

**SHIP-SOURCE OIL  
POLLUTION FUND**



**THE ADMINISTRATOR'S  
ANNUAL REPORT**

**2022-2023**

**Canada**

About the cover images: *GJ Emma II*, Canadian Coast Guard (CCG)

In November 2020, the fishing vessel *GJ Emma II* ran aground and discharged oil near Flowers Cove, Newfoundland and Labrador. The shipowner responded to the incident. The CCG monitored that response. Ultimately, the owner removed the vessel from the water. In October 2022, the CCG submitted a claim to us for approximately \$11,500. We assessed the claim in two months and compensated around 97% of what had been claimed. We believe the vessel was insured and we have begun efforts to contact its owner.

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Published by the Administrator of the

**Ship-source Oil Pollution Fund**

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The Honourable Pablo Rodriguez, P.C., M.P.  
Minister of Transport  
Ottawa, Ontario K1A 0N5

Dear Minister:

Pursuant to section 121 of the *Marine Liability Act*, I have the honour of presenting to you the Annual Report for the Ship-source Oil Pollution Fund to be laid before each House of Parliament.

The report covers the fiscal year ending March 31, 2023.

Yours sincerely,



A handwritten signature in black ink, appearing to read 'Mark A.M. Gauthier', with a long, sweeping underline that extends to the right.

Mark A.M. Gauthier, B.A., LL.B.  
Administrator (appointed on April 3, 2023)  
Ship-source Oil Pollution Fund

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# INTRODUCTION

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The Ship-source Oil Pollution Fund (the Fund) compensates those affected by oil pollution from any type of ship or boat, anywhere in Canadian waters.

The Fund is a specified purpose account in the accounts of Canada, established under the *Marine Liability Act* (the MLA).

Canada's compensation regime is based on two principles. First, shipowners are responsible for oil pollution incidents involving their ships, irrespective of fault. This is the polluter pays principle. Second, compensation should be available to those affected by an incident even when the shipowner does not pay or it is not known what ship caused the pollution.

Those affected can submit a claim directly to the Fund. The Administrator assesses and offers compensation for eligible claims. Once a claimant receives payment, we take all reasonable measures to recover from the shipowner or other responsible persons.

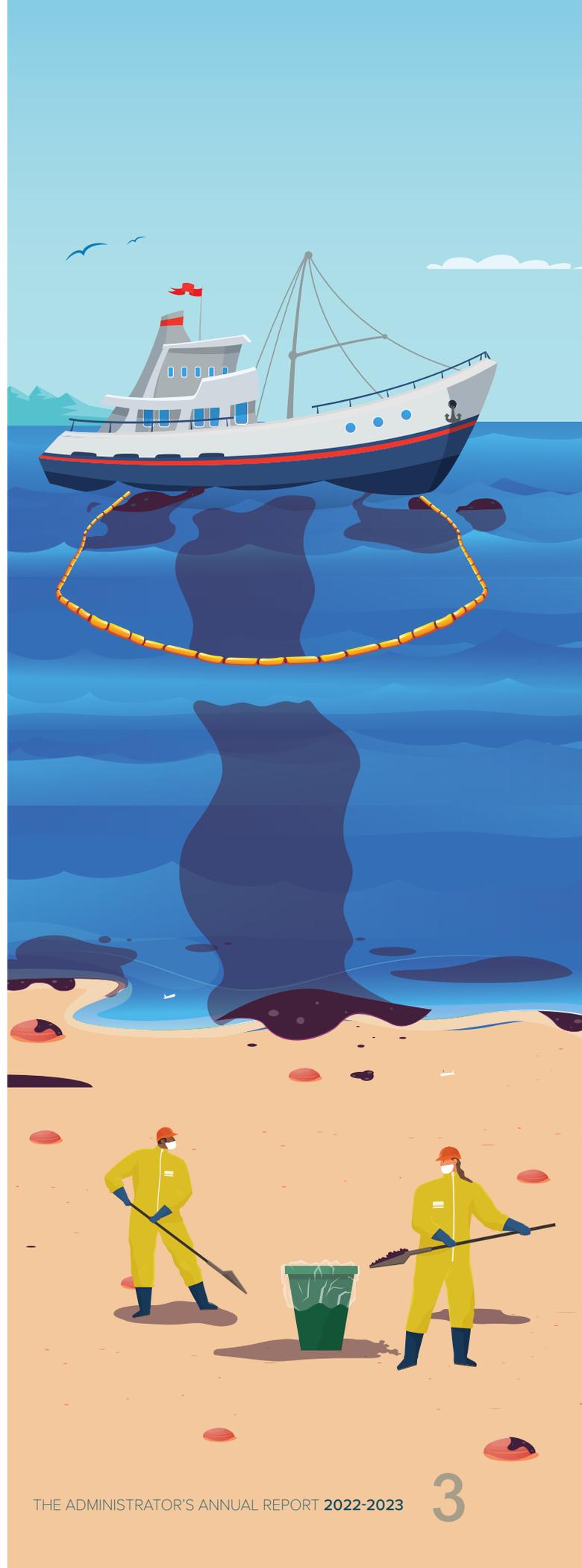
Alternatively, those affected (including by incurring costs to prevent, mitigate or remedy oil pollution damage) can choose to negotiate with the shipowner, or sue. If a claimant starts a lawsuit, the Administrator becomes party to the lawsuit, providing an extra layer of protection to the claimant.

The Fund covers all types of ships or boats that discharge or threaten to discharge persistent and non-persistent oil, including "mystery spills" (from an unknown ship).

Any incident caused by an oil tanker carrying persistent oil in bulk as cargo would also be covered under the international regime and the International Oil Pollution Compensation Funds (the IOPC Funds, [www.iopcfunds.org](http://www.iopcfunds.org)).

This annual report covers the fiscal year from April 1, 2022 to March 31, 2023.

This is the 34<sup>th</sup> annual report concerning our activities.





## FOREWORD FROM THE OUTGOING ADMINISTRATOR

My predecessor, Alfred Popp, transformed the administration and operation of the Fund. He ensured timely and effective operations, full transparency, and a degree of stability and retention of key personnel. He reorganized the filing system to facilitate compliance with the *Access to Information and Privacy Acts*. He implemented yearly audits of the Fund's financial statements, and went through the first Special Examination in 2015.

Building on his legacy, we have further developed his "Fund 2.0" into a "Fund 3.0". These seven years as the Administrator have been very stimulating. However, I did not seek further reappointment after the 2022-2023 fiscal year.

Since this report reflects the activities of the Fund during the last year of my time at its helm, it is appropriate to reflect on some of the challenges and opportunities that emerged during my successive appointments, for a total of almost seven years.

### After seven years, the Fund's situation is as follows:

**We share our office and infrastructure with a new fund**, the Fund for Railway Accidents Involving Designated Goods (Rail Fund), on a cost-sharing basis. The Administrator and Deputy Administrator are cross appointed to both Funds.

- The Fund still has its own corporate and visual identity, including its own:
  - website
  - email addresses
  - newsletter
  - social media accounts (Twitter, LinkedIn, Facebook and YouTube)
- The Fund has its own compliance calendar and requirements.

**A Deputy Administrator has increased our capacity.** The appointment of Mark Gauthier as Deputy Administrator in 2018 enabled us to increase the number of decisions issued. These decisions can only be delegated to another Governor-in-Council appointee.

Since 2018, Mark Gauthier has overseen the claims files and signed almost all the letters of offer and rejection. His deep knowledge of maritime law and his experience as adjudicator with the Transportation Appeal Tribunal of Canada made him the optimal delegate for this aspect of the role. It also allowed us to increase our capacity to handle more initiatives and projects, and better perform our oversight roles.

**A strategic plan helped upgrading the organization.** Beside the day-to-day assessment of the claims received, we focused development efforts along three strategic orientations:

1. Access to justice for claimants;
2. An efficient and transparent organization, agile and structured;
3. A professional team linked to a web of expertise.

As a result, we now have internal capacity for:

**Communications and outreach.** This is instrumental to the access to justice and the transparency dimensions of the organization. Outreach initiatives have become part of the office's DNA. They include:

- webinars
- new tools for claimants
- newsletters
- social media
- a suite of publications (including the publication of decisions), and
- plain language and accessibility assessments

**Data collection, analysis, and publication.** This is instrumental to the efficiency and transparency dimensions of the organization. This data collection and validation was also done retroactively for research purposes and covers our entire history.

**Increased claims processing.** We now have a larger roster of experts and a legal team to support our decision-making process. The number of claims received and processed every year has doubled since 2015.

**Recovery against shipowners.** We developed a systematic process, and we leveraged our legal team to reduce legal costs and allow for increased recovery against shipowners. The number of files in which recovery was pursued has significantly increased since 2015.

**The Fund now has increased capacity in case of a large incident.** No such incident has occurred since 1989. However, preparedness for this eventuality is part of the Fund's raison d'être. Changes to the law and our efforts have both increased our capacity in this front:

- **In December 2018, legislative amendments to the MLA upgraded the Fund's mandate,** notably by:
  - removing the per-incident cap on compensation;
  - allowing the loan of funds from the Consolidated Revenue Fund in case of a shortfall;
  - allowing up-front emergency loan to the Minister of Fisheries and Oceans;
  - providing for an expedited, simplified process for claims up to \$35,000.
- **We have been working with our partners in compensation to streamline collaboration,** notably by:
  - Signing of two international agreements with:
  - The International Group of P&I Clubs (IGP&I), which provides insurance coverage to around 90% of the international world fleet;

- The International Oil Pollution Compensation Funds (IOPC Funds) which compensate for persistent oil spills from tankers;
- Negotiating an Memorandum of Understanding (MOU) with ITOPF (formerly the International Tanker Owners Pollution Federation), which is an organization of international experts in oil spills.
- Holding discussions and workshops with parties who would be involved in the compensation of a border spill, including our US counterpart, the Oil Spill Liability Trust Fund (OSLTF).

**Our office has grown and matured into an improved corporate structure, which successfully passed its second Special Examination.** We experienced a strong growth, which made it necessary to evolve into a 3-pillar structure (ship program, rail program, and corporate services), shared with the Rail Fund. This allows for the accountability of each Fund and flexible resource-sharing arrangement. We effectively adjusted our work processes to respond to our rapid growth, as confirmed by the 2020 Special Examination. We have also moved most information systems to the cloud, which allows a more flexible post COVID-19 work environment.

#### The challenges encountered during the last seven years include:

- The Governor in Council appointment process, which provided the Administrator with weak, short-term interim mandates for the first two fiscal years.
- The COVID-19 pandemic, which slowed down our outreach activities.
- The navigation through the peculiar governance structure of the Administrator's office:
  - Although the Administrator is independent and is the private employer of his staff, he must comply with many obligations of federal departments and agencies. Managing the risks of the many grey areas of this governance regime requires time and resources on an ongoing basis.
- The development of a three-pillar governance structure to manage separately the Ship Fund and the Rail Fund, while using largely the same staff and joint resources. Although there are efficiency gains in sharing resources, there are still separate compliance requirements for each fund which increase workload.
- The retention of highly specialized staff in a very competitive work environment.

#### Challenges and opportunities for our successors and for the legislator include:

- **The limits of the regime to deal with derelicts and abandoned vessels.** Despite the entry into force of the *Wrecked, Abandoned or Hazardous Vessels Act* in 2019 (see pp. 28-29), we still face the same challenges on this front that my predecessor flagged seven years ago.
- **A leadership transition in 2023-2024.** A Notice of Opportunity for the Deputy Administrator's position was published for a timely replacement. However, no Notice of Opportunity has yet been published for the Administrator's position. The outgoing Deputy Administrator, Mark Gauthier, will serve as Administrator on an interim basis for a one-year term. The top priority should be to keep staff engaged and motivated. This is critical considering the very specialized knowledge they possess, as well as the competitive job market.
- **Limits of the current governance model.** The Administrator's Office governance model has been stretched to its limits and warrants a review, and possibly an upgrade by the legislator. A consolidated corporate structure could streamline governance and compliance issues. This is a shared issue with the Rail Fund, and it has already been brought to the attention of Transport Canada (TC).

- **To be or not to be an administrative tribunal.** The Fund provides access to justice. It complements the existing liability regime by securing additional compensation. The amounts held in the Fund can be used only via the Administrator's decisions, within the parameters of the Act, to:
  - receive, investigate and assess claims;
  - compensate claimants;
  - recover from liable parties when possible;
  - be involved in court cases as party by statute;
  - respond when our decisions are challenged in the Federal Court; and,
  - self-finance our administrative and compliance functions.

Is the Office of the Administrator an administrative tribunal? I strongly believe it is, which has important governance and management implications (see Box 4).

\*\*\*

The Fund has a long history that started over 50 years ago with its predecessor, the Maritime Pollution Claims Fund. Over time, the legislator has kept expanding the role of the Fund to ensure better compensation and access to justice to those impacted by ship-source oil spills. I feel privileged to have been part of this story.

I worked hard to use the Fund in a manner that fully meets the legislator's intent. Sometimes, this required creativity and innovation.

I am mostly proud of leaving to my successors an organization that has gained internal capacity and expertise, and a wonderful staff willing to keep improving and developing the organization further for the benefit of the public. I am also thankful to all consultants, lawyers and stakeholders who enriched us with their expertise.

This seven-year journey has been extremely interesting from an intellectual perspective. Yet, what I will remember are the persons who have carried forward this undertaking.

My special thanks go to Mark Gauthier, who has teamed up with me for the past five years, bringing along his knowledge and wisdom. Furthermore, he has agreed to serve as Administrator for one year to ensure continuity and smooth onboarding of the future Deputy Administrator.

I am confident that, with his leadership and this team, the upcoming year will see ongoing progress in the delivery of the Fund's mandate.



Anne Legars  
Outgoing Administrator

# 2022-2023 AT A GLANCE\*

## CLAIMS PROCESSING

**More than  
500 claims**

have now been  
received since 1989

**33 new claims**

submitted, totaling  
\$7.5M in damages

More than half were for

**\$35,000**

or less

**2**

claims dismissed

**85%**

of the claims were  
submitted by the  
Canadian Coast Guard

**\$412,367**

paid to Canadian  
claimants

**More than half**

of the claims were generated by  
derelict and abandoned vessels

**2**

key court decisions

## RECOVERY EFFORTS

**\$19,950**

recovered from polluters

New lawsuits against polluters in about

**12 incidents**

## FINANCIAL DETAILS

**\$12M**

collected in interest

**\$414M**

Balance of the Fund  
(accumulated  
since 1989)

**\$2.3M**

used for operating  
expenses

No contributions  
were required  
to be paid to  
the International  
Oil Pollution  
Compensation  
Funds (IOPC  
Funds)

## MASS COMPENSATION PREPAREDNESS

**2**

international agreements signed

\* Total amounts and percentages may differ from the audited financial statements due to rounding or the basis of accounting used (cash method vs. accrual method).

# 2022-2023 HIGHLIGHTS:



## Second highest number of claims received in our history

We received 33 claims this year. The record is still held by 2019-2020 with 37 claims.



## Second highest total amount claimed in our history: \$7.5 million

We received three claims for over \$1 million, an unusually high number.



## Most variety of claimants in the past five years

The number of non-CCG claims more than doubled from last year, from two to five. We received three claims from Indigenous entities and two from ports and harbours.



## Largest-ever number of claims submitted under the Expedited Process for Small Claims

We received eight, compared with two last year and one the year before. All of these claims were submitted by the CCG. All have been paid in full and none have yet been reassessed.



## Most claims were for British Columbia incidents

This is a return to a historic trend.



### **Significantly increased activity before the Courts, including two appeal judgements**

These important decisions brought clarity on the nature and operation of the Fund.



### **Acceleration in our mass compensation preparedness efforts.**

We signed two historic agreements with our international partners.



### **Doubling our outreach from last year**

We resumed our participation at in-person events and meetings across the country. We successfully met with hundreds of people who had never heard about us. Two claims out of five non-CCG claims were submitted by groups we engaged with at events and webinars.

The core of our activities remains the fulfilment of the statutory mandate under Part 7 of the MLA. That mandate includes:

- Processing claims and pursuing recovery from shipowners (Section 1.1);
- Providing emergency funding to the CCG in cases of a major oil spill, as directed by the Minister of Transport (Section 1.2);
- Contributing to the International Oil Pollution Compensation Funds (IOPC Funds) (Section 1.3);
- Contributing to Administrative Monetary Penalties to be issued against contributors in case of lack of compliance of their reporting obligations (Section 1.4);
- Ensuring office management and controls (Section 1.5);
- Reporting, transparency and communications (Section 1.6); and
- Causing the financial statements of the Fund to be audited (Section 2).

# 1. ACTIVITY REPORT

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## 1.1. ACTIVE FILES

We managed a portfolio of 131 active files in 2022-2023, compared to 111 files last year. The overview of these files is found in the Appendix.

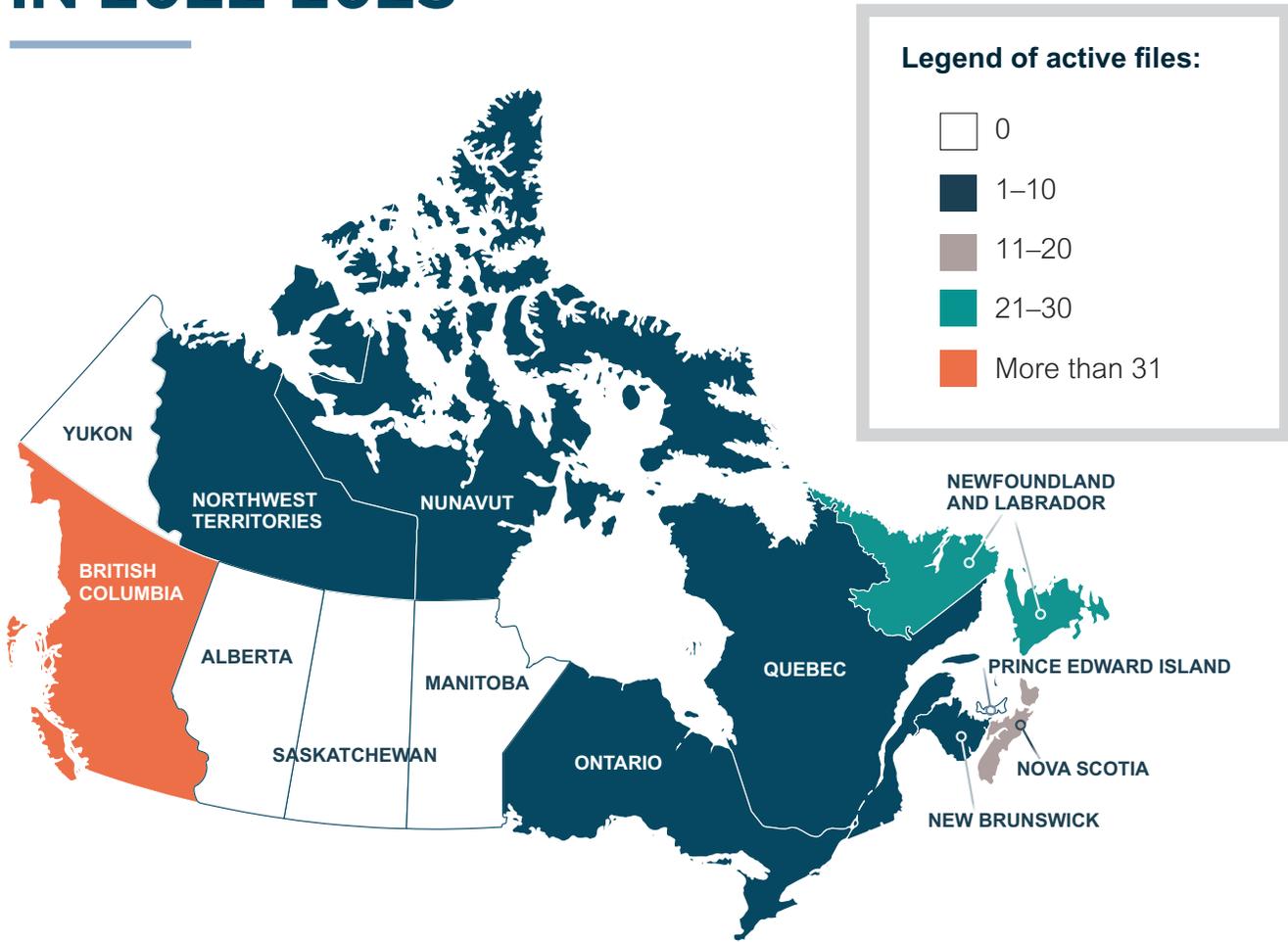
This portfolio includes:

- 105 claims files, compared to 86 in 2021-2022.
  - These files cover the processing of claims and actions taken to recover from the shipowner and other responsible persons.
- 26 incident report files, compared to 25 in 2021-2022.
  - These files are opened when we become aware of an incident that is likely to lead to a claim. They can also be opened when we become aware of a lawsuit against a shipowner.



CCG photo of the *Trailer Princess*

# MAP OF OUR ACTIVE FILES IN 2022-2023



PROVINCE OR TERRITORY	ACTIVE FILES	NEW CLAIMS SUBMITTED	NEW INCIDENT REPORTS	TOTAL AMOUNT PAID IN 2022-2023 (\$)
British Columbia	75	18	3	274,590
Newfoundland and Labrador	30	9	0	67,001
Nova Scotia	11	3	0	27,220
Quebec	7	2	0	17,209
Ontario	4	1	0	26,347
New Brunswick	2	0	0	0
Northwest Territories	1	0	0	0
Nunavut	1	0	0	0
<b>TOTAL</b>	<b>131</b>	<b>33</b>	<b>3</b>	<b>412,367</b>

Our portfolio of active files and activities is broken down into these categories:

- 1.1.1. Claims processing:
  - From the receipt of a claim by any means to its payment or rejection, or
  - when we become party to lawsuits against shipowners.
- 1.1.2. Recovery efforts:
  - Upon payment to the claimant, we take all reasonable measures to recover from the shipowner or other responsible persons.
- 1.1.3. Incident reports:
  - Opening report files on incidents likely to lead to a claim.
- 1.1.4. Mass compensation preparedness efforts
- 1.1.5. The Fund as an administrative tribunal

### 1.1.1. CLAIMS PROCESSING

Claims processing includes:

- receipt of direct claims;
- investigation and assessment of direct claims, including follow-up communications with the claimant;
- issuance of decision letters;
- various decisions made within the Expedited Process for Small Claims;
- indirect claims, when we become party to lawsuits against shipowners;
- payment of claims; and
- responding to court challenges of our decisions.

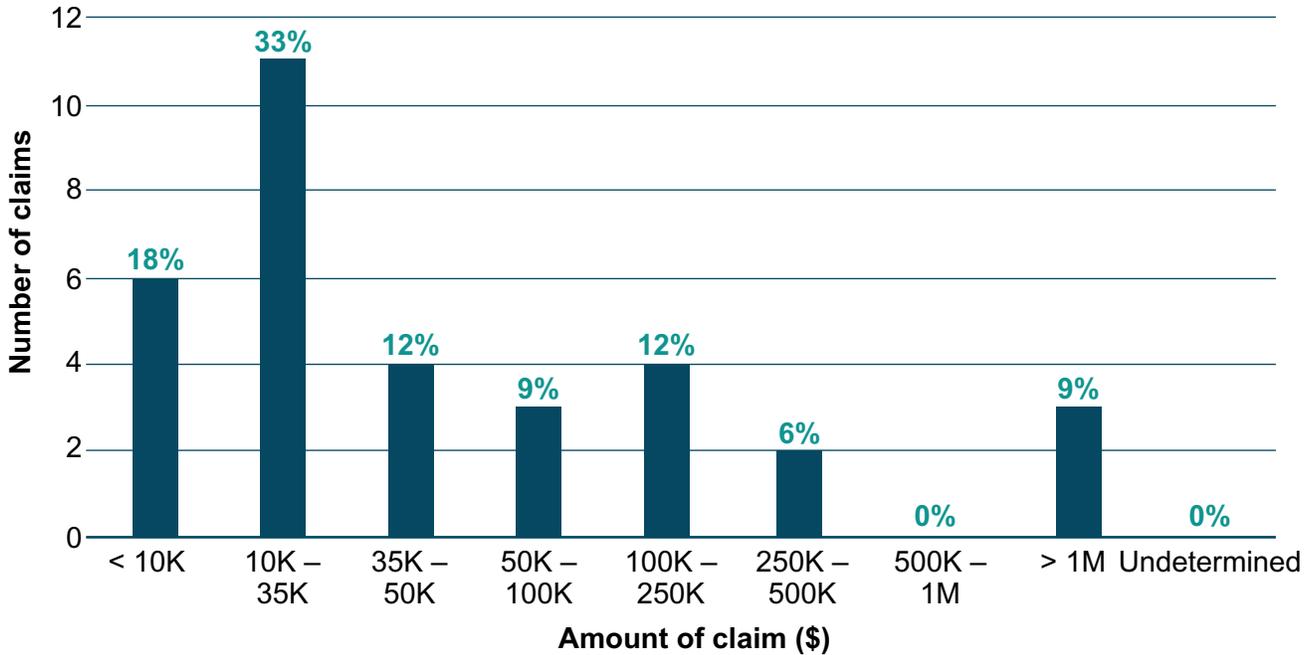


**33 new claims received.** This compares to 20 in 2021-2022. The number of claims submitted this year was the second highest since 1989.



CCG photo of the *Hydra Mariner*

Figure 1: Spread of the 33 claims submitted by amounts



*Note: The number above each bar represents the percentage of claims submitted for that segment.*



**The total amount claimed this year is \$7,503,782.** This is the second highest amount claimed in our history. This compares to \$26,570,794 in 2021-2022. The claims submitted this year ranged from about \$3,000 to \$2.5 million. In our history, we have only received 12 claims for more than \$1 million. Three of them were submitted this year.

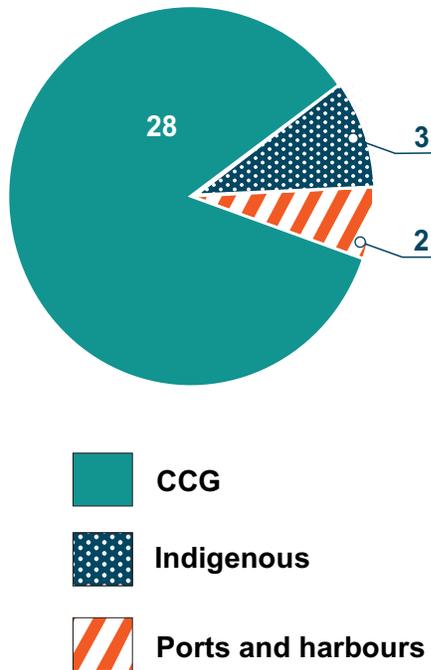
**Despite the historic number of large claims, most claims were for significantly smaller amounts.** Roughly two thirds of claims were for \$50,000 or less. About half were for \$35,000 or less.

**More than half of claims for \$35,000 or less were submitted under the General Claims Process.** Although such claims fit within the monetary threshold for the Expedited Process for Small Claims, most were not submitted within one year. As a result, they were not eligible under that process.

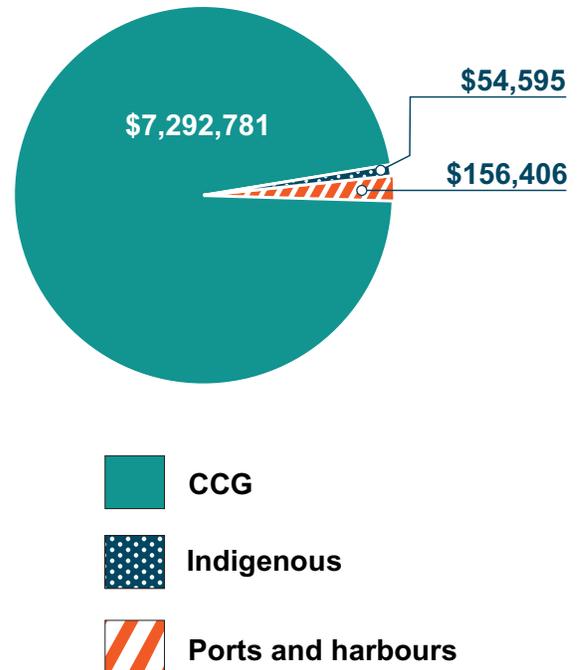


**Eight claims submitted under the Expedited Process for Small Claims.** This is the highest number to date. All were submitted by the CCG. Initial assessments were processed within 60 days, as required by the MLA. No reassessments were conducted this year but some claims may be reassessed in 2023-2024.

**Figure 2.1: Number of claims submitted by type of claimant**



**Figure 2.2: Amount claimed by type of claimant**



**The CCG is still the main claimant.** 28 out of the 33 claims were submitted by the CCG, representing 85% of the total number of claims. The CCG claims represent 97% of the total amount claimed this year. The five other claimants used the General Claims Process.

**Compared to last year, the number of non-CCG claims has more than doubled, from two to five.** This is the largest number in the past five years. In our Fund's history, we have received a total of eight claims from Indigenous claimants, six of which came in the last four years. This year we also received two claims from ports and harbours. The last time we received a claim from this group was in 2017-2018.



**Claims once again primarily arose from British Columbia.** This year, the distribution was:

- British Columbia (18);
- Newfoundland and Labrador (9);
- Nova Scotia (3);
- Quebec (2); and,
- Ontario (1).

**Most claims continue to involve fishing vessels, ex-fishing vessels, and pleasure craft.** Together, these vessels account for over three quarters of the claims received. The \$6,236,739 claimed also represents over three quarters of the total amount claimed.

**Figure 3.1: Number of claims submitted by type of vessel**

TYPE OF VESSEL	NUMBER OF CLAIMS	PERCENTAGE OF TOTAL NUMBER OF CLAIMS
Tankers	1	3%
Cargo, container, and passenger vessels	3	9%
Tugs and barges	1	3%
Fishing vessels	15	45%
Pleasure craft	8	24%
Ex-fishing vessels*	4	12%
Other	1	3%
Mystery spills	0	0%
<b>TOTAL</b>	<b>33</b>	<b>100%</b>

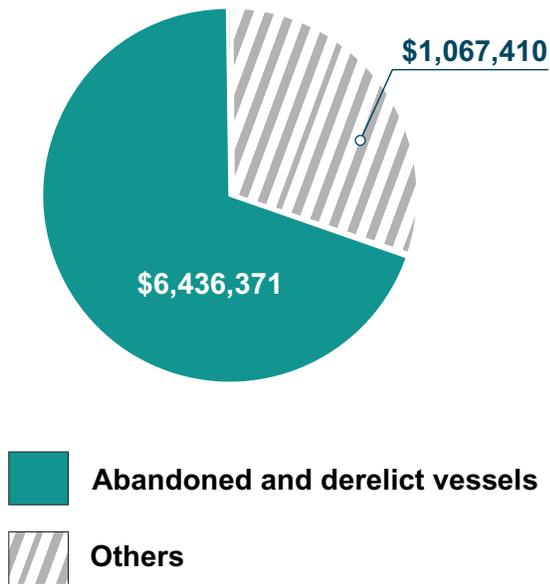
*\* Notes: This year, we received a \$2.5 million claim for the incident caused by the Hydra Mariner, a derelict former fishing vessel of 295 gross tons. While the vessel is registered as a pleasure craft, we classified it as an ex-fishing vessel. We saw no indication that it was ever used as a pleasure craft or in the process of being converted to one.*

**Figure 3.2: Amount claimed by type of vessel**

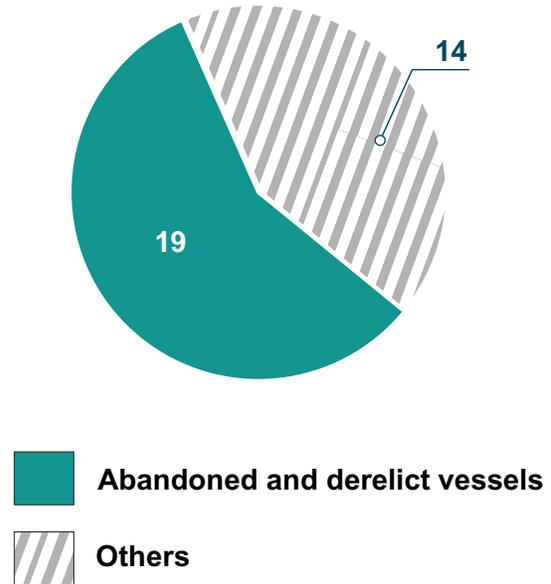
TYPE OF VESSEL	TOTAL AMOUNT (\$)	PERCENTAGE OF TOTAL AMOUNT
Tankers	89,287	1%
Cargo, container, and passenger vessels	1,156,343	15%
Tugs and barges	3,225	Less than 1%
Fishing vessels	2,770,214	37%
Pleasure craft	691,355	9%
Ex-fishing vessels*	2,775,171	37%
Other	18,188	Less than 1%
Mystery spills	0	0%
<b>Total</b>	<b>7,503,782</b>	<b>100%</b>

*\* Note: See above note on the Hydra Mariner.*

**Figure 4.1: Amount claimed for incidents involving abandoned and derelict vessels compared to the total amount claimed**



**Figure 4.2: Number of incidents involving abandoned and derelict vessels compared to total number of claims**



**Two thirds of claims were generated by abandoned and derelict vessels.** This is an increase of more than 20% from last year.

**In 2022-2023, 52% of all claims were submitted between 18 and 24 months after the incident.** This compares to 55% in 2021-2022 and 77% in 2020-2021.

However, excluding Small Claims under the Expedited Process, which must be submitted within one year of an incident, 68% of claims were submitted between 18 and 24 months.

**Benefits of submitting claims sooner after an incident include:**

- Supporting documentation is fresher and more readily available.
- There is less risk of missing the submission deadline.
- Compensation is received more promptly.
- Other potential claimants can be identified and contacted by us.
- Recovery efforts can start earlier.

**Figure 5: Amount of time before the submission of claims (excluding Small Claims)**

TIMELINE	TYPE OF CLAIMANTS	NUMBER OF CLAIMS	PERCENTAGE OF CLAIMS
<b>0 to 6 months</b>		<b>4</b>	<b>16%</b>
	Ports and Harbour	2	8%
	Indigenous	2	8%
<b>12 to 18 months</b>		<b>1</b>	<b>4%</b>
	CCG	1	4%
<b>18 to 24 months</b>		<b>17</b>	<b>68%</b>
	CCG	17	68%
<b>More than 24 months</b>		<b>3</b>	<b>12%</b>
	CCG	2	8%
	Indigenous	1	4%

**We completed the processing of 23 claims.**

We processed the same number in 2021-2022.

This year's decisions were:

- 13 Offer Letters;
- 8 Notices of Payment (Expedited Process for Small Claims); and
- 2 rejections.

Sixteen claims remained under assessment at the end of the year.



**We found that two claims were inadmissible and rejected them:**

- For the *Baffin Sound*:
  - The claimed response costs had not been yet incurred. These types of expenses must be actually incurred to be compensated.
  - In addition, the incident was caused by the claimant's efforts to dispose of the vessel. This would also disqualify the claim.

- For the *Schiedyk*:

- The claimed economic damages were suffered in 2020 and 2021, but those damages resulted from a 1968 sinking. The incident happened too long ago to allow for compensation to be paid from the Fund.

Neither decision was appealed by the claimants.



**Two favorable judgments were obtained.** Last year, four claims were rejected, with three appealed by claimants in the Federal Court.

In each case, this year the Court upheld the Administrator's decisions. The judgments are summarized in Box 1.

## FEDERAL COURT: POLLUTING SHIPOWNERS CANNOT RECOVER COMPENSATION FROM THE FUND

### *Haida Tourism Limited Partnership (West Coast Resorts) v Canada (Ship-source Oil Pollution Fund), 2022 FC 1249*

In August 2022, the Federal Court dismissed an appeal brought by the owner of a polluting barge. The owner had sought compensation from the Fund by submitting a direct claim for its response costs. We rejected the claim, finding that the owner of a polluting ship cannot recover these costs from the Fund. The Federal Court agreed with our findings.

#### **Clarification of the Fund's role: shipowner liability vs. access to compensation**

The MLA makes shipowners legally responsible for oil pollution incidents, whether they are at fault or not. Some parts of the MLA shield shipowners from liability, but nothing in the MLA gives the owner of a polluting ship a right to recover its response costs from the Fund.

The shipowner in this case argued that the incident was caused by sabotage. If proven in court, this might provide the shipowner with a defence to claims against it for oil pollution damages. The owner also argued that, because of its alleged defence to liability, it was entitled to compensation from the Fund for its own response costs. The Court rejected this argument. In doing this, the Court agreed with our finding that a polluting shipowner cannot suffer the kinds of damages that the Fund can compensate under the direct claims process.

The Court agreed with our finding that the direct and indirect claims mechanisms in the MLA work independently one from the other. In addition to its findings on the direct claims mechanism, the Court considered that polluting shipowners probably cannot recover from the Fund under the indirect mechanism either.

#### **Further appeal before the Federal Court of Appeal**

The owner of the *West Island 395* has appealed the decision of the Federal Court to the Federal Court of Appeal. Written materials from both sides were filed.



CCG photo of the *West Island 395*

## FEDERAL COURT JUDGEMENT CLARIFIES DEADLINES FOR SUBMITTING A CLAIM TO THE FUND

### *Canada v Canada (Ship-source Oil Pollution Fund), 2022 FC 1310*

In September 2022, the Federal Court issued a single decision dismissing two appeals and two applications for judicial review brought by Canada on behalf of the CCG. It had submitted two claims to the Fund, seeking compensation for two separate response operations. We rejected both claims, finding that neither had been submitted within the appropriate deadline. The Court agreed.

#### **Claims submission deadline**

Where an incident causes an oil spill, the MLA gives claimants two years from the date of the spill to submit a direct claim to the Fund. Where there is no oil spill, claimants have up to five years. In submitting its claims more than two years after each incident, the CCG took the position that neither the *Stelie II* nor the *Miss Terri* had caused an oil spill.

On investigation, we found that there had been an oil spill in both cases. Although there was no evidence that anyone on scene had observed oil in the water, other evidence submitted by the claimant showed that it was **more likely than not** that a spill had happened. Because both claims were submitted more than two years after a likely oil spill, both were rejected.

In the Federal Court, Canada argued that a finding that an oil spill probably happened should not result in the rejection of a claim. It argued that stronger evidence of a spill should be required, and that it should be possible to pinpoint the exact date of a spill. The Court rejected these arguments and agreed with the Administrator's approach.

Canada also argued that, because of the CCG's statutory oil spill response mandate, it, not the Administrator, should determine whether an oil spill has occurred for the purposes of the deadlines under the MLA. The Court disagreed.

#### **Challenging the Administrator's decisions in Court: an important procedural clarification**

The Court confirmed that claimants who wish to challenge the Administrator's decisions on claim submission deadlines must do so by filing an appeal, not an application for judicial review.

- Claimants have 60 days to file an appeal, whereas applications for judicial review must be filed within 30 days.

The CCG did not appeal the decision of the Federal Court.

CCG photo of the *Stelie II* and *Miss Terri*



**Most claims for less than \$100,000 were processed in less than six months.** Only one claim took more than a year to process. In general, larger claims are more complex and they take more time to process.



**Figure 6: Time to process claims (excluding Small Claims under the Expedited Process)**

AMOUNT OF CLAIM (\$)	NUMBER OF CLAIMS	RANGE (MONTHS)	AVERAGE TIME (MONTHS)
0 – 35K	8	1-10	5
35K – 100K	4	1-11	7
100K – 500K	3	5-13	9
500K – 1M	0	–	–
More than 1M	0	–	–

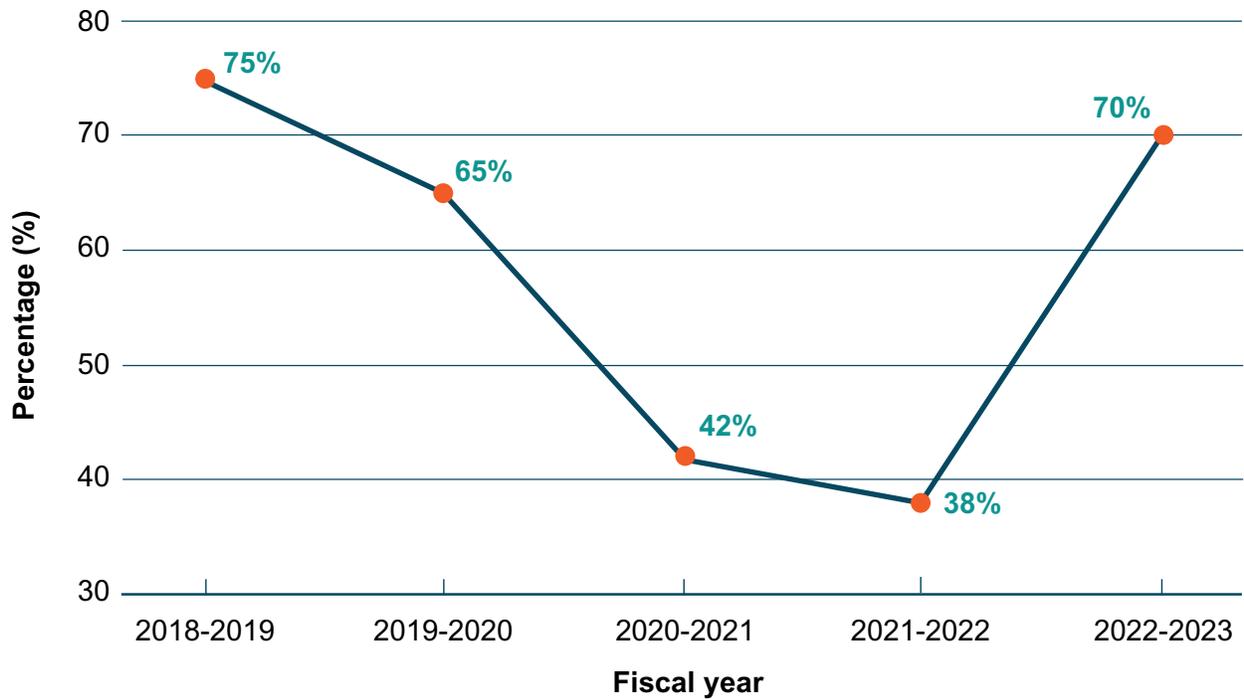
*Note: Figure 6 includes rejected claims.*

**Eleven claims were paid under the General Process this year, totalling \$280,199 in compensation.** Last year, we paid \$753,889 across 21 claims.

As of the end of March 2023, many larger and more complex claims remained under assessment, totalling \$32,729,324.

**Claimants received 70% of the amount they claimed under the General Process.** This was a notable increase compared to 38% in 2021-2022. Because of the small sample size (11 claims), a meaningful statistical analysis cannot be carried out.

Figure 7: Percentage of amount offered compared to amount claimed in the past five years



Note: Interest was paid on these amounts.

Figure 8: Percentage of amount offered vs. claimed under the General Process



Note: Interest was paid on these amounts. The claims paid this year include claims which were received in prior years.

**As in past years, most claims were from entities with broad mandates, which do not necessarily match with what we can compensate.**

**We have become party to one new lawsuit against a shipowner (indirect claim, see box 2).** This lawsuit was started by the CCG against the owner of the *Hamilton Banker*.

This is in addition to the two files (*Nathan E. Stewart and Kathryn Spirit*) which are carry-overs from prior years. Those files have progressed slowly in part due to COVID-19.

**Claims processing: Challenges and opportunities**

**Launch of a new satisfaction survey to claimants.** We continue to implement additional measures to improve access to justice. We want to provide an easy-to-use process to claimants and rapid access to compensation. We asked a few past claimants to evaluate their experience. The comments received show that there is room for improvement. We will continue to send surveys to claimants on an ongoing basis.

**The majority of non-CCG claimants used our new General Claims Form, launched last year.** It's an easy-to-use document to help claimants in preparing and submitting claims. It was used by four non-CCG claimants out of five. We will continue to develop our tools to guide claimants in the coming year.

**BOX 2**

**What is an indirect claim?**

When those affected decide to sue the shipowner, the Administrator becomes party to the lawsuit and the Fund provides an extra layer of protection to claimants. It also provides an extra year to claimants who miss the deadline to submit a direct claim.



CCG photo of the *Hamilton Banker*

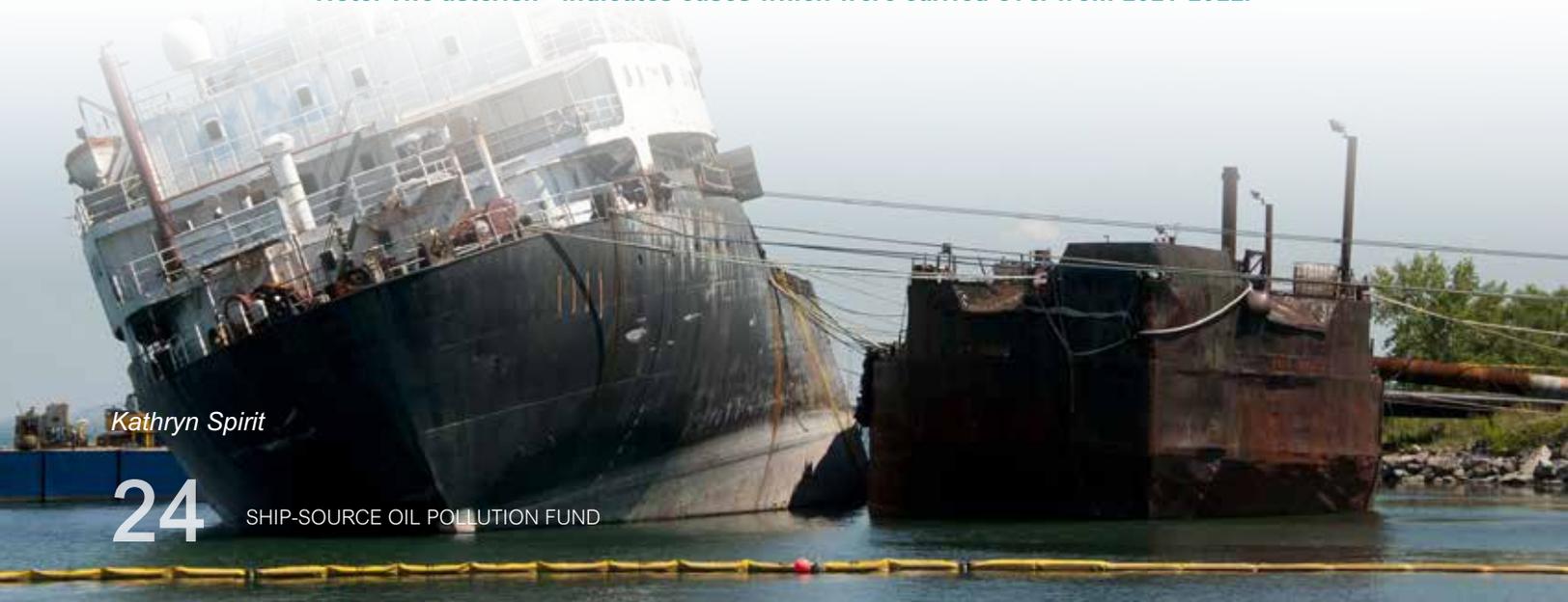
Figure 9: Overview of the 2022-2023 lawsuits related to our claims processing portfolio

ADMINISTRATOR AS A RESPONDENT TO AN APPEAL	
Claimant's challenge of the Administrator's decision (Section 1.1.1)	
Statutory Appeal of the decision (Subsection 106(2) of MLA): 3 files	
SHIP NAME	2022-2023 DEVELOPMENTS
<i>Miss Terri</i>	Favorable judgment obtained
<i>Stellie II</i>	Favorable judgment obtained
<i>West Island 395</i>	Favorable judgment obtained, appealed further to the Federal Court of Appeal
Judicial review: 2 files	
<i>Miss Terri</i>	Favorable judgment obtained
<i>Stellie II</i>	Favorable judgment obtained
<b>Total number of files: 5 (but only 2 court hearings in total)</b>	

*Note: All cases were carried over from 2021-2022 and were handled by internal counsel.*

ADMINISTRATOR AS PARTY TO A LAWSUIT (INDIRECT CLAIMS)			
SHIP NAME	COURT VENUE	REPRESENTED BY	
		EXTERNAL COUNSEL	INTERNAL COUNSEL
<i>Kathryn Spirit*</i>	Federal Court	X	
<i>Nathan E. Stewart*</i>	Supreme Court of British Columbia	X	
<i>Nathan E. Stewart*</i>	Federal Court	X	
<i>West Island 395</i>	Federal Court		X
<i>Hamilton Banker</i>	Federal Court		X
<b>Total number of files: 5</b>			

*Note: The asterisk \* indicates cases which were carried over from 2021-2022.*



*Kathryn Spirit*

### 1.1.2. RECOVERY EFFORTS

Once we pay a claimant, we are required to take all reasonable measures to recover from the shipowner or any other person responsible for an incident (see Box 3).



**We managed 95 recovery files this year.** This compares to 86 in the previous year. We closed 12 files, because money was recovered or no recovery could be reasonably made. At the end of the year, 83 files were still open.

**Our substantial activity before the courts continued.** This year we had 35 active files in litigation or enforcement.

Under the Fund 3.0 Initiative, our in-house lawyers start and manage lawsuits. The use of internal resources brings efficiency and cost savings. This greatly expands the scope of when it is reasonable to pursue recovery by making it possible to pursue the smaller files which make up a large percentage of our portfolio.

#### BOX 3

#### **We use many strategies to recover from shipowners.**

We are always ready to discuss settlement rather than going to court. However, we sometimes start a lawsuit, notably when the shipowner does not engage with us. Lawsuits are also used to preserve our legal rights, allowing settlement discussions to happen. In some cases, we choose to seek judgment because it may give us leverage. Where the shipowner does not defend, we can obtain a default judgment. This does not require substantial resources from our in-house legal team.

**We started 12 new lawsuits this year.** All of those are being handled by our in-house lawyers:

- *Danielle and Mark*
- *Go-Getter*
- *Jennifer Holly*
- *Miss Tricia Lynn*
- *Red Fir No. 9*
- *Salish Guardian*
- *Seal Rock*
- Unknown Name (houseboat)
- Unknown Name (sunken pleasure craft)
- *Western Breeze\**
- *Western Chief*
- *Zac*

\* We started the *Western Breeze* lawsuit under section 102 of the MLA, before we paid compensation to the claimant. This provision is an important tool because it allows us to preserve our rights against shipowners in the face of an approaching limitation date.

**This year we obtained recoveries in five small files.** In all these cases, our in-house legal team started settlement discussions or a lawsuit. None progressed to trial or judgment. In four of our five recoveries, the vessel was insured. In the *Noble Mariner* file, we negotiated with the estate of an uninsured shipowner.

Figure 10: Files where financial recovery was obtained in 2022-2023

SHIP NAME	YEAR OF INCIDENT	PAID BY THE FUND, INCLUDING INTEREST (\$)	RECOVERED * (\$)	RECOVERY STAGE
<i>Federal Leda</i>	2019	1,030	951	before lawsuit
<i>GRT-Synergie</i>	2018	1,426	1,713 (from insurer)	before trial
<i>Le Sept-Ilien</i>	2018	2,186	2,482 (from insurer)	before trial
<i>Noble Mariner</i>	2018	38,176	10,000	before trial
<i>Tecumseh</i>	2019	5,176	4,804	before lawsuit
<b>TOTAL</b>	<b>5 files</b>		<b>19,950</b>	

**Notes:** \* In some cases, we recover our legal costs and/or interest. Where applicable, these amounts are included in the figures in this column.

The small cost of filing a court action and the fact that getting a default judgment with our in-house legal team minimizes costs opens new opportunities. Where an uninsured shipowner has limited means to pay, this process makes it possible to reach a less expensive recovery.

**A mixed model for recovery efforts.** Securing a judgment does not always result in an immediate payment by the shipowner. Sometimes further efforts are needed. This year, we hired external lawyers to pursue enforcement proceedings after we obtained judgments against shipowners (*Nika* and *Zodiac Light*).

**Our lawsuit against the Province of British Columbia continues.** In the *Rolano* file, the registered shipowner was a corporation. Prior to the incident, the corporation had been dissolved under British Columbia corporate law, making the Province the owner of the *Rolano*. We have had similar lawsuits in the past, which found a province liable for the amount claimed for the response measures, such as *Chilcotin Princess* (see p. 22 our 2019-2020 Annual Report).

CCG photo of the *Federal Leda*



Figure 11: Summaries of active lawsuits in our recovery portfolio

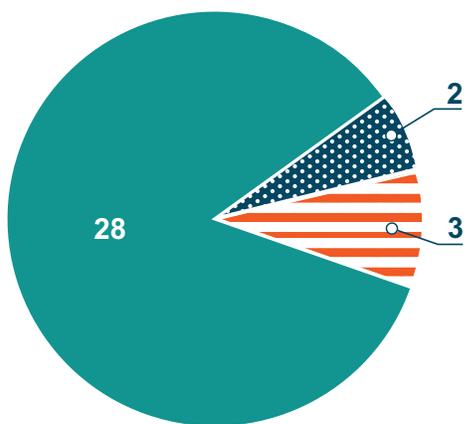
SHIP NAME	2022-2023 DEVELOPMENTS	SHIP NAME	2022-2023 DEVELOPMENTS
<b>REPRESENTED BY INTERNAL COUNSEL</b>			
<i>Alhena</i>	Closed	<i>Beverley Gaie</i>	Payment obtained
<i>Danielle and Mark</i>	Service attempted	<i>Darrell Bay</i>	Defendant served
<i>Françoise*</i>	Pleadings	<i>Friday While</i>	Closed
<i>Go-Getter</i>	Service attempted	<i>GRT-Synergie</i>	Payment obtained
<i>Jennifer Holly</i>	Judgment obtained	<i>L'Épaulard</i>	Judgment obtained
<i>Lady Miranda</i>	Payment obtained	<i>Laurier II*</i>	Judgment obtained
<i>Le Sept Ilien</i>	Payment obtained	<i>Maverick IV</i>	Discovery
<i>Miss Mall Bay</i>	Closed	<i>Miss Tricia Lynn</i>	Closed
<i>Noble Mariner</i>	Payment obtained	<i>Red Fir No. 9</i>	Service attempted
<i>Rolano</i>	In negotiations	<i>Salish Guardian</i>	Defendant served
<i>San Jolyne III</i>	Discovery	<i>Seal Rock</i>	Pleadings
<i>Sikuk*</i>	Pleadings	<i>Sweven</i>	Judgment obtained
<i>Theresa N</i>	Judgment obtained	Unknown name (deck barge)	Defendant served
Unknown name (houseboat)	Service attempted	Unknown name (sunken pleasure craft)	Service attempted
<i>Western Breeze</i>	Pleadings	<i>Western Chief</i>	Judgment obtained
<i>Zac</i>	Closed		
<b>REPRESENTED BY EXTERNAL COUNSEL</b>			
<i>King Arthur*</i>	Discovery	<i>Nika*</i>	Judgment obtained
<i>West Island 395</i>	Stayed	<i>Zodiac Light*</i>	Judgment obtained
<b>Total number of files: 35</b>			

Note: The asterisk \* indicates cases which were carried over from 2021-2022.

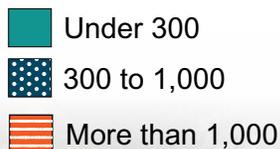
## RECOVERY EFFORTS: CHALLENGES AND OPPORTUNITIES

**Insurance for larger vessels.** Vessel size is particularly relevant for our recovery purposes because larger vessels are subject to mandatory insurance under Canadian law. Under the *Wrecked, Abandoned or Hazardous Vessels Act* (WAHVA), which came into force in 2019, vessels of 300 gross tons and over must carry wreck removal insurance. Under the Bunkers Convention, vessels over 1,000 gross tons must carry oil pollution liability insurance.

**Figure 12: Number of claims submitted by gross tonnage (GT) of the ship**



### Gross tonnage (GT)



Relatively few vessels in this year's claims portfolio were subject to mandatory insurance requirements. Of the three vessels over 1,000 GT:

- The *Schiedyk* sank in 1968, before any insurance requirements were in place and too long ago to allow for compensation to be paid from the Fund.
- The *Jana Desgagnés* incident occurred before WAHVA came into force, so that vessel likely carried only Bunkers Convention insurance.
- The *MSC Fabienne* likely carried both kinds of mandatory insurance, but that claim was ultimately retracted by the CCG. It reached a settlement with the shipowner or insurer(s) before we completed our assessment.

The *Hamilton Banker* and the *Mini Fusion* were not required to carry insurance under the Bunkers Convention, but they were required to carry wreck removal insurance. Despite this WAHVA requirement, it appears that neither vessel was insured. Recovery will be difficult to secure in the absence of insurance.

Photo by the Bligh Island Shipwreck Unified Command of the *Schiedyk* oil spill response.

Figure 13: Number of claims received related to wreck removal and insurance coverage

FISCAL YEAR	CLAIMS RECEIVED RELATED TO WRECK REMOVAL (PERCENTAGE OF ALL CLAIMS RECEIVED)	INCIDENTS AFTER JULY 29, 2019*	SHIP IS 300GT +	HAS MANDATORY WRECK REMOVAL INSURANCE
2019-2020	21 (57% of total)	0	–	–
2020-2021	12 (44% of total)	0	–	–
2021-2022	9 (45% of total)	4	0	–
2022-2023	19 (58% of total)	18	2	0
<b>TOTAL</b>	<b>61</b> (52% of total)	<b>22</b>	<b>2</b>	<b>0</b>

Note: \* Date of entry into force of WAHVA.

Four years after the entry into force of WAHVA, while more than half of our claims were for oil pollution responses involving ship removal, we have yet to see any impact on our ability to recover from shipowners.

**Optimizing recovery where insurance is involved.** Our recovery portfolio included several claims this year in which there was unexpected difficulty in securing a recovery from an insured ship. This includes:

- *L'Épaulard*
- *Réjane*
- *Pa Boy*
- *Miss Tricia Lynn*.

This is a continuation of a trend seen in the last two years (*GRT Synergie*, *Sept Illien*, and *Lady Elizabeth I*).

In 2023-2024, we intend to continue our outreach with insurers.

### 1.1.3. INCIDENT REPORTS

These files are opened when incidents are likely to lead to a claim.

#### **Five new incident report files were opened.**

This compares to nine in 2021-2022. One of the new report files included a transboundary incident:

- In August 2022, the US-flagged fishing vessel *Aleutian Isle* sank off San Juan Island, a few kilometres from the marine border with Canada. Some response measures were taken in Canada as a result.

We had 30 active incident files in our portfolio in 2022-2023.

In addition this year, we looked into 19 more incidents, but decided not to open report files.

**Four report files were converted into claims files.** In these files, we had information about the incident before we received a claim.

**No need to seek additional financial security following one incident.** In the case involving the ship *Europe*, the shipowner provided us with their insurance certificates. We considered that was a sufficient guarantee, avoiding the need to bring a court action. We continue to hold financial security from insurers on seven other active files.

#### **We requested a pre-claim marine survey following an incident caused by a large vessel.**

In 2022, the CCG responded to the sinking of the uninsured Canadian-registered *Trailer Princess* barge, near Campbell River, British Columbia. In response, we hired a marine surveyor to examine the vessel. We also explored obtaining financial security from the shipowners in anticipation of a large claim, so far without success. Though the *Trailer Princess* is well over 1,000 gross tons, and therefore subject to two separate mandatory insurance requirements under Canadian law, it does not appear to have been insured.

### 1.1.4. MASS COMPENSATION PREPAREDNESS EFFORTS

A key challenge in terms of file management is preparedness for mass compensation in case of a catastrophic spill. The compensation regime was originally developed with this risk in mind. No such accident has happened in Canada over the past 50 years. However, we strongly believe that it is the intent of the legislator that we develop preparedness for this eventually.



Photo from the Washington State Department of Ecology (Vessels and the lifted *Aleutian Isle* 9/21/22).



This year, we reached significant milestones on the following elements of our preparedness.

- **Signing an agreement with the International Group of P&I Clubs (IGP&I).** We signed an Memorandum of Understanding (MOU) in October 2022. The IGP&I provide insurance coverage to around 90% of the international fleet. This agreement will improve our cooperation and collaboration with the IGP&I, to assist Canadian claimants.
- **Signing an agreement with the International Oil Pollution Compensation Funds (IOPC Funds).** We have also signed an MOU with them in March 2023. This MOU sets out the framework of the relationship between our organizations and will increase our capacity in the event of a tanker incident in Canadian waters.

We also participated in a training session with the IOPC Funds on their Claims Handling System (CHS).



Signature of the agreement by Gaute Sivertsen, Director of the IOPC Funds and our Administrator.



Signature of the agreement by Tony Paulson from the IGP&I and our Administrator.

- **Collaboration and agreement discussions ITOPF.** In 2022, we attended a presentation from ITOPF's claims assessment services. They provide these services primarily to governments, shipowners and response organizations worldwide. They provided us with their expertise in advising on various matters related to ship-source spills.

We are also working to securing an MOU with them. This MOU will describe their role in assisting us in claims assessments when a P&I Club is not involved. This MOU is expected to be signed in 2023-2024. When done, these three MOUs (with ITOPF, IG P&I and the IOPC Funds) will greatly facilitate collaboration between our four organizations. All organizations have already expressed a clear desire to participate in a tabletop exercise in Canada addressing practical claims management issues.

- **Training session from Crawford & Company.** We attended this session together with the IOPC Funds, IGP&I, and ITOPE. Crawford & Company is a major claims management company with offices worldwide.

We learned the importance of establishing a compensation response plan agreed to by all the payers in a large incident. We also gained understanding on how to collaborate while protecting data from unauthorized release. Such a plan is also key to avoid the risk of paying the same claimant twice.

**Next steps in the development of our preparedness include:**

- **Readiness for the indemnification of border spills.** In 2022, the Canada-United States Joint Marine Pollution Contingency Plan – Pacific coast (CANUSPAC 2022) held an exercise. This exercise focused on operational aspects related to a ship-source oil spill at the border with the United States. However, it did not cover liability and compensation components. As a result, we did not participate in this event. It would be beneficial if future exercises would include a liability and compensation component.

We are planning to connect with the newly appointed director of the Oil Spill Liability Trust Fund, our US counterpart.

- **Compensation arising out of an Incident Command System (ICS) deployment.** We still consider that the operationalization of ICS in the emergency response context is critical for improved cost-recovery for claimants. To that end, we will continue to try to re-establish discussions with the CCG on this subject.

- **Starting conversation with the Federal Court of Canada.** We plan to engage with the Court to improve joint preparedness because we expect an increase of appeals in a mass compensation situation. This will be a joint initiative with the Rail Fund.

### 1.1.5. THE FUND AS AN ADMINISTRATIVE TRIBUNAL

**The Fund, unlike a private insurance company, is an administrative tribunal governed by federal legislation.** We must govern ourselves accordingly, including when developing our preparedness for processing claims (see Box 4).

#### BOX 4

##### **The Office of the Administrator as an administrative tribunal**

The Fund, which is a specified purpose account in the accounts of Canada, can be used only through decisions of the Administrator.

In making decisions on the assessment and payment of claims, the Administrator acts the same way as the decision maker of an administrative tribunal.

Accordingly, the Administrator and his staff must implement key principles of administrative justice. These principles must also govern the work done preparing for mass compensation, including in working with key stakeholders (such as other payers or service providers).



This is a brief list of these key principles:

**Independence and impartiality.** The Administrators are not civil servants. They are appointed by the Governor in Council. They remain at arms-length from the Minister of Transport and from other departments or agencies, as these may become claimants. While the Administrator is fully independent from government oversight, the Fund is still part the Minister of Transport's portfolio of agencies. Therefore, we have a service agreement with TC for administrative matters. It allows, for example, to process the Fund's money in and out of the Consolidated Revenue Fund.

**Decision-making responsibility.** Although the Administrator may seek advice and support for fulfilling his role, he cannot abdicate his decision-making responsibility. Under the Act, the Administrator may assign matters to the Deputy Administrator, such as:

- signing compensation offer letters;
- signing letters of disallowance, or
- requisitioning payment out of the Fund.

The advice received from lawyers and experts in the development of the Administrator's decisions is protected by deliberative privilege. However, the Administrator is not bound by any such advice.

**Procedural fairness and natural justice principles.** These principles govern the Administrator's decision-making process when dealing with claims matters. For example:

- claimants must be advised of what is expected from them, and
- they must have the ability to comment when the Administrator takes into consideration additional evidence that would impact their claim.

**Reasonableness of decisions.** The decisions of the Administrator are written to demonstrate that they were reasonably made, logically coherent, based on evidence, and unbiased.

**Open administrative justice principle.** Decisions will be made publicly available, for transparency and access to justice purposes.

**Statutory appeal of adjudicative decisions.** Claimants dissatisfied with the Administrator's decisions can appeal them to the Federal Court.

**Belonging to an administrative justice community of practice.** We have joined two administrative justice networks of expertise:

- the Council of Federal Tribunal Chairs
- the Council of Canadian Administrative Tribunals (CCAT)

There we discuss common issues, access relevant training and tools, and share best practices.

We also use the Access to Justice Index for Federal Administrative Bodies (the "Index") as a self-assessment tool. This Index was designed by the Department of Justice Canada.

## 1.2. EMERGENCY FUNDING OF THE DEPARTMENT OF FISHERIES AND OCEANS IN CASE OF A MAJOR OIL SPILL

In case of a significant discharge, the Minister of Fisheries and Oceans may request the Minister of Transport to direct the release of money from the Fund for the response. After consultation with the Administrator, the Minister of Transport may make available up to \$10 million per year from the Fund. If the Minister of Fisheries and Oceans requires additional funds, the Governor in Council may authorize the release of up to \$50 million per year from the Fund.

The emergency funds released must be reimbursed to the Fund within two years through an *Appropriation Act*, less any amount claimed by the Minister of Fisheries and Oceans under the General Claims Process.

This emergency funding process has not yet been used.

### BOX 5

#### About the IOPC Funds

The IOPC Funds are two intergovernmental organizations, the 1992 Fund and the Supplementary Fund. They provide compensation for oil pollution damage resulting from spills of persistent oil from tankers. The 1992 Fund now has 121 member States. It provides around \$370 million in compensation per incident. The Supplementary Fund, with its 32 member States, provides additional compensation of close to \$1 billion. The liability of the shipowner and these two Funds combined provide for a total of approximately \$1.365 billion.

The full report and documentation of the IOPC Funds meetings are available on their website at: [www.iopcfunds.org](http://www.iopcfunds.org)

## 1.3. CONTRIBUTION TO THE INTERNATIONAL OIL POLLUTION COMPENSATION FUNDS (IOPC FUNDS)

Canada is a party to two international oil compensation Funds (Box 5). We are a member of the Canadian delegation, which participates in the decision-making meetings of the IOPC Funds. We are responsible for covering Canada's financial contribution. We also comply with Canada's reporting obligations under the conventions. The information we provide to the IOPC Funds' Secretariat serves to assess Canada's financial contribution to the IOPC Funds.

**The IOPC Funds held only one meeting in 2022-2023.** This was the first we attended in person in London since the COVID-19 pandemic.



Canadian delegation at the IOPC Funds Governing Bodies meeting.

Note: The amounts were rounded. They are based on March 31, 2023, exchange rates between the Canadian dollar and the Special Drawing Rights (SDRs). The SDRs are units of account used in the conventions.

The main points discussed of relevance to our Fund include:

- **No new incident involving the IOPC Funds.** We are responsible for paying Canada's financial contribution. No new incident generally means a smaller contribution on our part.
- **Closure of the *Hebei Spirit* file.** The members discussed the claims management post-mortem.
  - This incident was the biggest file managed by the 1992 Fund in its four decades of existence. It involved the handling of over 128,000 claims in South Korea. To meet this challenge, the IGP&I, the 1992 Fund and South Korea developed and implemented strategies, processes, and tools. These are extremely valuable take-aways to raise our capacity to handle a high number of claims.
  - The 1992 Fund has issued a reimbursement of UK £7.3 million (around CAN \$12.3 million) to contributors to the *Hebei Spirit Major Claims Fund*. We contributed to that fund at the time.
- **Ongoing payments.** Claims for the 2017 *Agia Zoni II* file (Greece), and for the 2021 *Incident in Israel (mystery spill)* are being assessed and paid to claimants.
- **Court cases.** Two lawsuits are of immediate interest to our Fund: the 2016 *Nathan E. Stewart* (Canada), and the 2018 *Bow Jubail* (Netherlands) incidents. The *Bow Jubail* court decision will be especially important to clarify the application of the international regime.
- **Election of a Canadian Chair.** Francois Marier, head of the Canadian delegation, was elected Chair of the Supplementary Fund.

- **Impact of trade sanctions on the development of dark shipping.** Some vessels under sanctions due to the Ukraine invasion are “going dark” to avoid detection: they are turning off their ocean tracking systems. In the event of a tanker oil spill, it may expose financially the IOPC Funds and our Fund as contributor.
- **Progress towards the entry into force of the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea, 2010 (2010 HNS Convention) and 2010 Protocol.** Canada is a state party to this convention and protocol since 2018. Several States plan to ratify the convention in 2023. The 2010 HNS Convention and its related HNS Fund may be in force in 2026.

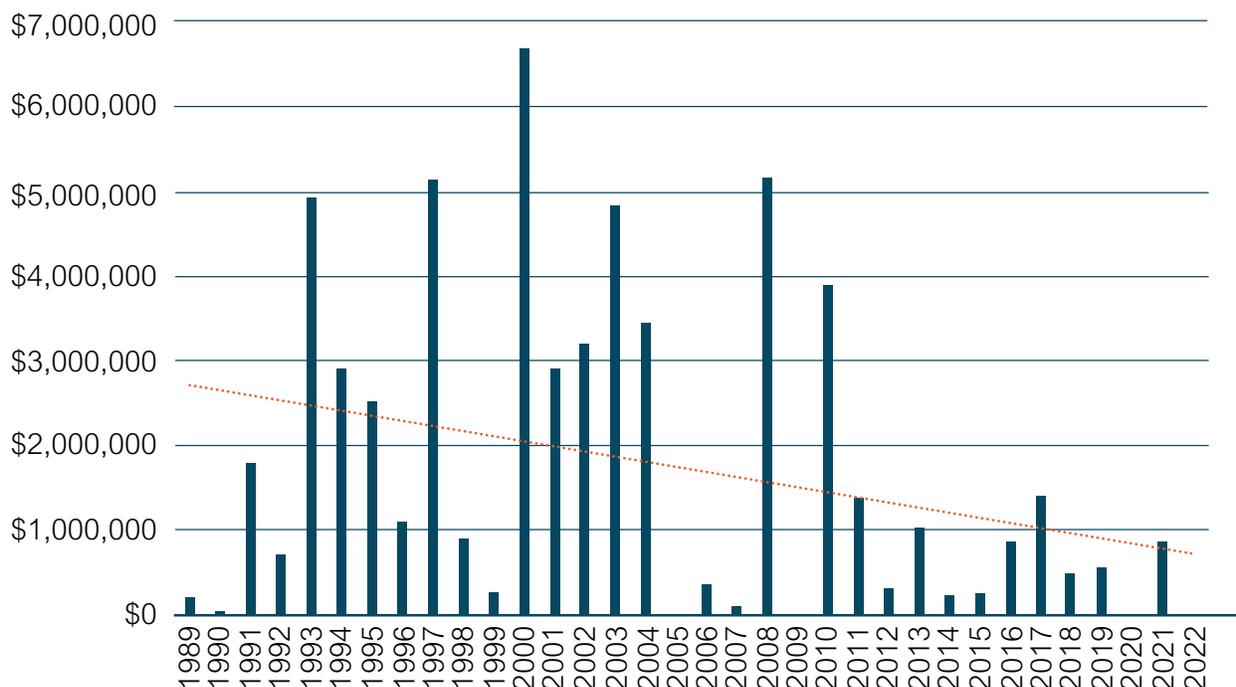
**Collection of the data from Canadian contributors and submission of the oil report for Canada.** We are responsible for ensuring that the Canadian receivers of persistent oil by water provide information about quantities received. We follow up on the information received and inquire on significant variances over the previous year, if any. We report the data to the IOPC Funds.

**Payment of contribution to the IOPC Funds for 2022.** We did not have to pay any Canadian contribution to the IOPC Funds. Liabilities based on the oil report submitted in 2022 were offset by IOPC's decision in October 2022 to reimburse contributors in the *Hebei Spirit* file. This reimbursement has also resulted in a credit of £65,000 (around CAN \$109,000) in Canada's account with the IOPC Funds. The credit balance will be set off against annual contributions which will be levied in the future.

With the amount of \$58.6 million which was paid by our Fund since 1989, the contributions to the IOPC Funds are our biggest expense. Our annual contribution generally fluctuates when a new tanker incident occurs, and contributions are collected to pay for such claims (see Figure 14).

In February 2023, a spill involving the tanker *MT Princess Empress* occurred in the Philippines. The IOPC Funds and the Shipowners' P&I Club opened a local joint claims office. We expect that a contribution will eventually be levied by the IOPC Funds to cover for this incident.

**Figure 14: Amount paid to the IOPC Funds since 1989**



#### 1.4 INQUIRY AND ENFORCEMENT WITH RESPECT TO CONTRIBUTORS' REPORTING OBLIGATIONS

The MLA provides that importers and exporters of oil shall file information on the quantity of oil shipped or received. They are the Fund's contributors should the levy be reinstated. This information received from contributors also enables Canada to meet its reporting obligations under the conventions as mentioned in section 1.3.

The Administrator can inspect contributors' documents and premises, and request information.

The MLA provides for Administrative Monetary Penalties against contributors in case of non-compliance of their reporting obligations.

The Administrator did not use these powers this year and no AMPs were issued.

#### Revision of the MOU with TC governing our administrative service relationship.

The current MOU expires in March 2024. We will seek to update the MOU, notably to clarify enforcement roles with respect to the reporting of shipments of persistent oil. Work has begun so that renewal can be completed in 2023-2024.

## 1.5 OFFICE MANAGEMENT AND CONTROLS

Many corporate changes and improvements were made during the year, including:

- Migration of the records information management system to a fully web-based system to improve reliability, security and remote access.
- Renewal of Information Technology (IT) equipment and implementation of a security training plan for all employees to improve security and flexibility of cloud computing and remote work arrangements.
- Working with Shared Services Canada to explore ways to increase the IT security and access to services of the Government of Canada National Capital Region (NCR) network.
- Development of enhanced budgeting and reporting options to address observations contained in audit reports.

Further to the 2022-2024 Human Resources (HR) Plan, we implemented modernizations, including:

- A new human resource management information system (HRMIS) to improve access to electronic personnel records, management reporting, staffing information and the performance assessment processes.
- Approval of a new Corporate Training Plan to ensure employees' training requirements are better identified and supported.
- Completion of a compensation and benefits review to ensure we have a modern, responsive pay and benefits regime for employees and that is *Pay Equity Act* compliant.

- A 2022 employee survey was conducted, for which results compared favourably with the previous survey.
- For the first time since the COVID-19 pandemic, all employees participated in a retreat in person.



**Note: Some staff members are missing from this photo.**

All these IT and HR initiatives apply to both Funds, and most are follow-ups on recommendations from special examinations.

**Our student program is the most active year to date.** A total of eight students worked with us this year:

- three articling students
- one law student
- four students supported outreach and communications projects.

Some students were shared between our Fund and the Rail Fund.

## 1.6 REPORTING, TRANSPARENCY AND COMMUNICATIONS

The Act provides that the Administrator shall submit an annual report for the activities in that year to the Minister of Transport, including financial matters. The financial report is submitted under Part 2 of this annual report. We also have reporting obligations under the *Access to Information Act* (ATI):

- This year, we responded to a large request received in 2021-2022. Significant internal resources and a consultant were used to respond to this request. These continued information requests confirm the public's interest in our activities.

We also responded to our first Order Paper Question from a member of Parliament about our incident portfolio.

In addition to our reporting obligations under these acts, we consider transparency, communications and outreach as integrally linked to our core mandate.



### **Our increased outreach efforts led to new or renewed relationships.**

This year, our team has been successful in achieving our goal to get back to pre-pandemic engagement levels. We have more than doubled our outreach results from last year (see page 41).

While most meetings were held virtually, we resumed in-person events. They allowed us to network, gain immediate feedback and receive recognition from participants across the country.

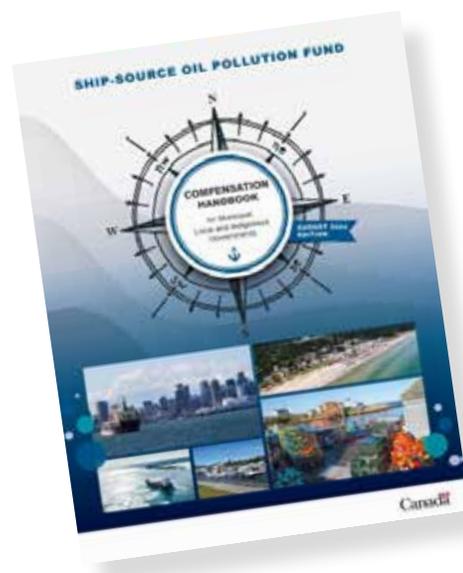
We built on the success of our previous engagement campaigns by keeping potential claimants aware of the existence of the Fund.

### **Outreach areas of focus in 2022-2023 included:**

- **Municipal, Local and Indigenous Governments.** This year, we met with hundreds of local leaders at booths during conferences held by their respective associations. We also organized meetings. Most participants told us that they see value in knowing about the Fund and think most are missing out on compensation available. We focused our outreach activities to municipal associations from:
  - Quebec
  - Ontario
  - British Columbia
  - Newfoundland and Labrador

### **We also launched our new Compensation Handbook for Municipal, Local and Indigenous Governments.**

- This handbook provides general information for cities, towns, villages, districts, band councils, including elected officials, employees, and their citizens.



It was developed in part based on feedback received from local governments and Indigenous experts. Some municipal associations also helped us relay the information by adding it in their newsletter.

We proactively contacted and responded to inquiries from this sector. For example, following local ship oil spill incidents, we communicated with:

- Marine Unit of the Vancouver Police Department
  - City of Richmond
  - Gabriola Island Trustee
  - Cowichan Tribes
- **Indigenous groups.** We continued to work to improve services to Indigenous claimants and their overall representation in our claims portfolio. We participated in various activities, such as:
    - Two information booths where we spoke to hundreds of Indigenous professionals working in band councils' administration and leadership.
    - Four presentations at conferences and workshops at national, provincial, and territorial levels with Indigenous participants.
    - Meetings with Indigenous groups, especially in Nunavut and British Columbia.
    - Meetings with provincial and territorial departments on Indigenous relations.

Two claims out of five non-CCG claims were submitted by Indigenous groups we engaged with at events and webinars.

- **Fisheries sectors.** Building on the outreach completed in 2020-2021, we renewed our focus on this community. Our outreach trip to Newfoundland and

Labrador was successful in opening new doors for us. It led to more than five meetings and presentations to groups we had not met before.

- **Marine insurers and underwriters.** We engaged with this sector for two reasons:
  1. Their clients might suffer damages following an oil spill, and send claims to their insurer.
  2. Their clients might be responsible for oil pollution, and we would have to recover money from them.

For both reasons, it is helpful for us to be known in this industry. We presented at or participated in events hosted by two of Canada's leading marine insurance associations.

**We published new material,** including:

- **We published nine new blog posts on our website.** Most explain the complex nature of the Fund in simple language. They cover different categories such as:
  - Demystifying the Fund
  - A look back at the events we participated in
  - Court judgements relevant to the Fund

In 2023-2024, we want to continue to publish new articles.

- **Payment Recovery Process Infosheet.** After we pay a claimant, we take steps to recover from the shipowner. Starting in 2023, we want to use this document when contacting the shipowner. It includes an infographic explaining the recovery process step-by-step. This initiative is part of our access to justice efforts.

## COMMUNICATIONS: CHALLENGES AND OPPORTUNITIES

Beyond successfully getting back to pre-pandemic levels of engagement, we also worked on making all our communications more accessible.

**Simplifying outreach and education materials using plain language.** We have started to systematically use plain language in our communications products. This is another initiative aimed at improving access to justice and make the Fund more accessible.

**Building awareness and recognition with a new branding for the Fund.** The lack of awareness about the Fund would be an obstacle to access justice. In addition, our present legal name is long and difficult to understand and remember, especially in French. However, a brand name that can be easily recognized, understood, and retained by the public would improve recognition.

We are working with a specialized firm to upgrade the Fund's brand. This process is underway and will be essential for the launch of a new and more accessible website. It will also play a key role in building new awareness campaigns.



CCG photo of the *Sally Kathryn*

# OUTREACH ACTIVITIES IN 2022-2023

**32 MEETINGS WITH KEY STAKEHOLDERS, INCLUDING:**

10 WERE WITH NEW STAKEHOLDERS

**PARTICIPATION AT 15 CONFERENCES, WEBINARS AND COMMITTEES**

**9 NEW BLOGS**

**11 PRESENTATIONS AT CONFERENCES, WEBINARS AND COMMITTEES**

**7 EXHIBITIONS AT TRADE SHOWS WITH HEAVY FOOT TRAFFIC**

**2 SIGNING CEREMONIES OF IMPORTANT INTERNATIONAL AGREEMENTS**

## LEGEND FOR THE TYPE OF PARTICIPANT OR SECTOR

	Federal government		Maritime legal community
	Provincial and territorial governments		Indigenous governments and Indigenous groups
	Municipalities and local governments		Fishing sectors
	International partners		Shipping and boating industry
	Ports, harbours, terminals, marinas and related associations		Oil and gas industry
	Environmental response professionals and industry		Academia
	Environmental organization		Claims and insurance specialists

\* Recurring meetings with CCG (3) and TC (8) are not listed below.

## 2022

### APRIL

Exhibitor at the 2022 Annual Convention of the Association of Vancouver Island and Coastal Communities (AVICC)



Site visit at the new Western Canada Marine Response Corporation (WCMRC) Sidney satellite base



### MAY

Presentation to the Standing Committee on the Environment at the Spring 2022 national meeting of the Canadian Marine Advisory Council (CMAC)



Attendance at the Canadian Board of Marine Underwriters (CBMU) Virtual Spring Conference 2022



Meeting with ITOPF



JUNE	JULY
<p>Attendance at the 44<sup>th</sup> AMOP Technical Seminar on Environmental Contamination and Response.</p> 	<p>Training by the IOPC Funds on their Claims Handling System (CHS)</p> 
<p>Presentation at the Cumulative Effects of Marine Shipping (CEMS) Oil Spill Preparedness &amp; Response Workshop for the Cambridge Bay, Nunavut area</p> 	
<p>Attendance at the 2022 Canadian Maritime Law Association (CMLA) Annual General Meeting and Seminar</p> 	<p>Photo from the ACPA Conference</p>
<p>Exhibitor at the 2022 Association of Canadian Port Authorities (ACPA) Annual Conference</p> 	
<p>Attendance at the Canadian Marine Shipping Risk Forum (CMSRF) webinar</p> 	
AUGUST	SEPTEMBER
<p>Exhibitor at the 2022 conference of the Association of Municipalities Ontario (AMO)</p> 	<p>Presentation from Eastern Canada Response Corporation (ECRC-SIMEC)</p> 
<p>Participation and exhibitor at the Aquaculture Association of Canada (AAC) and World Aquaculture Society (WAS) North America Conference</p> 	<p>Visit in Canada of the newly appointed Director of the IOPC Funds</p> 
<p>Meeting with the Municipalities Newfoundland and Labrador (MNL)</p> 	<p>Exhibitor at the 2022 conference of the Fédération québécoise des municipalités (FQM)</p> 
<p>Meeting with the Port Manager of the St. John's Port Authority</p> 	<p>Presentation from Crawford &amp; Company on Transboundary Tanker Spill</p> 
<p>Meeting with the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB)</p> 	<p>Presentation at the Marine Insurance Association of BC Education Seminar (MIABC)</p> 
<p>Presentation at the Executive meeting of the Marine Insurance Association of British Columbia</p> 	<p>Meeting with Fisheries and Oceans (DFO), Newfoundland and Labrador (NL) Region, Ecosystems Management Branch</p> 

OCTOBER	NOVEMBER
<p>Signature ceremony of an agreement with the International Group of P&amp;I Clubs (IGP&amp;I).</p> 	<p>Attendance at the Pacific States – British Columbia Oil Spill Task Force Annual Meeting and presentation during the Federal Partners Meeting</p>   
<p>Virtual attendance at the first International Oil Spill Science Conference (IOSSC) 2022</p>   	<p>Attendance at the Canadian Marine Advisory Council (CMAC) Meeting Fall 2022</p>   
<p>Meeting with ITOFF</p> 	<p>Networking with members of the Association of Canadian Port Authorities (ACPA)</p> 
<p>Presentation at the Pacific Region Public Engagement Meeting of the Regional Interdepartmental Shellfish Committee (PRISC)</p>  	<p>Presentation at the 2022 Canadian Board of Marine Underwriters (CBMU), Fall Conference Educational Program</p> 
<p>Meeting with the Managing Director of OneOcean</p>  	<p>Attendance at the Arctic Marine Advisory Board (AMAB) and presentation at the Fall Prairie &amp; Northern Canadian Marine Advisory Council (PNR-CMAC) Fall 2022 Meeting</p>  
<p>Participation in the Canadian delegation to the IOPC Funds' governing bodies and meeting with the International partners</p> 	
DECEMBER	
<p>Attendance at the 34<sup>th</sup> Maritime Annual Law Seminar hosted by Borden Ladner Gervais (BLG)</p> 	<p>Meeting with ITOFF</p> 
<p>Attendance at the Canadian Marine Shipping Risk Forum (CMSRF) 4<sup>th</sup> Annual Workshop</p>  	<p>Attendance at the Women's International Shipping &amp; Trading Association (WISTA) – Canada Annual General Meeting</p> 

# 2023

JANUARY	FEBRUARY	
Meeting with the IOPC Funds 	Meeting with the Government of British Columbia, Ministry of Indigenous Relations and Reconciliation  	
Meeting with Department of Environment of the Government of Nunavut 	Meeting with the First Nations Emergency Services Society of British Columbia (FNESS) 	
Meeting with the Qikiqtani Inuit Association 	Meeting with the Vancouver Police Department, Marine Unit 	
	Exhibitor at the 2023 AFOA Canada National Conference 	
	Meeting with the St. Lawrence Seaway Management Corporation 	
	Meeting with the IOPC Funds 	
	Meeting with the President of the Council of Marine Carriers (CMC) 	
	Presentation and exhibitor at the Winter 2023 Oceans Protection Plan (OPP) Dialogue Forum    	
	Meeting with the Department of Fisheries, Forestry and Agriculture of the Government of Newfoundland and Labrador  	
	<b>MARCH</b>	
	Presentation at the Canadian Marine Shipping Risk Forum   	Guest lecturer in a Maritime Law Class at University of Ottawa 
Day of presentations for the Centre d'expertise en gestion des risques d'incidents maritimes (CEGRIM) (Centre of expertise in marine incident risk management)  	Signature ceremony of an agreement with the IOPC Funds 	
Meeting with the British Columbia Assembly of First Nations (BCAFN) 	Meeting with the Indigenous Services Canada's Emergency Management Assistance Program (EMAP) 	

## 2. FINANCIAL REPORT

In 2022-2023, the Fund collected \$12,047,534 in interest (compared to \$4,338,366 in 2021-2022). We also recovered \$19,950 from shipowners responsible for pollution, or from their insurers (compared to \$422,146 in 2021-2022).

Our interest revenue increased by \$7,709,168. Together, the Fund's total revenues for 2022-2023 were \$12,625,690 (compared to \$4,760,512 in 2021-2022). These include:

- The increase in the average rate of interest from 1.13% in 2021-2022 to 2.89% in 2022-2023.
- Five recoveries in 2022-2023 compared to six in 2021-2022.
- A credit of \$552,766 reflecting a refund of previous contributions to the IOPC Funds.

Our expenses were \$7,148,013 (compared to \$4,959,684 in 2021-2022), of which \$2,283,866 were operating expenses (compared to \$2,015,800 in 2021-2022):

- \$399,214 was paid for Canadian claims (including \$26,141 paid in statutory interest), compared to \$764,201 the previous year (including \$58,892 paid in statutory interest).

- The provision for claims under review increased by \$3,995,043 compared to last year due to the increased total dollar value of claims received but not yet processed at the end of the fiscal year (see note 4 of the attached Financial Statements).
- Operating expenses increased by \$268,066. Variances include:
  - A \$290,087 increase in salaries;
  - A \$55,815 increase in consulting fees for marine and engineering services and claims investigators;
  - A \$42,162 increase in the cost of general administrative services;
  - A \$150,589 decrease in legal fees for non-claims related legal advice; and,
  - Additional minor variances as shown in Schedule A to the Financial Statements.

At the end of the fiscal year, the Fund had an accumulated surplus of \$414,334,877 (compared to \$408,857,200 in 2021-2022).

The Auditor's Report is included in the attached Financial Statements.

### 2016-2023: OVERVIEW OF THE FUND FINANCIAL TREND

The accumulated surplus in the Fund has increased by 2.4% since March 31, 2017. After adjusting for inflation to reflect changes in the Consumer Price Index, this represents a decrease in real value of over 17%.

The Fund has paid almost \$22M in claims over the past seven years.

Comparing our claims portfolio against our operating expenses:

- Net claims: the claims paid minus recoveries from polluters have averaged around \$3.1M per year.
- Operating costs have averaged around \$1.95M per year.

Our operating costs as a percentage of net claims paid averages around 63%. The complex nature and small size of claims and recovery actions taken results in a relatively high administrative cost ratio for the Fund.

**SHIP-SOURCE OIL POLLUTION FUND**

FINANCIAL STATEMENTS

MARCH 31, 2023

## SHIP-SOURCE OIL POLLUTION FUND

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Statement of Operations	4
Statement of Change in Net Financial Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
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## INDEPENDENT AUDITOR'S REPORT

To the Administrator of  
Ship-source Oil Pollution Fund

### *Opinion*

We have audited the financial statements of the Ship-source Oil Pollution Fund (the Fund), which comprise the statement of financial position as at March 31, 2023, the statements of operations, change in net financial assets and cash flows for the year then ended, as well as a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2023, and the results of its operations and its cash flows for the year then ended, in accordance with Public Sector Accounting Standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Emphasis of Matter – Budget figures*

As explained in Note 10 to the financial statements, budget figures are not disclosed in the financial statements, although it is required according to Public Sector Accounting Standards. Our opinion is not modified in respect of this matter.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario  
June 9, 2023

# SHIP-SOURCE OIL POLLUTION FUND

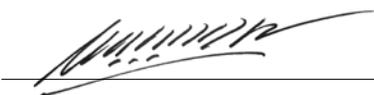
## STATEMENT OF FINANCIAL POSITION

MARCH 31, 2023

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	2023	2022
<b>FINANCIAL ASSETS</b>		
Balance of the account with Receiver General for Canada (Note 3)	\$ 420,707,683	\$ 411,674,039
Accrued interest receivable	1,021,916	646,836
International Oil Pollution Compensation Funds contributions receivable (Note 6)	109,017	-
Advances to the Fund for Railway Accidents Involving Designated Goods	202,872	174,612
<b>TOTAL FINANCIAL ASSETS</b>	<b>422,041,488</b>	<b>412,495,487</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	281,865	185,299
Provision for claims under review (Note 4)	7,526,897	3,531,854
<b>TOTAL LIABILITIES</b>	<b>7,808,762</b>	<b>3,717,153</b>
<b>NET FINANCIAL ASSETS</b>	<b>414,232,726</b>	<b>408,778,334</b>
<b>NON-FINANCIAL ASSETS</b>		
Capital assets (Note 5)	102,151	78,866
<b>ACCUMULATED SURPLUS</b>	<b>\$ 414,334,877</b>	<b>\$ 408,857,200</b>

ORIGINAL SIGNED BY:



, Administrator

# SHIP-SOURCE OIL POLLUTION FUND

## STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2023

4

	2023	2022
<b>REVENUES</b>		
Interest	\$ 12,047,534	\$ 4,338,366
International Oil Pollution Compensation Funds – Previous years contributions refund (Note 6)	552,766	-
Recoveries related to claims and previously awarded settlements	25,390	422,146
	<b>12,625,690</b>	<b>4,760,512</b>
<b>CLAIMS</b>		
Increase of provision for claims under review	3,995,043	1,220,097
Payments made towards Canadian claims	262,593	696,042
Payments made under the expedited process for small claims	136,621	9,267
Interest on payments made towards Canadian claims	22,633	58,759
Interest on payments made under the expedited process for small claims	3,508	133
International Oil Pollution Compensation Funds Contributions (Note 6)	443,749	959,586
	<b>4,864,147</b>	<b>2,943,884</b>
	<b>7,761,543</b>	<b>1,816,628</b>
<b>OPERATING EXPENSES</b>		
Administrative services, salaries and office expenses (Schedule A)	1,541,408	1,214,285
Consulting fees (Schedule B)	325,609	269,794
Administrator and deputy administrator's fees	142,552	144,398
Rent	123,789	117,592
Travel	46,336	24,961
Legal fees	32,256	182,845
Audit fees	17,515	18,108
Amortization of capital assets	54,401	43,817
	<b>2,283,866</b>	<b>2,015,800</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>5,477,677</b>	<b>(199,172)</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>408,857,200</b>	<b>409,056,372</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 414,334,877</b>	<b>\$ 408,857,200</b>

# SHIP-SOURCE OIL POLLUTION FUND

## STATEMENT OF CHANGE IN NET FINANCIAL ASSETS FOR THE YEAR ENDED MARCH 31, 2023

5

	2023	2022
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ 5,477,677</b>	<b>\$ (199,172)</b>
Acquisition of capital assets	(77,686)	-
Amortization of capital assets	54,401	43,817
	(23,285)	43,817
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	<b>5,454,392</b>	<b>(155,355)</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>408,778,334</b>	<b>408,933,689</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 414,232,726</b>	<b>\$ 408,778,334</b>

# SHIP-SOURCE OIL POLLUTION FUND

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2023

6

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ 5,477,677	\$ (199,172)
<b>Adjustment for:</b>		
Amortization of capital assets	54,401	43,817
	<b>5,532,078</b>	<b>(155,355)</b>
<b>Net change in non-cash items related to operating activities:</b>		
Accrued interest receivable	(375,080)	(353,872)
Accounts receivable	-	2,000
International Oil Pollution Compensation Funds contributions receivable	(109,017)	-
Advances to the Fund for Railway Accidents Involving Designated Goods	(28,260)	(10,327)
Accounts payable and accrued liabilities	96,566	33,365
Provision for claims under review	3,995,043	1,220,096
	<b>3,579,252</b>	<b>891,262</b>
<b>INVESTMENT ACTIVITY</b>		
Acquisition of capital assets	(77,686)	-
<b>INCREASE IN BALANCE OF THE ACCOUNT WITH THE RECEIVER GENERAL FOR CANADA</b>		
	<b>9,033,644</b>	<b>735,907</b>
<b>BALANCE, BEGINNING OF YEAR</b>	<b>411,674,039</b>	<b>410,938,132</b>
<b>BALANCE, END OF YEAR</b>	<b>\$ 420,707,683</b>	<b>\$ 411,674,039</b>

# SHIP-SOURCE OIL POLLUTION FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

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### 1. GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION

The Ship-source Oil Pollution Fund (the Fund) was created on April 24, 1989 by amendments to the *Canada Shipping Act* and succeeded the Maritime Pollution Claims Fund. The Fund is governed by Part 7 of the *Marine Liability Act* (MLA) as modified by Statutes of Canada, 2009, Chapter 21.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### Basis of accounting

The financial statements are prepared in accordance with Treasury Board accounting policies which are consistent with Public Sector Accounting Standards.

#### Accounting estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses for the periods covered. The primary estimate relates to the valuation of provision for claims under review. Actual amounts could differ from the estimates.

#### Revenue recognition

Interest income is recognized as revenue when it is earned. Recoveries related to previously awarded settlements are recognized when they are received.

#### Capital assets

Capital assets are recorded at cost. Capital assets are amortized over their estimated useful lives according to the straight-line method over the following periods:

Computer equipment	3 years
Furniture and equipment	10 years
Leasehold improvements	Remaining term of lease

#### Recognition of the provision for claims under review

Provisions for indemnification claims are estimated and recognized when a formal claim is submitted by the claimant and is duly received by the Fund.

#### Recognition of the contributions to the International Oil Pollution Compensation Funds

The Fund recognizes its contributions to the International Oil Pollution Compensation Funds when the contributions are determined and requested by the International Oil Pollution Compensation Funds.

# SHIP-SOURCE OIL POLLUTION FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

8

### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currency translation

Monetary assets and liabilities are translated at the exchange rate in effect at the balance sheet date. Other assets and liabilities are translated at the exchange rate in effect at the transaction date. Revenues and expenses are translated at the exchange rate in effect at the transaction date. Exchange gains and losses are included in the Statement of Earnings.

#### Financial instruments

Financial instruments are initially classified either as a financial instrument measured at cost or at amortized cost or as a financial instrument measured at fair value. Transactions that are non-contractual in their origin do not generate items considered to be financial instruments.

Financial assets measured at amortized cost include balance of the account with Receiver General for Canada, accrued interest receivable, accounts receivable and advances to the Funds for Railway Accidents Involving Designated Goods.

Liabilities measured at amortized cost include accounts payable and accrued liabilities.

#### *Transaction costs*

Transaction costs attributable to financial instruments measured at fair value are recognized in operations in the period in which they are incurred. Transaction costs related to financial instruments measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are then recognized in operation over the life of the instrument using the effective interest rate method.

### 3. BALANCE OF THE ACCOUNT WITH THE RECEIVER GENERAL FOR CANADA

The cash balance of the Fund is held within the Consolidated Specified Purpose Accounts of the Government of Canada. Public Works and Government Services Canada acts as the custodian of this cash balance and Transport Canada performs the various transactions on behalf of the Fund. Interest is credited to the account in accordance with the provisions of the MLA at a rate based on a 5-year Government of Canada bond interest rate, calculated monthly. The interest rates varied between 2.46% and 3.28% during the year (2022: 0.77% and 1.85%). The average interest rate for the year ended March 31, 2023 was 2.89% (2022: 1.13%).

# SHIP-SOURCE OIL POLLUTION FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

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### 4. MEASUREMENT UNCERTAINTY

Due to uncertainties inherent to the claims review process, it is possible that the provision for claims under review is insufficient. Accordingly, a provision of \$7,526,897 (2022: \$3,531,854) for claims received prior to March 31, 2023 but not completely reviewed by that date has been calculated and recorded in the books. This provision is based on management's estimate and supported by claims payment historical data. All subsequent adjustments due to further investigation will be recognized in the year in which the claims are reviewed.

#### Provision for claims under review

As of March 31, 2023, the provision for claims under review was as follow:

- \$41,770 (2022: \$2,123) which represents the amount offered through formal offers and provisioned for claims received and currently under review;
- \$7,485,127 (2022: \$3,529,731) which represents the amount provided for on claims received not yet processed.

### 5. CAPITAL ASSETS

	2023		
	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 298,171	\$ 249,008	\$ 49,163
Furniture and equipment	233,130	204,912	28,218
Leasehold improvements	642,201	617,431	24,770
	<b>\$ 1,173,502</b>	<b>\$ 1,071,351</b>	<b>\$ 102,151</b>

	2022		
	Cost	Accumulated amortization	Net book Value
Computer equipment	\$ 224,426	\$ 224,426	\$ -
Furniture and equipment	233,130	197,497	35,633
Leasehold improvements	638,259	595,026	43,233
	<b>\$ 1,095,815</b>	<b>\$ 1,016,949</b>	<b>\$ 78,866</b>

# SHIP-SOURCE OIL POLLUTION FUND

## NOTES TO THE FINANCIAL STATEMENTS

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### 6. CONTINGENCIES

The Ship-source Oil Pollution Fund may be required to make contributions to the International Oil Pollution Compensation Funds, for which the amount owing is determined by the International Oil Pollution Compensation Funds. The amounts contributed are used to pay compensation for claims arising under the jurisdiction of the contracting states to the International Oil Pollution Compensation Funds. The size of the contribution is contingent on the number of claims received by the International Oil Pollution Compensation Funds, resulting in varying levels of contributions from year to year. Given this volatility, it has been determined that this contribution cannot be reasonably estimated from year to year. The amount of the contribution is paid and recorded by the Ship-source Oil Pollution Fund once the contribution is determined and requested by the International Oil Pollution Compensation Funds. During the year ended March 31, 2023, the Fund was asked to contribute an amount of \$443,749 (2022: \$959,586) to the International Oil Pollution Compensation Funds. In 2022, the Fund was also granted a refund of \$552,766 for previous contributions.

Starting December 18, 2018, the Ship-source Oil Pollution Fund no longer has a liability limit per claim. Furthermore, as of April 1, 2023, the Minister of Transport has the statutory power to impose a levy of 59.14 cents (2022: 56.32 cents) per metric tonne of "contributing oil" imported into or shipped from a place in Canada in bulk as cargo in a ship. Both the maximum liability and the levy are indexed annually to the consumer price index. No levy has been imposed since 1976.

In the normal course of its operations, the Fund may receive information about incidents that have occurred but for which no claims have been received. It is not possible for the Fund to determine the likeliness of a claim for any of these reported incidents. The Fund is also not able to assess the financial value of any such claims should they materialize. No provision related to these incidents is recognized in the financial statements. A provision is recognized when a claim is effectively received.

### 7. INFORMATION INCLUDED IN OPERATIONS

	2023	2022
Foreign exchange loss included in the International Oil Pollution Compensation Funds contributions	\$ -	\$ (15,886)

### 8. RELATED PARTY TRANSACTIONS

The Fund is related, as a component of the accounting framework of the Government of Canada, to all Government of Canada departments, agencies and Crown Corporations.

#### Rent

During the year, the Fund has paid \$185,722 (2022: \$185,722) to Public Works and Government Services Canada (PWGSC) for the use of office spaces of which a portion (\$61,934; 2022: \$68,130) is then charged to the Fund for Railway Accidents Involving Designated Goods. The Fund is committed to pay an annual minimum rent of \$185,722 to PWGSC for the rental of premises under a lease agreement expiring March 31, 2023. As a tenant, the Fund is also responsible to pay its share of escalation costs annually.

# SHIP-SOURCE OIL POLLUTION FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

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### 8. RELATED PARTY TRANSACTIONS (continued)

#### Accounting services

During the year, the Fund paid \$27,827 (2022: \$26, 848) to Transport Canada for accounting services.

#### Other

During the year, the Fund recovered \$826,111 (2022: \$821,466) from the Fund for Railway Accidents Involving Designated Goods for the following operating expenses:

	2023	2022
Administrative services, salaries and office expenses	\$ 764,177	\$ 753,336
Rent	61,934	68,130
	\$ 826,111	\$ 821,466

### 9. SUBSEQUENT EVENTS

The Fund recognizes a provision for an indemnification claim when a formal and duly prepared claim is submitted by the claimant and is effectively received by the Fund. All claims received before March 31, 2023 were provided for in the financial statements. During the period from April 1, 2023 to June 8, 2023, the Fund has received additional claims totalling \$8,350. These claims are not provided for in the financial statements.

### 10. BUDGET

The Ship-source Oil Pollution Fund does not prepare an annual budget due to the nature of its operations.

### 11. COMPARATIVE FIGURES

Certain figures for the fiscal year ended March 31, 2022, have been reclassified to conform to the presentation adopted in the fiscal year ended March 31, 2023.

# SHIP-SOURCE OIL POLLUTION FUND

## ADDITIONAL INFORMATION FOR THE YEAR ENDED MARCH 31, 2023

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	2023	2022
<b>SCHEDULE A - ADMINISTRATIVE SERVICES, SALARIES AND OFFICE EXPENSES</b>		
Salaries and benefits	\$ 1,309,843	\$ 1,019,756
Office expenses	90,058	78,698
Information technology services	47,854	64,335
Telecommunications	5,042	5,047
Other administrative services	88,611	46,449
	<b>\$ 1,541,408</b>	<b>\$ 1,214,285</b>

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### **SCHEDULE B – CONSULTING FEES**

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Claims consultants and investigators	\$ 180,357	\$ 143,632
Special projects – management and expertise services	120,256	120,859
Graphic and multimedia services	24,996	5,303
	<b>\$ 325,609</b>	<b>\$ 269,794</b>

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# APPENDIX

## LIST OF INCIDENT REPORTS AND CLAIMS FILES IN 2022-2023

The index of cases provides additional information on each of the cases of the 2022-2023 files portfolio:

- Cases are listed by province and territory.
- The “Status” column indicates whether the file is open or closed as of March 31, 2023.

- The type of oil is not always known or defined, especially at the incident report stage, i.e., before a claim is submitted.
- This icon refers to wreck, derelict and abandoned vessels. 

A summary of each of the cases listed below can be found on the Fund’s website ([www.sopf.gc.ca](http://www.sopf.gc.ca) under Incidents).

## EXPEDITED PROCESS FOR SMALL CLAIMS

Incident	Claim submitted	Decision	Date Notice of Payment was issued	Date notice of overpayment was issued	Status
Ship name Date of incident Location Ship type Spilled oil (if applicable, and type of spill, if available)	Amount claimed Date of submission Name of claimant	(% offered vs claimed)			
<b>Newfoundland and Labrador</b>					
<b>Michael Marie III</b> 2022-04-09 Arnold's Cove Fishing vessel Diesel spill	\$16,800.89 2022-07-06 DFO/CCG	\$16,800.89 (100%)	2022-08-31	-	Open
<b>Nova Scotia</b>					
<b>Kraken</b> 2022-01-28 Lunenburg Pleasure craft No spill 	\$25,987.07 2023-01-26 DFO/CCG	\$25,987.07 (100%)	2023-03-16	-	Open
<b>Quebec</b>					
<b>L'inséparable II</b> 2021-11-05 Rivière St-Maurice Pleasure craft No spill 	\$15,947.60 2022-07-18 DFO/CCG	\$15,947.60 (100%)	2022-09-09	-	Open

Incident	Claim submitted	Decision	Date Notice of Payment was issued	Date notice of overpayment was issued	Status
Ship name Date of incident Location Ship type Spilled oil (if applicable, and type of spill, if available)	Amount claimed Date of submission Name of claimant	(% offered vs claimed)			
<b>British Columbia</b>					
<b>Autumn Winds</b> 2021-07-15 Discovery passage Commercial fishing vessel No spill	\$9,266.96 2021-12-09 Nanwakolas Council society	\$9,266.96 (100%)	2022-02-04	-	Open
<b>Hatta III</b> 2022-06-17 Port Renfrew Fishing vessel Diesel spill	\$8,753.49 2022-11-04 DFO/CCG	\$8,753.49 (100%)	2022-12-22	-	Open
<b>Lahaina Lady</b> 2022-01-08 Campbell River Pleasure craft Diesel spill	\$15,979.65 2022-12-13 DFO/CCG	\$15,979.65 (100%)	2023-02-09	-	Open
<b>Marquita</b> 2022-06-18 Gabriola Island Unknown No spill	\$18,188.00 2022-10-25 DFO/CCG	18,188.00 (100%)	2022-12-14	-	Open
<b>Moonlight</b> 2022-01-06 Port Hardy Fishing vessel Diesel spill	\$7,906.29 2022-08-18 DFO/CCG	\$7,906.29 (100%)	2022-10-12	-	Open
<b>Unknown name</b> 2020-01-03 Sicamous Houseboat (pleasure craft) Diesel spill	\$6,941.10 2020-12-02 DFO/CCG	\$4,402.99 (63%)	2021-02-01	2021-06-17	Open
<b>Unknown Name</b> 2022-10-19 Tofino Fishing vessel No spill	\$19,152.02 2023-01-12 DFO/CCG	\$19,152.02 (100%)	2023-03-13	-	Open

## GENERAL CLAIMS PROCESS AND INCIDENT REPORTS

Incident	Claim submitted	Decision	Recovery	Status
Ship name Date of incident Location Ship type Spilled oil (if applicable, and type of spill, if available)	Amount claimed Date of submission Name of claimant	Amount offered (% offered vs claimed) Date of decision	Amount recovered Date of recovery	
<b>Newfoundland and Labrador</b>				
<b>Alaskaborg</b> 2022-02-10 Off the South Coast Cargo ship Heavy fuel spill	-	-	-	Open
<b>Baffin Sound</b> 2015-06-23 St. Anthony Fishing vessel No spill	 \$22,185.86 2015-12-09 DFO/CCG	\$22,185.86 (100%) 2016-02-25	Recovery efforts ongoing	Open
<b>Baffin Sound</b> 2021-12-16 St. Anthony Fishing vessel Unknown	 \$151,724.10 2022-05-03 St. Anthony Port Authority	Claim was rejected 2022-12-20		Closed
<b>BBC Oregon</b> 2019-06-30 Bay Bulls Cargo ship No spill	-	-	-	Open
<b>Beverley Gale</b> 2018-10-03 Summerside Converted pleasure craft No spill	\$151,648.78 2019-07-12 DFO/CCG	\$9,614.71 (6.34%) 2019-10-31	\$8,000.00 2022-03-11	Closed
<b>Comanche</b> 2022-03-10 Placentia Bay Bulk Carrier No spill	-	-	-	Open
<b>Danielle and Mark</b> 2020-02-10 Old Bonaventure Fishing vessel No spill	 \$47,073.08 2021-06-03 DFO/CCG	\$30,397.23 (64.6%) 2021-09-08	Recovery efforts ongoing	Open
<b>Executioner</b> 2021-12-09 St. John's Fishing vessel No spill	-	-	-	Open
<b>Françoise</b> 2017-09-21 Clarenville Fishing vessel No spill	 \$446,196.96 2019-09-12 DFO/CCG	\$73,908.57 (16.56%) 2020-06-10	Recovery efforts ongoing	Open
<b>G.J. Emma II</b> 2020-11-23 Flower's Cove Fishing vessel Diesel	\$11,465.98 2022-10-25 DFO/CCG	\$11,137.62 (97.14%) 2022-12-20	Recovery efforts ongoing	Open

<b>Incident</b> Ship name Date of incident Location Ship type Spilled oil (if applicable, and type of spill, if available)	<b>Claim submitted</b> Amount claimed Date of submission Name of claimant	<b>Decision</b> Amount offered (% offered vs claimed) Date of decision	<b>Recovery</b> Amount recovered Date of recovery	<b>Status</b>
<b>Hamilton Banker</b> 2019-11-20 Colliers Fishing vessel Unknown	 \$2,016,227.22 2022-10-05 DFO/CCG	Assessment ongoing	-	Open
<b>Jana Desgagnes</b> 2019-03-21 Port aux Basques Tanker Unknown	\$89,286.59 2023-02-28 DFO/CCG	Assessment ongoing		Open
<b>Jennifer Holly</b> 2019-04-01 Main Brook Fishing vessel Fuel, base oil, hydraulic oil spill	 \$76,171.64 2019-10-28 DFO/CCG	\$72,939.19 (95.76%) 2020-03-06	Recovery efforts ongoing	Open
<b>Lady Miranda</b> 2018-08-17 Cow Head Fishing vessel No spill	\$7,569.90 2020-05-25 DFO/CCG	\$7,569.90 (100%) 2020-06-25	\$8,639.92 2022-03-11	Closed
<b>Lucas &amp; Rebecca</b> 2017-07-01 Bay of Islands Fishing vessel No spill	\$17,744.64 2017-11-03 DFO/CCG	\$17,744.64 (100%) 2017-12-13	Recovery efforts ongoing	Open
<b>Megan C</b> 2019-01-28 Port aux Basques Fishing vessel No spill	 \$11,784.58 2019-05-01 DFO/CCG	\$8,170.82 (69.33%) 2019-06-12	Recovery efforts were made	Closed
<b>Michael Marie III</b> 2022-04-09 Arnold's Cove Fishing vessel Diesel spill	\$4,681.58 2022-04-28 Arnold's Cove Harbour Authority	\$4,681.58 (100%) 2022-06-23	Recovery efforts ongoing	Open
<b>MSC Kim</b> 2022-03-09 Port au Port Cargo ship No spill	-	-	-	Open
<b>Mystery Spill</b> 2020-06-08 Postville Kerosene spill	\$32,650.70 2021-12-01 DFO/CCG	\$28,484.86 (87.24%) 2022-10-14	Recovery efforts ongoing	Open
<b>Noble Mariner</b> 2018-04-25 Nipper's Harbour Fishing vessel Diesel spill	 \$41,687.99 2019-05-30 DFO/CCG	\$36,601.67 (87.80%) 2019-07-11	\$10,000.00 2022-10-20	Closed
<b>Northern Ranger</b> 2019-06-01 Lewisporte Passenger vessel (ferry) Spill	-	-	-	Closed

<b>Incident</b> Ship name Date of incident Location Ship type Spilled oil (if applicable, and type of spill, if available)	<b>Claim submitted</b>  Amount claimed Date of submission Name of claimant	<b>Decision</b>  Amount offered (% offered vs claimed) Date of decision	<b>Recovery</b>  Amount recovered Date of recovery	<b>Status</b>
<b>Omni St. Laurent</b> 2019-09-23 Stephenville Tug Diesel spill	-	-	-	Closed
<b>Pa Boy</b> 2020-06-24 Norris Point Fishing vessel Gasoline spill	\$5,867.59 2022-05-02 DFO/CCG	\$2,366.38 (40.33%) 2022-10-07	Recovery efforts ongoing	Open
<b>Sally Kathryn</b> 2020-09-15 Port Saunders Fishing vessel Diesel spill	\$11,071.01 2022-09-15 DFO/CCG	- (withdrawn)	-	Closed
<b>Sikuk</b> 2017-09-21 Clareville Fishing vessel No spill	 \$130,208.34 2019-03-01 DFO/CCG	\$79,826.14 (61.30%) 2020-06-10	Recovery efforts ongoing	Open
<b>Stelle II</b> 2016-03-23 Port Saunders Fishing vessel Diesel spill	 \$114,897.43 2020-10-08 DFO/CCG	Claim was rejected 2021-05-26		Closed
<b>Sweven</b> 2019-03-12 St. John's Pleasure craft No spill	 \$6,134.57 2021-03-11 DFO/CCG	\$6,134.57 (100%) 2021-04-23	Recovery efforts ongoing	Open
<b>Unknown name</b> 2021-11-02 Valleyfield Bonavista Bay Fishing vessel Diesel spill	 \$29,967.86 2022-11-16 DFO/CCG	Assessment ongoing	-	Open
<b>Unknown name</b> 2020-01-17 Cupids Pleasure craft Diesel spill	\$14,826.38 2021-06-15 DFO/CCG	\$14,766.79 (99.6%) 2021-09-01	Recovery efforts ongoing	Open
<b>Nova Scotia</b>				
<b>Cormorant</b> 2015-02-27 Bridgewater Ex-military Hydraulic oil spill	 \$549,581.18 2015-11-02 DFO/CCG	\$515,267.25 (93.76%) 2016-03-29	\$375,000.00 2022-01-06	Closed
<b>Cormorant</b> 2019-07-15 Bridgewater Ex-military No spill	 -	-	-	Open

Incident		Claim submitted	Decision	Recovery	Status
Ship name Date of incident Location Ship type Spilled oil (if applicable, and type of spill, if available)		Amount claimed Date of submission Name of claimant	Amount offered (% offered vs claimed) Date of decision	Amount recovered Date of recovery	
<b>Farley Mowat</b> 2015-06-24 Shelburne Research Ship Spill		\$47,598.78 2017-06-23 Town of Shelburne	\$43,641.94 (91.69%) 2017-07-18	Recovery efforts ongoing	Open
<b>Farley Mowat</b> 2015-06-24 Shelburne Research Ship Spill		\$814,815.05 2016-01-18 DFO/CCG	\$813,316.15 (99.82%) 2016-06-29	Recovery efforts ongoing	Open
<b>Hydra Mariner</b> 2021-01-17 Dartmouth Ex-fishing vessel Unknown Spill		\$2,543,803.16 2023-01-05 DFO/CCG	Assessment ongoing	-	Open
<b>Miss Mall Bay</b> 2019-04-03 Lunenburg Fishing vessel No spill		\$183,859.32 2021-04-01 DFO/CCG	\$35,824.08 (19%) 2021-11-05	Recovery efforts were made	Closed
<b>Miss Tricia Lynn</b> 2019-05-19 Chéticamp Fishing vessel No spill		\$10,815.75 2021-05-18 DFO/CCG	\$10,803.86 (99.9%) 2021-07-27	Recovery efforts were made	Closed
<b>Primo</b> 2021-02-08 Lunenburg Fishing vessel No spill		\$38,067.07 2023-01-11 DFO/CCG	Assessment ongoing	-	Open
<b>Ryan Atlantic II</b> (formerly Cape Rouge) 2014-03-10 Bridgewater Ex-fishing vessel Spill		\$362,575.38 2014-06-30 DFO/CCG	\$358,117.79 (98.77%) 2015-03-19	Recovery efforts ongoing	Open
<b>Stephanie &amp; Darrel</b> 2007-04-11 Shelburne Fishing vessel Fuel and hydraulics spill		\$13,627.73 2008-02-09 DFO/CCG	\$13,627.73 (100%) 2008-05-13	Recovery efforts ongoing	Open
<b>New Brunswick</b>					
<b>L'Épaulard</b> 2018-11-04 Blacks Harbour Fishing vessel Diesel spill		\$7,821.73 2020-11-03 DFO/CCG	\$7,674.80 (98%) 2021-01-26	Recovery efforts ongoing	Open
<b>SBI Carioca</b> 2017-10-11 Belledune Bulk Carrier No spill		-	-	-	Open

<b>Incident</b> Ship name Date of incident Location Ship type Spilled oil (if applicable, and type of spill, if available)	<b>Claim submitted</b> Amount claimed Date of submission Name of claimant	<b>Decision</b> Amount offered (% offered vs claimed) Date of decision	<b>Recovery</b> Amount recovered Date of recovery	<b>Status</b>
<b>Quebec</b>				
<b>Federal Leda</b> 2019-11-21 Beauharnois Bulk Carrier No spill	\$2,956.29 2021-11-20 DFO/CCG	\$951.39 (32.18%) 2022-05-26	\$951.39 2022-09-29	Closed
<b>GRT Synergie</b> 2018-05-13 Carleton-sur-Mer Fishing vessel Diesel spill	\$10,449.01 2020-05-12 DFO/CCG	\$1,297.67 (12.42%) 2020-11-12	\$1,713.15 2022-08-18	Closed
<b>Kathryn Spirit</b> 2013-09-19 Lac St. Louis, Beauharnois Bulk Carrier No spill	 \$25,731,208.24 2021-05-04 DFO/CCG	-	-	Open
<b>Le Sept Ilien</b> 2018-06-22 Gros-Morne, Gaspésie Fishing vessel No spill	\$3,087.54 2020-06-22 DFO/CCG	\$1,996.69 (64.70%) 2020-10-19	\$2,481.59 2022-06-16	Closed
<b>MSC Fabienne</b> 2020-06-19 Varenes Container ship No spill	\$24,916.71 2022-06-15 DFO/CCG	- (Withdrawn)	-	Closed
<b>Réjane</b> 2020-10-09 Rapides du Cheval Blanc, Rivière des Prairies Tug No spill	\$3,428.93 2021-04-13 DFO/CCG	\$3,441.79 (100%) 2021-08-08	Recovery efforts ongoing	Open
<b>Ontario</b>				
<b>SEA-Q-TI</b> 2021-02-08 Humber Bay Park, Toronto Pleasure craft No spill	 \$35,614.93 2021-11-08 DFO/CCG	\$19,994.18 (56.14%) 2022-10-11	Recovery efforts ongoing	Open
<b>Tecumseh</b> 2019-12-15 Detroit River Bulk Carrier No spill	\$9,752.43 2021-12-14 DFO/CCG	\$4,803.52 (49.25%) 2022-04-26	\$4,803.52 2022-08-11	Closed
<b>Unknown name</b> 2021-04-13 Bluffers Park, Toronto Pleasure craft No spill	 \$9,982.18 2021-10-13 DFO/CCG	\$2,294.64 (23%) 2022-02-16	Recovery efforts ongoing	Open
<b>Wendy K</b> 2020-09-03 Mooretown Pleasure craft Diesel spill	\$280,143.90 2022-09-02 DFO/CCG	Assessment ongoing	-	Open

<b>Incident</b> Ship name Date of incident Location Ship type Spilled oil (if applicable, and type of spill, if available)	<b>Claim submitted</b> Amount claimed Date of submission Name of claimant	<b>Decision</b> Amount offered (% offered vs claimed) Date of decision	<b>Recovery</b> Amount recovered Date of recovery	<b>Status</b>
<b>British Columbia</b>				
<b>Alaska Plaza and Sea Lander</b> 2020-12-24 Port McNeil Barge Diesel spill	-	-	-	Open
<b>Aleutian Isle</b> 2022-08-13 San Juan Island, WA, USA Fishing vessel Diesel spill	-	-	-	Open
<b>Alhena</b> 2018-11-01 Alert Bay Fishing vessel No spill	\$12,654.91 2020-10-30 DFO/CCG	\$5,440.03 (42.99%) 2021-01-06	Recovery efforts were made	Closed
<b>Atanook</b> 2018-10-07 Ganges Harbour Sailing vessel (pleasure craft) No spill	\$19,017.43 2020-10-05 DFO/CCG	\$4,905.93 (25.80%) 2020-12-24	Recovery efforts ongoing	Open
<b>Barges King Arthur &amp; SL 104</b> 2016-04-10 Mamquam Blind Channel Barge No spill	\$819,134.67 2018-04-04 DFO/CCG	\$814,012.78 (99.37%) 2018-10-31	Recovery efforts ongoing	Open
<b>Big T</b> 2020-07-15 Victoria Ex-fishing vessel No spill	\$29,006.18 2022-07-11 DFO/CCG	\$22,868.59 (79%) 2023-02-21	Recovery efforts ongoing	Open
<b>Blue Pacific No.1</b> 2016-12-28 Salt Spring Island Ex-fishing vessel Fuel Oil spill	\$132,339.06 2018-10-09 DFO/CCG	\$114,129.56 (86.24%) 2019-01-23	Recovery efforts ongoing	Open
<b>Callie Belle</b> 2020-07-28 Oak Bay Pleasure craft Diesel spill	\$42,247.10 2022-07-11 DFO/CCG	\$11,945.61 (28%) 2023-03-03	Recovery efforts ongoing	Open
<b>Central Isle</b> 2016-06-01 French Creek Ex-fishing vessel No spill	\$25,035.02 2018-02-20 DFO/CCG	\$24,108.07 (96.30%) 2018-04-04	Recovery efforts ongoing	Open
<b>Darrell Bay Incident</b> 2018-12-20 Darrell Bay, Squamish Ex-fishing vessels, pleasure craft, ex-tug Diesel spill	\$202,213.22 2020-12-17 DFO/CCG	\$43,721.14 (21.6%) 2021-05-10	Recovery efforts ongoing	Open

Incident	Claim submitted	Decision	Recovery	Status
Ship name Date of incident Location Ship type Spilled oil (if applicable, and type of spill, if available)	Amount claimed Date of submission Name of claimant	Amount offered (% offered vs claimed) Date of decision	Amount recovered Date of recovery	
<b>Elva M II</b> 2016-11-05 Richmond Fishing vessel Spill	\$7,649.63 2017-02-09 Steveston Harbour Authority	\$7,649.63 (100%) 2017-02-22	\$3,266.46 2019-07-01	Open
	\$46,351.57 2017-02-28 DFO/CCG	\$46,351.57 (100%) 2017-03-31		Open
<b>Europe</b> 2023-01-21 English Bay, Vancouver Container ship Unknown Spill	-	-	-	Open
<b>Foss 153</b> 2020-04-22 Haida Gwaii Barge Diesel spill	-	-	-	Open
<b>Friday While</b> 2019-01-08 Tsehum Harbour Pleasure craft Diesel spill	\$27,442.55 2020-12-31 DFO/CCG	\$10,531.22 (38%) 2021-03-03	Recovery efforts were made	Closed
<b>George H. Ledcor</b> 2018-08-13 Deering Island, Vancouver Tug No spill	-	-	-	Closed
<b>Go-Getter</b> 2019-12-02 Port Hardy Fishing vessel Diesel spill	 \$12,623.68 2021-11-24 DFO/CCG	\$2123.68 (17%) 2022-02-18	Recovery efforts ongoing	Open
<b>Jolly Roger</b> 2021-02-02 Flores Island Fishing vessel Unknown	 \$88,472.09 2023-01-17 DFO/CCG	Assessment ongoing	-	Open
<b>Knot</b> 2021-09-26 Todd Inlet, South Saanich Diesel spill	-	-	-	Open
<b>Lady Candy</b> 2022-01-01 Bella Coola Fishing vessel	-	-	-	Open
<b>Laurier II</b> 2014-07-14 Deep Bay Motor Vessel No spill	\$384,365.01 2018-01-22 DFO/CCG	\$265,768.99 (69.14%) 2019-02-07	Recovery efforts were made	Closed

<b>Incident</b> Ship name Date of incident Location Ship type Spilled oil (if applicable, and type of spill, if available)	<b>Claim submitted</b> Amount claimed Date of submission Name of claimant	<b>Decision</b> Amount offered (% offered vs claimed) Date of decision	<b>Recovery</b> Amount recovered Date of recovery	<b>Status</b>
<b>Lurch</b> 2020-11-09 Vancouver Fishing vessel Diesel spill	 \$84,205.61 2022-10-24 DFO/CCG	Assessment ongoing	-	Open
<b>Maverick IV</b> 2018-10-05 Cowichan Bay Pleasure craft No spill	 \$52,522.44 2020-09-24 DFO/CCG	\$18,905.55 (36%) 2020-12-17	Recovery efforts ongoing	Open
<b>Mini Fusion</b> 2020-10-28 Doctor Bay, Desolation Sound Cargo Spill	 \$1,083,551.42 2022-10-24 DFO/CCG	Assessment ongoing	-	Open
<b>Miss Terri</b> 2018-02-23 Campbell River Fishing vessel No spill	 \$88,576.24 2020-09-04 DFO/CCG	Claim was rejected 2021-05-17		Closed
<b>Mistann</b> 2011-10-14 Prince Rupert Fishing vessel Diesel spill	\$113,787.48 2012-04-26 DFO/CCG	\$100,462.51 (88%) 2012-09-12	\$18,080.42 2017-05-05	Open
<b>Nathan E. Stewart</b> 2016-10-13 Seaforth Channel, Bella Bella Tug Diesel fuel and lube oils Spill	Not yet set. 2019-10-11 Heiltsuk Tribal Council (HTC)	-	-	Open
<b>Nika</b> 2017-05-12 Campbell River Ex-fishing vessel Diesel spill	\$23,646.38 2019-03-26 DFO/CCG	\$22,720.29 (96%) 2019-05-01	Recovery efforts ongoing	Open
<b>Noelani</b> 2020-08-09 Fraser River Pleasure craft Diesel spill	\$44,871.15 2022-07-29 DFO/CCG	\$18,901.64 (42%) 2023-02-10	Recovery efforts ongoing	Open
<b>Ocean Tribune</b> 2020-12-25 Steveston Fishing vessel Diesel spill	 \$130,411.28 2022-11-23 DFO/CCG	Assessment ongoing	-	Open
<b>Pacific Poet</b> 2021-12-24 Oak Bay Pleasure craft No spill	-	-	-	Open
<b>Princeton 1</b> 2021-02-10 Alert Bay Pleasure craft Diesel spill	\$262,683.11 2023-02-02 DFO/CCG	Assessment ongoing	-	Open

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<b>Red Fir #9</b> 2019-10-25 Kitsilano Base, English Bay Pleasure Craft, ex-tug Diesel No spill	\$37,526.55 2021-10-06 DFO/CCG	\$15,058.53 (40%) 2022-01-31	Recovery efforts ongoing	Open
<b>Rolano</b> 2019-02-10 Cortes Island Passenger Vessel No spill	\$248,265.04 2021-02-02 DFO/CCG	\$71,058.05 (28%) 2021-09-28	Recovery efforts ongoing	Open
<b>Salerosa</b> 2017-02-06 Oak Bay Ferro cement sailboat Diesel spill	\$62,673.20 2019-02-01 DFO/CCG	\$8,254.51 (13%) 2019-04-11	Recovery efforts ongoing	Open
<b>Salish Guardian</b> 2019-07-24 Goat Island, Ganges Pleasure craft No spill	\$98,810.32 2021-07-20 DFO/CCG	\$38,662.05 (39%) 2021-11-29	Recovery efforts ongoing	Open
<b>San Jolyne III</b> 2018-10-19 Dusenbury Island, Pender Harbour Fishing vessel Fuel oil spill	\$181,475.67 2020-10-16 DFO/CCG	\$127,118.46 (70%) 2021-08-18	Recovery efforts ongoing	Open
<b>Santa Rita</b> 2022-06-28 Goldstream Marina Tug Diesel spill	\$3,224.76 2022-07-12 Pauquachin First Nation	\$3,224.76 (100%) 2022-08-26	Recovery efforts ongoing	Open
<b>Schiedyk</b> 1968-01-03 Zuciarie Channel, Nootka Sound Cargo Type C bunker fuel	\$47,875.00 2022-11-10 Nootka Sound Shellfish Ltd	Claim was rejected 2022-12-21		Closed
<b>Scotch Cap</b> 2020-11-03 Port Edward Fishing vessel No spill	\$229,645.64 2022-10-31 DFO/CCG	Assessment ongoing	-	Open
<b>Scotia River</b> 2019-11-10 Lax Kw'Alaams Tug Diesel and hydraulic fluid spill	\$101,618.52 2021-11-03 DFO/CCG	\$88,693.78 (87.28%) 2022-04-05	Recovery efforts were made	Closed
<b>Sea Lion VI</b> 2021-12-24 Maple Bay Tug No spill	-	-	-	Open

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<b>Sea-Que</b> 2016-09-20 Sidney Motor vessel No spill	\$18,730.67 2018-08-02 DFO/CCG	\$18,730.67 (100%) 2018-09-21	Recovery efforts ongoing	Open
<b>Seal Rock</b> 2019-04-04 Saturna Island Pleasure craft No spill	 \$51,805.59 2021-03-15 DFO/CCG	\$13,390.66 (26%) 2021-06-25	Recovery efforts ongoing	Open
<b>Sheena M</b> 2019-10-01 Gibsons Tug Fuel spill	-	-	-	Closed
<b>Spudnik</b> 2014-11-12 Howe Sound, Squamish Tug Spill	 \$149,043.60 2016-04-28 DFO/CCG	\$131,064.45 (88%) 2016-07-26	Recovery efforts ongoing	Open
<b>Spudnik</b> 2020-01-06 Surrey Tug No spill	 -	-	-	Open
<b>Theresa N</b> 2018-09-08 Bamfield Fishing vessel Diesel spill	\$28,637.28 2020-07-24 DFO/CCG	\$28,656.55 (100%) 2020-10-22	Recovery efforts ongoing	Open
<b>Trailer Princess</b> 2022-02-14 Duncan Bay, north of Campbell River Barge Unknown	-	-	-	Open
<b>Tracy Isle</b> 2021-04-04 Kitimat Bay Ex-fishing vessel Fuel spill	\$118,155.63 2023-02-16 DFO/CCG	Assessment ongoing	-	Open
<b>Tymac No. 20</b> 2017-09-12 Sydney Tug Diesel spill	 \$36,177.31 2019-07-09 DFO/CCG	\$26,786.87 (74%) 2019-08-29	Recovery efforts ongoing	Open
<b>Unknown name</b> 2022-12-01 Mark Bay Sailboat No spill	\$3,494.92 2023-03-08 Snuneymuxw First Nation Marine Division	Assessment ongoing	-	Open

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<b>Unknown name</b> (barge) 2020-11-23 Parksville Barge Diesel spill	-	-	-	Open
<b>Unknown name</b> (blue trawler) 2017-11-25 Campbell River Converted fishing trawler No spill	\$26,640.92 2019-09-30 DFO/CCG	\$23,505.95 (88%) 2020-04-27	Recovery efforts ongoing	Open
<b>Unknown name</b> (deck barge) 2019-03-07 Port Mellon Deck barge No spill	\$396,954.40 2021-02-26 DFO/CCG	\$57,102.91 (14%) 2021-10-20	Recovery efforts ongoing	Open
<b>Unknown name</b> (Trevor channel boom boat) 2021-12-07 Trevor channel Service ship (workboat) No spill	-	-	-	Open
<b>Viking I</b> 2016-08-10 Nanaimo Fishing vessel Oil and Potential Fuel Spill	\$31,458.19 2017-05-03 Nanaimo Port Authority	\$29,432.92 (94%) 2017-08-30	Recovery efforts ongoing	Open
	\$128,246.91 2018-02-20 DFO/CCG	\$128,246.91 (100%) 2018-04-24		Open
<b>Western Breeze</b> 2019-07-10 Steveston harbour Ex-fishing vessel Diesel spill	\$147,492.93 2021-07-06 DFO/CCG	\$92,091.89 (62.44%) 2022-08-11	Recovery efforts ongoing	Open
<b>Western Chief</b> 2019-06-24 Miner's Bay, Mayne Island Seiner (fishing vessel) No spill	\$22,528.61 2021-06-14 DFO/CCG	\$16,498.07 (73%) 2021-10-28	Recovery efforts ongoing	Open
<b>West Island 395</b> 2018-09-08 Haida Gwaii Lodge barge Spill	\$1,857,314.06 2019-01-14 Haida Tourism Limited Partnership (Haico)	Claim was dismissed	Recovery efforts ongoing	Open
	\$64,697.02 2020-09-01 DFO/CCG	\$36,521.88 (56%) 2021-02-25		Open
	\$114,463.99 2020-07-29 BC Ministry of Environment and Climate Change Strategy	\$72,996.90 (64%) 2021-03-31		Open

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<b>White Orca</b> 2017-11-15 Ladysmith Pleasure craft Spill		\$63,404.86 2019-09-24 DFO/CCG	\$49,005.97 (77%) 2019-12-20	Recovery efforts ongoing	Open
<b>Zac</b> 2019-05-27 Port Alberni Fishing vessel No spill		\$43,758.69 2021-04-22 DFO/CCG	\$40,277.24 (92%) 2021-08-08	Recovery efforts were made	Closed
<b>Zidell Marine 277 &amp; Jake Shearer</b> 2017-11-26 Goose Island Tug and barge No spill		-	-	-	Open
<b>Zodiac Light</b> 2018-02-15 Kitamaat Village Fishing vessel Diesel spill		\$176,462.73 2020-01-15 DFO/CCG	\$133,879.10 (76%) 2020-06-01	Recovery efforts ongoing	Open
		\$14,028.00 2020-02-12 Haisla Nation Council	\$14,028.00 (100%) 2020-03-26		Open
<b>Nunavut</b>					
<b>Akademik Ioffe</b> 2018-08-24 Kugaaruk Passenger vessel No spill		-	-	-	Open
<b>Northwest Territories</b>					
<b>Investigator</b> 2016-09-02 Toker Point Barge Fuel oil spill		-	-	-	Closed