



INTERNATIONAL
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COMPENSATION
FUND 1971

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INCIDENTS INVOLVING THE 1971 FUND

PONTOON N°300

Note by the Director

1 The incident

1.1 On 7 January 1998, intermediate fuel oil was spilled from the sea-going barge *Pontoon N°300*, which was being towed by the tug *Falcon 1* off Hamriyah in Sharjah, United Arab Emirates. The barge had reportedly become swamped during high seas and strong north-westerly winds and had taken on water whilst losing oil. During the course of the night of 8 January, the barge sank and settled on the seabed at a depth of 21 metres, six nautical miles off Hamriyah Free Port.

1.2 An expert from the International Tanker Owners Pollution Federation (ITOPF) arrived at the site of the incident on 9 January 1998 to monitor the situation on behalf of the 1971 Fund. The ITOPF expert has been assisted by a local surveyor.

2 The Pontoon N°300

2.1 The *Pontoon N°300* is a flat-top barge of 4 233 gross tons and 9 885 tons loaded displacement. Although designed for deck cargoes, the barge was on this voyage carrying intermediate fuel oil in its buoyancy tanks. The deadweight tonnage for the *Pontoon N°300* is 8 037 tons. The barge is constructed with 24 buoyancy tanks in six rows of four tanks each, and a double centre bulkhead. Divers have also reported signs of diesel oil having been loaded in fore and aft ballast tanks in the barge.

2.2 The *Pontoon N°300* was registered in Saint Vincent and the Grenadines in 1996 and was owned by a Liberian Company. It has not yet been possible to establish whether any changes have taken place since 1996 in respect of the State of registry and the barge's ownership. The tug *Falcon 1* is registered in Abu Dhabi and owned by a citizen of that Emirate.

2.3 The Director has investigated whether the *Pontoon N°300* falls within the definition of 'ship' laid down in Article I.1 of the 1969 Civil Liability Convention, ie "any seagoing vessel and any seaborne craft of any type whatsoever, actually carrying oil in bulk as cargo". In a letter to the Ambassador of the United Arab Emirates in London dated 9 January 1998, the Director made the point that the compensation system established by the 1969 Civil Liability Convention and the 1971 Fund Convention applied only if the barge fell within the definition of 'ship' laid down in the Conventions.

2.4 The 1971 Fund's technical expert has informed the Director that the *Pontoon N°300* was built as a launch vessel for offshore oil structures and was designed to proceed to sea. He takes the view that the *Pontoon N°300* should be considered as a seaborne barge, or even a seagoing vessel. In the light of this information, the Director considers that the *Pontoon N°300* falls within the definition of 'ship' in the 1969 Civil Liability Convention.

3 Attempts to raise the sunken barge

3.1 Divers employed by a local salvage contractor, WhiteSea Shipping & Supply Co (WSS), surveyed the sunken *Pontoon N°300* on 8 January 1998 and reported that eight of the portside tank covers were missing, indicating that at least 3 000 - 4 000 tonnes of intermediate fuel oil had escaped. The other tank covers were reported to be sound and tight, but oil continued to leak from vent pipes and from cracks and holes in the deck plating. During the following week further work was carried out by the divers to plug and seal the various points of seepage. In the afternoon of 9 January there was a sudden release of about 300 tonnes of intermediate fuel oil when a tank cover broke free after divers had been plugging remaining leaks from cracks and holes. The divers later discovered that most of the tanks on the barge were interconnected, making it more difficult to estimate the total quantity of oil spilled.

3.2 WSS was appointed by the Sharjah Ports Authority on 8 January to inspect the sinking barge and to plug the worst leaks at a fixed price of US\$20 000 (£12 000). On completion of this phase the Federal Government of the United Arab Emirates appointed WSS as salvor to remove oil from the tanks and raise the sunken barge for a lump sum of Dhs 2 million (£330 000)

3.3 Contingency measures in case of further oil spillage during salvage were agreed between the Federal Environment Agency (FEA), the Frontier and Coast Guard Service (FCGS) and WSS. For the refloating attempt, FEA engaged a local contractor (Fairdeal) to provide a Russian-built self-propelled skimmer with dispersant spraying capability. Personnel from the Abu Dhabi National Oil Company (ADNOC) were on hand to spray dispersant from a helicopter, but these resources were withdrawn on 27 January due to a lack of government funding.

3.4 An attempt at raising the barge in the evening of 20 January ended in failure and the barge sank for a second time. A small quantity of oil spilled. A second salvage attempt was made on 21 January, but this attempt was also unsuccessful and the barge sank for a third time. During the course of the night a substantial quantity of oil was spilled, possibly as much as 100 tonnes. Further attempts were made to raise the barge during the following week but these attempts were unsuccessful.

4 Clean-up operations

4.1 The spilt oil spread over 40 kilometres of coastline, affecting four Emirates, namely Sharjah, Ajman, Umm Al Quwain and Ras Al Khaymah. The worst affected Emirate is Umm Al Quwain, where there is a beach hotel and a fishing harbour at Al Naqaa.

4.2 For the first six days after the initial spill oil was drifting off the coast. On 13 January strong onshore winds drove the drifting oil ashore and deposited it on sandy beaches and in the adjoining vegetation. The only oil remaining offshore was the small continuous release from the sunken wreck.

4.3 Intermediate fuel oil is naturally dispersible, and natural dispersion in the surf zone significantly reduced the quantity of oil deposited on the shorelines.

4.4 Initially, very little was done to deal with the spilt oil and there was uncertainty as to who was in charge. At a meeting on 9 January 1998 chaired by the Minister of Health, in his capacity as Chairman of FEA, it was clarified that FEA was to co-ordinate spill response activity, with support from FCGS and municipal authorities. However, co-ordination and control of clean-up activity by FEA was hampered by a lack of resources and funding. On 22 January the Assistant Under Secretary of the Ministry of the Interior stated that no further funds were available to the federal Government and that shoreline clean-up operations would be suspended. Municipal authorities have not agreed to take over the work.

4.5 On 8 January ADNOC mobilised some booms and oil recovery equipment from its base at Ruwais south of Abu Dhabi, whilst a local contractor (Lamnalco) moved three trucks with containerised booms and skimmers from the stockpile operated by the Petroleum Association of Japan (PAJ) in Abu Dhabi. This equipment was later transferred to Umm Al Quwain Free Port Zone.

4.6 The fishing harbour at Al Naqaa near Umm Al Quwain is formed by two rock breakwaters which tended to act as a natural collection point for oil drifting along the coast. An ADNOC clean-up team recovered some 60 tonnes of oil from the harbour. The collected oil was transported by vacuum trucks to a disposal pit.

4.7 Onshore clean-up operations were carried out on a number of beaches by the Dubai Petroleum Company, Lamnalco and Fairdeal under the co-ordination of FEA. All shoreline clean-up operations were suspended on 24 January when Government funds allocated for the task had been exhausted. The operations were hampered by lack of funds.

5 Affected resources

5.1 A Marine Resources Research Centre

5.1.1 A Marine Resources Research Centre located at Umm al Quwain is run by the Ministry of Agriculture and Fisheries. This centre cultivates commercially important species of fish and prawns to marketable size or for release to the wild ("ocean ranching"), conducts scientific surveys and research and provides training and promotion in the field of aquaculture. The Centre consists of four large outdoor tanks, numerous smaller tanks and an educational aquarium stocked with local marine life. The presence of oil in the entrance channel to Khawr Umm al Quwain on 8 January prompted the complete closure of the sea water intake to the Centre. The facility then relied on re-circulation pumps and additional aeration to maintain water quality in the cultivation tanks. On 10 January pumping from the sea water well was resumed at times of high water during the day when the sea water intake site could be confirmed to be free of drifting oil. It is very likely, however, that suspended oil droplets entered the facility with the seawater. The Centre may have suffered losses due to physical contamination of cultivation facilities, extra costs in supplementing sea water supplies by tank trucks and disruption of cultivation programmes for various species.

5.1.2 The interruption of the continuous sea water pumping led to a mangrove lagoon and ditch becoming partially drained. Two temporary barriers were constructed on 10 January to prevent more oil entering the lagoon, and to maintain water levels in the lagoon. However, during spring high tides of 13-14 January the whole mangrove area was inundated, causing extensive contamination of mangrove roots. Juvenile fish, crabs and a few birds inhabiting the lagoon have died from the presence of oil and stagnating sea water.

5.2 Traditional fishing

There are a number of fishing villages in the area affected by oil pollution. Fishing is carried out from small boats. There are also 5-15 floating pens for storing or rearing fish that have been captured live in traps. There are two main fish markets in the Umm Al Quwain area.

5.3 Desalination and power plants

5.3.1 Drifting oil near sea water intakes caused a desalination plant in Sharjah to be closed from 12 to 14 January. A water bottling company in Sharjah which is supplied from the desalination plant was reportedly also closed for a day or two.

5.3.2 A desalination plant in Ajman was closed on 7 January and re-opened on 10 January after booms had been deployed at the intakes and protective screens had been fitted. The plant was again closed from 12 to 19 January. A newspaper report quotes experts at the Al Zawra plant as saying that the two closures did not cause any serious shortage of drinking water in the Emirate. Most of the water for Ajman City is supplied through wells, and the desalination plant is reported to be a supplementary source when demand is high, ie during the summer.

5.3.3 There have not been any reports of disrupted sea water supplies to power stations and other industrial facilities.

5.4 Tourism

The sand beach in front of a beach hotel in Umm al Quwain was heavily oiled. It is reported that bookings at the hotel have been severely affected.

6 Claims for compensation

6.1 No claims for compensation have been received. It is not possible at this stage to make any estimate of the level of claims.

6.2 The Executive Committee may wish to consider whether it is prepared to authorise the Director to make final settlement of all claims arising out of the incident to the extent that the claims do not give rise to questions of principle which have not previously been decided by the Committee.

6.3 The Committee may also wish to consider whether to authorise the Director to make payments.

7 Investigations into the cause of the incident

The Director has instructed the 1971 Fund's lawyers in the United Arab Emirates to investigate the cause of the incident, with the assistance of technical experts, as required.

8 Action to be taken by the Executive Committee

The Executive Committee is invited:

- (a) to take note of the information contained in this document;
 - (b) to consider whether and, if so to what extent, it is prepared to authorise the Director to make final settlement of claims arising out of this incident;
 - (c) to consider whether and, if so to what extent, the Director should be authorised to make payments of claims; and
 - (d) to give the Director such other instructions as the Committee may deem appropriate in respect of this incident.
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