

# Report on the Revolving Fund (RF)

*Presented by MPA  
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## **Marine Pollution**

- Challenge to the maritime community
- Critical issue in the Straits of Malacca and Singapore
- Co-operation between littoral States and international community is vital

## Revolving Fund

- Good example of co-operation
- Established on 11<sup>th</sup> February 1981
- MOU between Indonesia, Malaysia, Singapore and Malacca Strait Council (MSC)
- Success of Revolving Fund provided “inspiration” for Aids to Navigation Fund

## Overview of the Revolving Fund

- MSC of Japan contributed ¥400 million as the principal sum
- To enable littoral States to take immediate remedial action in event of oil pollution caused by ships in the Straits
- Management of Fund on rotational basis for period of 5 years each
  - *Fund management in its 2<sup>nd</sup> cycle*
  - *Singapore took over management of Fund in 2006*

## Revolving Fund Committee (RFC)

- Committee comprises a representative from each littoral State
- RFC establishes rules and regulations for administration of the Fund and approves annual report
- Littoral State managing Fund takes on Chairmanship

## Utilization of the Fund for Oil Pollution

- Littoral State can draw from the Fund to take remedial actions to combat oil pollution
- Amount drawn subsequently repaid to the Fund when clean-up costs are recovered from shipowners
- Fund has been used twice:
  - *October 1992 by Indonesia and Malaysia*
  - *October 2000 by Indonesia*
- As at 31 March 2008, Fund amount is *S\$6,275,086 (~ ¥480 million)*

## Activities conducted under the Fund

- Revolving Fund a very valuable resource
- Enabled prompt actions towards major oil spill in the Straits
- Helped foster operational co-operation between littoral States in combating oil pollution
- Standard Operating Procedures (SOP) for Joint Oil Spill Combat in the Straits

## Geographical Coverage of SOP



## Activities conducted under the Fund

- Regular joint exercises to test procedures
  - Lessons learnt to further improve procedures
- Workshops and conferences to update personnel on latest developments in oil spill clean-up, compensation regimes, etc.

## Scheduled Activities for Workyear 2008-2009

- *IMO Level 2 training course for incident command team members in 2008; table-top exercise at MPA's Integrated Simulation Centre*
- *In 2009, another Oil Spill Incident Management Exercise in Singapore*
- *"Liability and Compensation for Oil Pollution Workshop" in Singapore, April 2009*

## Conclusion

- Growing task of maintaining safety and preserving the marine environment in the Straits
- Need for wider co-operation between the littoral States and other users of the Straits
- Revolving Fund an example of effective mechanism for international co-operation in maintenance of the Straits

Thank you