



Ship Type: Tankers Trade Area: Iraq

Bulletin 318 - 08/03 - Increasing Cases of Oil Smuggling - Iraq

The following notice has been issued by MARLO (the Maritime Liaison Office) in Bahrain about the smuggling of Iraqi oil:

‘The Coalition leadership has noted the widespread smuggling of Iraqi oil via the northern Arabian Gulf, and has directed action to end it. Coalition naval forces have intensified interception operations against ships smuggling the illegal oil, in conjunction with enforcement actions by Iraqi officials and coalition forces in Iraq. Procedures are being established for detention and possible confiscation of the ships, and for legal action against the participants.

Only oil legally purchased from the Iraqi government's State Oil Marketing Organization (SOMO) is authorized for export. Currently and for the near future, this includes only the following two categories:

- (1) Crude oil onloaded at the offshore Mina al-Bakr Oil Terminal, purchased under valid SOMO contract.
- (2) Refined oil onloaded at Khor Az Zubayr Terminal in Khor Az Zubayr port, purchased under valid SOMO contract.

Any oil that does not fall within the above two categories is stolen government property and therefore not authorized for sale or transport. This includes the following categories:

- (1) All Iraqi oil, including both fuel oil and gas oil (diesel), sold as fuel for ship bunkers. SOMO has not authorized the sale of any ship bunkers, anywhere in Iraq.
- (2) Any Iraqi oil currently being sold in Abu Flus port or at any other location along the Shatt al-Arab waterway.

The coalition leadership is committed to restoring economic stability in Iraq, which includes controlling the theft and smuggling of oil that rightfully belongs to the Iraqi people. Any ship transporting illegal Iraqi oil is subject to seizure and detention by coalition naval forces. Further, the vessel may be subject to forfeiture in accordance with Iraqi law.

Ship owners and operators participating in the illegal activity are advised of coordinated coalition efforts, and warned of the severe consequences’.

Please can all Members trading in this area make all relevant personnel aware of the above.

Source of information: Maritime Liaison Office (MARLO) Bahrain