Salvaging the Safer: The UN's Plan to Avert Environmental Disaster in Yemen

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Jun 22, 2023

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Washington has done much to advocate and fund the crucial salvage operation, but now it needs to make sure the combatants do not turn the replacement vessel into another political tool.

n June 12, the UN Development Programme (UNDP) announced (https://www.undp.org/press-releases/united-nations-development-programme-insures-fso-safer-operation-safeguarding-against-potential-catastrophic-environmental-and) that it had secured the necessary insurance coverage for a complex operation to transfer over 1 million barrels of crude oil from a decaying vessel off the coast of Yemen to a new seaworthy vessel (https://yemen.un.org/en/226490-un-press-release-tanker-sets-sail-united-nations-mission-prevent-catastrophic-oil-spill-red). Moving the oil from the Safer (a floating storage and offloading unit, or FSO) to the Nautica (a very large crude carrier, or VLCC) will help avert a catastrophic spill in the Red Sea near a critical energy transport chokepoint—an important step toward neutralizing a longtime regional danger. Yet the lack of a plan to remove the Nautica from Yemeni waters and offload its cargo raises concerns that the vessel will simply supplant the Safer as a bargaining chip in the conflict.

Disaster Risks and Salvage Politics

he FSO *Safer* is an aging vessel moored off Yemen's Red Sea port of Ras Issa, an area currently under the control of Iran-backed Houthi forces. In the 1980s, it was converted from a single-hulled tanker into an FSO operated by the <u>Safer Exploration and Production Operations Company (SEPOC)</u>

(https://sepocye.com/en/DEFAULTFILE.ASPX?SUB_ID=102). It has been lying idle in a hostile environment (https://www.forbes.com/sites/noamraydan/2020/10/27/yemens-fso-safer-a-looming-environmental-disaster/?sh=48ef20023f6a) with insufficient maintenance for the past seven years (https://www.undp.org/safer) due to Yemen's conflict.

Any major spill from the *Safer* would be devastating for millions of people in the region, not to mention marine life. In addition to the heavy ecological, humanitarian, and economic costs, such an incident could substantially disrupt traffic from the Bab al-Mandab Strait to the Suez Canal, two vital chokepoints for the flow of oil, gas, and other commodities. This would in turn complicate global markets that have already been shaken up by the war in Ukraine.



Satellite image showing the location of the FSO SafeP(N-White box) off the coast of Yemen (Source: Sentinel Hub, June 19, 2023).

location-

The UN-initiated salvage operation would not have proceeded without the consent of all sides in the conflict, including the Houthis, the internationally recognized government in Aden, and the Saudi-led military coalition that has fought on its side. The agreement came after years of warfare and intensive diplomacy brought the derelict *Safer* into the heart of the conflict, spurring the parties to finally address an issue of "blindingly obvious urgency"—the apt characterization used by Doug Weir of the Conflict and Environment Observatory, one of the organizations that have long warned about the risks posed by the *Safer*. Indeed, various <u>environmentalists</u>

(https://www.atlanticcouncil.org/blogs/energysource/gaming-out-the-disaster-what-could-go-wrong-with-the-fso-safer/), maritime experts (https://www.washingtoninstitute.org/policy-analysis/houthi-terrorism-designation-more-likely-deliver-famine-and-entanglement-leverage), and U.S. officials
(https://www.washingtoninstitute.org/policy-analysis/middle-east-policy-trump-biden-views-inside-state-departments-near-east-bureau) have repeatedly raised concerns about the vessel's condition. Yet due to armed hostilities in the area, political hurdles, the coalition's economic blockade, and no small amount of foot dragging, the UN could not access (https://reliefweb.int/report/yemen/under-secretary-general-humanitarian-affairs-and-emergency-relief-coordinator-mark-29) the Safer to inspect it on past occasions.

In August 2019, for example, the UN was set to deploy a team of experts to assess the vessel's status, but the mission was canceled (https://news.un.org/en/story/2020/12/1081162) after Houthi authorities withdrew their approval. In June 2020, the Houthis again denied access to UN inspectors, even after reports emerged (https://apnews.com/article/united-nations-yemen-ap-top-news-international-news-environment-e8d9e1a1d674a2d6784a2c53dfe628e2) that seawater had reached the vessel's engine compartment and damaged pipelines.

According to Ian Ralby—the CEO of I.R. Consilium, a leading advocate

(https://www.diplomaticourier.com/posts/progress-on-fso-safer-is-welcome-but-follow-through-needed) for transferring the oil to a seaworthy tanker—the solution was delayed in part by widespread "lack of interest and understanding" regarding maritime issues. Environmentalists were likewise met with indifference when pointing out the potential consequences of inaction, with Musaed Aklan of the Sanaa Center for Strategic Studies noting, "In conflicts, the environment becomes a secondary issue and is not taken seriously."

The Salvage Plan

The long-awaited salvage operation kicked off amid Omani-facilitated talks
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hetween Saudi Arabia
and the Houthis over the past few weeks. The plan would not have been possible without the UN raising the funds required for the first phase, whose announced budget is \$129 million. Last year, the United States, the UN, and the

Netherlands launched an awareness campaign regarding the *Safer*, with U.S. special envoy Tim Lenderking <u>noting</u> in September (https://www.state.gov/high-level-fso-safer-side-event-co-hosted-by-the-netherlands-the-united-states-and-germany-funding-gap-closed-for-first-stage-of-salvage-operation/) an initial American pledge of \$10 million for salvage operations. In all, Washington and other governments, organizations, and individuals have pledged more than \$100 million.

In April 2023, the Dutch company Boskalis and its subsidiary SMIT Salvage reached an agreement with the UNDP to remove crude (https://boskalis.com/press/press-releases-and-company-news/boskalis-to-remove-oil-from-fso-safer-in-yemen-to-avert-environmental-and-humanitarian-disaster) from the *Safer*. Earlier this month, the firm's multipurpose vessel *Ndeavor* berthed alongside the *Safer* and began conducting inspections. Once this task is complete, the SMIT team will transfer the oil to another vessel and prepare the *Safer* to be towed away for scrapping, according to the UNDP.



SalvageSatellite image showing the Safer (larger ship) during phase 1 of the salvage operation (Source: Planet Labs, June 6, 2023).

POL3751.jpg)

Purchasing the replacement vessel, *Nautica*, required further UNDP fundraising due to last year's rise in shipping costs amid the Ukraine war. According to data <u>from MarineTraffic</u>

(https://www.marinetraffic.com/en/ais/home/shipid:714733/zoom:14), the tanker remains anchored off Djibouti awaiting orders. Once the oil is transferred, the UN notes (https://yemen.un.org/en/181199-fso-safer-uncoordinated-proposal-explainer-april-27-2023) that a catenary anchor leg mooring (CALM) buoy will be installed and Nautica will be connected to it. The next steps after that remain unclear, however.

Hydrocarbons Will Remain a Target

erhaps the main point of contention over the *Safer* in past years was the sale of its <u>Marib light crude</u> (https://corporate.exxonmobil.com/what-we-do/energy-supply/crude-trading/marib-light) cargo. Yet the quality of this cargo is uncertain—the oil has likely dropped in quality and value since it was first pumped into the vessel, due in part to deterioration from heat and microbial action.

When the *Safer* was in operation, a pipeline pumped crude to the vessel from fields in the oil-rich Marib province. During the war, however, the FSO and other energy infrastructure have periodically been used to settle scores. In October 2022, for example, Houthi drones <u>targeted oil loading terminals on the Gulf of Aden</u>

(https://www.energyintel.com/00000186-6012-de95-a7ae-6336ba2f0000), leading to a suspension in crude exports—a vital source of revenue for Yemen's internationally recognized government. Such actions might be repeated in the future, since the Houthis reportedly want a share

(https://www.mees.com/2023/4/14/corporate/prospects-for-a-prolonged-ceasefire-rekindle-yemen-oil-sector-hopes/73e130a0-dab3-11ed-8dc2-934087e429d2) of national oil sales.

According to shipping data from Kpler, during the nine months before the October attacks, the Yemeni terminals of al-Shihr and Bir Ali exported an average of around 38,000 barrels of crude oil per day, the majority of it to China. The country's last crude shipment was in September, and its energy sector has shown no signs of being ready to resume

substantial investment after years of conflict. Data from the U.S. Energy Information Administration indicates that Yemen's average output of petroleum and other liquids <u>plunged</u>

(https://www.eia.gov/international/analysis/country/yem) from roughly 125,000 barrels per day in 2014 to 18,000 in 2016 (though it gradually increased from that low in subsequent years). The country's liquefied natural gas (LNG) export facility in Balhaf (https://totalenergies.com/media/news/press-releases/yemen-lng-update) along the Gulf of Aden remains shut.

Conclusion

ithout a political settlement to the conflict, Yemen's energy infrastructure will remain a key target for the combatants, and the *Safer* agreement will not put an end to threats in the Red Sea. The United States has done much to encourage support (https://www.state.gov/u-s-special-envoy-for-yemen-lenderkings-travel-to-oman-and-saudi-arabia-2/) for the salvage operation and for a UN-mediated truce in Yemen; now it needs to ensure that the *Nautica* is not turned into another political tool.

Noam Raydan recently joined The Washington Institute as a senior fellow. Previously, she was an independent energy researcher and consultant working in Baghdad and Beirut.

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