

EXPLAINER

WORLD CAN ACT NOW TO PREVENT CATASTROPHIC OIL SPILL IN THE RED SEA

30 MAY 2022

Moored off the Red Sea coast of Yemen, the FSO Safer is a rapidly decaying supertanker holding four times the amount of oil the Exxon Valdez spilled. The vessel is at imminent risk of a major spill, which would create a humanitarian and ecological catastrophe centered on a country already decimated by more than seven years of war. Such a spill would result in lasting environmental damage and have profound economic costs across the region. A disruption in shipping through the Bab al-Mandab Strait and the Suez Canal would result in billions of dollars in trade losses every day.

Donors have pledged or contributed \$40 million for the UN-coordinated plan to address the threat. Further funding is urgently needed to implement the plan before it is too late. An investment of tens of millions of dollars now will save tens of billions of dollars in the future.

Background

Constructed in 1976 as a supertanker and converted a decade later to be a floating storage and offloading facility (FSO) for oil, the Safer is moored about 4.8 nautical miles off the coast of Hodeidah governorate in Yemen. The vessel holds an estimated 1.14 million barrels of light crude oil.

Production, offloading and maintenance operations on the Safer were suspended in 2015 because of the war. As a result, the Safer's structural integrity has significantly deteriorated. All assessments indicate that the vessel is beyond repair and at imminent risk of spilling oil due to leakages or an explosion because the systems required to pump inert gas into its tanks ceased functioning in 2017.

A significant spill would surpass national capacity and resources to effectively respond.

The costs of a major oil spill

The cost of cleanup alone is estimated at US\$20 billion.

A major spill would devastate fishing communities on Yemen's Red Sea coast. Half a million people working in the fishing industry there have 1.7 million dependents. Two hundred thousand livelihoods could be instantly wiped out. Whole communities would be exposed to life-threatening toxins.

A major oil spill could close the nearby ports of Hodeidah and Saleef – which are essential to bring in food, fuel and lifesaving supplies into a country where 17 million people are in need of food assistance.



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The environmental impact of a major spill on water, reefs and life-supporting mangroves on Yemen's coast and potentially across the Red Sea would be severe. Saudi Arabia, Eritrea, Djibouti and Somalia could be affected. Desalination plants on the Red Sea coast could be closed, cutting off a water source for millions of people. The spill would also produce highly polluted air over a large area, affecting millions of people.

Vital shipping through the Bab al-Mandab Strait to the Red Sea could be disrupted for an extended period, costing billions of dollars per day. Tourism in the Red Sea would be affected, even on the shores of Egypt many hundreds of kilometers away from the spill.

UN-coordinated plan to resolve the threat

In September 2021 the United Nations' senior management instructed the UN Resident and Humanitarian Coordinator for Yemen, David Gressly, to provide UN system-wide leadership on the FSO Safer and coordinate all efforts to mitigate the threat and strengthen contingency plans in the event of a catastrophic oil leak. This followed on earlier efforts to address the Safer threat in the highly politicized environment of the conflict.

After months of discussions with all relevant stakeholders, the United Nations produced a UN-coordinated operational plan to address the threat. The UN has engaged closely with the Government of Yemen in Aden, which is supportive of the initiative.

The Sana'a-based authorities, who control the area where the vessel is located, are also supportive and signed a memorandum of understanding (MoU) with the UN on 5 March. The MoU establishes a framework for cooperation in which the Sana'a-based authorities have committed to

facilitating the success of the project. The plan comprises two critical tracks:

- Installation of a long-term replacement vessel or other capacity equivalent to the FSO Safer within a target 18 months.
- With the situation too dangerous to wait for the replacement vessel, an urgent four-month emergency operation by a global maritime salvage company to eliminate the immediate threat by transferring the Safer's oil to a secure temporary vessel.

On 6 March, the UN organized a mission to Hodeidah City and the Ras Isa terminal near where the FSO Safer is moored to discuss the proposal with local authorities, which were supportive of the plan. Technical experts on the mission confirmed the risk of catastrophe at any time.

Without donor funding, we will draw closer to disaster

Implementation of the plan cannot begin without donor funding. Donors have pledged or contributed \$40 million for the UN-coordinated plan to address the threat. Of the \$104 million gap in funding for the two-track plan, \$40 million is most urgently needed to start work on the emergency operation.

By October, increasingly volatile currents and high winds make the emergency operation more dangerous and increase the risk of the ship breaking up. Further donor pledges of funds are therefore urgently needed so that work can begin as soon as possible. Every day we wait for funding delays the start of the operation, bringing closer the day when the vessel will break apart.

The world must act now to prevent this catastrophe.

The Cost

The provision of an appropriate replacement vessel or equivalent capacity is critical to the plan's success. The technical work to establish the budget has been undertaken. However, decisions on the long-term solution will affect costs.

The budget for the two-track operation with an FSO being installed after 18 months is US\$144 million, including US\$79.6 million for the emergency operation.

US\$79.6 million urgently needed for emergency operation

The emergency operation includes: the salvage operation (\$35 million), the de-mucking of the FSO Safer to make it safe for salvage, the lease of a very-large crude carrier to hold the oil for 18 months, insurance, crew and maintenance for 18 months, as well as preparatory activities, including legal due diligence, a contingency fund, staffing, operational costs and management support.

For further information, please contact:

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