



Greenpeace Philippines

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**GREENPEACE POSITION PAPER for the Senate Committee on Environment, Natural Resources, and Climate Change hearing on P.S. Resolution No. 1084, on the oil spill from M/T Terra Nova in Limay, Bataan in view of its effects to the marine ecosystem and biodiversity and the health, food security, and livelihood of the people in affected areas.**

**Submitted this 14 August 2024, to the Senate Committee on Environment, Natural Resources, and Climate Change, at the public hearing on the foregoing, conducted virtually.**

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Greenpeace Philippines is a locally-registered not-for-profit, non-government environmental organization established in 2000. We work directly with communities on the frontlines as they protect the environments they call home. Our work in the country in the past two decades has focused on helping enable systemic changes in society to ensure a green, just, and peaceful future. A large part of this work has been to campaign for solutions to the climate and pollution crises.

**Greenpeace fully supports the inquiry on the ongoing M/T Terra Nova oil spill as a measure in aid of legislation to provide a more comprehensive picture of the economic and non-economic damages that affected communities have suffered, and recommends exploring mechanisms to make not only the shipowner accountable for possible damages, but also the charterer of the ship, SL Harbour Bulk Terminal Corporation, a subsidiary of San Miguel Shipping and Lighterage Corporation. This strong legislative measure should also be considered in light of the other oil spills that happened in the area around the same time, and as a way to strengthen accountability mechanisms against fossil fuel disasters, learning lessons from as far back as the M/T Princess Empress oil spill last year, on which this Senate Committee has also conducted an inquiry.**

This oil spill is a growing environmental catastrophe that is impacting some of the country's most important fisheries areas. We are currently in a race against time to secure these ecosystems, not only because of their intrinsic value, but because of the country's heavy reliance on coastal resources for livelihood and income, as well as food. Seventy percent of the country's population are considered coastal communities, and in many communities around Manila Bay, where this most recent oil spill has occurred, people's livelihoods and the economies of coastal municipalities are almost completely reliant on fisheries.

The knock-on effects of the spill are already being felt by coastal communities, who find it challenging to provide food for their families and send children to school, and the ability of municipalities to ensure the well-being of their constituents and uplift lives in their areas. The investigation should uncover not only why a ship carrying dangerous cargo was allowed to sail despite stormy conditions, but more so how there may have been failures of due diligence on the part of the charterer/owner of the oil, who should have made sure that their business operations do not in any way disrupt and harm anyone's lives. The investigation should, at the end of the day, expose the difficult truth that these companies continue to escape accountability while government agencies and communities suffer from their lack of diligence, shouldering the costs of clean-up, recovery, and rehabilitation for years to come.

**This oil spill was not the first one, nor was it the only one when it happened**

M/T Terranova sank off the waters of Limay, Bataan, at the height of enhanced monsoonal conditions because of Super Typhoon Carina. It was not the only ship that capsized. Within the same time period, MTKR Jason Bradley was discovered to have also leaked oil after sinking. If it wasn't surreal enough, it was

discovered that MV Mirola 1, which was also moored off Bataan just days after M/T Terranova's sinking, was already leaking fuel a couple of weeks prior. This is completely unacceptable and speaks of the failure of monitoring by agencies tasked to prevent accidents such as this.

Another concerning set of parallels can be drawn: M/T Terranova was chartered by the same company who chartered M/T Princess Empress, which sank off the waters of Pola, Oriental Mindoro, last year. SL Harbour Bulk Corporation is a subsidiary of San Miguel Shipping and Lighterage Corporation, which was also involved in the Princess Empress oil spill but escaped scrutiny. Both Terranova and Princess Empress were heading towards Iloilo, and they sank in inclement conditions.

There have also been allegations of oil smuggling made by the Department of Justice, whose suspicions were raised because of the proximity of the spills. If true, this highlights the impunity by which companies operate, escaping accountability all while continuing to pose significant risks to ecosystems and livelihoods for coastal communities.

### **What is Greenpeace doing about this oil spill?**

Greenpeace monitored the spill since day 1 and we sent a team to survey the damages in coastal communities in Bataan at the onset of the spill. We touched base with LGUs, and communities in affected areas to document visible signs of the oil spill and to surface its less visible but profound impacts on lives in the surrounding communities. We also monitored the spill via satellite images from the Greenpeace Mapping Hub, so we can monitor the extent of the damage and assess the reach and impact of the spill.

We are currently working with other concerned NGOs and People's Organizations, and are part of the Stop the Oil Spill (SOS) coalition, a broad network of civil society organizations who have banded together to demand immediate action and accountability, work with impacted communities, and call for better systems of protection in our seas. We also worked with Oceana in validating data points through Karagatan Patrol, after they highlighted possible oil sightings approximately 5 kilometers from the shores of Isla Tibaguin, which was the reason Greenpeace went to Hagonoy, Bulacan. With the help of local contacts and barangay-level officials who also confirmed sightings the night before, the team was able to document thick slicks, confirming the data points.

We have likewise gone to affected areas in Cavite and the City of Manila in Roxas Boulevard to document reported sightings and projected spill directions based on UP MSI and Karagatan Patrol data.

While documentation teams were deployed to these areas, Greenpeace teams were publishing all photos, video and other documentation online, and engaged with media through statements and interviews to raise awareness about the extent of the spill and the conditions of affected communities.

Currently, Greenpeace is looking into more long-term monitoring with local partners affected by the spill.

### **Issues on accountability and access to justice**

Greenpeace notes with serious concern that the same charterer has been implicated in the Terranova Oil Spill. While the Oil Pollution Compensation Act of 2007 insulates charters and other actors in the value chain, the fact that companies continue to operate with impunity while being protected from liability cannot continue. We also note that the following happened since the M/V Princess Empress oil spill in terms of access to justice:

#### **1. Slow and ineffective compensation for affected communities in Oriental Mindoro**

Claims from the M/V Princess Empress oil spill have reached [USD 50 million](#) from 30,000 affected individuals as of November 2023. Despite this, very few have been able to access compensation for their lost livelihoods. For instance, in Pola, only [627 out of 4,000](#) claimants have been compensated

as of April 2024. While every assurance was given that the IOPC funds will be accessed by affected communities, these have not reflected the actual costs of damages. According to the same report, some fisherfolk have only received PHP 14,000 out of the PHP 54,000 that was entitled.

## **2. The burden still rests on claimants to prove damages**

It is another layer of injustice that affected individuals, who already had to endure hardship because of the oil spill, had to prove to the insurer that they indeed suffered adverse effects of the spill. While it is true that compensatory claims take a lot of time, there should have been systems in place to ensure that the access to justice for individuals is facilitated in a better and more effective way.

## **3. Forfeiture of insurance claimants to pursue criminal and/or civil cases against those responsible**

While it is within the rights of companies and insurers to disclose to claimants that they will be forfeiting the right to sue when they agree to receive compensation money, it is entirely different and utterly irresponsible to dissuade potential claimants from pursuing litigation even before the actual filing of claims, which happened in the Princess Empress oil spill during the [announcement](#) of the claims caravan. The government should ensure that claimants are treated fairly and that their rights are protected when they enter into specific legal agreements with the insurers.

The compensation offered by the P&I Club is only one among the many ways that a sense of justice can be meted. It should not be seen as the only way that affected communities can get what is due to them. Aside from other modalities of compensation through other international conventions and national laws, impacted individuals still retain the right to pursue legal means if they see that a court case can exact justice in a more comprehensive way than compensation money.

It can be argued that a similar situation will happen for the Terranova spill, which is a perpetuation of the injustices felt by communities in other oil spill-affected areas and a legitimization of ineffective remedies to fossil fuel disasters. In this sense, Greenpeace fully supports the [preparation of criminal charges](#) by the Provincial Government of Cavite against both the shipowner and Petron. Communities and local governments must pursue any and all means to make those fully accountable for their crimes. Exploring all legal avenues is a concretization of the difficult lessons learned from the Princess Empress oil spill.

## **Time to seriously consider urgent fossil fuel phaseout**

This oil spill has highlighted once again the vulnerability of our social and environmental systems to the inherent operational risks of the fossil fuel industry, which is largely responsible already for the adverse impacts of climate change, of which the Philippines is unfortunately one of the most at risk. Oil spills and other fossil fuel disasters will continue to happen as long as the social and economic license of the fossil fuel industry to operate are maintained and legitimized by the government.

As a matter of principle and urgency, the Philippine government must enact policies to ensure that the phaseout of fossil fuels is a reality that can be achievable within our lifetime. This means pursuing more ambitious targets in the next submission of our Nationally-Determined Contributions, specifically in increasing our unconditional reduction targets. Realizing this phaseout also means that the government should put a stop on enabling laws and policies that perpetuate and enable fossil fuel expansion, which includes the current versions of House Bill 7705 (Low Carbon Economy and Investment Bill), and the enabling gas law, among others. Lastly, the government should pursue mechanisms to ensure that the transition away from fossil fuels is just and inclusive.

## **Greenpeace recommendations on the investigations in aid of legislation**

- This investigation must delve into how it is possible for the same companies involved to get away with taking responsibility not only for this spill, but for the M/V Princess Empress spill as well.

Accountability should extend far beyond insurance payout for compensations from lost livelihood; it should also cover reparative efforts for damaged economic zones, not to mention publicly acknowledging their role and committing to reparative mechanisms to affected communities.

- The investigation should also question the lack of transparency on the part of the government agencies, and their lack of impetus to call for accountability from the companies involved.
- In the longer term, government must:
  - Compel the companies to come out in the open, take responsibility for the spill, respect the rights of communities, compensate them and local governments for the ongoing damage to health, ecosystems, and livelihoods, and pay reparations for the knock-on effects of this disaster, including costs for impact assessments done by third-party evaluators, and continuing community and ecosystem services support.
  - Enact urgent legal and policy reforms to ensure that polluters are made accountable for their continued business operations wherever they are in the value chain. Ensure valuable fisheries management areas are protected against the adverse effects of industrial activities by imposing stringent regulations on vessels transporting hazardous materials like oil.
  - Urgently phase out fossil fuels to prevent further environmental and climate destruction and to protect communities. It's impossible to fully clean up an oil spill, and ecosystems never completely recover. This catastrophe is a reminder that at all stages of its lifecycle, fossil fuels bring permanent harm to people and the planet.

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