

# Standard Bulletin

April 2014

Setting the standard for service and security

The Standard



**Jeremy Grose**  
Chief Executive  
+44 20 3320 8835  
jeremy.grose@ctplc.com

We really appreciate the support of our members over renewal, and we are acutely aware of how difficult it is to accommodate the premium rises that the club sought. Nevertheless, we achieved our target and we expect the year end free reserve position to be essentially unchanged compared to this time last year. Looking forward, we expect that the club's underwriting model; with a small underwriting deficit offset by a modest investment return, will be sustainable and realistic for the long term.

I am always struck by the extent to which Standard Club conversations often involve one or both of the following themes; quality and innovation. We are building on a long history of quality; the Standard Club was the first to have a set of minimum operating standards for membership, so that all members could have confidence that they were not subsidising the poor operations of any fellow member. We continue to focus on the quality of the membership which is more important to us than scale. However this is not our only focus; we also concentrate on achieving exceptional levels of service and are never complacent about this, continuously seeking further improvements in this ever more competitive world. Our success in this

## Looking forward

**I feel a mixture of pride, enthusiasm and responsibility as I take up my new position as chief executive of this dynamic business in which I have worked for many years. The future will undoubtedly hold some challenges but there are many exciting opportunities and I am certain that we will build successfully on our solid foundations.**

area largely depends upon the quality of our people, and I am fantastically proud of my colleagues at Charles Taylor who work tirelessly to safeguard the needs of our members.

We are focused on the professionalism and skills of our people and firmly believe that training and development is key to our activities. We also ensure that we place emphasis on the quality of our relationships with our members and their brokers. For me, the added value in our service derives from the extent to which our people are prepared to go the extra mile for our members. This is an aspect of our culture that is critical to preserve, as the business develops.

The other key theme in conversations is innovation. We are always looking to find ways to improve what we do, even if that means doing it slightly differently. We look at improving both the cover that we can give members and the way in which we provide it.

We are the only P&I club with a subsidiary dedicated to the Asian market – Standard Asia. Whereas ten years ago it accounted for 8% of the club's tonnage, it is now 17%, and that is of a club which is twice as large. We are a market leader in the provision of liability insurance to the offshore oil and gas industry - good business

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which we have built up by being adaptive to the needs of that sector. Over the course of the last two years we have joined forces with the commercial market to provide new products to service more of our members' insurance requirements.

I am confident and optimistic about our future, and that optimism comes from knowing that we have the vision and the skills to take the club forward into the next decade and beyond. We will do this, not by looking backwards, but by valuing our heritage, listening to our members, and developing innovative solutions to today's and tomorrow's problems.

# Piracy update



**Sam Kendall-Marsden**  
Syndicate Director  
+44 20 3320 8876  
sam.kendall-marsden@ctplc.com



**John Reay**  
Claims Executive  
+44 20 3320 8826  
john.reay@ctplc.com

## Trading off West Africa presents different risks to East Africa.

In its 2013 annual report on piracy and robbery against ships, the International Maritime Bureau reported an overall reduction in piracy incidents off Somalia, with 15 events in the past 12 months, as opposed to 75 in 2012 and 237 in 2011.

The reduction in piracy off the east coast of Africa is attributed to three principal factors: the employment of privately contracted armed security personnel on board vessels, the combined efforts of navies in the region and the adoption of vessel protection tactics recommended in the latest version of Best Management Practices (**BMP4**).

However, the level of attacks off West Africa's Gulf of Guinea (including Nigeria, Togo and Benin) has remained relatively consistent in recent years, with 53 attacks in 2013, 62 in 2012 and 53 in 2011. Worldwide, West African piracy accounted for 19% of attacks in 2013, with 31 of the area's 51 attacks occurring in Nigerian waters.

Although pirates operating off the west coast of Africa appear to be more focused on short-term hijack in order to steal cargo and other property, the risk of kidnap for ransom is still present. In 2013, 36 people were taken hostage in West Africa, more than in any year since 2008.

Whereas piracy off Somalia generally takes place in international waters, vessels trading to the Gulf of Guinea face piracy risks in the territorial waters of local states. Generally speaking, the use of privately contracted armed security personnel on vessels in states' territorial waters is prohibited, creating an additional challenge for shipowners.

- Overall reduction in piracy on a global level (including off East Africa)
- Level of piracy off West Africa relatively constant
- The issue of private armed guards, prohibited in states' territorial waters.

Piracy off West Africa differs from that off East Africa in the following principal ways:

	East Africa	West Africa
<b>Location</b>	International waters	Territorial waters of local states (although reports also indicate attacks at up to 170nm offshore)
<b>Piracy type</b>	'Transit' – vessels coming under attack while travelling through the region's waters	'Destination' – vessels coming under attack whilst waiting for or approaching a port or other final destination
<b>Apparent aim of pirates</b>	Long-term hijack/kidnap for ransom	Short-term hijack to facilitate the theft of cargo (usually gas oil), as well as robbery of vessel's equipment/stores and the crew's personal effects and kidnap ashore for ransom
<b>Method</b>	Pirates are dangerous and often fire upon the vessel with small arms, including RPGs, in order to attempt to board	Pirates are well-armed, violent and dangerous, and show less value for life than those off the east coast. Attacks often occur at anchorages and off the coast at night

### Recommendations

*The club strongly recommends that members follow BMP4 (and when trading off West Africa, the specific guidance developed for that region).*

In relation to West Africa, although privately contracted armed security personnel cannot be used in states' territorial waters, local forces may be used. If members decide to use local forces, the club recommends the engagement of unarmed privately contracted security personnel who can provide guidance and oversight.

An amended version of the BIMCO GUARDCON contract, to which the club has contributed, is currently being drafted and will address the specific contractual issues arising from the use of local guards off West Africa. The contract and an explanatory circular are expected to be published imminently.

### How can the club help?

The club has developed a considerable body of experience in this area and can assist members in the following ways:

- Contract review – advising members in relation to the wording of proposed contracts with security companies to make sure they do not prejudice club cover. The club strongly recommends the use of BIMCO GUARDCON, suitably

- amended for use off West Africa
- Advice in relation to general piracy issues – the club is happy to share its broad range of knowledge with members, and
- Kidnap and ransom insurance – we offer comprehensive kidnap and ransom cover to our members. The club's policy covers the costs of negotiations with pirates, legal expenses, the ransom itself, loss of the ransom in transit and crew liabilities arising from a maritime piracy incident. Loss of hire cover relating to a piracy incident is also available. Members can expect club-style service at a time of crisis and the support of dedicated piracy responders.

Members are invited to contact their usual **club contacts** for further information.

The club has received a positive response to its kidnap and ransom policy and has received numerous enquiries from its members as well as writing a number of accounts. Further details of the club's kidnap and ransom cover may be found on the club's **website**.



# Revised MARPOL Annex V



**Konstantinos Samaritis**  
Claims Executive

+30 210 429 1861  
konstantinos.samaritis@ctplc.com

- New rules introduced on 1 January 2013 create various obligations
- From 1 January 2015, shippers are to provide a complete classification for cargo to be shipped
- Clear contractual terms setting out responsibilities are encouraged.

## Stricter controls on bulk cargo wash water discharge at sea but who should deal with the garbage?

### A new order

As of 1 January 2013, various **amendments** to MARPOL Annex V Regulations for the Prevention of Pollution by Garbage from Ships mean that shippers have new responsibilities regarding cargo classification. Since this date, shippers have had to consider whether or not cargo residues present in hold wash water may be harmful to the marine environment (HME) and consequently whether it is permissible for crew to discharge hold wash water into the sea.

Prior to the amendments, bulk carrier operators were, in most instances, allowed to clean their holds of cargo residues with wash water and discharge this waste into the sea, regardless of the cargo that they had been carrying. As a result of the changes to MARPOL Annex V, cargo residues are now included within the definition of 'Garbage' in Regulation 1.9 and, therefore, discharge at sea for cargo residues is only permitted provided that certain criteria are met. Where the cargo or the washing material used is classified as HME, the cargo residues cannot be discharged into the sea.

Under MARPOL Annex V, shippers are responsible for classifying whether or not cargoes are HME and for declaring this to the ship, pursuant to section 5.4 of the International Maritime Solid Bulk Cargoes Code. Cargo classified as HME may only be disposed of at a suitable

reception facility. From 1 January 2015, shippers are under a duty to provide a complete classification for cargo to be shipped. It is also necessary to ensure that, in circumstances where the cargo is not HME, the cleaning agents are also not HME.

### Practical considerations

In light of these developments, it is recommended that owners liaise with charterers, shippers and discharge ports to determine whether the cargo intended to be carried is classified as HME under MARPOL Annex V prior to loading and, if it is, to ensure suitable reception facilities are available. However, due to the current lack of suitable reception facilities, the revised regulations are likely to cause problems in the operation of ships, which in turn may result in disputes between the parties involved under the respective contracts, i.e. owners and charterers, sellers and buyers.

### Contracting arrangements

The potential costs related to disposing of HME cargo are not usually allocated in standard form charterparties, so it is often uncertain where responsibilities will fall in the case of a dispute. In response, BIMCO has helpfully provided a cargo residues clause (for time charters), which deals with the issue as to where the costs will fall. This clause potentially allows owners to deviate from the scheduled route, at charterers' expense, to dispose of

cargo residues, where reception facilities are not available at the next scheduled discharge port. From a charterers' perspective, it is advisable to seek back-to-back arrangements with any sub-charterers down the contractual chain.

It is important to consider what will happen if cargo is not correctly disposed of, or indeed is incorrectly declared, and this leads to a pollution incident, or to the imposition of fines or penalties for a regulatory violation. In these circumstances, the consequences could be very serious for whichever party (owners or charterers) retains responsibility. For that reason, it is advisable that clear contractual terms are agreed to determine where responsibility and associated costs will fall in such cases.

### Interim period

Due to a reported current lack of adequate reception facilities, discharge of HME cargo residues contained in hold wash water is permissible until 31 December 2015 outside the MARPOL defined 'Special Areas' (Mediterranean, Baltic Sea, Black Sea, Red Sea, Gulfs area, North Sea, wider Caribbean region and the Antarctic) pursuant to MEPC Circular 810 providing that:

- On the basis of information from the relevant port authorities, the master determines that there are no adequate reception facilities at the receiving terminal or at the next scheduled port
- The ship is en route and as far as practicable at least 12nm from the nearest land
- Before washing, solid bulk cargoes are removed (and bagged for discharge ashore) as far as practicable and the holds swept
- Filters are used in bilge wells to collect any remaining solid particles
- The discharge is recorded in the garbage record book and the relevant Flag State is notified utilising the revised consolidated format for reporting alleged inadequacies of port reception facilities stated in MEPC.1/Circ.469/Rev.2.

### Club support

If members are uncertain as to any existing or proposed charterparty arrangements and terms that may make express reference to such circumstances, they should contact their usual club contact for appropriate guidance. ITOPF has prepared a helpful advisory note on the requirements as well as the concept and process of classification of cargoes as HME, which can be found on its [website](#).



# Collision matters



**Angeliki Kallini**  
Claims Executive  
+30 6977402510  
angeliki.kallini@ctplc.com

- Collision liability cover will usually be split between P&I and hull and machinery underwriters
- Wash damage is separate from collision liability cover while damage to fixed and floating objects is covered by a further rule.

## The wide scope of P&I cover in relation to collision type matters ensures members are protected for a wide range of liabilities.

The club continues to see claims involving damage to other ships and fixed and floating objects of various types. The article below considers the scope of standard P&I cover as illustrated through the various typical incidents that members may face daily due to the unpredictable factors prevailing at each area or port that vessels trade.

### Damage to other ships: collisions

The term 'collision' is defined as actual contact with another vessel, although an insured vessel may also be held liable for damages to a third vessel, which was struck by the vessel with which the insured vessel collided. This may be demonstrated for instance where an insured vessel is being towed and the tug is involved in a collision with a third vessel. The towed vessel would normally be held liable and a claim under the collision liability insurance would be triggered.

Traditionally, one-fourth of collision liability cover would be retained by the P&I clubs, with the remaining three-fourths to be covered by hull and machinery underwriters. In practice, however, owners may seek full coverage for their collision liabilities either from P&I or from hull and machinery underwriters.

For an owner's P&I entry, collision liability cover is provided under rule 3.6.1:

*One-fourth, or such other proportion agreed by the managers, of the liabilities arising out of a collision other than those set out in rule 3.6.3.*

For a charterer's P&I entry, collision liability cover is provided under rule 3.6.2:

*Four-fourths of the liabilities arising out of a collision.*

The above is subject to the proviso that the liability is not recoverable under the collision liability clause contained in the ship's hull policy and that such liability would have been covered under the usual form of Lloyd's marine policy with the Institute Time Clauses (Hulls) 01.10.83 or other form of hull policies (rule 4.1).

### Damage to other ships: wash damage

Ships of all sizes create 'wash' as a result of the use of propeller thrust. Wash size is analogous to the dimensions of a ship. Inevitably, wash damages may be caused by one ship to another. The club covers such loss of or damage to, delay to or wreck removal of any other ship or any cargo or other property therein caused by wash damage, which is not considered to be a collision. In particular, the club provides cover for damage to another ship that is not caused by a collision and which is therefore not covered by the collision insurance provisions of the ship (rule 3.7).

The law in most countries is that a shipowner has a duty to make sure that his ship proceeds at such a speed that it does not cause loss of, or damage to, other ships.

Practical tips for wash damage claims:

- Obtain a list of all other ships that passed at or near the time
- Gather evidence from the port including if possible video CCTV evidence
- Appoint a suitably competent surveyor to attend to gather evidence from the ship and the port authorities.

#### Damage to property

Rule 3.9 of the club rules typically covers damage to docks, jetties, locks or piers, as well as fishing nets, which are commonly referred to as fixed and floating objects (FFO).

It is usually difficult to escape liability for an FFO incident. As the ship is moving and the object remains stationary, there is an unavoidable presumption of fault on the part of the ship. In some countries, there may be an absolute liability for ships (for example, in England, under the Harbours, Docks and Piers Clauses Act 1847). There may be instances where FFO claims may be defended; however, each incident should be examined and judged on its own merits. As a general rule, it is always vital to first establish the condition of the damaged property before the incident took place, so as to avoid paying additional sums for FFO claims for betterment of the property.

Top tips for handling fishing net claims:

- Appoint a local correspondent or lawyer to assist with investigations and discussions with local fishermen
- Ensure open dialogue with local authorities
- If liability cannot be avoided, set clear deadlines for claim submissions by interested parties.

- For full 2014/15 policy year rules please request a copy from your usual club contact or visit the standard club **website**



# MLC update



**Danielle Southey**  
Claims Executive  
+44 20 3320 2212  
danielle.southey@ctplc.com

## Reviewing the MLC six months on.

The Maritime Labour Convention 2006 (MLC) came into force on 20 August 2013 and members have previously been advised as to how their P&I cover is impacted and what the club has done to assist. Following the six-month anniversary of the ratification date, the article below considers what the MLC has meant in practice and what issues lie ahead.

### Background

The MLC brought together 68 other instruments to create a single, unified global convention and, to date, 56 Flag States representing 80% of the world fleet by gross tonnage have ratified it. However, as with any endeavour of such magnitude, there are issues in the drafting that have become more readily apparent only when put into practice. In this respect, certain definitions within the MLC have allowed wide interpretation by Flag States:

- Concerns were raised by ship managers as to the definition of 'shipowner' under the MLC and whilst the ILO sought to clarify this, there remains a degree of uncertainty as to exactly who has assumed the responsibilities of the convention

- Some Flag States already have diametrically opposing views on who constitutes a 'seafarer'; for example, the UK considers a cadet to be a seafarer, while Panama does not
- The definition of 'ship' is another example, with certain Flag States exempting both MODU and MOPU units in the offshore sector, with others exempting only one of them and others exempting neither.

These examples illustrate some of the current issues, but as more Flag States ratify and implement the MLC, the laudable goal of a 'level playing field' may remain a distant prospect.

### Enforcement

The most recently available figures for Port State Control (PSC) detentions come from the Paris MOU (press release 14 October 2013), which indicated that four port states have detained seven individual ships from five different Flag States. The first detention occurred only three weeks after the MLC came into force and, to date, detentions have ranged from hours to as much as 24 days, indicating the extent of risk that owners face for delays caused by non-compliance. No doubt other PSC detentions will have occurred since this report and in other MOU areas.

Special thanks go to Iain Cassell for the original draft of this article





### Ongoing issues

Abandonment of seafarers has also now been seen in the MLC context, with one case leading to the Gibraltar Ship Registry repatriating crew from three ships after the owners fell into financial and commercial problems, and another where the ITF assisted crew and is now pursuing the Panamanian Ship Registry for the costs.

It is evident therefore that differences in terms of interpretation and implementation of the MLC are occurring between Flag States, as recognised by the EU producing a directive to try and standardise implementation by EU member states. In addition, the MLC is itself evolving, with the next round of talks due in April 2014. These talks are between a tripartite committee of ILO member governments, the ISF and ITWF, and will discuss and possibly agree the ILO Principles regarding abandonment and liability for contractual crew claims. Among issues to be discussed are the definition of abandonment of a seafarer, a provision for direct action

against the provider of financial security, the right of a seafarer to claim outstanding wages up to four months and associated entitlements following repatriation through insolvency, a requirement for documentary evidence of financial security in respect of contractual crew claims, and notification to the Flag State of cancellation of financial security and a requirement that Flag States ensure prior notification of the same and immediate notification if it is not to be renewed. If adopted, the ILO Principles will need to be implemented by Flag States and could become effective within two years. Flag States ratifying the MLC after adoption of the Principles will have to incorporate them into an amended MLC.

### International Group

The IG continues to work with the ISF to support members' interests and to try to ensure that their P&I insurance covers the liabilities they face under the MLC (such that they do not need additional third-party insurance) and certificates of entry continue to be accepted as evidence of financial security. The club continues to recommend that members engage with their Flag State to ensure they comply with the MLC, regardless of whether it compulsorily applies, and also to engage with their national associations to communicate their views on the ILO Principles.

# Flaring Near the Fo'c's'le



**Doug Scott, Risk Engineering Consultant**  
**Charles Taylor plc**  
+ 44 20 7015 2059  
doug.scott@ctplc.com

- FPSOs and FSOs are well-established technologies
- Specific risks apply to these types of vessel
- Specialised processes and features have been designed to manage and mitigate these risks.

FPSO (Floating Production, Storage and Offloading) and FSO (Floating Storage and Offloading) units have become well-established technologies, with numerous units installed around the world. With the search for hydrocarbons going into ever deeper water, the number of FPSOs is sure to increase.

Transport of hydrocarbons by sea has always been considered a hazardous activity requiring special precautions, with the level of risk increasing with the size and volatility of the cargo, for example, liquefied gas cargoes being considered more hazardous than liquid cargoes.

This risk increases for FPSOs and Floating LNG (FLNG) production units as a consequence of the processing activities.

## Risk management

Features of the FPSO are designed to help manage the risks:

- A helideck is an essential feature for an FPSO. The helideck is located near the accommodation area to facilitate evacuation in an emergency. Care is necessary in the design to ensure that helicopter routes are away from air turbulence associated with the flare and the hot exhaust gases from the gas turbines.
- Limited storage space is allowed, necessitating frequent visits from supply boats using cranes to deliver food, spare parts, etc. Sometimes materials are stored in inappropriate locations, for example, flammable liquids in non-explosion proof rated areas.
- Flare stacks are used as a source of ignition in the event of a major gas release. Under most conditions, the flame from the flare is limited, but during emergency depressurising, very high levels of thermal radiation can occur. This sometimes requires radiation protection or shielded escape routes in areas near the flare.
- In addition to the flare, FPSOs have low-pressure vents for routine discharge of gases. Under certain wind conditions, hydrocarbon gases can be blown back to deck level. When this happens, releases are usually detected by installed gas detection systems. Detectors are set well below the lower explosive limit

### Specialist vessels, specialist skills.

As a result of the increased risk, the management of the vessel is significantly different from that of a tanker:

- An offshore Installation Manager (OIM) manages the FPSO
- The production team, including maintenance personnel, will greatly outnumber the marine personnel on board
- Centrifugal compressors and gas turbines require sophisticated condition monitoring for optimum performance
- A comprehensive asset integrity programme is necessary to ensure that internal corrosion from the process fluids, as well as external corrosion, does not reduce pipe and vessel-to-wall thicknesses to unsafe levels.

(LEL) of discharged gases and spurious alarms may occur. The design of the gas detection system must therefore be robust to ensure that minor, localised, detections of gas, well below the LEL, does not lead to an unnecessary shutdown of the process facilities.

- Associated gas from many oil fields contains toxic hydrogen sulphide (H<sub>2</sub>S). The behaviour of H<sub>2</sub>S after a release is very different to that of natural gas. H<sub>2</sub>S, being heavier than air, will migrate to lower levels, often enclosed spaces. Therefore, in some cases, a separate detection system specifically for H<sub>2</sub>S might be necessary.
- Fire protection philosophy is also very different from common marine practice, with widespread application of water deluge systems to protect process equipment, plus gaseous extinguishing systems to protect electrical rooms. Main fire pumps, which will often be of larger capacity than those found on tankers, are generally diesel-driven to be independent of the electrical power supply.

### Conclusion

The design of FPSOs is still evolving, with some newer vessels being custom designed as FPSOs rather than converted crude carriers – a trend that is likely to continue with offshore LNG and other complex processes being undertaken.



# Sugar rush



**James Leabeater**  
Barrister  
+44 20 7842 5555  
jleabeater@4pumpcourt.com



**Ed Jones**  
Barrister  
+44 20 7842 5555  
ejones@4pumpcourt.com

## Court of Appeal applies strict approach to laytime provisions in case following destruction of conveyor belt in fire.

### **E.D. & F. Man Sugar Ltd v. Unicargo Transportgesellschaft mbH (Ladytramp)** [2013] EWCA Civ 1449

The case note below reviews the recent English Court of Appeal decision arising out of a fire at a Brazilian sugar terminal.

The British and Irish Legal Information Institute [website](#) has a copy of the transcript.

E.D. & F. Man hired the vessel 'LADYTRAMP' from Unicargo on the Sugar Charter Party 1999 form to carry bulk sugar from Brazil to the Black Sea. Charterers ordered the vessel to load a cargo of sugar at Paranagua in Brazil. However, loading was delayed by a fire. The owners claimed demurrage. The charterers relied upon clause 28 of the Charterparty, which said that time lost due to "mechanical breakdowns" was not to count.

The dispute was referred to arbitration in London. The tribunal found that the fire had "destroyed" the conveyor belt.

The charterers argued that time had been lost due to "mechanical breakdown". They argued that it was enough that the machinery at the terminal had ceased to operate because of the fire. The owners, on the other hand, argued that the words required a breakdown as the result of (or in the nature of) a mechanical fault.

The tribunal found for the owners, and the charterers appealed to the Commercial Court. The judge agreed with the tribunal:

*"It is not enough that the mechanical loading plant in question simply no longer functions, or malfunctions (irrespective of the cause of the malfunction). The nature of the malfunction must be mechanical in the sense that it is the mechanism of the mechanical loading plant which ceases to function."*

The charterers again appealed, this time to the Court of Appeal.

### **The Decision of the Court of Appeal**

A unanimous Court of Appeal dismissed the charterers' appeal. It considered that the nature of the breakdown was key:

*"Complete destruction of part of a facility is not only something more than a breakdown, it is plainly something different in kind from a mechanical breakdown, although equally plainly a mechanical breakdown might lead to complete destruction of all or part of a mechanical loading plant, whether through fire or through some other mechanism" (at [14]).*

Interestingly, by the time the case reached the Court of Appeal, there was new evidence that the fire had itself been caused by a mechanical breakdown in the conveyor system. The Court of Appeal refused to allow the charterers to rely on it. The charterers had had their chance to adduce evidence, and it was too late to try again.

#### **Comment**

- Careful attention must be paid to the precise wording of charterparty provisions in relation to laytime relating to when time runs and when it does not run.
- This case is a good example of the importance of investigating the facts as soon and as carefully as possible. If the new evidence that the fire had been caused by mechanical breakdown was correct, and if it had been available at the arbitration, the charterers might have succeeded. However, as they did not provide the evidence in time, they lost. In case of a potential dispute, spending time and money investigating the full facts at the outset may save money in the long run.
- There was a significant fire at Copersucar's Terminal in Santos, Brazil on 18 October 2013. Any party bringing or resisting claims for demurrage in relation to that fire should pay heed to this case.



# Reform of German Maritime Law



**Dr. Johannes Trost**  
Lebuhn & Puchta, Partner  
+49 40 37 47 780  
johannes.trost@lebuhn.de

- Modernisation of German Maritime Law ensures that the legal rules are up to date with international conventions and practice
- Hague Visby limits remain as the basic principles of liability for cargo claims in Germany
- Arrest of ships in Germany has been made easier.

The article below considers some of the key changes to German Maritime Law brought about as a result of the relevant amendments to the German Commercial Code.

## Charterparties

For the first time, specific rules on charterparties have been implemented, covering both bareboat and time charterparties. The rules generally follow the common international standards in maritime business and are non-mandatory.

## Liability

Three changes are noteworthy. Firstly, there will no longer be a general exception from liability in respect of errors of navigation and fire. However, the new law allows a carrier to include provisions to that effect in the contract of carriage and the bill of lading, which is recommended to be observed.

Secondly, a special liability of the actual carrier with regard to the shipper/consignee is introduced, making the

## The year 2013 proved to be an important milestone in the modernisation of German Maritime Law.

actual carrier responsible for cargo damage in the same way as the contractual carrier. Thirdly, certain provisions concerning the parties' liability, in particular for cargo loss or damage, cannot be deviated from by way of general terms of business but only by individual agreement.

## Cargo Claims

As Germany will remain a contracting state to the Hague Rules amended by the Visby Protocol, no changes have been made in respect of the limits for cargo claims.

## Bill of Lading

Contrary to international practice is the new German provision regarding the bill of lading. A charterparty can no longer be included in the bill of lading by way of an incorporation clause. In order to have a binding effect, all provisions must be included in the bill of lading itself.

## Ship Arrest

Fundamental changes are to be noted by way of a coincidental alteration of the German Code of Civil Procedure in 2013. Previously, ship arrests in Germany were restricted to rarely met cases. Following these amendments, German maritime law is now similar to those of neighbouring countries such as the Netherlands and Belgium.

Under the new rules in Germany, various claims against the vessel owners can be secured by way of an

arrest. However, in cases where the Arrest Convention 1952 applies, an arrest may only be brought in respect of a 'maritime claim' as defined in Art. 1 (1) of the convention. The court may require the applicant to provide counter-security to cover possible damage claims in case the arrest is subsequently lifted following a challenge.

As arrest of ships in Germany has become easier, the protection against a potential arrest has come into focus. Thus, a shipowner who believes his vessel may be arrested in Germany has the possibility to act pre-emptively by filing protective submissions with the court of the vessel's port of call, disputing the relevant claim and requesting the court to deal with any arrest application inter partes in a hearing, rather than ex parte as is otherwise usual. The court is bound to take such protective submissions into account, though it is not bound to accede to any applications they may contain.

# Staff spotlight



**Yves Vandeborn**  
**Director of Loss Prevention**  
+65 6506 2852  
yves.vandeborn@ctplc.com

## **What was your first job in the industry?**

My first role in the marine industry was working as a Cadet, later progressing to Master mariner on gas tankers. When I first started working in the P&I industry, I was an external independent surveyor for various IG P&I clubs. My previous roles have all helped build the knowledge required for my current role.

## **What was it that interested you to P&I?**

I have always been interested in the loss prevention aspect and risk assessment, working with the members to improve standards in the maritime industry and prevent incidents.

## **What is your current job and how does it differ from your first job in the industry?**

As Director of Loss Prevention, I oversee the risk assessment of several thousand ships in different trades and regions, concentrating on very specific P&I-related issues. This is a different perspective from managing all aspects related to a single ship under your command – it is much more about the bigger picture now.

## **What is the most important thing a club can do for its members?**

Assist its members with any kind of loss prevention advice they require in order to allow them to safely carry cargo from port A to port B.

## **How do you think the industry has changed since you started working in it?**

I think the standard and quality of seafarers worldwide has unfortunately declined, enforcing the need for more thorough and frequent training to be conducted.

## **What do you like about working in Charles Taylor's Singapore office?**

Living in Singapore, I enjoy the great mixture of cultures. During my frequent travels around Asia, I will always try to mix with the local people and eat local food.

I think it is essential for the club to have a safety and loss department based in Singapore, and I have been working in this office since 2010. Asia is a growing market, and it is important for our members worldwide to be able to get immediate safety and loss advice.

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Telephone: +44 20 3320 8888 Emergency mobile:  
+44 7932 113573 Email: [pandi.london@ctplc.com](mailto:pandi.london@ctplc.com)  
Website: [www.standard-club.com](http://www.standard-club.com)

Please send any comments to the editor:  
Brett Hosking Email: [brett.hosking@ctplc.com](mailto:brett.hosking@ctplc.com)  
Telephone: +44 20 3320 8956

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