



CURRENTS

Issue Number 42 - June 2019

3	Introduction
6	General Claims & Industry Information
12	General Claims & Industry Information
14	Correspondents' Corner
18	American Club News
20	American Club Events
26	In the Press
28	Steaming Ahead...



Image's source: David Coleman
<https://dcphtoguide.com/navy-merchant-marine-memorial>

Above: Navy-Merchant Marine Memorial
The Navy-Merchant Marine Memorial, on the banks of the Potomac River and not far from the Pentagon, is dedicated to Americans in the US Navy and US Merchant Marine who lost their life at sea in World War I. The main sculpture stands 35 feet tall and was dedicated in 1934. It was designed in by Harvey Wiley Corbett and sculpted by Ernesto Begni del Piatta. The main part of the monument is surrounded by a wide flower bed that becomes a sea of red tulips in the spring.

Production and Design by:
Christina Tsimpouklidi, Richard L. Swan

Section Editors:
Joanna Koukouli, Elina Souli

Illustrations by:
John Steventon



INTRODUCTION



by: Joseph E.M. Hughes
Chairman & CEO
Shipowners Claims Bureau, Inc.
New York, NY, USA

“I hate making predictions, especially those which concern the future.” There is no consensus as to who first made this obviously tautological statement (Yogi Berra is often attributed with a version of it), and whether that person made it as a joke (which is generally the view) or meant it seriously (as Yogi Berra may have been assumed to have done).

The hapless Dan Quayle, Bush Senior’s Vice-President from 1988 to 1992, is reported to have once said it, and since he was, perhaps unfairly, regarded as being intellectually challenged, was generally thought to have meant it seriously.

But I digress before I begin, which might be a tautology itself, although I am not sure! The point is, from a P&I perspective, we are experiencing a change in market conditions at present, leaving the future direction of the industry rather difficult to predict.

As to the immediate past, which is altogether easier to describe, both the American Club and its fixed premium brand, Eagle Ocean Marine (EOM), enjoyed a positive February 20 renewal season. Year-on-year tonnage and premium were up in

the case of both insurers, EOM’s by no less than 42%. The claims experiences for both the Club (at least as to its retained exposures) and EOM have continued to develop favorably, the 2018 policy year (which ended on February 20 of the current year) for the Club being the best year since 2002, and the EOM book continuing to maintain a market-leading combined ratio of about 70%.

For the Club, 2018 investment results were not as good as they were for 2017 (when a return in excess of 8% was achieved), funds under investment remaining flat at year-end, mainly due to a significant sell-off in equities around Christmas. However, the results for 2019 to date have been much better, the stock markets having largely recovered from their 2018 year-end conniptions over intervening months.

From the point of view of the largest claims experienced across all clubs which make up the International Group, 2018 was not a good year. The International Group Pool, having experienced thoroughly benign years for 2013 through 2016, saw an uplift in collective exposure in 2017, a trend which was then largely regarded as a reversion to

the mean of earlier pooling periods.

By contrast, 2018 has been characterized by a significant upturn in major claims, both as to their frequency and as to their severity, particularly over the last nine months or so. This may prove to be more than an aberration by contrast with earlier years and even, perhaps, a new normal implying a sustained increase in claims costs over the years ahead.

In terms of insurance pricing, the last several years have seen a steady drop in average rates per ton across the markets. Some of this has been driven by good general claims results, some by the “churn effect” and some by the use of investment gains, or the release of back-year claims reserves, to subsidize individual policy year results. Indeed, most clubs have not sought general increases over several recent renewals, while risk pricing in the fixed premium and hull markets has been at generally uneconomic levels for years.

Given the current intersection of comparatively low risk pricing, rising claims costs (albeit that the American Club and EOM may be experiencing untypically unfavorable results as to their retained claims exposures in this respect) and a declining contribution to annual results from investment earnings, the financial fortunes of the clubs, and their counterparts in the fixed premium space, may be in a transitional phase. This suggests, for those of us bold enough to make predictions, that a period of market hardening may lie on the relatively close horizon, and that the 2020 renewal season may be both quantitatively and qualitatively different from those experienced over the past

three years or so.

As in much of life, we can only wait and see. The developments over the remainder of 2019 will certainly set the stage for the next renewal. This is to say nothing of the effect on claims of industry developments such as the 2020 sulfur cap and, later, ballast water management requirements. In this context, and if claims are generally on an upward trend, the value of the American Club’s and EOM’s service, be it in relation to claims handling, loss prevention or general advisory capabilities vis-à-vis Members and Insureds will, I very confidently predict, be of key importance as the contours of the changing risk landscape emerge over the months ahead!

Joe Hughes



HUMAN ERROR OR ORGANIZATIONAL FAILURE?



by: John S. Poulson
Director/Chief Surveyor
Atlantic Marine Associates Inc.

The marine insurance industry, in terms of dealing with claims, broadly equates human error with “crew negligence”.

This defined term is what is routinely covered by essentially all policies of marine insurance. Annually, billions of dollars are paid out by the world’s marine insurance markets on the basis that “crew negligence” as an insured peril is either the prime or proximate cause of a loss.¹

But is it really the case that individual error or negligence is the cause of these casualties, or should these issues be more appropriately attributed to be the result of organisational failures?

This is an issue of significant importance to the world’s merchant fleets and their insurers. Premium and risk are assessed mainly on the basis of past performance, translated into the insurance world as “loss records”.² Loss records are to say the least, generally presently not good.

The hull and machinery (H&M) insurance market has struggled for many years to be profitable³ and recent protection and indemnity mutual (P&I) Club results are indicating a trend that is not much better. Certainly premium rates are reflecting market overcapacity but it also suggests perhaps a lack of understanding of the actual risk being covered if not in the actual analysis of costs

resulting.

Human error, presented as “crew negligence” accounts for an upwardly spiralling proportion of those claims.

Everyone, at some time in their professional life makes mistakes, however in the maritime world mistakes can often be very costly in terms of lives as well as monetarily.

The main aim has to be the management of an overall risk which obviously includes the human factor, to the extent that the world’s underwriting facilities can sustain a financially viable product.

So the principal question regarding the issue of “human error” is how to limit the frequency and magnitude of those errors or mistakes.

An insured vessel or fleet has traditionally been deemed an acceptable risk from the human element viewpoint, by virtue of it being manned by seafarers with a level of training to a certain standard, working within an established vessel command structure.

In other words, by ensuring that a certain minimum level of competence and professionalism exists on board, risk is effectively reduced, at least theoretically, to an acceptable level. Fair enough you might think; after all underwriting should be

a business involving a reasonable and acceptable level of risk – not responding to a series of certain losses.

Human error is a large and expansive subject and there have been many attempts made to define the term, the simplest of which is “an error made by a human”. Other noted standards are:

- A generic term to encompass all those occasions in which a planned sequence of mental or physical activities fails to achieve its intended outcome and when these failures cannot be attributed to the intervention of some chance agency.
- An inappropriate or undesirable human decision or behaviour that reduces or has the potential for reducing effectiveness, safety or system performance.

Losses or damages resulting from crew negligence or anyone’s negligence are generally covered by the hull and machinery underwriters while the “liner negligence clause” extends coverage to essentially anyone’s negligence.

Damages to 3rd parties such as from collisions or contact with fixed and floating objects are at least partly covered by the P&I insurance whereas pollution clean-up costs are covered entirely by the P&I Clubs unless there is a degree of necessity for physical repairs when H&M may also be liable.

The word ‘negligence’ has had many legal interpretations but the generally accepted definition/ interpretation is:

- Failure to do (act) or not do (act) as a reasonably competent and prudent person would (or would

not) do under the circumstances existing at the time.

In all Cases in which negligence of anyone is the attribution or allegation, the simple use of crew (or others) negligence should not be sufficient information for evaluation by the underwriters. The specific act or failure to act should be specifically enumerated.

A widely acknowledged principal cause for concern, associated with manning, training and human error is that of fatigue.

Human errors are all too often blamed on “inattention” or “mistakes” on the part of the operator, more often than not they are symptomatic of deeper and more complicated problems in the overall system. Human errors are generally caused by technologies, environments, and organizations which are incompatible in some way with optimal human performance. These incompatible factors create scenarios for the human operator to make mistakes. In other words, the operator has been expected to adapt to the system. This does not work.

Instead, what needs to be done is to adapt the system to the operator and one area from which the operator can gain significantly is from a system that avoids creating fatigue.

Fatigue is well known to be a cause of human error leading to maritime casualties. In a maritime environment, the symptoms relating to crew-specific fatigue factors are well recognized. It has also been noted that such symptoms can be a major source of impaired human performance

and reliability. Specific symptoms or impairments seen in individuals that can arise due to fatigue, and that can be easily related to human error, are summarized below.

Possible Fatigue Symptoms or Impairments

- Pattern and object recognition error
- Significantly reduced short term memory
- Reduced sensory threshold and discrimination
- Reduced manual dexterity
- Inability to concentrate
- Difficulty recalling information or making decisions
- Difficulty reading displays, manuals, charts
- Increased risk taking behaviour
- Task delay or complete omission
- Mood swings and changes
- Attitude changes
- In extreme cases, anxiety, perceptual narrowing, slurred speech, obsession with sleep, hallucination, and incidence of micro-sleep (micro-sleep is a period of sleep-like unconsciousness, lasting usually for a few



seconds, without the knowledge or intent of the sufferer).

The sea-going environment, together with the requirements of the seafarer's duties, can lead to debilitating fatigue. It is therefore imperative that control be exercised over the accrual of fatigue.

The IMO has a directive to combat the shipboard organizational conditions that create fatigue but verification of the process is far from complete.

Sea-going conditions generally have led to a lack of a social fabric on board ships and this has to be of particular concern when considering the working and living environment.

Frequently it is found that ethnic diversity on board, coupled with language skill shortcomings brought about by shortages and manning agency manoeuvring, produces isolationism on board ships which, when it extends to the vessels command as it invariably does, leads to a breakdown in communication and which immediately produces an environment for error.

The ISM system whilst noble in its aspirations has not succeeded in raising standards in the way it was envisaged. The system has made good ship Owners and Managers better but it has in some cases made bad Owners worse.

Experience of casualty investigation in the field has shown that vessel's suffering some major casualties generally have had immaculate compliance paperwork.

ANY CONCLUSIONS?

Human error will always occur (to err is human.);

at what frequency and with what consequence is the main issue to be considered when assessing risk.

Engineered safety devices are proof against most single failures, both human and mechanical. As yet however, there are no guaranteed technological defences against either a build-up of latent failures within the organisational and managerial structures or their adverse and often unforeseeable conjunction with the various local triggers / proximate causes.

The lengthy and exhaustive enquiry into the capsizing and loss of the HERALD OF FREE ENTERPRISE at Zeebrugge in 1987 apportioned blame to the entire Company Management, from the Board of Directors to the vessel's Officers. Had the casualty not been so serious in terms of loss of life and had there not been a full enquiry, would any lessons have been learned? Would the Chief Officer and the Bosun have simply been found guilty of "crew negligence"?

Many claims are settled on the basis of "crew negligence" because the focus of attention on the investigation of the claim is at the scene of the damage i.e. on board the vessel in the hands of the 'end-user'.

In truth though, the cause of many damages lies at least in part and probably sometimes wholly, ashore in the Owner's or Manager's offices where the investigation should sometimes probably be equally focussed.

There are efforts made through various warranties⁴ (Joint Hull Committee) to include ship

Owners management resources and procedures in pre-risk assessments but enthusiasm for this, along with all pre-risk assessment varies according to market forces. Agreement to human error in its insurable guise of crew negligence enables claims to be settled.

Occasionally – and normally when a General Average is declared the action or inaction of the Owners are in fact questioned and the issue of due diligence raised, usually by cargo interests questioning a vessel’s seaworthiness to avoid their contribution to the expenses involved in completing the joint venture.

However perhaps it would behove Underwriters of all disciplines to examine the potential benefit of including “organizational failure” as an insured peril.

At least then, a lot of casualties, whilst being settled as recoverable claims would be seen for what they really are and improve the success rate of loss-prevention initiatives.

¹Definitively, the “prime” cause of a casualty or loss is regarded as the underlying cause, if one exists. The “proximate” cause is the one closest to the event which caused the casualty.

²Loss records for hull and machinery policies are generally presently around 100%.

³Hull and Machinery insurance covers the physical aspects of damage to a vessel and is placed through Brokers into Insurance Companies or into Insurance Syndicates such as provided for by the Lloyds Market in London. Owners carry a second tier of insurance, Protection and Indemnity or P&I insurance which covers all other aspects of insurance cover they may need, especially liability to 3rd parties. This insurance is provided by P&I Clubs which are run as mutual insurance companies.

⁴Warranties such as those of the Joint Hull Committee of Lloyds specify conditions that must be met before the vessel will be covered by a marine insurance policy. This most frequently takes the form of a condition survey of the vessel or fleet to be insured.



DUE DILIGENCE – THE IMPACT ON GENERAL AVERAGE



by: Claire E. B. Garza

Assistant Vice President – Claims Executive & Counsel
Shipowners Claims Bureau, Inc. Houston, Texas

MT CAPE BONNY Tankshiffahrts GMBH & CO KG v. Ping An Property & Casualty Insurance Co. of China, LTD, Beijing Branch, a recent decision out of the Commercial Court in London, sheds light on the rarely addressed relationship between a shipowner’s due diligence and the ultimate contribution to a General Average (GA) call.

Factual Background

On July 14, 2011, during passage from Argentina to China, the 2005 built MT CAPE BONNY experienced a catastrophic main engine failure. The engine failure occurred simultaneously with the vessel’s attempts to avoid typhoon Ma-On. Towage assistance was required to take CAPE BONNY to Yosu in South Korea, where her cargo was transferred to another vessel. Due to the approach of yet another typhoon, Muifa, CAPE BONNY was towed out to sea to safety before finally being berthed for repairs on August 9, 2011.

The shipowner declared GA and contributions were sought from the cargo interests. Ping An Property and Casualty Insurance Company provided a GA guarantee on behalf of cargo interests in favor of the owners. Subsequently, an average adjustment assessed cargos’ contribution in GA at approximately US \$2.5 million. The insurer then denied liability under the guarantee, alleging that the casualty resulted from the actionable fault

on the part of the shipowner.

General Average

GA is often incorporated by reference into charter parties and bills of lading, but it is avoidable under certain circumstances. A party will not be liable to contribute to GA if it they can demonstrate the existence of a breach of contract. A breach of contract will have occurred if: (1) the vessel at issue was unseaworthy before and at the beginning of the voyage; and (2) the owner failed to exercise due diligence to make the vessel seaworthy. In such a situation, the cargo interests must prove the vessel was unseaworthy, and the shipowner must prove that it exercised due diligence.

In this case, there was a question as to the mechanism of the engine failure. Accordingly, both parties made arguments to the court as to the cause. The shipowner argued that the damage to the bearing was caused by welding slag within the lubricating oil pipework, which had been dislodged during the unfavorable weather conditions during the voyage. The cargo interests argued that the failure stemmed from the presence of metal particles in the lubricating oil, likely from spark erosion or chain drive gear damage, as the result of defective blowdown filters. The court ruled in favor of the cargo interests and held that CAPE BONNY was unseaworthy before and at the

beginning of the voyage. Thus, the cargo interests had managed to satisfy the first of the two factors. Now, the cargo interests needed to demonstrate that a lack of due diligence on the behalf of the shipowner caused the unseaworthiness.

Due Diligence

Due Diligence arguments focused on the proper response to the increases in crankshaft deflections taken one month prior to the incident. The notable increases could have been an indication of bearing wear, yet the crew did not further investigate the findings. The shipowner argued that it was generally reasonable to not investigate any further, as the deflection was still within allowable limits.

The cargo interests made the argument that it was the rapid increase that was important, not that the deflection was still within limits. It was further argued that if the rapid increase had been investigated, it is likely that the bearing wear would have been discovered. In turn, steps could have been taken to repair the bearings and avoid the failure.

The court found that a “...prudent engineer or superintendent would have decided, in the light of the May 2011 deflection readings, that bearing

clearance measurements should be taken. The failure to do so was a failure to exercise due diligence to make the vessel seaworthy.” The cargo interests therefore satisfied the second factor as well, resulting in the court’s determination that a breach of contract had indeed occurred and contribution to the GA call was not required.

Impact on Shipowners

The CAPE BONNY decision makes it abundantly clear that shipowners must not neglect their responsibilities when it comes to exercising due diligence. And, in turn, an owner must also be capable of proving such due diligence was performed.

In this case, the failure of the shipboard engineer and the shoreside superintendent to take bearing clearance measurements served to substantiate the shipowner’s liability. The resulting precedent establishes the importance of the shipboard and shoreside roles working together seamlessly to ensure the seaworthiness of a vessel through due diligence. This decision makes clear to both shipboard and shoreside employees that their roles are implicit in avoiding economic consequences for Owners.



RICE CARGO SHORTAGE: INFLUENCING LOCAL FACTORS AND LOSS PREVENTION MEASURES

Perspective: Chittagong & Mongla

by: **Zalal Uddin Ahmed PhD, MBA, LLB, MNI (London)**

Coast To Coast P&I Services Ltd. Bangladesh

Potential pitfalls when trading to Africa

Trade allowance

The question of the trade allowance is of essence for shipping operations around the world, but it is not easy to ascertain a specific rate in various ports on the African continent.

In most African countries, no specific rate emerges and the principle of trade allowance is only accepted from time to time and depending on the local receivers involved.

We have collected some information in respect of possible trade allowance rates which could apply in these countries when bulk cargo is discharged.

These rates have been taken from past files and from our experience but should not be considered as “unconditional” or definitive as the rate can vary depending on various local factors which are sometimes difficult to identify.

For instance, it appears that in Benin, a rate of 0.01% is generally accepted whatever the cargo discharged. In Kenya and Nigeria, receivers seem to accept 0.5% for dry cargo in bulk. In Tunisia, a trade allowance rate between 0.2 and 0.5% for bulk cargo is generally allowed by private receivers only (state owned companies refuse any trade allowance and base their claim on shore figures).

Ghana receivers usually agree between 0.2 to 0.3% allowance for grain cargo.

In any event in those countries, which sometimes impose customs fines for alleged manifest discrepancies (shortage/excess), the authorities to our knowledge never take a trade allowance into account.

Customs Fines

Clubs and Owners are unfortunately familiar with fines imposed by local Customs in the event of discrepancies between the manifested quantity and the final figures allegedly recorded by stevedores.

In Cotonou/Benin the fines on bagged cargoes are usually calculated on the basis of XOF 230,000 per M/T (Euros 395.04/M/T).

In Abidjan/Ivory Coast the fines imposed on bagged cargo are based as follows:

Rice: XOF 1,000 per bag or EUR 1.52/bag

Sugar: XOF 12,000 per bag or EUR 18.29/bag

For bulk cargoes the customs fines imposed are:

XOF 50,000 per M/T (in case of alleged shortage) or EUR 76.22/MT

XOF 120,000 per M/T (in case of alleged excess) or EUR 182.94/MT

Whereas the Customs authorities in Cotonou usually agree to discuss the official amount imposed (negotiations carried out in the presence of the agent and invariably settled in the first instance by the latter) in Abidjan, Customs now refuse to discuss amounts when the fine imposed is below XOF 2,000,000 (the equivalent of EUR 3,049).

It is regular practice for the local agents to request security from Owners to cover any such fine and this request is usually issued prior to completion in the same way as requests for security from cargo underwriters.

Agents either address such requests directly to Owners or via the local correspondent and often ask for cash deposits.

In the event of an Owner receiving any such demand, they should contact the Club so that this can be handled via the correspondent who can issue a suitably worded LOU to agents to avoid any threatened delay on completion.

LOU wordings demanded by agents give little room for maneuver and are usually prepared by the French based Head Office of the agency.

Very recently Senegalese Customs authorities have imposed fines on vessels carrying bagged rice for an alleged shortage as compared to the manifested quantity. The fines were calculated as follows:

XOF 200,000/MT – EUR 305/MT

As yet it is too early to know whether or not this will become a general policy in Dakar but Members should be aware of the risk for any vessels calling at Dakar with either bagged or bulk cargoes.

As noted above fines can sometimes be reduced by negotiation and in order to defend the vessel, it is important that the Master make his own reservations on any outturn documents presented to him by stevedores, whose figures are considered as being “official”. The local correspondent is always available to assist Masters with such recommended reservations and particular attention should be exercised when the cargo’s final destination is a landlocked country and the discharge port is only a transit port. Stevedores are only too aware that they will probably “lose” cargo while it is under their care and therefore tend to exaggerate alleged shortlandings to cover themselves against claims from the end receiver.

The question of there being any alleged import duty loss (and hence a reason for the imposition of a fine) for a transit cargo is still one which Port Customs refuse to discuss and the bleak reality is that Customs Fines are a source of revenue for the countries concerned.

In addition to making reservations what can a Master do to protect his vessel? In the case of bagged sugar (usually from Brazilian load ports) cargo holds should be sealed and a clear record of sealing certificates made. On arrival in the discharge port, an invitation to all parties should be made via the local agent for them to attend an unsealing survey and again a certificate of

unsealing should be issued with all parties signing.

In the case of bagged rice and although Stevedores/Customs will rarely accept such evidence, photographs of each hold should be taken on completion of loading (with the hold clearly indicated in the photos) to be compared with photos taken on arrival and on opening hatch covers.

Although in Brazil a loading tally for sugar is often forbidden, when the cargo is bagged rice, Owners should have a loss prevention loading tally carried out in the load port – a tally which also has the advantage of reducing the incidence of any wet damaged bags, torn or slack bags and indeed in certain ports the risk of underweight bags being deliberately loaded.

Customs Fines for various alleged infringements

Dakar, Senegal is notorious for the imposition of heavy customs fines for alleged inaccuracy or incomplete declaration of bunker quantities. The

actions taken by Customs tend to be cyclical and Masters should be made aware of the problem at all times. Normally the main shipping agents pre-warn Masters before arrival but there are still several incidents every year.

It is essential that all declarations have been filled in completely before Customs come on board on berthing. If Customs do attend before the Chief Engineer has been able to give the Master the bunker figures after berthing maneuvers and main engine has been stopped, the Master should not release any declaration to Customs. Even though he might try to explain why the final figures have not yet been entered, Customs officers will seize the occasion to impose a heavy fine. If Customs insist then the Master should seek the assistance of his agent and call the correspondent immediately.

Fines can be negotiated even though there is little room for negotiation, provided the correspondent is informed immediately and before the port customs inform their hierarchy.



No formal arrest order is issued through the Court but the vessel will be detained “administratively” and will not be allowed to sail until an agreement of a final fine amount is reached. No form of security is acceptable to Customs and in most cases the Customs Officers seize the vessel’s certificates and the Master’s passport.

In addition to these bunker declarations, great care and accuracy should be used in detailing luboil supplies and also quantities of paint stores.

We would also suggest that Masters refrain from any attempt by locals to buy equipment and in particular empty 200 liter oil drums as we have experienced huge fines for allegedly illegal importation both in Dakar and Abidjan. In short, no trading with locals should be attempted by the crew either at the anchorage or alongside and any request for supplies of fresh food and fish should go through the appropriate ship chandler.



AMERICAN CLUB AND EAGLE OCEAN MARINE: 2019 P&I & FD&D RENEWAL OUTCOME

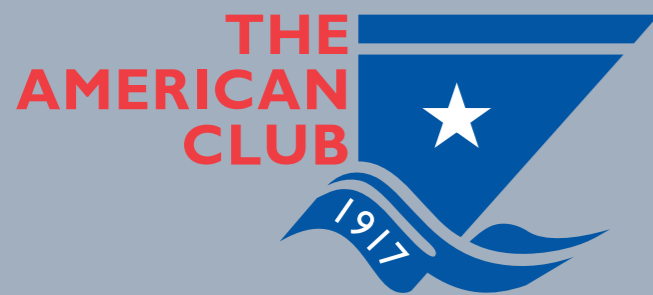
February 2019 - NEW YORK, NY, US

The American Club experienced a positive outcome to the recently concluded 2019 P&I renewal season. The Club's mutual P&I and FD&D business saw increases in both tonnage and revenue, while the Club's fixed premium facility, Eagle Ocean Marine (EOM), recorded a significant rise in year-on-year income. There was also good news on the claims and investment fronts.

The American Club's mutual P&I business saw tonnage increase by more than 1.6 million gt as of February 20, 2019 by comparison with the previous year, and by just under 900,000 gt in regard to mutual FD&D entries. Year-on-year premium growth was more subdued - as soft market conditions continued to prevail - with increases of 4% for P&I and 2% for FD&D entries. However, the average rate per gt on renewing P&I entries was about 1.5% higher than the expiring figure, an encouraging sign for risk pricing into 2019 and beyond.

The Club's retained claims development for the most recent policy year has remained favorable, emergence for 2018 at the twelve-month point being some 26% better than 2017. While the figures are immature, they augur well for the future, although the incidence of larger claims within the International Group Pool over recent months will counterbalance to some extent the positive results of the Club's own Members.

The Club's fixed premium brand, Eagle Ocean Marine (EOM), also saw substantial growth. It acquired nearly 450,000 gt of new business over the renewal season, reflecting additional revenue of about \$2.75 million. Year-on-year premium for EOM increased by 42% as of February 20, 2019, while its claims performance continued to develop favorably. EOM complements the Club's mutuality as it grows its footprint throughout the world. In a period of some uncertainty for the fixed premium P&I market, EOM remains committed to providing the gold standard of service in its field.



MANAGEMENT NEWS

March 2019 - NEW YORK, NY, US

At the Club's headquarters in New York, Margaret Lee has been appointed as Lead Counsel. With twenty years of experience in the industry, Margaret is a New York-admitted attorney who worked in private practice before joining the Club's management several years ago. Margaret has particular expertise in occupational disease claims and, in addition to overseeing the wide - and diverse - range of legal matters which attend the operation of the Club and its Managers, she is a member of the International Group's Occupational Disease Sub-Committee in which role she liaises with the representatives of other clubs in this important area of the Group's collective engagements.

In the Managers' office in Piraeus, Joanna Koukouli has been appointed as Deputy Global Claims Director, reporting to Don Moore. Holding both undergraduate and post-graduate degrees in law, and qualified to practice in Greece, the United Kingdom and New York, Joanna has twenty years' industry experience including that of in-house counsel at a major Greek container company. She has also been appointed as Joint Managing Director of the Piraeus office, in which role she will continue to work closely with Dorothea Ioannou, the Managers' Chief Commercial Officer.

Also in Piraeus, Marivi Banou has been appointed as P&I Claims Manager, assisting Joanna Koukouli in the general day-to-day supervision of the locally-based claims team. Having gained a degree from Metropolitan University, London in shipping and transport, and then acquired experience in both the shipowning and insurance broking sectors, Marivi originally joined the Managers' Greek office on its opening in 2005.

As many Members are already aware, Elina Souli was recently recruited by the Managers' Piraeus office to undertake the roles of FD&D Manager and Regional Business Development Director. With undergraduate and post-graduate degrees in law, and holding legal qualifications from both Greece and the United Kingdom, Elina has extensive experience working with both a major local shipping firm and the branch office of another Group club. In her new role, Elina brings a duality of expertise in promotion of the Club's capabilities both in Greece and elsewhere in the region.

Your Managers are certain that Members, and the Club's many other friends, will wish to congratulate Margaret, Joanna, Marivi and Elina on their recent appointments in the expectation that they will continue to apply their characteristic energy and dedication in the fulfillment of their new professional duties.



AMERICAN CLUB EVENTS

ANNUAL MARKET PRESENTATIONS

October 2018 - Shanghai, Hong Kong & Taipei



AMERICAN CLUB EVENTS

ANNUAL MARKET PRESENTATION

December 2018 - New York, NY, US



AMERICAN CLUB EVENTS

ANNUAL MARKET PRESENTATIONS

December 2018 - Piraeus, Greece



AMERICAN CLUB EVENTS

ANNUAL MARKET PRESENTATION

December 2018 - London, UK



AMERICAN CLUB EVENTS

PRESENTING THE CLUB'S LOSS PREVENTION TOOLS TO MEMBERS' MANNING AGENTS

March 2019 - Manila, Philippines

The American P&I Club's Dr. William Moore, Global Loss Prevention Director, with Members' manning agents in Manila presenting the Club's loss prevention, e-Learning tools and hosting a Q&A about the Club's PEME program. The Managers thank the Members who encouraged and facilitated these loss and claims prevention engagements by giving Dr. Moore the opportunity take the American Club's safety and environmental protection message directly to seafarers and agents alike.



AMERICAN CLUB EVENTS

LOSS PREVENTION SEMINAR

May 2019 - Piraeus, Greece

Dr. William Moore, Joanna Koukouli and Elina Souli provided practical guidance on technical concerns and actions for mitigating losses related to bunker claims at the American Club's Loss Prevention Seminar "Off-spec fuel oil epidemic -Preparing for beyond 2020" at the Piraeus Marine Club.



"IN THE PRESS"

"IN THE PRESS"

42 | ΕΛΛΗΝΙΚΗ 537 | ΝΑΥΤΙΑΡΑ ΝΕΑ

Η Δωροθέα Ιωάννου σε αναβαθμισμένο νέο ρόλο

Αναλαμβάνει μια ανώτερη θέση στην ομάδα του marine insurance η Δωροθέα Ιωάννου αναλαμβάνει τη θέση του chief commercial officer στο American P&I Club και είναι η επικεφαλής του.

Η Δωροθέα Ιωάννου, η οποία ξεκίνησε να συνεργάζεται με τον οργανισμό Διευρηματικού Οργανισμού του American P&I Club για την εμπορική ασφάλισή του, το μαρκετινγκ, τα νέα προϊόντα και υπηρεσίες.

Η ανάληψη της θέσης αυτής είναι μια αναβάθμιση της σημαντικής παραγωγής της κ. Ιωάννου στο American P&I Club.

Οι αναβάθμιση σε σχετικά εγκύκλιο της διοίκησης του P&I Club προς το μέλος του, κ. Ιωάννου είναι πολύ υψηλή στη ναυτιλιακή κοινότητα και μέλος του Διοικητικού Συλλόγου της Νέας Υόρκης. Το 2005 ξεκίνησε τη συνεργασία της με τον SCB (Hellas) Inc., στο πλαίσιο του Προγράμματος Επιχειρηματικής Ομάδας του American P&I Club για την Ελλάδα. Μετά Αριστοτέλη και Αργυρώ και έπειτα με τον Next Generation Shipping Lloyd's List Awards.

Η Δωροθέα Ιωάννου chief commercial officer στο American P&I Club

Ο Φώτης Κουβέλης νέος Υπουργός Ναυτιλίας

Γενικός Γραμματέας Άρμενιο και Νησιωτικός Πολιτικός - Βουλευτής, ο Φώτης Κουβέλης, ο Αρχηγός του Άρμενικού Εθνικού Κόμματος, ο οποίος κέρδισε τις εκλογές στις 17 Ιουλίου του 2019, κέρδισε την έδρα του Υπουργού Ναυτιλίας.

Ο κ. Κουβέλης, 55 ετών, είναι απόφοιτος του Πανεπιστημίου του Αιγαίου και του Πανεπιστημίου του Σικάγο. Έχει εργαστεί για 15 χρόνια στην εταιρεία ασφαλιστικής εταιρείας, η οποία είναι μέλος του American P&I Club.

Ο κ. Κουβέλης, 55 ετών, είναι απόφοιτος του Πανεπιστημίου του Αιγαίου και του Πανεπιστημίου του Σικάγο. Έχει εργαστεί για 15 χρόνια στην εταιρεία ασφαλιστικής εταιρείας, η οποία είναι μέλος του American P&I Club.

Portcare International Enhance Global Services

Portcare International has announced several senior appointments to enhance the capabilities of its global service teams.

At the Club's headquarters in New York, Margaret Lee has been appointed as Lead Counsel. With twenty years of experience in the industry, Margaret is a New York-admitted attorney who worked in private practice before joining the Club's management several years ago.

Joe Hughes, Chairman and CEO of SCB, Inc., has been appointed as Lead Counsel. With twenty years of experience in the industry, Joe is a New York-admitted attorney who worked in private practice before joining the Club's management several years ago.

Joe Hughes, Chairman and CEO of SCB, Inc., has been appointed as Lead Counsel. With twenty years of experience in the industry, Joe is a New York-admitted attorney who worked in private practice before joining the Club's management several years ago.

American Club: Strong tonnage and premium gains over 2019 P&I renewal period

The American Club experienced a very positive outcome to the recently concluded 2019 P&I renewal season. The Club's mutual P&I and F&O&D business saw increases in tonnage and revenue, while the Club's fixed premium facility, Eagle Ocean Marine (EOM), recorded a significant increase in year-on-year income. There was also good news on the claims side, with a 1.5% decrease in the average rate per gross ton (AGRT) for 2019.

The Club's retained claims development for 2019 was 26% better than 2018, while the 2019 month point was 26% better than 2018. The Club's retained claims development for 2019 was 26% better than 2018, while the 2019 month point was 26% better than 2018.

The Club's retained claims development for 2019 was 26% better than 2018, while the 2019 month point was 26% better than 2018.

American Club reports growth as renewal season closes

Eagle Ocean Marine sees increase in claims and investment

The American Club's mutual P&I and F&O&D business saw increases in tonnage and revenue, while the Club's fixed premium facility, Eagle Ocean Marine (EOM), recorded a significant increase in year-on-year income. There was also good news on the claims side, with a 1.5% decrease in the average rate per gross ton (AGRT) for 2019.

The Club's retained claims development for 2019 was 26% better than 2018, while the 2019 month point was 26% better than 2018.

The Club's retained claims development for 2019 was 26% better than 2018, while the 2019 month point was 26% better than 2018.

NEW HULL MARKET MOVES OFFER SIMPLE SOLUTIONS FOR CLUB MEMBERS

Problems of mutuals in the Lloyd's hull and machinery market show complexities and potential pitfalls of attempts to broaden cover

The Lloyd's hull and machinery market has been a source of concern for many years. The problems of mutuals in the Lloyd's hull and machinery market show complexities and potential pitfalls of attempts to broaden cover.

The Lloyd's hull and machinery market has been a source of concern for many years. The problems of mutuals in the Lloyd's hull and machinery market show complexities and potential pitfalls of attempts to broaden cover.

The Lloyd's hull and machinery market has been a source of concern for many years. The problems of mutuals in the Lloyd's hull and machinery market show complexities and potential pitfalls of attempts to broaden cover.

BORIANA FARRAR: Vice president at the American Club

Boriana Farrar, Vice President at the American Club, has been appointed as Lead Counsel. With twenty years of experience in the industry, Boriana is a New York-admitted attorney who worked in private practice before joining the Club's management several years ago.

Boriana Farrar, Vice President at the American Club, has been appointed as Lead Counsel. With twenty years of experience in the industry, Boriana is a New York-admitted attorney who worked in private practice before joining the Club's management several years ago.

Boriana Farrar, Vice President at the American Club, has been appointed as Lead Counsel. With twenty years of experience in the industry, Boriana is a New York-admitted attorney who worked in private practice before joining the Club's management several years ago.

The American Club reports strong tonnage and premium gains over 2019 P&I renewal period

Marking a very positive outcome to the recently concluded 2019 P&I and F&O&D business, the American Club's mutual P&I and F&O&D business saw increases in tonnage and revenue, while the Club's fixed premium facility, Eagle Ocean Marine (EOM), recorded a significant increase in year-on-year income. There was also good news on the claims side, with a 1.5% decrease in the average rate per gross ton (AGRT) for 2019.

The Club's retained claims development for 2019 was 26% better than 2018, while the 2019 month point was 26% better than 2018.

The Club's retained claims development for 2019 was 26% better than 2018, while the 2019 month point was 26% better than 2018.

Piraeus was selected by MAN Energy Solutions for the New TCT Turbocharger series

The city of Piraeus, the largest shipbuilding centre in the world was selected by MAN Energy Solutions to supply turbochargers for the new TCT Turbocharger series.

The city of Piraeus, the largest shipbuilding centre in the world was selected by MAN Energy Solutions to supply turbochargers for the new TCT Turbocharger series.

The city of Piraeus, the largest shipbuilding centre in the world was selected by MAN Energy Solutions to supply turbochargers for the new TCT Turbocharger series.

American Hellenic is the insurance company

Launched in 2016 as a strategic alliance between American Club and Hellenic Club, American Hellenic is the insurance company.

Launched in 2016 as a strategic alliance between American Club and Hellenic Club, American Hellenic is the insurance company.

Launched in 2016 as a strategic alliance between American Club and Hellenic Club, American Hellenic is the insurance company.

MOTHER EARTH'S SAFETY FIRST:

Global environmental activism inertia has taken driver's seat on maritime policy

Compared to other global industries, shipping is relatively insulated from the general public of large - surprisingly so given the global reach and environmental impact of the industry. It is not a world where people understand that without shipping, "half the world would starve, while the other half would freeze".

Compared to other global industries, shipping is relatively insulated from the general public of large - surprisingly so given the global reach and environmental impact of the industry. It is not a world where people understand that without shipping, "half the world would starve, while the other half would freeze".

Compared to other global industries, shipping is relatively insulated from the general public of large - surprisingly so given the global reach and environmental impact of the industry. It is not a world where people understand that without shipping, "half the world would starve, while the other half would freeze".

Οι επιπτώσεις της τεχνολογίας στη ναυτιλία: οι νέες τεχνολογίες γεννούν νέες προκλήσεις

Η προώθηση του εμπνευσμένου πλοίου «Eagle» στην ναυτιλία, η οποία είναι η πρώτη παρτίδα που προκύπτει από την τεχνολογία GPS, είναι η πρώτη παρτίδα που προκύπτει από την τεχνολογία GPS.

Η προώθηση του εμπνευσμένου πλοίου «Eagle» στην ναυτιλία, η οποία είναι η πρώτη παρτίδα που προκύπτει από την τεχνολογία GPS, είναι η πρώτη παρτίδα που προκύπτει από την τεχνολογία GPS.

Η προώθηση του εμπνευσμένου πλοίου «Eagle» στην ναυτιλία, η οποία είναι η πρώτη παρτίδα που προκύπτει από την τεχνολογία GPS, είναι η πρώτη παρτίδα που προκύπτει από την τεχνολογία GPS.

Global reach, local touch, a second century

NEW YORK PIRAEUS LONDON SHANGHAI

Global reach, local touch, a second century. NEW YORK PIRAEUS LONDON SHANGHAI.

Global reach, local touch, a second century. NEW YORK PIRAEUS LONDON SHANGHAI.

STEAMING AHEAD . . .



by: Vincent Solarino
President & COO
Shipowners Claims Bureau, Inc.
New York, NY, USA

All ahead forward with a Loyal Crew

As a business owner, I have always believed that a company's employees are its most valuable asset - whether you provide a service or manufacture a product. However, this doesn't just 'happen' on its own. A company spends significant time and resources to accomplish this goal including building a working environment that allows the opportunity for raw talent and expertise to thrive and excel through adequate training and mentoring. Over time some employees will transition from being led to being leaders while others will gain solid support capabilities further assisting the company to become more successful, expand its business horizons and share increasing profitability.

I like Richard Branson. I think he is a good businessman, a decent person and has empathy for the trials and tribulations affecting his employees. I also like his quote, "Train people well enough so they can leave, treat them well enough so they don't want to". He goes on to say, "Loyal employees are Assets - not Liabilities!". I can't agree more with those statements.

That brings us to "Loyalty". This is not a one-sided state of mind and involves a complex amalgamation of individual capabilities, drive and

personality, work ethic, opportunity, corporate advancement, social environment, corporate philosophy, corporate structure, corporate stability, base compensation levels and financial incentives. I'm certain there are other sociological factors, but you get the point. Added to this amalgamation of factors, a company and its employees are faced with competitive industry forces offering real and perceived 'greener pastures' triggering self-interest and self-preservation on both sides.

So, what makes an employee loyal? In years past it was not uncommon for an employee to spend their entire career working for one company. Having a steady job and a steady salary and good benefits working for an institutional company like General Electric was enough in most cases to retain employees. Well, that world has changed in many ways with technological advances and innovations, financial markets expansion, globalization and social communication explosion resulting in demand for higher education and professional certification qualifications in an increasingly mobile and competitively connected world. So, the definition of loyalty has changed as well.

In my opinion an employee is 'loyal', not neces-

sarily because he or she stays in the company, but rather because of how they conduct themselves while they are with the company and how they interact and communicate with their fellow colleagues. It is about how an employee takes pride in performing his/her responsibilities and how that helps make the company a success for him/her as well as their colleagues. It is about patiently aligning personal goals and expectations with the company's goals and business reality and being able to assist the company in its positive development rather than maintain expectations from the company alone.

The company must also show loyalty by making every effort to treat its employees with dignity, respect and fairness to help foster their loyalty, but this may not always meet an employee's expectations. It isn't always easy or obvious and it isn't always accomplished, but it needs to be demonstrated as best possible. Losing a loyal employee is always a disappointment for the company that has expended so much time and resource training them 'well enough for them to leave'. It is natural for employees to pursue higher goals for themselves and their families, and when opportunity

exists outside the company to better satisfy those goals, it will be received with the good will and pride of the company. It will be met with mutual respect.

The Income Statement of the company shows the results of the concerted efforts of its people. The Balance Sheet of a company shows its financial position. The strength of the Balance Sheet comes from the undisclosed cumulative value of its people. After all, the people are themselves the company and its most valuable asset.

**AMERICAN STEAMSHIP OWNERS MUTUAL
PROTECTION & INDEMNITY ASSOCIATION, INC.**

SHIPOWNERS CLAIMS BUREAU, INC., MANAGER

One Battery Park Plaza, 31st Floor
New York, NY 10004 U.S.A.

TEL +1 212 847 4500
FAX +1 212 847 4599
WEB www.american-club.com
EMAIL info@american-club.com

2100 West Loop South, Suite 1525
Houston, TX 77027 U.S.A.

TEL +1 346 223 9900
EMAIL claims@american-club.com

SHIPOWNERS CLAIMS BUREAU (UK), LTD.

78-79 Leadenhall Street
London, EC3A 3DH, United Kingdom

TEL +44 20 7709 1390
EMAIL claims@scb-uk.com

SHIPOWNERS CLAIMS BUREAU (HELLAS), INC.

51 Akti Miaouli - 4th Floor
Piraeus 185 36, Greece

TEL +30 210 429 4990 1 2 3
FAX +30 210 429 4187 8
EMAIL claims@scb-hellas.com

SCB MANAGEMENT CONSULTING SERVICES, LTD.

The Workstation, 28th Floor
43 Lyndhurst Terrace
Central, Hong Kong

TEL +852 3523 0580
FAX +852 3602 3111
EMAIL hkinfo@scbmcs.com

SCB MANAGEMENT CONSULTING (CHINA) CO., LTD.

Room 1803 - Hongyi Plaza
288 Jiujiang Road
Shanghai 200001 People's Republic of China

TEL +86 21 3366 5000
FAX +86 21 3366 6100
EMAIL claims@scbmcs.com

