

Port of Refuge – IUMI Genoa Conference
16 to 19.09.01
Speech by George A. Tsavlis

The Title : “THE CASTOR CASE : THE QUEST FOR SHELTER”

Ladies and Gentlemen,

I have been asked to give a talk today about a case which we, as Tsavlis, handled earlier this year.

The case, which I’m sure everyone is at least a little familiar with, is the Castor.

The Castor type case represents a nightmare for salvors and insurers. We certainly lived a nightmare for six whole weeks of 2001 and I can tell you we endured a few sleepless nights.

Before starting to describe this adventure and highlighting some of the issues involved, why don’t I quickly refresh your memories as to what all the fuss was about.

(Video)

Ladies and Gentlemen,

It is a privilege to be addressing this distinguished conference. When I was invited, someone encouraged me to make a “lurid” presentation of the Castor operation.

I think you’ll agree, after seeing footage like we’ve just seen, that no special effort on my part is required.

I think we can all agree that when a ship has damage of this nature, she is an enormous problem – first of all to her crew who are immediately at risk; then to rescue services or salvors who arrive to assist; to her owners, cargo interests and insurers; and finally to coastal states which may have the responsibility of deciding what to do about her.

Without doubt, though, swift and professional action is called for; the problem is not going to go away by itself, particularly when pollutants are on board in terms of bunkers or cargo or both.

The product tanker Castor, under Cyprus flag and classed by ABS, was an elderly but strong ship that was part of the tanker fleet of a reputable Greek shipowner. At New Year, she was on a voyage from Constantza to Lagos, loaded to the gills with 29,500 tonnes of unleaded gasoline. During very rough weather, on the 31st December – as you have seen – a 20 metre crack developed across almost the entire breadth of the main deck, in the region of the number 4 cargo tanks.

Immediately, the Polish Captain and his crew appreciated the danger they were in. Although no-one was keen on going to inspect the crack – and it was difficult in the prevailing weather anyway – they could see the two halves of the deck moving. They could also smell gasoline and see occasional sprays of cargo from the crack as the ship lurched.

The tanker was in critical condition. The main fear was that any grinding together of the steel plates could cause the vapour cloud to ignite and result in a major explosion. The ship could have been blown in two.

The Castor's position at that time was 25 miles north of Mellila on the Moroccan coast, which was considered the most likely port of refuge. However, the Moroccan authorities refused the request to approach the port. The tanker was ordered to move at least 40 miles offshore and a Moroccan warship was sent to make sure she did not encroach.

On 3rd January, the shipowners asked us at Tsavlis to assist and a Lloyd's Open Form was signed the same day. As a point of interest, our group is the last of the big private international salvors to keep dedicated salvage tugs on station to respond to eventualities such as this. Right now, most of our salvage capacity is on permanent station in the Mediterranean, the Arabian Gulf, the Red Sea and on both sides of the Atlantic. In the Castor case, though, we had a particular stroke of luck. The very large salvage tug Nikolay Chiker had just joined our fleet and was on a positioning voyage to take up station which put her in the vicinity of the Castor. Our tug arrived at the casualty the very same evening. Arguably, this was the one and only bit of good fortune that would come our way for six weeks – at least until the successful end of the Castor drama.

The tug attached a connection to the Castor's stern – since this was judged safer and in any case no crew members volunteered to cross the crack to work at the bow of the tanker. A stern tow, though, was more complicated and prone to sheering movements. In addition, the convoy had to navigate in a way to put the least stress on the tanker.

Next stop – Spain. Or so we thought.

Having been refused hospitality by the Moroccans, the Castor was towed on 4th January into the Spanish Search And Rescue area with the idea of seeking shelter in the bay of Almeria. However, the Spanish were no more keen than Morocco to let the ship approach their coastline. They ordered the transport to remain at least 30 miles off shore until such time that they could inspect the tanker and assess her condition. I should add that at the same time we started quickly sounding out the possibility of alternative destinations, starting with Gibraltar.

Our plan from day one of the Castor operation was quite simple. Indeed, I would say that in a nasty situation where there were not too many sensible alternatives to choose from, it was the obvious solution. We intended to render the tanker safe by sealing and protecting the crack in order to prevent the plates rubbing together – so far as was possible. We planned to conduct a ship-to-ship transfer of the cargo to another tanker and inert the Castor so she was safe to tow in ballast.

We had already mobilized salvage teams and equipment from Greece and the Netherlands. Another of our tugs had left Greece with ship-to-ship apparatus and one inert gas generator, while another inerting unit was on its way from Holland. Our team, apart from the tug crews, was led by a salvage master of worldwide reputation – Nan Halfweeg of Princess Marine, who has handled more than 500 casualties – and our own naval architect Nikos Pappas, who has again been involved in countless salvage operations; it also consisted of highly experienced salvage officers, engineers, and a marine chemist whose job was to constantly monitor the Castor's cargo and analyse the status of vapour in the damaged cargo tanks.

On 5th January, two inspectors from the Spanish Coast Guard visited the tanker to assess her condition. They stayed on board for one hour, much of this time spent reviewing the ship's documents and structural record. This was the first and only time that any coastal state officials

looked at the tanker for themselves. That same evening, the crew gratefully followed a Spanish request to abandon the vessel as it was considered too dangerous to remain on board.

At the same time, Madrid issued a permanent order for the convoy to stay at least 30 miles away from the Spanish coast at all times. The combined effect of the Moroccan and Spanish orders meant also that we could not get within 45 miles of Gibraltar, our next option.

It is difficult and probably pointless to speculate what the approach of the Spanish authorities would have been if the tanker had not been under our charge and already connected to a big salvage tug. It is difficult to know whether they had any real contingency plan of their own. What was clear was that as far as the Spanish were concerned they had discharged their responsibilities by taking off the tanker crew. After that, they considered that we were on our own.

At this stage, I would like to underline a couple of important points. The prerequisites for a safe and successful ship-to-ship transfer include not only having the right team of professionals and the proper equipment, but calm conditions to effect the transfer. Such conditions were not available to us at the critical time, meaning it was vital to bring the tanker – if not to a port – at least to a more sheltered spot closer to shore. From the outset, this is what we were asking and this, specifically, was what the authorities were refusing. Literally, the salvors and the Castor were being abandoned to fate.

Secondly, I would like to underline the fact that we at Tsavliris believe it is our job as salvors to accept risk. It is not part of our job to send men on suicide missions. Therefore, the Castor operation was undoubtedly risky and a danger to first her crew and then the environment. But from a professional's perspective it was all about managing that risk. Throughout the operation one of our team was a designated full-time safety officer and everyone on board the Castor operated under a strict safety regime. For example, this required no carrying of loose objects that might fall and inadvertently cause a spark. All equipment was very carefully moved and secured. Above all, our chemist was constantly taking readings to check for any dangerous build-up of oxygen in the vapour mix. Without a certain amount of oxygen, there could be no explosion.

Thirdly, although the Castor was being shunned by littoral states as a pariah mostly out of fear of pollution, washing their hands of the problem only increased the chances of a significant pollution disaster, which would no doubt have led to squabbles about liability that would have kept lawyers happy for years to come. Unleaded gasoline, though not the worst pollutant of all, is toxic. We were advised that the worst outcome would be if the tanker broke up or sank, as she surely would have done eventually under a pounding from the weather. The toxicity would

eventually have entered the food chain. It is also worth remembering that this drama unfolded in the Mediterranean, a closed sea. How far did the authorities think they were protecting their people from pollution?

Fourthly, an age-old tradition of offering shelter to vessels in distress was ignored. It was not the first time this had happened, but the Castor more than any other casualty put this problem back on the international maritime agenda.

It is relevant here to emphasise that even a case as distinctive as the Castor is not unique in terms of some of the issues and risks involved. We don't have to look far back to recall the Erika, a year earlier, that broke up off France causing pollution and re-writing Europe's tanker regulations. Only a couple of weeks after we finished the Castor operation, a similar tanker, the Kristal, broke in two off Spain with the loss of 11 crew. The immediate response to both those

incidents raises a number of questions which ought to be of concern to the insurance industry and anyone who cares for the environment.

Suffice to say that the Erika was another instance of “shelter denied”, this time by French port authorities. Our personal analysis is that the tragedy just might have been avoided. The best prospect was for the master to immediately engage the services of a professional salvor and – with sensible advice – slow down and navigate in a way that protected the cracked hull from stress – just as we protected the Castor. We believe that the ship could have made it to a sheltered spot around the French coast and, remain intact. As you all know, this never happened as the

ship was slow to get assistance and the shelter option was denied him. In the case of the Kristal, Tsavlis had the world’s largest salvage tug near at hand and offered our services for salvaging the ship and, perhaps, part of the cargo. However, the Spanish authorities opted to scuttle the bow section and, judging the stern section to be stable for a while, engaged another salvor who did not have the means near by to take immediate action. The stern section sank just as the equipment arrived ready to commence a salvage operation. Admittedly, it sank some 95 miles off the coast in deep water where, it is hoped, there will be little visible pollution. Still, to be frank, we regarded that as an unnecessary risk to the environment and an avoidable loss of marine property.

Let me now lead you through the story of how we salvaged the Castor and the main problems encountered.

Between the 8th and 9th January, our salvage team and equipment arrived at the site. Our first priority was to seal the crack properly. But first our technicians had to remove the makeshift seal of cement that the crew had applied before abandoning ship. Cement, which was already found to be loose and cracked from the movement of the deck plates, was too rigid to follow the vibration and flexing of the deck. This was a nerve-racking task, which was done by volunteers using wooden tools to avoid sparking. With the vessel rolling, the cargo sloshed in its tanks causing gasoline to gush through the crack. A nauseating smell was everywhere on the main deck. Thereafter the crack was successfully sealed with a flexible bond of polyurethane foam, silicon paste and rubber tape.

We had conservatively estimated that the cargo transfer and stabilization of the Castor could be accomplished within two weeks. But this schedule was wrecked by the fact that we were thrown onto the mercy of the weather. Without shelter, everything was complicated and more dangerous. It was not until the latter stages of January that the first of two hired tankers we had brought to transfer the cargo had a window of good weather in order to connect to the Castor. On 21st January, the entire quantity of 6,100 cubic metres of gasoline in the damaged number 4 tanks was transferred to the tanker Giovanna about 35 miles off the Spanish port of Cartagena. Almost as soon as this was finished, the MET office forecast gale force winds would batter the region for a prolonged period and the convoy was forced to move east in search of more suitable weather.

We had already revised our initial action plan and had been hopeful that the Spanish authorities would accept Plan B. This was to remove the cargo from the damaged tanks, which we successfully did, inert the cargo space and then bring the tanker closer to shore to complete the operation, after the main risk was already over. However, the authorities remained obdurate and, frankly, were downright hostile in their refusal to even discuss the matter.

I should say that Tsavlis was not entirely alone in this tight spot. Classification society ABS was entirely supportive throughout and put at our disposal full technical studies to show that the vessel could be safely dealt with but eventually would crack up if left to the open seas. Events absolutely vindicated ABS’ assessment of the ship’s residual strength. From the beginning of the operation till its happy conclusion, Tsavlis maintained permanent ‘hot line’ communication with a Castor crisis team at ABS’ headquarters in Houston. Prior to any cargo

discharge operation, our procedures and ballasting sequences were fully evaluated and checked by the Houston team.

There was also unprecedented cooperation with the ship's flag state – Cyprus. Apart from diplomatic initiatives, the Cypriots called a crisis meeting in late January in which we participated, together with the shipowners, class society, environmental experts and proxies for the IMO. Littoral states in the region were invited but failed to attend. Every possible aspect and solution to the problem was discussed, and all agreed that the ongoing salvage operation offered the best hope, although it should ideally be effected closer to shore.

One of the greatest disappointments of the Castor case, for me, was how the littoral states refused even to consider the technical aspects and risk assessment approach to the problem. No-one was interested in evaluating whether our plan was safe and effective, which it was. No-one voiced their technical concerns and made alternative proposals for handling it under even safer conditions. No-one looked at the mountain of analysis from ABS that supported our action plan, or the opinion of Cypriot experts. The decision was simply a political one and we were unceremoniously booted out.

I have compiled a little list of factors beside this that were completely ignored or disregarded by coastal authorities:

- **The safety of the salvage team**
- **The wider marine environment**
- **Countries' obligations and liabilities under dumping and environmental treaties**
- **International media disapproval**
- **IMO concern**
- **The shipowners' property**
- **Cargo interests**
- **Insurers' costs**
- **Salvors' expenses**
- **Comments by environmental spokespersons**

None of these merited even a flicker of concern. This was an attitude taken not only by the Moroccans, the Spanish and very soon the Algerians. In total eight Mediterranean countries refused allow the Castor shelter in the course of the operation.

Looking at this from our own point of view, as salvors, well you can imagine the anxiety. While our concern for our people in the field was paramount, I won't hide the fact that salvors in a situation like this are put in immediate financial hardship. We bargained for two weeks and quite unnecessarily and unreasonably we were forced to remain on the high seas for a month and a half. This operation, which I remind you involved a small flotilla of ships and equipment, cost almost \$1 m per week to maintain, while our best estimate of the combined value of ship and cargo was in the region of \$5 million to \$6 million. Despite our best effort to obtain a Scopic agreement at the start, we did not, so there was and is no guarantee of what we might earn at arbitration, under Art. 14 of the 1989 Salvage Convention or when we might be paid. Naturally, ship and cargo interests, as well as liability insurers, may face unnecessary costs. It is not hard to imagine circumstances of this kind where these costs reach ruinous proportions. In the particular case, I think you will hear from another speaker that the prolongation of the affair will probably cost property and liability underwriters millions of dollars more than they would otherwise have paid.

I won't go into all the technical precautions we took, all the anxious moments, and all the discussions we had before this drama was done. To cut matters short, I'll just mention some of the highlights I have not yet referred to.

One night while the convoy was still off Cartagena, a cargo ship apparently failed to spot all the lights rigged up on the Castor and the tugs. This vessel actually passed over the tow line, sailing between the Castor and the Nikolay Chiker. If it was not for the alertness of the tug's master, who made an emergency manoeuvre to slacken the connection, it could easily have ended right there and then with a three-ship conflagration and significant pollution.

As the convoy fled gale force winds and moved east away from Spain, the Castor was not following well and shearing badly. From that moment on, we put a team on board to permanently man the helm and maintain engine and bridge watches.

Rough weather hampered and endangered the operation throughout, but at the start of February, conditions became quite extraordinary by Mediterranean standards. While the convoy was between Malta and Tunisia, it was caught in a violent storm of over force 10, with winds at times bordering on 12 Beaufort – hurricane force. While the attending tugs and the two shuttle tankers fled to shelter, the Tunisian authorities refused to allow the Nikolay Chiker and her tow into the Gulf of Hammamet. However, instead they allowed the casualty temporary shelter in a quieter spot near the port of Kelibia.

Finally, a small window of better weather allowed us to connect the second lightering tanker, Yapi, to the Castor. On 8th February the remainder of the Castor's gasoline cargo was transferred. From then on, it was relatively plain sailing. The Giovanna discharged the cargo to the Yapi in Malta which eventually carried the cargo to its ultimate destination in Nigeria. We inerted the now empty Castor and towed her safely to Piraeus and delivered her back to her owners. She has already become a bit of a legend, and when all is said and done, held up against the worst the sea gods and national politics could throw at her for six whole weeks, even in her wounded state.

Let's have one more look at what went on in January and February of this year and then I will make a couple of brief closing remarks.

[Video].

Ladies and Gentlemen,

Although I would love to go on and discuss some of the legal ramifications and some of the possible solutions to this problem of providing refuge or shelter to ships in distress, I won't. We are lucky to have other, excellent speakers here to do that for us. However, to wrap up, I should like to identify for you a few of the main aspects that we at Tsavliris believe need to be urgently addressed.

These are our views:

- **A safe haven should be available to ANY ship in distress, regardless of type or quality. Post-mortems should come later.**
- **Seafarers, shipowners, cargo owners, insurers and salvors who are contractually obligated to the casualty have a right to shelter.**
- **A global agreement, through the initiative of the International Maritime Organisation, is an urgent necessity.**
- **The problem needs to be PROFESSIONALISED, NOT POLITICISED.**

- **Existing international or national contingency response plans to deal with accidents and prevent pollution look absurd if they do not include provisions for safe refuge.**
- **Ultimately, a proper system is in the interests of the public as much as us.**
- **I leave you with one final thought about the escalating costs and liabilities. What if the next case where refuge is denied involves a ship in even worse condition, perhaps a laden VLCC 10 times bigger than the Castor?**

Thank you very much for listening.