

Increasing risk of tanker accidents from growing ‘dark fleet’



There is concern over an increased risk of tanker accidents from a growing ‘dark fleet’ involved in sanctions busting following two recent incidents.

[Marcus Hand](#) | Nov 07, 2022

Brokers Poten highlighted the risk in its weekly report with the dark or shadow fleet expected to grow substantially when the EU import and G7 price cap for Russian oil are implemented. The illicit trades generally involves older vessels, that would otherwise be recycled, with the bare minimum of repairs or maintenance.

The trades though for less reputable owners willing to take the risk are extremely lucrative and Poten noted that estimates from knowledgeable observers suggest that

shipping rates for Venezuelan or Iranian barrels can be two or three times the market rate for legitimate voyages.

“The illegal nature of the business makes it impossible to use reputable crew managers and arranging proper insurance is difficult as well. To obfuscate the illicit nature of their employment, owners of these tankers frequently change the vessel’s name and ownership and flag them in jurisdictions that are known to be less strict,” Poten said.

“As a result of these factors, the risk that these vessels are involved in accidents is elevated and so is the potential harm that could be inflicted on the crews and the environment (in case of an oil spill).”

This risk has been highlighted in two recent incidents. The 21-year-old, Djibouti-flagged, VLCC Young Yong which ran aground in Indonesia waters in the Singapore Strait was reported to be carrying a crude oil cargo from Malaysia to China.

“The VLCC in question was recently blacklisted by the US Treasury’s Office of Foreign Asset Control (OFAC) because it was part of the so-called ‘Dark Fleet’, involved in the illicit transportation of Iranian oil,” Poten said. *Read more from the US Treasury Department*

Meanwhile a 20-year-old Aframax loaded with Russian crude was briefly adrift off the Spanish coast.

The dark fleet has grown dramatically over the last two years from 70 vessels in November 2020 to 257 currently. The latest sanctions on Russian oil could result in further substantial growth and Poten noted the brisk sales of secondhand tanker tonnage despite rising prices for older tonnage. It said least 60 VLCCs, 42 Suezmaxes and 93 Aframaxes, of over 15-years of age had changed hands year-to-date.

“So far, Russian exports have only been impacted by limited sanctions. However, the average age of the Aframaxes tankers, which carry the vast majority of Russia’s exports has already increased markedly. If Russia will start utilizing more vessels from the Dark Fleet, the average age of their export tankers will rise dramatically and (unfortunately), so will the risk of incidents,” Poten concluded.