

*Greek Shipping Co-operation Committee*



*NEWS BULLETIN*

*January 2024*

## Contents

<b>2024 GSCC Vassilopitta Reception .....</b>	<b>2</b>
AMSA: Updated Marine Order 12 on Construction - Subdivision and Stability, Machinery and Electrical Installations in Effect.....	7
AMSA: New Marine Order 27 on Safety of Navigation and Radio Equipment in effect .....	7
Lloyd's Register: New biofouling Requirements for Ships Calling at Australian Ports .....	8
DNV: Clarifications on the IMO DCS/CII and EU MRV/ETS, and the Use of Biofuels .....	8
ICS: Shipping Industry Flag State Performance Table 2023/2024 .....	9
IMO: Adoption of UN Security Council Resolution 2722 (2024) on the Red Sea.....	10
West of England P&I Club: Threats to Vessels in the Red Sea - Important Factors to Consider.....	10
Steamship Mutual P&I Club: Israel - Hamas War - Frequently Asked Questions .....	11
UK P&I Club: Southern Red Sea and Gulf of Aden - INTERTANKO Security Bulletin.....	11
UK P&I Club: Yemen - Port Updates.....	13
UK P&I Club: Israel - Port Updates .....	13
UK P&I Club: Turkey Environmental Pollution Fines Sharp Increase .....	14
UK P&I Club: Implementation of Just-in-time Arrival in Singapore.....	14
UK & West of England P&I Club: China - Regional MSAs Announce New Shipping Routes in the Bohai Sea and Eastern Waters .....	17
West of England P&I Club: Port Agreements & LNG Conditions of Use .....	18
West of England P&I Club: Ecuador - Ports Under Heightened Security Measures Following Recent Unrest.....	19
SKULD P&I Club: Quint-Seal Compliance Note - Know Your Cargo .....	19
Swedish Club: Electronic (Paperless) Trading .....	21
Steamship Mutual P&I Club: UK Supreme Court Guidance on Application of War Risks Clauses ...	23
Steamship Mutual P&I Club: Zone of Danger - Claims for Negligent Infliction of Emotional Distress .....	23
Britannia P&I Club: Senegal Country Guide.....	23
Britannia P&I Club: Working at Height .....	24
Britannia P&I Club: Cargo Hold Cleaning Standards .....	24
Britannia P&I Club: Dragging Anchor Prevention.....	24

## 2024 GSCC Vassilopitta Reception

The annual reception for the cutting of the Committee's Vassilopitta and the celebration for the New Year 2024 took place on 18 January at Staple Inn Hall, London.

The reception was attended by UK Parliamentary Under Secretary of State at Department for Transport, Lord Davies of Gower, the Ambassador of the Hellenic Republic to the Court of St. James's, Yannis Tsaousis, Deputy High Commissioner of Cyprus, Spyros Miltiades, INTERCARGO Chairman, Mr. Dimitris Fafalios, HSSA President, Mr. Haralambos Simantonis, and the founder of Posidonia, Mr. Themis Vokos, among other distinguished guests. A number of representatives of classification societies, P&I Clubs, maritime institutions of the City of London, law firms and banks, as well as representatives of GSCC Member Offices were present. Last but not least, GSCC Chairman Mr. Haralambos Fafalios and many GSCC Council Members attended the annual celebration.

The Vassilopitta cakes were blessed by Archimandrite Nephon Tsimalis of Great Britain and Thyateira. The three guests to find the lucky coins, a half sovereign, in their cake slices were Mr. Thomas Sakellariou of Lloyd's Register, Deputy High Commissioner of Cyprus Spyros Miltiades, and former GSCC colleague Ms Chryssie Klavdianos.





The welcome speech of our Chairman, Mr. Haralambos J. Fafalios, can be found below:

Your Excellency, your Eminence, Minister, my Lord, ladies and gentlemen.

It is with great pleasure that I welcome you to our annual New Year Vassilopitta cutting in London.

Yet again, the world has moved significantly on from the pandemic into an era of several significant wars going on, namely the Ukraine and Gaza.

To add to that we have a regional conflict in Yemen, which very significantly affects our business.

Primarily from the perspective of crew safety as well as potentially severing one of the most significant arteries of world trade i.e. the Red Sea and Suez Canal.

In fact, as this problem has been spreading, it might even affect the access to the Persian Gulf.

Against this backdrop, the low water levels in the Panama Canal seems a bit less worrisome but the effects to world maritime trade are all there.

As usual, the world shipping industry has been doing its best to counteract these issues and see to it that all nations are still receiving their wet and dry commodities as well as manufactured goods on time and on schedule.

Inflation is slightly abating itself but still the world's most significant economic zones are coping in different ways.

Europe itself is just short of recession and has many elections to decide on its future direction.

The Far East, except for China, is still progressing forward as is India. China will have to take some very difficult economic decisions if it is to resuscitate various ailing parts of its economy.

Whilst the U.S. economy is moving strongly, an election in the autumn will leave voters with two relatively stark choices so far.

The world has learnt to live with sanctions and its effects on maritime trade has been significant as it has created a parallel universe of a fleet with few controls, which is involved in the transport of sanctioned commodities.

In the last twelve months all these factors have helped some sectors of the shipping markets and hindered others.

The tanker sector, both dirty and clean, enjoyed a fruitful and positive twelve months.

The gas carrier fleet, especially the LPG sector, reached new record highs in their freight rates.

The container sector has cooled down a lot and a very substantial orderbook does not bode well for the future.

Interestingly, the car carrier market has been more fortunate with a record demand for vehicle transportation.

Dry bulk went through an unexceptional year, occasionally brought up by the odd FFA induced rally.

Apart from all these challenges, world shipping has been trying to adjust to a low carbon environment. Few realistic solutions at all have been provided by the technology suppliers such as ship and engine builders and the energy suppliers who have still not given us a real low carbon fuel on a well-to-wake basis. This is especially the case for tramp / bulk shipping.

The fuels that are being offered do not, at present, have a global bunkering network and in some cases are not proven to be safe, especially for seafarers.

So, it does the industry no good to add to its headaches with instruments such as ETS, CII, EEXI, which do not in any way encourage a path towards green shipping.

The fact that world shipping transports more than 90 per cent of world trade, in a manner which is more carbon efficient than any other mode of transport, speaks highly of shipping's continuous aim of lowering its carbon footprint.

The Greek shipping industry itself, one of two largest in the world, is engaged in a very substantial newbuilding programme in all sectors in order to provide vessels suitable for the future.

As the Greek fleet itself carries most of the world's tramp trade, i.e. dry bulk, gas and tanker, it has to be more versatile than any other fleet and adhere to the requirements of every nation and its legislative conditions.

In order to reach a net zero situation sooner rather than later, we urge all those who supply us with ships and fuels to increase their efforts to reach real solutions, to efficiently serve the tramp model.

We also think that legislators ought to supply more carrot and less stick in order to encourage progress as opposed to filling up their fiscal shortfalls.

The G.S.C.C. itself, being based in London, has the advantage of being close to all the major shipping bodies and has a close dialogue with all these organizations as well as non UK-based institutions. We are always working towards improving the global understanding of what Greek and world shipping does and how it goes about this in a seamless and low carbon manner.

We still urge the Greek government to upgrade the maritime education system and allow more private education establishments.

If the Greek flag is to survive the surrounding bureaucracy, it must improve itself significantly.

We cannot stress enough the need for Greece to have more permanent representation at the E.U. and the I.M.O. in order to increase the understanding of the maritime industry.

The Hellenic Coast Guard must remain an important backbone to the Greek maritime system with its global representation.

Most importantly, of all our gratitude goes to all our seafarers, who endure so many challenges every day and are rarely appreciated for their hard work.

World trade would not function without their selfless efforts every day of the year keeping ships trading from one port to the other whilst encountering rough seas and challenging port environments.

Those working in shipping offices ashore must also not be forgotten for all their hard work in keeping this vital industry functioning smoothly.

Finally, I would like to thank my G.S.C.C. colleagues for their dedication and hard work and in particular to Kostas Amaratidis and his team for running this organization so efficiently in these difficult times.

Thank you.

## **AMSA: Updated Marine Order 12 on Construction - Subdivision and Stability, Machinery and Electrical Installations in Effect**

The Australian Maritime Safety Authority's Updated Marine Order 12 on construction, subdivision and stability, machinery and electrical installations, is effective from 1<sup>st</sup> January 2024, and contains, among others, the following key changes:

- New requirement to have ship-specific towing and mooring arrangements plans, and to keep them on board for the Master's reference.
- Updated references to provisions of SOLAS relating to openings in watertight bulkheads.
- Reformatting to reflect current drafting style and updated definitions.

For further information, please read the new [Marine Order 12](#).

## **AMSA: New Marine Order 27 on Safety of Navigation and Radio Equipment in effect**

The Australian Maritime Safety Authority's New Marine Order 27 relating to navigation safety measures and equipment, radio equipment, and safety, urgency and distress communication took effect on 1<sup>st</sup> January 2024, and contains the following key changes:

- Incorporating amendments to SOLAS Chapter IV 'Radiocommunications' from IMO Resolution MSC.496(105), noting there are no resulting changes to carriage requirements.
- Incorporating amendments to SOLAS Chapter V 'Safety of Navigation' from IMO Resolution MSC.496(105), noting there are no resulting changes to carriage requirements.
- Updating SOLAS requirements, including their application to regulated Australian vessels and foreign-flagged vessels.
- Removing Schedule 2 *IMO Resolutions*.
- Minor updates to Schedule 3 *GMDSS equipment for vessels to which Chapter IV of SOLAS does not apply*.
- Removing Schedule 4 *Station frequencies for GMDSS distress and safety communications*.
- Including mandatory registration of EPIRBs on regulated Australian vessels (RAVs).
- Including penalty units for turning off some equipment, including Automatic Identification System (AIS) and Long-Range Identification and Tracking (LRIT).
- Updating definitions, including *EPIRB, qualified compass adjuster and NAVAREA X*.
- Updating Division 4 to improve consistency with the Radio Regulations and remove duplication.



- Revision of formatting and terminology to reflect current drafting practice.

For further information, please read the new [Marine Order 27](#).

## **Lloyd's Register: New biofouling Requirements for Ships Calling at Australian Ports**

Lloyd's register draws attention to [a recent notice from the Australian Government](#) and the new biofouling management requirements for ships calling at Australian ports.

The introductory period for these new requirements ended on **15<sup>th</sup> December 2023**. Implementation is now focusing on transitioning to a business-as-usual approach, where operators of all ships will need to provide information on biofouling management practices prior to arriving in Australia.

Ship operators can demonstrate proactive management of biofouling by implementing one of these [three accepted management options](#):

1. Applying an effective Biofouling Management Plan and Record Book.
2. Cleaning of all biofouling within 30 days prior to arriving in Australian territory.
3. Executing an alternative biofouling management method pre-approved by the department.

You can find out more [here](#).

It is recommended to update vessels' Biofouling Management Plans in accordance with the IMO's 2023 Biofouling Guidelines ([MEPC.378\(80\)](#)) and in compliance with the Australian requirements.

## **DNV: Clarifications on the IMO DCS/CII and EU MRV/ETS, and the Use of Biofuels**

The 2023 EU MRV and IMO DCS reporting period has now come to an end and the EU ETS regulations came into effect at the start of 2024. DNV has issued a news article that summarizes some important clarifications on the EU MRV, IMO DCS and EU ETS.

The article provides a summary of updates and clarifications on:

- IMO DCS/CII
- EU MRV:

- ISM company mandate for ETS
- Partial emissions report
- Cargo and bunker sampling
- Leisure stops (relevant for cruise ships only)
- Dry-docking and emissions
- Biofuels

[Click here](#) to read DNV's article.

## **ICS: Shipping Industry Flag State Performance Table 2023/2024**

The 2023/2024 Shipping Industry Flag State Performance, published by the International Chamber of Shipping (ICS), indicates continuing positive performance by the vast majority of Flag States which are responsible for the safety and environmental performance of the world's merchant ships. The performance table can be [downloaded here](#).

The Table is intended to encourage shipowners to maintain a dialogue with their Flag States, and to help facilitate any necessary improvements in the interests of safety, environmental protection and working conditions.

As in previous years, a number of Flag States have shown positive indicators for all of the criteria used in the Table. These include Bermuda, Cayman Islands, Denmark, Greece, Hong Kong (China), Japan, Liberia, Malta, Marshall Islands, Norway, Portugal, Singapore, and the United Kingdom.

In the 2023/2024 Table, a number of Flag States (including Togo, Algeria, and Comoros) continue to record large amounts of negative performance indicators, highlighting the need to encourage shipowners and operators to examine whether a Flag State has sufficient substance and quality before using it.

Positively, a number of smaller flag States, including Costa Rica, Egypt, Mexico, and Thailand, show an increase in the number of positive performance indicators compared to the previous Flag State Performance Table.

Overall improvements were seen this year in flag State's attendance at International Maritime Organization (IMO) meetings, as well as in the use of well-performing Recognized Organizations authorised by Flag State administrations, as shown by Port State Control inspection data, to carry out the survey and certification of ships to ensure compliance with IMO and International Labour Organization (ILO) regulations governing safety, environmental performance and labour standards.

## **IMO: Adoption of UN Security Council Resolution 2722 (2024) on the Red Sea**

The UN Security Council adopted [UN Security Council Resolution 2722 \(2024\)](#) on 10<sup>th</sup> January 2024.

Commenting on this, the new IMO Secretary-General Arsenio Dominguez stated:

“I welcome and support the United Nations Security Council’s Resolution affirming the exercise of navigational rights and freedom by merchant vessels, in accordance with international law, must be respected.

The entire world depends on international shipping. Seafarers, ships and cargoes should not be the subject of attacks. We must all work together to ensure safety of seafarers, freedom of navigation and stability of supply chains. And I join the calls for caution and restraint to avoid further escalation of the situation in the Red Sea and the broader region.”

## **West of England P&I Club: Threats to Vessels in the Red Sea - Important Factors to Consider**

One of the major threats to maritime security in recent years in the shipping industry has been piracy. This incident threat has decreased over the past a few years. However, during December 2023, there has been an increase in attacks, carried out mainly by members of Yemen's Houthi rebels, against vessels sailing through the Red Sea. These attacks have largely consisted of missile and drone strikes targeting commercial vessels primarily, which the Houthi rebels believe to be destined for and/or have departed from Israeli ports or are vessels owned, managed and/or operated by Israeli entities.

These events have caused wide-ranging damage, to both individual vessels and the global trade industry as a whole, with oil major BP recently suspending all shipping operations via the Red Sea, joining Maersk, MSC and other major trade business in their avoidance of Red Sea shipping routes. It is estimated that approximately 12% of global trade and 40% of Asia-Europe trade passes through the Red Sea.

At the end of December, reports of approximately 55 ships belonging to major shipping lines had diverted to cross the Cape of Good Hope on Africa’s southern tip. Such a diversion adds around 3,000 nautical miles and days (if not, weeks) to the sailing times of vessels booked to transit the Suez Canal with significant operational, logistical, and cost implications.

Incidents such as these attacks, which quickly develop and change in 'real-time', may understandably cause concern to companies, both in respect of safety issues for their crew, vessel and cargo and regarding additional liabilities under charterparties, bills of lading or any other related documents.

The West has thus published an informative circular which sets out some practical considerations and legal analyses under many of the standard terms governing the contractual relationship between owners and charterers in accordance with English law.

This circular offers a range of suggestions as to how companies may proactively mitigate potential loss and damage through working collaboratively with a range of stakeholders across the trade industry, bearing in mind that the legal position and contractual mechanisms available may vary and should be reviewed on a case-by-case basis to account for the specific circumstances of each situation.

[Click here](#) to read West's circular.

## **Steamship Mutual P&I Club: Israel - Hamas War - Frequently Asked Questions**

The Steamship Club has updated its comprehensive Frequently Asked Questions article on the Israel - Hamas War, which can be viewed [here](#).

## **UK P&I Club: Southern Red Sea and Gulf of Aden - INTERTANKO Security Bulletin**

The Club has released the following update on the situation in the Southern Red Sea and Gulf of Aden by INTERTANKO.

Since the start of the Red Sea crisis 18 attacks on 14 ships have taken place and eight ships have been struck. Additionally, three boardings have taken place resulting in two ships being hijacked. In total as of Wednesday 20 November 43 drones and missiles have been intercepted by coalition forces.

### **Operation Prosperity Guardian and CTF 153 – Update and recommendations**

Operation Prosperity Guardian commenced its work on Tuesday, 19 December, under the umbrella of Combined Task Force 153 (CTF 153) of the Combined Military Force (CMF).

CTF 153, a coalition of some 11 nations with the main forces being provided by the US, UK, and France, is tasked with providing security for ships as they pass through the Red Sea, with other nations providing support as needed. In a briefing to industry leaders on 20 December, it is clear that this force will be defensive in its operation and will not be leading strikes against the shore in Yemen. Alongside CTF 153, the Eisenhower battlegroup, centred around a US aircraft carrier, will operate in the Gulf of Aden and the Bataan battle group will operate in the Red Sea.

CTF 153 has advised that the only way the Houthis know a ship's location for sure is through the ship's AIS signal. Taking this into account, ships should consider the possibility of the increased targeting threat that exists with the AIS on against the increased risk of collision. Further, the Houthis operate mainly during the day and so consideration should also be given to transit the Bab al Mendab during the hours of darkness.

### **Rerouting Considerations – Insurance and commercial**

Owners considering their obligation to proceed through a particular route will need to check their contracts for clauses equivalent to CONWARTIME 2013, under a time charterparty, or VOYWAR 2013, under a voyage charterparty. This would allow owners to refuse to proceed if, in the reasonable judgment of the Master/ owners, the vessel may be exposed to actual, threatened or reported war risks. It is recommended that owners consult their insurers and seek legal advice before invoking such clauses.

It has been widely reported that many ships have diverted and will not use the Red Sea route and instead will route around Africa. The INTERTANKO Secretariat has had detailed discussions with many charterers and commercial operators and from this Members should consider discussing the option of rerouting via the Cape of Good Hope with their charterers. Some charterers have stated that they will look favourably on any such requests and agree that this is preferable to the risks of transiting the southern Red Sea region and Gulf of Aden.

Multiple Members have reported that insurers are offering discounts on war risk premiums if armed guards are embarked for Red Sea transits. It should be noted that if such guards are embarked, then the risk of escalation of the conflict cannot be ruled out particularly in the event of a fire fight during a helicopter-borne assault.

### **Additional information**

The Houthis have stated that they will continue their attacks against ships with links to Israel. In many of the attacks, the links appear to be tenuous at best and in some cases, links cannot be ascertained. Therefore, it is not known what methods the Houthis are using to target ships and so it cannot be said with any certainty that any particular ship is a target or not.

The bulk carrier “*Ruen*” was confirmed to be hijacked and is being closely monitored by Indian and Spanish warships. It is unclear whether the Somalis are acting independently of the Houthis or in collaboration. In any event, the threat of hijacking from skiffs operating out of Somalia cannot be ruled out in the Gulf of Aden.

## **UK P&I Club: Yemen - Port Updates**

The following update has been received from GAC Agency Co. (Yemen) Ltd. as of 12 January.

*“We are given to understand by our GAC Hodeidah office, that the Yemeni Red Sea Ports - Hodeidah and Saleef - are still open and operational as normal, despite recent events. The Sana'a authorities announced that they are only targeting Israeli ships or those trading with Israel. They did not mention any other nationality. We will keep watching the situation and update the Club as and when required.”*

*The Yemeni Gulf of Aden ports are operating as normal.”*

## **UK P&I Club: Israel - Port Updates**

The UK P&I Club received the following updates from its correspondent M. Dizengoff P&I Representative Ltd, and local correspondent Harpaz P&I regarding the port situation in Israel.

Update as of 15th January

### **Ashkelon**

The port is now operating as normal.

### **Haifa and Ashdod**

Both ports are operating as usual. There are some restrictions in place for vessels carrying hazardous materials (HAZMAT).

### **Hadera**

Operating as normal.

## **Eilat**

Due to the latest developments in the Red Sea, there are a limited number of ships calling at this port, but this port is operating as normal.

Update as of 11th January

All ports are safe and continue to operate as normal.

Update as of 1st January 2024

All Israeli ports continue to operate as normal.

## **UK P&I Club: Turkey Environmental Pollution Fines Sharp Increase**

Further to GSCC Circular 6072 on the environmental pollution fines in Turkey, the UK Club also draws the attention to the 2024 fines, which are applicable as of 1 January 2024.

The rates have been increased by 58.46%, compared to the 2023 rates.

A circular from the Club's Correspondent Vitsan Istanbul, with a summary of the fines and recommendations on steps to take to avoid the fines is available [here](#).

## **UK P&I Club: Implementation of Just-in-time Arrival in Singapore**

Vessels calling at Singapore are recommended to refer to the [Port Marine Circular 23-10](#) issued by the Maritime and Port Authority (MPA) regarding the implementation of a "Just-in-Time" planning and coordination platform.

The purpose of this is to match vessels with available berths upon arrival in Singapore and expedite any linked services such as bunkering, husbandry, etc. The aim is to save time at the anchorages of Singapore, reducing CO2 emissions and saving costs.

Vessels are to receive a time slot approval 72 hours in advance, which they are to meet. If the berthing is delayed, there will be an anchorage available for the vessel in Singapore while

waiting. If the vessel arrives early, the MPA requests that vessels seek alternative anchorages in the vicinity of Singapore (Indonesia and Malaysia). There are ongoing discussions with these countries on how to implement this. However, please be aware that there is no such thing as Singapore OPL as of now.

The Club's [previous cautions](#) for anchoring without permission outside of Singapore remain in place. Without a valid reason to call Singapore, vessels will likely not be granted permission to anchor. Vessels already in Singapore will require a valid reason once 36 hours of idle time is exceeded.

This scheme will naturally raise some practical issues with legal and safety concerns, which the Club will address in an upcoming webinar.

The Singapore Shipping Association (SSA) has sent out the following update, which may be of guidance.

*“From January 2024, the Just In Time Planning and Coordination Platform (JIT Platform) for the Port of Singapore will be extended to tankers berthing at the energy terminals and all vessels calling at the anchorages. The JIT Platform had previously been fully implemented from 1 October 2023 for vessels berthing at PSA Terminal and Jurong Port for cargo operations.*

*The Maritime and Port Authority of Singapore (MPA) will provide a 72-hours' notification to Singapore-bound vessels regarding their berth allocation. Vessels are expected to time their arrival in Singapore accordingly. MPA has assessed that the 72-hour notification period allows for activities such as the provision of supplies, bunkering, crew change, and inspections to be conducted concurrently with cargo operations.*

*Any subsequent changes to the Estimated Time of Berthing (ETB) will be communicated through the JIT system, which operates as a live notification system. In case of delays to the ETB, not attributable to the vessel, MPA is prepared to provide anchorage space in the port if the delay is communicated within 12 hours for vessels coming from the west and six hours for vessels coming from the east before the ETB. Ships calling Singapore for husbandry services are allowed to enter, provided activities are planned during their stay. Vessels staying beyond 36 hours without a valid reason (i.e., no scheduled activities) may be directed to leave port by MPA.”*

INTERTANKO has provided a list of recommended anchorages for tankers, which can also be used by all types of vessels, subject to the service providers' approval. The following is the list of alternative anchorages provided by INTERTANKO:

**In Indonesia (within Riau Islands):**





1. *Tg Balai Karimun Anchorage Area (PM17/2013) – Managed by PT Pelindo I (PERSERO)*
2. *Nipa Island Anchorage Area (KM222/2019 and KM223/2019) – PT Asinusa Putra Sekawan and PT Pelindo I (PERSERO)*
3. *Galang Island Anchorage Area (KM148/2020) – Managed by PT Bias Delta Pratama*
4. *Kabil Anchorage Area (KM216/2000) – In concession process / cooperation of PT Pelabuhan Kepri (BUMD)*
5. *Tanjung Berakit Anchorage Area (KM30/2021) – In concession process / cooperation of Pt. Pelabuhan Kepri (BUMD)*
6. *Batu Ampar Terminal and Sekupang Terminal in Batam Port (KP775/2018) – Managed by Port Authority*

**In Malaysia:**

- *Desaru Port Limit*
- *Pasir Gudang Port Limit*
- *Charisma Marine Supplies Sdn. Bhd*

- *Sinar Eja Engineering and Supply Sdn. Bhd*
- *Nikkomas Sdn. Bhd*
- *AWH International Logistics Sdn. Bhd*
- *Sungai Udang Port Limit (To confirm whether non-tankers can utilise the space by the 2nd week of Jan, 2024).*

For further reference, you can refer to IMO's [Just in Time Arrival Guide](#) and BIMCO'S [Just in Time Arrival Clause 2021](#) for use in voyage charter parties.

## **UK & West of England P&I Club: China - Regional MSAs Announce New Shipping Routes in the Bohai Sea and Eastern Waters**

Collaborative efforts to enhance maritime safety and oversee ship navigation in the Bohai Sea and its eastern waters have resulted in the collective issuance of 27 significant navigation routes by the Tianjin Maritime Safety Administration (MSA), Liaoning MSA, Hebei MSA, and Shandong MSA.

Effective from 18 December 2023, these designated routes are designed to safeguard maritime traffic and establish a structured navigation framework for vessels operating in the region. Specifics regarding the new shipping routes are available in [Circular No.: SPI231201](#), released by PRC P&I correspondent Shanghai P&I Services on 23 December 2023.

Among the pivotal routes, the Chengshanjiao-Laotieshan Waterway Route (No.4) and Chengshanjiao-Changshan Waterway Route (No.5) serve as crucial entry and exit points to the Bohai Sea. Originally disclosed by the Shandong MSA in 2021, these existing routes align with the latest announcement. Commercial vessels are advised to prioritise these navigation routes, while fishing vessels are encouraged to avoid operations within them whenever feasible.

The MSAs furnish a comprehensive overview of the 27 major public navigation routes in the Bohai Sea and its eastern waters. These bidirectional routes are categorised as bidirectional trunk, bidirectional branch, and recommended routes. Emphasising their status as protected public transportation resources, the MSAs ensure that routes are not exclusively designated for specific units or individuals.

Turning points along the routes solely serve as location and direction indicators, not as recommendations for vessel navigation. Coordinates are based on the 2000 National Geodetic

Coordinate System, equivalent to WGS-84. While the route width is theoretical, vessels are advised to utilise routes and navigate to the right of the centreline, planning routes based on vessel characteristics and navigational chart information.

Strict adherence to international regulations is mandatory, with vessels urged to exercise caution in various scenarios, including entering or leaving routes and traversing densely navigated waters. The routes, recommended channels for vessels, do not absolve vessel masters or crews from the responsibility of ensuring safe navigation.

Any modifications to routes will be separately announced by the MSAs, ensuring continuous alignment with port construction, maritime traffic safety, or other requirements.

UK P&I Club Correspondent Huatai Marine have also published [Circular PNI \[2023\] 12](#), which provides a summary of the distribution of major fishery farms along the coast of China, and the Distribution of Fishery Farms near Rizhao/Lanshan and Dalian Port.

More recently, Huatai Marine issued a further update on the distribution of fishery farms along the coast of China, with [Circular PNI \[2024\] 01](#). The fishery farms mentioned in this update are located in the waters off Tianjin Port and Yantai Port.

## **West of England P&I Club: Port Agreements & LNG Conditions of Use**

Drawing upon its expertise on the issues gas tanker owners face in their day-to-day operations, West shares its experience in insuring liabilities under a “Conditions of Use” agreement, typically referred to as a COU, in the LNG trade.

A COU is a contract issued by a port to the shipowner that allocates responsibilities and liabilities during the vessel’s stay at the port.

There are a number of operations involved during such a stay including pilotage, the use of harbour tugs, cargo operations, receiving provisions and fresh water, bunkering operations etc. As a result, the propensity for an incident is high and the potential consequences of a casualty involving these types of vessels may be catastrophic.

Moreover, an LNG terminal is an integral part of an energy supply chain where any incident that puts the terminal out of operation, however briefly, can have a devastating effect on the supply of energy ashore and there may well be no alternative facilities available. Ports and terminals have therefore established a practice whereby the owner of a vessel calling a port is required to agree with the terms of an agreement which governs the conditions for the use of the port by the vessel and allocates responsibility for any liabilities which might arise.

[Click here](#) to read this article.

## **West of England P&I Club: Ecuador - Ports Under Heightened Security Measures Following Recent Unrest**

In the aftermath of recent criminal gang attacks on civilians and government targets in Ecuador, the country has declared a State of Emergency to address the escalating situation. Although the initial moments were tense, a semblance of moderate calm now prevails in major cities after the President of Ecuador took decisive action.

The Club's Local Correspondent, Ecuapandi S.A, has informed that, in response to the crisis, the National Directorate of Aquatic Spaces has implemented changes in the security levels of the nation's ports.

Effective immediately, the level of protection has been raised from Level 1 to Level 2. This adjustment, in accordance with the Ship and Port Facility Security Code, involves the enforcement of additional protection measures for a specified period due to an elevated risk of events impacting maritime security.

Despite the turmoil, no attacks have been reported against any port facilities within Ecuadorian territory. Nevertheless, given the heightened security situation, vessels approaching Ecuadorian ports are strongly advised to exercise caution. Ship crews are urged to implement relevant security protocols to ensure the safety of all onboard. Furthermore, it is strongly recommended to limit or avoid visits to towns unless absolutely necessary.

Vessels scheduled to call at ports in Ecuador should remain vigilant and take proactive measures to mitigate potential risks during this challenging period. Staying in touch with local protective agents to stay updated on the latest situation is highly recommended.

## **SKULD P&I Club: Quint-Seal Compliance Note - Know Your Cargo**

SKULD draws attention to the following Circular issued by International Group clubs.

### **QUOTE**

On 11 December 2023, five US agencies (the Department of Justice, Commerce Department's Bureau of Industry and Security, Department of Homeland Security's Homeland Security Investigations, State Department's Directorate of Defense Trade Controls, and Treasury

Department's Office of Foreign Assets Control) released a joint compliance note, "[Know Your Cargo](#)" ("the Compliance Note"), highlighting tactics commonly deployed by malign actors in the transportation sector and best practices for the maritime and other transportation industries, as well as examples of enforcement actions.

The Compliance Note provides guidance for all companies in the maritime sector—vessel owners, charterers, exporters, managers, brokers, shipping companies, freight forwarders, commodities traders and financial institutions, including (re)insurers.

### **Best practices**

The Compliance Note builds further on previous guidance from OFAC relating to sanctions evasion in the maritime industry, including the Sanctions Advisory for the Maritime Industry published on 14 May 2020, and the Advisory for the Maritime Oil Industry published on October 12, 2023.

It reiterates best practices, including:

- Develop, implement, and adhere to written, risk-based operational compliance policies, procedures, standards of conduct, and safeguards;
- Conduct risk-based due diligence on the location history of vessels or vehicles, to identify prior manipulation or disabling of location or identification tracking data;
- Implement robust know-your-customer due diligence;
- Exercise risk-based supply chain due diligence to verify "the true nature, origin, and destination of the cargo they are involved in transporting";
- Share information across industries and supply chains, as appropriate.

### **Red flags**

The Compliance Note identifies several red flags that may indicate attempts to evade sanctions and export controls:

Manipulation of location or vessel identification data;

Falsification of cargo and vessel documents;

Ship-to-ship transfers at night or conducted in high-risk areas;

Voyage irregularities and use of abnormal shipping routes that appear to be done without a legitimate reason;

Frequent registration updates (flag hopping);

Obscure ownership structures or frequent changes in ownership.

It also provides examples of the US government's increased monitoring of and enforcement against sanctions and export control evasion.

The Compliance Note concludes by advising all actors that:

"Companies operating in the maritime and other transportation industries should be vigilant in their compliance efforts and be on the lookout for efforts to disguise the nature, origin, or destination of cargo being transported. These entities are strongly advised to assess their sanctions and export risks, implement rigorous compliance controls to address those risks, and, ultimately, verify the true nature, origin, and destination of the cargo they are involved in transporting."

Entities and individuals —both US and non-US—involved in global transportation industries should, therefore, carefully consider their exposure to US sanctions. Recent enforcement actions demonstrated that non-US persons can face potential civil or criminal liability when their transactions involve a US nexus under the theory that they are "causing" US persons to violate sanctions. Furthermore, even where their transaction has no US nexus whatsoever, non-US companies transacting directly or indirectly with sanctions targets can be exposed to the risk of designation pursuant to executive orders that authorize sanctions for providing material support to blocked persons.

The Compliance Note provides a reminder that the maritime industry is not just responsible for adhering to the price cap on Russian oil, but also for detecting and preventing deceptive maritime practices relating to Iran, North Korea, and other sanctions programmes.

Members are reminded that cover is not available for any trade that breaches applicable sanctions and are advised to conduct thorough due diligence on the parties, cargoes, vessels, and trade involved before engaging in trade in high-risk sanctions jurisdictions.

We also refer our members to the previous IG Circulars on [Russian Oil Price Cap update](#) dated June 9, 2023, [US Global Maritime Advisory](#) published on May 22, 2020, and [Vessel monitoring and P&I insurance](#) dated May 15, 2020.

All Clubs in the International Group have issued a similarly worded circular.

UNQUOTE

## **Swedish Club: Electronic (Paperless) Trading**

The below circular informs about the approval by the International Group of P&I Clubs (the Group) of the eTEU eBL Platform.

As reported in Circular 2692/2023, until February 2010, the Rules of all of the Group Clubs specifically excluded liabilities concerning the carriage of cargo under all electronic (paperless) trading systems to the extent that the liabilities under such systems would not have arisen under a paper system, i.e. one using transferable paper documentation.

Since February 20, 2010, liabilities arising from the carriage of cargo under paperless trading systems were covered, provided that the system had first been approved by the Group. Since then, the Group has approved electronic (paperless) systems administered by Bolero International Ltd (specifically the Rulebook/Operating procedures September 1999), E-TITLE, edoxOnline, WAVE, ICE Digital Trade Management Limited (formerly essDOCS), CargoX, IQAX Limited, Secro, TradeGo eBL, and now eTEU Technologies Ltd (eTEU eBL Platform) has been added to the list of IG approved system providers.

The eTEU eBL Platform is a digital platform that provides a website interface for clients worldwide to create and transfer electronic bills of lading and associated electronic shipping documents promptly and securely. The eTEU eBL Platform is owned by eTEU Technologies Ltd, a London-based company.

The system works with a blockchain back-end to ensure the validity of each electronic bill of lading as it is transferred from party to party. Such electronic documents are checked against unique codes on the blockchain, thereby avoiding the risk of tampering.

The legal documentation and terms of use associated with the use and operation of the eTEU eBL Platform are the eTEU Terms and Conditions dated September 7, 2023. This documentation has been reviewed and approved by the Group.

Other exclusions of cover under Group Club Rules relating to the carriage of cargo will continue to apply in respect of all approved providers in the same way as for paper systems. These exclusions include discharge at a port or place other than the port or place provided for in the contract of carriage, the issue/creation of an ante- or post- dated electronic document/record, and the delivery of cargo without the production of the negotiable electronic document/record. In the case of an approved electronic trading system, this will mean delivery of cargo other than in accordance with the rules of that trading system.

It would be helpful to the Group, in monitoring the use and development of these systems, if companies who are using them would advise their Club of any benefits or difficulties which they encounter, legal or practical, in the operation of the system or systems.

*All Clubs in the Group have issued a similar circular.*

## **Steamship Mutual P&I Club: UK Supreme Court Guidance on Application of War Risks Clauses**

For owners and operators seeking some guidance on the exercise of rights to avoid the Suez Canal and Red Sea in the wake of attacks and threats by Houthi militia, comments in a Supreme Court judgment recently handed down offer a timely reminder on the limits of some war risks provisions.

[Click here](#) to view the case of Herculito Maritime Limited v Gunvor International BV [2024] UKSC 2, which involved claims for general average contributions following the seizure of the MT Polar by pirates when transiting the designated High-Risk Area in the Gulf of Aden in 2010.

## **Steamship Mutual P&I Club: Zone of Danger - Claims for Negligent Infliction of Emotional Distress**

Following the COVID-19 pandemic there was a wealth of litigation in the US, including claims for negligent infliction of emotional distress (“NIED”).

US Federal maritime law says that where there has been no physical injury a NIED claim for damages has to pass the Zone of Danger Test. Recent case law usefully shows how the courts decide NIED claims by considering public policy and the Zone of Danger test. The intention behind the approach adopted in these decisions is to ensure that the claims floodgates are not opened.

[Click here](#) to read this article, which explains what the Zone of Danger Test is and discusses some recent developments in the case law.

## **Britannia P&I Club: Senegal Country Guide**

The Maritime Anti-Corruption Network (MACN) and the International Group of P&I Clubs (IG) have collaborated to produce a joint guide that offers an overview of Senegalese port requirements for vessel clearance.

The Senegal country guide aims to enhance the transparency of port procedures in Senegal. It provides an overview of the documents required by authorities during the pre-port call, inwards clearance, and outwards clearance processes. Additionally, the guide offers examples of common challenges and practices.

You may read the guide [here](#).



## **Britannia P&I Club: Working at Height**

The Britannia loss prevention team has produced a new safety video to raise awareness of safety issues for crew members working at height. This video is the first in a series aimed at addressing the most critical safety issues that seafarers face.

The video aims to raise awareness about the potential dangers associated with working at height. It delves into the specific locations where these risks arise, the hazards involved, and most importantly, how to effectively mitigate them. [Click here](#) to watch the video.

Alongside this video, please also see the Club's written guidance on [working at height safely](#) as well as its [poster](#) highlighting the importance of wearing the correct equipment while working aloft.

## **Britannia P&I Club: Cargo Hold Cleaning Standards**

Ensuring cargo holds are cleaned to appropriate standards is essential for shipowners operating bulk carriers. Failure to meet these standards can result in cargo damage, noncompliance with regulations, pollution, and significant delays in operations, all of which can lead to claims. Understanding hold cleanliness requirements is often crucial when analysing major claims.

[Click here](#) to read this very informative article by Britannia Club.

## **Britannia P&I Club: Dragging Anchor Prevention**

In recent years, the Britannia Loss Prevention team has observed a rise in the number of dragging anchor incidents. Ships anchor for various operational reasons; however, anchoring can result in the loss of control over the ship, ultimately leading to the loss of anchors or chains, grounding, collision or damage to property. Consequently, anchor-related incidents have the potential to trigger high-value incidents and claims.

[Click here](#) to view this article.