UK P&I CLUB

Ship Type: All Trade Area: Worldwide

Bulletin 482 - 08/06 - Bypassing the Oily Water Separator - Worldwide

Two recent press releases by the US Department of Justice emphasise the need for owners and managers to be vigilant to ensure their ships are operating within the law.

The first press release issued by the US Department of Justice detailed how a ship management company pleaded guilty to deliberate pollution. The ship manager agreed to plead guilty to criminal charges that it engaged in deliberate acts of pollution involving a fleet of four ships in violation of the Act to Prevent Pollution from Ships (APPS). Under the agreement, the company will pay a US$1 million fine and US$500,000 for community service. It will also be on probation for three years, during which time it will implement an environmental compliance program with an outside independent auditor and court-appointed monitor. The penalty would have been greater, but for the company's voluntary disclosure of information. In a related case, a federal grand jury returned an indictment charging two former chief engineers with various environmental crimes. The company is stated to have admitted that hundreds of thousands of gallons of contaminated bilge water were pumped overboard using by-pass pipes and that false entries were made in the oil record books.

The company admitted that its shore-side management "failed to provide sufficient management resources and support to the ships, and also failed to exercise sufficient supervision and management controls to prevent or detect criminal violations by its employees." The motive for the criminal conduct was to save money, according to papers filed in court.

The US Coast Guard is particularly concerned that those responsible would engage in such "systematic and egregious conduct" and confirmed that they are "fully committed to fulfilling our mission as a steward of our oceans and will continue to seek punishment for both corporations and individuals that knowingly pollute the marine environment regardless of their nationality".

The second press release issued by the US Department highlights a separate case where shipping companies and key personnel were indicted for vessel pollution. The press release states that two foreign shipping companies and three individuals have been indicted for conspiracy to commit environmental crimes and obstructing Coast Guard investigations. A fourth individual pleaded guilty to representing false information to the Coast Guard. The indictment alleges that the companies and individuals engaged in a practice of using a by-pass pipe to avoid the oily water separator and making false entries in the oil record book.

The companies, which owned and operated the ship, each face criminal fines of up to US$2.5 million and five years probation. The individuals (the ship's first engineer, the technical supervisor, and the owner of the company that owns the ship) face varying potential sentences from five years in prison and a US$500,000 fine.

The indictment alleges that the defendants and numerous subordinate officers and crew members conspired to create and maintain a false Oil Record Book, in violation of APPS and to knowingly impede and attempt to influence a vessel inspection by members of the US Coast Guard.

The US Coast Guard know that engine room operations generate large amounts of waste oil and regularly inspect the oil record book to ensure all overboard discharges are recorded. International and US law prohibit the discharge of waste oil without treatment by an oily water separator.

Source of information: US Department of Justice
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