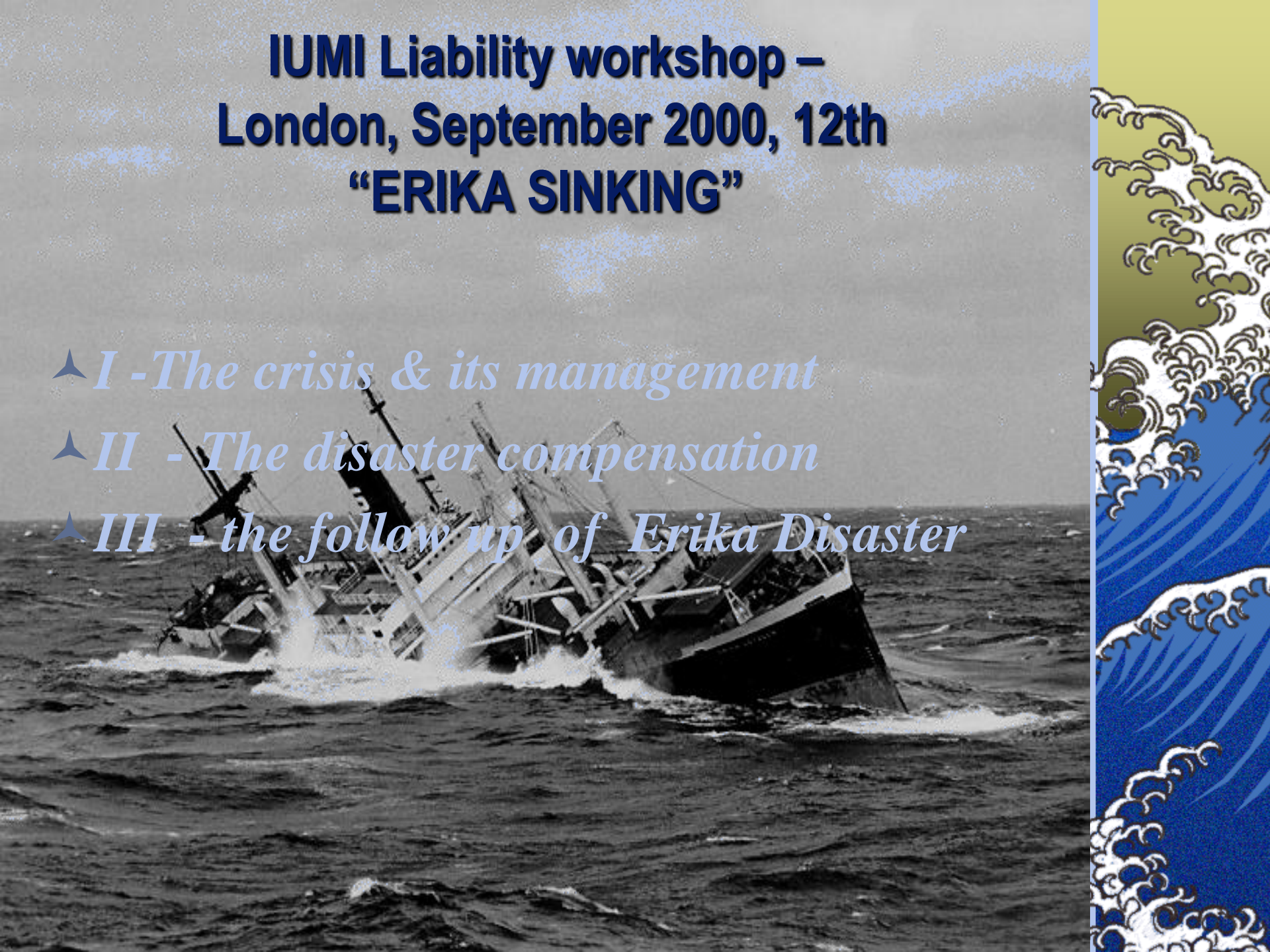




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IUMI Liability workshop – London, September 2000, 12th “ERIKA SINKING”

- ▶ *I - The crisis & its management*
- ▶ *II - The disaster compensation*
- ▶ *III - the follow up of Erika Disaster*



Part I – The crisis & its management ³

I-1-1. The sinking of M/V Erika - off the brittany coast.

- ▲ “Erika”, 1975 built , 184 length, 37 283 DWT, single hull & sbt, flag : Malta – Rina,
- ▲ Voyage : Dunkirk to Livourne - 30 000 tons of heavy Fuel Oil – Shipowner : Vitiello & Savarese;&Tevere Shipping Co –Ship management : Panship – Charterer : TotalFina
- ▲ Severe weather wind 7/8 nts- December 11 - 13h40 ; 10° list. Mayday - Craks discovered on board, Mayday cancelled, Erika proceed to Donges Port - craks largely opened between 03H00 & 05H00 Mayday 12 December at 6h05
- ▲ December 12 – 06h05 Mayday - 10h43 evacuation of the crew -
- ▲ Erika breaking in two – Erika stern towed to high waters
- ▲ Sinking of the AR part of the ship on December 14 14H45 at 30 Nm off the south Brittany coast - 120 meters deep.



Part I – The crisis & its management ⁴

1-1-2. Erika Oil spill

- ▶ *On 24 december, 400 Km of coastline were contaminated (5 regional District)*
- ▶ *Spill size : 15 000 tons*
- ▶ *Heavy fuel Oil - n°2 (resistant to natural clean-up, capacity to move on a long distance)*
- ▶ *Disaster location – a long way out at sea – weather & sea conditions – type of Oil - exacerbates widespread contamination & damage to amenity areas, fishing gear, mariculture facilities & wildlife*



Part I – The crisis & its management ⁵

Part I-2 – Response to the Erika Oil Spill

I-2-1. Contingency response :

- ✦ *French government authorities assume responsibility for organising & controlling the clean up of the Erika spill .*
- ✦ *anti-pollution fight– 7 specialised ships on scene*: 1100 M3 FO pumped (96 FFMs)*
- ✦ *Activation of sea & land-contingency plans (POLMAR – 5000 persons engaged – sea plan - land plan.*



Part I – The crisis & its management ⁶

Part I-2-2.a/ Governmental Response : to the fishery & mariculture activities

Measures for fishing = FF 112,2 millions

- ▶ *System of advances (nil rate) on Fipol futures compensations. Claims are examined by local authorities & files are transmitted at the national agency OFIMER which verses 50% of the declared prejudice, if it doesn't exceed FF 200 000.*
- ▶ *Reducing of financial loads : it consists in supporting outstanding or accruing interests in 2000, 2001, 2002 for medium and long loads and for consolidation of exploitation loans. Sum of this assistance is limited at FF 48 000, up to FF 62 000 in a critical situation (appreciated by indemnization office, paid by OFIMER)*
- ▶ *Reducing of social loads, for a 1, 2 or 3 months period, according to the prejudice. Decision is taken by departmental indemnization offices. OFIMER is responsible of it.*



Part I – The crisis & its management ⁷

I-2-2.b/ Governmental Response

- ▲ *Measures in favour of others activities – tourism - System of advances (nil rate)*
- ▲ *Polmar Fund FF 320 millions have been given at the POLMAR fund, so as to help state services to fight against the pollution and to repay local authorities.*
- ▲ *Measures in favour of the national maritime safety*
 - ▲ *Doubling the number of maritime safety inspectors, 30 new positions for port officers, Large program of renewing lighthouses, New materials: 1 tug, 1 helicopter, 1 antipollution ship, 2 survey planes*

Measures taken by the CIM and the CIADT of the 2000, February 28th : Total of FF 939,5 millions.



Part I – The crisis & its management ⁸

Part I-2-3. Local Responses

- *Emergency fund for local municipalities expenses,*
- *Administrative & legal board (to assist industry for claim procedures)*
- *System of advances on IOPC funds futures compensations.*
- *Fund for the cleaning & the coastal protection*
- *FF 0,5 millions for associations (for salvation of oiled birds)*
- *Transportation & accommodation for volunteers*
- *Financial facilities for fisheries & shell fish farmings*
- *Advertising campaign to restore the image of the costal areas*



Part I – The crisis & its management ⁹

I-2-4. TOTALFINA Response

- *The salvage of the cargo (estimated FF 500 Ms)*
- *The garbage management estimated FF 200 Ms)*
- *Cleaning of the costs (emergency fund : FF 70 Ms)*
- *Creation of a Sea foundation in order to restore the ecologic balance & financial subsidies for environmental institutions*
- *Advertisement campaign*

Total: FF 850 Ms

- *TotalFina & French authorities undertook not to claim their indemnization as long as prejudices sustained by civil society wouldn't entirely covered.*
- *The compensation rate has been fixed at **50%** of reconised damages.*



Part II – Disaster compensation ¹⁰

II-1. An international regime of liability & compensation for oil pollution

- *1969 International convention on civil liability for oil pollution damage (CLC 1969)*
- *1971 international Convention on the establishment of an international fund for compensation for Oil Pollution damage (1971 IOPC fund)*
- *Amendment in 1992 by 2 protocols.*
- *4 characteristics: objective liability, -limited liability – compulsory insurance supported by shipowner- IOPC fund 2nd level of compensation .*



Part II - Disaster compensation ¹¹

II-2. The Lorient compensation office

In charge of the interface between compensation claimants, IOPC fund & the P&I which insured the Erika vessel.

Reception and information of pollution victims.

- ▶ *Experts (supervision ITOPF) evaluate cost of cleaning coasts and level of produced compensation claims.*
- ▶ *First compensations have been paid since the 2000, february 21st – 2 months after the first oil slicks on french coasts.*
- ▶ *1,2 FF milliards highest compensation limit.*
- ▶ *New claims can be accepted up to a 3-year prescription delay after the damage.*



Part II – Disaster compensation ¹²

II – 3. Process of compensation

- ▲ A total of 1099 claims have been laid down on June 14 .*
- ▲ 427 of them have been developed, for a total sum of FF 120 millions.*
- ▲ At the same date, P&I club payed provisionally FF 7 millions (287 claims) and authorised a total of 8,7 FF millions & the shipowner had deposited FF 84 Ms as regard the amount of his liability*
[2340 intention letters have been sent, most of them concern tourism area.]



Part III – The follow up of Erika disaster ¹⁴

III-1. The French proposals

▲ *French proposals are in three memoranda addressed to:*

- *IMO*
- *European Commission,*
- *FIPOL*



Part III – The follow up of Erika disaster 15

III–2. Global approach to avoid such a pollution

- ▲ *The need for a strengthening of safety policy*
 - ▲ *To tighten the technical standards applying to ships, particularly through the progressive prohibition of single hull tankers*
 - ▲ *To set up a joint inspection system to monitor the classification societies*
 - ▲ *To increase the number & effectiveness of technical safety inspections by port state at the port where the goods are loaded*
 - ▲ *Establish an EU system of maritime surveillance by requiring the reporting of polluting or dangerous ships entering the territorial waters*
 - ▲ *To ensure greater transparency with regard to the condition of ships by requiring Equasis computerized ship safety management system.*
 - ▲ *harmonization of working conditions for crews*



Part III - The follow up of the Erika disaster ¹⁶

III-3. Global approach to avoid such a pollution

- ▶ **On the international regime of liability & compensation for oil pollution**
 - ▶ *To increase the compensation ceiling to €1 billion as well as to modify the oil importer contributing system.*
 - ▶ *To assign liability to all parties involved in shipping, starting to the owners of the dangerous goods*
 - ▶ *To ask the Commission to consider the possibility of establishing at EU level a tax on oil transport by ships which do not meet the required technical or labour standard.*
 - ▶ *To extend compensation to the environmental damages*





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