

NEWS

United States Department of Justice
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Christopher J. Christie, U.S. Attorney

More Information? Call the Assistant U.S. Attorney or other contact listed below to see if more information is available.

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FOR IMMEDIATE RELEASE
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Korean Shipping Company Pays \$100,000 to National Fish & Wildlife Foundation in N.J. for Ocean Oil Dumping

(More)

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NEWARK – The U.S. Attorney’s Office is directing \$100,000 to the National Fish and Wildlife Foundation in New Jersey – adding to the \$1.65 million the government directed to the organization in August from criminal cases against ocean-shipping companies convicted of dumping oil at sea, U.S. Attorney Christopher J. Christie announced today.

The \$100,000 is a court-ordered “community service payment” from Sun Ace Shipping Company, which is based in Seoul, South Korea. The company pleaded guilty on Sept. 6 to environmental crimes in connection with its keeping of oil record books aboard one of its ships in U.S. waters.

Last Monday, the chief engineer of the M.V. Sun New, Chang-Sig O, pleaded guilty to obstruction of justice for presenting a false Oil Record Book and lying to the U.S. Coast Guard about his knowledge of bypass hoses, which are used to circumvent pollution control equipment and dump oil directly into the ocean. The ship’s second engineer, Mun Sig Wang, pleaded guilty to a related charge.

Sun Ace Shipping pleaded guilty, as a corporation, to knowingly failing to maintain an Oil Record Book. Under terms of a plea agreement, the company agreed to pay the government a \$400,000 criminal fine and a \$100,000 community service payment to the National Fish and Wildlife Foundation (NFWF), which was selected by the U.S. Attorney’s office as the beneficiary of the funds.

“We have added community service payments to the price shipping companies will pay for fouling our oceans,” Christie said. “It is fitting that criminal penalties be put to use in our own state to bolster our natural resources.”

Engine room operations aboard large oceangoing vessels like the Sun New generate large amounts of waste oil. International law prohibits the discharge of waste oil without treatment by an Oily Water Separator. The law requires that all transfers of oil, including overboard discharges, be recorded in an Oil Record Book, a required log that is regularly inspected by the Coast Guard.

In August, Christie presented checks totaling \$1.65 million to the NFWF in New Jersey from court-imposed community service payments levied against two other shipping companies that purposefully discharged oil and sludge into U.S. waters. The largest of the criminal penalties – \$1.5 million – was paid by Singapore-based Wallenius Ship Management Pte, Ltd. Another \$150,000 came from Japan-based MK Ship Management, Co., Ltd., for similar conduct aboard one of its ships. (Follow links to the Aug. 10 news release at www.usdoj.gov/usao/nj/press/2006releases.html).

In another case, in May 2005, the U.S. Attorney’s Office directed that \$2 million in criminal penalties against the Evergreen International ocean shipping company go for the

benefit of the National Park Foundation and NFWF. Evergreen had engaged in wanton discharge of oil and sludge in U.S. waters. Those funds went to the benefit of the Sandy Hook Unit of Gateway National Recreation Area and for the federal acquisition of environmentally fragile parklands in Ocean and Cape May counties.

All of the shipping pollution cases were investigated by the U.S. Coast Guard Criminal Investigative Service and the Environmental Protection Agency Criminal Investigations Division. The Sun Ace/Sun New case was investigated by marine inspectors from the Coast Guard Sector Delaware Bay and Coast Guard Special Agents. The Sun Ace/Sun New cases were prosecuted by Assistant U.S. Attorneys Thomas R. Calcagni and Bradley A. Harsch of the U.S. Attorney's Office and Trial Attorney David P. Kehoe in the Environmental Crimes Section in the Justice Department's Environmental and Natural Resources Division.

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