Fact Sheet FSOSAFER SALVAGE

August 2023

Overview

Since the outbreak of the conflict in Yemen, the FSO Safer, an oil tanker converted into a floating storage and offloading facility (FSO), had been abandoned. Moored in the Red Sea, 4.8 miles north of the Yemeni city of Al Hudaydah, the tanker was designated "out-of-class" since 2016. It did not receive proper maintenance and suffered extensive deterioration, leading various environmentalists to refer to it as a "floating bomb" with potential for a massive oil spill. Inert gas on the ship that normally inhibits an explosion had dissipated. The risk was significant of it exploding and causing an environmental disaster with unparalleled public health impacts and devastating economic and environmental effects.

An impasse existed between the Houthis, an armed extremist group in Yemen that includes several leaders on the U.S. "Foreign Terrorist Organization" blacklist, and the internationally backed government over its ownership and responsibility. The Houthis had access and territorial control of the Safer. Negotiations between the United Nations and the Houthis to inspect and repair the Safer, and to extract the oil safely from the vessel had stalled indefinitely, while the Houthis demanded \$80 million for the oil.

Following a leak in the cooling system, water entered the machine room, prompting the United Nations Security Council to hold a special meeting about the ship in July 2020. On 24 September 2020, Saudi Arabia's ambassador to the United Nations wrote in a letter that experts had observed that "a pipeline attached to the vessel is suspected to have been separated from the stabilizers holding it to the bottom and is now floating on the surface of the sea." Two months later, the United Nations and Houthi leadership reached an agreement to allow a UN-led team access to Safer by January 2021 for purposes of inspection and repair. The expedition was delayed indefinitely when the Houthis failed to provide a letter assuring the safety of the UN-led team. As of October 2021, it was being reported that the FSO Safer was at imminent risk of sinking, fire or explosion. On 5 March 2022, Mohammed al-Houthi signed an agreement with the United Nations to pump the oil still in the decaying tanker into another ship to prevent a potential natural disaster.

On 30 May, 2023, the UN-coordinated operation to prevent the Red Sea spill began when experts from a leading salvage company arrived on-site to prepare the Safer for the transfer of its oil. Prior to being emptied, the ship held more than 1.14 million barrels of crude oil. The ship underwent a United Nations-led salvage operation which successfully removed more than 1.1 million barrels of oil transferred to the replacement tanker over 18 days from 25 July to 11 August. The goal was to place it in much safer long-term storage. Less than 2 percent of the original oil cargo remains mixed in with sediment that will be removed during the final cleaning of the Safer. After this is concluded, the FSO Safer will be towed to an environmentally safe shipyard for scrapping.

Since the Houthi-led coup against the legitimate Yemeni government, the Kingdom has contributed over \$18 Billion to aid Yemen, ranking consistently among the world's top donors to Yemen. The financial support came in the form of direct deposits to Yemen's central bank, oil and energy derivatives, development projects through the Saudi Development and Reconstruction Program for Yemen, direct humanitarian aid through the King Salman Center for Humanitarian Aid, and funding for the Masam project, which works on the removal of land mines across Yemen.



Potential Threat

- The FSO Safer supertanker held four times the amount of oil spilled by the Exxon Valdez – enough to make it the 5th largest oil spill from a tanker in history.
- The result of a major spill would be an environmental, humanitarian and economic catastrophe centered on the coast of a country already devastated by years of war.
- A massive spill from the Safer would have destroyed pristine reefs, coastal mangroves and other sea life across the Red Sea, exposed millions of people to highly polluted air, and cut off food, fuel and other life-saving supplies to Yemen, where 17 million people already need food aid.
- Coastal communities would be hit hardest, with hundreds of thousands of jobs in the fishing industry lost almost overnight. It would take 25 years for fish stocks to recover.
- The cost of cleanup alone would have amounted to \$20 billion.



Coordinated Salvage Effort

- The Houthi militia have long obstructed the efforts to unload the FSO safer by claiming they have the right to sell and profit from the oil onboard the tanker. The cost of the salvage operation was estimated at \$80–144 million.
- Commitments were made at a pledging conference in The Hague in May 2023, co-sponsored by the UN and the Netherlands, marking the start of efforts to raise the funds for the plan. Donors that signed pledges at the conference were the Netherlands, Germany, the United Kingdom, the European Union, Qatar, Sweden, Norway, Finland, France, Switzerland and Luxembourg.
- Saudi Arabia donated \$18 million to the effort through the King Salman Humanitarian Aid and Relief Center and put forth a call to action via the Saudi Press Agency: "The Kingdom calls on the United Nations to quickly take the necessary measures to ensure the prevention of oil leakage... and also calls on the international community to contribute urgently to support this initiative and prevent a serious environmental disaster."
- The UN has thanked each of the donor countries, HSA Group, the International Association of Oil & Gas Producers, the Trafigura and Leo Balmer Foundations, Octavia Energy/Calvalley Petroleum, and generous individuals who contributed to the UN crowdfunding campaign. The UN still needs the last \$28 million to finish the work.

Saudi Statement on Completion of Offloading of Oil Tanker Safer

August 14, 2023 - The Ministry of Foreign Affairs expresses the Kingdom of Saudi Arabia's welcoming of the announcement of the United Nations regarding the completion of the withdrawal of Floating Oil Storage and Offloading (FSO) Safer Tanker, estimated at 1.4 million barrels of crude oil.

The Ministry reiterates the Kingdom's appreciation of the efforts of His Excellency the Secretary-General of the United Nations, Mr. António Guterres, and the working group of the United Nations who worked to harness all efforts to end the problem of the floating reservoir "Safer". It also appreciates the generous financial support from donor countries for their financial grants in the donation campaign to end the threat of the floating reservoir "Safer", as the Kingdom of Saudi Arabia was one of the first donor countries to provide financial grants through the King Salman Humanitarian Aid And Relief Centre, as part of its efforts with the international community to solve the problem of the floating reservoir "Safer".

The Ministry also extends its thanks to the Command of the Coalition to Support Legitimacy in Yemen to facilitate the operational plan process until the successful and ably completion of the unloading of the floating tank "Safer".



