

FACTSHEET ON THE REVOLVING FUND COMMITTEE (RFC)

The Revolving Fund was established on 11 February 1981 through a Memorandum of Understanding (MOU) signed between Indonesia, Malaysia, Singapore and the Malacca Strait Council (MSC).

The Revolving Fund was set up with a principal sum of 400 million yen contributed by the MSC. Currently, the Revolving Fund stands at about S\$6.18million.

Any of the three littoral States of the Malacca and Singapore Straits (i.e. Indonesia, Malaysia and Singapore) is allowed to draw cash advance from the Revolving Fund for use in combating oil pollution caused by ships. The amount drawn will be repaid to the Fund when the State recovers the clean-up costs from the parties responsible.

In its history of almost 30 years, the Revolving Fund has been used twice:

- In October 1992, both Indonesia and Malaysia tapped on the Revolving Fund to combat the oil spill from the *Nagasaki Spirit*. The incident occurred in the Northern part of the Malacca Strait.
- In October 2000, Indonesia used the Revolving Fund to clean up the oil spill from the *Natuna Sea*. The incident occurred near Tanjung Pinang, Indonesia.

Under the MOU, Indonesia, Malaysia and Singapore will manage the Fund on a rotational basis for a period of five years each. Singapore took over the management of the Revolving Fund from Malaysia in 2006, and will hand it over to Indonesia in 2011.

The Revolving Fund is managed by the Revolving Fund Committee (RFC). Capt Khong Shen Ping, Assistant Chief Executive of the Maritime and Port Authority of Singapore, is the current chairman of the RFC. The other members of the RFC are Mr Sunaryo, Director General for Sea Transportation, Indonesia and Dato' Hajah Rosnani Ibarahim, Director General, Department of Environment, Malaysia.

The RFC meets annually to discuss issues relating to oil spills and to update the Standard Operating Procedure for Joint Oil Spill Combat in the Straits of Malacca and Singapore (SOP).

The SOP, which was drawn up following the establishment of the Revolving Fund, covers areas such as the response areas and division of responsibility among the littoral states, contact points, communication and information sharing

procedures, inter-state assistance and reimbursement procedures. The objectives are to facilitate early information sharing and prompt and coordinated response to any oil spill incident.

Regular joint exercises are also carried out to test the procedures and any lessons learnt are used to further improve and update these procedures.