

# **EU INITIATIVES IN THE AFTERMATH OF THE ERIKA CASUALTY**

**IUMI WORKSHOP ON LIABILITY**

**12 SEPTEMBER, LONDON**

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# Seaborne Oil Trade

- **In 1998 the total crude oil and refined products transported by sea amounted to > 2,000 million tons**
- **The EU oil trade is the largest in the world - crude oil imports represent 27% of total world trade (US 25%)**
- **Oil demand in the EU is around 640 million tons p.a., but approx. 800 million tons p.a. is transported to, from and between EU ports**
- **90% of the total oil trade with the EU is seaborne**



# The World Oil Tanker Fleets

- The world oil tanker fleet on 1 January 1999 comprised 7,030 ships totaling 289 million tdwt. This represented 38.5% of world merchant tonnage.
- The average age of the world tanker fleet in 1999 was 18 years (compared to 16.7 years in 1995).
- Of the total 1999 fleet, 41% (2,939 ships) were built before 1979, i.e. are now over 20 years old. In tonnage terms these represent 36% of the total tanker tonnage.
- The EU registered oil tanker fleet of 855 tankers totaling 43.2 million tdwt represents 14.9% of the world total.
- but it is estimated that companies established within the EU control about 35% of the world's oil tanker fleet.



# Brief History of Tanker Safety Regulation

<b>1859</b>	<b>Oil Discovered</b>
<b>1861</b>	<b>First Oil Shipped in Barrels</b>
<b>1896</b>	<b>First Bulk Oil Ship (GLUCKAUF)</b>
<b>1926</b>	<b>International Maritime Conference Washington, D.C.</b>
<b>1935</b>	<b>League of Nation prepares draft convention</b>
<b>1954</b>	<b>International Convention for the Prevention of Oil Pollution (OILPOL 54)</b>
<b>1967</b>	<b><i>TORREY CANYON</i> oil spill</b>
<b>1973</b>	<b>International Convention for the Prevention of Pollution from Ships (MARPOL 73)</b>
<b>1978</b>	<b>MARPOL 78 Protocol <i>AMOCO CADIZ</i> oil spill</b>
<b>1989</b>	<b><i>EXXON VALDEZ</i> oil spill</b>
<b>1990</b>	<b>US Oil Pollution Act (OPA 90)</b>
<b>1992</b>	<b>MARPOL 92 Amendments</b>
<b>1993</b>	<b><i>BRAER</i> oil spill</b>
<b>1999</b>	<b><i>SEA EMPRESS</i> oil spill</b>
<b>1999</b>	<b><i>ERIKA</i> oil spill</b>



# The Erika Incident



- On December 12, 1999 the oil tanker ERIKA, a 25 year old single-hull vessel broke into two 40 miles off the coast of Brittany
- More than 10,000 tons of very heavy oil was released into the sea polluting 400 kilometers of coast in France
- It was Europe's worst-ever oil disaster for birds, killing or injuring almost 200,000 of them.
- 15,000 tons of oil still remain in the wreck
- Estimated clean up costs: ?



# Major Oil Accidents in EU Waters

**Major Tanker Accidents in EU Waters Causing Pollution**

NAME	DATE	PLACE	FLAG	DWT.(t.)	SPILL (T)	TYPE	CAUSE
TORREY CANYON	1967	Off Lands End	LIB	120,000	119,000	Crude	Navigational error - Grounded
URQUIOLA	1976	La Coruña	SPA	110,000	100,000	Crude	Navigational error - Grounded
AMOCO CADIZ	1978	Off Brittany	LIB	220,000	223,000	Crude	Steering gear failure - Grounded
BETELGEUSE	1979	Bantry Bay (IRE)	FRA	115,000	44,000	Crude	Hull failure while discharging cargo. Corroded ballast tanks
HAVEN	1991	Off Genoa	CYP	232,163	144,000	Crude	Fire & Explosion
AEGEAN SEA	1992	La Coruña	GR	114,000	74,000	Crude	Grounded & Explosion - Human error
BRAER	1993	Shetland Is	LIB	84,700	85,000	Crude	Engine failure - Grounded - Crew Competence
SEA EMPRESS	1996	Milford Haven	LIB	147,000	72,000	Crude	Navigation Error - Grounded
ERIKA	1999	Off Brittany	MAL	37,000	10,000+	Heavy Fuel	Broke in two - Sank



# The ERIKA Package - Background

- **The public outcry over the Erika oil spill was unprecedented**
- **On January 20, 2000 the European Parliament called for strong action at EU level**
- **On January 24, 2000 the Council of Ministers**
  - expressed its “preoccupations concerning both the security of oil tankers and the protection of the marine environment”
  - stressed the need for measures to be taken at Community level in order to avoid in future such catastrophe
  - took note of the initiatives envisaged by the Commission



# Problems Highlighted by the Erika Incident

- The accident showed that :
  - there are serious problems in the way shipping is regulated
  - things are not entirely right within the industry itself
  - existing control procedures , whether by flag States, port States, classification societies or industry, provided no guarantee of the seaworthiness of the ship
  - international liability limits for oil pollution, are not sufficiently high. Even the most elementary compensation of victims depends in this case on the goodwill of the involved oil company and Government.
  - there is an urgent need to improve the quality of the controls classification societies carry out
  - parts of the ship-owning business is characterised by opaque ownership structures created only to avoid openness and responsibility





# The Erika Package

## Short term measures:

- **Control of ships visiting EU ports should be reinforced**
- **Classification societies should be controlled more thoroughly**
- **Ban on oil tankers with single hull from EU waters aligning with the calendar adopted by the U.S.**



# Reinforced Port State Control

The following amendments are proposed:

- **Banning Manifestly sub-standard ships from European Waters**
  - Ban on ships over 15 years if they have been detained more than twice over the past two years
  - Blacklist to be published
  - Systematic inspection of older ships ballast tanks
- **Obligation to inspect ships posing a high risk**
  - ships whose target factor according to Paris MOU exceeds 50
  - classed in a category justifying expanded inspection
- **Follow-up of inspections between ports**
- **Provision of inspection reports to flag state and classification society**
- **Increased information published in case of detention**



# Increased Control Over Classification Societies

## The following measures are proposed:

- **Central recognition of classification societies**
- **Suspension of recognition by either Member State concerned or Commission**
- **Power of Commission to withdraw recognition**
- **Simplification and enhancement of procedure for monitoring recognized organizations**
- **rules relating to liability of classification societies**
  - **for willful acts or omission or gross negligence: unlimited liability**
  - **for personal injury or death caused by negligent or reckless act or omission: 5 million**
  - **for loss or damage to property caused by negligent or reckless act or omission: 2. million**



# Phase-out of Single Hull Tankers in the EU

**The idea underlying this proposal is twofold:**

- **build upon the assessment already made internationally, that double hull tankers and equivalent designs are safer than single hull tankers**
- **but also to reduce the gap between the phasing out schemes in the US and in Europe**

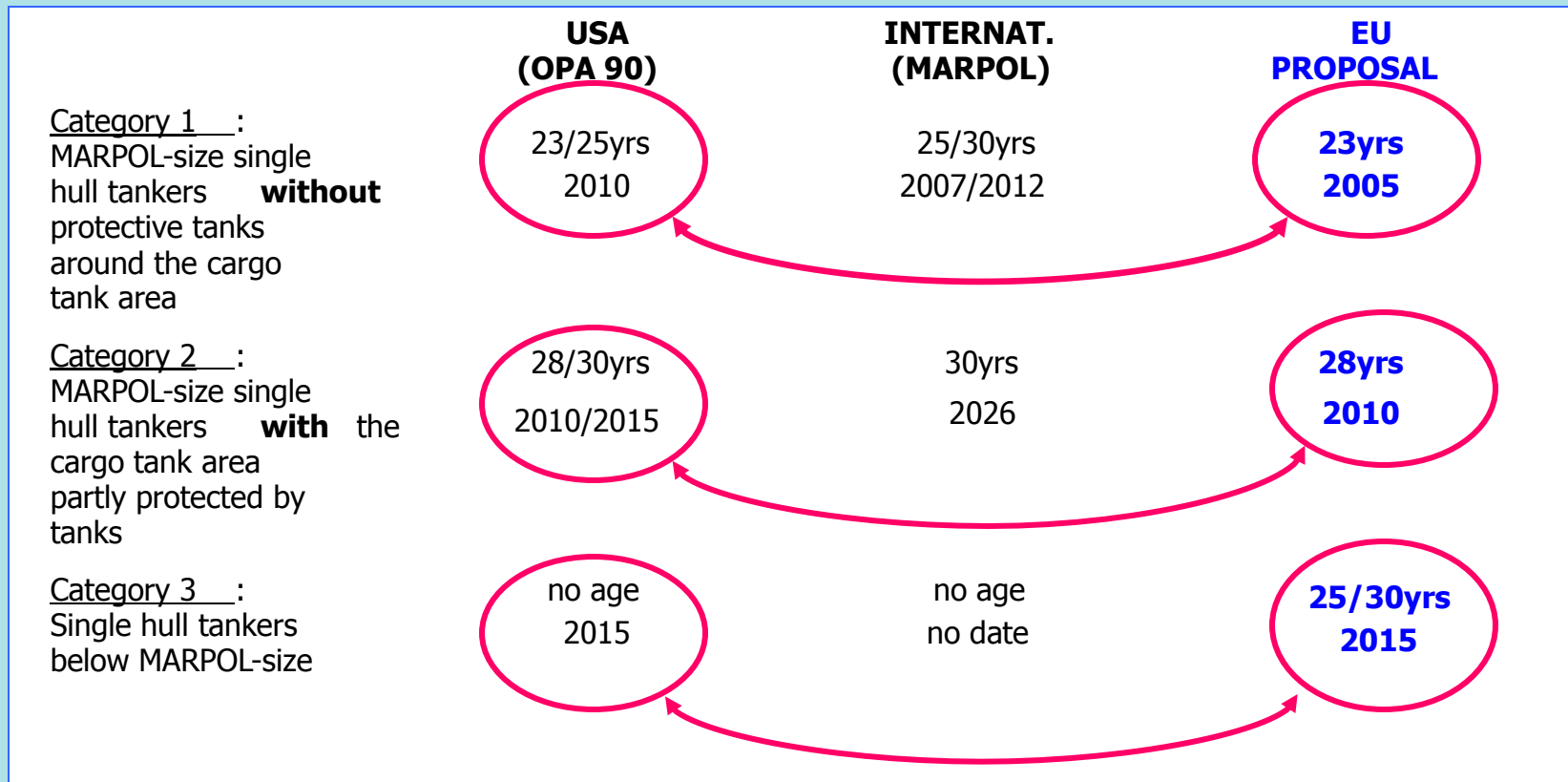


# Comparison OPA 90 vs. MARPOL

	USA (OPA 90)	International (MARPOL)
<u>Category 1:</u> Single hull oil tankers, MARPOL size, without <b>tanks in protective locations</b>	23/25yrs 2010	25/30yrs 2007/2012
<u>Category 2:</u> Single hull oil tankers; MARPOL size, <b>with            partial protection</b> of the cargo tank area	28/30yrs 2010/2015	30yrs 2026
<u>Category 3:</u> Single hull oil tankers <b>below the MARPOL size            limit</b>	2015	No deadline



# Phase-out of Single Hull Tankers in the EU



# Phase-out of Single Hull Tankers in the EU

- **Based upon the MARPOL technical standards for new double hull or equivalent design tankers (Regulation 13F)**
- **Lower age limits than in MARPOL, combined with OPA 90 end date limits**
- **Larger scope than MARPOL:  
Double hull requirements should apply also to existing tankers below 20.000 tons deadweight**



# Longer term measures

- a - **EU proposal for improved ships reporting and control of navigation particularly near sensitive coastal areas**
- b - **Improvement of the oil pollution compensation regime and revision of the liability regime for charterers, shipowners and others**
- c - **Setting up of a European Maritime Safety Agency.**

**Ongoing: improve the availability and exchange of data on ship quality - EQUASIS**





# Future Steps

- **Improved surveillance of maritime navigation**
  - increased obligation for prior notification before entering EU waters
  - improved procedures regarding the transmission and utilization of information on dangerous cargo
  - **Obligatory use of transponders in EU waters**





# **MEMORANDUM OF UNDERSTANDING**

**Signed 18 May 2000 at**

**IMO Headquarters**

## **BENEFITS of EQUASIS**

- **Charterers and others can better assess quality of ships**
    - **More information available**
- = better targeting of sub-standard ships (PSC, Industry)**



# MARITIME INDUSTRY CHARTER ON QUALITY

- **FONASBA** Federation of National Associations of Shipbrokers and Agents
- **ECASBA** European Community Association of Shipbrokers and Agents
- **ITF** International Transport Workers' Federation
- **FEPOR** Federation of European Private Port Operators
- **ESC** European Shippers' Council
- **ISMA** International Ship Managers' Association
- **BIMCO** Baltic and International Maritime Council
- **IPTA** International Parcel Tankers Association
- **ECCTO** European Coastal Chemical Tankers Organisation
- **OCIMF** Oil Companies International Marine Forum
- **CLECAT** Eur. Liaison Committee of Forwarders
- **SIGTTO** Soc. Int. Gas Tanker and Terminal Operators
- **ESPO** European Sea Ports Organisation
- **IACS** International Association of Classification Societies
- **INTERTANKO** The International Association of Independent Tanker Owners
- **CEFIC** European Chemical Industry Council
- **AWES** Association of West European Shipbuilders
- **ECSA** European Community Shipowners Association
- **EMPA** European Maritime Pilots' Association
- **CESA** Committee of European Shipbuilding Associations
- **CESMA** Confederation of European Shipmaster Associations
- **Hellenic** Register of Shipping
- **International** Group of P&I Clubs
- **ICS** International Chamber of Shipping
- **CEA** Comite Europeen des Assurances
- **INTERCARGO** Int.Ass of Dry Cargo Shipowners
- **Dry Bulk Terminals Group**



**THE END**

