



International Oil Pollution  
Compensation Funds

<a href="#">Agenda Item 3</a>	IOPC/MAR21/3/4/Rev.1 <sup>&lt;1&gt;</sup>	
<b>Date</b>	16 March 2021	
<b>Original</b>	English	
<b>1992 Fund Assembly</b>	92AES24	
<b>1992 Fund Executive Committee</b>	92EC75	●
<b>Supplementary Fund Assembly</b>	SAES8	

## INCIDENTS INVOLVING THE IOPC FUNDS — 1992 FUND

### MT HARCOURT

#### Note by the Secretariat

<b>Objective of document:</b>	To notify the 1992 Fund Executive Committee of this new incident.
<b>Summary:</b>	<p>The oil storage tanker <i>MT Harcourt</i> (26 218 GRT, built 1997), moored alongside the Elcrest Terminal in the Gbetiokun oil field, Delta State, Nigeria, suffered an explosion in a ballast water tank on 2 November 2020.</p> <p>Approximately 31 barrels of crude oil were reported to have spilled. There were no casualties.</p> <p>Booms were placed around the vessel and across the entrance of the side channel in which <i>MT Harcourt</i> was moored. Cargo from the adjacent tank was moved to other tanks to avoid loss into the ballast tank, which was at that point open to the river.</p> <p>The P&amp;I Club's surveyors were mobilised and attended on board for the duration of the cargo discharge operations to other vessels. The clean-up operation was organised by the Terminal who used their own barges and crew. The P&amp;I Club's surveyors monitored the boom placement and were satisfied that the clean-up was ultimately wholly successful.</p> <p>The owner of the <i>MT Harcourt</i> is a party to the Small Tanker Oil Pollution Indemnification Agreement (STOPIA) 2006 (as amended 2017) whereby the limitation amount applicable to the tanker is increased, on a voluntary basis to SDR 20 million. It is unlikely that the amount of compensation payable in respect of this incident will exceed the STOPIA 2006 (as amended 2017) limit of SDR 20 million and as a result, that the 1992 Fund will be called upon to pay compensation.</p>
<b>Recent developments:</b>	<p><i>Legal proceedings</i></p> <p>A representative of 12 riverine communities alleged to have been affected has filed a claim against the shipowner and Master, in the Federal High Court, Warri, Nigeria. No proceedings have yet been commenced against the P&amp;I Club or the 1992 Fund.</p>

**Action to be taken:** 1992 Fund Executive Committee

Information to be noted.

## 1 **Summary of incident**

Ship	<i>MT Harcourt</i>
Date of incident	02.11.2020
Place of incident	Benin river, Delta State, Nigeria
Cause of incident	Explosion from oil leaked into ballast tank
Quantity of oil spilled	Unknown but estimated to be approximately 31 barrels
Area affected	Oil reportedly contained within side channel where vessel moored
Flag State of ship	Marshall Islands
Gross tonnage	26 218 GT
P&I insurer	West of England P&I Club
CLC limit	SDR 17.9 million (USD 25.72 million) <sup>&lt;2&gt;</sup>
STOPIA/TOPIA applicable	STOPIA 2006 (as amended 2017) limit of SDR 20 million (USD 28.73 million)
CLC + Fund limit	SDR 203 million (USD 291.65 million)
Legal proceedings	Legal proceedings have been commenced against the shipowner and the Master of the vessel. No proceedings have been served upon the 1992 Fund.

## 2 **Background information**

- 2.1 On 2 November 2020, an explosion occurred within a ballast tank of the oil storage/tanker vessel *MT Harcourt* moored at the Elcrest Terminal in the Gbetiokun oil field, near Koko, Delta State, Nigeria.
- 2.2 The tanker was loading crude oil into two cargo tanks and had just started discharging free water from the port and starboard slops tanks to shore at 0900 hours. At 0915 hours, a loud explosion was heard, and it was noted that smoke was coming out from the water ballast tank manhole covers on both the port and starboard sides.
- 2.3 Cargo and slops disposal operations were suspended immediately, and all crew were mustered and accounted for. There were no injuries or other casualties.
- 2.4 Foam and fire hose water jets were used and directed towards the manhole covers to commence boundary cooling of main deck area above the ballast tank. No fire was noted.
- 2.5 Upon further inspection, it was noted that the port side shell plate of the N° 16 central water ballast tank was fully ruptured, and deck plating was observed buckled upwards. The starboard side ship shell plating and main deck plating was found buckled, and the starboard side shell plating of the central water ballast tank, approximately two metres above water level, also had a small rupture.
- 2.6 At 1030 hours, oil was observed leaking overboard from the port side ruptured shell plating area. An immediate internal transfer of cargo was commenced and spillage into the water was stopped. Approximately 31 barrels of cargo was lost from the cargo tank into the water ballast tank, out of which a small quantity spilled overboard. This oil was immediately contained by the Terminal, placing

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Based on the exchange rate as at 1 March 2021 of SDR 1 = USD 1.43671

booms around the vessel and across the entrance to the small channel where the ship lay, followed by clean-up of all the oil from the water.

- 2.7 The P&I Club's surveyors were mobilised and attended on board for the duration of the cargo discharge operations to other vessels. They were assisted by naval architects in London, who modelled and monitored vessel stability whilst the cargo was then safely discharged and in stages to various barges and other vessels within the same management. The clean-up itself was organised by the Terminal who used their own barges and crew. The Club's surveyors monitored the boom placement and were satisfied that the clean-up was ultimately wholly successful.
- 2.8 On 26 February 2021, a claimant representing 12 riverine communities in the Benin river, served legal proceedings upon the shipowner and ship's Master. The claim value amounts to NGN 11.98 billion (approximately USD 28 million). The P&I Club has not yet received any direct claims. No legal proceedings have been served upon the 1992 Fund.
- 2.9 The P&I Club has notified the 1992 Fund of the incident but has indicated that it will fight the claim submitted and that it does not expect to make interim payments. Accordingly, the incident will be handled by the P&I Club and it appears unlikely that the 1992 Fund will be involved further.

### **3 Applicability of the Conventions**

- 3.1 Nigeria is Party to the 1992 Civil Liability Convention (CLC) and the 1992 Fund Convention.
- 3.2 The total amount available for compensation under the 1992 Civil Liability and Fund Conventions is SDR 203 million (USD 291.65 million).
- 3.3 Since the *MT Harcourt* is 26 218 GT units of tonnage, the limitation amount applicable under the 1992 CLC is SDR 17.9 million (USD 25.72 million). The vessel was insured with the West of England P&I Club.
- 3.4 The owner of the *MT Harcourt* is a party to the Small Tanker Oil Pollution Indemnification Agreement (STOPIA) 2006 (as amended 2017) whereby the limitation amount applicable to the tanker is increased, on a voluntary basis, to SDR 20 million. It appears unlikely that the amount of compensation payable in respect of this incident will exceed the STOPIA 2006 (as amended 2017) limit of SDR 20 million. As a result, it is unlikely that the 1992 Fund will be called upon to pay compensation.

#### *Insurance details*

- 3.5 The *MT Harcourt* was insured with the West of England P&I Club, part of the International Group of P&I Associations (International Group).

### **4 Claims for compensation**

One claim has been submitted on behalf of 12 riverine communities claiming compensation for damage to the creeks, mangroves, fish breeding grounds, drinking water and means of livelihood of the fisherfolk within the communities.

### **5 Civil proceedings**

One claim for NGN 11.98 billion (approximately USD 28 million) has been filed against the shipowner and Master of the vessel at the Federal High Court, Warri District, Nigeria.

**6**     Director's considerations

- 6.1     The Director notes the explosion which has taken place in Nigeria and that there were no injuries or other casualties involved. He also notes that the oil spilled appears to have been contained within the local vicinity of the vessel and was subsequently cleaned up.
  
- 6.2     The owner of the *MT Harcourt* is a party to the STOPIA 2006 (as amended 2017) whereby the limitation amount applicable to the tanker is increased, on a voluntary basis to SDR 20 million. It is unlikely that the amount of compensation payable in respect of this incident will exceed the STOPIA 2006 (as amended 2017) limit of SDR 20 million and as a result, that the 1992 Fund will be called upon to pay compensation.
  
- 6.3     The Director will continue to monitor this matter and will report the latest developments to the 1992 Fund Executive Committee at its next session.

**7**     Action to be taken

1992 Fund Executive Committee

The 1992 Fund Executive Committee is invited to take note of the information contained in this document.

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