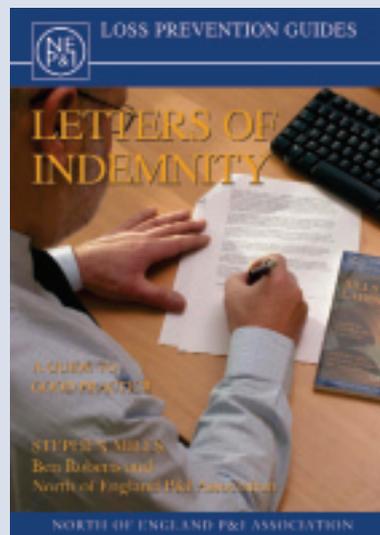


## New letters of indemnity guide

The latest subject covered by North of England's popular series of loss prevention guides is letters of indemnity. Although letters of indemnity are widely used in practice, they may give rise to uninsured or uninsurable risks and to unenforceable obligations. Letters of Indemnity – A Guide to Good Practice is written for North of England by international maritime lawyer Stephen Mills and provides a commentary on the common types of letters of indemnity, the reasons they are used, the pitfalls and

risks and some of the legal issues that arise from their use. Looking at both theory and practice and supplemented by legal cross-references, it is designed to accompany Stephen's previous North of England publication Bills of Lading – A Guide to Good Practice.

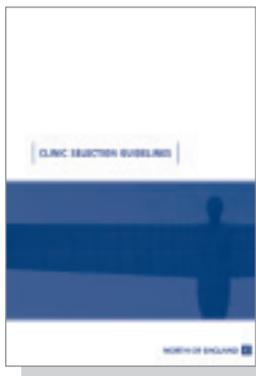
*Members and entered ships will each receive a complimentary copy of the new guide with this edition of Signals.*



## New medical scheme launched

North of England has launched a new pre-employment medical scheme to help Members ensure that potential seafarer employees are not suffering from any unacceptable pre-existing medical conditions. The Association has operated a successful programme in the Philippines for several years. The new scheme will enable Members to select suitable clinics and oversee appropriate medical screening for seafarers on a world-wide basis themselves.

*See page 2 for full story*



## The cost of breaking the rules

A recent prosecution of a master for infringing the International Regulations for the Prevention of Collisions at Sea highlights some important issues for ship operators to consider, including the hidden costs of breaking the rules, and also serves as a timely reminder of the steps coastal State administrations may take to ensure the safety of vessels transiting their waters.

*See page 3 for full story*

## Salmonella in grain cargoes

Claims for costs, including transporting, storing and re-conditioning, are being brought by receivers of grain cargoes that have apparently fallen foul of European regulations on contamination by salmonella. The most likely source of contamination is from contact with rats and birds. The best defence to salmonella contamination claims is for the shipowner to be able to demonstrate that the ship could not have been the source of contamination.

*See page 4 for full story*

## Withdrawing ships from charter

Withdrawal of a ship from time charter service is a draconian remedy available to an owner when a charterer does not pay hire. It is a measure that has to be carried out correctly as any mistake in exercising a right of withdrawal can put owners in breach of contract themselves, with serious consequences. In this issue we look at a recent case where an owner got it wrong and highlight the need for following notice requirements precisely.

*See page 5 for full story*

## Dispose of cargo residues properly

Annex V of the IMO MARPOL Convention has recently been amended to include 'cargo residues' as a garbage category. Hold sweepings and cleaning water containing cargo residues must now be disposed of in accordance with the regulations to avoid any fines or delay. Some of the resulting problems and issues are highlighted in this edition.

*See page 4 for full story*



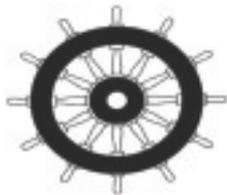
# Chemical suits: not all the same

Waterproof suits and chemical suits may look similar but care should be taken to make sure that the correct suit is used for a particular job.

Chemical suits supplied or purchased for hold cleaning with chemicals must be of an approved standard and adequate for the intended purpose.



Source: Respirex



However, these still may not satisfy the requirements of the IMO International Convention for the Safety of Life at Sea (SOLAS) for ships carrying dangerous goods.

SOLAS Chapter II-2, regulation 19.3.6.1, requires all ships carrying dangerous goods to have four sets of full protective clothing on board that are resistant to chemical attack and cover all skin areas so no part of the body is unprotected.

## Gas-tight features

To meet SOLAS requirements, the suits should be of one-piece construction that fully cover both the wearer and a breathing apparatus. They should have gas-tight features including an integral visor and hood, zip closures, permanently bonded rubber gloves, exhalation valves and either permanently bonded chemical-resistant safety boots or a patent detachable boot system.

Members should thus ensure that ships supplied with protective clothing for the carriage of dangerous goods have four full sets of a SOLAS compliant standard that have at least the features listed above.

The European Commission also requires chemical suits for use on ships to carry the 'shipwheel' mark (see left) to show they are type-approved under the Marine Equipment Directive.

*The Association is grateful to Respirex International Limited ([www.respirex.co.uk](http://www.respirex.co.uk)) for information contained in this article.*

# Getting better medical screening



The hospitalisation, medical treatment and related expenses arising from a crew illness incident can potentially cost hundreds of thousands of dollars. Crew illness may also require a vessel to divert from its planned voyage, with all the attendant commercial consequences.

However, many such incidents could have been avoided if the seafarer had undertaken a comprehensive medical examination by a reliable medical facility or clinic prior to being employed.

Several years ago North of England implemented a scheme for enhanced pre-employment medicals in the Philippines. Members using the scheme have found it very effective and there have been increasing enquiries about similar screening in other parts of the world.

## Clinic selection guidelines

North of England has now supplemented the Philippines scheme by producing, in association with Medical Rescue International, a set of guidelines on effective clinic selection and 'model' examinations that can be used worldwide.

The guidelines include information on how to select and inspect clinics to carry out pre-employment medicals, as well as model schedules for pre-employment medicals and reports.

Members can also employ Medical Rescue International as a consultant to provide an expert clinic selection service if they prefer.

*The new guidelines can be downloaded from the Association's website. Members requiring further information about the guidelines or Medical Rescue International should contact Judith Burdus or David Rearden at the Association.*

# New poster on hot-work dangers

The latest poster in North of England's hard-hitting 'If only...' series shows the consequences of not following proper procedures before carrying out hot work. The poster depicts cargo catching fire when two crew members carry out unplanned hot work adjacent to a cargo space.

If only the crew members had followed the correct procedures, including carrying out a risk assessment and requesting a permit-to-work, then the responsible officer would have identified the unacceptable risk of carrying out hot work adjacent to a space carrying inflammable cargo – and the work would not have been carried out until safe to do so.

The UK Maritime and Coastguard Agency (MCA) publishes the *Code of Safe Working Practices for Merchant Seamen*, which contains a useful practical guide about permit-to-work systems (Chapter 16) and hot work (Chapter 23).

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

*An electronic copy of the Code of Safe Working Practices for Merchant Seamen (COSWP) can be downloaded from the MCA's website:*

*[www.mcga.gov.uk/c4mca/mcga-guidance-regulation.htm](http://www.mcga.gov.uk/c4mca/mcga-guidance-regulation.htm)*



# Hidden costs of infringing COLREGS



The UK Maritime and Coastguard Agency (MCA) recently prosecuted the master of a bulk carrier for infringing the International Regulations for the Prevention of Collisions at Sea (COLREGS) while transiting the Dover Straits traffic-separation scheme. The case highlights some important issues for ship operators to consider, not least the hidden costs of breaking the rules.

Under Rule 10(c), ships crossing a traffic lane must do so at a heading as nearly as practicable at right angles to the general direction of traffic flow. If the

ship does not cross at such an angle and has no good reason for the incorrect course heading, then a Rule 10(c) offence is committed.

In the Dover Straits the ever-vigilant eye of the Channel Navigation Information Service (NCIS) and its sophisticated vessel-surveillance system tracks ships crossing traffic lanes and reports any infringements to MCA for prosecution. If the prosecution is confined to a magistrates court the maximum penalty is £5,000. However, if the case is transferred to the Crown Court the fine can be unlimited.

## More than just a fine

Whatever the eventual fine, the hidden costs of a Rule 10(c) infringement are often overlooked. These can include legal costs of the prosecution and defence, costs associated with temporarily relieving the master to attend any court hearing, and costs of any delay caused by the vessel's detention. A port State control (PSC) inspection is also likely to be triggered by the infringement. In the case of the

bulk carrier recently prosecuted, the ship was detained for over two days in a fully loaded condition for PSC deficiencies.

The prosecution serves as a timely reminder that coastal State administrations may prosecute vessels for infringement of the COLREGS to ensure that the safety of other vessels transiting traffic-separation schemes is maintained.

The resulting fine may be relatively small but the hidden costs of the prosecution, together with any adverse publicity for the owners, will be an additional unwanted burden. Members should thus ensure that vessel passage plans comply with Rule 10(c).

*The Association is grateful to Iain Butterworth of Andrew M Jackson & Co Solicitors for information contained in this article. Website: [www.amj.co.uk](http://www.amj.co.uk)*

*Further details of the recent prosecution, together with information on the Dover Straits Separation Scheme can be found at the MCA's web site at [www.mca.gov.uk](http://www.mca.gov.uk)*

# Keeping a safe navigational watch

'Poor watchkeeping' is a constantly recurring factor in published marine accident investigation reports. Such reports define poor watchkeeping as a failure of the officers of the watch (OOW) to carry out one or more of their primary duties in maintaining a safe navigational watch.

It follows that many accidents might be avoided if all officers in charge of a navigational watch at sea considered how well they actually understand their duties in maintaining a safe navigational watch.

The duties of the OOW in maintaining a safe navigational watch can be divided into three main functions:

- Watchkeeping
- Navigation
- Global Maritime Distress and Safety System (GMDSS)

The main function of watchkeeping was reviewed in *Signals* issue 61 and this edition continues with a review of navigation.

## Navigation 1 – Execute the passage plan

Passage plans are prepared so the bridge team can navigate the ship safely between ports as required by the master. Chapter V, regulation 34, of the IMO International Convention for the Safety of Life at Sea (SOLAS) requires the master to plan the passage prior to proceeding to sea, taking into account the IMO guidelines contained in Resolution A.893(21). These require the passage plan to cover the entire voyage, from berth to berth.

The OOW must execute the passage plan as prepared. If for any reason a temporary deviation from the planned track is required, the OOW must advise the master at the first safe opportunity of the action taken. The master will then decide if the passage plan needs to be formally amended and the bridge team should be briefed accordingly.

## Navigation 2 – Monitor the passage plan

In order to monitor the progress of the ship effectively, the OOW must understand how to use all the electronic navigational aids available. The OOW must appreciate the limitations of the equipment and especially the importance of cross-checking position fixes obtained from radar or GPS with visual navigational aids in coastal waters or by celestial navigation in open waters.

Navigation must never become over-reliant on automated position-fixing methods including electronic chart systems. A primary aid to keeping a proper lookout and to safe navigation is visual information – for example, the GPS may show a buoy to port but it may be seen on the starboard side.

Plotted position fixes can also be checked – using dead reckoning to compare the observed position with where the ship is expected to be, and by using echo sounder depths to compare with charted depths.

## Navigation 3 – Bridge team management

The watchkeeping team will probably be varied in number depending on the level of activity likely to

be experienced, taking into consideration factors such as equipment availability, traffic density, proximity of navigational hazards and depth of water available.

OOWs must understand that the presence of the master or a pilot on the bridge does not automatically relieve them of their watchkeeping duties. When the master takes over control of the bridge the OOW remains as part of the bridge team and must continue with navigation duties and monitor the pilot's advice.

*Members and seafarers wanting further information should refer to Bridge Procedures Guide published by the International Chamber of Shipping and STCW 95 Chapter VIII published by the IMO.*





# Salmonella in soya beans

It appears that grain cargoes, especially soya bean meal shipped from South American ports to Europe, can fall foul of European regulations on contamination by salmonella. Claims are being brought by receivers for costs including transporting, storing and re-conditioning allegedly contaminated cargo.

Salmonella are rod-shaped bacteria commonly found on raw egg shells, in poultry and in red meat. The bacterium can cause several diseases, ranging from typhoid fever to gastroenteritis, and it can be transmitted through the ingestion of contaminated food or water.

It is possible that grain cargoes can be contaminated prior to loading. Birds and rats may be present at storage facilities and it is likely that the main source of contamination is contact with such animals and their excrement. Contamination may also occur during transportation from silos to the ports if the grain is loaded on vehicles which previously carried animals or animal products.

## How to avoid claims

The best defence to salmonella contamination claims is for the shipowner to be able to demonstrate that the ship could not have been the source of contamination. As always the carrier must be able to demonstrate due diligence to make the holds cargoworthy and that the cargo was carried carefully.

The cargo should be inspected by the master so that mate's receipts and bills of lading can describe the cargo in apparent good order and condition. Hold cleaning must be to a very high standard and a pre-loading hold survey might be considered.

Rat guards should be in use and in good condition. The ship must have a valid de-ratting certificate – or even consider renewal at time of loading. At the discharge port consider a hatch-opening survey or, if necessary, discharge the cargo under survey. In all cases where a third party surveyor is employed they should be instructed to take and retain sealed samples of the cargo.

A 'salmonella-free' certificate issued at the load port may prove counterproductive in the event of salmonella contamination being alleged at the discharge port as it might indicate that the cargo was salmonella free prior to loading so it must have been infected while on the ship.

*Members requiring more information should contact Julie Fisher at the Association.*



# Hidden dangers of dumping cargo residues

Annex V of the IMO International Convention for the Prevention of Pollution from Ships (MARPOL Convention) has recently been amended to include 'cargo residues' as a garbage category.

Category 4 garbage is now defined as 'Cargo residues, paper, rags, glass, metal, bottles, crockery etc' and can only be disposed of outside special areas and at a distance greater than 12 nautical miles offshore. When the garbage being disposed of

is 'cargo residue', the start and stop positions of the ship must be recorded in the garbage record book. The disposal of category 4 garbage is prohibited within special areas.

Hold sweepings and cleaning water containing cargo residues can thus only be disposed of into the sea outside a special area and more than 12 nautical miles from land. However, there are at least two hidden dangers that might get overlooked and lead to fines or delay.

**1. What happens if cargo residues are blown off the deck in port by the wind or the down draught from a pilot helicopter?**

Some jurisdictions may interpret this type of incident as a breach of MARPOL Annex V garbage disposal requirements. It would seem prudent to treat any deposit of cargo residue on the deck during or after loading or discharge as category 4 garbage.

**2. What happens if the cargo residue reacts with cleaning water to form another hazardous substance?**

Petcoke, for example, can have a potentially hazardous sulphur content and may also have an oil content. The cleaning water has the potential of reacting to form sulphuric acid or containing leached-out oil. The recommendations for application of MARPOL Annex V state that when garbage is mixed with other harmful substances having different disposal or discharge requirements, the more stringent requirements shall apply. Sulphuric acid is classed as a marine pollutant and oil is subject to MARPOL Annex I.

If such a situation is suspected, cleaning water should be tested for pH value or oil content before discharge overboard. Alternatively Members should plan to pump cleaning water to holding tanks for disposal ashore.

*Further information about the amendment to MARPOL Annex V can be found on the Industry News pages on the Association's website at [www.nepia.com/news/industrynews\\_links.php](http://www.nepia.com/news/industrynews_links.php)*





# Cancelling a charterparty for non-payment of hire

In fluctuating markets, in which hire rates on the open market can soar above the agreed charterparty rate, it can be tempting for owners to seek to find a way out of their charterparties. One way of doing this is to withdraw a vessel for non-payment of hire.

The draconian measure is often tempered in the charterparty by the inclusion of an anti-technicality clause; that is a clause allowing charterers a grace period in which to pay outstanding hire and avoid withdrawal. Owners must fully comply with the requirements of such clauses before withdrawing vessels, otherwise they could face substantial damages claims.

## Recent case highlights risks

The dangers of cancelling a charterparty were recently illustrated in *Western Bulk Carriers K/S v Li Hai Maritime Inc (The "Li Hai")* (2005). In this case, the charterer deducted hire amounting to US\$63,700 on account of future dry-docking, and US\$500 for a bunker cancellation fee. The owner

demanded payment of the withheld hire and, in purported compliance with the anti-technicality clause, sent written notice to the charterer stating:

*'Please be advised that the charterers were in breach of clause 5 [concerning the payment of hire]...owners hereby give seventy-two hours notice that owners will withdraw the vessel from the service of the charterers...'*

The charterer remitted all outstanding sums, except for the US\$500 deduction, but the owner still withdrew the vessel. The charterer then successfully sued the owner for breach of the charterparty and won damages of over US\$2 million to cover the cost of chartering a replacement vessel at the higher market price.

## Payment period must be defined

The court held that even the deduction of only US\$500 was sufficient for the owner to serve a notice of withdrawal. However, any such notice must state unambiguously that payment has not been received (with the amount owing being

objectively clear and unambiguous) and provide the charterer with a period in which to pay or lose the ship.

The court found that the owner failed to comply with the notice requirements for two reasons. First, the notice did not contain an ultimatum. It simply stated, unconditionally, that the vessel would be withdrawn. Second, the demand for payment was ambiguous. On the facts, it was clear the charterer believed the demand only related to hire withheld for dry-docking and not to the US\$500 bunker cancellation fee. The court agreed the demand was objectively ambiguous and said the owner 'needed to state categorically that, unless the outstanding hire was paid in full without deduction, the vessel would be withdrawn.'

The case shows the importance of strictly adhering to the charterparty requirements for withdrawal and owners contemplating taking such action should immediately seek assistance from the Association's FD&D department before proceeding to ensure that any requirements are fully met.

# Charterparty dates in bills of lading – a reminder

A recent decision of the High Court in London is a useful reminder that identifying the charterparty incorporated in a bill of lading can still be problematic. This issue has been addressed in *Signals* before, the last time in January 2002, but it is still causing problems.

In *Quark Limited v Chiquita Unifrutti Japan Limited*, the court had to decide which of a number of possible charterparties was incorporated into a bill of lading on the CONGEN bill form when no date had been included on the face of the bill in the part that reads: *'freight payable as per charterparty dated...'*

The owner argued in particular that the head charter (which was subject to New York arbitration) was the one incorporated. The cargo receiver, which had brought a cargo claim against the owner in

London arbitration under the bill of lading, argued it should be the sub-charter (which provided for London arbitration). The arbitrators in London decided that the sub-charter was incorporated and the owner appealed to the High Court.

## Head charter not always incorporated

There is what the court referred to as 'a rule of thumb' that the parties are to be taken to have agreed to incorporate the head charter. However that rule is not invariable and, on the particular facts of this case, the court found it was actually the sub-charter that was incorporated.

Therefore, unless there is no chain of charterparties and only one is involved, it is recommended that a specific charterparty date is inserted on the face of

the bill of lading. Only in this way will there be certainty. Specifically, the owner should seek to insert the date of its head charter.

If the charterer or shipper requires some other dated charterparty to be referred to, then the owner should seek a copy of that charterparty first to be sure that its terms, particularly with regard to law and jurisdiction, are acceptable. There is of course a risk that there could be an argument about which date is to be inserted at this stage. It should though not be too difficult to resolve any such argument. Certainly it must be preferable to address this issue early on rather than leave it to the courts to decide, at a potentially great expense, much later.

*Members requiring further guidance on this issue should contact the Association's FD&D department.*



# VISIT: WWW.NEPIA.COM

*Industry News* is a proactive loss-prevention service provided for Members. News items are selected on the basis that they will provide advice on which to base loss-prevention decisions. All items of news are fully researched and approved before publication so that Members do not have to waste time confirming the validity of the information.

Where possible items include downloadable documents and links to original sources. The *Industry News* page now features a simplified layout and improved search response to enable users to find information more easily. Members' staff are encouraged to bookmark North of England's website and to visit the *Industry News* page regularly to keep up-to-date.

Members can access *Industry News* from the direct link on the left-hand side of the Association's website at [www.nepia.com](http://www.nepia.com)



## CHECKING VALIDITY OF CERTIFICATES OF COMPETENCY



In June 2001 the IMO Maritime Safety Committee published the results of an investigation into unlawful practices associated with certificates of competency.

Of the member States that provided information for the investigation, 40% reported a total of some 12,700 detected cases of forgery in certificates of competency and equivalent endorsements. The forgeries included basic safety training certificates, sea service record books, OOW (deck) certificates and GMDSS (GOC) certificates.

Members should consider a retrospective check of existing employed seafarer's certificates and

introduce a system, possibly through a manning agent contract, of verifying the authenticity of certificates of prospective employees.

For example, national administrations and shipping companies can use:

- UK Maritime and Coastguard Agency (MCA) online certificate checker to check the validity of certificates of competency issued in the UK.
- The Philippines has set up a website to allow verification of seafarers' certificates in a bid to stamp out fake and forged papers.

*Members wishing to use the MCA online certificate checker should visit the MCA website at [mcanet.mcga.gov.uk/public/coc-checker/index3.asp](http://mcanet.mcga.gov.uk/public/coc-checker/index3.asp)*

## USE GLOBAL LEGAL NAVIGATOR FOR INSTANT FREE LEGAL ADVICE

Global Legal Navigator is one of the additional services available to Members via North Online, North of England's intranet service for Members. This unique and innovative system provides quick answers to a wide range of commonly asked legal questions on a variety of topics. The advice has been drafted by leading law firms and can be selected by country and category.

*Members wishing to register for North Online should contact Nigel Bradshaw at the Association for a password. Email: [nigel.bradshaw@nepia.com](mailto:nigel.bradshaw@nepia.com)*

## MINIMISING RISK OF ATTACKS OFF SOMALIA

Since 1987 the Maritime Liaison Office (MARLO) in Bahrain has been coordinating the response of the Coalition Navy in protecting commercial shipping operating around the Arabian Gulf and East Africa region.

MARLO is urgently requesting all ships to remain a minimum of 200 nautical miles off the eastern and north-eastern coast of Somalia unless specifically calling at a Somali port.

Since March 2005 there have been over 18 violent incidents off the Somali coast and, in a 10-day period towards the end of July, there were

eight attacks including one where a ship's master was shot.

The attacks invariably involve speedboats (some reported as 'gunboats') and firing on ships with guns and rocket propelled grenades. The aim is to hijack the ship and crew for a ransom. The furthest reported attack is 190 nautical miles from the eastern Somali coast.

*The full text of the current navigation advice from MARLO (Advisory Bulletin 13-05) can be read at [www.marlobahrain.org/advisory13-05.htm](http://www.marlobahrain.org/advisory13-05.htm)*

## BALLAST WATER LEGISLATION – KEEPING UP TO DATE

Shipping is probably the most international industry and a hallmark of the IMO's success is addressing shipping-related issues through a standardised international system. The IMO led Globallast programme aims to promote a standardised legal response to ballast water issues.

Unfortunately many countries are unilaterally developing national or local legislation. These include Australia, Canada, Chile, Israel, New Zealand, the USA, various individual states within the USA and various individual ports around the world, such as Buenos Aires in Argentina, Scapa Flow in Scotland and Vancouver in Canada.

*Members requiring further information about the IMO's Globallast programme should visit the website at [www.globallast.imo.org](http://www.globallast.imo.org)*

*Members can keep up to date with water ballast developments worldwide by visiting the Association's dedicated *Industry News* item on the Association's website at [www.nepia.com/news/industrynews\\_links.php](http://www.nepia.com/news/industrynews_links.php)*

## BIMCO CHARTERPARTY CLAUSES REVISED

Members should note that BIMCO withdrew its existing Time and Voyage Charter ISPS Clauses and the US Security Clauses for Voyage and Time charterparties in 2005. They have been replaced with new Voyage and Time Charter ISPS Clauses that include reference to the US Maritime Transportation Security Act 2002.

The BIMCO Bunker Fuel Sulphur Content Clause was also revised during the year and has been replaced by an amended clause.

Members should also note that BIMCO is working on a Grace Period Clause and a Weather Routing Clause.

*The amended clauses, and other recommended clauses for owners, will be included in the Association's P&I Rules Book for 2006/2007.*

## SEAMAN'S BOOKS – DEALING WITH DIFFERENT RULES

Individual countries may have legislation requiring the issue of seaman's books or similar identity documents to crew serving on board ships flagged to that State. For instance the UK requires that crew serving on board UK flag ships must have a seaman's book in addition to the seaman's discharge book.

However other flag States, such as Bahamas or Isle of Man, do not require their crews to be issued with seaman's books.

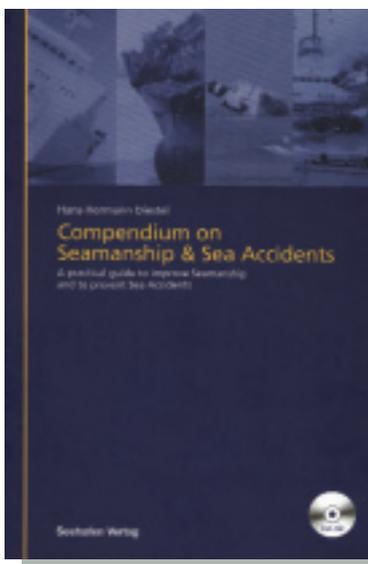
BIMCO has recently reported that ships calling at Nigerian ports are being asked to produce seaman's books for all crew members. Failure to do so results in the threat of a fine or detention.

Members should ensure that crew members are in possession of suitable identity documents or, where the flag State of the ship does not require identity documents, to have documentary proof from the flag State of the ship confirming that identity documents are not a requirement.

## NEW BOOK ON ACCIDENT PREVENTION

Hans-Hermann Distel, recently retired Designated Person Ashore at Alpha Ships, North of England Members in Bremen, Germany, has recently written a practical guide about how to improve seamanship and prevent accidents at sea. The book covers many aspects of loss prevention, including groundings, collisions, fire, heavy weather and cargo incidents.

*Compendium on Seamanship and Sea Accidents* by Han-Hermann Distel is published by Seehafen Verlag, ISBN 3 87743 813 X.



## Loss-prevention seminar in Greece

Tony Baker and Andrew Kirkham from the Association's risk management department and Julie Fisher from the P&I claims department participated in a loss-prevention visit to Greece in October 2005, which included a number of presentations and workshops at Members' offices. The main event was the annual loss-prevention seminar for Members at the Marine Club in Piraeus. Tony, who heads the club's risk-management team, talked about avoiding

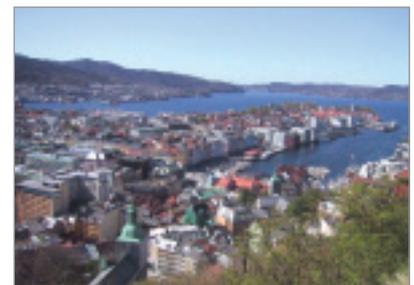
admiralty claims, and Stephen Mills from Newcastle law firm Rayfield Mills and Antigone Yanniotis from the Association's Greek office talked about letters of indemnity.

Antigone described the problems using letters of indemnity could cause with club cover and Stephen described their use and associated problems in commercial practice. Some interesting and useful discussions followed the presentations.

## Member's workshops

North of England staff – including members of the risk-management department – have visited Members in India, Indonesia, Singapore, Hong Kong and Norway, giving presentations and workshops on a wide variety of topical issues, including the criminalisation of seafarers.

*Pictures:  
Bergen (right)  
BLT, Jakarta, Indonesia (below)*



## Ballast water special

The introduction of invasive marine species into new environments by ships' ballast water has been identified as one of the greatest threats to the world's oceans.

Many experts consider invasive marine species pose a greater threat to the environment than oil pollution. This is because the effects tend to increase over time and be irreversible, whereas the effects of oil pollution decrease over time and the environment can eventually recover.

To control the transport of invasive marine species from one part of the world to another, the International Maritime Organization (IMO) adopted the Ballast Water Management Convention in 2004. Although it is not expected to be ratified by sufficient countries to enter into force for some time yet, the Convention will have a significant effect on the design and operation of ships and it is important to start preparing for this now.

North of England has thus produced a special edition of *Signals* that explains the background to the Convention, the regulations that form its basis and the principal methods of ballast water

treatment as well as some of the problems that may result. It also draws attention to some of the unilateral ballast water regulations being introduced by countries around the world.

*A copy of the Signals Special accompanies this edition of Signals.*





# 2006 residential training course



The Association's annual residential training course in P&I insurance and loss prevention will take place from 9 to 16 June 2006 at Lumley Castle near Newcastle, UK. The course consists of three distinct parts providing an introduction to ships and shipping, an introduction to P&I insurance and a more detailed look at P&I insurance. Delegates can choose which part or parts they attend and the course is therefore suitable for people with a widely different range of experience.

The residential course is always very popular so Members are advised to register as soon as possible to avoid disappointment.

A course brochure accompanies this edition of *Signals* and delegates should register by returning the registration form. Further details of the course can be obtained from Adele Lathan in the risk management department: [adele.lathan@nepia.com](mailto:adele.lathan@nepia.com)

## Signals index

An index of topics covered in the *Signals* newsletter can now be downloaded from the Association's website. The new style index provides a reference to the topics covered in *Signals* over the last five years.

Members without internet access should contact the risk management department to obtain an index via email at [risk.management@nepia.com](mailto:risk.management@nepia.com)

## Signals Search 6

### Questions

1. What type of suit should have gas-tight features?
2. For what type of screening does North of England's new scheme provide guidelines?
3. What type of permit is required for hot work?
4. What part of the voyage should a passage plan cover?
5. What angle should a ship cross a traffic lane?
6. Which Convention regulates the disposal of cargo residues?
7. Which organisation has revised their charterparty clauses?
8. What is the subject of the latest *Signals Special*?
9. What Code regulates the carriage of dangerous solid bulk cargoes?

Find the answers to the questions in the wordsearch.  
GOOD LUCK!

- 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 Friday 3rd March 2006.

The first correct entry drawn will receive a prize 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*.

R I V E S B L O N C E F L M  
E B A L L A S T W A T E R R  
P I E R C R V L H J O N A S  
S M U R F B C C O D E Y L A  
I C U B T A C H E M I C A L  
D O M A E H X Y E L K Q M M  
A N A R J R T P A M G U B O  
P E R M I T T O W O R K I N  
V O P U L G S H B A L O R E  
I W O K L Y H O A E W U L L  
D C L A C I D E M T R L I L  
M H E A R V R A Y S C T E A  
R I G H T A N G L E H M H R  
S C O H L R A I N S T I A S

### Your copy of *Signals*

Copies of this *Signals* should contain the following enclosures:

- "If only" poster – Hot work. (Members and Entered ships only)
- Loss Prevention Guide – Letters of Indemnity – A guide to good practice. (Members and Entered ships only)
- *Signals Special Edition 9* – Ballast Water
- Brochure – 2006 Residential Training Course in P&I Insurance and Loss Prevention

### Signals Search No.5

**Winner:** Paal Boechaugen – TH Jacobsen, Norway

**Runners-up:** Jane Tan – Glory Ship Management, Singapore • Geraldo Gaviola – "STAR OPTIMANA", Masterbulk Pte, Singapore • Capt Victor E Delgado – "RIO GAUYA", ABC Maritime, Switzerland • Sandra Bahls – Hubertus Clausius, Hamburg • Capt H Nikpour – IRISL, Iran

### Answers to Signals Search 5

- |               |                |
|---------------|----------------|
| 1 NorthOnline | 6 Indemnity    |
| 2 ISPS        | 7 Medicals     |
| 3 Lookout     | 8 Tokyo        |
| 4 Chinese     | 9 CBP          |
| 5 Immersion   | 10 Unseaworthy |

• 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.

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