HALF YEARLY REPORT OF THE OFFSHORE ACTIVITIES IWG 2023

Introduction

During the first half of year 2023 our Group was dedicated to edit the draft text of an International Convention to regulate offshore oil and gas activities. We formally designated such draft the "International Convention on Liability and Compensation for Transboundary Pollution Damage in Connection with Offshore Oil and Gas Activities", in short the "OGA Convention". To this end, several iterations of the draft were circulated to all Members of the Group, each version progressively improved with the feedback received from Members.

From the beginning of the IWG discussions, a minority group led by Mans Jacobsson refused to accept the inclusion of compensation for environmental damage and protection of marine flora in the **OGA Convention** text. They argued that the Convention should be modeled on the CLC/Fund, Bunkers and HNS Conventions. The drafting group (Dr. Aldo Brandani, Justice Rares, who carried out a language revision, and the undersigned) understood that an Offshore exploitation cannot in any way be considered a single vessel, considering the complexity of its operations and its enormous potential for producing environmental damage. For this reason, Offshore activities, in the opinion of the drafting group- require individual and specific regulation including specific provisions for environmental damages from pollution by offshore activities. In addition, we restricted the operation of the Convention to transboundary pollution, for the reasons explained below.

1) Transboundary Pollution

On April 14, 2015, the Ibero-American Institute of Maritime Law presented a position paper requesting that the IMO Legal Committee regulate offshore extractive activity. In LEG 102 it was decided that this would not be carried out as a consequence of the position of an important group of States that considered the Offshore crafts are not vessels and that this regulation was within their sovereign attributions and there was no need for an international convention in this regard.

For this reason, the IWG did not focus on a global regulation of offshore extractive activity, since any other attempt would suffer the same fate, but limited itself to transboundary pollution only.

CMI Newsletter N° 1 2020, Minutes of the CMI Assembly meeting Mexican Colloquium Working Group Reports (f) Offshore Activities Pollution Liability and Related Issues: Report of Jorge Radovich.

I began the report to the Assembly quoted above by reminding that, as my report to EXCO and Assembly in Genoa (2017) explained, the way towards an international convention on Transboundary Pollution caused by Offshore Activities through the IMO Legal Committee had been closed. Patrick Griggs had reported that the Legal Committee had adopted a Guidance Document and had expressed the hope that it would prove useful

and had agreed that no further work by the Committee would be necessary. Accordingly, as far as the Legal Committee was concerned, there was, at this time, no interest in an international convention on the subject.

The ExCo authorized our IWG to work on a Convention limited to MODUs in the first instance -since there were possibilities that they would be considered ships- and later extending the authorization to any type of Offshore artifacts as a consequence of new claims that were not limited to MODUs.

Mans Jacobsson and Andrew Taylor (hereinafter M/A) proposed to draft an alternative Convention, which they carried out.

Once inspected, we found that the M/A version did not follow one significant ExCo guideline: In their draft M/A eliminated the "transboundary" limitation to the concept of "pollution", thus extending the reach of the OGA Convention to all global waters, including national jurisdictions and coasts. In addition to the noncompliance with the ExCo mandate, this M/A version would certainly have no chance of being successfully ratified since it will impinge on national sovereignties. This an important issue that we have worked on in the first semester of 2023, and that we should continue analyzing in the second.

2) Agreement on different sections of the draft OGA Convention.

During the first half of 2023 an agreement was reached among Aldo Brandani and M/T on many of the proposed editorial changes to the main body of the **OGA Convention**, and the deletion of the old Article XII (that contained definitions) as well as the proposed restructuring of the draft Convention as regards time bar, jurisdiction and enforcement of judgements and some additional treaty law provisions.

There is also an agreement on most articles contained in the two other Sections of the OGA draft: The Administrative provisions of the Convention and the constitution of a compensation fund: the **OGA FUND**.

The agreed sections of the draft are as follows: International Convention on

Liability and Compensation for Transboundary Pollution Damage in Connection with Offshore Oil and Gas Activities (OGA)

The States Parties to the present Convention.

Conscious of the dangers of pollution posed by worldwide offshore activities of exploration, extraction, storage, transport and delivery of oil and gas;

Understanding that no comprehensive international framework exists to provide adequate compensation for pollution from those activities;

Realizing that offshore oil and gas activities create high environmental, social, and economic risks from major incidents;

Knowing that such risks are increasing due to the growth and expansion of drilling activity in deeper and more distant waters, with deeper wells and an ever-growing number of specialized operators;

Ascertaining the paucity of environmental protection ... PARAGRAPH UNDER DISAGREEMENT

Furthermore, noting that the existing international agreements on waterborne transport of oil and gas do not provide for compensation for non-economic damage to the marine environment;

Convinced of the need to ensure that adequate compensation is available to persons who suffer damage caused by transboundary pollution resulting from the escape or discharge of oil or gas;

Desiring to adopt uniform international rules and procedures for determining questions of liability and providing adequate compensation in such cases in connection with offshore oil and gas activities.

Have agreed as follows:

Chapter I – General Provisions

Definitions

ARTICLE I

For the purposes of this Convention:

- 1. "Craft" means ... PARAGRAPH UNDER DISAGREEMENT
- 2. "*Offshore activities*" means any activity involving, and ancillary to, drilling for exploration, extraction, exploitation, and storage, transport and delivery of oil and gas in the territorial waters of a State Party or in its Exclusive Economic Zone or in the area for which a State Party is responsible under the United Nations Convention on the Law of the Sea done at Montego Bay on 10 December 1982.
- 3. *"Terminal installation"* means any site for the storage of oil or gas in bulk which is capable of receiving oil or gas from waterborne transportation, including any facility situated off-shore and linked to such site.
- 4. *"Person"* means any individual or partnership or any public or private body, whether corporate or not, including a State or any of its constituent subdivisions.
- 5. "*Operator*" means the person to whom a State Party granted a license, right to drill, or any other type of authorization to carry out offshore activities in its territorial sea, Exclusive Economic Zone or Continental Shelf. If a State Party

carries out Offshore Activities by itself or by any of its constituent subdivisions, the State Party will be considered the Operator.

- 6. "*Guarantor*" means any person providing a guarantee in the form of insurance or other financial security to cover an operator's liability for pollution damage under article IV this Convention.
- 7. "*Oil*" means any hydrocarbon mineral oil such as crude oil, fuel oil, diesel oil and lubricating oil, including distillates or residues from crude oil or blends of such materials, whether extracted, stored, delivered or transported by any craft, or bunkers of such craft, or combined as principal or secondary components with products used, or produced by, any of the activities listed above such as for instance production waters.
- 8. "*Gas*" means any fossil, hydrocarbon or other natural gas formed beneath the earth's surface, whether or not it also includes any other compound or amounts of Natural Gas Liquids (NGL) according to the US Energy Information Administration (USEIA) (NGL), or hydrocarbon gas liquids.
- 9. "Ton", in relation to oil, means a metric ton.
- 10. "Pollution damage" means: ... PARAGRAPH UNDER DISAGREEMENT
- 11. "*Incident*" means any occurrence, or series of occurrences having the same origin, which causes pollution damage or creates a grave and imminent threat of causing such damage.
- 12. *"Unit of account"* means the Special Drawing Right as defined by the International Monetary Fund.
- 13. "The OGA Fund" means the International Oil and Gas Activities Fund.
- 14. "Organization" means ... PARAGRAPH UNDER DISAGREEMENT
- 15. "Secretary-General" means the Secretary-General of the Organization.
- 16. *"Director"* means the Director of the OGA Fund.

17. *"The International Seabed Authority"* means the autonomous international organization established under the 1982 United Nations Convention on the Law of the Sea and the 1994 Agreement relating to the Implementation of Part XI of that Convention.

Scope of application

ARTICLE II

This Convention shall apply exclusively:

- a) to pollution damage caused:
 - i. in the territory, including the Territorial Waters of a State Party different from the State that authorized the Offshore Activities,
 - ii. in the Exclusive Economic Zone of a State Party different from the State that authorized the Offshore Activities, established in accordance with international law, or, if a State Party has not established such a zone, in an area beyond and adjacent to the Territorial Sea of that State determined by that State in accordance with international law and extending not more than 200 nautical miles from the baselines from which the breadth of its Territorial Sea is measured, and
 - iii. in the Continental Shelf of a State Party different from the State that authorized the Offshore Activities, and
 - iv. in international waters outside the regions defined above or their Area, including High Sea and the seabed marine environment.
- b) to preventive measures, wherever taken,
- c) to activities undertaken for the reinstatement of [environmental conditions] in any place affected by the pollution.

Exceptions

ARTICLE III

- 1. This Convention shall not apply to pollution damage or imminent threat of such damage in respect of which liability arises under any of the conventions referred to below, including any amendments thereof, which is in force in the State Party concerned:
 - (a) the International Convention of 27 November 1992 on Civil Liability for Oil Pollution Damage;

- (b) the International Convention of 27 November 1992 on the Establishment of an International Fund for Compensation for Oil Pollution Damage;
- (c) the International Convention of 23 March 2001 on Civil Liability for Bunker Oil Pollution Damage;
- (d) the international Convention of 30 April 2010 on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea;
- (e) the Paris Convention of 29 July 1960 on Third Party Liability in the Field of Nuclear Energy;
- (f) the Vienna Convention of 21 May 1963 on Civil Liability for Nuclear Damage;
- (g) the Convention of 12 September 1997 on Supplementary Compensation for Nuclear Damage.
- 2. This Convention shall be without prejudice to the right of the operator to limit his liability in accordance with national legislation implementing the Convention of 19 November 1976 on Limitation of Liability for Maritime Claims, including any amendments to that Convention which is in force in the State concerned.

Chapter II – Liability of the operator

ARTICLE IV

- 1. Except as provided in paragraphs 2 and 3 of this Article, the operator of a craft at the time of an incident, or, where the incident consists of a series of occurrences, at the time of the first such occurrence, shall be liable for any pollution damage caused by the craft as a result of the incident.
- 2. No liability for pollution damage shall attach to operator if he proves that the damage:
 - a. resulted from an act of war, hostilities, civil war, insurrection or a natural phenomenon of an exceptional, inevitable and irresistible character, or
 - b. was wholly caused by an act or omission done with intent to cause damage by a third party, or
 - c. was wholly caused by the negligence or other wrongful act of any Government or other authority responsible for navigational aids in the exercise of that function.
- 3. If the operator proves that the pollution damage resulted wholly or partially either from an act or omission done with intent to cause damage by the person who suffered the damage or from the negligence of that person, the operator may be exonerated wholly or partially from his liability to such person.
- 4. No claim for compensation for pollution damage may be made against the operator otherwise than in accordance with this Convention. Subject to paragraph

5 of this Article, no claim for compensation for pollution damage under this Convention or otherwise may be made against:

- a. the servants or agents of the operator, including the owner of a craft;
- b. the pilot or any other person who, directly or indirectly, performs third party services for the craft;
- c. any person performing salvage operations with the consent of the operator or on the instructions of a competent public authority;
- d. any person taking preventive measures;
- e. all servants or agents of persons mentioned in subparagraphs (b), (c) and (d);

unless the damage resulted from their personal act or omission, committed with the intent to cause such damage, or recklessly and with knowledge that such damage would probably result.

5. Nothing in this Convention shall prejudice any right of recourse of the operator against third parties.

ARTICLE V

When an incident involving two or more crafts occurs and pollution damage results therefrom, the operators of all the crafts concerned, unless exonerated under Article III, shall be jointly and severally liable for all such damage which is not reasonably separable.

Chapter III – Limitation of Liability

ARTICLE VI

- 1. The operator of a craft shall be entitled to limit his liability under this Convention in respect of any one incident to an aggregate amount calculated as follows: ------
- 2. The operator shall not be entitled to limit his liability under this Convention if it is proved that the pollution damage resulted from his personal act or omission, committed with the intent to cause such damage or recklessly and with knowledge that such damage would probably result.
- 3. For the purpose of availing himself of the benefit of limitation provided for in paragraph 1 of this Article the operator shall constitute a fund for the total sum representing the limit of his liability with the Court or other competent authority of any one of the States Parties in which action is brought under Article IX or, if no action is brought, with any Court or other competent authority in any one of the States Parties in which an action can be brought under Article IX. The fund can be constituted either by depositing the sum or by producing a bank guarantee or other guarantee, acceptable under the legislation of the States Party where the fund is constituted, and considered to be adequate by the Court or other competent authority.

- 4. The fund shall be distributed among the claimants in proportion to the amounts of their established claims.
- 5. If before the fund is distributed the operator or any of his servants or agents or any person providing him insurance or other financial security has as a result of the incident in question, paid compensation for pollution damage, such person shall, up to the amount he has paid, acquire by subrogation the rights which the person so compensated would have enjoyed under this Convention.
- 6. The right of subrogation provided for in paragraph 5 of this Article may also be exercised by a person other than those mentioned therein in respect of any amount of compensation for pollution damage which he may have paid but only to the extent that such subrogation is permitted under the applicable national law.
- 7. Where the operator or any other person establishes that he may be compelled to pay at a later date in whole or in part any such amount of compensation, with regard to which such person would have enjoyed a right of subrogation under paragraphs 5 or 6 of this Article, had the compensation been paid before the fund was distributed, the Court or other competent authority of the State where the fund has been constituted may order that a sufficient sum shall be provisionally set aside to enable such person at such later date to enforce his claim against the fund.
- 8. Claims in respect of expenses reasonably incurred or sacrifices reasonably made by the owner voluntarily to prevent or minimize pollution damage shall rank equally with other claims against the fund.
- 9.
- (a) The amounts mentioned in paragraph 1 shall be converted into national currency on the basis of the value of that currency by reference to the Special Drawing Right on the date of the constitution of the fund referred to in paragraph 3. The value of the national currency, in terms of the Special Drawing Right, of a State Party which is a member of the International Monetary Fund shall be calculated in accordance with the method of valuation applied by the International Monetary Fund in effect on the date in question for its operations and transactions. The value of the national currency, in terms of the Special Drawing Right, of a State Party which is not a member of the International Monetary Fund shall be calculated in a manner determined by that State.
- (b) Nevertheless, a State Party which is not a member of the International Monetary Fund and whose law does not permit the application of the provisions of paragraph 9(a) may, at the time of ratification, acceptance, approval of or accession to this Convention or at any time thereafter, declare that the unit of account referred to in paragraph 9(a) shall be equal to 15 gold francs. The gold franc referred to in this paragraph corresponds to sixty-five and a half milligrams of gold of millesimal fineness nine hundred.

The conversion of the gold franc into the national currency shall be made according to the law of the State concerned.

- (c) The calculation mentioned in the last sentence of paragraph 9(a) and the conversion mentioned in paragraph 9(b) shall be made in such manner as to express in the national currency of the State Party as far as possible the same real value for the amounts in paragraph 1 as would result from the application of the first three sentences of paragraph 9(a). States Parties shall communicate to the depositary the manner of calculation pursuant to paragraph 9(a), or the result of the conversion in paragraph 9(b) as the case may be, when depositing an instrument of ratification, acceptance, approval of or accession to this Convention and whenever there is a change in either.
- 10. The insurer or other person providing financial security shall be entitled to constitute a fund in accordance with this Article on the same conditions and having the same effect as if it were constituted by the operator. Such a fund may be constituted even if, under the provisions of paragraph 2, the operator is not entitled to limit his liability, but its constitution shall in that case not prejudice the rights of any claimant against the operator.

ARTICLE VII

- 1. After a fund has been constituted in respect of an incident in accordance with Article V and an operator is entitled to limit his liability,
 - a. no person having a claim for pollution damage arising out of that incident shall be entitled to exercise any right against any other assets of the operator, insurer or other person providing financial security in respect of such claim;
 - b. The Court or other competent authority of any State Party shall order the release of any craft or other property belonging to such operator, insurer or other person which has been arrested or placed under lawful restraint or control or made security in respect of a claim for pollution damage arising out of that incident, and shall similarly release any bail or other security furnished to avoid such arrest.
- 2. Paragraph 1 of this article, however, shall only apply if the claimant has access to the Court administering the fund and the fund is actually available in respect of his claim.

Chapter IV - Compulsory insurance of the Operator

ARTICLE VIII

1. The operator of one or more crafts licensed or authorized to carry out Offshore Activities by a State Party shall be required to maintain insurance or other financial security, such as the guarantee of a bank, in the sums fixed by applying the limits of liability prescribed in paragraph 1 of Article V to cover his liability for pollution damage under this Convention.

- 2. A certificate attesting that insurance or other financial security is in force in accordance with the provisions of this Convention shall be issued to each craft after the appropriate authority of a State Party has determined that the requirements of paragraph 1 have been complied with. With respect to a craft registered in a State Party such certificate shall be issued or certified by the appropriate authority of the State of the craft's registry; with respect to a craft not registered in a State Party it may be issued or certified by the appropriate authority of any State Party. This certificate shall be in the form of the annexed model and shall contain the following particulars:
 - a. name of craft and port of registration;
 - b. name and principal place of business of operator;
 - c. type of security;
 - d. name and principal place of business of insurer or other person giving security and, where appropriate, place of business where the insurance or security is established;
 - e. period of validity of certificate which shall not be longer than the period of validity of the insurance or other security.
- 3. The certificate shall be in the official language or languages of the issuing State. If the language used is neither English nor French, the text shall include a translation into one of these languages.
- 4. The certificate shall be carried on board the craft and a copy shall be deposited:
 - a. with the authorities who keep the record of the craft's registry or, if the craft is not registered in a State Party, with the authorities of the State issuing or certifying the certificate, and
 - b. with the State Party that issued the license or authorization to carry out the offshore activities to the operator.
- 5. An insurance or other financial security shall not satisfy the requirements of this Article if it can cease, for reasons other than the expiry of the period of validity of the insurance or security specified in the certificate under paragraph 2 of this Article, before three months have elapsed from the date on which notice of its termination is given to the authorities referred to in paragraph 4 of this Article, unless the certificate has been surrendered to these authorities or a new certificate has been issued within the said period. The foregoing provisions shall similarly apply to any modification which results in the insurance or security no longer satisfying the requirements of this Article.
- 6. The State of registry shall, subject to the provisions of this Article, determine the conditions of issue and validity of the certificate. If the State of registry is not a State Party, its obligations and duties related to the insurance or other financial

security should be carried out by the State that issued the license or authorization to carry out Offshore Activities to the operator.

- 7. Certificates issued or certified under the authority of a State Party in accordance with paragraph 2 shall be accepted by other States Parties for the purposes of this Convention and shall be regarded by other States Parties as having the same force as certificates issued or certified by them even if issued or certified in respect of a craft not registered in a State Party. A State Party may at any time request consultation with the issuing or certifying State should it believe that the insurer or provider of financial security named in the certificate is not financially capable of meeting the obligations imposed by this Convention.
- 8. Any claim for compensation for pollution damage may be brought directly against the insurer or other person providing financial security for the operator's liability for pollution damage. In such case the defendant may, even if the operator is not entitled to limit his liability according to paragraph 2 of Article V invoke the limits of liability prescribed in paragraph 1 of Article V. He may further invoke the defences (other than the bankruptcy or winding up of the operator) which the operator himself would have been entitled to invoke. Furthermore, the defendant may invoke the defence that the pollution damage resulted from the willful misconduct of the operator himself, but the defendant shall not invoke any other defence which he might have been entitled to invoke in proceedings brought by the operator against him. The defendant shall in any event have the right to require the operator to be joined in the proceedings.
- 9. Any sums provided by insurance or by other financial security maintained in accordance with paragraph 1 of this Article shall be available exclusively for the satisfaction of claims under this Convention.
- 10. A State Party shall not permit a craft under its flag or owned by an operator licensed or authorized by it to carry out Offshore Activities to which this Article applies to operate unless a certificate has been issued under paragraph 2 or 12 of this Article.
- 11. Subject to the provisions of this Article, each State Party shall ensure, under its national legislation, that insurance or other security to the extent specified in paragraph 1 of this Article is in force in respect of any craft, wherever registered, idling, sailing or operating in its territory, its Territorial Sea, its Exclusive Economic Zone or in international waters.
- 12. If insurance or other financial security is not maintained in respect of a craft owned or used by a State Party as the operator, the provisions of this Article relating thereto shall not be applicable to such craft, but the craft shall carry a certificate issued by the appropriate authorities of the State of the craft's registry stating that the craft is owned or used by that State and that the craft's liability is covered within the limits prescribed by Article V, paragraph 1. Such a certificate shall follow as closely as practicable the model prescribed by paragraph 2 of this Article.

Chapter V Compensation by the International Offshore Oil and Gas Activities (OGA)

Fund

Establishment of the OGA Fund

ARTICLE IX

- 1. The International Oil and Gas Activities Fund (OGA Fund) is hereby established with the following aims:
 - (a) to provide compensation for pollution damage in connection with Offshore Activities in water bodies, to the extent that the protection afforded by Articles II, III, IV, VI and VII is inadequate or not available; and
 - (b) to give effect to the related tasks set out in Article XI.
- 2. The OGA Fund shall in each State Party be recognized as a legal person capable under the laws of that State of assuming rights and obligations and of being a party in legal proceedings before the courts of that State. Each State Party shall recognize the Director as the legal representative of the OGA Fund.

Compensation

ARTICLE X

- 1. For the purpose of fulfilling its function under paragraph 1 (a) of Article IX, the OGA Fund shall pay compensation to any person suffering pollution damage if such person has been unable to obtain full and adequate compensation for the damage under the terms of Article V:
 - (a) because no liability for the damage arises under Article IV.2.
 - (b) because the operator liable for the damage is financially incapable of meeting the obligations under this Convention in full and any financial security that may be provided under Article VIII does not cover or is insufficient to satisfy the claims for compensation for damage; an operator being treated as financially incapable of meeting these obligations and a financial security being treated as insufficient if the person suffering the damage has been unable to obtain full satisfaction of the amount of compensation due under Article VI after having taken all reasonable steps to pursue the available legal remedies;

(c) because the damage exceeds the operator's liability under the terms of

Article VI.

- 2. Expenses reasonably incurred or sacrifices reasonably made by the operator voluntarily to prevent or minimize pollution damage shall be treated as damage for the purposes of this Article.
 - 3. The OGA Fund shall incur no obligation under the preceding paragraphs if:

- (a) the claimant cannot prove that there is a reasonable probability that the damage resulted from an incident involving one or more offshore craft.
- (b) the OGA proves that the damage resulted from an act of war, hostilities, civil war or insurrection or was caused by oil or gas resulting from Offshore Activities which had escaped or been discharged from a warship or any other craft used for military purposes or other craft owned or operated by a State and used, at the time of the incident, only on Government non-commercial service; or
- 4. If the OGA Fund proves that the pollution damage resulted wholly or partly either from an act or omission done with intent to cause damage by the person who suffered the damage or from the negligence of that person, the OGA Fund may be exonerated wholly or partially from its obligation to pay compensation to such person. The OGA Fund shall in any event be exonerated to the extent that the operator may have been exonerated under paragraph 2 of Article VI. However, there shall be no such exoneration of the OGA Fund with regard to preventive measures.
- 5.
- (a) Except as otherwise provided in subparagraph (b), the aggregate amount of compensation payable by the OGA Fund under this Article shall in respect of any one incident be limited, so that the total sum of that amount and any amount of compensation actually paid under Article VI for damage within the scope of application of this Convention as defined in Article IV shall not exceed ______units of account.
- (b) The aggregate amount of compensation payable by the OGA Fund under this article for pollution damage resulting from a natural phenomenon of an exceptional, inevitable and irresistible character shall not exceed_____ units of account.
- (c) Interest accrued on a fund constituted in accordance with Article VI, paragraph 3, if any, shall not be taken into account for the computation of the maximum compensation payable by the OGA Fund under this article.
- (d) The amounts mentioned in this article shall be converted into national currency on the basis of the value of that currency with reference to the Special Drawing Right on the date of the decision of the Assembly of the OGA Fund as to the first date of payment of compensation.
- 6. Where the amount of established claims against the OGA Fund exceeds the aggregate amount of compensation payable under paragraph 5, the amount available shall be distributed in such a manner that the proportion between any established claim and the amount of compensation actually recovered by the claimant under this Convention shall be the same for all claimants.
- 7. The Assembly of the OGA Fund may decide that, in exceptional cases, compensation in accordance with this Convention can be paid even if the operator has not constituted a fund in accordance with Article VI. In such cases paragraph 5(d) applies accordingly.

ARTICLE XI

...ARTICLE UNDER DISCUSSION...

Related tasks of the OGA Fund

ARTICLE XII

For the purpose of fulfilling its function under paragraph 1(a) of Article IX, the OGA Fund shall have the following tasks:

- (a) to consider claims made against the OGA Fund;
- (b) to prepare an estimate in the form of a budget for each calendar year of:

Expenditure:

- (i) costs and expenses of the administration of the OGA Fund in the relevant year and any deficit from operations in the preceding years; and
- (ii) payments to be made by the OGA Fund in the relevant year;

Income:

- (iii) surplus funds from operations in preceding years, including any interest;
- (iv) initial contributions to be paid in the course of the year;
- (v) annual contributions if required to balance the budget; and
- (vi) any other income;
- (c) to use at the request of a State Party its good offices as necessary to assist that State to secure promptly such personnel, material and services as are necessary to enable the State to take measures to prevent or mitigate pollution damage arising from an incident in respect of which the OGA Fund may be called upon to pay compensation under this Convention; and
- (d) to provide, on conditions laid down in the internal regulations, credit facilities with a view to the taking of preventive measures against damage arising from a particular incident in respect of which the OGA Fund may be called upon to pay compensation under this Convention.

Organization and administration

Organisation and administration

Article A

The OGA Fund shall have an Assembly and a Secretariat headed by a Director.

Assembly

Article B

The Assembly shall consist of all States Parties to the Convention.

Article C

The functions of the Assembly shall be:

- (a) to elect at each regular session its Chairman and two Vice-Chairmen who shall hold office until the next regular session;
- (b) to determine its own rules of procedure, subject to the provisions of this Convention;
- (c) to develop, apply and keep under review internal and financial regulations relating to the aim of the OGA Fund as described in Article XX and the related tasks of the Fund listed in Article xx;
- (d) to appoint the Director and make provisions for the appointment of such other personnel as may be necessary and determine the terms and conditions of service of the Director and such other personnel: level of
- (e) to adopt the annual budget and fix the contributions to the OGA Fund;;
- (f) to consider and approve as necessary any recommendations of the Director regarding the scope of definition of contributing oil and gas;
- (g) to appoint auditors and approve the accounts of the OGA Fund;
- (h) to approve settlements of claims against the OGA Fund, to take decisions in respect of the distribution among claimants of the available amount of compensation in accordance with Article xx and to determine the terms and conditions according to which provisional payments in respect of claims shall be made with a view to ensuring that the victims of damage are compensated as promptly as possible;
- (i) to establish a Committee of Claims for Compensation with at least /7/ and not more than /15/ members and 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; when appointing the members of such body, the Assembly should endeavour to secure an equitable geographical distribution of members and to ensure that State Parties are appropriately represented, the Rules of Procedure of the Assembly may be applied, *mutatis mutandis*, to the work of such subsidiary body;
- (j) to determine which States not party to this Convention and which intergovernmental and international non-governmental organisations shall be admitted to take part, without voting rights, at meetings of the Assembly and subsidiary bodies;

- (k) to give instructions concerning the administration of the OGA Fund to the Director and subsidiary bodies;
- (l) to supervise the proper execution of this Convention and of its own decisions;
- (m) to review every five years the implementation of this Convention with particular reference to the performance of the system for the calculation of levies of contributions;
- (n) to perform such other functions as are allocated to it under this Convention or are otherwise necessary for the proper operation of the OGA Fund.

Article D

- 1. Regular sessions of the Assembly shall take place every calendar year upon convocation by the Director.
- 2. Extraordinary sessions of the Assembly shall be convened by the Director at the request of at least one third of the members of the Assembly and may be convened on the Director's own initiative after consultation with the Chairman of the Assembly. The Director shall give members at least 30 days' notice of such sessions.

Article E

A majority of the members of the Assembly shall constitute a quorum for its meetings.

Secretariat

Article F

- 1. The Secretariat shall comprise the Director and such staff as the administration of the OGA Fund may require.
- 2. The Director shall be the legal representative of the OGA Fund.

Article G

- 1. The Director shall the chief administrative officer of the OGA Fund. Subject to the instructions given by the Assembly, the Director shall perform those functions which are assigned to him by this Convention, the internal regulations of the OGA Fund and the Assembly.
- 2. The Director shall in particular:

- (a) appoint the personal required for the administration of the OGA Fund;
- (b) take all appropriate measures with a view to the proper administration of the assets of the OGA Fund;
- (c) collect contributions due under this Convention while observing in particular the provisions of Article xx;
- (d) to the extent necessary to deal with claims against the OGA Fund and to carry out the other functions of the OGA Fund, employ the services pf legal, financial and other experts;
- (e) take all appropriate measures for dealing with claims against the OGA Fund, within the limits and on conditions to be laid down in the internal regulations of the Fund, including the final settlement of claims without the prior approval of the Assembly, where these regulations so provide;
- (f) prepare and submit to the Assembly the financial statements and budget estimates for each calendar year;
- (g) prepare, in consultation with the Chairman of the Assembly,, and publish a report on the activities of the OGA Fund during the previous calendar year; and
- (h) prepare, collect and circulate documents and information which may be required for the work of the Assembly and subsidiary bodies.

Article H

In the performance of their duties the Director and the staff and experts appointed by the Director shall not seek or receive instructions from any Government or from any authority outside the OGA Fund. They shall refrain from any action which might adversely reflect on their position as international officials. Each State party on its part undertakes to respect the exclusively international character of the responsibilities of the Director and the staff and experts appointed by him, and not seek to influence them in the discharge of their duties.

Finances

Article I

- 1. Each State party shall bear the salary, travel and other expenses of its own delegation to the Assembly and of its representatives on subsidiary bodies.
- 2. Any other expenses incurred in the operation of the OGA Fund shall be borne by the Fund.

Voting

Article J

The following provisions shall apply to voting in the Assembly:

- (a) each member shall have one vote;
- (b) except as otherwise provided in Article K, decisions by the Assembly shall be made by a majority vote of the members present and voting;
- (c) decisions where a two-thirds majority is required shall be a two-thirds majority vote of members present; and
- (d) for the purpose of this article the phrase "members present" means "members present at the meeting at the time of the vote" and the phrase "members present and voting" means "members present and casting an affirmative or negative vote". Members who abstain from voting shall be considered as not voting.

Article K

The following decisions of the Assembly shall require two-thirds majority:

- (a) a decision under Article xx not to take or continue action against a contributor;
- (b) the appointment of the Director under Article C (d);
- (c) the establishment of subsidiary bodies, under Article C(i), and matters relating to such establishment; and
- (d) a decision under Article xx that this Convention shall continue to be in force.

Tax exemption and currency regulations

Article L

- 1. The OGA Fund, its assets, income, including contributions, and other property necessary for the exercise of its functions as described in Article xx, shall enjoy in all States Parties exemption from all direct taxation.
- 2. When the OGA Fund makes substantial purchases of movable or immovable property, or of services which are necessary for the exercise of its official activities in order to achieve its aims as set out in Article xx. the costs of which include indirect taxes or sales taxes, the Government of the States Parties shall take, whenever possible, appropriate measures for the remission or refund of such duties and taxes. Goods thus acquired shall not be resold against payment or given away free of charge, unless it is done according to conditions approved by the Government of the State having granted or supported the remission or refund.
- 3. No exemption shall be accorded in the case of duties, taxes or dues which merely constitute payment for public utility services.

- 4. The OGA Fund shall enjoy exemption from all customs duties, taxes and other related taxes on articles imported or exported by it or on its behalf for its official use. Articles thus imported shall not be transferred either for consideration or gratis on the territory of the State into which they have been imported, except on conditions agreed by the Government of that State.
- 5. Persons contributing to the OGA Fund as well as victims and owners receiving compensation from the Fund shall be subject to the fiscal legislation of the State where they are taxable, no special exemption or other benefit being conferred on them in this respect.
- 6. Notwithstanding existing or future regulations concerning currency or transfers, States Parties shall authorize the transfer and payment of any contributions to the OGA Fund and of any compensation paid by the Fund without any restriction.

Confidentiality of information

Article M

Information relating to individual contributors supplied for the purpose of this Convention shall not be divulged outside the OGA Fund except in so far as it may be necessary to enable the Fund to carry out its functions including the bringing and defending of legal proceedings.

Chapter V: Claims and actions

Limitations of actions

ARTICLE XIII

Rights of compensation under this Convention shall be extinguished unless an action is brought there under within five years from the date when the damage occurred. However, in no case shall an action be brought after ten years from the date of the incident which caused the damage. Where an incident consists of a series of occurrences, the 10-year period shall run from the date of the first such occurrences.

Chapter VI: Jurisdiction in respect of actions against the Operator

ARTICLE XIV

1. Where an incident has caused pollution damage in the territory, including the territorial sea or any areas referred to in Article II, of one or more States Parties or preventive measures have been taken to prevent or minimize pollution damage in such territory including the territorial sea or in such area, actions for compensation may be brought against the operator or the operator's guarantor only in the courts of any such State Party or Parties.

- 2. If the incident only caused pollution damage to the High Sea marine environment or in international waters or in the Area, an action for compensation may be brought in the courts of any such State Party or Parties by any person or State that considers that the pollution damage could affect their interests. If the pollution damage affected the seabed of the Area, a claim may be brought by the International Seabed Authority.
- 3. Reasonable notice of any such action shall be given to the defendant.
- 4. Each State Party shall ensure that its courts possess the necessary jurisdiction to entertain such actions for compensation.
- 5. After a fund has been constituted in accordance with Article VI the courts or other competent authority of the State Party in which the fund is constituted shall be exclusively competent to determine all matters relating to the apportionment and distribution of the fund.

ARTICLE XV

- 1. The provisions of this Convention shall not apply to a warship or any other craft used for military purposes.
- 2. With respect to any craft owned or operated by a State Party and used for commercial purposes, each State shall be subject to suit in the jurisdictions set forth in Article XIV and shall waive all defences based on its status as a sovereign State.

Jurisdiction in respect of actions against the OGA Fund

ARTICLE XVI

- 1. Subject to the subsequent provisions of this article, any action against the OGA Fund for compensation under Article IV shall be brought only before a court having jurisdiction under Article XIV in respect of actions against the operator who is liable for pollution damage caused by the relevant incident or before a court in a State Party which would have been competent if an operator had been liable.
- 2. Each State Party shall ensure that its courts have jurisdiction to entertain such actions against the OGA Fund as are referred to in paragraph 1.
- 3. Where an action for compensation for pollution damage has been brought before a court against the operator or the operator's guarantor, such court shall have exclusive jurisdiction over any action against the OGA Fund for compensation under the provisions of Article XIV in respect of the same damage.
- 4. Each State Party shall ensure that the OGA Fund shall have the right to intervene as a party to any legal proceedings instituted in accordance with this Convention before a competent court of that State against the operator or the operator's guarantor.

- 5. Except as otherwise provided in paragraph 6, the OGA Fund shall not be bound by any judgement or decision in proceedings to which it has not been a party or by any settlement to which it is not a party.
- 6. Without prejudice to the provisions of paragraph 5, where an action under this Convention for compensation for pollution damage has been brought against an operator or the operator's guarantor before a competent court in a State Party, each party to the proceedings shall be entitled under the national law of that State to notify the OGA Fund of the proceedings. Where such notification has been made in accordance with the formalities required by the law of the court seized and in such time and in such a manner that the OGA Fund has in fact been in a position effectively to intervene as a party to the proceedings, any judgement rendered by the court in such proceedings shall, after it has become final and enforceable in the State where the judgement was given, become binding upon the OGA Fund in the sense that the facts and findings in that judgement may not be disputed by the OGA Fund even if the OGA Fund has not actually intervened in the proceedings.

Chapter VII Recognition and enforcement

ARTICLE XVII

- 1. Any judgment given by a court with jurisdiction in accordance with Article XIV.5 which is enforceable in the State of origin where it is no longer subject to ordinary forms of review, shall be recognized in any State Party, except:
 - a. where the judgment was obtained by fraud; or
 - b. where the defendant was not given reasonable notice and a fair opportunity to present his case.
- 2. A judgment recognized under paragraph 1 of this Article shall be enforceable in each State Party as soon as the formalities required in that State have been complied with. The formalities shall not permit the merits of the case to be re-opened.
- 3. Subject to any decision concerning the distribution referred to in Article XIV, any judgement given against the OGA Fund by a court having jurisdiction in accordance with Article XIV shall, when it has become enforceable in the State of origin and is in that State no longer subject to ordinary forms of review, be recognized and enforceable in each State Party.

Subrogation and recourse

ARTICLE XVIII

1. The OGA Fund shall, in respect of any amount of compensation for damage paid by it in accordance with Article X, acquire by subrogation the rights that the person so compensated may enjoy against the operator or the operator's guarantor.

- 2. Nothing in this Convention shall prejudice any rights of recourse or subrogation of the OGA Fund against any person, other than those referred to in the previous paragraph. In any event the right of the OGA Fund to subrogation against such persons shall not be less favorable than that of an insurer of the person to whom compensation has been paid.
- 3. Without prejudice to any other rights of subrogation or recourse against the OGA Fund which may exist, a State party or agency thereof which has paid compensation for pollution damage in accordance with provisions of national law shall acquire by subrogation the rights which the person so compensated would have enjoyed under this Convention.

Chapter VIII Supersession clause

ARTICLE XIX

This Convention shall supersede any convention in force or open for signature, ratification or accession at the date on which this Convention is open for signature, but only to the extent that such convention would be in conflict with it; however, nothing in this Article shall affect the obligations of States Parties to States not party to this Convention arising under such convention.

Chapter IX Transitional provisions

Restrictions as regards liability of and actions against the OGA Fund during the period immediately following the entry into force of the Convention

ARTICLE XX

- 1. The OGA Fund shall incur no obligations whatsoever under Article X in respect of incidents occurring within a period of 120 days of the entry into force of the Convention.
- 2. Claims for compensation against the OGA Fund under Article X arising from incidents occurring later than 120 days but not later than 240 days after the entry into force of this Convention may not be brought against the Fund prior to the elapse of the 240th day after the entry into force of the Convention.

Information on contributing oil and gas

ARTICLE XXI

Before this Convention comes into force for a State, that State shall, when signing this Convention in accordance with paragraph 2 of Article XXII or when depositing an instrument referred to in paragraph 3 of Article XXII and annually thereafter at a date to be determined by the Secretary-General, communicate to the Secretary-General the name and address of any person who in respect of that State would be liable to contribute to the OGA Fund pursuant to Article XI as well as data on the relevant quantities of contributing oil or gas received by any such person in that State during the preceding calendar year.

Chapter X Final clauses

Signature, Ratification, Acceptance, Approval and Accession

ARTICLE XXII

- 1. This Instrument shall be open for signature at London from *##* to *##* by all States.
- 2. Any State may become a Party to this Protocol by:
 - a. signature subject to ratification, acceptance or approval followed by ratification, acceptance or approval; or
 - b. accession.
- 3. Ratification, acceptance, approval or accession shall be effected by the deposit of a formal instrument to that effect with the Secretary-General of the Organization.

Entry into force

ARTICLE XXIII

- 1. This Convention shall enter into force twelve months following the date on which ten States including four States each which at least have granted at least one license or authorization to Operators of offshore crafts dedicated to exploration, extraction, storage, transport and delivery of oil and gas have deposited instruments of ratification, acceptance, approval or accession with the Secretary-General of the Organization.
- 2. For each State which ratifies, accepts, approves or accedes to this Convention after the conditions in paragraph 1 for entry into force have been met, this Convention shall enter into force twelve months following the date of deposit by such State of the appropriate instrument.
- 3. Any State may, at the time of the deposit of its instrument of ratification, acceptance, approval or accession in respect of this Convention declare that such instrument shall not take effect for the purpose of this Article until the end of the period of 240 days set out in Article XX
- 4. Any State which has made a declaration in accordance with the preceding paragraph may withdraw it at any time by means of a notification addressed to the Secretary-General of the Organization. Any such withdrawal shall take effect on the date the notification is received, provided that such State shall be deemed to have deposited its instrument of ratification, acceptance, approval or accession in respect of this Convention on that date.

First session of the Assembly

ARTICLE XXIV

The Secretary-General shall convene the first session of the Assembly. This session shall take place as soon as possible after the entry into force of the Convention and, in any case, not more than 30 days after such entry into force.

Revision and amendment

ARTICLE XXV

- 1. A Conference for the purpose of revising or amending this Convention may be convened by the Organization.
- 2. The Secretary-General shall convene a conference of the States Parties to this Convention for revising or amending the Convention at the request of /xx/ States Parties or one third of the States Parties, whichever is the higher figure.
- 3. Any consent to be bound by this Convention expressed after the date of entry into force of an amendment to this Convention shall be deemed to apply to the Convention as amended.

Amendments of Limitation Amounts

ARTICLE XXVI

- 1. Upon the request of at least one quarter of the States Parties any proposal to amend the limits of liability laid down in this Instrument shall be circulated by the Secretary-General to all Members of the Organization and to all States Parties.
- 2. Any amendment proposed and circulated as above shall be submitted to the Legal Committee of the Organization for consideration at a date at least six months after the date of its circulation.
- 3. All States Parties, whether or not Members of the Organization, shall be entitled to participate in the proceedings of the Legal Committee for the consideration and adoption of amendments.
- 4. Amendments shall be adopted by a two-thirds majority of the States Parties present and voting in the Legal Committee, expanded as provided for in paragraph 3, on condition that at least one half of the States Parties shall be present at the time of voting.
- 5. When acting on a proposal to amend the limits, the Legal Committee shall take into account the experience of incidents and, in particular, the amount of pollution damage resulting therefrom, changes in monetary values and the effect of the proposed amendment on the cost of insurance. It shall also take into account the relationship between the limits established in Article VI and those in Article X.

6.

- (a) No amendment of the limits under this Article may be considered less than five years from the date on which this Convention was opened for signature nor less than five years from the date of entry into force of a previous amendment under this Article.
- (b) No limit may be increased so as to exceed an amount which corresponds to a limit laid down in this Convention increased by 6% per year calculated on a compound interest basis from the date of on which this Convention was opened for signature.
- (c) No limit may be increased so as to exceed an amount which corresponds to a limit laid down in this Convention multiplied by three.
- 7. Any amendment adopted in accordance with paragraph 4 shall be notified by the Organization to all States Parties. The amendment shall be deemed to have been accepted at the end of a period of 18 months after the date of notification, unless within that period no less than one fourth of the States that were States Parties at the time of the adoption of the amendment have communicated to the Secretary-General that they do not accept the amendment, in which case the amendment is rejected and shall have no effect.
- 8. Any amendment deemed to have been accepted in accordance with paragraph 7 shall enter into force 18 months after its acceptance.
- 9. All States Parties shall be bound by the amendment, unless they denounce the Convention in accordance with Article XXVII, at least sixth months before the amendment enters into force. Such denunciation shall take effect when the amendment enters into force.
- 10. When an amendment has been adopted but the 18-months period for acceptance has not expired, a State which becomes a State Party during the period shall be bound by the amendment if it enters into force. A State which becomes a State Party after that period shall be bound by an amendment which has been accepted in accordance with paragraph 7. In the cases referred to in this paragraph, a State becomes bound by an amendment when that amendment enters into force, or when this Convention enters into force for that State, if later.

Denunciation

ARTICLE XXVII

- 1. This Instrument may be denounced by any State Party at any time after the date on which it enters into force for that State Party.
- 2. Denunciation shall be effected by the deposit of an instrument of denunciation with the Secretary-General of the Organization.
- 3. A denunciation shall take effect twelve months, or such longer period as may be specified in the instrument of denunciation, after its deposit with the Secretary-General of the Organization.

Extraordinary sessions of the Assembly

ARTICLE XXIX

...SECTION UNDER DISCUSSION AND REVIEW OF ARTICLES 50 OF THE HNS CONVENTION AND 35 OF THE 1992 FUND CONVENTION AND 159-160 OF THE UNITED NATIONS CONVENTION ON THE LAW OF THE SEA.

Termination

ARTICLE XXX

- 1. This Convention shall cease to be in force at the date when the number of States Parties falls below xx.
- 2. The Assembly may decide that the Convention shall cease to be in force at a specified date if it considers that the OGA Fund is no longer financially viable.
- 3. States which are bound by this Convention on the date it ceases to be in force shall enable the OGA Fund to exercise its functions as described under Article xx and shall, for that purpose only, remain bound by this Convention.

Winding up of the OGA Fund

ARTICLE XXXI

- 1. If this Convention ceases to be in force, the OGA Fund shall nevertheless
 - (a) meet its obligations in respect of any incident occurring before the Convention ceased to be in force.
 - (b) be entitled to exercise its rights to contributions to the extent that these contributions are necessary to meet the obligations under sub-paragraph (a), including expenses for the administration of the OGA Fund necessary for this purpose.
- 2. The Assembly shall take all appropriate measures to complete the winding up of the OGA Fund including the distribution in an equitable manner of any remaining assets among those persons who have contributed to the Fund.
- 3. For the purposes of this article the OGA Fund shall remain a legal person.

Depositary

ARTICLE XXXII

1. This Instrument and any amendments accepted under Article XXII shall be deposited with the Secretary-General of the Organization.

- 2. The Secretary-General of the Organization shall:
 - a. inform all States which have signed or acceded to this Instrument of:
 - i. each new signature or deposit of an instrument together with the date thereof;
 - ii. each declaration and notification under Article XXII, paragraph 3;
 - iii. the date of entry into force of this Instrument;
 - iv. any proposal to amend limits of liability which has been made in accordance with paragraph 1 of Article XXVI;
 - v. any amendment which has been adopted in accordance with paragraph 4 of Article XXVI;
 - vi. any amendment deemed to have been accepted under paragraph 7 of Article XXVII, together with the date on which that amendment shall enter into force in accordance with paragraphs 8 and 9 of that Article;
 - vii. the deposit of any instrument of denunciation of this Instrument together with the date of the deposit and the date on which it takes effect;
 - viii. any communication called for by any Article of this Instrument;
 - b. transmit certified true copies of this Instrument to all Signatory States and to all States which accede to this Protocol.
- 3. As soon as this Instrument enters into force, the text shall be transmitted by the Secretary-General of the Organization to the Secretariat of the United Nations for registration and publication in accordance with Article 102 of the Charter of the United Nations

Languages

ARTICLE XXXIII

This Instrument is established in a single original in the Arabic, Chinese, English, French, Russian and Spanish languages, each text being equally authentic.

Done at London this #

In Witness Hereof the undersigned, being duly authorized by their respective Governments for that purpose, have signed this Convention.

Notwithstanding the fact that this agreement represents a significant advance, several very important points remain to be worked on, such as the definition of "craft", that of "pollution damage" and the critical issue of contributions to the Fund.

3) Definition of craft

A key dissent relates to the concept of "craft."

The original drafts of the OGA Convention opted for a descriptive definition of the elements used in offshore exploitation to avoid doubts, as follows,

"Craft" means any waterborne craft or man-made structure, equipment or installation – such as terminals and pipelines, of any type whatsoever constructed or adapted for any offshore activities regardless of whether it is engaged in such activities and includes all types of MODUs (Mobile Offshore Drilling Units), offshore rigs, whether fixed or mobile and storage units for oil or gas. These crafts include the whole group of vessels and devices used, such as those that place underwater pipelines, Floating Drilling Production Storage and Offloading unit (FDPSO), Floating Production Storage and Offloading unit (FPSO), Floating Storage and Offloading unit (FSO) or Floating Storage Unit (FSU) whether purpose-built, or converted or adapted from seagoing vessels constructed for the carriage of oil."

M/T initially proposed that the concept should include seagoing vessels, which we have recently convinced them to drop. Therefore, their definition is now very concise:

"Craft" means any waterborne craft or man-made structure or equipment of any type whatsoever constructed or adapted for any offshore activities regardless of whether it is engaged in such activities.

Dr. Brandani's fear is that given such a brief definition, in the event of a polluting incident, a discussion will be promoted about whether the misfortune was caused by a craft or by a "vessel", in which case such incident will fall within the provisions of other international Conventions already in place such as, for instance, the CLC/Funds or the Bunkers Convention. Neither one compensates environmental and non-economic damages caused by pollution.

In addition, the mention that the crafts may not be used in an Offshore operation seems confusing.

Since the M/T suggested to require the opinion of someone who has worked defending Offshore companies, and being a Member of the IWG, I wrote to J. Clifton Hall III, who I knew was acting in the Beta case, a casualty that happened in Huntington Beach. He represent Amplify's liability tower (\$200 million limit) which provided primary OPA coverage. In that capacity he monitored and assisted in addressing the OPA claims, NRDA and other aspects of the loss. Amplify had three offshore platforms that produce and prepared oil for transportation to shore via their pipeline. The pipeline was struck by the anchors of two vessels in separate incidents.

I wrote to him in the early June 2023, and he asked for some time to analyze the issue and submit a reply. We are in attendance.

The IWG did not meet in the Montreal Colloquium because only one of its Members attended the event, and we consider that the exchanges by e-mail among M/T and Dr.

Brandani have shown to be fruitful, we considered that a virtual meeting will have no sense, specially lacking the response of Mr. Hall.

4) Compensation for non-economic and environmental damages

This is a significant point of disagreement between the majority of IWG members supporting such compensation and the three against it. "Political problems", "lack of sufficient funds to compensate direct economic damages" and "difficulties to establish and quantify" environmental damages are cited (but unsupported) by this minority group as some of the negative consequences befalling the OGA Convention should it include compensation for non-economic damages.

Supporters of compensation for environmental damages note that the majority of nations and regional bodies of the world have repeatedly expressed in different international fora the urgent need to jointly and actively work for the protection of ocean and marine environments, and have already enacted several international agreements of the matter. Interestingly, and most pertinent to the OGA Convention is the fact that these agreements consider or directly include compensation for environmental damages. A recent example cited the worldwide commitment of the UN "Intergovernmental Conference on Marine Biodiversity of Areas Beyond National Jurisdiction" (the April 2023 BBNJ Conference) that has established a Financing Fund to, among other activities, "…*finance rehabilitation and ecological restoration of marine biological diversity of areas beyond national jurisdiction*". Hence, what supporters of the OGA Convention compensating for environmental damages are proposing would be in line with current UN efforts regarding the protection of the marine environment.

5) Gratitude

I do not want to end this report without thanking all the IWG Members who contributed to the development of the OGA Convention, and especially Dr. Aldo Brandani, a qualified scientist who taught me and accompanied me on this intellectual adventure from the beginning, and in fact much earlier because of a joint article that we published in Droit Maritime Français in 2013.