Oil pollution: fund for damage compensation in European waters, package Erika II

2000/0326(COD) - 06/12/2000 - Legislative proposal

PURPOSE : to establish a fund for the compensation of oil polluted damage in European waters and related measures. CONTENT : the present proposal for a Regulation is part of the second set of Community measures on maritime safety following the sinking of the oil tanker Erika (the first set of measures were adopted by the Commission on 21 March 2000). The Commission's proposal complements the existing international two-tier regime on liability and compensation for oil pollution damage by tankers by creating a European supplementary fund, the COPE Fund, to compensate victims of oil spills in European waters. The COPE Fund will only compensate victims whose claims have been considered justified, but who have nevertheless been unable to obtain full compensation under the international regime, owing to insufficient compensation limits. The current ceiling is EUR 200 million. Compensation from the COPE Fund would thus be based on the same principles and rules as the current international fund system, but subject to a ceiling which is deemed to be sufficient for any foreseeable disaster, i.e. EUR 1 000 million. The COPE Fund could also be used to speed up the payment of full compensation of victims. The COPE Fund will be financed by European oil receivers. Any person in a Member State who receives more than 150 000 tonnes of crude oil and/or heavy fuel oil per year will have to pay its contribution to the COPE Fund, in a proportion which corresponds to the amounts of oil received. The COPE Fund will only be activated once an accident that exceeds, or threatens to exceed, the maximum limit provided by the IOPC Fund has occurred in EU waters. The proposed regulation, in addition to the provisions on liability, includes an article introducing financial penalties for grossly negligent behaviour by any person involved in the transport of oil by sea. This penalty will be imposed by Member States outside the scope of liability and compensation and will thus not be affected by any limitation of liability.