



SIGNALS

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the Loss Prevention newsletter for North of England Members

Signals 60th edition

This is the 60th edition of Signals, which was first distributed to Members in July 1990. A lot has happened during those 15 years. Double-hull tankers have become the norm, GPS has removed uncertainty from navigation, and the ISM and ISPS Codes have made a huge difference to the everyday lives of all seafarers, to give a few examples. However, despite improvements in technology and communication, there still appear to be areas where things have not changed – ships still have

too many collisions, there is still often a misunderstanding of the role of the letter of indemnity, and the United States authorities are as strict as ever when dealing with seafarers. In this issue, as well as looking at what is new, we will also reflect on some of the things that have not changed. Of course, one big change has been the size of North of England: in 1990 the entered tonnage was about 5 million GT, today it is almost 55 million GT.



Oil pollution update

The regimes governing liability, limitation and compensation for oil pollution from tankers have recently been supplemented by a voluntary scheme providing a minimum limit of liability for small tankers, known as the Small Tanker Oil Pollution Indemnification Agreement (STOPIA). It is therefore a convenient time to review the provisions of the various regimes in force.

See page 2 for full story

US immigration law

The presence of stowaways on a vessel is a problem throughout the world. Many countries impose substantial fines where stowaways are found who were not declared or, even worse, if a stowaway escapes. In the United States, as well as an immigration fine, Members face serious delays to their vessels as a result of more vigilant security measures against the threat of terrorism and the introduction of the ISPS Code.

See page 4 for full story

Letters of indemnity

Although widely used and accepted, letters of indemnity are often unenforceable and effectively worthless, such that problems with P&I cover remain. They may be enforceable, however, when given for discharging cargo without original bills of lading. This has been confirmed by a recent decision of the English Court of Appeal, which also indicates that in limited circumstances an owner may be able to enforce a letter of indemnity even if not given directly.

See page 5 for full story

Cargo claims statistics

There is always discussion as to which types of cargo account for claims. An analysis of North of England's claims database over the last five years makes interesting reading. It reveals which types of cargo give rise to most claims and where most of those claims are experienced.

See page 3 for full story

Air pollution supplement

MARPOL Annex VI

Emissions from petroleum products other than marine fuels often contain no more than 10 parts per million (ppm) of sulphur, whereas marine bunkers can legally contain up to 50,000 ppm. Annex VI of MARPOL 73/78 and new European

legislation will effectively limit the level of sulphur in certain fuels, particularly in specified geographical areas. The combined effect of these measures has major implications for shipowners, charterers, and bunker suppliers.

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Compensation for oil pollution – an update

In the last few years' tanker operators have become increasingly exposed to pollution claims following a number of increases to their liability limits. This article provides an update of the current position.

There are two liability and compensation regimes for ships involved in the carriage of oil. These are:

- International Convention on Civil Liability for Oil Pollution 1969 (CLC 69), subsequently amended by a 1992 protocol (CLC 92)
- International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage 1971 (Fund 71), subsequently amended by a 1992 protocol (Fund 92).

The conventions provide a framework for damage caused by persistent oil cargo carried in tankers that covers liability, limitation and compensation for damages by oil pollution as well as clean-up costs, preventative measures and further damage caused by those preventative measures.

The conventions impose strict liability, meaning that the polluter pays regardless of fault.

Tanker owner's liability for pollution

CLC 69 and CLC 92 stipulate that vessels carrying 2000 tonnes or more of persistent oil in bulk as cargo must have compulsory insurance.

Claims arising under CLC 69 and CLC 92 are funded by the shipowner through compulsory insurance cover, usually with a P&I club. A 'blue card' issued by the club usually provides evidence of cover, with which the owner then obtains a CLC Certificate from the flag State of its vessels.

Under the most commonly adopted regime, CLC 92, the shipowner is entitled to limit its liability at 631 SDR (Special Drawing Rights – currently valued at about US\$1.5) per GT up to a maximum of 89.77 million SDR for ships over 140,000 GT, with a minimum of liability of 4.51 million SDR for vessels up to 5000 GT.

Additional compensation for pollution

At the same time as the Civil Liability Conventions were developed, an International Fund for Compensation for Oil Pollution Damage was also created. The intention behind the original 1971 Fund was to provide a 'top up' compensation scheme where CLC limits were insufficient to cover all liabilities. At the time that the 1992 Protocol to CLC was developed there was also a corresponding Protocol to the 1971 Fund Convention that

established a new Fund (Fund 92) to "top up" claims under CLC 92. The limit of compensation payable is 203 million SDR, inclusive of any payments under the CLC regime.

The Fund Convention is administered by the International Oil Pollution Compensation Fund (IOPC Fund) and is financed by contributions from importers of fuel and crude oil transported by ship.

Large pollution incidents

Large pollution incidents in 2002/03 prompted concerns that even the increased limits were too low and, as a result, the IMO adopted a further protocol to the 1992 Fund Convention. This provides for an optional Supplementary Fund for Compensation for Oil Pollution Damage, allowing states that are members of the 1992 Fund Convention to have access to a third tier of compensation up to a limit of 750 million SDR if claims exceed the 1992 Fund Convention limits.

Receivers of oil in participating states fund the third tier. The 2003 protocol came into force on 3 March 2005, though only eight states have ratified it at present.

Pollution from small tankers

Following pollution incidents such as the *Erika* (1999) and the *Prestige* (2002), where the Fund is paying at or close to its limit and the shipowners' contribution is relatively small, attention focused on the shipowners' contribution and strong suggestions were made that amendments should be made to CLC 92 to remedy the apparent imbalance.

It should be kept in mind that in instances where the level of compensation claim does not reach the level required to trigger the Fund's involvement, shipowners have borne the full cost of compensation. Nevertheless, the International Group clubs have recently introduced a voluntarily minimum limit of liability of 20 million SDR for small tankers (29,548 GT or less) with the object of eliminating or reducing the financial contribution of the 1992 Fund.

The scheme is called the Small Tanker Oil Pollution Indemnification Agreement (STOPIA) and is a voluntarily scheme that only applies to incidents occurring in states that have ratified the 2003 Protocol introducing the Supplementary Fund.

Members requiring a more detailed explanation of STOPIA should refer to the Association's circular issued in March 2005, which is available on the Association's website: www.nepia.com

New safety poster on persons in distress

North of England's latest 'If only...' safety poster highlights the consequences to people in distress if those on passing ships do not go to their assistance.

The latest poster in this hard-hitting series depicts people in distress on an unseaworthy craft trying to attract the attention of a passing ship – and the terrible consequences of being ignored. *If only* a passing ship had gone to their assistance, loss of life would have been avoided.

Changes to General Average rules adopted

The 2004 version of the York Antwerp Rules were adopted in June 2004 with the intention that they should apply to the adjustment of General Average claims from 1 January 2005. This is dependant on the 2004 Rules being incorporated into such documents as bills of lading and charterparties.

Only 'common safety' costs allowed

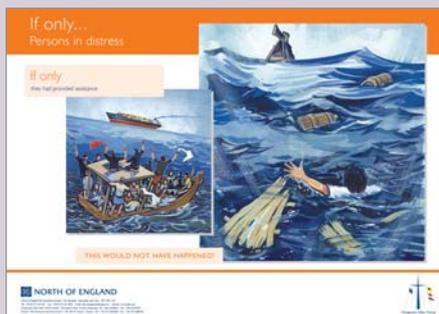
Some shipowning interests were not happy with a number of the radical changes introduced in the 2004 Rules. One of these is that the scope of General Average is restricted to expenses and losses incurred for 'common safety' of the property, and expenditure incurred for 'common benefit' is no longer included.

For example, wages and maintenance of the master, officers and crew incurred while a vessel is detained in a port of refuge would not be allowed. Similarly, the cost of temporary repairs to accidental damage made at a port of refuge to allow the ship to complete the voyage will be accounted for first before any allowance in General Average is considered.

Salvage payments now excluded

Another controversial change relates to salvage. In most cases salvage payments would be excluded from General Average. Only salvage payments made by a shipowner (or other party) on behalf of the owner of other salvaged property can be allowed in General Average.

Other less radical changes include the abolition of the 2% commission on disbursements and an annually agreed interest rate to be allowed on expenditure, sacrifices and allowances, which was previously fixed at 7%. A time bar on actions has also been introduced where previously there was no time limit for the commencement of proceedings relating to the payment of General Average contributions.



The IMO has adopted new guidance to governments and masters about their humanitarian obligations and obligations under international law. This is contained in amendments to the SAR and SOLAS Conventions that come into force on 1 January 2006 and 1 July 2006 respectively.

A copy of the new 'If only...' poster accompanies this issue of Signals.

Cargo claims statistics

It is always interesting to look at cargo claims information to try and detect problem areas. The club has reworked its statistics-collection system since the beginning of 2011 and some of the main results are set out here.

Types of claim

Cargo claims are divided up into seven basic types – bill of lading problems, contamination of cargo, damage of cargo, loss of cargo, restowage (where cargo has moved during a voyage), shortage of cargo and wetting of cargo. Clearly these are not mutually exclusive; for instance, wetting of cargo also causes damage and one claims handler might class it as being wetting while another might class it as being damage. For this reason, claims for contamination damage and wetting tend to be put together, as are loss and shortage claims.

Contamination, damage and wetting contribute 71% of the club's claims by number and 74% by value. Loss and shortage contribute about 24% by both number and value. Bill of lading problems contribute approximately 4% of problems but, as might be expected, only a very small amount of costs. Restowage problems contribute the remaining 1% of claims and are again insignificant in terms of costs.

Type of packaging

	By number	By value
Dry bulk	24%	28%
Containers	22%	12%
Refrigerated	11%	9%
Bulk liquid cargoes	9%	15%
Dried cargoes	7%	10%
Steel cargoes	7%	10%
Vehicles	4%	2%
Breakbulk	3%	4%
Timber	3%	2%
Paper	2%	2%

Cargo residues are garbage

The disposal or accidental discharge of cargo residues and their definition as 'operational waste', which constitutes 'garbage' under MARPOL Annex V, has proved to be a problem area where interpretations have differed between jurisdictions.

Under MARPOL, the definition of garbage includes 'operational waste' and it appears many flag and coastal States include cargo residues in their definition of operational waste.

New amendments to MARPOL Annex V (Garbage), entering into force on 1 August 2005, require that new procedures are followed when disposing of cargo residues.

- Garbage categories listed on the individual pages of the Garbage Record Book must now include cargo residues.
- When the garbage disposal being recorded is cargo residue, the position of the ship must include the start and stop positions of the disposal.

Heavy fines for incorrect disposal

MARPOL Annex V states that garbage cannot be discharged in a Special Area, except for food waste when at least 12 nautical miles from land. It would appear that if a ship is within a special area then cargo residues cannot be disposed into the sea.

It is always prudent to assume that MARPOL requirements are the minimum and that flag and coastal States are free to ratify more stringent requirements.

In a recent incident a Member was fined €10,000 in a European port for allowing residues of a cargo of kaolin (clay) to be washed overboard by rain water released by un-blocking a deck scupper while the ship was at anchor. The actual cargo washings had been pumped to a holding tank on board.

Analysing claims by the form of packaging produces the top ten.

Other forms of cargo, for which the packaging is not specified, make up 9% by number and 6% by value.

Type of cargo

Analysing different types of cargo, where this is known and irrespective of the form of packaging, produces the following top categories.

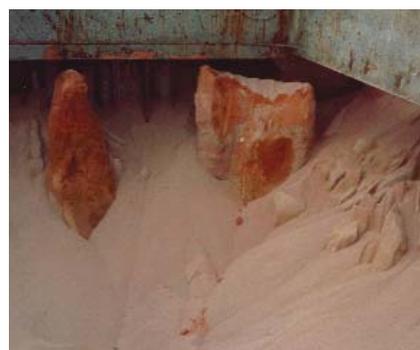
	By number	By value
Grains (usually bulk)	11%	11%
Fruit and vegetables under refrigeration	7%	7%
Steel products	5%	8%
Liquid products (other than chemicals, usually vegetable oils, etc.)	5%	6%
Fertilizer (usually in bulk)	5%	3%
Other dried bulk cargoes (not grains or ore concentrates, coal or fertilizer)	4%	7%
Vehicles	4%	2%
Rice (usually bagged)	3%	5%
Breakbulk cargoes	3%	4%
Other refrigerated products	3%	2%
Timber	3%	2%
Oil white products (for instance diesel)	2%	2%

Country of claim

One of the most interesting lists is the countries in which claims arise. Some countries are disproportionately represented in terms of the number of claims arising (for example, USA and UK), whereas other countries have fewer but

more expensive claims (for example, China, Egypt and the Netherlands).

	By number	By value
USA	6%	6%
UK	5%	3%
Algeria	4%	3%
China	4%	8%
Netherlands	4%	5%
France	4%	3%
Italy	4%	3%
Belgium	3%	3%
Spain	3%	2%
Argentina	3%	1%
Brazil	3%	1%
Chile	3%	1%
Germany	3%	1%
India	2%	2%
Pakistan	2%	2%
United Arab Emirates	2%	2%
Egypt	1%	3%
Nigeria	1%	2%



Damaged bulk cargo



US immigration penalties 15 years on

In the first issue of *Signals* 15 years ago, Members were advised of changes pursuant to the 1990 US Immigration Act. The fine for bringing an alien into the United States, such as a stowaway, without a valid visa was increased from \$1,000 to \$3,000. Fines for failing to report a deserting crewmember, the improper discharge of a crewmember or smuggling in aliens by presenting them as crewmembers, all resulted in similar penalties against the ship.

At the time a threefold increase in fines seemed fairly dramatic and certainly warranted a mention in *Signals*. Today the situation is entirely different and of far more concern to Members. When a US-bound vessel finds stowaways on board, the hazards ahead are potentially far more expensive than \$3,000.

Longer delays and higher costs

The fine for bringing an alien into the US, without a valid visa has actually only increased slightly, and is generally less than \$5,000. However, as a result of more vigilant security measures against the threat of terrorism and the introduction of the ISPS Code, Members face serious delays to their vessel if local regulations are not fully complied with.

Unfortunately each US port interprets the legislation slightly differently, so it is not possible to give detailed advice, particularly as regulations change regularly. There have been cases however of ships being turned away as a result of having stowaways on board, although this has been less of a problem in the last two years.

An expense that has certainly increased dramatically in the US is the cost of keeping

the stowaways while in port. The immigration authorities are likely to take full control of all arrangements, including repatriation where allowed, but will not allow Members to have much input even though the final bill will be for Members' account.

Security and documentation critical

US authorities consider the presence of stowaways on board vessels to be a potential security threat, as they do anyone else who is not properly documented. For this reason the Association has also experienced situations where crew have not been able to disembark as planned because their visas have not been in order.

The presence of stowaways is not just a problem in the US but throughout the world. Under the ISPS Code, if there are 'clear grounds' that a ship is not in compliance with the Code, the authorities are likely to apply security-control measures to ensure compliance. Having stowaways on board may well be seen as evidence of a breach in the ship's security arrangements and thus satisfy the definition of 'clear grounds'. Many countries now apply substantial fines where stowaways are found who were not declared and, even worse, if a stowaway escapes.

Today, as 15 years ago, Members are strongly advised that wherever their ships are headed they ensure everyone on board is properly accounted for and documented. If a stowaway is discovered, or it becomes apparent that the crew's papers are not fully in order, then local agents should be advised immediately and, where necessary, involve club correspondents.

Using chemical suits for hold cleaning

Personal protective clothing may look the part but will it give adequate protection against the hazards in particular jobs? For instance what is the difference between a waterproof suit and a chemical suit? Both may look similar but care should be taken to make sure crewmembers have the correct suit for the job.

Hold cleaning often involves hosing down with water and a waterproof suit might provide adequate protection under these circumstances. But when hazardous cleaning chemicals are also to be used, the waterproof suit may prove inadequate.

When cleaning chemicals become mixed with hosed water, a hazardous airborne 'mist' or aerosol can result. If the protective suit in use does not have adequate closure then that hazardous aerosol can penetrate and potentially cause chemical burns to exposed skin.

Features of chemical suits

For hold cleaning with hazardous chemicals, the protective suit should have the following.

- *Integrated hood.* A detachable hood is not adequate, even if the collar seems to provide adequate overlap.
- *Sealed closings at wrists and ankles.* Substantial and close overlap provided by chemical boots and gloves may be adequate in some cases.
- *Protected ventilation openings.* A jacket with 'yoke' ventilation is designed to let air out so also has the potential to allow hazardous aerosol in.

Members should ensure that the protective clothing supplied for seafarers is to an approved standard and adequate for the intended job.



Unsealed wrist closing

Crew contracts – a reminder

In previous issues of *Signals*, Members have been reminded of the necessity of providing the Association with copies of all current crew contracts to comply with club Rules. Once again Members are urged to forward all such contracts for reference. In the event of an incident, the Association will be able to respond more promptly if it has a copy of the relevant employment contract to hand.

The club has experience in reviewing many types of crew contract involving many different nationalities and jurisdictions. As such it can provide guidance to Members considering new contracts or are simply just updating older ones.

Double contract problems

Members' attention is also drawn to a problem that has arisen several times causing additional time and expense. For various reasons it sometimes occurs that one crewmember may have more than one contract, with contradicting terms

and perhaps jurisdictions. Alternatively, it may be that the crewmember's employment is subject to statutory terms or union agreements that are in conflict with a Member's own contracts.

One benefit of a crew contract is that all parties know exactly what their obligations and entitlements are. This advantage is lost if ambiguities arise and more than one contract applies. It becomes more expensive and time consuming for both the crewmember and the Member if it becomes necessary to clarify exactly which terms apply and what the correct jurisdiction should be.

When entering into new crew contracts, or amending existing ones, please contact the club first and always ensure that there is no conflict between agreements or terms.

Members with any queries should contact the Association's personal injury department.



Enforceability of letters of indemnity

Problems relating to letters of indemnity in their various forms, particularly those connected to bills of lading, pre-date the first edition of *Signals* by many years. Nevertheless, there are relatively few relevant decisions of the English courts that relate to the matter. There has recently been one of those very rare occurrences, a case dealing with one particular aspect of LOIs given in return for discharge of cargo without production of original bills of lading recently came before the English Court of Appeal.

In the case of *Laemthong International Lines Company Limited v. Abdullah Mohammed Fahem & Co*, the Court of Appeal had to decide whether the owners could enforce a letter of indemnity that had been given by the receivers, not to them but to the charterers.

The facts of the case are quite simple. The ship carried a cargo of sugar to the Yemen on a voyage charter. When the ship arrived at the discharge port, the bills of lading for the cargo were not available. Rather than delaying the ship, the charterers requested the owners to discharge the cargo without production of the original bills of lading but against a letter of indemnity in the standard, club-approved form. The charterparty contained a provision that required the owners to comply with this request. The charterers in turn took a letter of indemnity in similar terms from the receiver.

The cargo was discharged but then the bank with which the receiver had opened the letter of credit arrested the ship for wrongful delivery of the cargo. The owners provided security to release the ship and incurred various losses and expenses in doing so.

Third party benefit confirmed

As a result of the arrest, the owners had a claim against the charterers under the terms of the letter of indemnity. However, rather than pursuing a claim against the charterer, the owners decided instead to pursue a claim against the receiver under its letter of indemnity to the charterers.

Under English law, only a party to a contract (which includes a letter of indemnity) can sue another party to that contract. There is however an exception to this under the Contracts (Rights of Third Parties) Act 1999: a third party can sue on a contract, even though not a party to it, if that contract expressly provides that the third party may do so or if confers a benefit on the third party.

On the particular facts of the case, involving two letters of indemnity on similar terms and in the standard form approved by the P&I clubs, the Court of Appeal decided that the receiver's letter of indemnity to the charterers did indeed confer a benefit on the owners. In discharging the cargo in accordance with the charterers' instructions, the owners were acting as the charterers' agent. The owners therefore came within the terms of the receiver's letter of indemnity and the owners were able to pursue its claim against the receiver directly.

No change to club cover

The scope of this decision is actually very limited. All it says is that in certain circumstances an owner may be able to enforce a letter of indemnity for discharge of cargo without production of bills of lading that is not given to it directly. It does not affect other questions relating to the enforceability of letters of indemnity generally. Nor does it affect questions of club cover.

The Association's relevant rule is 19(17)(D), which provides that cover for any claim that arises out of delivery of cargo without production of bills of lading is a question for the Directors' discretion. The enforceability of any letter of indemnity will simply be one of the factors to be taken into account.

The decision does not alter the fact that other letters of indemnity may still be unenforceable. It does not change the position with regard to letters of indemnity for issuing clean bills of lading where they should in fact be claused to reflect the actual condition of cargo. As a matter of English law, such letters remain unenforceable and continue to be worthless. Members will also still have problems with their P&I cover insofar as the Rules again put cover in the discretion of the Directors (Rule 19 (17)(d)(VI)).

Important case but problems remain

In some trades, particularly tanker trades, it is common for original bills of lading not to be available at the discharge port and for cargoes to be discharged against a letter of indemnity. As a result of commercial pressures, Members may feel they have little alternative but to agree the same in charterparties for other trades.

The case is certainly an important one. It is useful as that it confirms that letters of indemnity for discharging cargo without bills of lading can be enforced. It is also useful in establishing that in certain circumstances it may be possible to enforce a letter of indemnity that has not been given directly.

In practice though the impact of the case may be quite limited. In most cases the letter of indemnity will be given by the charterers and it may be more appropriate to pursue a claim against the charterers. Otherwise it is more likely to be the receiver who gives the letter of indemnity, so the Act will not need to be relied upon.

It is important to remember the case does not mean that letters of indemnity provided in other circumstances are now enforceable or that it is appropriate to accept them. On the contrary, all of the problems with other letters of indemnity remain and Members are urged to contact the Association if they are in any doubt about the advisability of accepting any letter of indemnity that may be offered to them.

Members' attention is drawn to the circular issued in February 2001 'Bills of lading – delivery of cargo' that can be found on the Association's website: www.nepia.com

Take care of your keys

Ship's cranes are sometimes damaged when operated by stevedores because the limit switches are overridden and the crane is then used outside its normal operational parameters. A common arrangement is for the limit switch override to be operated by a key. Often, simply for the sake of ease, the key is left in the cabin, or even in the override switch.

It may be convenient to leave the key in the switch as it is often necessary to override the limit switches, for example when 'parking' the crane or otherwise having to move the jib beyond its normal limits. There is however a legal danger if the stevedore is able to override the limits because the key has been left in the switch. If the crane is then damaged because the stevedore is operating it beyond its limits there is a risk that a court or arbitration tribunal might find that the ship operators have been partly to blame. Leaving the key in the switch may be held to be contributory negligence and the amount of damages awarded may be reduced accordingly.

To avoid such a finding, and indeed to reduce the risk of damage in the first place, Members should therefore take care that these keys are not simply left in the crane cabin. Ideally they should be kept by one of the ship's officers and used only under his supervision when it is absolutely necessary to override the limits.

As a more general principle, it is advisable to make sure that stevedores and others coming on board a ship should not have unsupervised access to equipment or other parts of the ship where they might cause damage or suffer or inflict injury. Keep lockers and cupboards locked and take care of the keys!



Key operated limit switch



VISIT: WWW.NEPIA.COM

The *NewsNet* page of the Association's website provides information about a wide variety of industry news. Amongst the news posted recently are items about the new international health regulations, electronic charts and the United States carrier bond. Many of the items include downloadable documents and links to the original sources. Members' staff are encouraged to visit the pages regularly to help keep up-to-date. To access *NewsNet*, click on 'Risk Management' and then 'Industry News'.



LATEST FROM THE IMO

The IMO's Maritime Safety Committee (MSC) met for its 80th session in May 2005. The topics discussed included the following:

Ship construction

A revised SOLAS chapter II-1 was adopted that will harmonize the provisions on subdivision and damage stability for passenger and cargo ships. The revised provisions will be applicable to new ships built after the expected entry-into-force date of 1 January 2009.

The MSC agreed a circular (MSC/Circ.1178) that provides interpretation of regulation XII/4.2 - Damage stability requirements applicable to bulk carriers and regulation XII/5.2 - Structural strength of bulk carriers.

Amendments to SOLAS

The MSC adopted a number of amendments to SOLAS that are expected to enter into force on 1 January 2007, including:

- a new SOLAS regulation II-1/3-7 that requires ship construction drawings to be maintained on board and ashore
- a new SOLAS regulation II-1/3-8 that requires all ships to be provided with arrangements, equipment and fittings of sufficient safe working load to enable the safe conduct of all towing and mooring operations associated with the normal operation of the ship
- a new SOLAS regulation II-1/23-3 concerning water level detectors in the cargo hold on new single-hold cargo ships other than bulk carriers.

Unique company identification number

Other amendments to SOLAS were agreed that would add the IMO unique company and

registered identification number to relevant certificates and documents in the ISM Code and ISPS Code. These are expected to enter into force on 1 January 2009.

The MSC also adopted amendments to resolution A.959(23) to update the continuous synopsis record format to include the registered owner and the company identification numbers.

Enhanced surveys

Amendments to the guidelines on the enhanced programme of inspections during surveys of bulk carriers and oil tankers (resolution A.744(18)) incorporate some elements of the Condition Assessment Scheme (CAS) required for certain single-hull tankers and also include a new section on survey guidelines for the inspection of double-hull tankers. These will enter into force on 1 January 2007.

Ship security

The MSC approved draft amendments to the STCW Convention and STCW Code that would require candidates for a certificate of proficiency as a ship-security officer to demonstrate the knowledge to complete a range of security tasks, duties and responsibilities.

Guidelines have also been issued on the training and certification of Company Security Officers (MSC/Circ.1154), access of public authorities, emergency response services and pilots to ships (MSC/Circ.1156), and testing of ship-security alert systems (MSC/Circ.1155).

Rescue boats

The MSC agreed a circular (MSC/Circ.1161) giving guidance on training for fast rescue boats, launch and recovery teams and boat crews.

SEATRADE PERSONALITY 2005

Mr Afkhami, Chairman & Managing Director of North of England Members, Islamic Republic of Iran Shipping Lines (IRISL), was named Seatrade Personality of the Year 2005 for overseeing the privatisation of IRISL, expanding and modernising its fleet, pioneering support for the domestic shipbuilding industry, and establishing a massive training programme for young Iranians in the maritime sector.

ELECTRONIC CHARTS

The International Centre for ENCs has published a useful guide to chart carriage regulations that clarifies many of the issues concerning the use of electronic charts.

Members can download the guide from the International Centre for ENCs' website: www.ic-enc.org

NORTH ONLINE UPDATE

North Online, North of England's intranet service for Members, has now been in operation for a year. It has helped many Members keep track of their vessels' insurance arrangements and progress with their claims.

Many Members also benefited from *North Online* during renewals. The ready availability of up-to-date information, particularly relating to claims and Member records, resulted in a smoother renewal period as Members could access their information anytime and anywhere rather than waiting for renewal documentation to arrive. It is expected that more Members will take advantage of *North Online* over the coming months.

The Association has also listened to the comments made about *North Online* and has made it easier for Members to read their information. Claims and Member record information is now provided in Acrobat pdf format, reflecting the format for all other club documentation.

Members requiring access to *North Online* should contact Nigel Bradshaw for a confirmation slip. nigel.bradshaw@nepia.com

WEST EUROPEAN TANKER REPORTING SYSTEM

A new mandatory ship-reporting system called the West European Tanker Reporting System (WETREP) entered into force on 1 July 2005. It applies to all oil tankers over 600 DWT entering the Western European Particularly Sensitive Sea Area (PSSA).

The objective of the system is to initiate search and rescue and measures to prevent pollution as quickly as possible. Failure to submit a report will result in information being passed to the flag State authorities for investigation and possible prosecution.

Members can find more details of the reporting system on the Association's *NewsNet* website page: www.nepia.com

Prestigious award for loss prevention

Achievements of North of England's loss-prevention department were recognised in April 2005 when the club received an award at the 4th Annual Seafarer Awards ceremony in Mumbai, India for 'exemplary work in loss prevention and education'. Underwriting director Savraj Mehta collected the award on behalf of the Association from Indian Government shipping secretary Mr DT Joseph.

Also receiving awards were representatives of two North of England Members. Mr PK Srivastava, Chairman and Managing Director of Shipping Corporation of India, received a 'lifetime achievement award' and Mr LB Culas of Orient Express Lines received an award for 'exemplary personal achievement'.

The awards were organised by *Sailor Today* magazine in association with Videotel and supported by HSBC.



Pictures:

- 1 Savraj Mehta receiving the Sailor Today award from Mr DT Joseph
- 2 Senior officers at MSC Sorrento, Italy
- 3 2005 Lumley Castle residential course
- 4 Workshop at IRISL, Tehran, Iran
- 5 Lumley Castle, delegates visiting ships at Teesport, UK
- 6 Ship-bridge simulator at South Tyneside College UK



Annual residential course a great success

The annual residential training course in P&I Insurance and loss prevention, held at Lumley Castle near Newcastle at the end of June, was reported to be a great success by the delegates who attended.

Almost half of this year's delegates were from Members' offices and others included correspondents, brokers, lawyers, insurers and surveyors from all over the world including Belize, Iran, Mexico, Russia, Tunisia and the US.

Starting with a two-day introduction to shipping, which included ship visits at a local port, the course continued with an introduction to P&I insurance and concluded with four days of detailed workshops supported by resources such as the ship-bridge simulator at South Tyneside College.

The course was once again fully subscribed and early reservation of places is recommended for the 2006 course.

Simulator training for claim handlers

P&I claims staff who handle collision claims were given a taste for the real thing, albeit on a simulator, when they participated in specially tailored sessions at South Tyneside College's ship-bridge simulator.

The aim was to give staff an up-to-date insight into navigation and management procedures on a modern ship's bridge. Various scenarios were experienced, including collision avoidance in open-sea conditions, a transit through the Singapore Straits and a collision in the Gibraltar Straits.



Members' workshops

North of England staff, including Tony Baker from the risk-management department, have visited and given seminars to Members IRISL and NITC in Iran, and MSC in Italy, including sea staff.

The seminars included workshops on a number of topics of interest, including admiralty and cargo issues and gathering evidence.



Signals editorial team

Signals has been produced quarterly for the last 15 years. Although the format has changed and publishing methods improved, it is still written by a team of volunteers from the P&I, FD&D and hull and machinery claims departments, with contributions from, and production, by the loss-prevention department.

Indeed, two of the team from 1990, Belinda Ward and Denise Huddleston from the P&I claims and loss-prevention departments respectively, are still involved today. Graham Anderson, editor of the first edition, is now a longstanding manager in the P&I claims department.

Another major change during the last 15 years has been the widespread introduction of email and the internet. Members can now view Signals on the

Association's website at www.nepia.com and keep up-to-date between issues with the NewsNet on-line information service.



Signals editorial team



Belinda Ward, Graham Anderson and Denise Huddleston

Signals Search 4 ?

Find the answers to the questions in the wordsearch below. We have found the first one for you. GOOD LUCK!

Questions

1. What residues may now be considered garbage?
2. How many years must you keep a bunker delivery note?
3. What new tanker reporting scheme has started?
4. Which service has celebrated its first birthday?
5. Which certificate shows that you comply with MARPOL Annex VI?
6. What type of cargo is subject to most P&I claims?
7. What type of letters are usually not enforceable?
8. Which chemical is limited in the fuel used in a SECA?
9. Duplicating which contracts can cause legal conflicts?
10. On what might claims handlers have collisions?



- Signals Search is open to all readers of Signals.
- Send a photocopy of your completed search, along with your name and, if appropriate, name of ship, position on board, company and address to Denise Huddleston at the Association.

- All correct entries received by the closing date will be entered in a prize draw.

- Closing date Wednesday 31st August 2005.

The first correct entry drawn will receive a 'Winners Plate' along with a limited edition statuette of our

quiz master "Bosun Bo". The next 5 correct entries drawn will each receive a statuette.

Details of the winner and runners-up will appear in the next edition of Signals.

Your copy of Signals (Members and Entered ships only)

Copies of this Signals should contain the following enclosures:

- "If only" poster – Persons in distress

Signals Search Quiz No.3

Winner: Yumna Naveeb –
United Arab Shipping Co

Runners-up: Rita Won – Glory Ship Management
Captain Adrian Plows – Meridian Marine
Management Captain P Spoelstra – Alloecean
Maritime Frans Dieleman – Post & Co
Mijanovic Miluton – Dabinovic, Monaco

Search Quiz Answers

Annex VI • Pressure • Mobile Phone • IACS •
California • Ruddertrunk • IMB • Newcastle •
Two Metres • ECDIS

• In this publication all references to the masculine gender are for convenience only and are also intended as a reference to the female gender. Unless the contrary is indicated, all articles are written with reference to English Law. However it should be noted that the content of this publication does not constitute legal advice and should not be construed as such. Members with appropriate cover should contact the Association's FD&D dept. for legal advice on particular matters.

• The purpose of the Association's loss prevention facility is to provide a source of information which is additional to that available to the maritime industry from regulatory, advisory, and consultative organisations. Whilst care is taken to ensure the accuracy of any information made available (whether orally or in writing and whether in the nature of guidance, advice, or direction) no warranty of accuracy is given and users of that information are expected to satisfy themselves that the information is relevant and suitable for the purposes to which it is applied. In no circumstances whatsoever shall the Association be liable to any person whatsoever for any loss or damage whatsoever or howsoever arising out of or in connection with the supply (including negligent supply) or use of information (as described above).

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