

ECOPETROL - PETROECUADOR OIL SPILL RESPONSE AGREEMENT – PRACTICAL STEPS TO EFFECTIVE REGIONAL COOPERATION

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ABSTRACT: *In July 1998, there was an environmental emergency caused by an oil spill in an Ecuadorian pipeline operated by PETROECUADOR (Petróleos del Ecuador). One part of the spilled volume reached the Pacific Ocean and the marine currents caused the oil slick to approach the Colombian coast, creating an environmental hazard. ECOPETROL (Empresa Colombiana de Petróleos) activated its contingency plan in the Port of Tumaco to meet the emergency. As a result of the above experience both companies signed a Mutual Cooperation Agreement to Combat and Control Oil Spills Caused by Oil Tankers and Coastal and Marine Oil Facilities, in October 1999. The Agreement was established in order to allow for a quick and effective joint response in emergency situations of this nature. The bilateral agreement is activated when resources, staff and equipment of the affected party are insufficient. At present it is under implementation. In addition, ECOPETROL and PETROECUADOR, as part of the regional cooperation process on oil spill contingency planning led by ARPEL in Latin America and the Caribbean, involved the Agreement in the framework of the environmental cooperation program with the Canadian International Development Agency (CIDA) to optimize such agreement. This bilateral agreement represents the first real case in Latin America in terms of implementation of the Cooperation in the OPRC 90 Convention, through the joint work of government/industry, and serves as an example for the other countries in the Region.*

Background

A telephone call to the authorities in the Port of Tumaco (Colombia) on July 8, 1998, gave the alert on the presence of an oil slick in the Colombian Pacific coast, in the southern part of the country, close to the border with Ecuador. This alert,

submitted by fishermen in the area, identified the origin of the phenomenon from the outset: the sea current was “pushing” the slick northward... the oil was coming from the Ecuadorian side.

Later inspections by port authorities, ECOPETROL and other bodies verified that, in effect, the direction of the oceanic current—south to north—moved the oil from Ecuadorian waters towards the Colombian side, polluting beaches, coasts, swamps and mangroves along the southern coastal zones of Nariño.

Harm had been caused already. The reason? Several days before this event, a natural landslide destroyed a pipeline in Ecuador, a few kilometers away from the coast line, in the Esmeraldas sector. This accident caused the spill of approximately 10,000 barrels of oil. The PETROECUADOR officials in charge activated the contingency plan however an unknown volume of oil leaked into the Pacific. Marine currents did the rest.

A few days later the oil slick reached border waters. The first point of impact, caused by the Pacific tides, was the Cabo Manglares sector, relatively close to the border line. Later it would gradually start polluting other areas along the Colombian coast before reaching the tourist sector of Bocagrande, only 20 minutes away by motorboat from Tumaco, the main port on the Pacific ocean in the south of Colombia.

Three days after the alert, the impact of pollution had been isolated in two or three specific spots. At the time, the Tumaco Local Committee for the Prevention and Management of Disasters had been fully activated. ECOPETROL, that operates the Trans-Andean Pipeline Terminal in Tumaco and exports crude oil through this port, was part of that Committee from the very outset and was ready to provide technical support.

Given the nature of its activity, ECOPETROL acted as a liaison for the Committee with PETROECUADOR, the company responsible for the emergency. Finally, after commitments engaged by the Ecuadorian Company, such as the clean-up costs,

activities to deal with the emergency in the affected areas were started under the coordination of both oil Companies.

The cooperation agreement between ECOPETROL and PETROECUADOR

The lesson resulting from the Tumaco case led the two Companies to simultaneously initiate contacts to define a bilateral mutual cooperation agreement to provide a prompt response when confronted to emergencies of this nature. Based on the Agreement on Regional Cooperation to Combat Pollution caused by Hydrocarbons and Other Hazardous Substances in Cases of Emergency in the South-East Pacific, in force since 1981, ECOPETROL and PETROECUADOR signed the "Mutual cooperation agreement between the Empresa Colombiana de Petróleos (ECOPETROL) and Petróleos del Ecuador (PETROECUADOR), to combat and control oil spills caused by oil tankers and coastal and marine oil facilities", on October 20, 1999 in the city of Bogota.

The agreement between the two state oil Companies aims at bilateral cooperation in case of a pollution emergency in the maritime areas of sovereignty and/or jurisdiction of each one of the Companies, as a result of an oil (or derivatives) spill caused by tankers under any flag or by oil facilities located in the territory, along the coastline or waters of any of the two countries. This cooperation will be submitted by one of the parties upon request of the other, when the conditions of the emergency situation outdo the response capacity of the party requesting collaboration. In addition, the agreement foresees an approach to the issue of prevention and mitigation of oil spills in rivers and lakes common to both countries.

Likewise, the Companies agreed on the design of technical and scientific exchange programs to train their personnel in areas related to fighting and controlling oil spills in coastal areas, marine waters, rivers and lakes, as well as the possibility of implementing additional technical-scientific exchange programs in the field of environmental protection, as part of the petroleum activity.

Progress in the agreement implementation process

As soon as the agreement was signed, the two companies started the process to implement it and make it operational. As a result of this process the following progress was possible:

1. Creation of a bi-national technical group (BTG) integrated by employees from the two Companies who are in charge of implementing the bilateral contingency plan. This task force is to implement the agreement and manage its different issues within their respective Companies, and to activate the bilateral plan in an efficient way and according to the established procedures.
2. Definition of the BTG statutes, its coordinators and the directory of employees to activate the agreement. The objective of the statutes is to provide clear action rules for the task force in order to guarantee its continuity and operational capacity.
3. Creation of 4 committees within the BTG: Administrative, Environment, Logistics-Operations and Accounting. These committees are staffed by professionals from different fields whose responsibilities are listed on Table 1.

Table 1. Responsibilities of the different committees of the ECOPETROL – PETROECUADOR Bi-national Technical Working Group.

Responsibilities	
Administrative Committee	To prepare the administrative procedures to activate the bilateral agreement, including reporting alert, the joint action request procedure, the format to submit progress reports and the report on the termination of joint action.
Environment Committee	To develop the environmental procedures, which include the drafting and execution of the environmental operations plan, guidelines to inter-relate the environmental authorities of the two countries and the criteria for the preparation of the final environmental report on the emergency response.
Logistics and Operations Committee	To prepare procedures for the logistics and operations management of the emergency. Included among these procedures are the communication mechanisms and the criteria to assess the emergency and to evaluate the plan.
Accounting Committee	To prepare the procedures of causation, control and accounting audits of the joint action. These include budget management, contracts management and reimbursement management aspects.

Optimizing the agreement

As part of the regional cooperation process in oil spill contingency planning, led by the Regional Association of Oil and Natural Gas Companies in Latin America and the Caribbean – ARPEL-, ECOPETROL and PETROECUADOR involved the Agreement within the environmental cooperation program with the Canadian International Development Agency (CIDA), to optimize the agreement.

This optimization process aims at securing the highest level of commitment on the part of cooperating Companies and at implementing regionalization to tackle oil spills occurring in Colombian and Ecuadorian territories. To this end, initial strategies were formulated and that will be developed in the course of the regionalization process (see Figure 1).

The first strategy was to share information between the two companies. Both ECOPETROL and PETROECUADOR possess broad knowledge of the oil spill contingency plans of facilities of the two companies in the border areas, which are applicable to the Agreement. Likewise, there is knowledge on the national contingency plans of both countries and on the policies and governmental entities that participate in the national contingency plans in each of the countries. The last activity conducted to share information between the parties was mutual knowledge on the prevention and management of disasters and environmental legislation, applicable to contingency plans in each of the countries.

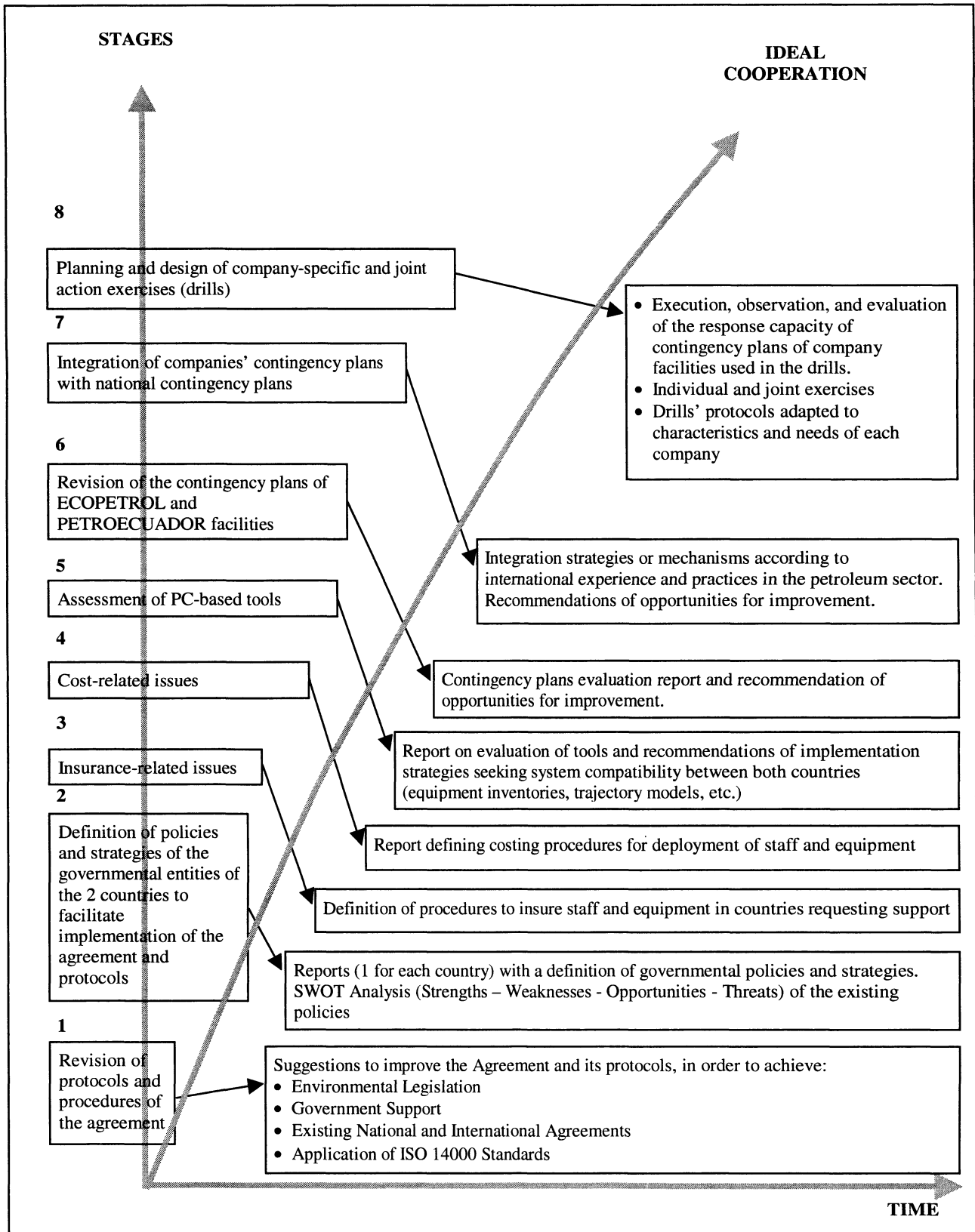


Figure 1. Actual stages developed (and to be developed) between ECOPETROL and PETROECUADOR to optimize their bilateral agreement.

Among the most relevant aspects during this first strategy was the sharing of information on the equipment inventories both companies carry to control oil spills. This information will help define their joint capacity to respond in case the agreement is activated. It has been planned that the joint capacity to respond be complemented with information on experts available in both Companies.

Another strategy that is being developed as part of the assistance provided by the environmental cooperation program with the Canadian International Development Agency (CIDA) is the establishment of operational procedures by the two companies (ECOPETROL and PETROECUADOR) and between the two governments (Colombia and Ecuador) to facilitate and expedite the temporary admission of oil spill emergency control equipment and qualified task forces from the parties.

On the other hand, one of the strategies that seeks the optimization of the Agreement is to review vulnerability and risk assessments of the oil facilities in the bilateral plan. This purely preventive action seeks to reduce the levels of risk managed by the Companies in the region and secure a permanent update of required actions.

Finally, in this first stage to improve the agreement and make it operational it is attempted to build standardized training programs (reporting and desk-top exercises) and exercises (team deployment and drills) for facilities in each one of the Companies.

An important aspect to highlight in the process of structuring and implementing the bilateral Agreement is the role assumed by government bodies in each one of the countries. Institutions devoted to disaster prevention and attention, Ministries of Foreign Affairs, Maritime Bureaus and customs and migration control authorities have been working together with both Companies in the preparation of protocols and procedures that facilitate the implementation of the Agreement. This is part of the regionalization strategies that are taking place worldwide, through Conventions such as OPRC 90 (International Convention on Oil Pollution Preparedness, Response and Co-operation).

The sequence of stages already developed and those to be developed in the optimization of the ECOPEPETROL - PETROECUADOR agreement is consistent with the contingency planning regionalization approach prepared by ARPEL; this approach was endorsed by several international organizations such as the IMO, ITOF and REMPEITC-Carib (see Figure 2).

Conclusions

As a result of this operationalization and optimization process of the mutual cooperation Agreement between the Empresa Colombiana de Petróleos ECOPEPETROL and Petróleos del Ecuador PETROECUADOR, to combat and control oil spills originated by tankers and coastal and marine oil facilities, it is important to underline the need for a serious commitment of the parties to comply with and improve the activities that have been programmed. In addition, to ensure the success of the Agreement it is important and necessary to highlight the technical assistance provided by ARPEL through its environmental cooperation program with the Canadian International Development Agency (CIDA).

Finally, it is worthwhile to point out that this bilateral agreement seeks to become the first successful case in Latin America in terms of implementing the cooperation schemes described in the OPRC 90 Convention, by means of a joint government/industry endeavor that will serve as an example to other countries in the Region.

Biography

Luis Alberto Leal Castellanos. Civil Engineer graduated from the Pontificia Universidad Javeriana, Bogota, Colombia 1988. Specialist in Sanitary and Environmental Engineering, University of Sao Paulo, Brazil, 1989. His professional activity was

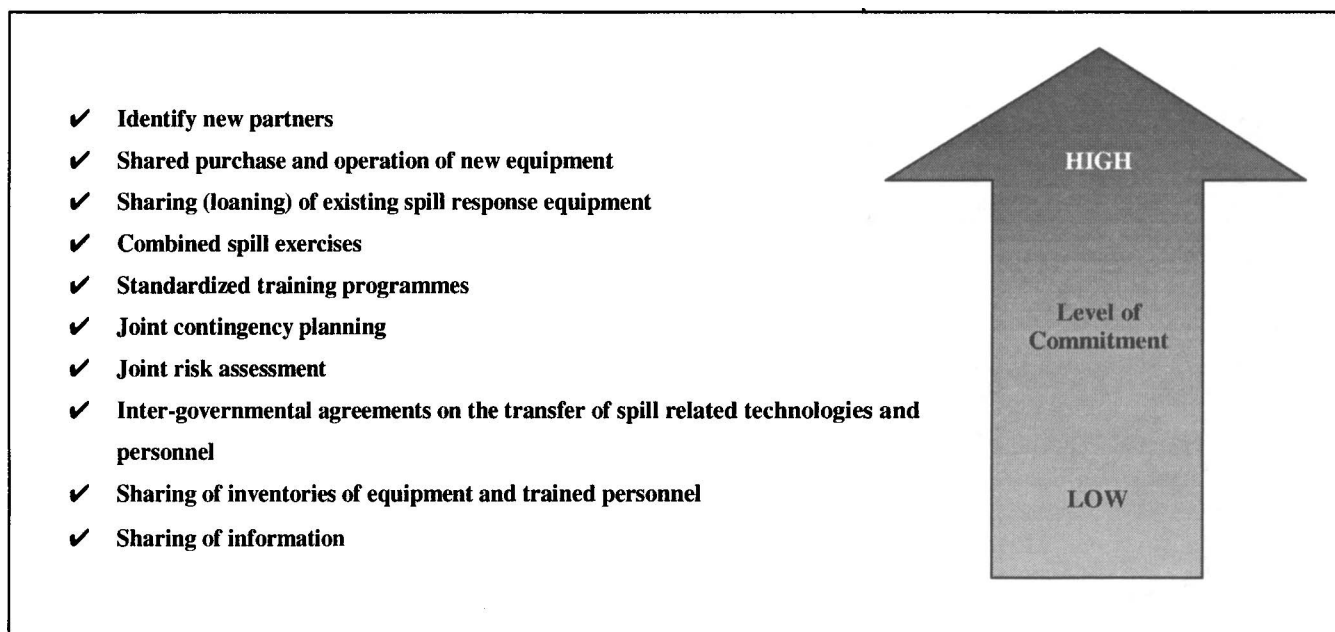


Figure 2. Stages of increasing commitment to implement bilateral cooperation agreements for oil spill response – ARPEL regionalization approach.

conducted in the environmental field. Since 1995 he works with the Corporate Division of Safety, Quality, Environment and Occupational Health of the Empresa Colombiana de Petróleos ECOPETROL. At present he is leader of contingency planning programs in this Company and acts as Coordinator of the Binational Technical Group on behalf of ECOPETROL.

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