

EXPLAINER

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

#### 14 SEPTEMBER 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. It could break up or explode at any time, unleashing 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 \$68 million of the \$75 million required for the emergency operation to transfer the oil to a safe vessel. Less than \$7 million is now urgently needed to implement the emergency operation to prevent this catastrophe – an investment that will save tens of billions of dollars in the future. A further \$38 million is needed to install safe long-term replacement capacity for the FSO Safer.

#### 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 \$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 19 million people are in need of food assistance.

The environmental impact of a major spill on water, coral reefs, life-supporting mangroves and other sea life would be severe. Depending on the time of year, oil could reach the shores of Saudi Arabia, Eritrea, Djibouti and Somalia.



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, possibly 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 spill. This followed on earlier efforts 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, signed a memorandum of understanding (MoU) with the UN on 5 March, establishing a framework for cooperation in which the Sana'a-based authorities committed to facilitating the success of the project. The plan, originally costed at \$144 million, comprises two critical tracks:

Installation of long-term replacement capacity for the FSO Safer.

## The Cost has been reduced to \$113 million

As outlined in the UN's operational plan in April, the budget for the two-track operation – comprising the emergency operation and the replacement of the *Safer*'s capacity – was \$144 million. The recent adoption of a double-hull vessel tethered to a CALM buoy system as the safe long-term replacement option has greatly reduced costs. The budget is now \$113 million, including \$75 million for the emergency operation. An urgent emergency operation by a global maritime salvage company to eliminate the immediate danger of a spill by transferring the *Safer*'s oil to a secure vessel.

In September, the Government of Yemen in Aden and Sana'a authorities expressed their formal support for the long-term replacement solution proposed by the UN, a double-hull FSO tethered to a catenary anchor leg mooring (CALM) buoy system, and reiterated their support for the emergency operation.

# Donor funding is still urgently needed to prevent the disaster

The United Nations fundraising efforts gained momentum in August and \$68 million has now been raised for the UNcoordinated plan. On 25 August, the multinational HSA Group announced it would contribute \$1.2 million towards the emergency operation – the first donation from a private entity. Mr. Gressly said he hoped it would galvanize further contributions from other companies, as well as foundations. The UN's social media crowdfunding campaign has raised \$150,000 from 2,000 generous individuals.

Implementation of the emergency operation is contingent upon donors both closing the remaining funding gap of less than \$7 million and converting their pledges into cash.

Time is running out. The funding gap has already delayed the start of the emergency operation, pushing it into the October-December season when high winds and volatile currents make the work more dangerous and increase the risk of the ship breaking up. The world must act before it is too late.

#### Components of the emergency operation

The emergency operation, now costed at \$75 million, includes: the salvage operation, the de-mucking of the FSO *Safer* to make it safe for salvage, a very-large crude carrier to hold the oil, insurance, crew and maintenance, as well as preparatory activities, including legal due diligence, a contingency fund, staffing, operational costs and management support.

#### Thank you donors for the generous support



Two donors have not yet publicly announced their pledges, but they are included in the amount raised.

The United Nations also thanks the HSA Group as the first private company to announce a donation to the UN plan and the more than 2,000 generous individuals that have contributed through the crowdfunding campaign for the plan. To learn more about the campaign: <a href="https://www.un.org/StopRedSeaSpill">www.un.org/StopRedSeaSpill</a>

#### For further information, please contact:

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