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No. 828
DECREE ON THE OIL POLLUTION
COMPENSATION FUND
October 28, 1985

Chapter 1
Assets of the Oil Pollution Compensation Fund

Section 1

The Oil Pollution Compensation Fund referred to in the Act on the Oil Pollution Compensation Fund (379/74), hereinafter the Oil Pollution Compensation Fund Act, shall comprise the monies collected under section 2 of the Oil Pollution Compensation Fund Act and those repaid under section 7, paragraph 2.

Section 2

The Ministry of the Environment shall immediately inform the National Board of Customs about such changes in the capital of the Oil Pollution Compensation Fund as would mean stopping or re-starting collection of the oil pollution protection charge under section 3 of the Oil Pollution Compensation Fund Act.

The Ministry of the Environment shall also, when a need exists under section 4 of the Oil Pollution Compensation Fund Act, make a proposal for the inclusion of monies for the use of the Oil Pollution Compensation Fund in the State budget. The Ministry shall also ensure that, once sufficient monies have accumulated in the Fund, monies from the State are repaid to the treasury.

The Ministry of the Environment shall see to collection of the compensation referred to in section 7 of the Oil Pollution Compensation Fund Act with the assistance of the Oil Pollution Compensation Fund board of management.

Section 3

Every year, the Oil Pollution Compensation Fund board of management shall draw up a report on the Oil Pollution Compensation Fund. By the end of March of the following year, this report shall be distributed to the Ministry of Finance, the State Treasury, the State Audit Office and the National Board of Waters and the Environment.

Chapter 2
Applying to the Oil Pollution Compensation
Fund for Compensation

Section 4

An application for compensation from the Oil Pollution Compensation Fund shall be made by the end of the calendar year following the coverable incident as referred to in the Oil Pollution Compensation Fund Act.

If, however, special cause exists, such as the scale of the damage, or the time required for compensation investigations or for the restoration of nature and the environment, a compensation application may be accepted for consideration after the period referred to in paragraph 1.

Section 5

Compensation must be applied for in a written application addressed to the Oil Pollution Compensation Fund board of management and lodged with the Ministry of the Environment or submitted to an inspection committee in the procedure referred to in section 13. The application may also be delivered to the office of the relevant water and environment district for referral.

The Oil Pollution Compensation Fund board of management shall issue more detailed guidelines about the information and clarifications that should be included in the application if compensation is to be granted.

Section 6

The additional costs referred to in section 6 of the Oil Pollution Compensation Fund Act are considered to be the wages and salaries of personnel engaged temporarily in oil combating and those allocated permanently to oil-combating duties, transport costs and the value of materials used in oil-combating work, and the value or decrease in value of equipment, tools, implements and other such practical objects spoiled or damaged in oil-combating work.

Section 6a (1290/89)

Local authorities shall apply for the advance approval referred to in section 5, paragraph 2, of the Oil Pollution Compensation Fund Act for any single acquisition of oil-combating equipment costing more than FIM 500,000 in the order provided in the Decree on the Prevention of Pollution from Ships (746/83) and the Decree on Combating Oil Pollution on Land (977/74) regarding the submission of a local authority oil fighting plan for ratification by a State authority.

The Oil Pollution Compensation Fund board of management shall process an application for advance approval on the basis of what is proposed by the State authority ratifying the local authority oil fighting plan. The board of management

shall then consider how compensation of the planned acquisition would affect sufficiency of Oil Pollution Compensation Fund assets and the payment of statutory compensations to be granted out of the Fund.

Chapter 3 Oil Pollution Compensation Fund Board of Management

Section 7

The Oil Pollution Compensation Fund board of management, which shall comprise not more than nine members and their personal deputies, and a chairman, shall be set up by the Council of State for three years at a time.

The chairman of the board of management shall be a person who can be considered impartial in oil pollution affairs. The Ministry of the Interior, Ministry of Finance, Ministry of the Environment, National Board of Waters and the Environment, central organizations of local authorities, nature and environmental protection organizations, and the oil industry shall be represented on the board. The vice-chairman of the board of management shall represent the Ministry of the Environment.

A representative of the Province of Åland shall be consulted by the board as an expert whenever there is a compensation case concerning the territory of the Province of Åland.

Section 8

The board of management may request or itself acquire any further clarification that it views necessary for its consideration of a compensation application.

The board of management may if necessary grant advance compensation in a case of oil pollution. Advance compensation can also be paid to cover the costs of the inspection committee referred to in section 9 of the Oil Pollution Compensation Fund Act to a water and environment district office which has set up such a committee. The final compensation shall be granted after an account is presented of the final costs arising.

An advance decision may be issued on the granting of compensation.

Section 8a (990/86)

The board of management shall have a working subcommittee for the preparation of cases and the processing of compensation applications. By unanimous decision, the working subcommittee may settle on the board's behalf any compensation application up to the sum of FIM 50,000 and also decide not to collect a compensation up to the same sum.

The working subcommittee shall comprise the chairman and vice-chairman of the board of management and three other members elected by the regular members of the board of management, one of them representing the State authorities, one the central organizations of local authorities, and one the oil industry. The vice-chairman and elected members shall have deputies elected by the board of management; a deputy member of the board of management may act as such a deputy.

Section 9

The board of management may also set up other subcommittees and consult experts as needed. (90/86)

The board of management may have a full-time general secretary, who shall be a temporary employee of the Ministry of the Environment, which shall make the appointment. The board may also have part-time secretaries, appointed by the board itself. Secretaries' salaries shall be paid out of the Oil Pollution Compensation Fund. (990/86)

The fees paid to the board chairman, members, secretaries and experts shall be confirmed by the Ministry of the Environment following a board proposal.

Section 10

The board of management shall be convened by the chairman or, if he is prevented from attending to his duties, by the vice-chairman.

The board of management shall be quorate when the chairman or vice-chairman and at least half the members or their deputies are present at a meeting.

If there are differences of opinion when the board of management is considering some case, it shall be decided by vote, following the same procedure as in a panel of judges.

The working subcommittee shall be quorate when the chairman or vice-chairman and at least two members or their deputies are present at a meeting. What is provided in paragraphs 1 and 3 regarding the board of management shall also apply to the working subcommittee. (990/86)

Section 11 (990/86)

The minutes to be kept of board of management and working subcommittee meetings and board of management documents shall be signed by the chairman and endorsed by a secretary.

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**Chapter 4
Inspection Committee**

Section 12

An inspection committee shall comprise a chairman, who shall be the expert appointed to oversee proceedings referred to in section 9, paragraph 2 of the Oil Pollution Compensation Fund Act, and at least two members. One of the members must have expertise in natural sciences or economics, depending on the nature of the damage, and the other have local knowledge and be familiar with damage assessment.

Section 13

An oil pollution inspection carried out by an inspection committee shall establish the oil pollution caused, the sum of losses to be compensated and the party that caused the oil pollution. The committee shall make a report on the oil pollution and on whether compensation should be paid for it, and to what amount. Any damage and hazard of a special nature shall be investigated and assessed separately, stating the grounds for the assessment.

Interested parties must be given an opportunity to express their views during the inspection proceedings.

The Oil Pollution Compensation Fund board of management shall issue detailed guidelines about how cases are to be handled by inspection committees.

**Chapter 5
More Detailed Regulations and Entry into Force**

Section 14

More detailed regulations and guidelines on the application of this Decree shall be issued as necessary by the Ministry of the Environment.

Section 15

This Decree comes into force on November 1, 1985. It repeals the Decree of December 31, 1974 on the Fund To Compensate Oil Pollution (1092/74) and later amendments to it.

Measures needed to enforce this Decree can be taken before it comes into effect.

Provisions on entry into force of Decree amendments:

1. Decree No. 990 of 19.12.1986 came into force on January 15, 1987.
2. Decree No. 1290 of 22.12.1989 came into force on January 1, 1990.