

Speech by Mr Bjorn Moller on the occasion of ITOPF's 40<sup>th</sup> Anniversary Dinner, 2 October 2008, Gibson's Hall, London

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Minister, Secretary-General, Directors, Ladies and Gentlemen, welcome to Gibson Hall and thank you for joining us tonight to celebrate the 40<sup>th</sup> anniversary of the International Tanker Owners Pollution Federation.

My name is Bjorn Moller. In my day job I am the CEO of Teekay Corporation but I am here tonight in my capacity as Chairman of ITOPF, a role that I consider to be a great privilege and honour.

Minister, let me begin by thanking you for your thoughtful comments with which I wholeheartedly agree and for your kind words. We very much appreciate your presence here this evening.

Allow me to read a quote:

*"The world is dependent on oil. Those who produce it, who bravely carry it across the world's oceans, and who meet the consumer's demand for a wide range of finished products at the lowest cost have shown substantial environmental responsibility. The tanker industry's underwriting of the Federation is but one example of very concentrated effort and great expense in support of environmental protection and damage compensation. Notwithstanding the significant achievements of the tanker and oil industries over this period, these industries are today facing an ever-broadening agenda of demands."*

These words were written 15 years ago on the occasion of ITOPF's 25<sup>th</sup> anniversary by Peter John Goulandris during his tenure as Chairman of the Federation. In the intervening period, efforts by the tanker industry have resulted in a continued declining trend in major ship-source pollution incidents. Yet, other developments have ensured that the role of ITOPF is as relevant as ever.

Twenty years ago three quarters of the spills attended by ITOPF staff involved tankers and only one quarter involved spills from other ships. Today the proportions are reversed, reflecting the steady reduction in tanker spills, but the overall demand for ITOPF's services remains high as our staff gets called out to smaller but increasingly costly and complex incidents.

Among other developments, I would single out the focus on Hazardous and Noxious Substances as particularly significant. The UK government has been instrumental in raising awareness of HNS issues and helping to forge practical solutions to facilitate early ratification of the 1996 HNS Convention. Admittedly the HNS Convention requires further gestation before coming into force, but ITOPF along with its partners at IMO, the IOPC Funds, EMSA and other national and international administrations are better prepared and ready to respond to challenging HNS incidents. Building

ITOPF's capability in this area was one of the main focal points for my predecessor, Dr Helmut Sohmen during his 5 years as Chairman.

On pure statistics, the rapid growth expected in the world fleet in the coming years will lead to a rising number of incidents. When you consider on top of this the well-publicised shortage of qualified seafarers needed to meet fleet growth you will quickly realize that ITOPF doesn't have to worry whether there will be enough demand for its oil spill response services in the future!

Given that the core business of ITOPF is spill response it is of course both practical and beneficial that we share our home city of London with our principal partners, the IMO, the IOPC Funds, OCIMF, IPIECA and many of the P&I Clubs. We value the excellent cooperation we enjoy with these partners and we appreciate the observer status granted to ITOPF in 1980 by IMO and by the IOPC Funds. It seems very fitting that three such closely linked organisations should be celebrating significant anniversaries this year. We congratulate IMO on their 60 years and the IOPC Funds on their 30 years of fruitful endeavour.

The central role of the UK in the maritime world has also been influential for ITOPF's development, and the handling of three pivotal shipping incidents are worth mentioning. Two of these, the BRAER tanker spill in Shetland in 1993 and, soon thereafter, the SEA EMPRESS in Wales, led to a sea change in the way fisheries and mariculture impacts are assessed and demonstrated how the environmental effects of an oil spill can be monitored in a constructive manner without compromising scientific credibility.

Lord Donaldson's key recommendation in the subsequent government enquiry was the creation of the post of Secretary of State Representative – SOSREP – an inspired move copied by other countries. SOSREP played a crucial role after the stranding of the container vessel MSC NAPOLI on the Dorset coast last year and demonstrated the value of a strong, government-led response.

It is our observation that in all too many countries, governments are taking a back seat in spill response and letting the private sector run clean-up operations. We continue to urge governments to take a robust lead in the response to marine emergencies. A government-led response was also the original premise for the international compensation Conventions which were established to facilitate reimbursement of spill response costs on the *polluter pays principle*. This system creates an equitable balance between those in authority and those financially responsible.

EMSA, the European Maritime Safety Agency in Lisbon, is a relatively new player with significant added value to offer EU member states in strengthening their national spill response capabilities. ITOPF was proud to play a part in this process by delivering a substantial study on the subject in 2004. Our continued collaboration

with EMSA on their technical programmes was a key factor in selecting Lisbon as the location for this year's meeting of the ITOPF board of directors next month.

So, as we look to the future, what are the demands facing ITOPF in its support of the oil and shipping industries? A strategic review conducted by ITOPF last year reaffirmed the principles underpinning the Federation's existence. It highlighted the benefit of deepening rather than broadening our remit, focusing on five key areas.

Our first priority is to fulfil our spill response role. The HEBEI SPIRIT oil spill in South Korea last December has been the most intensive single incident response effort ever undertaken by ITOPF and is a vivid reminder of the impact of a major oil spill in heavily trafficked and intensely farmed waters. Given ITOPF's unrivalled level of experience, we will continue to serve the maritime community to best effect in the spill response area, including the assessment of compensation claims.

Secondly, we are focusing on the important matter of environmental damage assessment. This is an area in which the ITOPF technical team is uniquely positioned to bridge theory and reality and in which the Federation's reputation for impartiality is crucial. Working with interested parties, our role is to help manage expectations by combining our direct observations from a given spill location with our general scientific understanding of how pollution affects the marine environment.

Third, we are frequently asked to undertake advisory assignments by a broad range of organisations, including governments, industry and international agencies, for example with the preparation of contingency plans. Comprehensive contingency planning remains a prerequisite for being able to make appropriate decisions following a major spill.

Fourth, ITOPF organises and participates in numerous training courses and seminars for government and industry personnel around the world, and regularly assists with oil spill exercises to test contingency plans and response arrangements.

And, finally, we are an important source of information on all aspects of marine pollution. We provide an extensive library of technical publication and information on marine pollution and clean-up techniques, a comprehensive database of oil spills and a series of country-specific reports on oil spill response capability.

By focusing on these five areas of strength we believe ITOPF can maximise its impact and effectiveness going forward.

This evening we are celebrating not only ITOPF but also acknowledging the many people who have been instrumental in the Federation's success to date.

I started with a quote from Peter John Goulandris who served as the Federation's Chairman for 13 years and has continued to provide his steadfast support on the board for over 30 years. I have also mentioned my predecessor, Helmut Sohmen.

A third former Chairman of ITOPF, Helge Schmidt, was unable to join us this evening. He presided over the two most significant milestones in the history of ITOPF, firstly the termination of TOVALOP, the voluntary compensation scheme which paved the way for the Civil Liability Convention, and secondly, the broadening of the Federation's subscription base in 1999 by the inclusion of other ship owners as associates.

Jan Kopernicki is another dedicated director with 20 years' association with the governance of ITOPF and its pension scheme.

I thank them and other present and former directors for their leadership and commitment to the Federation.

Finally, I wish to pay tribute to the Federation's dedicated staff. It is great to see so many present and former employees here tonight, including Ian White, former Managing Director, and Joe Nichols, former Technical Manager, both greatly respected within the maritime community. I would like to thank the current employees of ITOPF who, under the leadership of our Managing Director Tosh Moller, ensure the organisation's continued development and success. They may be relatively few in numbers – around 30 people – but the global impact of this truly world-class, trans-national group of scientists and other professionals is very significant. I never fail to be impressed by their passion for ITOPF's mission of promoting effective spill response and by the sacrifices they routinely make in the pursuit of this mission.

Congratulations and happy 40<sup>th</sup> anniversary to everyone involved with ITOPF.

I would ask you to stand and join me in a toast to the future success of ITOPF.

Toast: "To ITOPF!"

Thank you for your attention.