

How Strike & Delay insurance covers against alleged or actual pollution

actual pollution

Environmental events such as oil spills, air pollution or waste materials discharged from ships – regardless of whose fault they may be – can cause long delays for owners or charterers while the damage is assessed, cleaned up, and any fines or penalties imposed on those responsible are guaranteed or paid. As a result, the ship may sit idle for days or even weeks – hugely impacting time, costs and overall operational revenue.

10,000 tonnes of oil

were spilt into the environment in 2021 – higher than the previous two years'.

l.https://www.itopf.org/knowledge-resources/data-statistics/statistics/

Case studies

The case studies below show how Strike & Delay insurance can protect shipowners and charterers against the potentially damaging costs of delays caused by alleged or actual pollution – either by their own ships or following events elsewhere.

Oil spill during ship-to-ship operation

During a ship-to-ship transfer, a burst hose caused oil to spill into the sea and on the decks of both ships, polluting the nearby shoreline. Both ships were prevented from leaving until they put up the necessary financial security to the authorities for fines and clean-up costs – causing a delay of more than two weeks.



Time lost

17 days



\$18,000



Yes



\$288,000 16 days excess 1 day deductible

Air pollution

The ship arrived in the Singapore Emission Control Area for loading. During a routine investigation, the Maritime and Port Authority found the vessel's sulphur emissions exceeded 0.10%, breaching MARPOL regulations. The authorities detained the ship until a fine was paid. A later investigation discovered the breach – and subsequent three-day delay – was caused by an unforeseeable technical failure with an approved scrubber.



3 days



\$12,000



Yes



2 days excess 1 day deductible

\$24,000

Oil spilled from another ship

while the ship queued for hull cleaning. It was finally allowed to depart a week after the polluting event.

A ship was stopped from leaving Rotterdam after an oil spill from another vessel contaminated its hull. The port was closed for five days while the spill was cleaned up, and there was a further two-day delay



7 days



\$20,000





1 day deductible

During a large fire at a petrochemical storage facility in Houston, a containment wall failed, allowing petroleum products and firefighting foam to pour into a ditch draining into the Houston Ship Channel.

Oil spilled from port facilities

The US Coast Guard closed the ship channel for cleaning, delaying the ship for over a week before she was allowed to sail upriver through the channel to load.

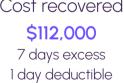




Daily entered sum



Recoverable?



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 cover you for up to 30 different delay risks – including alleged or actual pollution – enabling you to protect your balance sheet and mitigate delay

losses. With a dedicated, end-to-end Strike & Delay division that includes underwriting, claims and loss prevention teams, 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





Part of **NorthStandard**