



Government of Canada
Gouvernement du Canada

Canada's Ship-Source Oil Spill Preparedness and Response

Metchosin Emergency Program
August 18, 2015

RDIMS #10979242

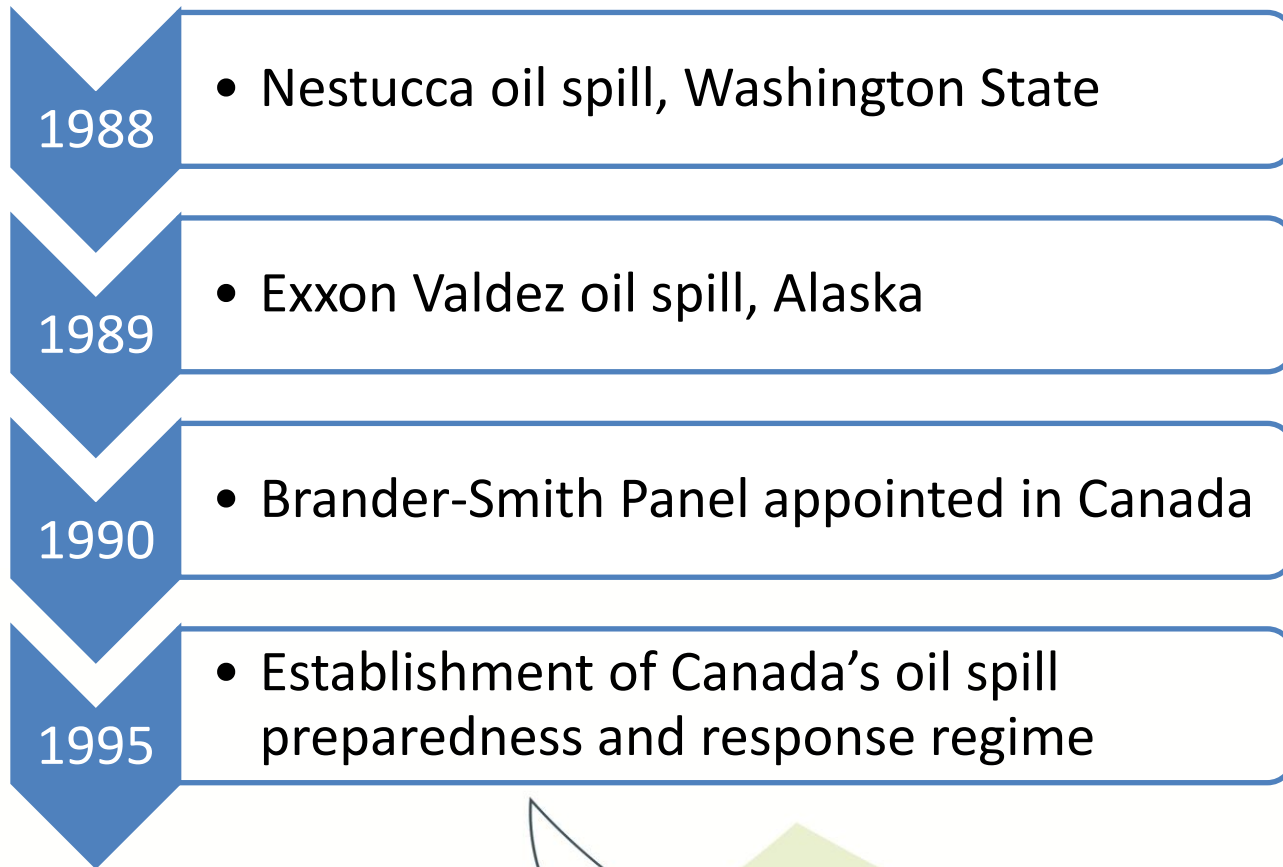
Canada

Canada's safe shipping system is comprehensive

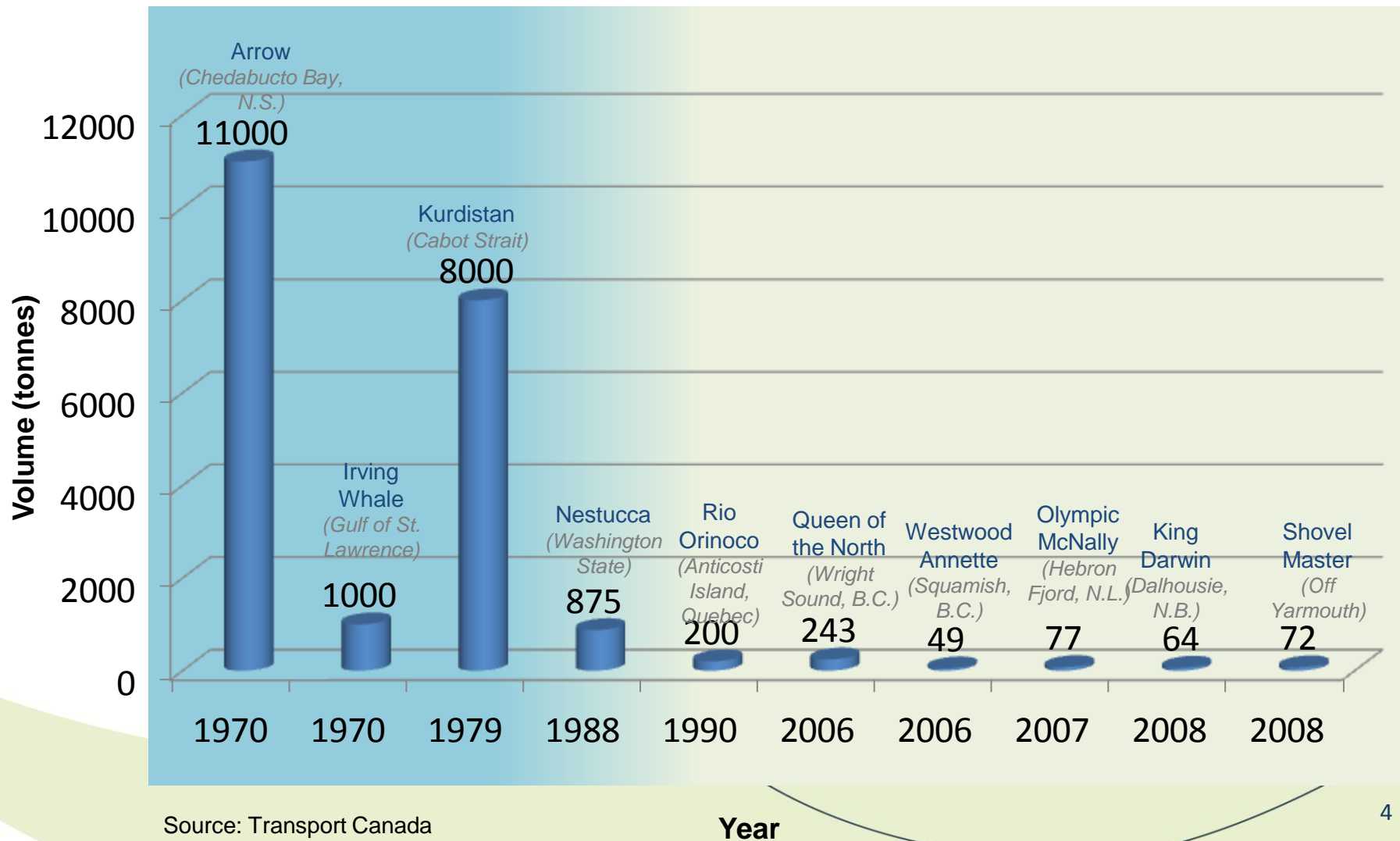
- Objective: To protect communities and the marine environment.
- Based on international conventions, the domestic marine safety framework is broad:
 - Vessel construction
 - People: crew and passengers
 - Operations including reporting
 - Safe navigation: vessel routing and vessel traffic control, pilotage
 - Environmental protection
 - Oversight and enforcement



Recent focus on safe shipping is not new



Canada has not had a major spill in decades, despite increasing traffic volumes



A system built on partnerships



Federal Partners in the Regime

Canada's oil spill preparedness and response regime has been in place since mid-1990s.

Transport Canada

- Leads legislative and regulatory oversight
- Certifies Response Organizations (ROs)
- Sets planning standards for response time and capacity
- Monitors and enforces compliance
- Plans places of refuge
- Ensures it's the polluter who pays

Canadian Coast Guard

- Coordinates marine communications
- Acts as Incident Commander
- Ensures an appropriate response
- Determines when the response is complete
- Develops cross-border contingency plans

Environment Canada

- Provides scientific advice on:
 - Oil and its trajectory
 - Weather
 - Wildlife
 - Shoreline cleanup

Other Partners in the Regime

Shipowners

- Develops Shipboard Oil Pollution Emergency Plans
- Enters into contractual arrangements with Response Organizations
- Responsible for reporting pollution

Response Organizations

- Has arrangements with shipowners and oil handling facilities
- Plans for capacity and equipment in strategic locations
- Funded by industry through a Bulk Oil Cargo Fee and membership fees

Other levels of government

- Integrates their emergency management plans
- Considers waste and wildlife management
- Helps with public communications

Role of CCG in Oil Spill Response

When the polluter
accepts
responsibility

The polluter
(shipowner) leads
the response

CCG monitors and
can step in to
ensure the response
is appropriate

When the polluter
is unknown,
unwilling or unable

CCG commands the
response

Chronology of an Oil Spill

(When the shipowner accepts responsibility)

Shipowner notifies CCG and contracts Response Organization



CCG notifies federal family and EMBC. EMBC fans out to municipalities and First Nations.

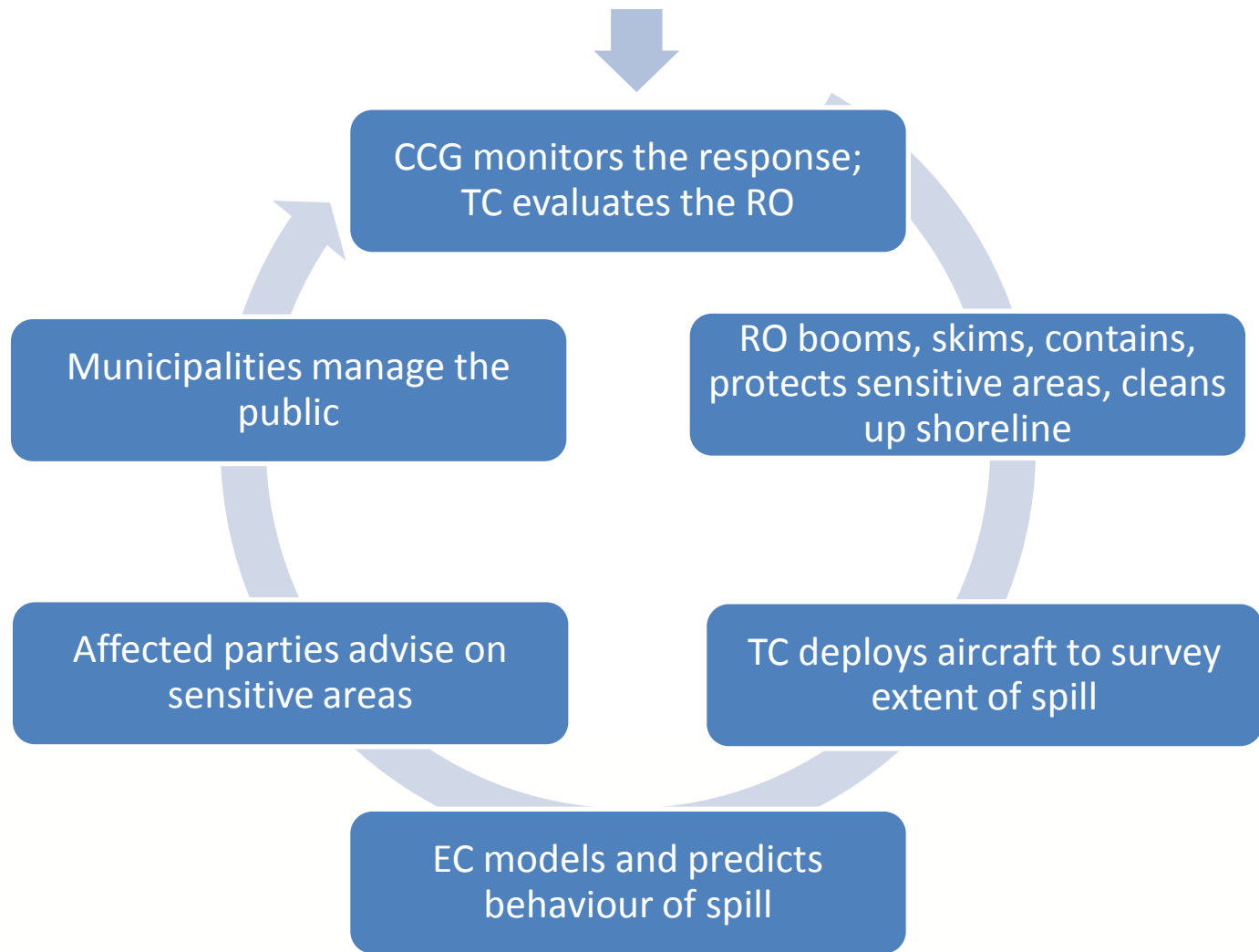


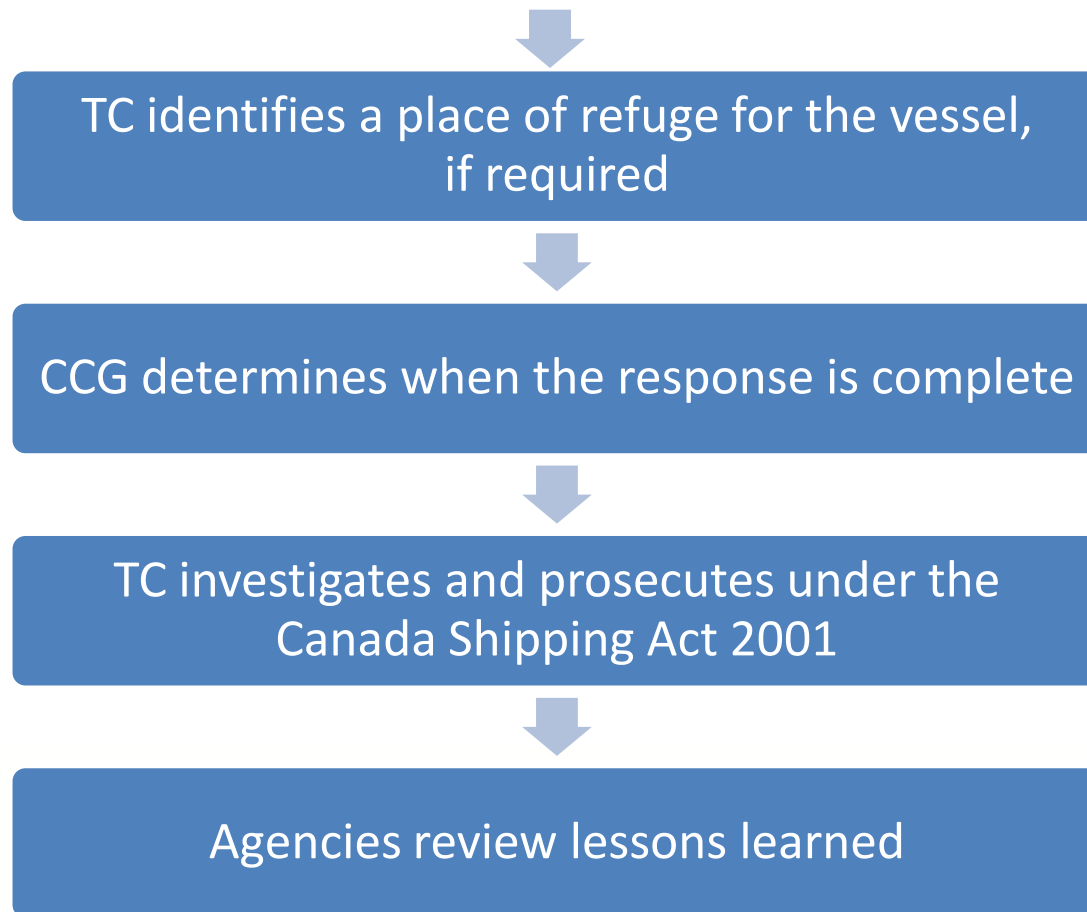
CCG stands up ICS



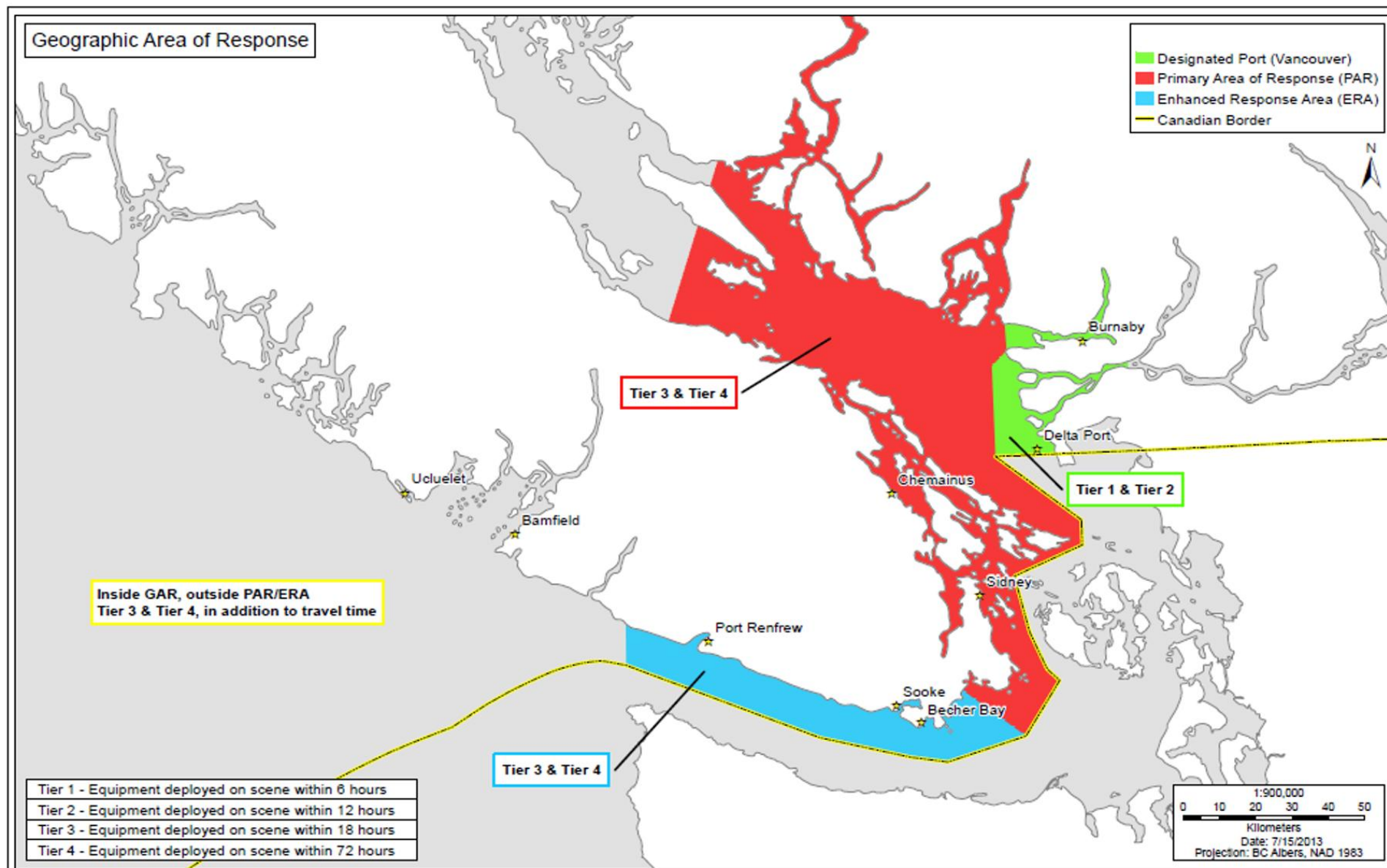
RO mounts a response according to times and capacity of planning standards







Planning Standards for Response Organizations



Polluter Pays: Spills of Bunker Oil

Up to \$237 million or more for clean-up and compensation for a spill of bunker

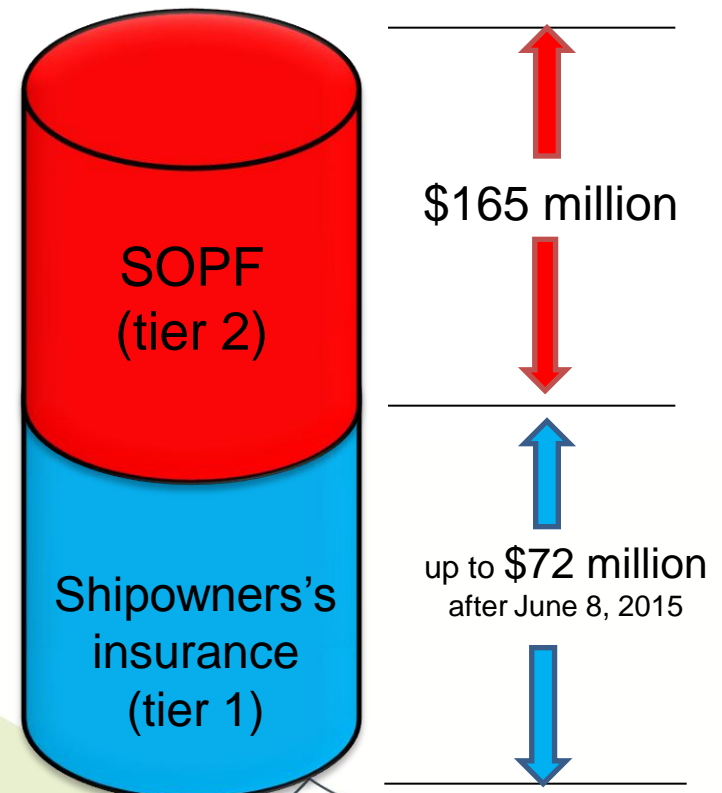
Spills of bunker fuel from ships other than oil tankers are covered by the Bunkers Convention

Tier 1 – Shipowners' Insurance

- Shipowner is first strictly liable, backed by compulsory insurance.

Tier 2 – Ship-Source Oil Pollution Fund

- Pays compensation once shipowner's liability is exhausted.



Based on a typical large vessel on Canada's north coast of 100,000 GT. Actual amounts would be based on a vessel's tonnage. Amounts shown are based on an exchange rate in May 2015 of 1 SDR = CDN\$1.6. On June 8, 2015 the shipowner's liability will increase by 51%.

Polluter Pays: Spills of Persistent Oil

Polluters are liable to pay claims for oil pollution damages in Canadian waters

Up to about \$1.37 billion available for clean-up and compensation from spills of persistent oil

Tier 1 – Shipowners' Insurance

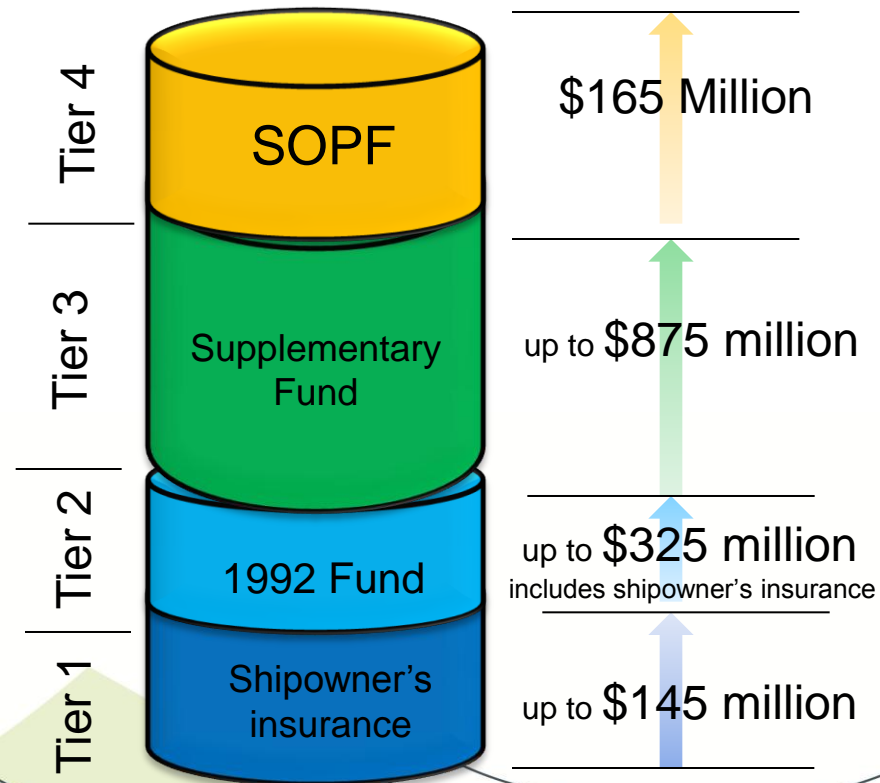
- Shipowner is first strictly liable, backed by compulsory insurance.

Tiers 2 & 3 – International Funds

- Pays compensation for oil pollution from oil tankers once ship owner's liability is exhausted
- Contributions by oil industry

Tier 4 – Ship-Source Oil Pollution Fund

- Pays compensation in the event that claims exceed the compensation available under Tiers 1, 2 and 3, depending on the particulars of the incident



Actual amounts would be based on a vessel's tonnage. Amounts shown are based on an exchange rate in May 2015 of 1 SDR = CDN\$1.6.

Further Reading

Tanker Safety Expert Panel reports:

<http://www.tc.gc.ca/eng/tankersafetyexpertpanel/menu.htm>

- Phase I: **45 recommendations** to enhance Canada's oil spill preparedness and response regime
- Phase II: **17 recommendations** to create a regime for hazardous and noxious substances; **1 recommendation** on marine casualty management

IOPC Funds claims manuals:

<http://www.iopcfunds.org/publications/>

The Canadian compensation regime SOPF:

<http://sopf.gc.ca/>

Canada's Safe Shipping System

