



GOVERNMENT OF GIBRALTAR
Ministry of Enterprise, Development, Technology and Transport
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PRESS RELEASE

No: 257/2009

Date: 3rd December 2009

“Salvage Operation of New Flame concluded”

The Government of Gibraltar is pleased to announce that the operation to neutralise the danger to maritime safety, and the harm to the marine environment, posed by the wreck of the MV New flame has been completed.

The Panamanian cargo vessel MV New Flame sank in British Gibraltar Territorial Waters off Europa Point, in August 2007. Complex and hazardous salvage operations, undertaken by Titan Salvage, one of the world's leading salvage companies, have resulted in the removal of such of the cargo and wreckage as the restoration of maritime safety requires, and the interests of the environment permits.

The Government has commissioned a specialist technical assessment report of all the threats and risks to the environment and of the best way to proceed. The report was carried out by Polaris Applied Sciences Inc, of the USA, and included an extensive local consultation exercise with interested parties.

Polaris Applied Sciences Inc has carried out many such environmental impact assessments around the world working for Governments and multi nationals companies.

The Polaris Environmental Assessment shows that attempting to remove the remaining scattered bits of cargo, and the remaining bits of the hull itself, would cause more damage to the sea-bed and its marine environment (because of the abrasive nature of the recovery methods that would need to be employed) than leaving the remaining bits where they are.

In sharp contrast to the damage that would be caused by attempts to remove the remaining pieces, leaving them in situ will enhance the marine life habitat, and will result in a very desirable diving and angling site.

All wreckage has been removed to below a level that leaves 18.48 metres of clear water above at lowest tides. This is lower than the highest natural point of the topography of the sea-bed itself at that site. In other words, the remaining pieces are below the level of the highest peak of the “Los Picos” rock outcrop on which the ship foundered. Accordingly, the safety of marine navigation is fully restored.

The following wreckage has been removed:

- 94% of the cargo,
- 100% of oil and other pollutants,
- 100% of the engines, engine compartments, bow section, and accommodation blocks,
- In all, amounting to 94% of the cargo and 68% of the hull itself.

The Gibraltar Government has also concluded a settlement agreement with the vessel's owners and The Swedish Club, the insurers responsible for the wreck removal operation, whereby they would pay £5.5 million in compensation to the Gibraltar Government.

Shipping Minister Joe Holliday said:-

“The difficult operations to remove as much of the cargo and wreck as is environmentally sensible to do has been achieved. This has been an all-embracing effort from many Government departments, the Salvors, the Swedish Club and Gibraltar environmental groups. I would like to thank them all.

Gibraltar has demonstrated its ability to deal with large scale incidents of this nature, while other, much larger countries have not yet dealt with wrecks that happened before the New Flame sinking. The Government will use the £5.5 million compensation money for purposes which advance and benefit the environment, or its protection.”