MEMBER SERVICING

TOUGH NEW RULES FOLLOWING CHANGE TO AUSTRALIAN POLLUTION LAWS



Jeremy Grose: Telephone: E-mail:

Chief Operating Officer, Standard Club +44 20 3320 8835 jeremy.grose@ctcplc.com

Providing a high-quality level of service is of the utmost importance and is one of the club's key objectives. One of the ways that we look to achieve this is by having teams, or syndicates, looking after members' entries in the club. These syndicates are organised on a regional basis or according to business type, and focus on the claims, underwriting and documentary requirements of their designated members.

The club has grown in recent years, and this has led us to look carefully at the balance of work, and we are making some adjustments in the way our operational teams are structured. With effect from June, the syndicate that has until now looked after members in the Americas, UK and Europe will be divided into two syndicates. One syndicate will look after the club's members from the Americas and UK. Within the other, the team that looks after the club's northern European ocean-going members will co-operate and work with the team that looks after the European Standard London Class small craft members, in a combined overall syndicate.

There will be some promotions and consequential staff movements between syndicates to ensure that we have strong teams supporting all areas of the business. We appreciate how important it is for members to maintain the relationships that they have built up with the claims handlers and underwriters who they know and who have developed a strong understanding of their business. We have as far as possible sought to maintain those relationships within the new structure.



Brett Hosking: Telephone: E-mail:

Claims Executive, Standard Club +44 20 3320 8956 brett.hosking@ctcplc.com

MARITIME LEGISLATION AMENDMENTS ACT 2011

On 21 November 2011, the Australian Parliament finalised the amendments to two pieces of Australian legislation concerning pollution, the Navigation Act 1912 and the Protection of the Sea (Prevention of Pollution from Ships) Act 1983. The Maritime Legislation Amendments Act 2011 received assent on 3 December 2011 and now has force of law. The amendments were driven by recent maritime pollution incidents in Australia, involving damage to reef and oil spillage, notably the cases of the *Pacific Adventurer* and *Shen Neng 1* in 2009 and 2010 respectively.

The Act creates new offences for oil pollution incidents, broadens the scope of liability and increases penalties for pollution offences. The changes have generated some debate and, as a minimum, should be a cause for parties to reconsider their potential liabilities when trading in or around Australia.

PROTECTION OF THE SEA (PREVENTION OF POLLUTION FROM SHIPS) ACT 1983 (PSPPSA)

The PSPPSA was amended to:

- Extend existing penalties to all ships within the Exclusive Economic Zone (EEZ) and all Australian ships outside the EEZ.
- 2. Expand the list of persons who may be charged with an offence to include 'charterers'.
- 3. Increase the maximum penalty:
 - for individuals: from A\$55,000 to A\$2.2m.
 - for corporations: from A\$275,000 to A\$11m.

These changes reflect a departure from previously settled law in Australia and many other common law jurisdictions.

The scope of liability has been widened in that these strict liability offences are likely to affect time and voyage charterers, irrespective of their degree of control over the day-to-day operations of a ship that may cause pollution. Previously, a discharge of oil or an oily mixture from a ship into the sea would be the responsibility of the owner and master of a ship. The discussion papers surrounding the amendments provide little detail as to the rationale behind this change and there is some doubt as to the intention of the legislators and the Australian Maritime Safety Authority (AMSA). Nevertheless, it is thought that the local courts are likely to give the term 'charterer' a broad interpretation.