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IOPC Funds

The potential impact of sanctions and the ‘dark fleet’

During 2023 and 2024 a substantial increase was seen in the size of the so-called ‘shadow’ or ‘dark’ fleet. This increase in vessels trading illegally has led to a higher threat of accidents and oil spills, an increased difficulty in assigning liability when ship-source spills occur, and a lack of proper insurance or other financial security. This growing number of tankers conducting unsafe operations with little or no insurance puts the States, the environment, and functioning of the international liability and compensation regime for oil pollution damage at risk.

The issue has been raised at IOPC Funds’ meetings and at the IMO Legal Committee where these concerns have been shared by many States. For the IOPC Funds, the potential impact of international sanctions is significant given that the organisation and its contributors are exposed to an increased risk of having to pay the full compensation for oil spills if no sufficient insurance is available to cover the shipowner’s liability.

The incidents in Trinidad and Tobago and the Danish Straits and other near miss situations have underlined the gravity of this problem. In April 2024, the IOPC Funds’ Member States held comprehensive debates about what could be done to address this, and related issues and are working towards adopting formal guidance in the form of a Resolution later this year. The organisation continues to liaise with Member States, the International Maritime Organization (IMO) and the International Group of P&I Associations on this important issue and will be actively monitoring developments over the year ahead, with the common objective that the maritime community may not be faced with further incidents involving dark fleet tankers.