THE IMPORTANCE OF GOVERNMENT AND INDUSTRY CO-OPERATION IN OIL SPILL CLEAN-UP RESPONSE

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INTRODUCTION

My background of 38 years service in the Royal Navy followed by 9 years as a United Kingdom Government Civil Servant within the Department of Trade and Transport and the last 6 years as an independent international oil spill response consultant has, I believe, provided me with a useful range of experience to apply to the problems of oil spill response, and in particular to the absolute importance of Government and Industry Co-operation.

In any operation I have conducted, whether it be a naval battle at sea or a fight on the beaches against spilled oil, the greatest single factor for success has been the human factor, wherein mutual trust, co-operation and a common understanding of the problem are imperative. To achieve this I have always tried to reduce complex problems down to basic fundamentals, and to apply to them fundamental principles for their solution. In my Navy these principles are known as the "Principles of War" and I shall refer to them later. Those relevant to our considerations related to oil spill response can be defined as follows:

- (a) Know your Enemy understand in full the details of your problem and be ready to use this knowledge to your advantage. Beware overestimating effects.
- (b) Economy of Effort the need to conduct operations with minimum of resource and at reasonable expense and to limit side effects, especially on the surrounding environment.
- (c) Concentration the ability quickly to bring maximum appropriate resources to bear on the problem.
- (d) Mutual Support the provision of assistance from those with appropriate experience and resource either on the basis of formal pre arranged agreement or resulting from friendly neighbourliness.

ROLES OF GOVERNMENT AND INDUSTRY

In very general forms I define the roles of the two parties of our consideration ie. Government and Industry as follows:

(a) Government

The role of Government is basically to ensure that the country is run in accordance with the wishes of its electorate, to enact legislation to protect its society from undesirable behaviour, exploitation and personal risk and danger, and to ensure a prosperous way of life. Environmental terms Government is the conscience of the country and is responsible for ensuring minimum risk and damage to the environment. It is my personal opinion that Government should not become over-involved in the technical detail of the oil industry, but rather than they should rely on the industry itself for such advice and expertise. Also, they should strive to minimise the barriers and the bureaucracy which so often mitigates against free discussion and timely decision-taking, elements which is so important in oil spill emergency response.

(b) Industry

Industry's task is to develop, manage and market their product in a way which is commercially effective and economically competitive. They have need to comply with all relevant International and National regulations which they generally supplement with their own guidelines to ensure high standards and minimum risk to equipment and to people as well as to the environment. The Oil Industry has a high public perception which it is properly keen preserve.

PHILOSOPHY OF OIL SPILL RESPONSIBILITY

The starting point on defining responsibility is that prevention is better - and frequently cheaper - than cure. The establishment of improved standards of ship construction, safe navigation, qualifications of personnel and safe operations of hazardous cargoes are generally the business of Governments and in international terms appropriate standards are normally established through the United Nations Maritime Agency - The International Maritime Organisation (IMO). This organisation has made great progress in maritime safety and accident preparedness, but the hard fact is that many accidents remain the result of human failing and thus we face the inevitability that, however far the threshold of accident is lowered by preventative measures, accidents will continue to happen. The IMO, with Government delegations from over 147 maritime countries, has increasingly provided opportunity for the industry to be represented in its sub-committees or through observer status of industry-related associations. I believe this to be very important and I hope it

will continue and increase.

To the question of where lies the responsibility for the damage and environmental pollution from spillages of oil we find a variety of scenarios and solutions. However, the fundamental responsibility has to be that he who pollutes is responsible for cleaning up his own spillage or for arranging and paying for somebody to do it on his behalf.

In order to achieve the necessary speedy responses of either dispersant application or mechanical recovery equipment deployment, the United Kingdom (UK) Government - and many other Governments - recognise that it is impracticable for an oil tanker owner or insurer operating on a world-wide basis being able to ensure the rapid deployment of clean-up resources to one of their stricken vessels on the high seas which may threaten an other nations environmental assets in parts of the world where no Company/Industry resources are available. Accordingly those Governments themselves provide first response capabilities using either Government or contract resources and subsequently seek financial reimbursement. Such a commitment by Government is facilitated when the country is a member of the Civil Liability and International Oil Pollution Compensation Fund Conventions thereby ensuring a strict liability of reimbursement of reasonable clean-up costs arising from spillages of persistent cargo oils from tankers of any flag as a result of any accident other than acts of God or war.

We shall hear later of the arrangements within the United States of America who are not party to this Conventions of Compensation and have a new and recently established system of response under The Oil Pollution Act (OPA) 90.

RESPONSE POSTURES

I hope by now it is becoming clear that a trusting and sharing relationship between Government and Industry is essential to success, so perhaps now we should look in more detail at currently defined Tiers of Response Capability which provide the framework of such co-operation. They are:-

(a) <u>Tier One</u> This is the response immediately available in terms of equipment and personnel to respond to a spillage arising from an equipment malfunction or failure of personnel. At Terminals and Ports it is provided by Industry and only at sea, as described previously, might it be provided by Government.

In off-shore operations it is provided by the Industry.

- (b) <u>Tier Two</u> This response is applicable to larger spills to which Industry would respond bringing to bear all equipment in the vicinity together with the support of any contractors or co-operatives.
- (c) <u>Tier Three</u> This is the response to a major spillage of international proportion. Industry would respond to the full, using Industry-inspired stock-piled resources, and Governments would invoke established Regional and Mutual Assistance Agreements. Government would probably take charge of the overall response.

EQUIPMENT RESOURCES

Before identifying specific equipment resources it is useful to identify what I define as the hidden resources of Government of which Legislative Powers, Parliamentary Access, Intergovernmental and International Agreements, Communications, access to media and national responsibility for care and protection of the environment are but a few. It is frequently not realised how important and inter-related these elements can be to a successful response and how clearly they need to be understood by the Industry and other participants.

Equipment resources maintained by government vary from country to country. Some countries, similar to the UK, maintain a considerable and substantial immediate at sea response capability and other specialised equipment suitable to their especial circumstances.

Frequently, however, the main equipment availability is found from Industry. Any single oil company activity ie. platform, pipe-line, terminal, refinery or loading buoy is required to provide an on-site Tier One response capability and

any major oil company operation within a country will have other reserve equipment which can be brought forward to meet larger requirements. Similarly they are likely to have established mutual assistance arrangements with other oil companies in the region in order to increase their resource response capability. On a wider scale major oil companies will belong to international co-operatives such as Oil Spill Response Ltd, Southampton, England, East Asia Response Ltd., Singapore and Clean Caribbean Co-operative in Florida, USA. These co-operatives can quickly deploy very large amounts of equipment by air, and sometimes - and most desirably - also provide by operating personnel.

These large deployable resources provide an immense capability, but it is important to recognise that experience frequently shows that in a successful operation it is the preparation and the contingency planning within the National Plan of the country concerned, whereby arrangements are made for the effective integration of reinforcements, which ensures success just as much, or more, than the equipment provision itself. This aspect of national contingency planning is particularly important and covers a very wide spectrum including customs clearance, immigration, equipment compatibility, housing feeding, medical and law and order. These plans can only be effectively developed if both Government and Industry are involved in their preparation.

MUTUAL INVOLVEMENT

I am guite clear in all my experience that in the oil pollution business we are all fighting a common enemy and we cannot afford to be other than united and supportive amongst ourselves. The problem, when it occurs, is difficult enough without adding self-inflicted aggravation, and I just refuse to accept any "we/they" -hostility between Industry and Government. Accordingly I always encourage both parties to encourage and involve fully all related agencies including the environmental lobbies and the media. My observation is that Industry has developed to the stage where companies do co-operate well with each other - without detriment to their natural and proper-commercial competitiveness, and governments are improving: but some could better. Outside these national arrangements I find encouraging development in Government/Industry involvement in Regional and International mutual assistance agreements and I welcome Industry's enthusiasm for their various response stockpiles. Many of these developments have recently been formalised in the IMO Convention on Oil Pollution Preparedness Response and Co-operation (OPRC) due to come into force in May this year, and to which I refer later.

OIL COMPANY ASSOCIATIONS

These are a variety of well established Oil Industry International Forums which provide the focus and concentration for establishing Industry/Government strategy and in respect of oil spill these are centralised in the Oil Spill Working Group of The International Petroleum Industry Environmental Conservation Association (IPIECA). IPIECA has special responsibilities for global environment issues related to the petroleum industry. It was founded in 1979 following the establishment of the United Nations Environmental Programme (UNEP) to which it provides the principal input from the oil industry.

The Oil Spill Working Group has a broad membership covering all key activities in the industry with additional representation from The Oil Companies Marine International Forum (OCIMF), The Oil Industry International Exploration and Production Forum (E and P Forum) and the International Tanker Owners Pollution Federation (ITOPF).

Indeed it is IPIECA, who have recently co-operated closely with the IMO against the background of the OPRC Convention, and have recently completed a series of seven seminars around the world (The last being in Hong Kong last November) specifically to encourage and develop Government/Industry relationships in the important area of contingency planning.

OIL POLLUTION PREPAREDNESS RESPONSE AND CO-OPERATION CONVENTION

The OPRC Convention, which comes into force in May this year, embodies a great deal of what has already been discussed. Its primary purpose is to ensure that nations have an effective plan to respond promptly an effectively to oil pollution incidents and that ships flying their flag shall have, on board, and effective contingency plan and an established international incident reporting system. None the less important are instructions to encourage international response co-operation, and joint technical and research and development programmers.

Reference to Government/Industry Co-operation is specifically emphasized in the preamble to the Convention with the words "the importance of effective preparation for combatting oil pollution incidents and the important role which the oil and shipping industries have in this regard".

UNITED KINGDOM EXPERIENCE

To illustrate these principles of co-operation it might be useful to run through the organisation within the United Kingdom during my time in charge of the Marine Pollution Control Unit - and which remains very mach the same to the present time. I do this very clearly understanding that the way we do things in my country is not necessarily the way they should be done here - but in my firm belief that the principles apply to all of us and in this respect it can be useful to learn from the experience of others.

When I arrived in 1979, with instructions to develop a UK Government response capability, I established a small multi-discipline unit of 15 people which operated within Government with full responsibility for establishing and maintaining national resources and for taking charge of national oil spill response operations. Throughout I had a permanent high level advisor from the Industry who spent one full day a week whit me and accompanied me at all times during operations. This appointment was for two years and was rotated through the major oil companies in turn, thereby providing me with continuous access to specialist Industry expertise in my planning as well as a more useful key to unlock any door during a spill response. This advisor was undoubtedly one of the more valuable members of my staff who ensured my constant awareness of what was going on in the Industry and provided the essential link between our two parties. I was further encouraged that the Industry saw this as a prestigious appointment which was highly sought after.

For at sea response the United Kingdom provided a substantial capability, for reasons previously explained, based on chemical dispersant application by aircraft and surface vessels complemented by a limited mechanical recovery capability. All this was planned in full consultation with the Industry to ensure there were no unnecessary duplications or deficiencies in the overall national capability. As an example, one particularly interesting area was identified - the availability of cargo transfer equipment within commercial salvage companies for the very important task of emergency lightening of a damaged tanker. It was found that the salvage companies - who operate anywhere in the world - frequently were unable to make this equipment available in the UK as quickly as was required. Accordingly the government provided two caches of suitable equipment, held at short notice for deployment, in full consultation and with the agreement of the Salvage Association; who are rightly very sensitive to any such change of balance in their highly competitive business.

When oil reaches inshore waters and comes ashore - as inevitably it so frequently does - its clean-up in the UK is the responsibility of the Local Coastal Authorities. Here, within each of the counties - or coastal states - the local

Government has responsibility for clean-up and in large spills is re-inforced by central Government who also provide specialist equipment. Additionally in each county - or group of counties - any major oil company in the area will plan and work closely with the Local Authority and will identify an official as the nominated Industry Co-ordinator with responsibility to ensure this liaison is effective. In beach cleaning operations arising from large spills the central government assumes the co-ordinating operational role in a Joint Operations Centre usually established on the coast and operated by the Local Authority and the related oil company. This system is frequently used and works very well.

In addition to these permanently established relationships a regular meeting is held annually, chaired by Government, and to which representatives of all involved organisations and related agencies are invited including Oil Companies, Off-shore operators, Coastguards, Port and Local Authorities, Media and Environmental Agencies. Over forty people used to come for a day, in which Government explained its policy - and its problems, Industry updated their current operations and others had opportunity to listen or to participate. I believe time spent on these exchanges; which allow all to feel they are part of the decision-making process: - including potential trouble-makers - is immensely worthwhile and greatly facilitates the conduct of operations when there is an incident.

Northern Europe provides a very high intensity of tanker traffic and associated terminals and refineries, complemented by a large Off-shore operation in the North Sea. Thus the risk of accident is high and since the occasional very large marine oil spill and the majority of related Tier Three response demand resources far in excess of what any single company or Government can sensibly hold at readiness, the philosophy of mutual support - or friendly neighbourliness - has to be the order of the day. In Northern Europe nine nations are joined in the Bonn Agreement to assist each other "to their best endeavour" whilst more specific agreements exist in the "Manchplan" in the English Channel and in the "Norbritplan" in the North Sea.

Finally exercises. No Government or Industry Plan or any Association relationship is effective without being exercised honestly and without restraint: so that lessons can be learnt and plans improved. In the UK we exercise a lot at all levels and always together. It has to be emphasised again that success lies not solely in the amount of equipment which collectively can be brought to bear but the willingness of people, as prepared and expressed in Contingency Plans, to work together. And with people in Government and Industry constantly on the move and changing jobs this is something which has to be driven hard and kept going.

CONCLUSIONS

In conclusion, I do not intend to go over the many points made in my paper, but it does deserve to be repeated that the preservation of our marine environment has to be very high on anybody's agenda. Whilst small oil spills arising from operational accidents can generally be contained and successfully cleaned up with only small environmental effect it is the inevitability of the occasional very large oil spill from laden tanker a platform blow-out which produces the top line of response requirement.

To provide resources - held on stand-by - for such an eventuality has to be far beyond what is sensible or economically reasonable for any single Government or Oil Company, so the sensible solution must lie in an organisation of International Mutual Assistance between countries and states within which Governments and Industry can work closely together and share their commitment to emergency response with the overall purpose of doing their best to win the war against oil pollution and to preserve the maritime environment for the future within sensible limits of effort and cost.

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