



Edition 2nd September 2016

## LOSS PREVENTION NEWS

### Avoidable hazards can put seafarers in danger (Standard)

The Standard Club is working with the Confidential Hazardous Incident Reporting Programme (CHIRP) to promote safety at sea and accident prevention. CHIRP receives reports of hazardous incidents which they investigate with the ship's owner. The case studies and lessons learnt are published in their quarterly bulletin *Maritime Feedback* in both written and video form. These videos provide excellent material for discussion during a ship's safety committee meeting.

[Read more](#)

### Crew Health: Food safety on board (Shipowners)

When it comes to ensuring a fit and healthy crew, all vessels should apply food safety principles. Even if not required by international regulations, good practice in regards to food safety should be in place as part of any operation. This helps to ensure that crew members remain in good health and are able to carry out their roles on board to the best of their ability.

[Read more](#)

### How to Avoid Claims for Self-Cooking Soya Beans (North of England)

North P&I Club has advised its members to be extra vigilant during loading and transport of soya beans to ensure they do not get blamed for cargoes that start 'cooking' at sea. The advice comes in the latest issue of its loss prevention newsletter *Signals*.

[Read more](#)

### Carriage of bagged rice (UK Club)

Aside from issues of pilferage at the loading or discharge port, the primary hazards to bagged rice are water damage, infestation, mishandling of cargo bags during loading, improper stowage in cargo holds and deficiencies in the ship's condition affecting the cargo holds.

[Read more](#)

### Safe carriage of dangerous goods in containers (UK Club)

The International Group of P&I Clubs and the shipping line members of the Cargo Incident Notification System (CINS) have recently produced a new set of guidelines for the carriage of calcium hypochlorite in containers.

[Read more](#)



### Best practice: The application of bulldog clips (UK Club)

Bulldog Grips are commonly used in order to form a loop or “eye” in a wire rope. The eye can be formed by using a thimble (hard eye) or by a simple wire loop (soft eye). They are used on ships on mast stays and crane wires, although swaged connections are now more common... A more common usage is for the securing of project cargo, both under and below deck. The single most predominant factor associated with the failure of cargo lashings is the incorrect application of bulldog grips.

[Read more](#)

### Iron content in Vinyl Chloride Monomer (VCM) cargoes (Skuld)

It is commonplace that chemical gas cargoes which may potentially be off specification could result in expensive cargo claims as well as additional costs and delays with ensuing disputes between the owners and the charterers. Obtaining a representative sample and applying the most appropriate analytical test method could, therefore, be crucial. We have recently seen some cases where this has come into sharp focus during loading on LPG vessels. One of these cases concerned Vinyl Chloride Monomer (VCM) cargo and how to sample and test its iron content on board a LPG vessel.

[Read more](#)

### Zika virus – updated (Swedish Club)

US Coast Guard has issued a bulletin on the Zika virus concerning, inter alia, US requirements in case of any incidents on board vessels.

[Read more](#)

### Zika virus – Workbook and Safety Video (American Club)

In an effort to increase awareness of the Zika Virus among seafarers and their families, Videotel, in collaboration with the International Maritime Health Association (IMHA), has released a new training video and digital workbook entitled “Zika Virus – Staying Safe”.

[Read more](#)

### Malaria - Practical Guidance for Seafarers (West of England)

In order to reduce the likelihood of seafarers getting malaria, the Club has published a new Loss Prevention Bulletin “Malaria – Practical Guidance for Seafarers”, containing advice on the measures that should be taken to minimise the risk of catching the disease.

[Read more](#)

## LEGAL NEWS

### The Insurance Act 2015 (Shipowners)

As an update the Enterprise Bill 2015 has now been passed, which amends the new Act by implying into all contracts of insurance an entirely new term requiring the reimbursement of claims within a ‘reasonable time’, failing which interest may become payable. Bearing in mind the mutual nature of the risks insured and the manner in which claims are handled in the IG and under the Pooling Agreement, this provision did not appear to be appropriate for IG clubs. The eight affected IG clubs have therefore contracted out of this provision and will maintain the longstanding exclusion as to the payment of interest on members’ claims.

[Read more](#)

### Insurance Act 2015: What is and isn’t changing? (Shipowners)

[Read more](#)

### General Average – ‘York Antwerp Rules (YAR) 2016’ adopted by CMI (Standard)

Following four years of consultation and an extensive review by a CMI International Working Group (IWG), the YAR 2016 were adopted by the CMI Assembly at its conference in New York in early May... The International Group clubs welcome and support the adoption of the YAR 2016 and recommend the incorporation of the YAR 2016 in members’ future shipping contracts. Such incorporation will not affect members’ club cover.

All clubs in the International Group will also be issuing similar circulars.

[Read more](#)



## **BWM Convention : impending ratification by Finland and likely implications (Britannia)**

The UK Chamber of Shipping has been informed by reliable sources that on Thursday 8 September 2016 Finland, with a merchant fleet estimated to constitute 0.13% to 0.14% of the world's combined merchant shipping gross tonnage, intends to lodge with the IMO its documents of accession to the International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004 (Ballast Water Management Convention (BWM)).

[Read more](#)

## **COPC Fund: Updating the claims manual and claims settlement guidelines (UK Club)**

In October 2015, the UK Club briefed Members on the function and administration of the China Oil Pollution Compensation Fund (the "COPC Fund"). This latest briefing serves as an update to that article, providing an overview of two newly published documents in relation to claims against the COPC Fund.

[Read more](#)

## **IMO interim guidelines on maritime cyber risk management (Britannia)**

At its recent maritime safety committee meeting in May 2016, the IMO considered the urgent need to raise awareness on cyber risk threats. Interim guidelines on maritime cyber risk management were issued and a copy of MSC.1/Circ.1526 dated 1 June 2016 can be accessed at the following link:

[Read more](#)

## **Compliance with anti-corruption legislation (Gard)**

Vessels sometimes receive demands for bribes, yet companies are increasingly required to implement proper anti-bribery procedures. The BIMCO Anti-Corruption Clause seeks to help parties balance the risk of delay caused by corruption.

[Read more](#)

## **Unpaid hire – what to do when you don't get paid (Shipowners)**

Before taking a course of action the Owners must decide if the unpaid hire claim is validly disputed or if the Charterers are just delaying payment, for example, because they have cash flow issues. In the current market, the latter scenario has become increasingly common and requires Owners to make a challenging judgement call on how hard to squeeze Charterers. Squeeze too hard and Charterers may go out of business, but press too little and other creditors may secure their claims ahead of yours. Often in this scenario, Owners are left playing a waiting game. However, there are several options open to Owners, which we will explore in greater detail in this article.

[Read more](#)

## **A guide to laws and regulations governing offshore shipping operations (Shipowners)**

The Club has sought to establish a broad overview of common issues arising from the laws and regulations which govern offshore shipping operations. To this end, the Club has prepared new guide for Club Members with the assistance of Thomas Cooper and CTRL Marine Solutions Ltd.

[Read more](#)

## **Compliance with Orders and Continuing Performance Warranty (Standard)**

... the parties to a consolidated appeal recently heard in the Commercial Court – *The Coral Seas* - had not made provision for the effects of hull fouling and the question that fell to be decided on appeal by Mr Justice Phillips was:

*"Where under a time charter the owner warrants to the time charterer that the vessel shall maintain a particular level of performance throughout the charter period, and the time charterer alleges underperformance in breach of that warranty, is it a defence for the owner to prove that the underperformance resulted from compliance with the time charterer's orders?"*

[Read more](#)

## **CV Stealth - no permission to appeal arbitration award despite agreement to appeal points of law (Standard)**

This was an application for permission to appeal by the charterer of the *CV Stealth*[1], from an arbitration award holding they were liable to the owner of the ship for the financial consequences of the ship's detention at Puerto La Cruz, Venezuela. The judge dismissed the application on the basis that the charterer failed to satisfy the criteria set out in the Arbitration Act 1996 (the Act).

[Read more](#)



### Are the expenses during negotiation in a piracy case allowable in general average? (Standard)

This follows the decision of *The Longchamp* [1] in 2014. The High Court held that the crew wages and fuel consumed during lengthy ransom negotiations with Somali pirates could be allowed as general average under Rule F of York Antwerp Rules (YAR) as an expense incurred in substitution for the higher cost of paying the initial ransom demand... The Court of Appeal [2] has now reversed this judgement on the basis that Rule F cannot be applicable because there was only ever one course of action available – to pay the ransom.

[Read more](#)

### OW Bunker cases in the US (Standard)

In each case, Judge Forest held that the physical suppliers supplied the bunkers on the order of a subcontractor, not a party with presumed authority under the lien statute or one with actual authority by contract or law.

[Read more](#)

## SANCTION NEWS

### Iran Sanctions – Effects on Travellers to the USA (West of England)

... Members should therefore be aware that, for example, chartering or operations staff who are on business trips or holidays to the United States may not enter into any discussions or correspondence over Iranian fixtures.

[Read more](#)

### North Korea Sanctions – Update (Skuld)

In reaction to nuclear test and rocket launch conducted by North Korea earlier in 2016, existing sanctions against the country have been significantly expanded by the European Union and the United States in May 2016. The restrictions imposed by the sanctions now include:

[Read more](#)

### Update of Sanctions Summary Matrix (Japan P&I Club)

[Read more](#)

## PIRACY NEWS

### IMB publishes second quarter report on piracy and armed robbery for 2016 (Standard)

The IMB has published its report on piracy and armed robbery for the second quarter of 2016, covering the period from 1 January to 30 June 2016. It is reported that piracy and armed robbery at sea has fallen to its lowest levels since 1995.

[Read more](#)

### ReCAAP issues report on the abducting of crew from ships off Eastern Sabah and Philippines (Standard)

The ReCAAP ISC advises that the shipping industry should adopt the following measures when in the vicinity of Eastern Sabah and the Southern Philippines:

[Read more](#)

## PORT STATE CONTROL NEWS

### PSC concentrated inspection campaign in Paris, Tokyo, Indian Ocean and Black Sea MoU's (Standard)

Members are advised that the Paris Memorandum of Understanding (MoU) has issued a press release confirming that they will be launching a Concentrated Inspection Campaign (CIC) on the Maritime Labour Convention (MLC), 2006. The aim of the CIC is to verify that the minimum standards for working and living conditions have been implemented on board. This inspection campaign will be held for a period of three months, commencing from 1 September 2016 and ending 30 November 2016.

[Read more](#)



## PSC concentrated Inspection Campaigns 2016 – Riyadh and Vina Del Mar (West of England)

Further to our previous news article concerning [Port State Control – Concentrated Inspection Campaigns 2016](#), the maritime authorities of the Riyadh and Vina Del Mar MOUs on Port State Control (PSC) have also announced that they will be running their Concentrated Inspection Campaigns (CICs) from 1 September 2016 until 30 November 2016.

[Read more](#)

## Caribbean MOU PSC CIC on Crew Familiarisation for Enclosed Space Entry (Standard)

The Caribbean MOU (member countries: Antigua & Barbuda, Barbados, Dominica, Grenada, Guyana, Jamaica, the Netherlands Antilles, Suriname and Trinidad & Tobago) has announced it will be launching a CIC on crew familiarisation for enclosed space entry, to run from 1st September to 30th November 2016.

[Read more](#)

## REGIONAL NEWS

### Australia - new requirements for ballast water management (BWM) (Britannia)

The IMO have just published a circular (BWM.2/Circ.59) with details of the Australian requirements for BWM on ships engaged in international voyages which is effective from 16 Jun 2016. From this date, Australia will accept the use of BWM systems which have received type approval through the IMO process.

[Read more](#)

### Brazil - Immigration Fines for Overstaying Crew (London Club)

Members who call at ports in Brazil will be aware that issues can arise in relation to delays. Whilst the immediate concern of Owners/Charterers may be the demurrage accruing under the relevant charter, Members should note a potential problem arising in relation to crew overstaying the maximum 30 days from the first point of entry.

[Read more](#)

### Brazil - The CTe cargo trading system in Brazil (Standard)

The International Group (IG) have recently agreed that the CTe (Conhecimento de Transporte Eletrônico) system in Brazil is not an electronic trading system within the definition contained in Appendix V of the Pooling Agreement (PA), and there are no cover implications for members if the system (which is compulsory in Brazil) is used in the future.

[Read more](#)

### China - ECA Enforcement: New Advice Received (North of England)

INTERTANKO approached the Chinese MSA following the issue of "Notice of the Maritime Safety Administration of the People's Republic of China on Strengthening the Supervision and Administration on Emission Control Areas for Vessels" in January 2016. The following is taken from INTERTANKO's recent advisory.

[Read more](#)

### China - imposes requirements in relation to the Zika virus (Swedish Club)

The Government of China is "requiring all cargo shipments originating from the United States to provide proof of disinsection upon arrival at the Chinese port, both either air or sea. This applies to all vessels that left the United States on or after August 5, with the exception of containers kept at or under a temperature of 15°C (59°F)".

[Read more](#)

### China - Bulk liquid cargo shortage claims (Skuld)

Cargo shortage occurs frequently in bulk liquid cargo carriage due to various kinds of reasons. In cases of dispute over bulk liquid cargo shortage under a contract of carriage of goods by sea, generally carriers plead for exemption from compensation liability by raising various defences, while in the Chinese maritime judicial practice, different courts or even one court in different cases may have different attitudes towards such defences.

[Read more](#)



### China - Regulations for vessels calling at China (Skuld)

China P&I Management has made further research and enquired with the officials of AQSIQ and our local contacts in some major domestic ports, and we have learnt the latest update of specific implementation of Zika, as following:

[Read more](#)

### China - Recent Navigation Warnings of China Waters (Japan P&I Club)

We have obtained additional information on recent navigation warnings of China Waters issued by MSA China. Please find attached the free translation received from the law firm in Shanghai, China, Sloma & Co.

[Read more](#)

### India - New Berthing Policy for dry bulk cargoes (

The following advice was recently received from New Delhi lawyer Rajeev Mishra of Clasis Law regarding the forthcoming entry into force of a new berthing policy for dry bulk cargo in all major Indian ports:

[Read more](#)

### Indonesia - Corn, Soya Bean and Wheat Imports (North of England)

Indonesia imposes restrictions on imports of corn, soya bean and wheat cargo North recently published an article in Signals online which highlighted potential delays for ships discharging corn or soya bean cargoes at Indonesian ports. The article is accessible here.

[Read more](#)

### Korea - Port Entry Permission System to be enforced in Korean ports (Skuld)

Please be advised that amendments to the "International Ship and Port Facility Security Act" and "Ship's Port Entry and Departure Enforcement Act" passed the Korean Cabinet Council on 2 August 2016. These amendments were taken as a measure to strengthen port security in the light of a recent increase in security incidents such as foreign crew disembarking vessels without required permission (i.e. shore pass) etc., and the rapidly increasing threat of international terrorism.

[Read more](#)

### Philippines - Angkla Seafarers' Protection Act (UK Club)

This Act is a new law, aimed at protecting seafarers and their families from the unscrupulous practices of "ambulance chasing" lawyers, signed by President Aquino on 26th November 2015.

[Read more](#)

### Syria – Syrian Ports – Update 30/8/2016 (UK Club)

The Club's correspondents have advised that all Syrian ports – Lattakia, Tartous and Banias – are operating normally and under safe conditions, as the Syrian Coast remains calm so far.

[Read more](#)

### Ukraine - Ballast Water Sampling, Ukraine \*Update\* (North of England)

Local P&I correspondent DIAS Marine Consulting has reported continuing irregular practices relating to ballast water sampling in Ukraine. They have advised that ecological inspectors have recently boarded vessels in the ports of Odessa and Ilychevsk to try to collect samples of ballast water and attempted to pressurise the Master into providing samples.

[Read more](#)

### USA - New US Coast Guard Casualty Reporting Form (Skuld)

On 1 July 2016 the US Coast Guard released a new version of its "Form CG-2692" covering reports of marine casualties, commercial diving casualties, and outer continental shelf-related casualties.

[Read more](#)



### **USA - USCG provides an update on its Alternate Management Systems (AMS) program (UK Club)**

[Read more](#)

### **Yemen - Update on current status of Yemen ports and procedures for entering territorial waters (Standard)**

Members are advised that the following ports are fully operational as at 18 August 2016:

[Read more](#)

### **Yemen - Claims at Aden port (Swedish Club)**

Yemen is a significant importer of goods, and Members often face claims submitted by consignees. Yemen shipping industry is faced with the prevailing difficult times due to conflicts and unstable situation, absence of stable judiciary system and financial constraints.

[Read more](#)