

Strike & Delay insurance

How Strike & Delay insurance covers against hurricanes, cyclones and typhoons

Hurricanes, cyclones and typhoons can have a devastating effect on shipping operations in many parts of the world, leading to rerouting and long delays, and a significant impact on revenue.

With weather disasters on the rise, the aftermath of 2020's Cyclone Amphan in India highlights how Strike & Delay insurance can protect shipowners and charterers against potentially damaging costs.

Weather disasters have increased by 46% since 2000.

<https://e360.yale.edu/digest/extreme-weather-events-have-increased-significantly-in-the-last-20-years>

Case studies

Cyclone Amphan

- Category 5 super cyclonic storm made landfall in West Bengal on 20 May 2020.
- Windspeed estimated at 175 km/h (110 mph).
- Economic losses estimated at 13.6bn USD.

Damage to inland facilities and supply chain infrastructure

Flooding affected several mines and the surrounding infrastructure. Operations were suspended, causing significant delays in producing and transporting cargo to ports for loading. A Panamax bulk carrier suffered a two-week delay as a result.



Time lost

14 days



Daily entered sum

\$6,500



Recoverable?

Yes



Cost recovered

\$84,500

13 days excess
1 day deductible

Damage to port infrastructure

Damage to Kolkata Port's wharves left them unusable for weeks. Once reopened, the reduced loading speed and the subsequent congestion caused considerable delays.



Time lost

7 days



Daily entered sum

\$15,000



Recoverable?

Yes



Cost recovered

\$90,000

6 days excess
1 day deductible

Port closed by lawful authority

Authorities at Haldia suspended the loading of a handy-size bulk carrier as the cyclone approached. The vessel was moved to the anchorage until the cyclone passed and safe loading resumed.



Time lost

8 days



Daily entered sum

\$10,000



Recoverable?

Yes



Cost recovered

\$70,000

7 days excess
1 day deductible

Consequential delay caused by a covered risk

Damage from Amphan caused congestion in several reopened ports for weeks.



Time lost

9 days



Daily entered sum

\$15,000



Recoverable?

Yes



Cost recovered

\$120,000

8 days excess
1 day deductible

How to get Strike & Delay insurance

Our Strike & Delay insurance can help shipowners and charterers protect themselves from the unexpected and potentially high costs of delays occurring on board or onshore. We can provide cover for up to 30 different delay risks – including named hurricanes, cyclones and typhoons – enabling you to protect your balance sheet and mitigate delay losses.

With a dedicated, end-to-end Strike & Delay team that includes underwriting, claims and loss prevention, we offer an all-round, in-depth client experience – before, during and after a voyage.

If you have any questions regarding this cover or any of our other covers, please contact your usual representative at Standard Club or a member of the Strike & Delay team.

Keep up to date by visiting the Knowledge Centre section on our website www.standard-club.com.

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