

Circular From GARD
Date: 10 September 2018

Contaminated Bunker Issue Continues to Spread

The recent spate of mechanical failures attributed to poor quality bunkers have resulted in excessive wear, blocking and damage to ships' fuel systems. It is not known exactly how many vessels have been affected since the issue first surfaced in January 2018, but the number is estimated to be in the hundreds.

Why is the problem so complex?

It is chiefly for three reasons:

- The source of the contamination is still unknown.
- The problem is widespread and not limited to a region or supplier. Incidents have been reported following fuel oil deliveries in the US Gulf, Panama, Caribbean, Singapore, Malaysia and most recently Hong Kong. Furthermore, it is not possible to pin point the bad batches of fuel oil.
- The presence of contaminants/adulterants cannot be detected by standard test methods meeting ISO 8217 thus making it very difficult for members to know if the bunker stem is contaminated.

What do we know about the contaminants?

USCG is the only authority to have released information on this issue so far, and both it and INTERTANKO have highlighted that compounds which normally do not form part of the marine fuel refining process have been detected in the bunkers when using advanced or more rigorous testing. These compounds include phenolic compounds, fatty acids, benzoic acids, cyclohexane diol isomers and dehydroabietic acid and other sticky compounds of an unknown nature. The presence of these or similar compounds in the bunkers is a breach of Cl.5 of ISO 8217 and Reg.18.3 of MARPOL Annex VI.

Exercise prudence

Some of the possible preventive actions owners and operators can take are:

- **Raise awareness:** Make the crew aware of the problems that can occur when using contaminated fuel so that they can exercise prudence.
- **Heightened monitoring of machinery:** Fuel pumps and injectors must be monitored very closely when using newly bunkered fuel. Any signs of machinery trouble must be investigated and fully documented and any affected parts must be preserved.
- **Improved planning:** Where possible, maintain a sufficient fuel reserve which can be burnt if it is confirmed that newly stemmed bunkers are contaminated and cannot be consumed. This will enable the vessel to reach the nearest safe port.
- **Additional testing:** Members and clients are advised to opt for advanced testing of the fuel samples to establish if contaminants are present. However, not all fuel oil testing laboratories offer such services and operators may experience delays in receiving the results of advanced testing.

- **Exercise caution when considering use of additives and dilution:** If members and clients opt for the use of additives to remove certain harmful contaminants from the fuel advice should be sought from makers of the engine and fuel injection equipment to prevent any harm to the machinery. Similar recommendations apply where dilution is being considered, in which case compatibility checks should also be done.

Additional guidance

Members and clients are advised to refer to circulars produced by [USCG](#) and [INTERTANKO](#) on this issue for additional information.

Legal issues

When mechanical failures occur due to contaminated bunkers legal issues will arise either under a charterparty and/or the bunker supply contract.

Charterparties

Under time charterparties the starting point for both owners and charterers is what has been detailed in the bunker specifications clause. Owners might consider seeking cooperation of the charterer to do additional testing of the bunkers prior to consumption and if found to be contaminated, offloading them at the time and expense of the charterers. If the off-spec bunkers have been consumed, then detailed evidence will be needed from the owners to prove that the damage and/or loss resulted from the consumption of the off-spec bunkers.

Under voyage charterparties, the charterer will not be involved in any way in the supply of bunkers and this will be an owner's matter to resolve under the bunker supply contract and the removal of the off spec bunkers from the vessel, if needed.

Bunker supply contract

Owners of voyage chartered vessels and time charterers should check which jurisdiction clause governs the bunker contract. Owners should also be aware of the time bar, which can be relatively short in such contracts. It would also be highly advisable that suppliers are requested to do additional testing of the bunkers being supplied, however, should the supplier refuse then buyers should reserve their position vis a vis the time bar in the contract.

Source of Information: Gard P&I Club