

Greek Shipping Company Sentenced to \$2 Million Fine for MARPOL Violations and Cover-Up

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On March 27, 2012, the U.S. District Court in New Orleans sentenced Ilios Shipping Company S.A. to a monetary penalty of \$2 million in accordance with a plea agreement, for failing to maintain an oil record book, obstruction of justice, and submitting false documents to the Coast Guard. The conviction stems from an April 2011 port call in New Orleans by the grain carrier *M/V AGIOS EMILIANOS*.

Prior to the ship's arrival in port, the company had received a letter from the second engineer alleging that the vessel was pumping oily wastes directly overboard. When the engineer left the vessel, the company seized his personal cell phone and computer hard drive, but otherwise did not take any action. On arrival in New Orleans, a number of crewmembers complained to the Coast Guard about the same illegal discharges and false record entries. While the Coast Guard was onboard, a company shoreside employee allegedly directed the Master to delete emails and to encourage the crewmembers to recant their statements to the Coast Guard. At the same time, the Chief Engineer allegedly burned sounding records at the direction of the company shoreside employee. The Chief Engineer and the Master ultimately pled guilty to their involvement in the matter.

The case underscores the point that the proliferation of camera phones and personal computers is a "game-changer" for ship owners, who face increasing pressure to take even more zealous action to ensure strict compliance with maritime environmental regulations. Copies of the Plea Agreement, Joint Factual Statement, and court-ordered Environmental Compliance Plan are attached.

1 Min Read

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