



SHIP TO SHIP TRANSFERS

Update – November 2005

CURRENT POSITION

Falmouth Harbour Commissioners have been approached by Fender Care to allow Ship to Ship Transfers of Crude Oil to be undertaken in Falmouth Bay.

An initial risk assessment undertaken by Marico Marine concluded that the operations could be safely conducted in Falmouth Bay subject to additional precautions being taken.

Falmouth Harbour Commissioners are currently consulting with stakeholders before deciding whether to allow these transfers.

Consultation is also taking place with statutory consultees in respect of the oil pollution response plan which has been fully revised and amended to include the requirements of ship to ship transfer operations.

COMMENT

From the consultations undertaken to date, it is apparent that there is considerable public concern about these transfers. This is understandable given the well publicised campaign to have the transfers stopped in Lyme Bay although these operations had been conducted off the Dorset coast for many years without incident.

There are distinct differences between the Lyme Bay operations and those proposed for Falmouth. The operations proposed for Falmouth Bay would come under control of a harbour authority. This means that every aspect of the operation can be regulated and the highest safety standards enforced by a local administration. Vessels and masters involved and their insurance arrangements would be carefully vetted and the operations would be overseen by a specialist. Only vessels with double hull protection would be considered.

Unlike Lyme Bay, there is a pilotage service and tugs available to assist in berthing operations. There is also dedicated oil pollution equipment continually on standby in case of emergencies. Ship to ship transfers would pay for an increase in the amount

of first response equipment stationed in Falmouth. This equipment would also be available to respond to any incident from any of the pollution risks already present due to our coastal location and existing activities.

In Lyme Bay there were no charges levied for the Transfers as they were considered to take place at sea. In a port environment charges are made to cover the cost of the port services provided. Any surplus from these operations will be re-invested in the Port to the benefit of those who use it.

There are port locations within the UK, such as Scapa Flow, where ship to ship transfers have been undertaken for many years with the support of the local community. These operations are seen by the local Council as key opportunities for local prosperity. (www.orkney.gov.uk/nqcontent.cfm?a_id=3155)

In Falmouth ship to ship transfers would bring a number of benefits. The most important would be the diversification of port activities. The history of Falmouth Harbour shows that it is necessary to seek new businesses for the port as and when the opportunity arises. Bunkering operations ceased temporarily at the end of 2003 and although they have re-started they have not, so far, returned to their previous volume of business. The export of stone which accounted for up to 10% of harbour movements all but ceased in 2004. The number of ships coming for repair in the docks has reduced with significant customers such as P&O ferries reducing the size of their fleet.

New activity for the Port is needed to ensure long term survival. The current port operations contribute substantially to the local economy with a recent report commissioned by the Government Office South West estimating that Falmouth Docks alone, with a turnover of £35m, is responsible for wages of £13.8m in Cornwall.

In terms of the Commissioners activities, commercial shipping related activities were responsible for 70% of the Commissioners income in 2003 falling to 59% in 2004. The costs for the provision of port services and regulation are increasing and additional funding will have to be raised either from the commercial or leisure sectors.

The campaign against Ship to Ship Transfers has been centred on the argument that there will be a massive increase in risk with little or no compensating benefit. The statistics provided by Fendercare indicate that the risk of an incident is currently in the order of 1 per 10 000 transfers. Fendercare estimate that the likely market for such transfers in Falmouth Bay is about one per month. On this basis the risk appears to be very small. If transfers were to be allowed a robust system of controls and precautionary measures would be put in place reducing the risk of harm to the environment still further.

From the perspective of the port and the local economy these operations would bring a substantial benefit that will assist long term sustainability. A viable and sustainable port is of significant regional importance.