

# SPOTLIGHT CMHF

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# “The Aquafreedom” Case Reading: No Binding Charterparty Where ‘Subject’ Not Lifted And Where ‘All Terms’ Not ‘Agreed’

*Case reading of Southeaster Maritime Ltd v. Trafigura Maritime Logistics Pte Ltd (The Aquafreedom) [2024] EWHC 255 (Comm)*

## ❖ Factual Background

- In early 2023, the Owners of the vessel “The Aquafreedom” were negotiating a 4-year fixture (plus 2 annual optional periods) with the defendant Charterer through brokers on multiple channels (Owners-brokers, broker-to-broker, broker-Charterer). Both emails and WhatsApp were used during the negotiation.
- Offers and counter-offers were exchanged on basis of the terms negotiated in 2021 between Charterer and another owner within the same managed fleet as the vessel, and the discussions led to a fixture recap on two subjects: “*As per previously agreed terms sub review both sides*” (“Review Sub”) and “*Charterers’ management approval latest 2 working days after all terms agreed.*” (“CMA Sub”).
- After that recap, the Owners proposed to Charterer a series of terms and the latter counter-proposed, but Owners then went silent. Sensing the Owners were pulling out of the negotiations, Charterer purported to revoke its counter-proposals and accept Owners’ earlier terms, and would revert about lifting the CMA Sub as soon as possible.
- Owners thought this was a “stunt” of Charterer, and promptly passed a WhatsApp message through the broking channel to Charterer, in which they expressed their decision to withdraw from the negotiation. Minutes later after Owners’ withdrawal message, Charterers sent Owners an email lifting the CMA Sub.
- The disputes arose where Owners viewed the negotiations never resulted in a concluded charterparty, but the Charterers argued that there was a validly concluded charterparty which was repudiated by Owners.

# “The Aquafreedom” Case Reading: No Binding Charterparty Where ‘Subject’ Not Lifted And Where ‘All Terms’ Not ‘Agreed (Cont’d)

## ❖ The Commercial Court Decision

The Court ruled in favour of the Owners and its decision was based on the following principal findings:

- Fixture negotiations are to be construed according to the principles applying to the construction of concluded contracts: objectively and without reference to terms that were proposed but not agreed. In the context of charterparty negotiations, the starting point is that the presence of even one ‘subject’ is sufficient to prevent conclusion of a contract. In other words, while a vessel is ‘on subs’, either party has the right to walk away.
- In this case, the Review Sub and CMA Sub had to be read together, and to lift the subs, the parties would have to go through following steps: (1) each side would review the terms that had been agreed back in 2021; then (2) the parties would agree ‘all terms’; and then (3) once ‘all terms’ had been agreed, Trafigura would have two days to lift its CMA Sub.
- Charterer could not unilaterally accept terms which it had already been rejected. Under English law, a counter-offer amounts to a rejection which “kills” the previous offer, so the previous offer is no longer open for acceptance. In other words, once Charterer counter-offered on terms, it means they rejected the offer and cannot then change mind and unilaterally accept it.
- In any case, Owners had withdrawn from the negotiations by WhatsApp before the subjects being lifted, hence a contract is not being reached.

# “The Aquafreedom” Case Reading: No Binding Charterparty Where ‘Subject’ Not Lifted And Where ‘All Terms’ Not ‘Agreed (Cont’d)

## ❖ The Commercial Court Decision (Cont’d)

The Court also clarified on specific issues of subjects and validity of messages through WhatsApp.

### ● On the issue of subjects

The Court followed case of *The Leonidas* [2020] EWHC 1986, in which it was held that a subject may be a pre-condition or a performance condition. If the subject is a pre-condition and not lifted, a contract does not arise; if the subject is a performance condition not being satisfied, the contract is formed but may excuse performance of the contract.

According to *The Leonidas*, the important factor in determining whether a subject is a pre-condition or a performance condition is that who controls the lifting or the satisfaction of the subject. If lifting or satisfaction depends on the decision of a contracting party, the subject is most likely a pre-condition; otherwise, if the lifting depends on a third party’s decision, the subject is most likely a performance condition.

In this *The Aquafreedom* case, it was found that Charterers were to be the only party capable of lifting the CMA Sub, hence the subject was a pre-condition and failure of lifting it hindered the conclusion of a contract.

### ● On the issue of WhatsApp message

Charterer argued the WhatsApp communications were informal and of lesser importance than email correspondence, and challenged the validity of withdrawing contract negotiation through WhatsApp.

## “The Aquafreedom” Case Reading: No Binding Charterparty Where ‘Subject’ Not Lifted And Where ‘All Terms’ Not ‘Agreed (Cont’d)

### ❖ The Commercial Court Decision (Cont’d)

The Court supported Owners’ position that there was no indication that WhatsApp communications should be of less value in contractual construction than emails. Both WhatsApp messages and emails are written communications. Given that the verbal communication also be capable of contract formation, the Court recognised the WhatsApp messages, at least being a record of what is said, were superior to verbal communication.

### ❖ Comments

The general position under English law is that ‘subjects’ in contractual negotiations must be lifted before there is a binding contract. Negotiating parties should also be cautious in how the ‘subjects’ are drafted and whether other terms agreed during the negotiation could have an effect on the agreed ‘subjects’. In this case’s obiter, the Court found that the changes in the regulatory framework between the 2021 charterparty term and the 2023 version (in respect of the CII, EEXI, ETS clauses) were of particular importance to parties discussing a deal of up to 6 years, the parties should have wanted something more in-depth rather than a cursory glance to lift the Review Sub.

The decision also provides affirmation that WhatsApp negotiations are as acceptable as other written form of communication in contract formation. The Court left open the question that under what circumstance the WhatsApp communications should be disregarded: presumably the contracting parties should require an express agreement to achieve such effect, but it is hard to imagine in practical commercial world that brokers going back to emails exclusively.

# Clause Paramount In A Nutshell

## ❖ What is a clause paramount

A clause paramount essentially incorporates a cargo liability regime, usually the United States Carriage of Goods by Sea Act (“COGSA”) or the Hague / Hague Visby Rules (“the Rules”) into a charterparty contract. Such clause is necessary as under English law, the COGSA or The Rules are not mandatorily applicable to charterparties.

If the charterparty makes it clear that the contracting parties intend to incorporate a clause paramount, the English courts will give effect to such intention, although from case to case the wording of the clause paramount may need to be manipulated and some of the terms in the clause paramount may be found inapplicable.

## ❖ What is the effect of a clause paramount in a charterparty

Where the Rules are successfully incorporated into a charterparty, the application will not be limited to cargo claims alone. There are a few aspects that shipowners can benefit from the defences provided by the rules.

- **Delivering the vessel to charterers at the beginning of the charterparty**

Under English common law, the obligation for shipowners to deliver a seaworthy ship to charterer is unconditional and absolute. However, when a clause paramount incorporates the Rules, shipowners can only be held liable for breach of this duty if, for example, they fail to exercise due diligence to make the ship seaworthy before and at the beginning of the voyage.

## Clause Paramount In A Nutshell (Cont'd)

### ❖ What is the effect of a clause paramount in a charterparty (Cont'd)

- Delivering the vessel to charterers at the beginning of the charterparty (Cont'd)

The replacement of the absolute warranty of seaworthy by an obligation of exercising due diligence relieves shipowners from responsibility against defects which could not be discovered by competent personnel who have exercised due diligence. Under most charterparty forms, a ship has to be delivered, ready to receive cargo with clean swept holds which are “tight, staunch, strong, and in every way fitted for service”. This is a strict obligation on shipowners’ part regardless of any fault. However, with incorporation of the clause paramount which converts the absolute duty, and shipowners may be able to defend if they can demonstrate that due diligence has been exercised to make the vessel “in every way fitted for service”.

The notion of exercising due diligence would require: i) shipowners must carry out any inspections repairs or other preparations which a skilled and prudent shipowners would reasonably carry out to ensure the vessel is seaworthy; and ii) any work in fact carried out must be done with reasonable skill, care and competence.

It is not sufficient to discharge the due diligence obligation by merely engaging competent contractors to perform the necessary work; rather, the duty would be only satisfied if due diligence is shown by the personnel to whom any part of the work has been entrusted, be them employees, agents or independent contractors.

Shipowners also must be cautious: under time charters the absolute seaworthiness obligation is at the beginning of the charter when the ship is delivered; however if the clause paramount is incorporated, the due diligence duty for seaworthiness is at the beginning of each voyage under the charter.



# Clause Paramount In A Nutshell (Cont'd)

## ❖ What is the effect of a clause paramount in a charterparty (Cont'd)

- During the performance of charterparty: obligation to maintain the ship

Charterparty forms, such as NYPE, provide obligation of shipowners to maintain the vessel's hull, machinery and equipment throughout the entire charter period. The incorporation of clause paramount requires shipowners to exercise due diligence at the beginning of every voyage, and such does not clash with or affect the performance of shipowners' continuing duty to maintain the ship as agreed in the charterparty.

- During the performance of charterparty: exclusions of liability in the Rules

The Rules contain a list of exclusions of liability under Art IV r 2, and one of the most important of these states: "Neither the carrier nor the ship shall be responsible for loss or damage arising or resulting from...(a) act, neglect, or default of the master, mariner, pilot or the servants of the carrier in the navigation or in the management of the ship..." Shipowners are entitled to rely on all exceptions as long as they are able to prove the same.

An interesting case which illustrates the use of the exceptions is *The Aquacharm* [1980] 2 Lloyd's Rep 237, where charterer ordered the master to load as much cargo as possible so to have sufficient draught to go through the Panama Canal. However, the Panama Canal rejected the vessel's entry, as she had exceeded the permitted draught. The ship was not off hire and charterers claimed for damages. The court dismissed charterer's claim for damages because the loss caused by excessive draught was found to be attributed to the neglect of the master (which is an exception under the Rules), and shipowners can be excused from the liability.

## Clause Paramount In A Nutshell (Cont'd)

### ❖ What is the effect of a clause paramount in a charterparty (Cont'd)

- **During the performance of charterparty: deviation**

Certain charterparty forms (e.g. NYPE) only allow the vessel to deviate in order to save life and property without specifying that the shipowners' liability resulting from such deviation can be excluded. The Rules clearly provides that the shipowners would not be liable for any losses or damages resulting from reasonable deviation. Incorporation of clause paramount can be useful way shipowners can rely to exclude liability for reasonable deviation.

- **During the performance of charterparty: limitation of liability**

Incorporation of clause paramount confines shipowners' liability in respect of the loss of or damage to goods carried under the charter.

- **During the performance of charterparty: time bar**

There is one-year time bar under the Rules which operates in relation to cargo claims. Once incorporated into the charterparty in way of clause paramount, the time bar of the Rules only applies to claims in relation to cargo that arise between owners and charterers under the charterparty.

The term "claims in relation to cargo" does not just refer to cargo claims per se (i.e. cargo damage or shortage); according to case law, it also includes claims for financial losses due to delays in loading the cargo, as well as expenses for extra tank cleaning and pumping of the cargo which were held to be losses and damages related to goods.

# Clause Paramount In A Nutshell (Cont'd)

## ❖ What is the effect of a clause paramount in a charterparty (Cont'd)

- During the performance of charterparty: time bar (Cont'd)

It is important to note that the one-year time bar only applies to claims by charterers against owners, but does not cover proceedings by owners against charterers.

A significant difference between the Hague Rules and the Hague-Visby Rules is that, where the Hague Rules apply through the incorporation of clause paramount, the time limit to bring a cargo claim is 12 months from the cargo delivery; however, where the Hague-Visby Rules apply, apart from the 12-month time bar mentioned in Hague Rules, the time limit for indemnity against a third party is 3 months after the claim has been settled or the person has been served with process in the action. This is particularly important where there is a charterparty chain and claims are to be passed up or down the line. Having said this, as most charterparties incorporate the Inter-Club New Year Produce Exchange Agreement (“ICA”), the ICA will prevail over the Rules in terms of liability and time bar.

## ❖ Will P&I cover be prejudiced if clause paramount is not incorporated into a charterparty?

Whether or not a clause paramount is included in a charterparty is a matter of commercial risk and negotiation. It is not a pre-requisite for P&I cover that all charterparty must contain a clause paramount; however, to IG Clubs, claims arising from the carriage of cargo on contractual terms more onerous to the shipowners than which would have been in the Rules will generally be discretionary.



## A Clash Of Conventions? Ship Recycling Debate Continues

The IMO's Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships 2009 ("Hong Kong Convention") will enter into force on 26 June 2025. Concerns have arisen that its requirements potentially conflict with other conventions such as UN's Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal 1989 ("Basel Convention") and the Ban Amendment to the Basel Convention.

### ❖ **Basel Convention**

The Basel Convention regulates the transboundary movements of hazardous wastes and requires its parties to ensure that such wastes are treated in an environmentally sound manner. The convention is not shipping-specific but will also apply to ship wastes on the state of export (where the ship commences its voyage on its way to being recycled), on any transit state and on the recycling state.

### ❖ **Ban Amendment**

The Ban Amendment to the Basel Convention prohibits waste exports from OECD and EU Member States, as well as Liechtenstein, to primarily non-OECD and developing countries.

### ❖ **EU Waste Shipment Regulation**

The EU Waste Shipment Regulation transposes the Basel Convention into EU law by setting out requirements for shipping waste within, to and from the EU. The Regulation specifies the procedure for shipping waste according to the destination, the nature of the waste and the way in which the waste will be processed after shipment.

# A Clash Of Conventions? Ship Recycling Debate Continues (Cont'd)

## ❖ EU Ship Recycling Regulation

The EU Waste Shipment Regulation has been largely replaced by the EU Ship Recycling Regulation, which applies to vessels with an EU flag and requires them to be recycled only in yards included in the European List of ship recycling facilities. Broadly, the EU Ship Regulation reflects the requirements of the Hong Kong Convention but with additional health and safety standards and environmental requirements. The Waste Regulation remains applicable to any non-EU flagged ship that sails from an EU port for recycling.

## ❖ Hong Kong Convention

The Hong Kong Convention applies to ships flagged in contracting states, and the relevant national authorities in these flag states are responsible for ensuring the compliance. The ships to be recycled must carry an Inventory of Hazardous Materials (IHM) and can only be recycled at authorised facilities in contracting states. The facilities are required to have in place a Ship Recycling Facility Plan (SRFP) and must also develop a Ship-Specific Recycling Plan (SRP) for each ship to be recycled.

## ❖ What are the concerns?

There are a few queries in how to align the Hong Kong Convention with other conventions. For example, some of the signatories to the Hong Kong Convention are not OECD nations, and if a ship has been authorised for recycling under Hong Kong Convention and obtained an International Ready for Recycling Certificate, she may still be considered a hazardous waste under the Basel Convention or Ban Amendment.

There are also differing views on whether the Hong Kong Convention and the EU Ship Recycling Regulation impose environmentally sound waste standards that equate with those set out in the Basel Convention.

## A Clash Of Conventions? Ship Recycling Debate Continues (Cont'd)

### ❖ Addressing some of the concerns

A proposed amendment to the EU Waste Shipment Regulation has been agreed in principle, pending formal adoption by the EU Parliament and Council. The amendment will essentially permit the export of hazardous ship waste to non-OECD countries, if the recycling facility can document sustainable management and disposal practices and procedures in accordance with EU regulation.

BIMCO and other entities have submitted a joint paper asking the IMO's Marine Environment Protection Committee (MEPC) to consider any legal inconsistencies between the Hong Kong Convention and the Basel Convention. Some of the inconsistencies between the Conventions are attributed to the fact that the Basel Convention is not aimed solely at ship waste and does not operate along flag state lines. Their submission seeks for assurance that those complying with the Hong Kong Convention will not be penalised for any contravention of the Basel Convention / Ban Amendment.

The BIMCO submission states that, as both Hong Kong Convention and the Basel Convention can apply to end-of-life ships, the shipowners may risk violation of Basel Conventions in scenarios where they have sent their ships to be responsibly recycled at yards that comply with the Hong Kong Convention in non-OECD states such as Bangladesh, India, Pakistan and Turkey.

It is sensible for the concerns to be addressed by MEPC before Hong Kong Convention comes into force. The parties to the Basel Convention are scheduled to meet in April / May 2025, and it is to be seen if the issues will be dealt with in the Basel Convention meeting.



# Market Snapshot

## Shippers Turn To Longer-Term Charters As Tanker Supply Tightens

- The global oil tanker fleet must now travel further longer voyage: attacks on vessels in the Red Sea have driven vessels to sail around Africa; low water levels in the Panama Canal also led vessels to take alternative routes; Russian oil are flowing more to Asia than what would have otherwise gone to Europe due to the sanctions.
- These factors caused significant increase on the shipping costs and reduced the vessel availability. For example, vessels avoiding the Red Sea would have to burn extra 100,000 barrels of fuel per day adding 3% to the distance traveled by the global shipping fleet.
- Most of the factors leading to longer sailing routes are unlikely to change any time soon, in some cases chartering rates soared by 26%. To cut chartering costs, some shippers chose to take on more longer-term charters on the tankers.
- To ease the tanker shortage in the market, shipowners are looking to build new vessels. About 100 Aframaxes are likely to enter the market in the next three years, while about 25 Very Large Crude Carriers will enter the market in 2027.

## Cost Gap For Sustainable Shipping Fuels Could Close By 2035

- According to a report by Wartsila, it was estimated that the EU Emission Trading Scheme (ETS) and FuelEU Maritime Initiative (FEUM) could cause the conventional fossil fuel to be doubled by 2030. By 2035, the emission policies such as carbon taxes and emission limits could bring the prices of green fuel and fossil fuel to the same level.
- IMO has set a goal of net-zero emission by 2050. Wartsila report suggested the existing decarbonisation solutions could cut up to 27% of emission, with the sustainable fuels eliminating the balance 73%.
- At the moment the dilemma is that, where the shipowners hesitate to commit to costly and small-scale fuels, suppliers also struggle to scale production without clear demand signal. The net-zero in shipping would require decisive policy support and industry-wide coordination.



# Return Of Somali Pirates Adds To Crisis For Global Shipping

- The waterways off Somali include some of the world's busiest shipping lanes, and there are around 20,000 vessels passing through the Gulf of Aden on their way to and from the Red Sea and Suez Canal.
- The peak time of Somali pirates was in 2011, when 237 attacks were launched. That year, it was estimated that the pirates' activities cost the global economy about USD7 billion, including hundreds of millions for ransoms.
- The attacks in recent years were significantly fewer, with the pirates primarily targeting smaller vessels in less patrolled waters. Last November, the pirates had attempted 20 hijacks and successfully seized at least 2 cargo ships. This February, up to 5 so-called pirate action groups were identified active in the eastern Gulf of Aden and Somali Basin. It was warned that the end of the monsoon season this March could see them push further.
- The activities of the Somali pirates had driven up the cost of additional war insurance premium on ships. In the meantime, growing demand for private armed guards also increases the price. The cost to hire a team for 3 days jumped around 50% in February month-on-month, to a range between USD4,000 and USD15,000.
- Some security experts found there was no evidence of direct connection between the Houthis and Somali pirates, but unofficial resources revealed that the Somali gangs were taking advantage of the distraction provided by Houthi strikes several hundreds nautical miles away to get back into piracy.
- There is an issue of the reduced operation of the international naval forces off the coast of Somali. As many as 20 warships from 14 different countries would patrol the Gulf of Aden and Indian Ocean, but as the threat receded in recent years, the participating countries had cut back the number of warships.
- Another issue was the lapse in 2022 of a U.N. resolution that authorised foreign vessels to patrol in Somali waters. The country's president said the key to refraining the threat was bolstering Somali's law enforcement capacity at sea and on land, instead of sending international ships.
- According to the Somali government data, the coast guards has 720 trained members, but only one boat is functional. The capital, Mogadishu, Puntland and the breakaway Somaliland region also have maritime police forces but with limited resources.

## Global Trade Expected to Rebound In 2024, UNCTAD Reports

- According to a report from the United Nations Conference on Trade and Development (UNCTAD), global trade is expected to rebound from a downward trend seen in 2023.
- The report showed that the global trade shrunk by 3% in 2023 compared to 2022. The decline in goods was 5%, representing a USD1.3 trillion drop.
- In 2023, developing countries saw trade decrease by approximately 4%, whereas the developed countries faced a larger decline of around 6%. South-South trade, which represents the commerce between developing countries, saw a sharper decline of about 7%.
- The last quarter of 2023 saw a shift of these trends, especially with developing countries and South-South trade showing growth. Data of the first quarter of 2024 suggested a continued improvement in global trade. Factors such as moderating global inflation, improving economic growth forecasts, and increasing demand for environmental goods, especially electric vehicles, are expected to boost trade.

## No LNG Carrier Has Transited The Suez Canal For More Than Two Months

- It was reported that no LNG carrier had passed through the Suez Canal, since 16<sup>th</sup> January when the deteriorating security situation in the Red Sea has seen a mass rerouting of the LNG carriers around the Cape of Good Hope.
- Overall, the trade volumes through the Suez Canal plunged by 50% year-on-year in the first two months of 2024, and the trade transiting around the continent of Africa surged by around 74%.
- Suez Canal transits generated USD10.25 billion in revenue for Egypt in 2023, and the Suez Canal Authority admitted that the revenue could be cut to around USD5 billion this year.
- From mid-February and mid-March, the latest data showed that total number of vessels transiting Gulf of Aden in all merchant vessel types stood 72% below the levels recorded in last December.

## China Accounted For 23.6% Of Global Crude Trade In 2023

- Despite the high oil prices and risks of economic recession, 2023 turned out a positive year for crude oil trade. In terms of demand, the top seaborne importer of crude oil in 2023 was Mainland China, accounting for 23.6% of global trade. The second comes EU, accounting for 21.7% of global trade.
- Volumes into China surged by 14.1% year-on-year in 2023. In January and February 2024, the positive trend continued, with imports into China growing by 10.7% year-on-year.
- The strong crude oil import growth in China has offered additional support to the tanker market. According to market data, about 83% of volumes discharged in China in 2023 were carried in VLCCs, around 7% were carried in Suezmaxes, and about 10% in Aframax.
- In terms of sources of the shipments in 2023, the majority of China's oil imports came from the Middle East, and Saudi Arabia is the single largest exporter to China, accounting for 15.4% of volumes. China had increased its import dramatically from South America by 41.2%, whilst decreased import from Kuwait by 23.1%.

## Salvage Of Houthi-Hit Vessels Complicated By Continuing Attacks

- In February, the UK-owned vessel “Rubymar” became the first vessel lost since the Houthi attacks. The vessel was loaded with 21,000 metric tons of fertilizer in its cargo hold, and now had been submerged in shallow waters between Yemen and Eritrea.
- Damage sustained by “Rubymar” caused a 18-mile oil slick. It remained a concern of a potential fertilizer leak, which could trigger devastating algal blooms in the Red Sea that damage vulnerable coral reefs and harm fish. IMO dispatched two consultants to assist with salvage efforts in the southern Red Sea, but the salvage work was limited as the area is not safe.
- Earlier this month, the Greek-owned “True Confidence” was abandoned after being set fire in an attack near Yemen's port of Aden, 3 crew members were killed. The India's Navy rescued all crew.
- A salvage contract for this vessel had been signed but the details were confidential due to the security issue. IMO found it was not possible to send consultants to access the area at the moment.

## Port Of New York And New Jersey Kicks Off 2024 Strong

- The Port of New York and New Jersey started 2024 with notable increase in container volume. The container volume reached 667,346 TEUs in January 2024, representing a 3.4% increase year-on-year.
- Import container volumes reached 342,790 TEUs, which represent a rise by 5.8% in January 2024 compared to 2023; imported empties also jumped by 27.1% year-on-year.
- Exports however saw a decline of 6.7%, with 104,724 TEUs registered in January 2024. Export empties also experienced a slight increase of 4.9%.
- The Port of New York and New Jersey concluded 2023 with container volumes surpassing pre-Covid level in 2019 by 4.4%. Being the second busiest port in U.S., it handled 5.3 million TEUs in 2023.
- Despite global supply chain challenges, U.S. container import volumes are off to a strong start in 2024, with top U.S. ports handling 1.96 million TEUs in January, an 8.6% increase year over year.

## Reduction In The Count Of Panamax Vessels In Ballast Status

- In the latter half of this March, the freight market for large-size vessels displayed a notable increase. The vessels counted in terms of ballast status saw an unexpected decline compared to the peak levels observed in February.
- The recent surge in Capesize and Panamax market rates is not solely driven by supply dynamics, it is evident that the recent tightening of vessel supply served as a strong upward catalyst.
- Capesize rates for Brazil-to-North China have continued their upward trend to around USD31 per ton, representing a substantial 30% increase compared to the rates of February.
- Panamax vessel freight rates from the Continent to the Far East surged to a new high, surpassing USD50 per ton and signalling a robust rebound in the market.
- The count of ballast vessels continues to decline for both Capesize and Panamax vessels, with the Panamax vessel count dropping below its annual average.
- Port congestion is also a sign of vessels' supply / demand status. According to market data, there was a notable increase of congested ships in all sizes of bulkers compared to February.

# Happy Reading, See You In April !

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