environment Agency (Italy) and the 1971 Fund was dissolved with effect 31 December 2014.

I would like to thank Member States for their support and pragmatic approach to help resolve the outstanding issues since the Convention ceased to be in force and particularly in the last few years when some difficult decisions have had to be taken.

1971
1971 Fund Convention adopted.

1978
1971 Fund Convention entered into force.

1978
1971 Fund established in London with 15 Member States.

1978-2002
1971 Fund involved in excess of 100 incidents and paid compensation in respect of 84 incidents.

1993
1971 Fund has 57 Member States (growing to 77 at its peak).

1996
1992 Fund Convention entered into force with 9 Member States and limit of 135 million SDR.

1998
1971 Fund Assembly adopts Resolution No.3 to prepare for the winding up of the 1971 Fund.

2002
1971 Fund Convention ceases to be in force after the number of Member States fell below 25.
As in previous years, the Financial Statements of the 1992 Fund, the Supplementary Fund, and 1971 Fund were audited by the External Auditor of the IOPC Funds, the Comptroller and Auditor General of the United Kingdom.

The Financial Statements for 2013 were prepared in compliance with the International Public Sector Accounting Standards (IPSAS) and in accordance with the Financial Regulations of the respective Funds, where appropriate. The Key Financial Figures for 2014 (unaudited) which are provided in this section have also been arrived at in conformity with the requirements of IPSAS.

The Financial Statements of the IOPC Funds for the period 1 January to 31 December 2013 were approved by the respective governing bodies during their sessions in October 2014. The full set of audited Financial Statements can be found on the IOPC Funds’ website (www.iopcfunds.org), along with the External Auditor’s opinions on each statement, and the Auditor’s Reports on the Financial Statements of the 1992 Fund and the 1971 Fund.

Audited extracts from the notes to Financial Statements of the financial position and financial performance by segment on the basis of the General Fund and Major Claims Funds for the financial year 2013 (pages 43-48) and key financial highlights for 2014 (unaudited, pages 49-51) are presented in this Financial Review.

Detailed Financial Statements are available on the Structure page of the IOPC Funds website: www.iopcfunds.org.
Financial Statements for 2013


Key Financial Figures for 2014

As in previous Annual Reports, revenue and expenditure figures are given for 2014 in respect of each Fund. Audited results for 2014 will be included in the 2015 Annual Report.

External Auditor’s Statement on the extracts from the 2013 Financial Statements

The extracts from the 1992 Fund Statement of Financial Position, the 1992 Fund Statement of Financial Performance, the Supplementary Fund Statement of Financial Position, the Supplementary Fund Statement of Financial Performance, the 1971 Fund Statement of Financial Position and the 1971 Fund Statement of Financial Performance as contained on pages 43 to 48, on which unqualified opinions and Reports have been issued, are consistent with the audited Financial Statements for the year ended 31 December 2013 approved by the 1992 Fund Assembly (19th session), Supplementary Fund Assembly (10th session) and 1971 Fund Administrative Council (33rd session) respectively.

Mr Damian Brewitt, Director
National Audit Office, United Kingdom
March 2015

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>24 323 252</td>
<td>26 681 140</td>
<td>23 812 967</td>
<td>116 173 916</td>
<td>4 408 956</td>
<td>195 399 870</td>
<td>197 806 146</td>
<td></td>
</tr>
<tr>
<td>Contributions receivable</td>
<td>226 669</td>
<td>-</td>
<td>21 232</td>
<td>1 412 712</td>
<td>-</td>
<td>1 660 613</td>
<td>1 873 109</td>
<td></td>
</tr>
<tr>
<td>Due from HNS Fund</td>
<td>272 373</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>272 373</td>
<td>247 991</td>
<td></td>
</tr>
<tr>
<td>Other receivables</td>
<td>332 786</td>
<td>29 087</td>
<td>23 998</td>
<td>733 773</td>
<td>36 326</td>
<td>1 155 956</td>
<td>709 892</td>
<td></td>
</tr>
<tr>
<td>Total current assets</td>
<td>25 155 080</td>
<td>26 710 227</td>
<td>23 857 797</td>
<td>118 320 401</td>
<td>4 444 920</td>
<td>198 488 425</td>
<td>199 837 138</td>
<td></td>
</tr>
<tr>
<td>Non-current assets</td>
<td>158 677</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>158 677</td>
<td>48 844</td>
<td></td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>25 313 757</td>
<td>26 710 227</td>
<td>23 857 797</td>
<td>118 320 401</td>
<td>4 444 920</td>
<td>198 647 102</td>
<td>199 885 982</td>
<td></td>
</tr>
<tr>
<td>Loan from General Fund to the Volgoneft 139 MCF</td>
<td>4 617 417</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>LIABILITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables and accruals</td>
<td>143 686</td>
<td>26 238</td>
<td>45 216</td>
<td>748 461</td>
<td>-</td>
<td>963 601</td>
<td>806 233</td>
<td></td>
</tr>
<tr>
<td>Provision for reimbursement of contributions</td>
<td>-</td>
<td>26 193 172</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>26 193 172</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Provision for compensation</td>
<td>-</td>
<td>118</td>
<td>74 804</td>
<td>2 627 024</td>
<td>4 796 342</td>
<td>7 497 288</td>
<td>92 540</td>
<td></td>
</tr>
<tr>
<td>Provision for employee benefits (short term)</td>
<td>155 263</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>155 263</td>
<td>159 037</td>
<td></td>
</tr>
<tr>
<td>Prepaid contributions</td>
<td>68 443</td>
<td>-</td>
<td>35 766</td>
<td>-</td>
<td>124 952</td>
<td>229 161</td>
<td>456 642</td>
<td></td>
</tr>
<tr>
<td>Contributors’ account</td>
<td>786 522</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>786 522</td>
<td>1 048 457</td>
<td></td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>1 153 914</td>
<td>26 219 528</td>
<td>155 786</td>
<td>3 375 485</td>
<td>4 920 294</td>
<td>35 825 007</td>
<td>2 561 897</td>
<td></td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff Provident Fund</td>
<td>3 977 017</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3 977 017</td>
<td>3 543 743</td>
<td></td>
</tr>
<tr>
<td>Provision for employee benefits (long term)</td>
<td>364 052</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>364 052</td>
<td>337 972</td>
<td></td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td>4 341 069</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4 341 069</td>
<td>3 881 715</td>
<td></td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
<td>5 494 983</td>
<td>26 219 528</td>
<td>155 786</td>
<td>3 375 485</td>
<td>4 920 294</td>
<td>40 166 076</td>
<td>6 443 612</td>
<td></td>
</tr>
<tr>
<td>Loan from General Fund to the Volgoneft 199 MCF</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4 617 417</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>24 436 191</td>
<td>490 699</td>
<td>23 702 011</td>
<td>114 944 916</td>
<td>5 (5 092 791)</td>
<td>198 481 026</td>
<td>192 442 370</td>
<td></td>
</tr>
<tr>
<td>FUNDS' BALANCES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance b/f 1 January (deficit)/surplus for the year</td>
<td>24 833 030</td>
<td>26 170 402</td>
<td>24 546 928</td>
<td>117 891 880</td>
<td>-</td>
<td>193 442 370</td>
<td>161 891 947</td>
<td></td>
</tr>
<tr>
<td>(396 839)</td>
<td>(25 679 732)</td>
<td>(844 917)</td>
<td>(2 947 064)</td>
<td>(5 092 791)</td>
<td>(34 961 344)</td>
<td>41 903 023</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GENERAL FUND AND MAJOR CLAIMS FUNDS (MCFs)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BALANCES</td>
<td>24 436 191</td>
<td>490 699</td>
<td>23 702 011</td>
<td>114 944 916</td>
<td>5 (5 092 791)</td>
<td>198 481 026</td>
<td>192 442 370</td>
<td></td>
</tr>
</tbody>
</table>
### 1992 Fund Statement of Financial Performance by segment

#### General and Major Claims Funds

For the financial period 1 January – 31 December 2013

<table>
<thead>
<tr>
<th>Segment</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Enka MCF</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Prestige MCF</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Hebei Spirit MCF</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Volgoneft 139 MCF</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Total</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>5,683,297</td>
<td>179,635</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>6,080,136</td>
<td>25,859,368</td>
</tr>
<tr>
<td><strong>Net Asset Fund Balance</strong></td>
<td>971,465</td>
<td>999,542</td>
</tr>
</tbody>
</table>

#### Supplementary Fund Statement of Financial Position

As at 31 December 2013

<table>
<thead>
<tr>
<th>Assets</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>970,857</td>
<td>998,627</td>
</tr>
<tr>
<td>Other receivables</td>
<td>608</td>
<td>915</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>971,465</td>
<td>999,542</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>971,465</td>
<td>999,542</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>971,465</td>
<td>999,542</td>
</tr>
</tbody>
</table>

**FUND BALANCE**

Balance b/f 1 January

<table>
<thead>
<tr>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Deficit)</td>
<td>(38,077)</td>
</tr>
</tbody>
</table>

**GENERAL FUND BALANCE**

971,465 | 999,542
### Supplementary Fund Statement of Financial Performance

**For the financial period 1 January – 31 December 2013**

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on investments</td>
<td>£8,523</td>
<td>£12,691</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>£8,523</td>
<td>£12,691</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative costs</td>
<td>£36,600</td>
<td>£63,100</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>£36,600</td>
<td>£63,100</td>
</tr>
<tr>
<td><strong>(DEFICIT) FOR THE YEAR</strong></td>
<td>(£28,077)</td>
<td>(£52,409)</td>
</tr>
</tbody>
</table>

### 1971 Fund Statement of Financial Position by segment

**As at 31 December 2013**

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>£2,771,329</td>
<td>£2,177,583</td>
</tr>
<tr>
<td>Total current assets</td>
<td>£2,773,404</td>
<td>£2,179,080</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>£2,773,404</td>
<td>£2,179,080</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables and accruals</td>
<td>£65,769</td>
<td>-</td>
</tr>
<tr>
<td>Contributors' account</td>
<td>£175,546</td>
<td>-</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>£241,314</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>£241,314</td>
<td>-</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td>£2,532,090</td>
<td>£2,179,080</td>
</tr>
</tbody>
</table>

### Funds' Balances

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance b/f 1 January</td>
<td>£2,892,797</td>
<td>£2,206,050</td>
</tr>
<tr>
<td>(Deficit)/surplus for the year</td>
<td>(£360,707)</td>
<td>(£26,970)</td>
</tr>
<tr>
<td><strong>GENERAL FUND AND MAJOR CLAIMS FUNDS (MCFs) BALANCES</strong></td>
<td>£2,532,090</td>
<td>£2,179,080</td>
</tr>
</tbody>
</table>

The 1971 Fund 2013 Financial Statements were not prepared on a going concern basis and the External Auditor gave an emphasis of matter to that effect.
## 1971 Fund Statement of Financial Performance by segment

### General and Major Claims Funds
For the financial period 1 January – 31 December 2013

### Revenue

<table>
<thead>
<tr>
<th>2013 General Fund</th>
<th>2013 Nissos Amorgos MCF</th>
<th>2013 Vistabella MCF</th>
<th>2013 TOTAL</th>
<th>2012 TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>REVENUE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on investments</td>
<td>14 000</td>
<td>10 701</td>
<td>24 701</td>
<td>56 998</td>
</tr>
<tr>
<td>Other revenue</td>
<td>1 092</td>
<td>68</td>
<td>1 160</td>
<td>18 392</td>
</tr>
<tr>
<td>Total revenue</td>
<td>15 092</td>
<td>10 769</td>
<td>25 861</td>
<td>75 301</td>
</tr>
</tbody>
</table>

### Expenses

<table>
<thead>
<tr>
<th>Claims-related expenses</th>
<th>Administrative costs</th>
<th>Increase in allowance for contributions and interest on overdue contributions</th>
<th>Total expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>92 507</td>
<td>282 290</td>
<td>992</td>
<td>375 789</td>
</tr>
<tr>
<td>37 671</td>
<td>-</td>
<td>68</td>
<td>37 739</td>
</tr>
<tr>
<td>37 696</td>
<td>16</td>
<td>16</td>
<td>37 712</td>
</tr>
<tr>
<td>167 874</td>
<td>282 290</td>
<td>1 076</td>
<td>451 240</td>
</tr>
<tr>
<td>282 826</td>
<td>7 772</td>
<td></td>
<td>466 647</td>
</tr>
</tbody>
</table>

### (DEFICIT)/SURPLUS FOR THE YEAR

<table>
<thead>
<tr>
<th>2013 General Fund</th>
<th>2013 Nissos Amorgos MCF</th>
<th>2013 Vistabella MCF</th>
<th>2013 TOTAL</th>
<th>2012 TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>(DEFICIT)/SURPLUS FOR THE YEAR</td>
<td>(360 707)</td>
<td>(26 970)</td>
<td>(37 696)</td>
<td>(425 373)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(391 346)</td>
<td></td>
</tr>
</tbody>
</table>

## 1992 Fund Key Financial Figures for 2014 (unaudited)

Revenue and Expenditure figures rounded and subject to audit by the External Auditor (Prepared under IPSAS – accrual based accounting)

### Revenue (£)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>3 300 000</td>
</tr>
<tr>
<td>Prestige Major Claims Fund</td>
<td>2 500 000</td>
</tr>
<tr>
<td>Volgoenft 139 Major Claims Fund</td>
<td>7 500 000</td>
</tr>
</tbody>
</table>

### Other Revenue:

| Interest on investments | 2 124 000 |
| Management fee payable by 1971 Fund | 480 000 |
| Management fee payable by Supplementary Fund | 32 000 |

### Total Revenue

| 15 936 000 |

### Administrative Costs (£)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Secretariat</td>
<td>4 165 960</td>
</tr>
<tr>
<td>Budget (excluding External Auditor’s fees for respective IOPC Funds)</td>
<td></td>
</tr>
<tr>
<td>Expenditure (excluding External Auditor’s fees for respective IOPC Funds)</td>
<td>3 803 000</td>
</tr>
<tr>
<td>External Auditor’s fees in respect of 1992 Fund</td>
<td>48 500</td>
</tr>
</tbody>
</table>

### Claims Expenditure (£)

<table>
<thead>
<tr>
<th>Incident</th>
<th>2014 Compensation</th>
<th>2014 Claims-related expenditure</th>
<th>2014 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Erina</td>
<td>-</td>
<td>3 900</td>
<td>3 900</td>
</tr>
<tr>
<td>Prestige (including interim reimbursement of £8 820 from the P&amp;I Club for joint costs)</td>
<td>38 300</td>
<td>287 000</td>
<td>325 300</td>
</tr>
<tr>
<td>Volgoenft 139</td>
<td>-</td>
<td>37 100</td>
<td>37 100</td>
</tr>
<tr>
<td>Hebei Spirit (including interim reimbursement of £781 300 from the P&amp;I Club for joint costs)</td>
<td>-</td>
<td>2 557 000</td>
<td>2 557 000</td>
</tr>
<tr>
<td>Nesa R3</td>
<td>761 300</td>
<td>24 200</td>
<td>785 500</td>
</tr>
<tr>
<td>Other incidents</td>
<td>-</td>
<td>127 100</td>
<td>127 100</td>
</tr>
</tbody>
</table>

### Total Claims Expenditure

| 799 600 | 3 036 300 | 3 835 900 |
1971 Fund Key Financial Figures for 2014 (unaudited)

Revenue and Expenditure figures rounded and subject to audit by the External Auditor (Prepared under IPSAS – accrual based accounting)

At its October 2014 session the 1971 Fund Administrative Council adopted a Resolution (Resolution Nº18) affirming that the 1971 Fund be dissolved and its legal personality cease to exist with effect from the expiry of the last day of the financial year 2014 (31 December 2014).

In accordance with Resolution Nº18 on the dissolution of the 1971 Fund, surplus amounts from the General Fund and the Nissos Amorgos Major Claims Fund were reimbursed to the respective contributors. The remaining monies were distributed to three named institutions in equal shares leaving a nil balance as at 31 December 2014.

Revenue and Expenditure figures rounded and subject to audit by the External Auditor (Prepared under IPSAS – accrual based accounting)

### REVENUE (£)

<table>
<thead>
<tr>
<th>2014</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions due in 2014</td>
<td>-</td>
</tr>
<tr>
<td>Other revenue</td>
<td></td>
</tr>
<tr>
<td>Interest on investments</td>
<td>7,000</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>7,000</td>
</tr>
</tbody>
</table>

### EXPENDITURE (£)

<table>
<thead>
<tr>
<th>2014</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative costs</td>
<td></td>
</tr>
<tr>
<td>Management fee payable to 1992 Fund</td>
<td>32,000</td>
</tr>
<tr>
<td>External Auditor’s fees</td>
<td>3,600</td>
</tr>
</tbody>
</table>

### CLAIMS EXPENDITURE (£)

<table>
<thead>
<tr>
<th>Incident</th>
<th>Compensation/Indemnification</th>
<th>Claims-related expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vistabella</td>
<td>-</td>
<td>108,100</td>
</tr>
<tr>
<td>Nissos Amorgos</td>
<td>-</td>
<td>654,600</td>
</tr>
<tr>
<td>Plate Princess</td>
<td>-</td>
<td>2,000</td>
</tr>
<tr>
<td>Ibad</td>
<td>802,000</td>
<td>13,600</td>
</tr>
<tr>
<td>Aegean Sea</td>
<td>-</td>
<td>18,700</td>
</tr>
<tr>
<td>Haven</td>
<td>-</td>
<td>11,900</td>
</tr>
<tr>
<td><strong>Total claims expenditure</strong></td>
<td>802,000</td>
<td>808,900</td>
</tr>
</tbody>
</table>

### REIMBURSEMENT OF SURPLUS TO CONTRIBUTORS (£)

<table>
<thead>
<tr>
<th>2014</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>850,000</td>
</tr>
<tr>
<td>Nissos Amorgos Major Claims Fund</td>
<td>1,520,000</td>
</tr>
<tr>
<td>Distribution of balance on dissolution of 1971 Fund</td>
<td>29,117</td>
</tr>
</tbody>
</table>

Supplementary Fund Key Financial Figures for 2014 (unaudited)

Revenue and Expenditure figures rounded and subject to audit by the External Auditor (Prepared under IPSAS – accrual based accounting)
Acknowledgements

Photographs

Cover
Getty Images

Inside cover, 12
Shutterstock

Pages 3, 5, 14, 17, 24, 31, 32 and 35
You Inspire Photography

Pages 18, 22, 26, 28, 37 and 40
IOPC Funds

Page 28 (Shoko Maru)
Japanese Coast Guard

Page 28 (MT Pavit)
Press Association

Page 36
ITDFI

Published by the International Oil Pollution Compensation Funds

Copyright © IOPC Funds 2015

Permission is granted to reproduce for personal and educational use only but acknowledgement is requested.

Commercial copying, hiring or lending is prohibited.

All other rights are reserved.

Design by thecircus.uk.com