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## 1 'SURPRISE' AT CHINA SCRAP-PLAN DETAILS

*Nous connaissons tous en France la prime à la casse applicable aux automobiles...*

*Aujourd'hui du nouveau applicable au shipping.*



*In France we are all familiar with the scrap subsidy given by the State to car holders in order to refresh age profile.*

*Nowadays « we » can have this for shipping.*

3 China's long-awaited plan to subsidise the scrapping of ageing vessels has been launched amid claims that it raises the spectre of protectionism. While only Chinese-registered tonnage is included under the terms of the scheme, the incentives make no distinction between owners who ply their trade domestically or in competition with foreign companies in international waters.

4 A further unexpected twist revealed by the Chinese government this week is a stipulation that replacement vessels can only be built by domestic yards. It is also understood that the new orders must be for vessels of equal size or larger than those that have been scrapped. It is unclear at this stage whether ordering replacements is a requirement by the government before subsidy payments are made.

Some reports in China claim that a fresh vessel has to be ordered - which will undoubtedly lead to accusations that the new rules will not tackle concerns about overcapacity issues.

Source: Trade Winds — 2 July 2010

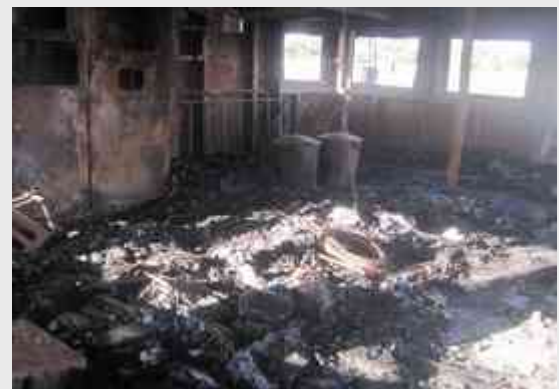


## PIRACY: Failed attack off West Africa Coast

*It could happen to you as it has happened to one of our dear friends...*

She has been hijacked by pirates en route to Mombasa on the 7th of April 2010. Instruction was made to the crew to lock themselves in the engine room during the attack. The pirates could not manage the vessel without the crew and left it. The crew only realised the situation one day later and resumed the voyage for final destination, Mombasa on the 10th of April.

Source: Lloyds List—13 April 2010



[More information on page 3 →](#)

## Merchant Marine

*Two suggestions that might protect better the planet and the ocean...*

### Shipping slow to sail greener

What is a natural resource that is free, produces zero carbon emissions and has been used to power ships since time immemorial? The answer is, of course, the wind. The graceful sailing ships are long gone, though, replaced by vast iron vessels loaded with crude oil, minerals and neat stacks of shipping containers.

These massive vessels consume fuel oil that pumps out tons of planet-warming gases such as carbon dioxide and nitrous oxide as well as other pollutants that cause acid rain. Shipping, which is responsible for ferrying more than 90 percent of global trade, produces about 3 percent of mankind's carbon emissions.

The International Maritime Organisation (IMO) has estimated that greenhouse gas emissions from shipping could grow between 150 percent and 250 percent by 2050.

Convincing shipping companies to buy costly green technologies, however, is easier said than done as the industry recovers from the economic slowdown and faces volatile fuel prices that make it difficult to calculate returns on investment. A carbon emissions scheme, in which ships would be penalised for inefficient fuel use and rewarded for conserving fuel, would spur green investments in the shipping industry. However, developing such a carbon scheme is politically charged and highly complex as the vast majority of vessels sail under flags of convenience of other countries to avoid tighter regulations and higher taxes and labour costs.

*Source: Reuters - 24 May 2010*

### SWITCHING TO LNG POWER MAY SHAVE 45% OFF VESSEL OPERATING COSTS

A switch to liquefied natural gas power could potentially save 45% on total vessel operational costs over a 20-year period compared with standard heavy fuel oil, according to a new study by classification society DNV. According to the DNV study, LNG is now a commercially viable fuel for shipping and offers the prospect of 25% reductions in CO<sub>2</sub>, a complete elimination of sulphur emissions and close to 90% reduction in NO<sub>x</sub> emissions. DNV president Tor Svensen told Lloyd's List: "DNV is struggling to understand why the shipping industry is not moving faster and why shipowners are not seeing the opportunities."

*Source: Lloyd's List - 10 June 2010*



### Pollution : La convention HNS va pouvoir entrer en vigueur

La convention HNS (Hazardous and Noxious Substances) sur la responsabilité et l'indemnisation des dommages causés par des substances dangereuses transportées par mer (hors hydrocarbures) va pouvoir entrer en vigueur. Le 30 avril, la Conférence diplomatique de l'Organisation Maritime Internationale a, en effet, adopté un Protocole qui lève les derniers points de blocage du texte. 70 Etats l'ont signé.

Comme pour le dispositif CLC/FIPOL, qui indemnise les pollutions par hydrocarbures, la Convention HNS prévoit deux niveaux d'indemnisation des victimes. Au premier niveau, l'indemnisation repose sur le principe de responsabilité automatique de l'armateur. Elle est plafonnée et couverte par les assurances du propriétaire du navire. Lorsque le 1er niveau ne suffit pas pour indemniser la totalité des dommages, un 2ème niveau d'indemnisation repose sur un fonds financé par les Etats parties à la Convention, en fonction des quantités de matières dangereuses importées chaque année.

*Source : Mer et Marine - 20 mai 2010*

## Piraterie / Piracy

### DETENTION on 24th of June 2010

Name of vessel:	Type of vessel:	Date hijacked:
Al Nisr Al Saudi	Product tanker	01 March 2010
UBT Ocean	Chemical tanker	05 March 2010
Sakoba	Fishing	08 March 2010
Frigia	Bulk carrier	23 March 2010
Iceberg 1	Ro-Ro	29 March 2010
Jih Chun Tsai 68	Fishing	01 April 2010
Samho Dream	Tanker	04 April 2010
Rak Afrikana	General cargo	11 April 2010
Prantalay 11	Fishing	20 April 2010
Prantalay 12	Fishing	20 April 2010
Prantalay 14	Fishing	20 April 2010
Voc Daisy	Bulk carrier	21 April 2010
Taiyuan 227	Fishing	08 May 2010
Marida Marguerite	Chemical tanker	08 May 2010
Panega	Product tanker	12 May 2010
Eleni P	General cargo	12 May 2010

Source: Control Risks / Hiscox

### NEW : PIRACY LOSS OF HIRE COVER

Insurers Charterama have recently developed a cover to protect the Charterers for their financial exposure in Piracy Loss of Hire.

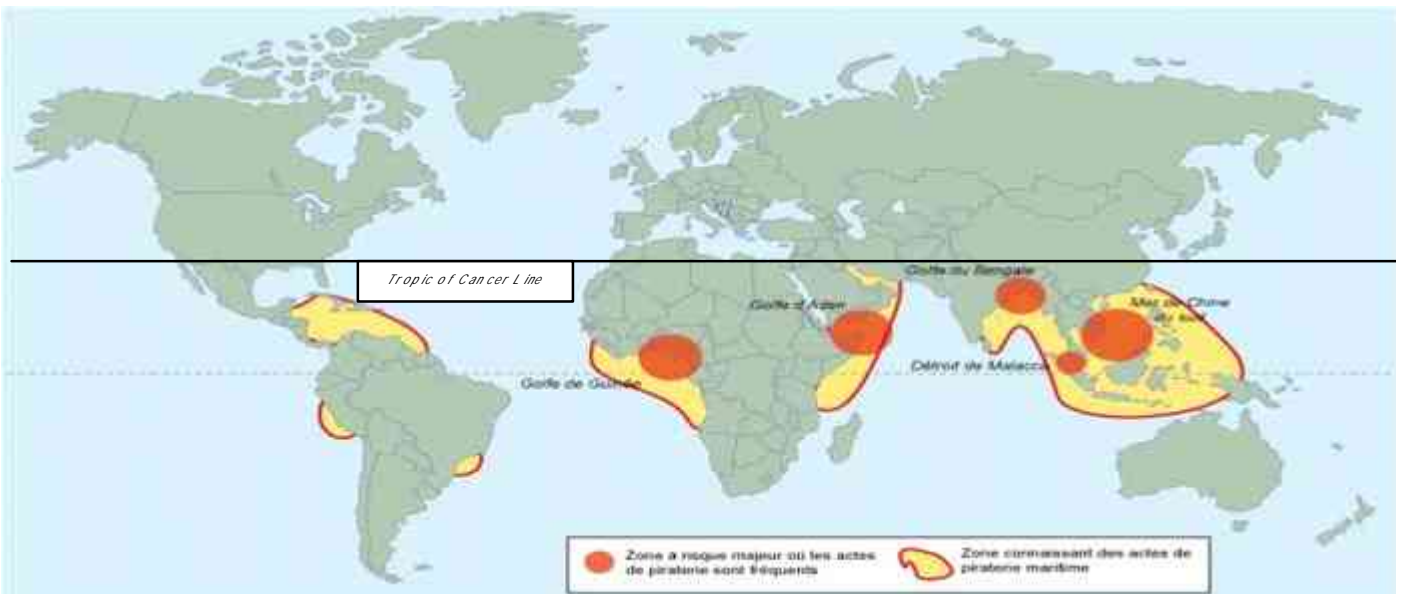
The financial exposure for Time Charterers passing the Gulf of Aden can be enormous, but even outside the Gulf of Aden piracy is nowadays a serious threat for the Shipping industry and likewise for Charterers.

Bimco introduced a Piracy Clause for Time Charter Parties in 2009. In this clause, article (e) reads: "If the Vessel is attacked by pirates any time lost shall be for the account of the Charterers and the Vessel shall remain on hire." We see this clause appearing more and more in Time Charter Parties.

Source: Charterama Newsletter 5 - April 2010

For more information, you may contact:  
[piracy@cap-marine.com](mailto:piracy@cap-marine.com)

**WARNING !!!** When you sail down south of « Tropic of Cancer line », make sure that you have a marine insurance in your possession.



### AMENDMENTS TO ISM CODE

The Shipowners' Club has issued a new Lookout on the last amendments to the ISM Code on their website.

AMENDMENTS TO THE INTERNATIONAL MANAGEMENT CODE FOR THE SAFE OPERATION OF SHIPS AND FOR POLLUTION PREVENTION (INTERNATIONAL SAFETY MANAGEMENT (ISM) CODE) WITH EFFECT FROM 1st JULY 2010

<http://www.shipownersclub.com>



## Brèves / Brief News

### IACS ADMITS INDIAN REGISTER

The Indian Register of Shipping has been accepted as the first new member of the International Association of Classification Societies since the introduction of new membership rules introduced last year in the wake of a European Commission competition investigation.

The expansion marks the first successful attempt by an IACS outsider to join the elite class body whose current 10 members collectively class over 90% of the world fleet. Several other class societies are also hoping to join the club but the strict membership criteria being applied has so far prevented any other applicants from joining their Indian counterparts.

*Source: Lloyd's List - 24 June 2010*

### Global shortage of seafarers addressed

The increasingly severe shortage of seafarers and its future impact on the global maritime industry have been addressed at an international seminar at the headquarters of the International Maritime Organisation (IMO) in London on 11 May. At the seminar, The Nippon Foundation and the Japan International Transport Institute (JITI) have presented the results of their recent study on the future global supply and demand for seafarers, following the work of a high level steering committee.

'There is now worldwide concern that the rapid growth of the maritime industry has outstripped the number of available high calibre young seafarers. The study indicates how changes in the world economy might influence the maritime industry in the future, along with possible measures to secure the required workforce.'

Since the influential BIMCO / ISF Manpower Update 2005 forecast a shortage of 27,000 maritime officers worldwide by 2015, other factors have contributed to the problem, including the increase in the number of ships needed to handle the expanding global cargo for emerging economies, such as China and India. At the same time there has been the fallout from the global economic crisis, leading to the cancellation of shipbuilding contracts and the acceleration of ship scrapping, which is likely to affect the mechanisms of supply and demand.

In response, the IMO launched its 'Go to Sea!' campaign in 2008, in cooperation with key maritime stakeholders, only to find that fewer young people were attracted to the seafaring profession, while young seafarers prefer to move to land based jobs.

*Source: Maritime Journal - 11 May 2010*

### CMA CGM baptise le Christophe Colomb

CMA CGM a baptisé le 12 juillet au Havre le plus grand porte-conteneurs battant pavillon français (R.I.F.), en présence de sa marraine, Christine Lagarde. Le Christophe Colomb, premier d'une série de navires portant les noms de grands explorateurs, mesure 365 mètres de long et 51 de large pour une capacité de 13 800 EVP (équivalents vingt pieds). Il sera dédié au service FAL 5 (French Asia Line).

*Source : [www.lemoci.com](http://www.lemoci.com) : 13 juillet 2010*



### EUROPE – De nouveaux droits pour les passagers

Le Parlement européen a adopté, le mardi 6 juillet, le texte du nouveau règlement sur les droits des passagers transportés par mer et sur les voies de navigation intérieures applicable en 2010.

Sauf exemption, toute annulation de voyage ou de retards supérieurs à 90 minutes ouvre désormais droit à un remboursement intégral du billet ou à une proposition de départ différé. Dans ce cas, la compagnie devra supporter les frais d'hébergement à hauteur de 80 euros par personne et durant trois nuits maximum. Le texte introduit par ailleurs une nouvelle disposition de compensation supplémentaire pouvant aller jusqu'à 50% du prix du billet, selon la durée du retard et le temps de parcours total du voyage. En outre, les personnes à mobilité réduite ne peuvent se voir refuser l'accès aux navires en raison de leur handicap.

Ce règlement est applicable à tous les navires transportant plus de 12 passagers sur une distance de plus de 500m. Pour les transporteurs routiers embarqués, les excursions touristiques, les navires à voiles, les navires historiques et copies réalisées avant 1965, le seuil est porté à 36 passagers. La croisière échappe au droit de remboursement et de compensation mais reste assujettie aux mesures sur l'accès des handicapés. Enfin, s'agissant des navires de moins de 300 tonnes de jauge brutes exploités sur des lignes nationales, le règlement prévoit une exemption supplémentaire de deux ans, à condition que « le droit national assure de manière appropriée les droits des passagers en vertu du présent règlement ».

*Source : Le Marin - 6 juillet 2010*