

Insurance Bulletin Issue 39 - August - September 2014



**Welcome** As September arrives the heady days of summer turn as quickly as the Fall leaves into the full on work term once again. Leaving the so called "silly season" behind, it seems that with Ebola, seafarer abandonment and piracy still shaping the shipping agenda, then there will be a busy period ahead.

In this latest Seacurus Monthly update we look at a range of issues which are affecting shipping, and which create new risks for our clients.

The medical effects of Ebola are as horrific as the gory news reports claim, but there are hidden horrors and complications too – and these can see commercial disputes, liability issues as well as sick seafarers. Inside we assess the latest advice, and the considerations owners need to be mindful of.

As the Anniversary of the entry into force of the Maritime Labour Convention (MLC2006) has come rapidly round, we look back on the year and of the effects which are now starting to slowly be felt. The MLC has been such an important development for us at Seacurus, and the decade of hard fought seafarer welfare victories need to be translated into tangible results, improvements and deliverables. But are they?

We look once more at the growing Asian piracy threat, and assess what will happen in a place where owners cannot rely on armed guards for defence – will the military and regional powers step up? Or will shipping be left to protect itself and manage its own risks?

Another increasing area of interest within shipping is that of social media management – with seafarers increasingly connected, it seems there is a growing risk of reputations

being tarnished as those who are all too quick to post, prod or tweet may do so without due care and consideration.

Just as one should look before you cross the road, it seems we need to ensure that seafarers are encouraged to think before they act online.

As ever we hope that you find the Seacurus Monthly of interest.



Captain Thomas Brown Managing Director – Seacurus Limited

#### Content

Cowes Come Home: Barbican Insurance Group is not only a strong performer in the marine market, but also on the waves as the firm triumphed at Cowes Week.

**Tackling Medical, Legal and Commercial Aspects of Ebola:** The outbreak in West Africa of Ebola Virus Disease has seen a number of industry advisories.

One Year On – Is MLC Working?: With MLC2 now having been in force for over a year there have been various organisations taking stock during the anniversary.

**Asian Piracy Snapshot:** According to the latest monthly figures some 14 cases of piracy and maritime crime report were reported in Asia in the last reporting period.

**Boxing Clever:** The Container Port Revolution: A new report states the total box volumes handled by the leading 100 container ports has increased by 3.3%.

**Keeping Personnel Safe:** Shipping is perhaps the ultimate global industry and one of the greatest challenges for any company is how to keep their people safe.

**The Devil You Know: Managing Social Media:** Owners are being reminded of the threats and opportunities posed by the "dramatic rise of social media".

**Monthly News Round-up:** The most important stories from across the past month.

## **Cowes Come Home**

Barbican Insurance Group has proved to be not only a strong performer in the marine market, but also on the waves themselves as the firm announced that Team Barbican won this year's Nautor's Swan Trophy at Cowes Week.

A key event in the British sporting calendar, the Aberdeen Asset Management Cowes Week took place from 2-9 August. Attracting some of the leading figures in the sailing



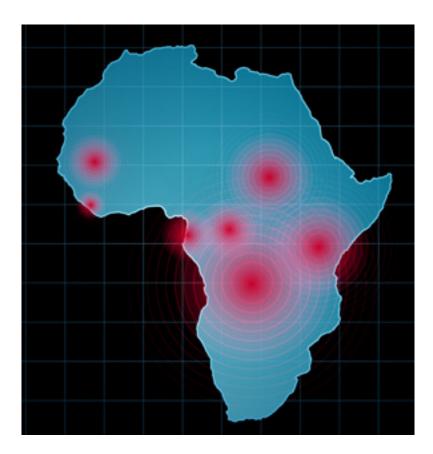
world, the week-long event saw over 1,000 boats crewed by some 8,500 sailors take to the waves. Team Barbican, a regular participant at the event, won a hard fought race to secure the Nautor's Swan Trophy win and Nick Maddalena, Director of Seacurus, collected the trophy on behalf of the team. In addition, and rounding off a very successful week, they finished 7th overall in the IRC Class 2 group.

Commenting on their sailing success, Nick said: "In my view, no other sport requires the same level of team spirit, motivation and commitment as sailing does. The team worked incredibly hard over the week, and fully deserved to win the Nautor's Swan Trophy in what was a highly competitive event. To finish in 7th place overall in the IRC Class 2 standings was a fantastic way to end the week."



The team of experienced sailors from across the group included: Nick Maddalena, Director of Seacurus; Gavin Stanley, financial and professional lines underwriter; Ondine Bourrut Lacouture, underwriting manager North American casualty reinsurance; Stewart Williams, head of information technology; Ted Zaimis, account manager marine special risks; Denis Nifontov account manager marine special risks, Angus Bailey, underwriting assistant marine special risks and Amanda Dronsfield, personal assistant.

# Tackling Medical, Legal and Commercial Aspects of Ebola



The outbreak in West Africa of Ebola Virus Disease has seen a number of advisories from P&I Clubs and industry bodies. While according to leading maritime law firms, Stephenson Harwood and Ince & Co, its virulence has created an atmosphere of fear and uncertainty.

Lots of antiseptic hand wash and avoid potential contact with anyone infected would be sensible, and the most basic advice – but the fear of the disease is also having potential legal and commercial implications.

According to lawyers, there are examples of crews refusing to enter ports in countries where outbreak of the disease has been reported.

The current Ebola outbreak is concentrated predominantly in West Africa, including Guinea, Liberia, Sierra Leone and Nigeria, and is the largest Ebola outbreak ever reported. Suspected cases have very recently been identified in Saudi Arabia, India and Rwanda. It is predicted that the outbreak will continue to spread.

The situation is evolving and the legal advice is that charterparties for voyages to West Africa should be negotiated bearing in mind the possible contingencies from the latest outbreak in the region. Despite the concern, and the fact the World Health Organisation (WHO) has declared the outbreak an international health emergency, BIMCO is not understood to be working on a specific Ebola clause for use in timecharters.

Instead, they are directing parties to fevers and epidemics clauses in some of its recommended forms, such as Baltime 1939 and Bimchemvoy 2008. While BIMCO also suggests that owners have a "fallback position", as timecharterers warrant that vessels will trade only between good and safe ports.

As the outbreak has spread across Nigeria, Liberia, Sierra Leone, Guinea and now the Democratic Republic of Congo, reports suggest that some vessels have been turned away from the Nigerian port of Lagos, due to perceived risks from the communicable disease. While Port Harcourt, the leading oil port in the region is now understood to be affected too.

While the International Chamber of Shipping, International Maritime Employers' Council and International Transport Workers' Federation issued a joint statement, calling on operators to consider restricting shore leave and to enforce existing bans on unauthorised persons boarding ships. What are Owners Doing?

Some shipping lines are considering suspending services to Nigeria in particular and most are being urged to cancel shore leave and crew changes in the affected areas.

There have also been reports of cancelled fixtures; Abidjan in Côte d'Ivoire was earlier closed to vessels that had previously called at certain other ports, although the restrictions have since been lifted.

Perhaps the best indication has come from CMA CGM, the box giant has reorganised its West Africa services to separate those calling at countries where there have been Ebola outbreaks from those that are free of the disease.

To maintain its commercial and operational activities, the French line is now calling at ports in Sierra Leone, Conakry, Guinea and Liberia through a single service. Other West African countries are now connected to services that do not call in those countries.

While Maersk has taken similar action as countries that have so far escaped any outbreaks start to ban ships that have called in ports close to areas hit by the deadly virus.

#### **Duty to crew**

For some seafarers the decision of whether to grant shoreleave or not has been taken away from the owner, as decisions are being made at a governmental level.

The Philippine Overseas Employment Administration (POEA) has issued a dictat requiring Filipino seafarers not be allowed to disembark in countries in West Africa with confirmed cases of Ebola to prevent further spreading of the deadly disease.

According to POEA administrator Hans Leo Cacdac, "There will be no shore leave for seafarers and no crew change in the ports of these countries in the meantime".

The guidelines are issued for our seafarers' welfare and protection. DOLE Secretary Rosalinda Dimapilis-Baldoz said in the statement, "They could be vulnerable to the Ebola Virus Disease (EVD) due to the unavoidable circumstance where they have to interact with shore-based personnel who come on board ships to perform their respective duties".

Employers have a duty of care to the crew under their employment contracts. POEA has joined other industry bodies in sending out key guidelines on this namely:

- To educate the crew about the risks;
- To check the ISPS regimes on board;
- To review shore leave and to avoid crew changes in the affected areas.

#### **Stevedores and stowaways**

While owners are seemingly able to mitigate the risk to their vessels and crew, there are other difficulties still being posed by this threat of contamination.

As an example, the way in which cargoes are handled at affected West African ports means that vessels cannot remain free from interaction with shore personnel. In ports such as Conakry, Freetown and Monrovia, which are predominantly break bulk, the cargoes must be loaded and discharged by stevedores who come on board the vessel.

Lawyers stress that there is very little control that the Master can exert over what labour is used. Similarly, it is well known that there exists a stowaway problem in West African ports and vessels and the Ship Security Officers will need to be sure that there is a robust implementation of the ISPS Code and ship's security planning may need to be reconsidered.

A stowaway is a bad thing to have onboard, a stowaway with Ebola – well, that could take things to a whole new level.

#### **Increased Likelihood of Delays**

At the very least, it is to be expected that where a vessel has previously called into a West African ports, then there may be delay in the subsequent port as port and health authorities assess their plans and response.

Countries outside the affected areas are already responding to the threat. In the US for example a vessel will be subjected to closer scrutiny if it has visited an Ebola affected country in the past five ports.

While any health problems will need to be reported – this would include sick crew members or the existence of stowaways (if known) all would need to be declared. A vessel will undoubtedly be delayed if crew fall ill with suspected Ebola or the vessel is quarantined or free pratique is withheld due to a recent call at a port in an Ebola-affected area.

It is unclear how the current outbreak of Ebola will develop, and with supplies of vital medical aid and new drugs hitting the affected areas it may be that there will be a swift containment. However, this serious Public Health Emergency is clearly a threat to seafarers, and will carry potential implications for operations, commerce and liability – it is something which needs to be effectively managed and dealt with.

## One Year On — Is MLC Working?



With the Maritime Labour Convention (MLC2006) now having been in force for over a year there have been various organisations taking stock during the anniversary to see just what effect the "Super Convention" has had, and whether seafarers lives are actually any better.

The International Labour Organisation (ILO) celebrated the milestone with a video outlining how it is already changing seafarers' lives. The video documentary looks at the lives of seafarers onboard the 9,200-teu boxship "APL Boston" (built 2013) as an example of the conditions under which they work, on a vessel with full compliance with the convention.

But it also describes some of the problems less fortunate seafarers have to contend with and that the MLC was set up to rectify. It says many of the world's 1.5 million seafarers have to live far from home for months on end, facing dangerous weather, cultural and ethnic isolation and long working hours. It says they are "vulnerable to exploitation and non-payment of wages and abandonment".

"The MLC 2006 aspires to change all this," the ILO video says, adding that it "promises to change the culture of seafaring".

Looking at the APL Boston, it highlights how seafarers are benefitting from regulated and documented hours of work and rest, and a high standard of living conditions and recreational facilities. The video also demonstrates how a culture of safety is being developed among the crew and also how a fair complaints procedure has been developed onboard.

The vessel's chief officer, Lin Niang Oo, said: "Now the MLC is enforced, people get a safer working environment and rest hours so, when they are working, they are fresh and can perform."

Elsewhere, a charity, the Sailors' Society has also been assessing just what MLC has meant to the seafarers it serves and assists. Despite MLC, the Sailors' Society has continued to see a high level of need for its services in the 47 global ports where it operates a ship-visiting service, dealing with diverse concerns from help with personal issues and tension between colleagues on a ship. Alas not even a "super convention" can protect the vulnerable from the human condition.

For the Sailors' Society it seems that the year past may not provide a real snap shot of the efficacy of MLC, as the after-effects of Typhoon Haiyan, which hit the Philippines in November 2103 had such a devastating effect on so many seafarers, that it is unclear as to whether we are truly yet seeing a reflection of the shipping industry under MLC. It may be another year until a clearer picture emerges. That said, in the face of both natural disasters and regulators the needs of seafarers working on board remain unchanged, and with official recognition of the Maritime Labour Convention 12 months in, the Charity would expect to see some improvement in the areas of accommodation, catering, health and recreation for serving seafarers.

A study by the Sailors' Society highlights a range of divergent views on the impact of MLC. Sailors' Society's Marc Schippers, who ministers to seafarers in Antwerp, remains unconvinced about the effectiveness of the convention in real terms. "If you compare the figures, the number of exploitation cases I have handled since the MLC was put in place has not dropped from last year," he said.

"Working hours and levels of tiredness remain concerning — the hours of sleep that most seafarers get before coming into port is still very low, which can lead to extreme fatigue, accidents and poor decision making. This is what I am seeing every day out in the field.

"The MLC looks great on paper, but we are still a long way from seeing its effects in practice. Perhaps it has had more of an effect globally, but certainly it is business as usual in Antwerp."

The news is not so bleak elsewhere, however. While large-scale changes to crew conditions have not been reported by any of the society's front-line staff, some are more hopeful in terms of the psychological effect of the MLC on crew morale.

Peter Donald, Sailors' Society's Dundee and Montrose chaplain, said while he has encountered cynicism from some visiting seafarers, the general feeling among most crew members is more positive. "As you would expect," he said, "the reputable companies were already providing a good living and working standard for their crews, and now display notices and certificates of compliance. However, some less scrupulous owners have made little change.

"The difference is that crews now feel they have more bargaining power when conditions are not up to scratch. If something is substandard, they feel they can speak up and assert their rights.

"The MLC is a great beginning to building in support mechanisms to help seafarers get the conditions they deserve."

He also noted a correlation between the age of the ship and the likelihood it would comply with MLC regulations, commenting that older vessels were far less likely to operate within acceptable standards. Just last month there was a real life instance of where MLC may be driving a change in attitudes and responses, as MLC signatory Australia took decisive action against a vessel deemed to be flouting labour laws.

The German boxship was banned from Australian ports for three months after being detained over crew wages and conditions. Australian Maritime Safety Authority (AMSA) took the decision to bar the 957–TEU "Vega Auriga" (built 2006) had been held three times since July last year.

There were "repeated concerns" for the welfare of the crew, including improper payment of wages, inadequate living and working conditions and inadequate maintenance resulting in an unseaworthy and substandard vessel, it added.

The general manager of AMSA's ship safety division, Allan Schwartz, said vessels entering Australian ports must ensure they meet minimum international standards. "Vessels that do not meet such standards, including standards for the welfare and treatment of crew, pose an increased risk to seafarers, safe operations and the marine environment," he said.

While we may not have seen drastic improvement to onboard conditions in practice, the MLC is one step in the right direction, but for welfare at sea to show any meaningful improvement, the cause needs to be taken up and embraced right across the industry.

For Seacurus, the previous year saw us build on the decade of hard work to develop a commercially available and effected mechanism for protecting seafarers. The launch of CrewSEACURE in August 2013 to coincide with the implementation of MLC has created a high level of interest in this unique cover, and Seacurus received the "Insurance Insider Industry Award for Broker Innovation" in recognition of its work in developing CrewSEACURE.

## **Asian Piracy Snapshot**

According to the latest monthly figures from the Singapore-based Regional Co-operation Agreement on Combating Piracy (ReCAAP) some 14 cases of piracy and maritime crime report were reported in Asia in July, slightly down from the 21 recorded in June, but still at concerning levels.

The marginal fall comes despite growing concerns over oil cargo theft in the region, with at least nine reported attacks on tankers so far in 2014. There is some evidence that the current spate of attacks is the work of a couple of well-informed criminal gangs, using intelligence on ship cargoes and routes to plan their operations.

Almost half of the July total was accounted for by petty theft, but there were three significant (category one) incidents in the month under consideration, ReCaap said.

These included two hijackings and one incident which it's believed would have become a hijacking were it not for the timely presence of a Malaysian patrol boat.

The growing piracy problems off Asian coasts have seen some believe that private maritime security companies could once again be viewed as a potential answer to protecting vessels and deterring attackers. However, experts believe this is not the case, and that Asian waters are not a new market place for armed guards.

The vast majority of attacks in the region occur within territorial waters, and so the various local rules and jurisdictions would make placing armed teams on board tankers virtually impossible.

As such shipping companies in the region are instead urging a response from the law enforcement and militaries of littoral States.

ReCAAP says that although the number of pirate attacks in Asian waters has declined, there have been more cases of attackers siphoning cargo in the South China Sea.

As if to demonstrate the problem a Thai oil tanker, "VL14", was hijacked by armed pirates off the East Coast of Malaysia late last month and its cargo stolen, the eighth such incident this year.

The 1,074 gt tanker was boarded by six pirates armed with guns at about 2040 hrs on 28 August 30 nm north of Pulau Tioman according to ReCAAP Information Sharing Centre.

The pirates came alongside the tanker in wooden speedboat, and broke into the bridge and crew cabins gathering the crew in the engine room. "The pirates took control of the vessel, sailed about 10 nm away from the location of boarding. They ordered the crew to open all cargo valves, activate the cargo pump and transfer the lube oil to two tankers which came alongside," ReCAAP said.

The pirates eventually left the vessel and thankfully none of the crew was injured. The tanker which had been bound from Singapore to Bangkok, sailed back towards to Tioman and contacted the owner.

## **Boxing Clever: The Container Port Revolution**

According to a new report from Lloyd's List/Containerisation International the total box volumes handled by the leading 100 container ports in 2013 reached 513.2m TEU, an increase of 3.3% compared with the volumes handled by the top 100 entrants in 2012. The new study has also revealed the runners and riders, winners and losers in the increasingly competitive box port competition. According to report the leading



container port was once again Shanghai, whose volumes increased to 33.6m TEU, from 32.5m TEU in 2012 — on-year growth of 3.3% that was an improvement on the 2.5% increase the port posted in 2012.

It is understood that the port benefited from the opening of the Shanghai Free Trade Zone and a new two-traffic lane in the main channel of the Yangshan Deepwater Port. However, the ports superior throughput is being challenged locally as well as internationally – the nearby port of Ningbo, saw volumes increase by 7.3% in 2013 to reach 17.3m TEU.

This perhaps indicates why Chinese ports dominated the Top 10 ports, filling seven of the entries. The developing trend of the rapid growth of northern Chinese ports is shaking up the status quo, with the northern ports of Qingdao and Tianjian joining Ningbo in rapid growth.

An examination of the top 10 fastest-growing container ports also reflects this trend, four of the 10 — Rizhao, Yantai, Dalian and Dandong — coming from north China.

Together, the 10 largest container ports accounted for 39.7% of the total volumes handled by the leading 100 box ports, at 204m TEU.

The biggest change in this year's top 10 came was that Shenzhen overtook Hong Kong to take the third spot.

However, the fastest grower worldwide in 2013 was the North African transhipment hub Tanger Med, which benefited from a 40.1% increase to 2.6m TEU. Moroccan port officials said the volume increase stemmed from returning confidence on the part of shipping lines, after the economic crisis and Arab Spring protests in Morocco pushed Tanger Med to a 13% decline in volumes in 2012.

#### Some Ups

Another noteworthy port in Asia was the Indian port of Mundra, which reported a 38.6% annual increase as volumes hit 2.4m TEU.

Mundra is clearly gearing up for growth. In July 2013, terminal operator Adani and Switzerland-based carrier Mediterranean Shipping Co announced that they were forming a joint venture to operate a 1.5m TEU development, to be known as Adani International Container Terminal.

In the Mediterranean, Algeciras knocked Valencia off the top spot. Algeciras was able to benefit from the carriers' dissatisfaction with Valencia, which contributed to its volumes soaring 9.4%.

In northern Europe, the big winner of the year was Hamburg, while those around it floundered. The German port saw box volumes increase by 4.6% as it closed the gap on Rotterdam, whose volumes dropped off. The other winner in the northern European port range was Le Havre, which benefited from increases in transhipment traffic destined for the UK, Ireland and Spain.

#### **More Downs**

The biggest loser of the year was the Iranian container port Shahid Rajaee, whose volumes plummeted 23.9% to 1.8m TEU.

Shahid Rajaee has had a tough couple of years; it reported an 18% decline in 2012, as global sanctions aimed at derailing Tehran's nuclear ambitions took hold.

Moves to ease the sanctions have brought hope that the port may be able to put the brakes on the downward trend in 2014.

The other big losers were Taicang, which caters for the stagnant Japan-China trade, and Seattle, which suffered from the Grand Alliance — now the G6 Alliance — switching to neighbouring Tacoma in 2012.

Looking at trends across the world's regions, the top Asian port outside China was Singapore, which reported growth of 3.1% on 2012 to 32.2m TEU.

Busan was the second-largest non-Chinese Asian port, its volumes increasing almost 4%, thanks to expanding intra-Asia traffic.

#### **Other Movers and Shakers**

In North America, Long Beach closed the gap on Los Angeles as it won back volumes that it had previously lost to its close neighbour.

And Tacoma had a great year with an 11.9% volume increase as it prepares for the arrival of larger ships. The Pacific Northwest port already has the water depth, with no dredging needed for these larger vessels.

In the Middle East, Dubai continued to dominate, the main mover being Port Said, which climbed ahead of Sharjah/Khor Fakkan.

In South America and the Caribbean, the Brazilian port of Santos climbed to the top spot on the back of an 8.6% increase in volumes.

However, the fastest-growing port here turned out to be the Bahamian hub, Freeport, which achieved impressive growth of 16.7%, catapulting the port to 94th place, having just scraped into the top 100 rankings last year.

## **Keeping Personnel Safe**

Shipping is perhaps the ultimate global industry and one of the greatest challenges for any company is how they can send off their people to far flung places without putting them in danger.

It is vitally important that employers access the latest guidance possible on travel security, not only because of their duty of care, but because looking after your people is the right and professional thing to do. It is not enough to simply consider how things are meant to work out – there needs to be attention given to what can go wrong and how contingency plans can be managed and applied.

There is much to be considered with travel planning – and of how personnel can be protected against crimes such as mugging, assault, theft and even kidnap.

The Security Association for the Maritime Industry (SAMI) has been working with key security providers to develop advice for the shipping industry on best to protect workers in that vulnerable period between home and work site.

Assessing travel risk is of vital importance, as is managing identification and passports, keeping creditcards and currency safe, supplying emergency information, and managing emergency situations, and providing the safest possible accommodation.

Crews sent to join ships or office staff sent to visit them need to be aware of the precautions they need to adopt when travelling. SAMI's Top Ten Tips for safe travel are:



- 1) Stay alert
- 2) Know what kind of problems to expect
- 3) Know where your passport is at all times
- 4) Have photocopies of passport and air tickets and keep scanned copies available within an email account
- 5) Avoid drawing attention to yourself
- 6) Travel light
- 7) Leave the Rolex at home wear your Casio
- 8) That short walk alone from the hotel will be the one that sees you robbed
- 9) Unpredictability is a good defence against kidnap and;
- 10) Keep a list of key contacts easily accessible.

# The Devil You Know: Managing Social Media



Skuld P&I Association has issued a new Advisory to Members in which it assesses the threats and opportunities posed by, what they term, the "dramatic rise of social media". Especially as ever more powerful smart phones and other such devices are connected to increasingly wide bandwidth satellite communications systems onboard.

According to Skuld, this has led to a situation where any incident or accident can become instant news and shipping accidents in particular capture the public imagination as well as the attention of the news media across the globe.

While the technology and the media can be very useful, they also represent significant challenges if misunderstood or mishandled. Reputational management is important for anyone involved in the shipping industry, whether it concerns the normal matter of a company's general reputation or its involvement in case of a major incident.

In the briefing note the Clubs' members are provided with information regarding the issues and pitfalls of the new media and the steps companies can take to manage the process.

Owners are urged to consider including a media policy in both their regular employee manual as well as their emergency response plan, and to have a designated company spokesperson who can respond officially to enquiries from the media. Such person would benefit from training in this field to ensure they are prepared to deal with the situation as it may develop.

On the same matter, Videotel has released a new programme, Social Media at Sea, addressing the dangers of inappropriate use of social media by shipboard personnel.

The programme is aimed at all seafarers who use social media sites on board. "The objective is to make them aware of the pitfalls associated with the publishing of text, pictures and video clips and to provide

the tools to ensure accurate, respectful and responsible posting, in line with any social media policy in place," said Videotel CEO Nigel Cleave.

Since shipboard Internet access is common, seafarers must be aware of dangers to a company's reputation and risk of damage to personal relations among those who live at close quarters for weeks at a time, said the company.

Videotel CEO Nigel Cleave said social media is powerful, "but such powerful tools need to be handled responsibly," he said.

The video shows the shipboard life is no longer the private affair it has been since the days of sail, but its intimacies are potentially available through smart phones and social media to the world.

The Videotel production shows the ship crashing through the waves in high seas with the beer-swilling crew below listening to one of their number dancing while giving a karaoke performance.

Cut to one crewman posting his smartphone footage to a social media site via his laptop. Then cut to newspaper front page photo with the dancing seafarer under a headline saying: "Is this responsibility at sea?!" We are then taken to our sacked seafarer wandering forlornly on a beach in the south of England, soon to be pursued by a female journalist, who explains the perils of social media. Subtle it ain't, but perhaps the heavy handed approach is necessary – as time and time again people make social media faux pas which could have serious implications.

In one case, she said a crewman ranted libellously against an officer, saying he was "incompetent" and had "imperilled the ship" before posting this on social media, which resulted in a loss of contract for the company.

In another case, an otherwise harmless photo of a group of seamen on deck caused bureaucratic rockets to ricochet around the fleet when it was noted by higher ups that one crewman was smoking under a no smoking sign.

Said Mr Cleave: "The objective is to make them aware of the pitfalls associated with the publishing of text, pictures and video clips and to provide the tools to ensure accurate, respectful and responsible posting."

There are those who bemoan the policing of social media access, and feel that seafarers should be free to post as they see fit – but alas, this is never going to be the case, and instead it will be necessary to develop a mature, pragmatic and respectful approach. A system is required which sees seafarers connected with social media access, but one which see them understanding the potential implications of their actions online.

## **Monthly News Roundup**

# MARITIME LABOUR CONVENTION AND SEAFARER NEWS

### **Repeat Offender Banned From Australia:**

AMSA has issued a direction to the container ship "Vega Auriga" (IMO 9347786) that prohibits the ship from using or entering any Australian ports due to repeated breaches relating to seafarer welfare and maintenance of the ship. The Vega Auriga has been detained by AMSA on three occasions since 25 July 2013 with repeated concerns for the welfare of the crew including improper payment of wages, inadequate living and working conditions. http://goo.gl/Mcbu3Q



Large Container Ship Strikes Dock: A large container ship, the "CMA CGM Attila", struck the dock at Vancouver's Centerm container port one early morning last month. According to the Canadian Press, the Transportation Safety Board has dispatched two officers to investigate the incident, noting that at this point, "the extent of any damage is unknown." The 321 metre-long vessel was constructed in 2011 and flies the Maltese flag out of the port of Valletta. http://goo.gl/5UQGYu

**Risk of Tiredness Pervades:** The Japanese Safety Board has published a revealing and fully illustrated account of an alarming event which took place earlier this year, when a "small" containership – in reality a sizeable enough vessel – loomed out of the pre-dawn darkness in the Inland Sea and smashed into a sea wall at 15 knots. The lone watchkeeper, sitting in the pilot chair, had fallen asleep. This latest "fatigue-related" accident can be added to a long list of similar incidents. **http://goo.gl/5gvxsK** 

**German Owners Ponder Exodus:** German shipping could be hit hard by large-scale out-flagging unless the framework conditions for German-flagged ships are aligned more with other European quality registers, Ralf Nagel, CEO of the German Shipowners Association has stated. The German Shipowners Association, Verband Deutscher Reeder, VDR, warns the federal government of a large-scale out-flagging unless the rules for German and European crews working on German-flagged ships are eased.

http://goo.gl/x2ivAi

IMB Joins Cyber Warning Calls: The International Maritime Bureau (IMB) is calling for vigilance in the maritime sector as it emerges that shipping and the supply chain is the 'next playground for hackers'. IMB said, "Recent events have shown that systems managing the movement of goods need to be strengthened against the threat of cyber-attacks. "It is vital that lessons learnt from other industrial sectors are applied quickly to close down cyber vulnerabilities in shipping and the supply chain." The threat of cyber-attacks on the sector have intensified in the past few months with warnings of the dangers posed by criminals targeting carriers, ports, and terminals.

http://goo.gl/KJiLYJ

**Pirates Looking for New Skills:** According to new research, pirates off Nigeria and the Malacca Strait are developing more complex but much more lucrative tactics to attack shipping. The new moves involve recruiting someone who knows how to find and turn off tracking devices as well as someone familiar with marine engines. Then the pirates use their own personnel or force the crew to move small tankers to remote locations where most of the cargo (of oil) can be transferred to another ship and later sold on the black market. This requires a lot of organization, nerve and luck there have been at least two pirate gangs, who have the capability. **http://goo.gl/9GoxpF** 

**Learning Lessons on Confined Spaces:** The Marine Accident Investigation Branch has released its report into the deaths of three crew members on board Suntis on May 26, 2014. At about 0645 on that day, while the timber cargo on board the German registered general cargo vessel was being discharged, three crew members entered a cargo hold access compartment. Another crewman saw one of his colleagues collapse in the compartment and raised the alarm. A frantic rescue operation ensued. During the recovery of the three unconscious crewmen, safety equipment was used incorrectly and inappropriately. The three crewmen did not survive. **http://goo.gl/l7iLWU** 

**Tanker Owners Confident of Growth:** Owners of large tankers may still have been losing money but confidence appears to be growing. Increased earnings in the second quarter and further increases at the start of the third quarter underpin the better news story. While VLCC earnings have yet to see the benefit, hovering just above \$20,000 a day, suezmax and aframax spot market earnings in the third quarter to date are at their highest for Q3 since 2008. Teekay Tankers ceo, Kevin McKay, believes growth will come based on, "stronger oil demand, limited tanker fleet growth and improving global economic conditions". **http://goo.gl/RnOET3** 

Call for Limit on Ballast Management: Denmark will lobby for shortsea shipping to be exempt from the Ballast Water Management (BWM) Convention at IMO's next Marine Environment Protection Committee (MEPC) in October. The Danish Shipping Association (DSA), Danish Maritime Authority, Danish Nature Agency and Interferry approached IMO over possible exemptions, arguing that for short-sea operators – citing a 4 km ferry route between Helsingør in Denmark and Helsingborg in Sweden by way of example – to be forced to install expensive BWM systems designed for inter-continental shipping is "meaningless". http://goo.gl/XW5Qlx

**Epicentre of Nigerian Piracy:** There is no sign of the Gulf of Guinea piracy problem abating, and experts believe they have identified the epicentre of pirate activities. Last month saw four piracy incidents in the region, including one hijacking, two confirmed or suspected kidnaps and one suspicious approach, according security consultant Bergen Risk Solutions (BRS). Analysis of vessels released off Ondo state, Nigeria, indicate that all activities have been conducted off the town of Aiyetoro, located half-way between Lagos and Escravos. "This area now appears to have solidified as the primary disembarkation location of the hijacking gangs," BRS added.

## http://goo.gl/ClQYZU

Calls for Safer Ports: Regional trade body Asia-Pacific Economic Cooperation (APEC) aims to improve port and shipping safety, especially where container transportation is concerned. APEC said this during its Secure Trade in APEC Region Conference in Beijing, China. "Huge traffic volume, sophisticated concealment methods and diverse routing make container transportation increasingly vulnerable," Dmitry Feoktistov, deputy director of the new challenges and threats department at Russia's Foreign Affairs Ministry, said. There have been calls by the US and other countries to inspect containers that pose terrorism risks in their ports of origin, before they are loaded. http://goo.gl/SuqvWK

**US Box Imports Breaking Records:** Containerised imports arriving at US ports are expected to set an all-time record in August. Retailers want to take no chances against the possibility of industrial action by West Coast dockers, and so are stocking up on their holiday season sales early, the monthly Global Port Tracker report released Monday (11 August) by the National Retail Federation and Hackett Associates said. It estimates that total imports at major ports tracked by the survey will touch 1.54M containers this month, the highest monthly volume since NRF began tracking import volume in 2000 and just beating the record of 1.53M containers established in July. **http://goo.gl/lxfzVw** 

**Gulf of Guinea Gamechanger:** An attempted hijacking of a product tanker 200 nm offshore Nigeria at the weekend could be a "game changer" in Gulf of Guinea piracy warn security firm Dryad Maritime. According to Dryad a product tanker transiting 200 nm south of the Nigerian shoreline on 9 August encountered a radar contact with a vessel, believed to be a pirate mothership, drifting along its track. Three smaller vessels then opened fire on the tanker and made an unsuccessful attempt to board from the stern. While the attack was unsuccessful Dryad warn that a well-planned attack 200 nm from shore represents a change in tactics by the pirates. **http://goo.gl/lwX9ux** 

**Bulk Firm Goes Bust:** Eagle Bulk Shipping filed for bankruptcy on Wednesday, the latest in a string of shipping companies to make a Chapter 11 filing, and said it reached agreement with its lenders to cut its debt by \$975 million. The U.S. company said in a statement that creditors who hold more than 85 percent of its loans have voted in favour of a proposed reorganization plan. Getting creditor support for a "prepackaged" plan before filing for Chapter 11 can dramatically cut the time a company spends in bankruptcy. Eagle Bulk filed in Manhattan's U.S. Bankruptcy Court. Lenders would receive nearly all the stock in the company in return for what they are owed. **http://goo.gl/NF0zld** 

Whole New Suez Beckons: Not seemingly content with its ongoing works to widen and improve the existing Suez Canal, Egypt said on Tuesday it plans to build a new Suez Canal alongside the existing 145-year-old historic waterway in a multi-billion dollar project to expand trade along the fastest shipping route between Europe and Asia. The project, to be run by the army, is a major step by new President Abdel Fattah al-Sisi to stimulate Egypt's struggling economy and recalled some of the grand national programs of one of Sisi's predecessors, army strongman Gamal Abdel Nasser. The Suez Canal earns Egypt about \$5 billion a year, a vital source of hard currency.

### http://goo.gl/Qarh5W

**P&I Club Newbuild Concerns:** The North P&I club has warned its members to check their new ships very carefully before accepting delivery. The club says it has become aware of several of instances of potentially dangerous poor construction in the newbuilding market. According to NORTH, 'We have been made aware of instances recently where newly constructed bulk carriers and general cargo ships have been delivered from the shipbuilder with partly completed or poorly constructed ladders in the cargo holds.'The club reports cargo hold access ladders, platforms and their cages constructed and secured to the bulkheads only by tack welds, rather than being fully welded. **http://goo.gl/GPgo80** 

**Banks Swoop to Arrest Vessels:** A products tanker controlled by Elmira Tankers Management of Greece has been arrested in Singapore. The 13,900-dwt products tanker Liquid Silver (built 1999) was arrested at the request of law firm of Rodyk & Davidson LLP. TradeWinds reports a general cargo ship controlled by Intersee of Germany was also arrested in Singapore. This was understood to be the 11,100-dwt general cargo ship Leandra (built 2008) which was arrested by lawyers from Asia Practice LLP. Early indications are that banks are behind the arrest of both ships. **http://goo.gl/SdVhCl** 

Shoreleave Survey Reveals Rip off: Shore leave significantly improves seafarers' health and the safe and efficient operation of a vessel according to the Seamen's Church Institute's (SCI) Center for Seafarers' Rights. The group has collected data pertaining to shore leave as part of its annual Seafarer Shore Leave Survey. Asking port welfare workers in 27 ports across the United States to monitor seafarers' shore leave on vessels. Results show the large majority of seafarers denied shore leave are denied it because they lack visas. There are also concerns that gaining access to areas outside the port can be expensive and strenuous as seafarers must rely on transport from local sources. http://goo.gl/ptptV5

Anger at Photocopied Charts: A bulk carrier at Abbot Point coal port in Australia has been detained for crossing the Great Barrier Reef without the required nautical charts. The second officer of Hong Kong-flagged "Bulk Ingenuity" was fined AUD85,000. The master was also fined USD116,000. The Great Barrier Reef and Torres Strait Vessel Traffic Service (REEFVTS) picked up the vessel outside the designated shipping area (DSA) en route to the coal port from China on 21 July, the Australian Maritime Safety Authority (AMSA) reported. AMSA said the vessel had relied on photocopied charts for navigation, and ignored the Great Barrier Reef Marine Park. http://goo.gl/at4qsm