

12 Important Points on Fund Convention

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FUND CONVENTION

- The 1992 Fund Convention, which is supplementary to the 1992 Civil Liability Convention, establishes a regime for compensating victims when the compensation under the applicable Civil Liability Convention is inadequate.
- The International Oil Pollution Compensation Fund 1992, generally referred to as the IOPC Fund 1992 or the 1992 Fund was set up under the 1992 Fund Convention.
- As of 2 November 2016, 135 States had ratified the 1992 Civil Liability Convention, and 114 States had ratified the 1992 Fund Convention.
- In order to become Parties to the 1992 Fund Convention, States must also become Parties to the 1992 Civil Liability Convention.
- The maximum amount payable by the 1992 Fund in respect of an incident occurring before 1 November 2003 was 135 million SDR (US\$186 million), including the sum actually paid by the shipowner (or his insurer) under the 1992 Civil Liability Convention. The limit was increased by to 203 million SDR (US\$279.7 million) on 1 November 2003. The increased limit applies only to incidents occurring on or after this date.
- If the three contracting states have received more than 600 Million tons of oil then the compensation limits for that year is increased to 300.74 Million SDR.
- 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 heavy fuel oil (contributing oil) in a State Party to the 1992 Fund Convention.
- The contributions are payable by the individual contributors directly to the 1992 Fund. A State is not responsible for the payment of contributions levied on contributors in that State, unless it has voluntarily accepted such responsibility.

INTERNATIONAL OIL POLLUTION COMPENSATION SUPPLEMENTARY FUND

- On 3 March 2005 a third tier of compensation was established by means of a Supplementary Fund under a Protocol adopted in 2003. So far 31 States have ratified the Protocol
- The Supplementary Fund provides additional compensation over and above that available under the 1992 Fund Convention for pollution damage in the States that become Parties to the Protocol
- total amount available for compensation for each incident for pollution damage in the States which become Members of the Supplementary Fund is 750 million SDR (US\$1033 million), including the amounts payable under the 1992 Civil Liability Convention and the 1992 Fund Convention, 203 million SDR (US\$279.7 million)
- Annual contributions to the Supplementary Fund are made in respect of each Member State by any person who, in any calendar year, has received total quantities of oil exceeding 150 000 tonnes. This is only applicable to the states that receives more than 1 million tons of oil