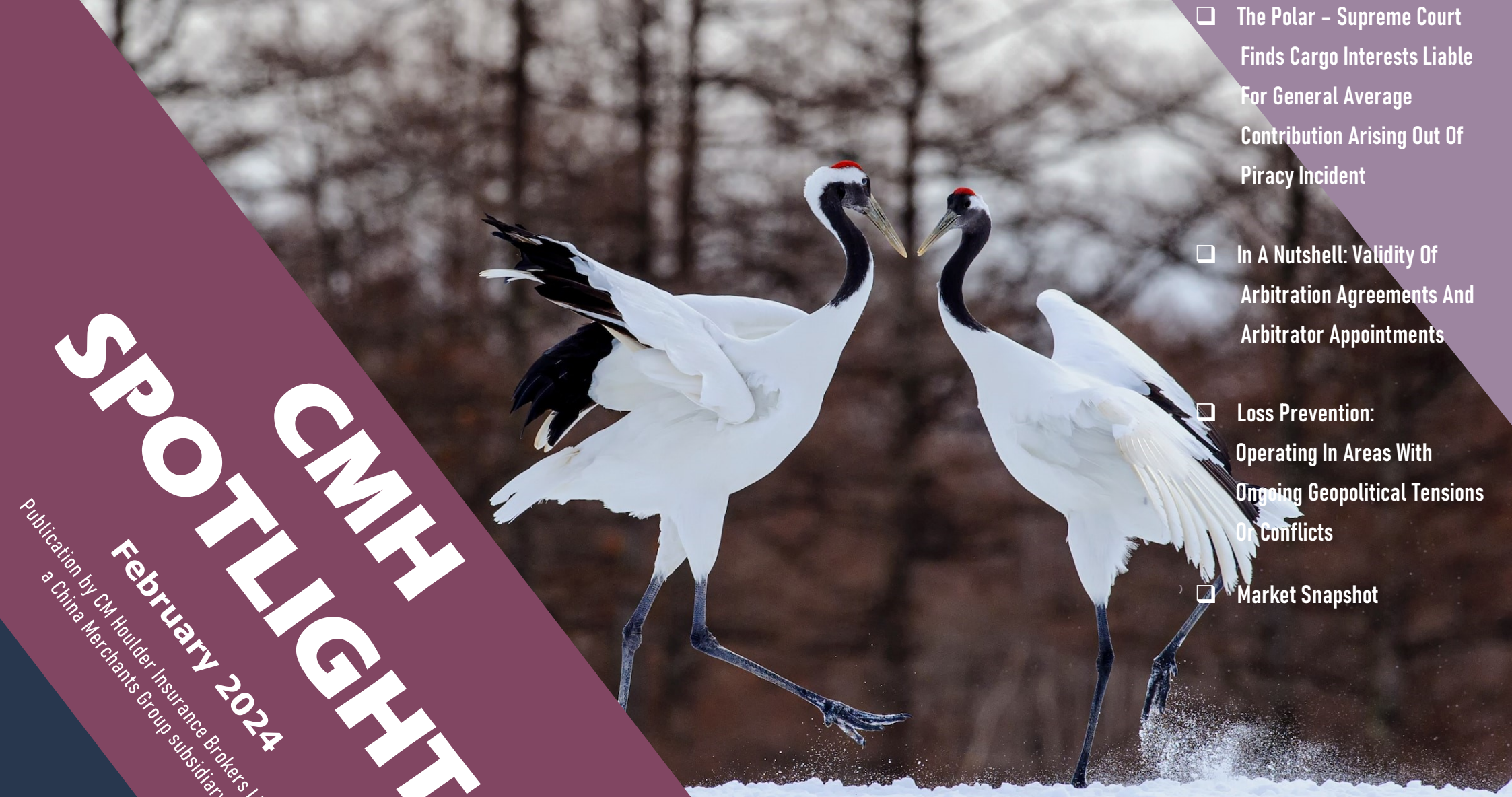
CMH SPOTLIGHT

February 2024

Publication by CM Houlder Insurance Brokers Limited, a China Merchants Group subsidiary.

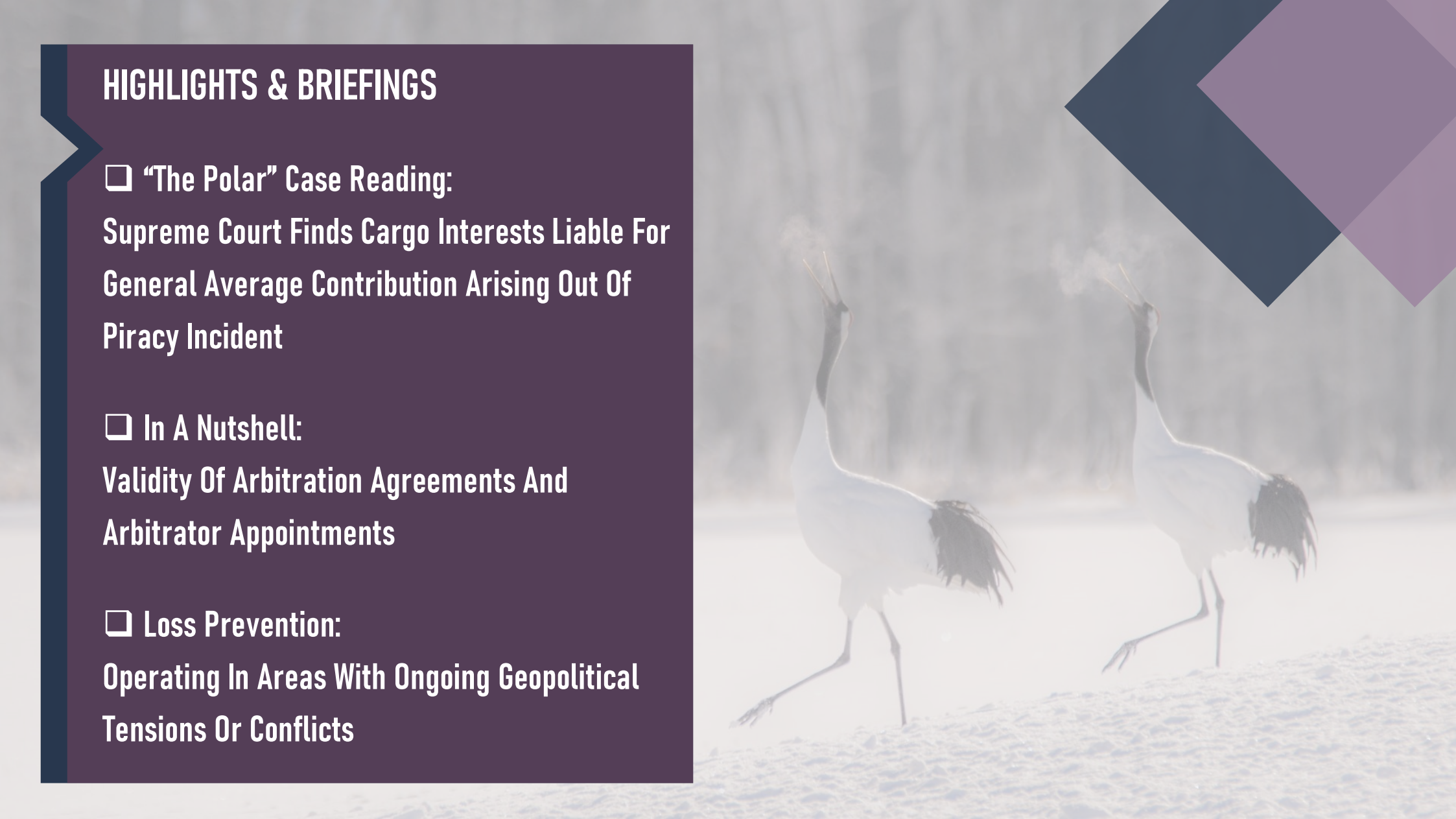


HIGHLIGHTS & BRIEFINGS

❑ “The Polar” Case Reading:
Supreme Court Finds Cargo Interests Liable For General Average Contribution Arising Out Of Piracy Incident

❑ In A Nutshell:
Validity Of Arbitration Agreements And Arbitrator Appointments

❑ Loss Prevention:
Operating In Areas With Ongoing Geopolitical Tensions Or Conflicts



"The Polar" – Supreme Court Finds Cargo Interests Liable For General Average Contribution Arising Out Of Piracy Incident

Case reading of Herculito Maritime Ltd & others -v- Gunvor International BV & others (MT Polar) [2024] UKSC 2

❖ Factual Background

- The vessel "Polar" was seized by Somali pirates while transiting the Gulf of Aden on 30th October 2010. She was not released until 26th August 2011 when a ransom of USD7.7 million was paid. Shipowner declared general average ("GA").
- The vessel was under voyage charter on amended BPVOY standard terms and some additional clauses.
    - Clause 30.2 of the BPVOY form provides that for all bills of lading issued under the charterparty to be deemed to contain war risks clauses.
    - Clause 39 is a detailed war risks clause that included "acts of piracy" as a war risk.
    - The additional clauses in the fixture recap included a Gulf of Aden clause which stated in material terms that:

        "Any additional insurance premia (including, but not limited to, those in respect of H&M, crew, P&I, kidnap risks and ransoms), crew bonuses (which to be in accordance with the international standard) shall be for charterer's account. Max USD 40,000 for charterer's account for any additional insurance premium except for crew bonus which to be max USD 20,000 for charterer's account."

    - There was also an additional war risks clause which provided that any additional premia payable by the Owner in respect of war risks were on the charterer's account.

"The Polar" – Supreme Court Finds Cargo Interests Liable For General Average Contribution Arising Out Of Piracy Incident (Cont'd)

❖ Factual Background (Cont'd)

- The bills of lading were on the INTERTANK 78 form, which included broad general words of incorporation of the clauses in the charter.
- As to the insurance arrangements of the vessel, Owner purchased additional war risks cover for the transit through the Gulf of Aden, as well as a kidnap and ransoms ("K&R") insurance with the policy limit at USD5 million. The combined premia was below USD40,000, and Charterer reimbursed Owner after the latter's payment of the premia.
- The cargo was insured on Institute Cargo Claims (A) terms, which exclude war risks but with a carve-out for piracy.
- The ransom of USD7.7 million was paid by the Owner's K&R policy up to their limit of USD 5 million, and then by their war risk underwriters. The GA adjustment was based on York-Antwerp Rules ("YAR") 1974 for 5 bills of lading and YAR 1994 for another 6 bills of lading. Following the average adjustment, cargo's portion of GA was determined to be in the region of USD 5.9 million.
- Cargo interests refused to contribute the GA and argued that the voyage charter contained an "insurance code", by which the parties had agreed to look only to Owner's insurers as the avenue of recourse.

“The Polar” – Supreme Court Finds Cargo Interests Liable For General Average Contribution Arising Out Of Piracy Incident (Cont’d)

❖ Arbitration

The tribunal’s finding:

- The relevant clauses agreed in the charterparty had the effect to allocate the risk of piracy in the Gulf of Aden in the form of a “code”, whereby the Owner was confined to look exclusively to their insurers and not to the Charterer.
- Further, tribunal also found that the war risks clauses in the charterparty were effectively incorporated into the bills of lading. Therefore, the “code” was also incorporated and gave the effect that Owner had agreed not to recover such losses from the bill of lading holder.
- The tribunal considered that the incorporation of clauses into bills of lading was not affected no matter whether cargo interests were obliged to pay additional insurance premium or not. However, if necessary, the tribunal could have construed the word “charterer” to mean “lawful holders of the bill of lading” so as to achieve the same result.

❖ The Lower Courts Decisions

The Commercial Court agreed that the relevant charterparty provisions had been incorporated into bills of lading; however, the bill of lading holder was not obliged to pay the additional premium and construction of the clauses’ wording was not appropriate. While the parties had agreed that the Owner would seek indemnity from insurers instead of Charterer, the Owner was not precluded from recovering a contribution from the bill of lading holder.

"The Polar" – Supreme Court Finds Cargo Interests Liable For General Average Contribution Arising Out Of Piracy Incident (Cont'd)

❖ The Lower Courts Decisions (Cont'd)

The Court of Appeal agreed with lower court's decision. It presumed (but did not decide) an insurance code existed in the charterparty, but the cargo interests did not benefit from it. The Court considered that in reality both Owner and cargo interests were insured against the risk of piracy respectively and each set of insurers should bear respective share of the risk that it agreed to cover. Cargo insurers could not shirk responsibility for a multi-million-dollar contribution in GA due to the charterer's payment of additional K&R and war risk premia.

❖ The Supreme Court Decision

The Supreme Court has unanimously ruled for Owners and their subrogated insurers, but on different grounds than the Court of Appeal. Essentially, the Supreme Court determined that no insurance code existed in the charterparty. It identified four key issues requiring consideration.

- **Issue 1: Did the charter contain an implied insurance code?**

  It is held that the charter did not contain an implied insurance code, consequently, cargo interests' appeal failed at the threshold. Having considered the relevant case authorities (*The Evia (No. 2)*, *The Concordia Fjord* and *The Chemical Venture*), Court identified:

  1. If a shipowner is to give up a valuable common law right such as general average in relation to K&R risks, it requires a clear agreement to achieve such effect.

"The Polar" – Supreme Court Finds Cargo Interests Liable For General Average Contribution Arising Out Of Piracy Incident (Cont'd)

- **Issue 1: Did the charter contain an implied insurance code? (Cont'd)**

2. An implied insurance code is a matter of construction of the charter, and akin to a necessarily implied term. It has to be shown that this is a necessary consequence of what has been agreed, which is a high threshold.

3. Most cases in which the Court had found such an insurance code to exist involved joint names insurance (for example, the *Ocean Victory*). This case was not one of joint names insurance. The only non-joint names insurance case in which the Court found there was a "complete code" (as opposed to an insurance code) was *The Evia (No. 2)*. However, the Supreme Court emphasized that *The Evia (No.2)* did not establish any general principle, the terms of the Baltime charterparty in that case, particularly the war risks regime, were materially different to the charterparty terms in this case and so it could be distinguished.

4. There is no principle exempting charterers from liability for their breaches of contract or in general average merely because they have provided the funds whereby owners insured themselves against the relevant loss or damage.

The Court also stressed that arbitrators should be cautious in concluding the existence of insurance code by following *The Evia (No.2)*. English commercial law recognizes the importance of certainty and predictability, leaving aside case of joint insurance, the search for an insurance code in a charterparty necessarily introduces uncertainty. If parties agree there is to be no right to recovery or subrogation for insurers, this can be easily stated.

"The Polar" – Supreme Court Finds Cargo Interests Liable For General Average Contribution Arising Out Of Piracy Incident (Cont'd)

- **Issue 1: Did the charter contain an implied insurance code? (Cont'd)**

Also, the existence of an implied insurance code also led to difficulties with material disclosure to insurers, when whether or not such an insurance code exists and affects insurers' subrogation right becomes uncertain. Disclosure of charterparty without such clarification might not reach the standard of full and fair disclosure to insurers, and further such uncertainty will cause coverage issues under insurance contracts.

- **Issue 2: Whether all material parts of these war risks clauses were incorporated into the bills of lading.**

The Supreme Court considered that, given the negotiable nature of bills of lading, the general words of incorporation in the bills of lading only incorporate provisions of charter which directly relate to shipment, carriage and delivery of the goods.

Clause 39 and the liberties given to the Owner under that clause were clearly relevant to the vessel's route and they protected the Owner in relation to the voyage war risks. Therefore, in order to give effect in the bills of lading to the agreed allocation of risk in transiting the Gulf of Aden, the entirety of the additional Gulf of Aden and the War Risk clauses should be regarded as incorporated into the bills of lading so as to be read alongside clause 39, as they would be in the charterparty.

"The Polar" – Supreme Court Finds Cargo Interests Liable For General Average Contribution Arising Out Of Piracy Incident (Cont'd)

- **Issue 3: Did the incorporated war risks clauses preclude the Owner from claiming GA losses from cargo interests?**

No. There was nothing in the charterparty to indicate that the Charterer paid the insurance premia on behalf of the bill of lading holder. This means the obligation is strictly bilateral agreement between Owner and Charterer, where Charterer paid the insurance premia for its own interest to ensure the proper performance of the charter. The bargain made is that the parties to the charter would not look to one another to indemnify an insured loss, but not precluding Owner to seek contribution from cargo interests.

- **Issue 4: Should the wording of the clauses allocating responsibility for the payment of insurance premia be manipulated to substitute 'Charterers' with 'Bill of lading holders'?**

No. Manipulation of charter clauses incorporated by general words of incorporation may be permissible "if it is necessary to do so in order to make the wording fit the bill of lading". But in this case, such manipulation is not necessary, because the Gulf of Aden and the War Risk clause "*make perfectly good sense in the context of the bills of lading as a record of the terms upon which the shipowner has agreed to transit the Gulf of Aden.*"

Further, there should be no manipulation as the bill of lading holders were unlikely to have accepted a potential liability to pay unknown and unpredictable premia amounts. Manipulation will also give rise to uncertainty, such as the apportionment of liability for paying the insurance premia if there were more than one bill of lading holders and also rights of recourse against other bill of lading holders.

In summary, cargo interests failed on issue 1, 3 and 4, therefore the appeal was dismissed and Owner succeeded.

"The Polar" – Supreme Court Finds Cargo Interests Liable For General Average Contribution Arising Out Of Piracy Incident (Cont'd)

❖ The Rise And Fall Of The "Implied Insurance Code" Concept

As articulated in earlier case law like *The Evia (No.2)*, the implied insurance code concept is that, in the context of a charterparty provision that requires the charterer to pay additional premium and where the claim is made against that charterer, charterer should be precluded from claims from owner and its subrogated insurers; otherwise, it would be "remarkable result" if time charterers had paid additional war premium yet received no benefit if they faced claims from subrogated war risk insurers.

Subsequent war risk cases *Concordia Fjord* and *Chemical Venture* distinguished the insurance code approach, holding that no such code existed under different charter wordings. Payment of premium was viewed as no more than an agreement to pay a hire supplement for trading in high-risk areas, and such did not provide protection to charterers from subrogated claims.

The implied insurance code concept then applied in the *Ocean Victory* case. The Supreme Court held that the owner and demise charterer were co-assureds, and such arrangement constituted an implied insurance code. Hence the owner and demise charterer could look only to the insurance for indemnity. Demise charterer, as being indemnified by insurers, could not assert they had suffered substantial loss and their subrogated insurers could not seek recovery from the charter chain down against the time charterers. The concern felt in the marine insurance market after this decision was that parties in the charter chain who were not co-assured or had made no premium payments were given a free protection. The market therefore reacted by amending P&I Club rules, Nordic Plan and BARECON 2017 to make it clear that a third party outside the insurance policy did not benefit.

"The Polar" – Supreme Court Finds Cargo Interests Liable For General Average Contribution Arising Out Of Piracy Incident (Cont'd)

❖ The Rise And Fall Of The "Implied Insurance Code" Concept (Cont'd)

Currently, Supreme Court's judgment in *The Polar* makes it clear that there is no prima-facie position to assume insurance code; a charterparty clause requiring charterers to pay additional premium does not in itself create an implied insurance code. The *Ocean Victory* decision on implied insurance code could stand due to the co-assurance arrangement, but even then, courts may struggle to identify precisely what term necessarily should be implied.

The Evia (No.2) was not expressly overturned, although its impact is limited to its facts and the wording of the now defunct Baltime 1939 charter form. It is now clear that, apart from some limited co-insurance arrangements, charterers should have no expectation that payment of premium to owners' insurers will provide protection from claims.

The clarification of insurance code in this case brings more certainty to the insurance contracts to avoid unintended waiver of subrogation rights. The existence of an implied insurance code may lead to difficulties with material disclosure to insurers as disclosure of the charterparty alone might not amount to full and fair disclosure to insurers, and further may give rise to coverage issues or even void the contract. If parties intend to look only to insurance arrangements to make good losses, such intention can be made expressly, and the parties can then seek prior approval from the insurers.

In A Nutshell: Case Study On Arbitrator Appointments And Validity Of Arbitration Agreements

It is well recognized that arbitration plays an important role in dispute resolution in shipping industry. This article highlights two recent decisions concerning the arbitral appointment process and validity of arbitration agreement respectively.

❖ Case 1: ARI V WXJ [2022] EWHC 1543 (Comm)

The relevant charterparty was governed by English Law and included an arbitration clause providing London arbitration under the LMAA Terms.

On 22nd December 2021, in accordance with the arbitration clause, the claimant notified the defendant of appointment of its arbitrator A and stated that if Defendant failed to appoint its own arbitrator within 14 days, the claimant's arbitrator would be appointed as the sole arbitrator.

The defendant contacted its proposed arbitrator B on 3rd January 2022, and got B's reply the next day saying "…it appears that I can act here without any firm conflicts". Defendant sent a notice to the claimant on 5th January 2022 and indicated engagement of arbitrator B for the commenced arbitration. Subsequently, the correspondence between the two arbitrators revealed there were issues regarding the terms of their appointment and the remuneration.

On 1st February 2022, arbitrator B stated that he could not participate due to remuneration concerns, and defendant had to seek a replacement arbitrator. The claimant argued that defendant did not validly appoint an arbitrator by the specified date, resulting in the claimant's appointed arbitrator A being the sole arbitrator. The Defendant requested summary judgment on the issue of whether it had validly appointed its arbitrator.

In A Nutshell: Case Study On Arbitrator Appointments And Validity Of Arbitration Agreements (Cont'd)

❖ Case 1: ARI V WXJ [2022] EWHC 1543 (Comm) (Cont'd)

The Judge held that the defendant had validly appointed its arbitrator by the specified date. The Court considered:

- In deciding whether an arbitrator had been "appointed", a pragmatic approach should be adopted, partly because the notice of arbitration is usually served by businessmen without lawyer's involvement at this stage.
- As established by previous case law, an appointment requires (i) an unconditional communication of willingness by the arbitrator to act, and (ii) unequivocal communication by the appointing party both to the other party and the arbitrator. It was held that, based on the correspondence between the defendant and arbitrator B, the appointment is valid by the date specified. The arbitrator had not expressly stated that the appointment was subject to a signed retainer or agreement on fees.
- It is common in LMAA arbitrations that the arbitrators accept appointments without agreements on fees.

❖ Case 2: The Newcastle Express [2023] 1 Lloyd's Rep 245

In this case, the fixture recap stated "subject shipper / receiver's approval" and included an arbitration agreement. Owners appointed their arbitrator but Charterers failed to respond to the arbitration notice.

In A Nutshell: Case Study On Arbitrator Appointments And Validity Of Arbitration Agreements (Cont'd)

❖ Case 2: The Newcastle Express [2023] 1 Lloyd's Rep 245 (Cont'd)

The arbitration proceeded without participation by the Charterers. The arbitrator determined that a binding charterparty had been concluded and Charterers were in repudiation. Charterers challenged the jurisdiction of the arbitrator under section 69 of the Arbitration Act 1996.

Owners contended that, although recap is "subject shipper / receiver's approval", as per "separability" principle, an arbitration agreement should be treated as a separate contract and exist independently of the main contract. Therefore, the arbitration agreement conferred jurisdiction on the tribunal to decide the effect of the "subject" in the recap.

The Commercial Court and Court of Appeal ruled in favor of Charterers. It was held that the effect of the "subject" was a pre-condition preventing a binding contract from being concluded. The use of term "subject" in the recap indicated that the parties did not intend to enter contractual relations until the "subject" was resolved. Further, the separability principle could not apply in this case, as the distinction should be drawn between cases where there was no contract existing at all and the cases where the contract apparently agreed became void. The judgment affirms that the separability principle applies when parties have reached an agreement to refer a dispute to arbitration but does not apply when the issue is whether a legally binding arbitration agreement has been reached in the first place.

Loss Prevention: Operating In Areas With Ongoing Geopolitical Tensions Or Conflicts

Shipowners face numbers of challenges when operating ships in areas with geopolitical tensions. Careful planning, risk assessment and adherence to local and international regulations are vital to safe navigation through such regions. Below provides some loss prevention advice on these aspects.

- Consult the flag state for any advice or circulation for navigating in a particular high tension area. Follow the flag state requirements in relation to Ship Security Levels under the International Ship and Port Facility Security Code.
- Review any regional specific security guidance, such as the Best Management Practice Guides.
- Conduct a pre-voyage threat and risk assessment before entering the high-risk regions, and amend the Ship Security Plan if necessary.
- Ensure AIS and other identification systems are switched on and functional unless otherwise advised or for security reasons. If a system is turned off, keep a paper trail and a record that it was switched off and the reasons.
- Check whether privately contracted armed guards are permitted according to local regulations.
- Preserve Voyage Data Recorder data in the event of an incident.
- Conduct security drills prior to entering these areas.
- Maintain a full and vigilant bridge watch.
- Always monitor and log relevant VHF calls.
- Masters are to follow the advice of local or military authorities.
- It is recommended to comply with all available Voluntary Reporting Schemes (VRS).
- Promptly report suspicious activity as per the guidelines issued by the flag state, VRS or local authorities.
- Activate the Ship Security Alert System immediately in the event of an incident where the ship or crew is endangered.
- Before entering an area with high-risk tensions or conflicts, it is recommended to notify the vessel's P&I Club and consult the Joint War Committee circular on Hull War, Piracy, Terrorism and Related Perils.

Market Snapshot

Shipowners Pressured By Charterers To Route Through Red Sea Zone

- Diversions of vessels from Red Sea caused increasing disputes between shipowners and charterers. Commodity traders were concerned that cargo buyers might refuse receipt or payment of cargoes which arrive late, hence pressuring shipowners to take route through Red Sea.
- Enquiries or disputes are mainly regarding whether the conditions in the region are sufficiently perilous to warrant rerouting, or removal of the war risk clauses (which entitle owners to divert a vessel if the route is too dangerous) from charterparty.
- There had been a drop in the number of modern ships, and it appeared that many ships going through Red Sea were built before 2010. Even before concerning the safety risks in that region, a big issue is the war additional insurance costs which can be 1% to 1.5% of a vessel's value. The increased insurance cost for younger tonnage outweighs the benefits of the shorter trip through Suez Canal. Market player disclosed that the extra insurance cost for transiting the Red Sea with a 15-year-old panamax bulk carrier could be about half of what it would be for a modern 5-year-old kamsarmax, or even less.

War Risk Losses Could Impact Wider Marine Market

- Shifting to digitalization, insurers had increasingly used technology to improve risk assessment and policy administration, and any major losses in war risks could have an impact across the wider marine market.
- War risk underwriters suffered a substantial hit on the first anniversary of the Ukraine conflict in February 2023, when they had to pay out on constructive total losses on ships trapped in Ukraine for one year. While no definitive figures for claims are disclosed, market sources gave a best guess of around USD400 million, which had caused reinsurers to walk away from Ukraine cover.
- Recent months, the Houthi attacks on merchant tonnages had driven up the Red Sea war risk rates drastically, with some underwriters considering ships with Israeli, US or UK links as effectively uninsurable.
- These losses do not cause direct consequence to other classes of marine insurance, but may have implications of more expensive premium and increased deductible levels across the wider marine insurance market.

Red Sea Diversions Not Driving Inflation Higher, Market Observers Said

- Analysts viewed that the Houthi's attacks on merchant vessels in the Red Sea were not expected to drive up inflation due to currently soft demand and ample ship availability.
- Container ships are the No.1 user of the Europe-Asia Suez Canal route. Due to the tensions in the Red Sea region, most of the container ships had diverted to the longer and more expensive route around Cape of Good Hope. This has become the biggest disruption to global trade since the early days of the Covid-19 pandemic.
- Rerouting around Africa would require around 6% - 10% more vessels due to longer sail time slowing the return of vessels, sending on-demand spot rates on some routes.
- Nevertheless, analysts expected the increases of rates came off rock-bottom levels and would normalize, as the container shipping sector would expect newbuildings to enlarge the total carrying capacity by 7% - 8% in 2023 and 2024. Meanwhile, the diversions were not driven by demand, hence the increases of shipping cost would not last long.

New Guidance From G7 Countries About Measures To Ensure Price Cap-Compliant Cargoes

- According to the recent new guidance from G7 countries which aims at preventing evasion of Russian oil price cap scheme, shipowners must be able to supply detailed information on costs linked to Russian oil cargoes within 30 days of loading, otherwise they will risk losing the P&I cover.
- P&I clubs can request information relating to costs including customs, packaging, port service charges and separate insurance if they have doubts that Russian oil is being hauled above the price cap.
- The new IG Club rules, which came into force from 19 February 2024, include tightened rules on providing attestation documents. The forms must be provided every voyage to P&I clubs; the annual attestations covering a series of shipments are no longer acceptable; any ship-to-ship oil transfers would require a further attestation. Unless the attestation is received before loading, the shipowner will not have comfort that the cargo is price cap compliant.
- The guidance also highlights the role of flag states in notifying authorities of ships that have been deregistered because of price cap breaches.

High Tanker Rates Hit U.S. Crude Exports To Asia

- U.S. crude oil exports to Asia dropped to 1 million barrels per day (bpd) in January, marking the lowest in over 2 years, as high freight rates and more competitively-priced Middle Eastern oils had been cutting the shipments.
- According to market data, exports to China, the world's largest crude importer, fell to 190,000 bpd, the lowest in 13 months. Volumes to South Korea remained stable at 494,000 bpd.
- Some of the oil traditionally flowing to Asia went to Europe, with a record-high share amounting to 55% of the whole January exports. The Netherlands imported a record 614,000 bpd, followed by UK and Spain.
- It was observed that the Red Sea turmoil did not reduce U.S. imports of Middle East crude, as the volumes that reached U.S. Gulf Coast and East Coast were steady. Crude cargoes from Saudi Arabia were usually carried by VLCC via Cape of Good Hope.
- Top oil exporter Saudi Arabia kept the March price of its flagship Arab Light crude to Asia unchanged at a more than two-year low, which would add pressure on U.S. crude price in February.

Qatar to Announce More LNG Deals With European, Asian Buyers

- According to Qatar's energy minister, Qatar will announce additional contracts to sell LNG from a major expansion project to buyers in Europe and Asia. The producer, QatarEnergy, may also sign deals with additional partners to take stake in the expansion of the offshore North Field.
- Already as one of the world's largest exporter of LNG, Qatar is increasing its annual capacity to produce LNG by almost two-thirds to 126 million tons before 2030.
- China Petroleum & Chemical Corporation, as a minor partner in the North Field East project, has recently agreed to buy LNG from Qatar's North Field South project over 27 years. Sinopec may soon agreed on a similar deal with Qatar.
- Other international energy producers holding biggest stakes in the North Field expansion projects include ConocoPhillips, Shell Plc, TotalEnergies SE, Exxon Mobil Corp. and Eni SpA.
- Qatar did not express any concern on the shipping disruption in the Red Sea, saying most of its LNG flows eastward, while cargoes headed to western buyers will just take longer to arrive.

Bulkers' Second Hand Vessel Prices on the Rise

- The market observed that second-hand bulkers have been rising steadily over the past few months since October 2023, driven by the high sale and purchase activity and increased newbuilding prices.
- According to market data, the Capesize and Ultramax sector experienced a remarkable surge to the highest level in the last 5-year period. Notably for the Capesize, the 5-year-old, 10-year-old and 15-year-old vessels saw their values jumping by 18%, 27% and 23%, respectively.
- It is reported that between October 2023 and February 2024, around 55 Capesize vessels changed hands. Q4 2023 alone saw 35 sales, while during Q1, Q2 and Q3 there were 23,18 and 29 sales transactions respectively.
- In the meantime, Panamax, Kamsarmax and P-Panamax segments had also exhibited robust S&P activity. 49 vessels changed hands in Q4 2023, while during Q1, Q2 and Q3 of 2023 there were 25, 35 and 33 sales respectively. The first 45 days of 2024 witnessed 34 vessels sales, almost 50% more than that of the whole Q1 2023.

Rotterdam Port Faces Decreasing Throughput But Makes Strides In Sustainability

- The Port of Rotterdam, Europe's largest and busiest port, saw a 6.1% decrease in its total cargo throughput in 2023. The drop was attributed primarily to a decrease in coal, containers, and other dry bulk throughput. However, agribulk, iron ore & scrap, and LNG segments saw an uptick in throughput.
- The container throughput was 6.8% lower in tonnes and 7% lower in TEU in 2023, mainly due to decreased consumption and production in Europe.
- For dry bulk, 2023 saw an 11.8% fall compared to 2022, but the agribulk increased by 50% in maize imports due to crop failures from droughts and floods in Europe.
- The port authority acknowledged the impact of global trade disruption, rising interest rates and geopolitical tension on the port's activity, but managed to maintain future investments to transitioning to a sustainable port.
- Major investment decisions include the expansion of container terminals by APMT and RWG, the widening of the Yangtzekanaal, investment in Porthos (a CO2 transport and storage project) and the construction of a national hydrogen network.

IG P&I Clubs: 2024/25 Policy Year Renewal Results

The 2024/25 P&I renewal have been finalized. The following is a summary of P&I Clubs' renewal results which had been posted before 29th February, 2023.

❖ Gard

- Over the past 12 months, 7 million GT has been added, bringing the Club's mutual tonnage to a total of 284 million GT. A notable influx of committed newbuilding tonnage more than 10 million GT from renewing Members are to be delivered in the coming months. 99.4% of the existing tonnage was renewed with Gard.

❖ London Club

- The year-on-year growth in its mutual tonnage reaches 8.9%. The renewal results in rating and deductible levels are in line with the Club's target.

❖ NorthStandard

- Successful underwriting performance for the modest rise in premium for 2024-25 renewal. For the insurance year ending 20 February 2024, premium revenues exceeded USD825 million and the mutual poolable tonnage increased to 256 million GT.

❖ Skuld

- The mutual P&I GT has risen by 11% and achieved an unprecedented high of GT 116 million, fulfilling all mutual P&I renewal targets.

❖ Steamship Mutual

- At the close of the 2023 policy year, the Club's owned tonnage was 125 million including the effect of the renewal. This equates to 7.5% tonnage growth over the past year.

❖ UK P&I

- The 2024 renewal focus has been on portfolio management, which had been successfully achieved. Overall year-on-year growth in entered Mutual tonnage is approximately 2m GT.

❖ West of England

- The total mutual tonnage of the Club increased to 100 million GT, up from 96 million GT 12 months ago. 99% of Members renewed with Club.

Happy Reading, See You In March!

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Acknowledgments

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