



MEDITERRANEAN ACTION PLAN (MAP) REGIONAL MARINE POLLUTION EMERGENCY RESPONSE CENTRE FOR THE MEDITERRANEAN SEA (REMPEC)

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Agenda Item 4: Developments within IMO related to the objectives and functions of REMPEC

Latest Developments in the field of Compensation for Ship-Source Pollution Damage

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REMPEC Malta, 2025

Note by the International Oil Pollution Compensation Funds (IOPC Funds)

This document provides information on the latest developments in the field of compensation for shipsource pollution damage and the work of the International Oil Pollution Compensation Funds (IOPC Funds) since the last Meeting of the Focal Points of REMPEC in June 2023. It seeks to highlight the implications of those recent developments for the Mediterranean coastal States, and the decisions of the IOPC Funds' governing bodies and resulting output of the organisation during that period.

Introduction

1 This document provides an update on the latest developments in the international liability and compensation regime and sets out recent discussions and decisions of the governing bodies of the International Oil Pollution Compensation Funds (IOPC Funds). Reference is made to the relevance of the recent developments and of the decisions taken for the Mediterranean coastal States.

Status of the 1992 Fund Convention and Supplementary Fund Protocol

2 Since the entry into force of the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1971 (1971 Fund Convention) and the establishment of the original IOPC Fund, the membership of the organisation has increased from 14 Member States to 121, with a further State, Iraq, set to join the 1992 Fund in August 2025. There are also 33 States Parties to the Supplementary Fund Protocol. The IOPC Funds have been involved in 155 incidents and have paid over £788 million in compensation. A list of States Parties is contained in the Annex to this document.

Incidents involving the 1992 Fund

3 The 1992 Fund is currently dealing with 14 incidents, including three new incidents which occurred between February and July 2024, namely the *Gulfstream* (Trinidad and Tobago, February), *Marine Honour* (Singapore, June) and *Terranova* (the Philippines, July). The most recent incident which may involve the 1992 Fund concerns two tankers, the *Volgoneft 212* and *Volgoneft 239*, which sank and grounded respectively, in the Kerch Strait, Russia, spilling an estimated 3 112 metric tons (mt) of heavy fuel oil on 15 December 2024. There are four incidents involving Mediterranean coastal States, namely an incident in Israel where the source of the spill has not been confirmed (February 2021), *Agia Zoni II* (September 2017) and *Alfa I* (March 2012), both of which occurred off the coast of Greece, and the *Prestige* which affected Spain and France, although the damage did not affect the Mediterranean coastline.

Incidents Impacting Mediterranean Coastal States

Incident in Israel (February 2021)

In February 2021, the Government of Israel contacted the 1992 Fund requesting assistance with a mystery spill, which resulted in tar balls being washed up along the Israeli coastline. An investigation undertaken by the Israeli Ministry of Environmental Protection failed to conclusively identify the tanker responsible for the spill. Since the 1992 Fund Convention also applies to spills of persistent oil even if the ship from which the oil was released cannot be identified, provided it is shown that the oil originated from a ship as defined in the 1992 Civil Liability Convention (1992 CLC), both the 1992 CLC and Fund Convention apply to this incident. The Director has been authorised to make compensation payments for admissible claims. At the April 2024 meeting of the IOPC Funds' governing bodies, it was reported that a total of 470 claims had been submitted for clean-up operations, property damage and economic losses, totalling ILS 39.8 million. Twenty two claims have been paid for a total of ILS 9.4 million and further claims have been assessed at ILS 3.6 million. Following the official notice to advise all claimants of the approaching time bar sent by the IOPC Funds in early February 2024, three lawsuits were filed in the Admiralty Court in Haifa against the 1992 Fund.

Agia Zoni II (2017, Greece)

5 On 10 September 2017 at 0200 hours, the product tanker *Agia Zoni II* (1 597 GT, built 1972) sank at anchor in good weather conditions, close to Salamina island just outside the northern part of the designated Piraeus anchorage area in the Saronic Gulf. The vessel settled at a depth of approximately 35 metres with about 15 metres clearance above the hull. There were no casualties. The investigations into the cause of the incident have not yet been published.

6 The vessel was laden with approximately 2 194 mt of heavy fuel oil, and 370 mt of marine gas oil (MGO). The vessel also carried approximately 15 mt of bunkers of MGO, 300 litres of lubricants and 200–300 litres of chemicals. It is believed that approximately 500 tonnes of oil were released upon sinking or shortly thereafter.

7 Large slicks of oil drifted in an easterly direction towards the mainland surrounding Piraeus and Athens, where it subsequently stranded, contaminating approximately 20–25 kilometres of the mainland and 3–4 kilometres of Salamina island. Clean-up operations were commenced very shortly after the incident, involving at times over 400 personnel, and continued through autumn 2017, concluding at the end of 2017. As part of the response operations, the Greek authorities put forward a request for assistance through the Common Emergency Communication and Information System (CECIS) and REMPEC responded in offering the assistance of two experts under the Mediterranean Assistance Unit (MAU).

8 In November 2017, the wreck of the *Agia Zoni II* was lifted and towed to the salvor's shipyard at Salamina island and was arrested by the Public Prosecutor pending his investigation into the cause of the incident. Subsequently, the Public Prosecutor insisted that the wreck be cleaned before the investigation of the wreck could take place. From 23 March 2018 to 27 April 2018, the wreck was cleaned by two clean-up contractors in preparation for the investigation by the Public Prosecutor.

9 The wreck was drydocked on 21 June, where, *inter alia*, samples of the hull plating were taken. The wreck was refloated on 25 June 2018 and is currently at the salvor's shipyard, where it remains the subject of a dispute between the salvors and shipowner regarding its condition at redelivery.

In total, the 1992 Fund has received 424 claims amounting to EUR 100.21 million and USD 175 000. The 1992 Fund's experts have approved 418 claims, and the Fund has paid some EUR 16.92 million in compensation. The 1992 Fund has closely followed the investigations into the cause of the incident, but no reports have yet been made public. In late 2024, a criminal trial began indicting a number of parties including the salvor, shipowner, master and crew remaining onboard the vessel at the time of the incident. The criminal trial is still ongoing. All experts appointed by the authorities agree that the *Agia Zoni II* was sunk intentionally, but they differ in terms of how this occurred. Only the National Technical University of Athens attributes the loss to the use of explosives set on the hull. All other experts agree that the loss was caused by the opening up from within the ship of the ballast water valves of the bottom starboard ballast tanks 2, 3 and 4, and by leaving open the engine room porthole which allowed more sea water into the engine room once the ship reached the critical draft.

Alfa I (2012, Greece)

11 On 5 March 2012, the Greek-registered tanker *Alfa I*, laden with 1 800 tonnes of cargo, hit a submerged object while crossing Elefsis Bay, near Piraeus, Greece and sank in 18-20 metres of water. Oil impacted some 13 kilometres of the shoreline of Elefsis Bay, contaminating a number of local beaches. Clean-up operations were conducted at sea and on the shoreline.

12 Since the tonnage of the *Alfa I* (1 648 GT) is below 5 000 units of tonnage, the limitation amount applicable under the 1992 CLC is SDR 4.51 million (EUR 5.49 million)¹. The tanker had an insurance policy limited to EUR 2 million which stated that only non-persistent mineral oils would be covered.

13 Six claims for compensation, together totalling EUR 16.15 million, were submitted by two clean-up contractors to the shipowner and insurer. The shipowner and insurer also received a claim for clean-up expenses from the Greek State for some EUR 222 000.

14 In May 2015, the Piraeus Court of First Instance awarded the main clean-up contractor the sum of EUR 14.4 million. The 1992 Fund agreed a settlement and paid the main contractor's claim for EUR 12 million. It has since sought to claim back from the insurer the 1992 CLC limit (SDR 4.51

¹Based on the exchange rate of 14 January 2019 of SDR 1 = €1.218320.

million). However, in February 2018, the Bank of Greece revoked the insurer's license and placed the company under liquidation for failure to maintain the necessary solvency capital requirements under Greek law.

15 A 2018 judgment held that since no limitation fund had been established in this case, the insurer was liable for the full amount claimed, i.e. for EUR 15.8 million. When the 1992 Fund was informed that the insurer would be put into liquidation, the 1992 Fund filed applications for pre-notated mortgages against buildings owned by the insurer. Following the insurer having been placed under liquidation, the 1992 Fund registered its claim with the liquidator.

16 The 1992 Fund has succeeded in all its applications to register pre-notated mortgages over the insurer's properties. Matters now rest with the liquidator who is to commence liquidating the assets of the insurer. The 1992 Fund's lawyers have also requested the liquidator to confirm the claims filed against the insurer's assets and await the liquidator's response.

Prestige

17 In December 2018, the Spanish Supreme Court delivered a judgment on the quantification of the losses in this case, awarding a total of EUR 1 439.08 million (pollution damage of EUR 884.98 million + pure environmental and moral damages of EUR 554.10 million). The judgment stated that the pure environmental and moral damages were not recoverable from the 1992 Fund. The total is to be split between the Spanish State, French State and individual claimants.

18 In accordance with the judgment, and as authorised by the 1992 Fund Executive Committee, the 1992 Fund paid EUR 27.2 million into the Court in La Coruña, which was the amount available from the 1992 Fund under the 1992 Fund Convention, less the amounts already paid by the 1992 Fund, and EUR 804 800 which has been set aside to cover potential liabilities in France and Portugal.

19 In the context of the action by the French Government against the American Bureau of Shipping (ABS), the Court of Cassation in France delivered a judgment in April 2019 deciding that ABS cannot rely on the defence of sovereign immunity. The proceedings in the Court of First Instance in Bordeaux brought by the 1992 Fund against ABS, which were stayed pending the resolution of the legal proceedings in Spain, have been reinstated.

20 The *Hebei Spirit* incident (Republic of Korea, December 2007), which was closed in October 2022, remains the largest incident worldwide involving the 1992 Fund in respect of the number of claims for compensation submitted, with over 128 000 claims received. The tools developed to handle the volume of claims in that incident and other lessons learned from it have been taken forward and applied in the handling of subsequent incidents, where relevant. This was the case, in particular, in the *Princess Empress* incident (the Philippines, February 2023), where the 1992 Fund and the insurer (the Shipowners' P&I Club) have received 39 868 claims, the large majority of which are from the fisheries and mariculture sector. Given the number of claimants involved and logistical challenges faced in this case, the Shipowners' Club and the IOPC Funds adopted innovative ways to proactively reach claimants through mobile claims collection centres, and to facilitate the payment of compensation to over 39 820 claimants, many of whom were in remote locations and without traditional bank accounts.

Another case, the *Bow Jubail*, which occurred in Rotterdam, the Netherlands in June 2018 and involved a combined chemical and oil tanker, has raised issues on the meaning of the interpretation of 'residues' of persistent oil. In November 2024, following a number of meetings with industry representatives to discuss a standard procedure to determine when a ship that can serve both as an oil tanker and as a chemical tanker, ceased to be a 'ship' under the 1992 CLC, the IOPC Funds' Director proposed to the governing bodies that such guidance be issued as a footnote in the IOPC Funds' publication 'Guidance for Member States, Consideration of the definition of 'ship''. The purpose of this footnote is to establish a procedure to help determine whether a vessel is classified as a 'ship' under the 2001 Bunkers Convention, or under Article I(1) of the 1992 CLC. The governing bodies endorsed the text of the footnote for future inclusion in the IOPC Funds' publication, as proposed. They also decided that the proposal made by a delegation to amend the text, and the proposal to insert the footnote also at paragraph 3.1(4) would be considered together with the interpretation of the meaning of the word 'residues' at a future session.

22 Details of all other incidents involving the 1992 Fund are available under the Incidents section of the IOPC Funds' website (<u>www.iopcfunds.org</u>).

Agreement with EMSA

As previously reported, the IOPC Funds' Secretariat, in close cooperation with the International Group of P&I Associations (International Group) and ITOPF, held discussions with the European Maritime Safety Agency (EMSA) with the objective of agreeing formulae for the hire rates for the use of EMSA oil spill response vessels, equipment and dispersant (together the 'EMSA Pollution Response Assets') in line with the principles and practices of the Funds and of the International Group.

The EMSA Pollution Response Assets currently consist of 17 vessels fully equipped to respond to oil spills, three stockpiles of equipment and six stockpiles of dispersants which are intended to provide a top-up to European Union (EU) Member States' own oil spill response resources. EMSA has made these assets available to EU Member States, Iceland and Norway, non-EU countries sharing a regional sea basin with the EU, and EU membership acceding and candidate countries, as well as to private entities, such as shipowners and operators of oil and gas installations.

25 The agreement does not prejudice the outcome of the assessment of the reasonableness of the use of the EMSA's pollution response assets during a specific spill incident which will have to meet the admissibility criteria as set out in the 1992 Fund's Claims Manual.

A Memorandum of Understanding (MoU) containing the proposed formulae was signed by EMSA, the International Group and the IOPC Funds in December 2018. Further discussions took place in 2023, to review the rates on the basis of operational use during the previous five-year period. The MoU only applies to EMSA Pollution Response Assets and would not apply to other pollution response assets owned by Member States of the EU or elsewhere. However, the Director has confirmed that the option is open for any State that may wish to engage with the Secretariat to discuss similar arrangements for the assets contained within their jurisdictions.

Implementation of the 1992 Civil Liability and Fund Conventions

In recent years, upon the request of some Member States, the Secretariat has examined and provided comments on national legislation implementing the 1992 CLC and the 1992 Fund Convention. Among the issues observed by the Secretariat is that legislation is not always updated with the latest limitation amount of the shipowner's liability under the 1992 CLC and the maximum amount of compensation payable under the 1992 Fund Convention. The Director has regularly invited Member States to review their national legislation and offered the Secretariat's assistance in that regard. This work has continued for several States who are either Party to the 1992 Fund Convention or are considering becoming Party to the Conventions.

The potential impact of sanctions on the international liability and compensation regime

In recent meetings of the IOPC Funds' governing bodies, the Secretariat has regularly highlighted the issues, risks and dangers, and the potential impact of sanctions upon the international liability and compensation regime, drawing attention to both the guidance issued by the IMO Legal Committee, and the impact upon many of the Clubs in the International Group who were no longer able to insure vessels trading or carrying Russian crude oil, as they once had.

29 Recent data has shown a substantial increase in the size of the so-called 'dark' or 'shadow' fleet. Such vessels tend to ignore IMO Safety standards, often hiding their true positions by AIS-spoofing, and undertaking dangerous ship-to-ship transfer operations in open water. Often, they have insufficient or non-existent insurance and tend to be poorly maintained, elderly vessels. There is potentially a higher threat of accidents and oil spills, an increased difficulty in assigning liability when ship-source spills occur, and a lack of proper insurance or other financial security. At the 33rd session of the IMO Assembly, which convened from 27 November to 6 December 2023, the Member States adopted a Resolution calling upon flag States to take measures against 'dark' or 'shadow' fleet operations.

30 There have been a number of near misses in European waters, and the Director is concerned that a market for substandard oil transportation has been created, and that this could develop into a potential long-term risk. The Director has reminded Member States of their obligation under the 1992 CLC, to ensure that tankers have a CLC certificate and noted that failure to do so might result in Flag State liability. During the discussions on this matter at the November 2024 meeting of the IOPC Funds' governing bodies, several delegations shared the Director's concerns.

Insurance issues and the risks posed by uninsured vessels

31 The issue of difficulties faced by the 1992 Fund in cases involving unreliable insurers has been raised at meetings of the IOPC Funds' governing bodies on several occasions over recent years. Following discussions within the 1992 Fund Executive Committee in 2024 on the circumstances surrounding the *Gulfstream* incident in Trinidad and Tobago, several delegations had supported further discussion of the wider issues related to the risk of uninsured and unsafe ships within the 1992 Fund Assembly. The *Gulfstream* incident involved a barge which appeared to have no insurance, was in poor condition, for which no registered owner had been identified, and which appeared to be leaking oil at the start of its voyage suggesting the vessel was unseaworthy before and at the commencement of the voyage.

32 The vast majority of delegations present at the April 2024 meeting of the IOPC Funds' governing bodies contributed to the debate on this subject and all agreed that the risk of uninsured and unsafe ships was an important issue. Noting the concerns expressed, and also taking into account the discussions on the potential impact of sanctions, those delegations all agreed that a Resolution for each Fund, clarifying the concerns of Member States and setting out measures to address the key issues resulting from incidents involving such ships, should be adopted (see paragraph 41).

33 At the same meeting of the governing bodies, the Director was instructed to develop guidance for Member States for investigating the circumstances surrounding an oil pollution incident, in order to identify ships and persons involved, including, but not limited to, shipowners and their insurers (see paragraphs 47-49).

Recent Resolutions adopted by the IOPC Funds' governing bodies

Great concern was expressed by many delegations at sessions of the governing bodies in 2024 regarding the increasing transportation of oil by unsafe and uninsured ships or by vessels whose insurance is not in compliance with Article VII of the 1992 CLC. It was considered that this practice undermines the safety and environmental standards developed by the International Maritime Organization (IMO), as well as the international liability and compensation regime based on the 1992 CLC, the 1992 Fund Convention and the Supplementary Fund Protocol. In response, the governing bodies considered the adoption of Resolutions as an urgent and important step in trying to address the issue, and adopted 1992 Fund Assembly Resolution N°14 and Supplementary Fund Assembly Resolution N°6, as published in the <u>Resolutions section</u> of the IOPC Funds' document services website.

35 The Resolutions urge all States to take the necessary steps to enforce the safety and environmental standards contained in the relevant IMO Conventions and instruments, and to enforce the insurance requirements applicable under Article VII of the 1992 CLC on the ships under their flags and those ships entering or leaving a port in their territories. The Resolutions also encourage all States Parties to the 1992 CLC to follow the recommendations contained in the Guidelines for Accepting Insurance Certificates and Insurance Companies, Financial Security Providers and Protection & Indemnity Clubs (P&I Clubs) as contained in IMO Circular LEG.1/Circ.16, and to consult with neighbouring States, or the Flag State, should there be any concern that the insurer or guarantor named in the insurance certificate is not financially capable of meeting the obligations imposed by the Convention

On a separate note, the Director has become increasingly concerned with the number of States and contributors that have outstanding oil reports or contributions. The Director has urged all States to submit oil reports in a timely and accurate manner and to ensure the prompt payment of contributions, since it affects the IOPC Funds' ability to implement an equitable system of levying contributions to ensure that victims of oil pollution in Member States are compensated in full for their loss or damage. In an effort to incentivise States to fulfil their obligations under the 1992 Conventions, since November 2023 a document has been presented at each meeting of the governing bodies identifying States which would be subject to 1992 Fund Assembly Resolution N°12 and Supplementary Assembly Fund Resolution N°3, under which payment of compensation to Government authorities in a State affected by an incident would be postponed if they had outstanding oil reports or unpaid contributions for more than two years. The governing bodies were informed that in November 2024, 20 States had been notified that 1992 Fund Assembly Resolution N°12 was applicable to them.

37 Furthermore, following the adoption in November 2023 of 1992 Fund Assembly Resolution N°13 and Supplementary Fund Assembly Resolution N°5, which authorises the Director to issue invoices based on estimates, including retrospectively in relation to past periods, when no oil reports had been submitted, the Director has now begun to invoice a number of States concerned accordingly.

New publications

Guide to Persistent and Contributing Oils

38 The IOPC Funds Secretariat published a new 'Guide to Persistent and Contributing Oils' in November 2024. The Guide is intended to clarify the differences between contributing, persistent oil, and non-persistent oil, particularly as 'persistent oil' is not defined in the text of the relevant Conventions. By identifying oils covered by the Conventions, the Guide aims to help Member States and oil receivers clearly understand which oils should be included in their annual reporting of contributing oil.

39 Under the <u>2010 HNS Convention</u>, State Parties are required to report contributing oil, as defined in Article 1.3 of the 1992 Fund Convention, as well as other oils carried in bulk and listed in Annex I of the MARPOL Convention. The Guide will therefore be helpful in the context of the 2010 HNS Convention and will also be made available for that purpose.

Guidance for Member States on Investigating the Circumstances Surrounding an Oil Pollution Incident

40 In March 2025, the IOPC Funds Secretariat published new guidance for Member States to be followed when investigating the circumstances surrounding an oil pollution incident involving uninsured and unsafe ships.

41 This follows discussions within the sessions of the IOPC Funds' governing bodies in 2024 where the importance of the proactivity and close cooperation of the State in thoroughly investigating the circumstances of the incident were highlighted, and the Director was instructed to develop the guidance for Member States.

42 This publication will be particularly useful in cases where critical information about an oil spill is unclear, such as the cause of the spill or the registration and insurance status of the ship. The document, now available for download in the Publications section of the Funds' website, was endorsed by the organisation's governing bodies during their November 2024 meeting.

Outreach activities

43 The Secretariat has continued its efforts to boost the engagement of Member States and encourage the involvement of non-Member States. Since the last meeting of the Focal Points of REMPEC, the Director and other members of the IOPC Funds Secretariat have participated in national or regional seminars or workshops and conferences relating to the international liability and compensation regime for oil pollution notably in Australia, Brunei Darussalam, Colombia, Croatia, Ecuador, India, Italy, Japan, Malaysia, Morocco, New Zealand, Nigeria, Peru, Philippines, Singapore, Thailand and Togo. On a number of occasions, the issue of implementation of the Conventions and the situation with respect to outstanding oil reports or contributions were discussed with the appropriate authorities in these countries.

In addition, the IOPC Funds participated in the oil spill conferences Spillcon 2023 in Australia, Oil Spill India 2023 in Delhi, India and Interspill 2025 in London, United Kingdom.

45 The IOPC Funds' Annual Academy will take place from Monday 9 to Friday 13 June 2025 in London. The course programme for this event covers all aspects of the work of the IOPC Funds and the international liability and compensation regime in general and includes practical exercises which allow participants to study a theoretical incident and the subsequent claims submission process. The course is supported by IMO, INTERTANKO, the International Chamber of Shipping (ICS), the International Group of P&I Associations and ITOPF. The Academy takes place annually and is open to a maximum of ten self-funded participants from 1992 Fund Member States. Further details can be found in Circular IOPC/2025/Circ.3.

46 The Secretariat also holds a half-day annual Induction Course for 1992 Fund Member States immediately prior to the October/November sessions of the governing bodies. Additionally, a concise course aimed at States and organisations holding observer status with the IOPC Funds has also been offered in 2025.

<u>HNS</u>

Since the 2010 HNS Protocol was adopted, the 1992 Fund Secretariat has carried out numerous tasks necessary to set up the HNS Fund. Throughout recent years, the Secretariat continued to provide assistance to IMO and States in order to support the Protocol's entry into force. As at 30 March 2025, eight States are Contracting States to the 2010 HNS Protocol (Canada, Denmark, Estonia, France, Norway, Slovakia, South Africa and Türkiye) with several of those States having more than 2 million units of gross tonnage, thus already fulfilling one of the three conditions for entry into force of the 2010 HNS Protocol. Four further States (Belgium, Germany, the Netherlands and Sweden) and possibly also Finland, have indicated their intention to become Contracting States in 2025, thus totalling 12 States, possibly 13, thereby fulfilling a further condition, and together importing more than 40 million tonnes of contributing HNS, thus completing the third condition for entry into force of the 2010 HNS Protocol. If events transpire as expected, the 2010 HNS Protocol will enter into force 18 months after the conditions are met, so likely in late 2027/early 2028.

48 The Secretariat maintains the website <u>www.hnsconvention.org</u>, 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 Convention. This website, which is available in English, French and Spanish, includes all the official texts related to that Convention as well as the IMO-approved HNS contributing cargo reporting guidelines with its model reporting forms, 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 determine whether a substance is contributing cargo that must be reported and whether it qualifies for compensation under the Convention.

49 In order to provide assistance on practical issues raised by States implementing the 2010 HNS Convention, two-day HNS workshops were organised by IMO in cooperation with the IOPC Funds in London, in April 2023 and May 2024. They were occasions for the successful exchange of information and discussions among interested States and organisations. In particular, the workshops concluded that a united front of support for the Convention had been demonstrated by both shipping and cargo interests who were proactively encouraging States to proceed with the implementation process. States were encouraged to collaborate, make use of the advice provided, as well as the expertise of IMO and the IOPC Funds, and the tools that have been made available to assist in promoting the understanding of the Convention within administrations. Additionally, emphasis was placed on ensuring that the reporting obligations with which States and contributors need to comply, were highlighted and understood.

50 The 1992 Fund Secretariat has continued to make progress on key tasks identified to prepare for the setting up of the HNS Fund and the first session of the HNS Fund Assembly. These tasks include the development of a fully functional HNS contributing cargo reporting system, claims criteria, financial and internal regulations and rules for the functioning of the HNS Secretariat. The 1992 Fund Secretariat has worked together with IMO and other key stakeholders on these issues and has regularly reported on its progress to the 1992 Fund Assembly and the IMO Legal Committee.

51 The Secretariat participated in various workshops on the liability and compensation regime for oil spills in recent years, as referred to in paragraph 50 (and further presentations online), which enabled the Secretariat to also deliver presentations on the importance of introducing a similar system for HNS.

52 In 2024, the Secretariat also commenced a series of webinars explaining the compensation regime, its background and formation, claims criteria and functioning of the finance departments, in addition to which, further webinars on the HNS Convention have taken place in 2025.

53 The Secretariat will also take part in the sub-regional workshop on liability and regimes for oil pollution damage, in Slovenia, in June 2025.

Conclusion

The Director of the IOPC Funds, Gaute Sivertsen, wishes to highlight the importance for all Mediterranean coastal States to become Parties to the 1992 CLC and the 1992 Fund Convention. As at 30 March 2025, Bosnia and Herzegovina and Libya are still not Party to either of those Conventions, while Egypt and Lebanon are not Parties to the 1992 Fund Convention. The aim of the Conventions is to create a uniform regime of compensation for those affected by spills of persistent oil from tankers, and one way to help to achieve that is their universal adoption.

55 However, the action of acceding to these Conventions is, in itself, not sufficient. It is very important that States also ensure that those Conventions have been correctly implemented into national law. The 1992 Fund Assembly has repeatedly stated that unless the 1992 Civil Liability and Fund Conventions are implemented correctly into national law, the international liability and compensation regime established by those Conventions cannot function in a proper, uniform and equitable manner. At the time of an incident, significant difficulties can arise as a result of the incorrect implementation of the Conventions, which can lead to delays in compensation being paid. The IOPC Funds regularly provide assistance to States and organisations such as REMPEC to facilitate the effective implementation of the Conventions.

The Director of the IOPC Funds, takes this opportunity to urge all Member States to take note of the text of the IOPC Funds' Resolutions referred to in paragraphs 41-44 above in full and to respond positively and proactively to the specific action points requested of them in operative paragraphs 1 to 6 of the Resolutions. He also wishes to reassure Member States that the Secretariat will continue to work in support of the interests of the IOPC Funds and its Member States, and to promote the use of insurers which provide coverage in full compliance with the requirements under Article VII of the 1992 CLC.

57 Regarding the entry into force of the 2010 HNS Convention, the 1992 Fund has been active in developing practical tools to promote the Convention and has provided assistance to States considering implementing that Convention as described in paragraphs 55-60 above. In the Mediterranean region, only Türkiye and Slovakia have so far ratified this Convention and the IOPC Funds remains available to actively support any State needing assistance in that regard.

As previously stated in the document submitted to the twelfth meeting of the REMPEC Focal Points (document REMPEC/WG.41/6/2), the Director is looking forward to continuing the fruitful cooperation between the IOPC Funds and REMPEC. In particular, the Director hopes to build stronger relationships with each of the IOPC Funds' Mediterranean Member States. Working together directly with those States, but also with the assistance of REMPEC, through the creation of further engagement opportunities for relevant authorities and wider information sharing, the IOPC Funds can help States in their preparedness for dealing with claims from any oil spill.

Actions requested by the Meeting

- 59 The Meeting is invited to:
 - .1 take note of the information provided in the present document; and
 - .2 **comment** as deemed appropriate.
