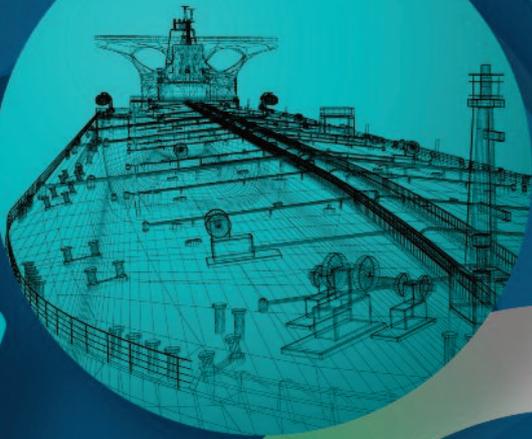




The Swedish Club



# ESG and the life cycle of a ship

New online loss prevention training launched

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# Into our 150th year

The COVID-19 pandemic continues to affect our personal lives, the business environment and the Club. However, things have now begun to change, and society is slowly returning to pre-pandemic conditions. Behavioural science tells us that it takes 60 days to change a habit. That is a long time indeed. Logically, it will then take another 60 days to make the shift back to normal workplace behaviour. Consequently, business leaders spend a lot of time considering how best to re-engineer processes and to deliver equivalent or improved values.

I think we have learnt a lot about the changed habits necessitated by the transformed way of working. Digital possibilities have taken a new dimension. The outreach we have experienced in relation to the Club's loss prevention projects is commendable. Members and business partners have shown great interest in the Club's experiences on the casualty side and the lessons we have learned. These digital initiatives will be the new normal and our new online

platform delivers both efficiency and opportunities for enhanced training.

I have also experienced the joy and value of meetings IRL. Where possible we have started to travel again even though entry requirements are troublesome. People want to interact and to meet in person. The Club offers its members trust, and trust is better delivered beyond digital means. Our ambition is to continue to build personal relationships so that we can ensure we meet the unique needs of every member.

Next year will be historic for the Club. The mutual - Sveriges Ångfartygs Assurans Förening - established in Gothenburg in 1872, will celebrate 150 years of dedication and partnership with members. From steam engines in wooden hulls to today's high tech ship solutions, The Swedish Club has moved with the times and shown an ability to adapt. The mission has been the same: to provide high quality and cost-effective insurance solutions.

The anniversary will be celebrated in our markets throughout next year. The Club's Annual General Meeting on 16 June 2022 is planned to be an even more special occasion. We look forward to sharing this moment of pride with members and business partners. 150 years is a respectable voyage. Most important for us, however, is to have the trust of our members and business partners going forward.

Many interesting topics and articles are featured in this edition of Triton. There are never two Tritons alike. I hope you enjoy reading and please stay safe. 🙏

**Lars Rhodin**  
Managing Director

# Safety scenario

## Broken davit wire on rescue boat



By Joakim Enström, Loss Prevention Officer

Each month the Club's Loss Prevention team issues a new safety scenario to assist members in their efforts to comply with international safety regulations and to follow best practice. Visit Swedish Club OnLine (SCOL) for more examples.

### CASE STUDY

The vessel was lying alongside at the first port of call since it had left dry dock. The Master decided to carry out a man overboard drill, as the weather was favourable, and as the davit wire for the rescue boat had been replaced while in dry dock he wanted to ensure that all was in order. He told the Chief Officer to have the rescue boat ready for early afternoon.

Before going into dry dock the Chief Officer had ordered a new wire but the wire he received was of a smaller diameter. He assumed that the wire would be an acceptable substitute as it was just 2mm smaller than the original.

After lunch the rescue boat crew proceeded to the launching area. The Second Officer held a briefing with the rescue boat crew and all others involved. The rescue boat crew included the Second Officer and two ABs. The bosun

was in charge of the davit winch and the Chief Officer was monitoring from the deck. The Master was monitoring from the bridge.

The crew boarded the rescue boat in the stowed position. They were wearing the correct safety equipment and safety harnesses, which they secured to the rescue boat to prevent them from falling overboard.

The bosun started to lower the boat at slow speed, and when the davit was fully extended he increased to high speed.

The rescue boat's engine was started just before the rescue boat hit the water and the hook was released when the boat was in the water. The drill was uneventful and the boat returned to the hook to be hoisted back into position. The bosun raised the boat at high speed and when it was near the main deck he switched to slow speed. The crew did not disembark on the main deck, as the plan was to disembark when the boat was in the stowed position.

***This sudden increase in power caused the wire to break and the boat to fall more than 20 metres into the water, taking the crew members with it.***

The bosun continued to hoist the boat at slow speed to the stowed position and expected that the proximity switch would shut down the motor before the davit arm made contact with the structure. As the proximity switch was not operational this did not happen and the motor applied even more power.

This sudden increase in power caused the wire to break and the boat to fall more than 20 metres into the water, taking the crew members with it.

One of the crew members was stuck in his safety harness underneath the boat and drowned. The other two crew members were seriously injured. 🚨

## Upon investigation the following information was established:

1. The Chief Officer was unaware that the davit winch motor was too strong for the replacement davit wire.
2. While in dry dock an electrician had replaced the fuse in the circuit board of the davit winch motor. He had replaced the original fuse with a much higher amperage fuse.
3. It was also the case that the electronic proximity switch was not working. When the rescue boat had been washed down with the high-pressure hose, moisture had entered the system through the cover of the proximity switch, causing a short circuit.

The vessel's SMS states that the crew should always check that the proximity switch is working before they use the rescue boat. The proximity switch was not tested.

The proximity switch is intended to cut power to the winch motor when the boat is close to being in the stowed position. This is an emergency device to ensure that the winch motor does not put too much stress on the davit wire. It is essential for preventing possible catastrophic failure. The davit had only one proximity switch so there was no back-up.

This over-compensation might have been prevented if the correct fuse had been in place.

4. According to the manufacturer's manual, the winch operator should stop the winch before the proximity switch is activated. There were no marks on the davit to indicate to the operator when to stop.

When discussing this case please consider that the actions taken at the time made sense for all involved. Do not only judge but also ask why you think these actions were taken and could this happen on your vessel?

### Ask yourself:

- What were the immediate causes of this accident?
- Is there a risk that this kind of accident could happen on our vessel?
- How could this accident have been prevented?
- Which sections of our SMS would have been breached if any?
- Is our SMS sufficient enough to prevent this kind of accident?
- If procedures were breached why do you think this was the case?
- It is very important to monitor sensitive electronic equipment on deck and ensure that it is not washed down or painted over. Is this addressed on board our vessel?
- Has the increased risk of electronic malfunction occurring because the vessel trades between tropical and colder climates been addressed?
- Do you board the rescue boat in the stowed position or at deck level?
- The risk of serious injuries increases substantially with the height from where a survival craft is launched. What is the height for our survival crafts?
- Is this height a concern?
- Do you check the davit proximity switch before the boat is used?
- Are the davit limit switches included in the PMS?
- Are you aware of the winch motor's capacity and the required diameter for the wire?
- Do we have a risk assessment on board that addresses these risks?
- Would a work permit have identified these risks?
- Is there any kind of training that we should do that addresses these issues?

# Opinion: Oil spills during bunkering operations



**Pepe Bolaños**  
Gibraltar Strait Surveyors

We have seen oil spills during bunkering happening all too frequently. In most cases these spills occur as a result of bad practice from either the barge, the truck or the ship during the operation.

## Causes

The most frequent causes of these spills are:

- Lack of preparation and control of the valves and pipes of the nominated tanks by the ship's personnel.
- Equipment failure, due to lack of maintenance.
- The crew's lack of familiarisation with the process of filling, transferring and emptying the fuel tanks.
- Excess supply pressure, exceeding the values previously agreed between ship and barge (maximum flow rate).
- Overconfidence and unwarranted distractions.
- Crew fatigue.

## Industry advice

With spills occurring with such frequency, one could be forgiven for thinking that crews receive insufficient advice and instruction on handling such operations. Yet we see any number of articles and publications advising how to avoid incidents of this nature. They are detailed - covering the pre-loading plan; watch stander and personnel duties; the training required for bunker crew; and the procedures that need to be put in place for every stage in the process of bunkering.

## The root cause?

So why is there still a problem? Is there simply too much information? Is it that those working in the industry do not fully appreciate the environmental impact of

what they may see as small spills - nothing compared to major disasters such as the *Torrey Canyon*. Or is that when considering the environment, it is easy to believe that the problem is not ours and that the culprit is always someone far away?

## Cargo tanks - thinking outside the box

We believe that more can be done, and that in addition to the official guidance there is a simple solution to the problem of oil spills that can be found by examining other areas of our business.

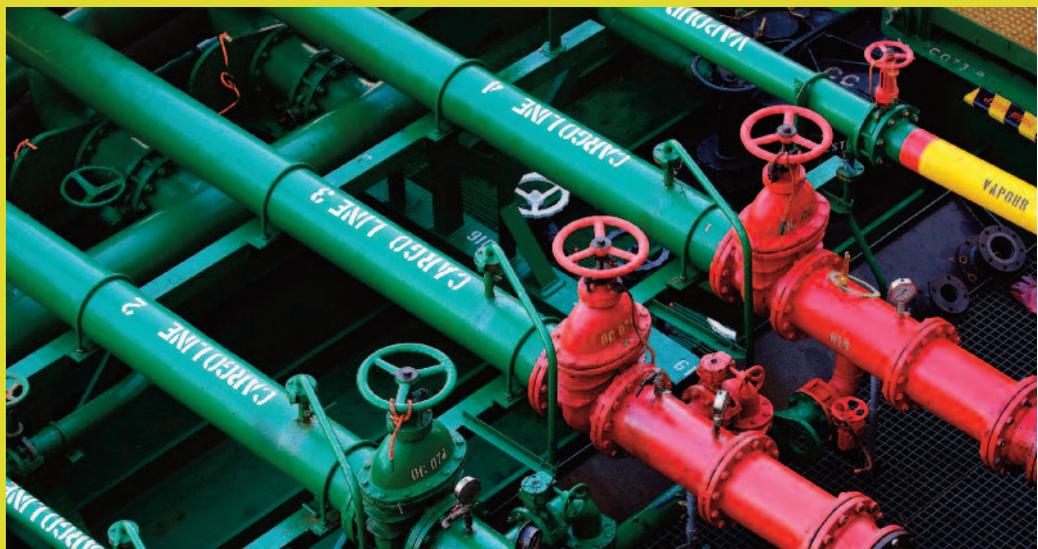
At present the control of storage tanks during bunker operations is entirely dependent on crew members' knowing which storage tank or which valve to open or close. Of course, as we have seen, sometimes they make irreparable mistakes that lead to tank overflows and hydrocarbon spills into the sea.

Yet in the case of oil tankers and chemical tankers, MARPOL regulations

require the levels of liquid cargo in the cargo tanks to be regulated through the fitting of audible and light alarms which sound when the high and overfill levels (95% and 98%) are exceeded. We believe that the same solution could be applied to the bunkering process.

We would propose the installation of a high-level device with automatic stop to control the bunker supply in fuel storage tanks. This would be technically very simple to install, and the benefits in avoiding oil spills would be considerable. The associated costs would almost certainly be offset against the cost of fines and clean-up operations.

With the world increasingly focusing on the environmental consequences of our actions, we believe it is the duty of every stakeholder in the maritime industry to challenge their own processes and come up with ideas to address some of the environmental challenges that face us in our workplace every day. 🌱



# webinars

## Addressing lubrication failure

The latest in the Club's loss prevention webinar series, Lubrication Failure, was broadcast live from Studio Mutual Gothenberg on 28 October.

In-house experts Andreas Olsson, Marine Engineer and Peter Stålberg, Senior Technical Advisor lead the audience through the latest statistics, a case review, hands on advice, and handled the viewer's questions and answers.

With 1,900 machinery and equipment claims reported in the last 10 years, the Club is well placed to provide an insight into key issues in this area. Indeed, in that period, 20% of the Club's main engine claims were caused by lubrication failure, with an average claims cost of USD 360,000 dollars.

Andreas Olsson observed that it was often the case that issues that were seen as small end up being responsible for large claims, for example water in engine lubrication oil, faulty lubricating filters and incorrect maintenance.

Peter Stålberg shared a number of case studies covering some of these factors and demonstrating just how easily these issues can arise.

The webinar concluded with questions from the audience, the quantity and range further demonstrating the importance of loss prevention advice in this area.

As always, a recording of the video is available on the website. Please visit <https://www.swedishclub.com/training/webinars/>



## Anchor loss

The Swedish Club joined DNV and Gard last month in a webinar aimed at tackling the problem of anchor loss. Statistics show that from 2019 to 2020 loss and damages from loss of anchor increased by more than 20%.

Experts Joakim Enström, Loss Prevention Officer from The Swedish Club; Jarle Fosen, Senior Loss Prevention Executive at Gard; Marit Norheim, VP/Materials Specialist at DNV and Ioannis Tsarouchas, Principal Engineer at DNV joined to discuss exactly what is going wrong, and to suggest solutions to minimise or prevent these incidents.

The session covered risks and what goes wrong during anchoring, how to prevent incidents, the rules and regulations, awareness of design limitations and causes of anchor loss/damage. Case studies were presented by both The Swedish Club and Gard, with a discussion on lessons learned followed by a question and answer session with the audience.

The team identified four key preventative measures that every vessel can take:

1. Be aware of equipment limitations, both environmental and functional.

2. Set up an action plan when dropping anchor with easy to understand actions based on design limits.

3. When at anchor be on a state of alert and be ready to recognise dangerous situations and sail away if necessary.

4. Train your crew, and they will perform well under emergency situations.

A recording of the webinar can be seen at <https://www.swedishclub.com/training/webinars/>

# Inside story: Launch of the Club's new online loss prevention training

On 24 November The Swedish Club launched Loss Prevention Training - Online, its new, long awaited loss prevention training programme. In this new venture, the Loss Prevention team has combined real-life scenarios with the opportunities provided by video and improved connectivity, to deliver a series of online training courses designed for high impact and realistic seafarer training both on board and onshore.

In its mission to reduce accidents, improve safety, save lives and protect the environment, the Club can draw on a vast amount of knowledge, experience and statistics from previous claims incidents. Interpreting and communicating that valuable knowledge to members is a vital part of the loss prevention programme.

## A real life approach

"Our aim is to share the claims data and information we have with our members, to help them to train their seafarers to improve safety and reduce risk," says Lorraine Hager, Loss Prevention & Marketing Advisor at the Club. "A big part of that to date has been our

Emergency Response Training (ERT), which was being regularly organised at the premises of members before COVID-19.

"We thought we could package something more 'readymade', based on real life cases we have seen. With ERT we bring together a lot of different actors for the exercise – but with these online packages, the training can be conducted at officers' conferences or on board ship."

The team has produced five cases, each of which includes a short animated film of the incident and a voiceover PowerPoint presentation on lessons learned. The facilitator should have a good understanding of the scenarios



**Lorraine M. Hager,**  
Loss Prevention & Marketing Advisor

presented - their role is to coordinate the activity and facilitate the discussions that follow.

## A range of topics

The five case studies include a tragic incident of personal injury on board, in which a seafarer lost his leg because of miscommunication and lack of checking. "Small things that are overlooked can lead to accidents," says Hager. "We need to reinforce the message that a minute's carelessness can have serious consequences. These types of cases are terrible, but sometimes the lessons learned are forgotten – seafarers need to refresh their knowledge."



**The team has produced five cases, each of which includes a short animated film of the incident and a voiceover PowerPoint presentation on lessons learned.**

The other case studies involve a piracy attack, a stowaway, a cargo fire and a collision. The plan is to add more cases in the longer term.

#### **Successful pilot programme**

In the initial pilot stage, four members of The Swedish Club have been testing the five packages and providing feedback to the Loss Prevention team. This feedback has been very positive, and the Club has used the comments received to further develop the programme.

#### **Flexibility**

“Members can organise this training to happen anywhere and that is the

advantage of it,” says Hager. “They can access the training material for monthly meetings on board or whenever they have free time.”

Users are provided with log-in details by The Swedish Club to download the handouts and access the video online. The materials are also available on USB for those members concerned about their connectivity.

#### **Cost effective**

Loss Prevention Training – Online is reducing learning costs for members because the training can be provided anywhere, any time. “It reduces the geographic constraints, and we don’t

## LOSS PREVENTION

need to go to conferences or go on board to help the seafarers with the training," says Hager. "If we update materials or add to them, it is already online – there is no need to tear things up and start again."

### Webinar launch

Following the pilot stage, the programme was officially launched during a webinar in November. This was run as a mini online training session, giving webinar attendees the opportunity to get a taste of the training in real life for themselves. This webinar can be accessed by visiting the 'Webinars' page on the Club's website.

### Easy to use

The videos are particularly valuable because they are interesting and easy to understand, says Hager. "They offer real added value – giving users easy access to the training materials and providing the discussion questions. During the pandemic, a great deal of training has gone online and there has been a lot of e-learning for seafarers. People are getting used to this type of training. Of

course we need the face-to-face training as well – but this works well alongside."

### Time for reflection

There will be someone designated to facilitate the training, so the discussions will be 'real', she points out. "Probably people will have more time to think about the questions in this type of training, rather than having to answer on the spot as you would in a 'live' training session. The seafarers can have the opportunity to reflect more on the comments before moving on to the next slide. Alternatively, the seafarers could review the case study online beforehand

so they have more time to really think about what happened in this case and what could be done better; in this way, the discussions will likely have more depth to them because the learner has had more time to consider the situation."

In short, the online opportunities can be adapted to suit specific requirements, to the advantage of those involved.

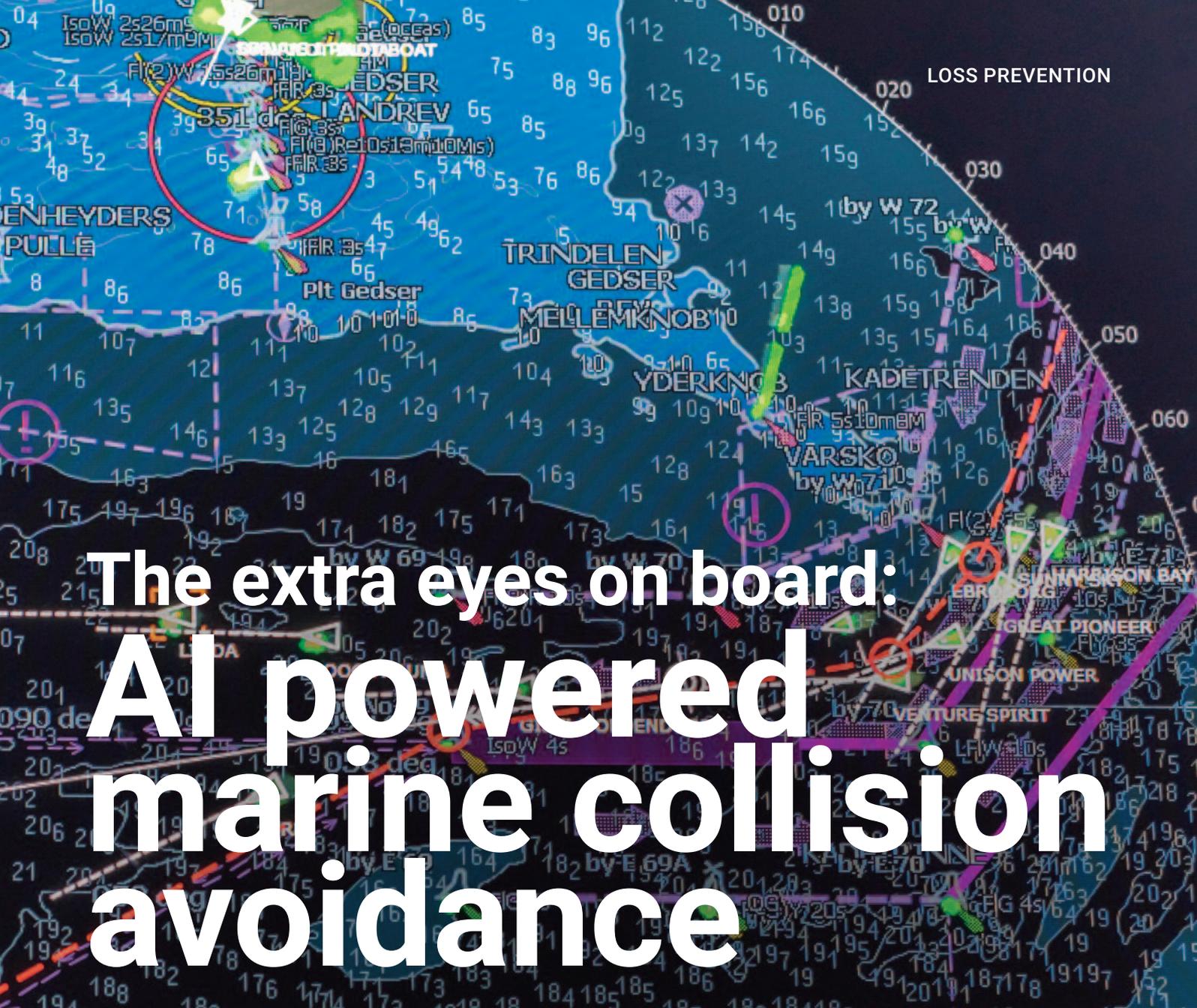
After the official launch, the Club will provide log-in details to interested members.

Alongside putting together the case studies and working with the specialist animations company, the Loss Prevention team is working on creating a new online training platform which will become a hub for all of The Swedish Club's training, including the popular Marine Insurance Course. Details will be announced shortly.

For further information on how the Club's new Loss Prevention Training – Online courses can support your fleet, please contact [lossprevention@swedishclub.com](mailto:lossprevention@swedishclub.com). 📧

**Loss Prevention Training – Online is reducing learning costs for members because the training can be provided anywhere, any time.**





# The extra eyes on board: AI powered marine collision avoidance

**The Swedish Club's analysis shows that about 80 per cent of all vessel collisions take place in water which would be defined as congested, such as approaching port, in the anchorage, in coastal waters, in canals and rivers, or in traffic separation scheme areas. The most immediate cause of a collision is lack of situational awareness – or, to put it another way, the bridge officer is not fully aware of what is happening around a vessel and is not aware of the consequences of what he does, whether action or inaction. So what are the solutions to this ongoing problem?**

AI (artificial intelligence) is increasingly being used to prevent collisions and enhance fleet safety. A leader in this field is Orca AI. Founded in 2018, its team

brought together marine and technical experience to develop a system that uses AI technology and machine learning to increase situational awareness at sea.

## Too much information

Philip Nielsen, General Manager Europe, explains: "Most accidents happen in congested areas such as the Straits of Malacca or the English Channel, or when vessels enter and leave ports. And it seems the technology [on the bridge] especially in these congested areas, gives the crew a somehow complex, confusing, noisy picture of the situation. Today's tools can actually lead to a low level of situational awareness.

There is naturally a good match between Orca AI and The Swedish Club in that both are working to the same goal – enhancing safety and efficiency and reducing incidents, he says.

"Interestingly, Orca AI's data confirms many of the collision hotspots identified by The Swedish Club's TELP (Trade Enabling Loss Prevention) solution.

"At Orca AI, we asked – what could we bring to the bridge that would be a real game changer?" explains Nielsen. "What kind of technology could we build that would enhance the capabilities we already had?"

## Marine collision avoidance system

Orca AI's marine collision avoidance system collects data through vision sensors fitted to the bridge, which detect multiple objects in the vicinity, then fuses this visual feed with information from the other nine existing navigational sensors, such as radar and GPS.



## Shipping companies told Orca AI that low situational awareness in congested areas and a shortage of experienced crew were two key safety concerns.

"We created a lookout unit which produces a computer vision via three high-definition cameras and three thermal cameras that can detect very small objects very early – such as fishing vessels - under very low visibility situations," adds Nielsen.

A machine learning algorithm then analyses and prioritises all the data and risks, helping the crew to understand clearly any difficult or dangerous situation and take the best decision.

### Safety concerns

Shipping companies told Orca AI that low situational awareness in congested areas and a shortage of experienced crew were two key safety concerns.

"With so many inputs on the bridge, there are distractions, which are a particular problem among the younger and less qualified officers, causing confusion and

uncertainty," says Nielsen. "Also, we hear there is no effective onboard training tool for officers which is based on real life scenarios. From the office perspective there seems to be a lack of real time visibility regarding near misses of vessels – but also the risk patterns of the total fleet."

A lot of companies told Orca AI they were concerned as to whether their SMS (Safety Management System) was being followed and enforced correctly at all times, adds Nielsen. Also, in the event of an incident, how could a shipping company access real time voyage records in an easy-to-use way?

Orca AI has expanded its solution to a second level – creating a safety platform which maximises the value of the data gathered. "We are turning all the raw data into insight that will help mitigate risk and also safeguard the [shipping] company."

### Using the system

Dor Raviv, CTO and co-founder of Orca AI, says that deep learning algorithms perform real-time marine target detection, tracking, classification and fusion, to create situational awareness in real time. "What do you do with this? You wrap it up and present it in a beautiful user interface which is very easy to understand. Aids to navigation, docked ships, navigational hazards are all labelled."

Shipping is changing and oceans are more congested than ever, says Raviv. "Younger crews have more access to technology and understand it better. AI algorithms work in the real world."

### Making sense of the data

Vessels today create massive amounts of data, from sensors to visuals to action taken, he points out. Orca AI's system processes the data in the Cloud to generate meaningful insights for fleet managers, providing visibility and transparency even of near misses. "Orca AI is looking for anomalies. Vessels are expected to sail from point A to point B as fast as they can. We try to analyse, for example, why a vessel spent so much time outside port. We can benchmark

Orca AI is working with several classification societies, on the research side to understand and benchmark the deployment of AI to ships, and on the regulatory side to create class standards for systems like this.

operations and our platform allows analysis and debrief from a specific incident.”

### A growing need

Orca AI is currently installed on 80 ships, including gas carriers, tankers, container ships and bulkers. Installation is designed to be simple – some clients have installed it by themselves.

Co-founder and CEO Yarden Gross told Triton that vessel numbers using the system exceed 100 by the end of 2021. Next year the number will be 300 and he expects to exceed 1,000 installations in



From left: Dor Raviv and Yarden Gross, co-founders of Orca AI.

2023. “The scale here is huge – some shipping companies started by installing the system on two or three vessels and are now looking to expand to the rest of the fleet.”

Orca AI is working with several classification societies, on the research side to understand and benchmark the deployment of AI to ships, and on the regulatory side to create class standards for systems like this.

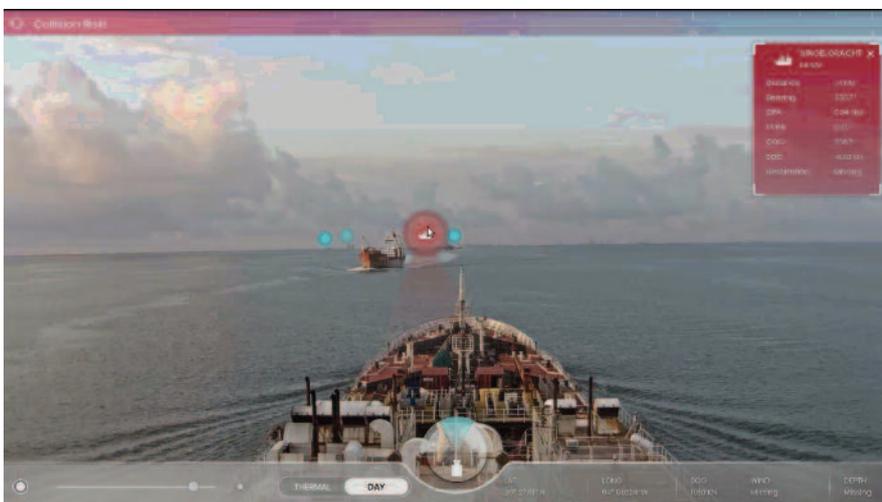
“AI is an enabler but doesn’t necessarily create any value in itself,” says Gross. “Shipping companies want to see value, by enhancing safety and reducing cost, and that is what they are investing money in. It was important for us from the beginning to have a feedback loop and improve our offering all the time, deploying the capabilities that they are requesting.”

“Shipping companies want to see value, by enhancing safety and reducing cost, and that is what they are investing money in

### The importance of connectivity

The rapid improvements in ship connectivity are the real accelerator. “Shipping has been super conservative, more than other industries. That is because ships have been isolated. But now there is a major change – connectivity is going to transform the entire industry and it will do it very quickly. When the ship is completely connected to the Cloud, you will be able to deploy technology much more easily and make the operation more efficient. These are exciting times.”

Orca AI can send data to the Cloud and in real time it can show and provide insights about specific ships, fleets, regions, etc., says Gross. “We can provide information about ships sailing in a dangerous way. Another use case is around claims management. We have ‘eyes’ on the ship; we see everything. Even a near miss is an incident, and something to be learned from.”





# The problem with bauxite

The IMO, in CCC.1/Circ.2/Rev.1 dated 20 September 2017, introduced a new category of bauxite cargo, known as 'bauxite fines' in Group A of the IMSBC Code. Bauxite fines are a particular type of fine-particulate bauxite that are liable to liquefy or experience dynamic separation. The recommendations in CCC.1/Circ.2/Rev 1 were adopted as IMO Resolution MSC.462(101)) and came into force on 1 January 2021.

Since that resolution there still appears to have been a number of incidents of loading and shipment of bauxite cargoes, which may have liquefied or exhibited dynamic separation during the voyage. The question arises as to whether that cargo was incorrectly declared as Group C (solid bulk cargoes not prone to instability) rather than being classified as Group A (solid bulk cargoes prone to liquefaction) in accordance with the recent IMSBC code update for bauxite.

## Differentiating between Group A and Group C bauxite

It is important to remember that, aside from bauxite fines (Group A), other kinds of bauxite cargo are still classified as bauxite (Group C).

The objective of the IMSBC Code updates is to identify bauxite cargoes that are prone to moisture-induced instabilities that can be of a sufficient magnitude as to affect the vessel stability. Consistent with the IMSBC framework, this is done by considering

the range of particle sizes in the cargo as loaded and using that to screen out the high-risk cargo (Group A, prone to moisture-induced instability) and the low-risk cargo (Group C, not prone to moisture-induced instability). This is illustrated by *figure (i)* on page 17, which depicts an ideal cargo of coarse and fine particles, and examines the changing nature of the cargo as the amount of fines increases.

A cargo dominated by coarse particles would be free draining and so would not tend to generate high pore water pressures associated with moisture-induced instability. This is called an 'under-filled' soil fabric as the pores between the coarse particles are not filled by fine particles and remain available to ensure that the material is free draining. This would be a Group C cargo. At the other extreme, a cargo consisting only of fine particles would not be free draining and could potentially generate high pore water pressures under adverse circumstances.



**There still appears to have been a number of incidents of loading and shipment of bauxite cargoes, which may have liquefied or exhibited dynamic separation during the voyage.**

In between, is a critical point at which there are just sufficient fines to fill the voids between the coarse particles. Theoretically, this separates the different classes of behaviour.

**Testing of bauxite cargoes**

However, reality is more complicated, and the coarse particles of some real cargoes are themselves fragile and can break down into finer particles during shipment or on soaking. For this reason, it is very important that testing of bauxite for particle size distribution be carried out by wet sieving, with samples wetted up from the as-sampled water content without pre-drying. This ensures that fragile coarse particles, if present, disintegrate into their finer constituents so that the appropriate particle size distribution is correctly measured for cargo classification. This is recognised in the IMSBC Code changes for bauxite and bauxite fines and may well apply to other lateritic solid bulk cargoes produced by similar geological processes.

Accordingly, the Global Bauxite Working Group, which researched international sea-borne bauxite cargoes on behalf of the IMO (International Maritime

Organization), determined that bauxite cargoes with the following particle size range should be classed as Group A, unless demonstrated to be otherwise by more sophisticated testing. Other bauxite cargoes should be classified as Group C.

**Bauxite fines (Group A):**

- a) more than 30% of the cargo (by dry weight) are particles with a diameter that is less than 1 mm, and
- b) more than 40% of the cargo (by dry weight) are particles with a diameter that is less than 2.5 mm.

It is admittedly difficult for the Master to tell, from a visual inspection, whether the bauxite that is being presented for loading is to be classified as bauxite fines or bauxite. In essence, the Master is obliged to rely on the Shipper's Cargo Information Sheet (CIS). It is a long-standing question as to what relatively simple independent checks could made

It is difficult to say with certainty which geographical areas around the world tend to ship bauxite fines. It is easier to identify the conditions where bauxite fines are not usually found.

test that is often carried out by Masters to gain an impression of the cargo's response to dynamic impact. However, this test method has many limitations that mean that the results provided are only indicative and are not conclusive. One example of the limitations of the can test is that a typical can is too small to contain a representative sample of the cargo, if the cargo contains particles with diameters that are more than about two centimetres. This means that only the fine fraction of the cargo would be tested in the can test and that may not reflect the behaviour of the overall cargo with its full range of particle sizes.

This is not to say that the can test should not be conducted by the Master. As permitted by the IMSBC Code, it should - but the limitations of the test

were taken for the tests should also be recorded and photographed. Photographs of sample locations should not only show the immediate locality at which the sample is taken. There should be lower magnification shots showing the position of sampling relative to the whole heap or stockpile. Videos and photos of the cargo as offloaded from grabs or conveyor belts or trucks are also useful for illustrating the mechanical consistency and behaviour of the cargo and are encouraged. They can then be used for further expert analysis, should the need arise.

### The Cargo Information Sheet

With respect to the CIS, the Master should not simply rely on the shipper's declaration of Group A or Group C but also pay attention to the declared particle size. If the shipper has declared particle sizes within the range given above and has still classed the cargo as Group C, then the Owners should challenge the shippers and the Charterers about this discrepancy in the CIS. In addition, if the shipper has declared the cargo as Group C but has quoted a Transportable Moisture Limit (TML) or Flow Moisture Point (FMP), then this should be queried, as these parameters apply to Group A cargo, not Group C, and may point to incorrect procedures or understanding of the IMSBC classification and testing system (see Figure (i) left).

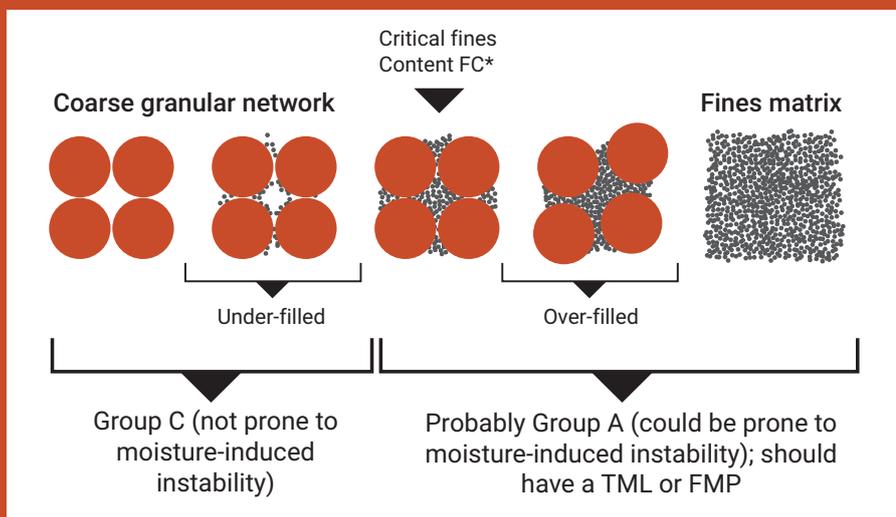


Figure (i) -Particle distribution of an ideal cargo illustrating the gradual change in behaviour

by the Master to give confidence of the Shipper's information. There is no simple answer to this.

### The 'can' test

The can test is recommended in Section 8 of the IMSBC Code 'for determining the possibility of flow', and is a simple hand

should be appreciated – i.e. a passed test does not mean that the cargo is guaranteed to be safe and a failed test does not mean that the cargo is definitely unsafe. If can tests are conducted, we recommend that they are videoed or photographed with a reliable record of the location and time of the test. The locations at which samples

**There is no simple way to tell by sight that the cargo is Group A or Group C.**

**It is admittedly difficult for the Master to tell, from a visual inspection, whether the bauxite that is being presented for loading is to be classified as bauxite fines or bauxite.**

In any case, the Master should request the information upon which the Cargo Declaration is based. This should include cargo particle size distribution curves, date of the applicable test results, frequency of testing and test laboratory. It is also helpful to request the cargo water content test results and the cargo sampling procedure that has been followed.

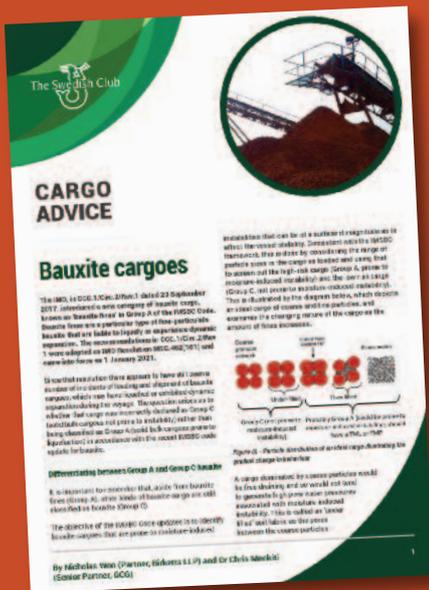
If the shipper has mis-declared the particle size of the cargo and/or the correct classification of the bauxite in the CIS, then this would be a breach of the charterparty by the Charterers.

As there is no simple way to tell by sight that the cargo is Group A or Group C, the general advice is that if the cargo looks very fine and is still classified as Group C, or the certificate is inconsistent as discussed above, then raise an alarm.

### Other indications

It is difficult to say with certainty which geographical areas around the world tend to ship bauxite fines. It is easier to identify the conditions where bauxite fines are not usually found:

- (i) Where the bauxite exists as hard strata that has to be blasted (provided it is not then crushed excessively).
- (ii) Where the bauxite comes out as pebble-sized particles, provided these particles themselves are not fragile and do not disintegrate on wetting.
- (iii) Where the bauxite has been washed to separate the coarse and the fines, and the coarse fraction is being shipped.



The general advice is that if the cargo looks very fine, or the certificate is inconsistent, then raise an alarm.

If faced with having to determine whether the bauxite is safe to carry, these are questions that an Owner could ask the Charterer to clarify (via the shippers) and which could be more clearly worded in the charterparty clauses.

**Some legal considerations**

The Master is entitled to a reasonable period to determine whether they should comply with the Charterers' instructions. Depending on the circumstances, the Master may have acted reasonably in delaying the loading and/or departure of the vessel (pending testing) even if the cargo is subsequently determined to be safe. However, it would be advisable for the Master (and the Owners) to remember that whether such delay is reasonable will depend on the specific facts and circumstances in each case.

Members should consider drafting bespoke clauses in the charterparty concentrating on the following issues:

1. More specific circumstances in which the vessel would be considered off-hire (or not) in relation to the time spent by the Master to determine whether or not the cargo is a Group A or Group C cargo.
2. There are clauses in respect of stowage (for eg. Clause 8 of the NYPE 1946 form) or rider clauses which provide an obligation for the Charterers to provide evidence to the

Master that the cargo has been packed, labelled, loaded, stowed, carried and discharged in accordance with the IMO IMDG Code and the IMSBC Code as well as the CIS. However it is useful to make sure that such clauses are clearly worded.

3. Although there are common law cases that provide Owners with an implied right to an indemnity from the Charterers that the cargo being loaded is safe, this can always be strengthened with express indemnity clauses.

The above list is not exhaustive. Members should seek assistance either from their lawyers or from the Club, when considering which clauses should be drafted. Often, this will depend on the commercial circumstances of the fixture. It is important when drafting, that the intentions behind the clauses are reasonable and clearly set out in a balanced manner. The objective should be to achieve clarity, not for one side to try and gain an advantage over the other.



**Dr Chris Menkiti** is a Senior Partner at Geotechnical Consulting Group LLP (GCG) with 35 years' experience in the science of Soil Mechanics and its application to solving engineering and shipping problems, including liquefaction. He was a member of the Global Bauxite Working Group (GBWG) and co-author of the GBWG's report on bauxite for the IMO.



**Nicholas Woo** is a partner in the Shipping and International Trade Team at Birketts LLP. He has had extensive experience working with Dr Menkiti and other geotechnical experts in advising owners and charterers on the carriage of bauxite and on the question of liquefaction generally.

# Interview: New Board Member Andrew Hampson

The Swedish Club recently welcomed **Andrew Hampson**, Chief Executive Officer, Tufton Investment Management Limited to the Club's Board. Here he talks to Triton about his career and what lead him to take up the position.



Andrew Hampson had an early insight into the shipping industry, when during his college vacation he worked for a small shipping company based in Teeside in the north east of the UK. Some years later, when pursuing a successful career within the Bank of America he was asked to choose between a number of divisions, and his experiences in the maritime sector made shipping an obvious choice.

He spent time in the Greek and Scandinavian markets during most of the 80s, and says: "Having a love of travel, working in this industry and having the opportunity to travel extensively and to meet so many different people from different cultures and backgrounds is one of the main incentives for me.

## Maintaining perspective

"However, you cannot really understand what 'shipping' is about without having quite extensive knowledge of the factors that influence world trade and in

**"I hope I can assist the Board in keeping fully up to speed with the requirements of the maritime industry from a 'user' perspective and from a finance/investment perspective."**

particular the supply and demand of the various commodities that our industry transports. As the essential role of shipping in the world economy is continually evolving, anyone trying to manage a shipping portfolio is constantly faced with different challenges – therefore there is no chance of ever getting bored with the job, this is the key factor for me."

## A shipowner in all but name

Tufton is a fund management company purely dedicated to the maritime industry. It manages around USD 1.2

## Keeping pace with environmental regulatory change will be a big challenge, but Andrew believes that as an industry, the maritime sector needs to change from being one step behind to being a few steps in front.

billion and invests these funds into the direct 100% ownership of 92 cargo carrying vessels – and counting. The vessels span across the dry bulk, wet bulk, container and general cargo sectors and most of the vessels are operated on a time charter basis.

Talking about his relationship with The Swedish Club, Andrew says: “Although we are a ‘fund manager’, with respect to insurance we are no different to a traditional shipowner. We split the fleet over three of the top P&I clubs with The Swedish Club having around 45% of the available fleet. The Swedish Club was our first direct P&I relationship and the fleet size has grown over time on the back of competitive rates and an excellent claims service.

“We also greatly value the professional advice which is available to us across the wide global network of The Swedish Club’s correspondents. This assistance has been particularly beneficial over the last 18 months throughout the COVID crisis and the impact this has had on crewing and related incidents.”

**“As the essential role of shipping in the world economy is continually evolving, anyone trying to manage a shipping portfolio is constantly faced with different challenges.”**

### Contributing to the Board

When asked about his appointment to The Swedish Club Board, Andrew says: “My first reaction is to say that I feel immensely privileged to be invited to join the Board particularly having looked at the background and CVs of the current members.

“Whilst I am clearly not an insurance specialist, I know enough about it hopefully to contribute. More importantly, in this ever-changing environment, I hope I can assist the Board in keeping fully up to speed with the requirements of the maritime industry from a ‘user’ perspective and from a finance/investment perspective.

I am convinced that one of the biggest challenges and changes that we are going to experience over the next decade will be in connection with the environmental regulatory change, the move towards de-carbonisation as well as the other Social and Governance aspects of the ESG policies that will need to be adopted by all shipping companies and service providers – insurance clubs included!

### Keeping ahead of the curve

Keeping pace with environmental regulatory change will be a big challenge, but Andrew believes that as an industry, the maritime sector needs to change from being one step behind to being a few steps in front. “This is necessary if we are to keep the attention of the investment community,” he says, “as without that we cannot afford to make the investments and changes that will be required going forward. I think for too long we have waited to be nudged by

regulatory change and dragged along in its wake – we need to be more proactive when it comes to ESG and I would like to work on how the insurance side of the business works together with the ownership base towards these ends.”

### All-in-one Club

Tufton has a positive view of the Club: “We view The Swedish Club as best in class, says Andrew. “One of the Club’s unique selling points is its ability to provide cover in both the key markets of P&I and H&M and the capability of taking significant share of the risk of the H&M slip especially when they are the claims lead. This reduces the placement risk for the fleet when finding underwriters from the follow-on market, and ensures they remain fully involved on the claims side.

**“One of the Club’s unique selling points is its ability to provide cover in both the key markets of P&I and H&M and the capability of taking significant share of the risk of the H&M slip especially when they are the claims lead.”**

“Further, The Swedish Club has an in-house claims adjustment team which reduces the need for expensive external legal counsel on complex cases. We have developed very good personal relationships with many of the Club’s representatives and we look forward to the relaxing of COVID related travel restrictions so we can once again meet in person to continue this development and to grow the mutual support we provide one another.” 🐙



# ESG and the life cycle of a ship

**The Swedish Club introduces the first in a series of articles exploring environmental considerations throughout the lifetime of a ship. In this first instalment we take an overview: from financing the vessel, to its last days in the recycling yard.**

Confronted by climate change, the pandemic, loss of biodiversity, diminishing resources and geopolitical instability, sustainability is fast becoming a vital criterion for survival, in business and on the planet.

As the global community pivots, consideration of the Environmental, Social and Governance (ESG) aspects of business activities is increasing. Applying the ESG lens to business offers a perspective which helps entities assess the impact of their actions: to see where and how they can contribute to a better and more sustainable world, by reducing harm and increasing positive impact.

## **Changing priorities**

For many, the social and governance limbs of ESG are likely to have been given more consideration to date than the environmental limb. In the last decade or more, widespread implementation of corporate social responsibility schemes, a strong focus on diversity and inclusion, and

withdrawal from connections with exploitative labour practices have improved the social impact of many businesses. Meanwhile, emphasis on corporate values, transparency, and scrutiny of power and remuneration structures, has boosted the standing of many entities when it comes to an appraisal of their governance.

Recently though, without diminishing to any extent the importance of social and governance concerns, the environment has been squarely in the limelight, a shift propelled in part by the urgent need to decarbonise society and to halt the warming of the planet.

In shipping, like many other industries, an ESG orientated analysis of business is driving change in multiple areas. If entities are to stay abreast of the market, to meet customer demands and to comply with regulations, they need to think more widely than ever before. In relation to the ship, this often means considering the whole life cycle of the asset and recognising that ESG considerations apply at every life stage.

## Stage one: Before build

### Finance

The finance sector was an early proponent of ESG. Conscious of its capacity to use capital for social and environmental good, lending decisions have long been influenced by factors additional to financial returns. However, what may have been a minority trend towards impact-influenced investing in the past, has lately become a major trend, with banks and alternative financiers increasingly taking steps to ensure they are lending to reputable companies, and that capital is flowing only towards entities doing the right thing and operating responsibly when it comes to protecting the environment and improving society.

### Due diligence

In the switch to impact-influenced lending, lenders need more information about the assets they are financing. This has led to due diligence processes becoming more thorough and to owners who are seeking finance having to demonstrate positive ESG outcomes. This means that before the ship even

comes on the owners' books, whether as a new build or a purchase of an existing asset, its environmental credentials will be subject to scrutiny, and finance may be difficult to obtain if those credentials do not meet the standards set by the lending assessment teams. It is therefore the case that not only owners, but also the ships themselves that must undergo their own due diligence on parameters, operations and environmental impact emission levels.

### Poseidon Principles

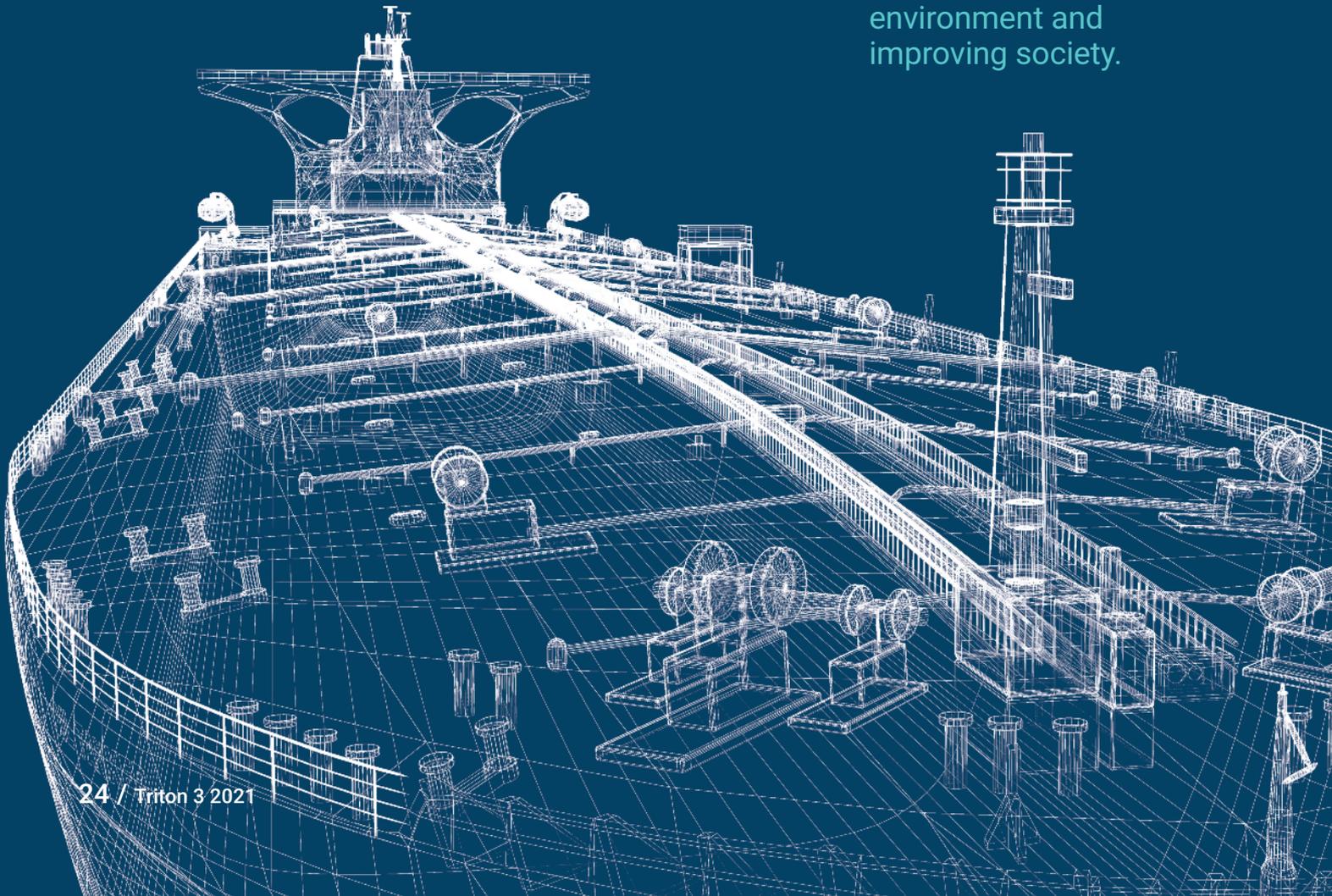
Emissions are a major area of environmental concern and may significantly influence lending decisions. So much so, that in June 2019, 11 major providers of ship finance came together to launch the Poseidon Principles, a visibility initiative enabling lenders to appraise to what degree their financed portfolios are aligned with the International Maritime Organization's (IMO's) greenhouse gas emissions targets.

Since their inception, the Poseidon Principles have proved to be popular and 27 leading banks, jointly representing around USD 185 billion in ship finance, are now signatories. This is a clear



**Beth Bradley,**  
Partner in the shipping team,  
Hill Dickinson

Financiers are increasingly taking steps to ensure they are lending to reputable companies, and that capital is flowing only towards entities doing the right thing and operating responsibly when it comes to protecting the environment and improving society.





**Rachel Hoyland,**  
Senior associate in the shipping team  
Hill Dickinson



**Trudi Protopapas,**  
Senior associate in the shipping team  
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**Diana Syziu,**  
Partner in the corporate and ship finance  
team, Hill Dickinson

example of lenders seeking to improve the environmental impact information available to them, so as to inform their decision making.

The lenders' tilt towards securing positive environmental impacts can also be seen in the financing documents themselves, where restrictive covenants and undertakings seek to ensure that ESG concerns remain prevalent for owners throughout the life cycle of the vessel.

## Design

Alongside finance, design is a major pre-life consideration. Designs must comply with global regulations mandating minimum efficiency standards, the Energy Efficiency Design Index (EEDI) regulations, and must deliver assets able to keep abreast of evolving efficiency standards. A central issue at the design stage is what fuel to design for.

If it is to keep pace with regulation and sentiment in a fast-changing world, the industry must shift away from propulsion by way of the combustion of fossil fuels. When it comes to alternative fuels for ships there are multiple candidates available. Although much in this area is unknown and remains a challenge, owners and designers have many options when planning the ships of the future.

## Decommissioning

Even before the ship's design is agreed, its end of life should be anticipated. As scrutiny of end of life practises increases, a trend likely to solidify during the course of the lifetime of assets being designed today, it will be prudent for all concerned to ensure ships are designed with their final dismantling and recycling in mind.

## Stage two: While the ship is operational

### IMO regulations

Once a ship has been financed, designed, built and is finally on the water, the environmental impact of its operation remains a foremost concern. The International Convention for the Prevention of Pollution from Ships (MARPOL) has governed, and sought to reduce, the environmental impact of ships globally since it entered into force

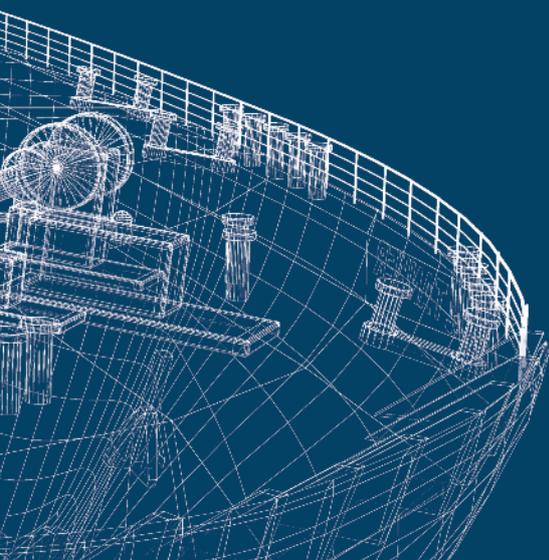
**Alongside regulatory compliance and costs savings, the employment and insurance of the ship will increasingly be influenced by environmental factors.**

in 1983. Recent additions to MARPOL - the Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII) regulations - mean that from 2023 ships will need to meet minimum efficiency standards, and thereafter to continuously improve efficiency by reference to a rating system.

Additionally, the pre-existing Ship Energy Efficiency Management Plan (SEEMP) regulations ensure that efficiency is baked into operational decision making, and is a factor considered as part of every operational decision.

### Efficiency

Efficiency in this sense means the reduction of fuel consumption and, with it, reduction of greenhouse gas emissions. Alongside reducing damaging impact, reducing cost is a huge incentive. Burning less fuel means a saving on fuel costs, and this will become increasingly important for owners as fuel costs rise yet further and if carbon taxes and levies, currently under discussion at the IMO and in other forums, are added in the future.



## Emissions

Saving fuel costs will, in the future, also equate to saving emissions costs – doubling the incentive to maximise efficiency, reduce fuel consumption and reduce emissions. In light of proposals to extend the EU's Emissions Trading Scheme to emissions from shipping, it is extremely likely that emissions charges will apply to voyages arriving, departing or within the EU from 2023 onwards. Furthermore, in the absence of a global emissions trading scheme for emissions from shipping, it is highly probable that emissions charges will apply in other parts of the globe in the not-too-distant future also, as both China and the US develop emissions trading schemes based on the EU scheme and intended to cover emissions from shipping.

## Changing climate

Alongside regulatory compliance and costs savings, the employment and insurance of the ship will increasingly be influenced by environmental factors. Following the launch of the Poseidon Principles in 2019, the chartering sector launched a similar visibility initiative in October 2020, the Sea Cargo Charter, and a similar initiative is expected in the insurance sector soon. These mean that charterers are already looking at the environmental impact of the ships they hire, and that insurers soon will be. The impact on owners being that a climate is forming in which more efficient, and 'greener', ships will be easier to finance, to employ and to insure throughout their lives.

## Stage three: End of life

### Historical perspective

ESG concerns do not evaporate as a ship draws close to the end of its life. Ships are large objects that cannot easily be 'thrown away'. Historically ships have been repurposed, abandoned, sunk or broken up at the end of their seagoing lives, with ship breaking practises often being hazardous to both workers and the environment.

In the past owners were able to distance themselves from harm caused at the end of the ship's life, by selling the ship to another party before the ship breaking began. Consequently, ship recycling policies and practices were not a central

In light of proposals to extend the EU's Emissions Trading Scheme to emissions from shipping, it is extremely likely that emissions charges will apply to voyages arriving, departing or within the EU from 2023 onwards.



Owners can no longer shield themselves from responsibility for the proper and safe disposal of a ship through the use of an intermediary buyer and must adopt a more informed approach about who is buying the ship

concern for owners. However, these practises are being increasingly scrutinised. There are recent examples of Courts being willing to look back to the sale transaction to assess whether ship recycling regulations were complied with, to trace the former beneficial owner of the ship, and to hold them responsible for harm caused to workers and the environment.

### Responsibility

Owners can therefore no longer shield themselves from responsibility for the proper and safe disposal of the ship through the use of an intermediary buyer and must adopt a more informed approach about who is buying the ship, where the ship will be recycled, and what practises will be deployed. End of life decision-making processes and sales need to be undertaken carefully, as criminal penalties, fines and reputational damage may otherwise result. Indeed, the smart owner, shipmanager or any other relevant third party, will ensure that the end of the ship's life is a consideration from the outset, incorporating safe dismantling and recyclability of parts into the ship's design, so as to pave the way for regulation compliant dismantling in the future.

### Conclusion

In an ESG orientated world, what is good for the planet is good for business. For owners who 'green' their fleets and adopt a life cycle perspective, the commercial rewards of being able to move with business and consumer sentiment, and stay ahead of regulations, are likely to be significant. For those that do not, there may be difficult times ahead. 🌱



# COVID and quarantine in an off-hire context

**In Triton 1: 2021, we looked at the meaning, the effect and the potential loopholes of the BIMCO disease clause for time charterparties. What about quarantines specifically? Where is the protection for the shipowner when the local authorities impose quarantine restrictions, and the vessel is necessarily delayed for 14 days (or longer), and the charterer inevitably places the vessel off hire? In this second part, we look at how, and why, quarantines can or can't be off-hire events.**

## Traditional wording

The off-hire clause appearing in the government form approved by the New York Produce Exchange (NYPE) in 1946 provides the following:

*'That in the event of the loss of time from deficiency of men or stores, fire, breakdown or damages to hull, machinery or equipment, grounding, detention by average accidents to ship or cargo, dry-docking for the purpose of examination or painting bottom, or by any other cause preventing the full working of the vessel, the payment of hire shall cease for the time thereby lost.'*

In other words, the vessel will be off hire when there is (a) a loss of time, caused

by (b) one of the named causes, or (c) 'any other cause' that prevents the 'full working of the vessel'. There is no mention of quarantine, but there is the obvious argument that a compulsory quarantine is '[an]other cause preventing the full working of the vessel'; which circularly invites the counter-argument regarding the definition of 'full working'.

It is of course well-understood that 'full working' is to be defined by reference to the service required of the vessel at the relevant time, so quarantine will not always fit into this as neatly as might perhaps be expected.

The 1993 and 2015 forms refer to losses of time caused by 'any other similar cause preventing the full working of the Vessel'. But again there is no sign of the word 'quarantine': hence, perhaps, the invention and incorporation of bespoke clauses like BIMCO's, where 'Affected Area' means any port or place where there is 'a risk of quarantine or other restrictions being imposed in connection with the Disease', and the 'costs, expenses or liabilities' of 'quarantining the Vessel and its crew, shall be for the Charterers' account and the Vessel shall remain on hire throughout'.

## Shelltime 4

It was not until 1984 that a widely-used time charterparty made specific

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reference to quarantine as part of a standard off-hire clause. Shelltime 4 says that the vessel can be off hire 'due to any delay in quarantine arising from the master, officers or crew having had communication with the shore at any infected area without the written consent or instructions of Charterers or their agents' (Clause 21 (a)(iv)) or 'due to detention of the vessel by authorities at home or abroad attributable to legal action against or breach of regulations by the vessel, the vessel's owners, or Owners (unless brought about by the act or neglect of Charterers)' (21 (a)(v)). The vessel goes back on hire when 'she is again ready and in an efficient state to resume her service'.

As before, however, wordings such as these can create more questions than they answer. What, for example, is 'legal action against ... the vessel' (and has such action caused the authorities to detain the vessel)? And when, and how, does the vessel return to being in an 'efficient state' (assuming quarantine made it inefficient in the first place)?

## Pre-COVID cases

Over the past half century, numerous cases have grappled with the precise meaning of these wordings.

When the *Apollo* was discharging at Naples in 1972, two crew members contracted typhus. This caused a delay in the granting of free pratique at the next port in Liberia after health officers inspected the vessel and insisted that it be tested and disinfected. Considering clause 15 of the NYPE form, it was held in the Commercial Court judgment six years later that the obtaining of free pratique was ‘no mere formality’. The illness of the crew members required them to be discharged to hospital at the

vessel’s previous port of call. Thus, ‘the action taken by the port health authorities did prevent the full working of the vessel and [therefore] did bring the off-hire clause into play’.

Several years later, in 1982, in the *Aquacharm*, the Court of Appeal judges agreed that if a ship remained fully efficient, then it was capable of ‘full working’. The decision of the Panama Canal authorities that the ship could not pass through the canal in ‘no way reflected upon the *Aquacharm*’s efficiency as a ship; and so the ship was not off hire.

Several years later again, the *Manhattan Prince*, using Shelltime 3, decided that

‘efficient working’ meant efficient physical working. Even though the ship was prevented from working by the action of the ITF (International Transport Workers Federation), it worked, physically; was fully operational; and so was not off hire.

## What’s in a word?

All of this changed in 1997 with the *Laconian Confidence*. The Commercial Court decided that ‘A vessel’s working may be prevented by legal as well as physical means, and by outside as well as internal causes. An otherwise totally efficient ship may be prevented from working’ and can be off hire—but only if the prevention results from any





other cause 'whatsoever', a word meaning that the 'other cause' eventuating a loss of time does not have to be similar to the causes (like deficiencies of men or breakdowns) previously enumerated.

'In the absence of the word 'whatsoever', the unexpected and unforeseeable interference by the authorities at Chittagong at the conclusion of what was found to be a normal discharge was a totally extraneous cause'. And rightly so. A port authority refusing outward clearance due to cargo residues remaining in a vessel's holds cannot have been within the contemplation of the drafters of the words 'any other cause'.

### Press delete

The off-hire preventing solution for owners is simple: delete 'whatsoever' from clause 15. Owners should also hold

on to or amend their exclusion clauses. In most time charters, paramount clauses will incorporate the Hague-Visby Rules, and Article IV rule 2(h) will, or should, relieve owners for loss or damage arising from quarantine restrictions.

So far as Shelltime is concerned, there is a possible conflict in Clause 27 (a) in neither Owners nor Charterers being liable for 'any loss or damage or delay or failure in performance' resulting from quarantine restrictions—a confusion which can be clarified merely by deleting 'Charterers'.

### Conclusion

It may be that no generic off-hire clause can capture the complexities of COVID, and it may well be that quarantine is not an apt term to describe all the nuances of a vessel affected by COVID restrictions. In the context of an exceptions clause (which an off-hire clause is), this may prove problematic. As viruses mutate, contracts need to evolve. 🦠

# Club launches new Rules and Exceptions website

The Swedish Club recently produced the fourth edition of its P&I Rules and Exceptions handbook, which helps to provide an understanding of the Rules for all who work in the field of P&I worldwide.

## Dedicated website

For the first time ever, the publication is available through a fully interactive website enabling users to easily find the information they need.

The new P&I Rules and Exceptions website is searchable, contains easy to understand explanations with illustrations, and will be regularly updated by the Club.

The new online format means that users can now bookmark useful topics, create favourites and save or print off important pages.

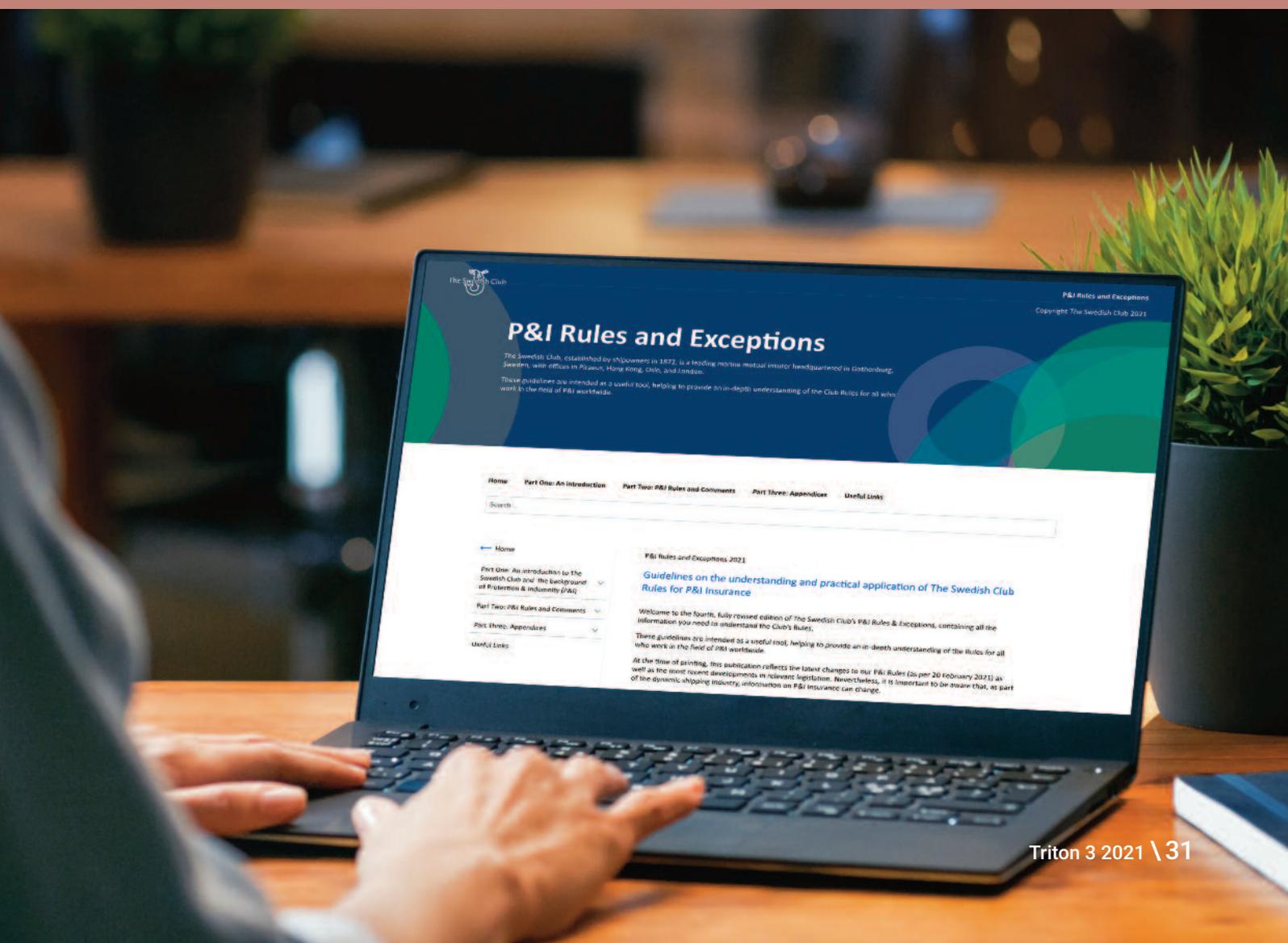
## A choice of formats

The fourth edition of the publication is also available in hard copy on request.

Whichever format you choose, both contain all the information you need to understand the Club's Rules. 📄

## Visit the new website at:

<https://rulesandexceptions.swedishclub.com/>



## Seafarer vaccination:

# overcoming the challenges

**In the previous article, The Swedish Club explored the implications for P&I cover when the local authorities impose quarantine restrictions, and the vessel is delayed. But what about the individuals involved? Here we talk to Hans Boers, co-CEO, at Boers Crew Services, Rotterdam, for an insight into the practicalities and challenges of supporting crews through the quarantine, testing and vaccination routines demanded by the COVID pandemic.**

Having organised the transport of seafarers to and from their vessels for three-quarters of a century, it stands to reason that Boers Crew Services has handled its fair share of challenges and unusual demands.

But who could have predicted the challenges that COVID-19 would bring to the industry? Did the Boers team ever imagine themselves organising COVID-19 testing in extremely difficult circumstances and then, ultimately, taking on the complex challenge of vaccinating hundreds of seafarers?

In an extraordinary effort, Boers has worked to get seafarers home in the most difficult of situations, liaised and negotiated with immigration authorities to align visas with quarantine requirements, and organised a vaccination system which in the first two months provided the one-shot Johnson & Johnson vaccination to 1,000 seafarers.

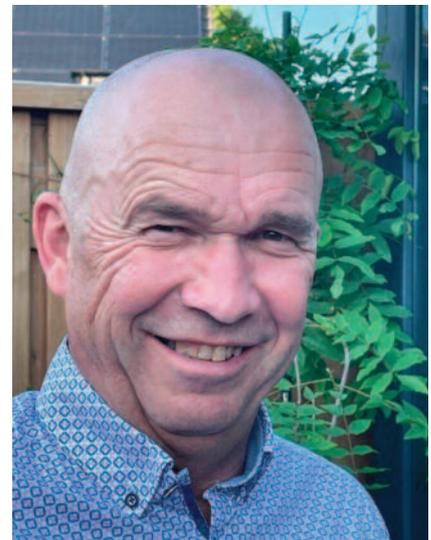
“Everyone knows how important it was to keep the shipping industry running for the whole world; in our opinion, people at sea should have been vaccinated first,” says Hans Boers.

Founded in 1946, Boers Crew Services started out with one taxi picking up seafarers from train stations and transferring them to the Port of Rotterdam. Boers is now a fourth-generation family firm, organising the transport of seafarers to and from their vessels in ports across the Netherlands, Belgium and Germany. The company routinely handles more than 20,000 crew changes a year.

### Changing priorities

“Before the pandemic, we were busy assisting shipowners and managers with all crew matters – crew changes, transport, visas, and so on,” says Boers. “When the pandemic arrived, we found ourselves at the heart of the crew change crisis, finding innovative solutions to test and repatriate seafarers from all over the world. Now we are focusing on COVID-19 vaccinations.”

Behind the scenes of the well-documented crew change crisis, COVID-19 was throwing up all sorts of contradictions and issues. For example, many seafarers pass through Schiphol Airport for flight connections – but there was no facility or process to test people for COVID-19 in the transit area.



**Hans Boers,**  
co-CEO, at Boers Crew Services

In the end Boers brought their own medic into the airport to test crew who were transiting through. “But the problem was that more and more seafarers arrived every day,” says Boers. “We were not the only one handling crew changes. Eventually, a proper test centre was set up in the transit area and we assisted the shipping companies where we could.”

**"In our opinion, people at sea should have been vaccinated first"**

**“There were a lot of Chinese seafarers coming through to join ships, and we also started working with those who were travelling home from everywhere in the world via Amsterdam, to give them a test so they could go on to China.”**

“So in the end the programme started with the Port of Rotterdam as a test – and when you start with one port, sooner or later the other ports come on board. From 1 October, it has been possible to vaccinate seafarers from vessels in four ports in the Netherlands, with a room set aside for a clinic in each case.”

### Logistically difficult

It isn't actually as easy as it sounds. If a vessel comes into port with 18 seafarers on board, you can't just take all 18 straight to the vaccination centre. “You have to have crew on board at all times, so we have to schedule with the captain and the clinic, to vaccinate perhaps four or five at a time. Now, ships are only in port for a short time, generally arriving in

**“As well as having our own fleet, having our own visa arrangements and communication with immigration authorities is also important.”**

“There were a lot of Chinese seafarers coming through to join ships, and we also started working with those who were travelling home from everywhere in the world via Amsterdam, to give them a test so they could go on to China,” he added.

“We said – use our network. What we had done with the PCR tests, we could do the same with vaccinations,” says Boers. “The original plan was made to vaccinate seafarers when they were flying to their vessel via Amsterdam.”

### Seafarer vaccination programme

Boers' seafarer vaccination programme emerged from conversations with the Royal Association of Netherlands Shipowners (KVNR), whose members wanted to make it possible for all seafarers on Dutch-flagged or Dutch-owned vessels to be vaccinated.

### Pilot programme

The vaccines were provided by the Dutch government and the health centre at Amsterdam airport was the first option – but soon there was a problem with numbers, as the opportunity was opened up to seafarers from all vessels.





the morning and sailing in the evening, so sometimes we have to organise a two-port solution.”

Boers’ own fleet of in-house cars and drivers has proved invaluable in this mission. “As well as having our own fleet, having our own visa arrangements and communication with immigration authorities is also important. When a ship comes into Rotterdam, usually the seafarer can only travel within the area of his vessel. We have relied on immigration being flexible and providing a visa if we need to take seafarers to Amsterdam.”

The vaccination programme in its current form, open for all seafarers, started on 26 July in Belgium and on 2 August in the Netherlands. “This is a global effort now,” says Boers.

### Tip of the iceberg

The programme is of huge value to seafarers. Although many countries in Europe and elsewhere are relatively advanced in their rates of COVID-19 vaccinations, that is not the case elsewhere, Boers points out.

“Seafarers are coming from countries that are still not organised regarding vaccinations – for example, the Philippines, Russia, Myanmar. There are many seafarers yet to be vaccinated.”

### Testing issues remain

There are still issues around testing. For example, Chinese or Indian seafarers are officially required to fly home direct from the country where they sign off. Where there is no flight, they may fly via Amsterdam. “That means they first have to do a test in Spain, then fly to Amsterdam, do the complete test again, and then go on to their home country. All the big airports handling flight connections really should have the same system.”

### In extreme circumstances

At the end of the day, he says, “Our job is to assist our clients in whatever way we can. Sadly, we had to deal with some cases of seafarers dying of COVID-19, in the early stages of the pandemic. In these cases, it is important that our clients trust us to take care of things.

**“Seafarers are coming from countries that are still not organised regarding vaccinations – for example, the Philippines, Russia, Myanmar. There are many seafarers yet to be vaccinated.”**

“During the pandemic, we have also had to organise for some ships to be disinfected from top to bottom after an infection, taking all the crew off and replacing with a fresh crew.”

Looking back at what has been achieved so far, Boers says communication in a pandemic is very important, whether that’s with immigration or health authorities, shipowners, captains or crew. “And through all of this, for us, the most important thing is bringing people safely home.” 🇳🇱

# Save the date

## 15-17 June

### Gothenburg, Sweden

The Swedish Club's Annual General Meeting



Employee survey 2021:



Britta Patriksson,  
Director, Human Resources

# Stress in a pandemic



Happy? Comfortable? Well informed? Stressed? The Swedish Club carries out a detailed employee survey every two years – the aim being to collect clear and actionable feedback on areas for improvement, as well as highlighting the strengths of the Club from the employees’ perspective.

Given that the previous survey had been carried out in 2019, of course a lot had changed by the time the 2021 questionnaire was sent out to all the teams in May. There was a new question: How has the COVID-19 situation affected you?

### Increased response rates

The response rate was excellent, with 93% of employees returning the questionnaire, an increase from 90% in 2019. Employee satisfaction remained at 81%, well above the national benchmark, which is very pleasing – although the target is always to improve, says Britta Patriksson.

### Signs of stress

However, stress levels were a little higher than in 2019, probably linked to the impact of the various lockdowns, juggling working at home while schools were closed, being unable to discuss new business or talk to existing members because of restrictions and lockdowns, and general worries about the pandemic.

“We are following up this point about stress levels with a seminar for our managers,” says Patriksson. “This will be a chance to bring together the team from all around the world. We have invited a psychologist to join the session and teach the leaders how to deal with stress, how to spot if there are people in their group feeling stressed, and how to ask them about it.

**“We do a lot of follow-up work on the survey, including a workshop with each team. After that, there are performance dialogue assessments leading to individual goals, including training.”**

**“Now that employees have returned to the office, there is a need to ‘rebuild’ the teams; everyone needs to feel confident, comfortable, safe and enthusiastic back in the office environment.”**

“All know that we as a company have a responsibility to take care of our people. I should add that some people have more stress at home and are relieved to come to work. But whatever it is, we look for a way to resolve things, and bring in outside support if needed.”

### Positive feedback

The Swedish Club’s results in the survey are high when measured against the benchmark of the customer survey specialist, Netigate.

The employees as a whole felt that they were well supported. Overall, the highest results were for understanding the goals and wishes of the Club; ‘service’ functions, such as having technical equipment that is well suited for work tasks; being in a workplace that is kept clean and pleasant; and being treated with kindness and respect.

### Room for improvements

“We do a lot of follow-up work on the survey, including a workshop with each team. After that, there are performance

dialogue assessments leading to individual goals, including training,” says Patriksson.

### Back to business

The response to COVID-19 has varied between the Club’s offices, as individual countries imposed various restrictions or full lockdowns at different times.

Now that employees have returned to the office, there is a need to ‘rebuild’ the teams; everyone needs to feel confident, comfortable, safe and enthusiastic back in the office environment, says Patriksson.

“We feel that when everyone was working at home, we didn’t really feel the pulse – it was not as dynamic as before. Now I feel that everyone is back to business and there are many more activities and a boost in energy.”

### New ways of doing business

However, some different ways of doing things, necessitated by the pandemic, have proved their worth. “We learned a lot – for example in recruitment. I will never have the first interviews face-to-face again – we will continue to hold the first round online, as this is much more efficient, bringing together people from the various teams online, and saves so much travel and expense.”

### Stay home!

And the days of being a ‘hero’ who goes to work despite feeling ill are over. “Everyone has a laptop and is able to work from home. If you are sick, you are sick. If you have symptoms of illness but feel able to work, we say please stay home and work – don’t pass it on. We don’t need that type of bravado.”

As she says, no one had experienced anything like the COVID -19 emergency before. “We have a lot of laws in Sweden we need to follow; we have a work environment committee taking care of these questions. Usually, the committee has two meetings a year – we had 25 meetings last year, because there were so many things to take care of and decide on. Hopefully we are now better prepared should something similar happen again.”

# Turning detective

## A Swedish mystery solved

**In 1940, a pocket watch was presented to Martin Johan Nyblom, Sweden's youngest ever sea captain. Eighty years later, in England, Paul Besford found the watch in a collection owned by his late brother. What happened in between isn't clear – but now, thanks to a bit of detective work by The Swedish Club, the watch will be going back to Nyblom's family.**

### A sunshine story

To use the words of Nyblom's niece, Carin Guterstam, this is a 'sunshine story'. It started when Paul Besford, retired from his career with a pharmaceutical company and living in Hornchurch, Essex, faced the task of sorting out the possessions of his late brother, Mark.

"My brother travelled in his career and there was a lot of stuff to sort out in the house," says Paul, 68. "My partner found a plastic case of Swiss watches, which went on to be sold. However, I kept just one silver pocket watch on a chain, because it reminded me of my granddad."

Some time later, he looked more closely at the watch and discovered an inscription inside. Paul turned to Google and established that the name was

Swedish, and so he decided to write to the Swedish Embassy in London to ask for help.

"Right from the start I felt that this watch should go back to the family," he says. "I just felt as soon as I saw the inscription, it doesn't belong to me – it belongs to someone else."



### Help from the Embassy

The Embassy was able to fill in some of the information. The inscription notes that Martin Johan Nyblom graduated from a school of navigation with a navigation degree. "The inscription mentions 'Norrlands Ångf. Ass. Förening' and I think that is 'Norrlands Ångfartygs Assurans Förening,'" said Frida Savsjo, writing to Paul from the Embassy. "If so, that later became Sveriges Ångfartygs Assurans Förening', which seems to be called 'The Swedish Club' today."

### The Swedish Club

Paul wrote to The Swedish Club, saying: "I feel that this watch should be back in Sweden, preferably with a member of Mr Nyblom's family. I feel that, at the moment, I am looking after the watch, until it can be returned 'home' to Sweden."

The inscription says the watch was a gift to a brilliant student, said The Swedish Club Marketing Communications Manager Marina Smyth Samsjö. "Before the various smaller P&I Clubs merged in Sweden, there was one in the north, which gave him this watch."

### Over to Sweden

Online searches led to the Johnson Line (Nordstjernen) and then to information about the youngest ever captain, who served with the line and travelled all over the world. Sadly, he died in 1977 aged only 56, and he and his wife had no children. The next challenge was finding a relative – not easy, given that Nyblom is such a common name.

"We finally found his niece, Carin, who was very touched that Paul wanted to get the pocket watch back to her. We hope that he may be able to do this in person before too long."

Carin, who lives on the island of Gotland, was taken completely by surprise when Marina called. "It was completely



Paul Besford with the Nyblom watch

## “Right from the start I felt that this watch should go back to the family.”

“When I knew him, he was working for Johnson Line. Whenever he came to visit us, he always brought presents from different parts of the world. He followed one trade route from China to India for quite a long time and he brought back many exotic things for us. I also remember I got a doll from him when I was very small – it was one of the first walking dolls.”

### The family tree

Carin’s mother, called Karin, was born in 1917 but when she was only one, her mother died in the flu pandemic, leaving her father with three children under five. He went on to marry his second wife, also Carin – they had two children, and Martin was one of them. Martin’s wife was called Karin – “the name stays in the family, with a C or a K!”.

unexpected and I didn’t know anything about it,” she says.

### Fond memories

She is delighted that the watch is coming back to the family. “My mother was always talking about my uncle – he was her favourite sibling and a very kind man. He was always coming to see us – we lived in the south of Sweden and he had a home in Stockholm.

Carin says: “I knew my uncle was an exemplary student and the youngest Master. My mother had newspaper cuttings about him. Journalists wanted to interview him because it was so exceptional.”

She recalls a very caring man for whom family was really important – he sent flowers to his mother every week.

### A mystery

How did the watch end up being bought by Mark Besford? “I have no idea,” says Carin. “Perhaps my uncle had given it to someone he liked? Or perhaps his widow sold it, although I don’t think so.”

She is not sure who will keep the watch in the family but says: “This gesture from Paul was very nice, that he wants to give it back to the family.”

### Watch and family reunited?

Paul says: “This has been a bit of an adventure for me. I am just so happy it will go back to the family. I have achieved something I really wanted to achieve. It has taken time and I don’t know when or how the watch will go back to Carin. But it will get there!”

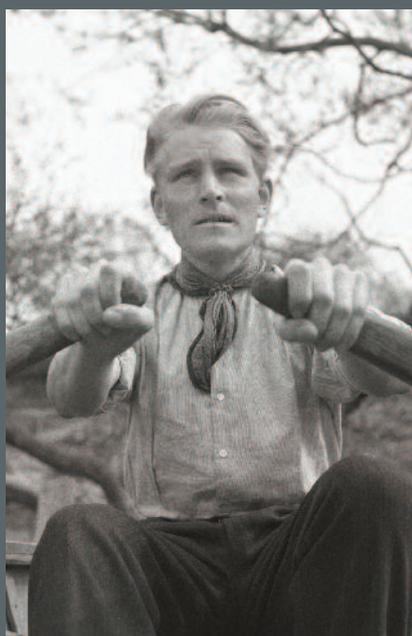


Photo: Sjöbergs Bildbyrå

## The youngest captain

Martin Johan Nyblom was born in Stockholm on 19 October 1920. He started work on the cargo vessel Milos av Hälsingborg at the age of 15 and spent the next four years at sea, while studying at the same time to become a merchant officer. He finished his studies on 27 May 1940. In 1942, he graduated as a Captain from the Maritime Academy in Stockholm (Stockholm’s Navigationsskola) as the youngest captain, not yet 22.

His seafaring career took him to Honolulu, Hawaii; Seattle, Everett and Tacoma in Washington; and San Francisco, California, amongst other destinations.

He worked for Johnson Line/Nordstjerman; founded in the 1890s with a small three-masted steamship, the line grew into a group with more than 22,000 employees and was a pioneer in the post-Second World War years in the shipping industry. He served as a Second Officer on the Los Angeles and sailed on the American coast around 1949. In 1952, he worked as Chief Officer on M/S Colombia and Second Senior Officer on M/S Lions Gate.

Martin married Karin Holmberg in Stockholm on 19 January 1953, when he was 32. He died on 15 September 1977.

# Out and about

## HELMEPA International Coastal Cleanup

On 21 October The Swedish Club's Team Piraeus spent a day supporting the Hellenic Marine Environment Protection Association (HELMEPA) in its aim of safeguarding the seas from ship-generated marine pollution.

As part of the HELMEPA International Coastal Cleanup project the Club's volunteers joined other supporters along the Peiraiki coast, removing rubbish that had been washed up on the beach, and enjoying good company and beautiful sunny weather.

Data from the day's activities was recorded and will be incorporated in the statistics being compiled by HELMEPA for distribution and publication in November.

Special thanks to those team members who volunteered and participated.

For more information about HELMEPA visit [www.helmepa.gr/en](http://www.helmepa.gr/en)



## Seminar on Donsö 11 November 2021

In collaboration with specialist law firm, Vinge, The Swedish Club recently hosted a seminar focusing on sanctions issues relevant for operators active in the Northern European tanker trade.

Fittingly the event was held at Restaurant Isbolaget on Donsö island, with Daniel Kilgren, Senior Underwriter in Team Gothenburg hosting the 35 guests. While it was a grey and windy November day outside, there was indeed a warm and welcoming atmosphere inside, for this, the first in-person member event in the region since the onset of the pandemic.

The Club's Director Corporate Legal, Malin Högberg, provided an overview of applicable and relevant sanctions regimes and discussed the interaction between sanctions risks and insurance cover.

Anders Leissner, Sanctions, Shipping & Insurance Expert at Vinge continued with a talk about due diligence and how to identify and approach sanctions risks in specific trades.



From left: Martyn Hughes, Anders Leissner and Malin Högberg

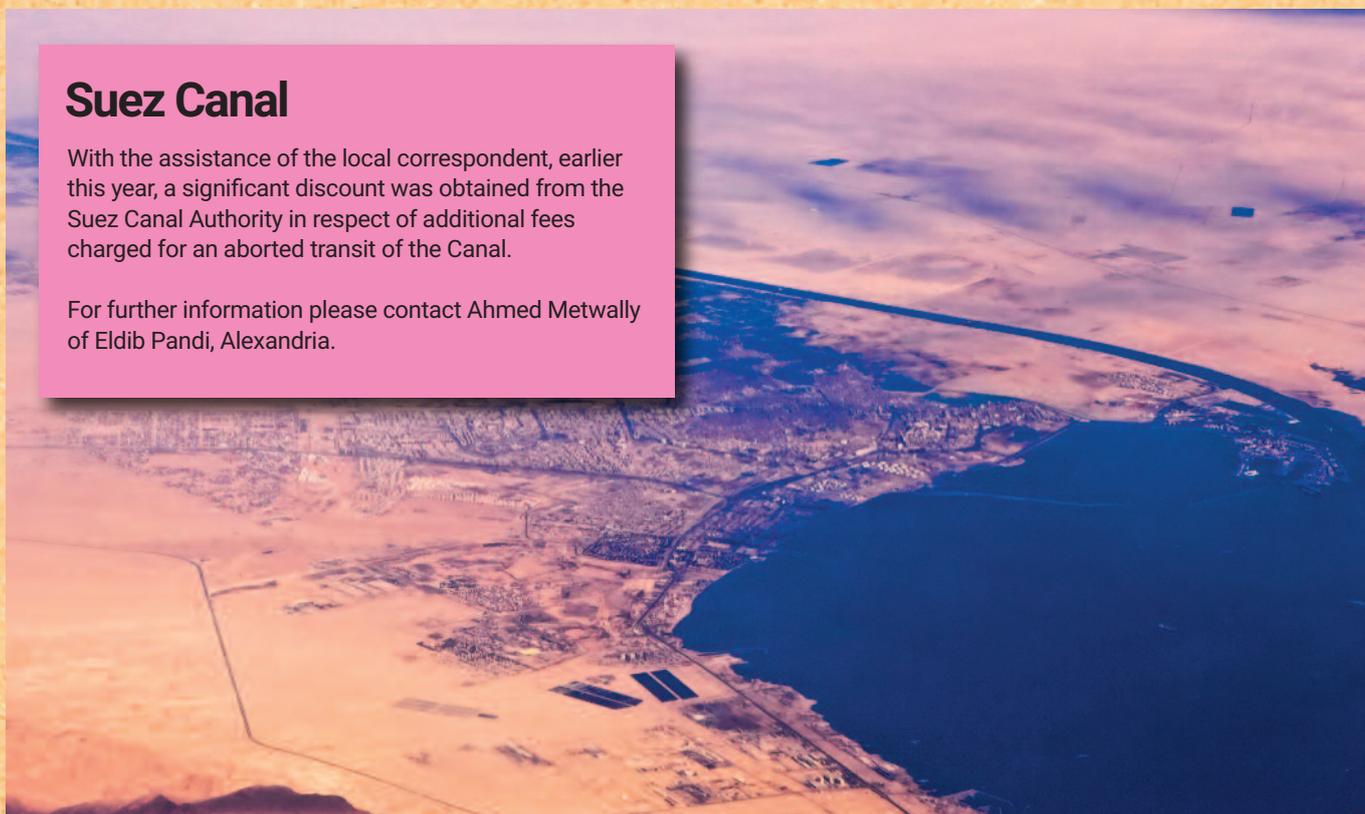
Martyn Hughes, Senior Claims Manager FD&D at the Club concluded the event by giving the audience a taste of some of the unexpected sanctions issues the Club had assisted its members with under the FD&D cover over the last few months. He illustrated that sanctions risks are now truly relevant everywhere.

# Notice board

## Suez Canal

With the assistance of the local correspondent, earlier this year, a significant discount was obtained from the Suez Canal Authority in respect of additional fees charged for an aborted transit of the Canal.

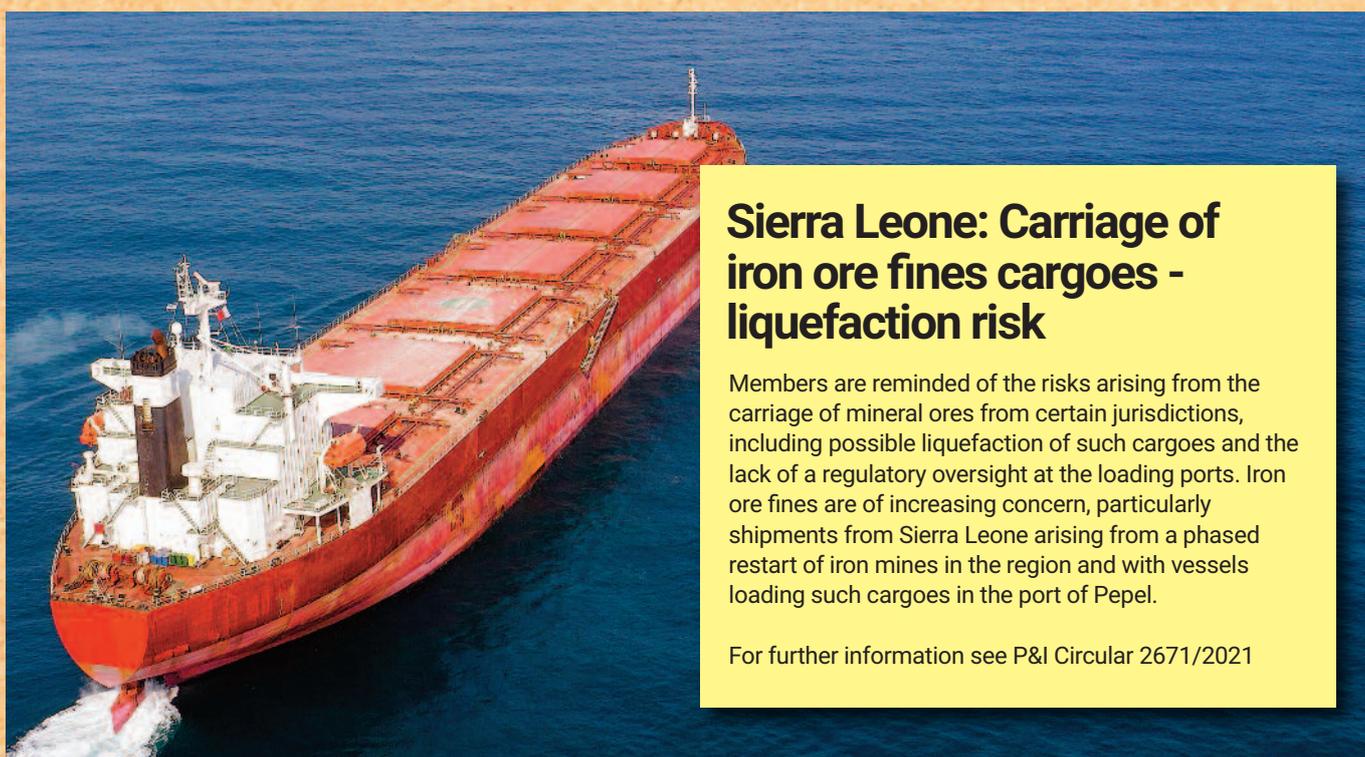
For further information please contact Ahmed Metwally of Eldib Pandi, Alexandria.



## Sierra Leone: Carriage of iron ore fines cargoes - liquefaction risk

Members are reminded of the risks arising from the carriage of mineral ores from certain jurisdictions, including possible liquefaction of such cargoes and the lack of a regulatory oversight at the loading ports. Iron ore fines are of increasing concern, particularly shipments from Sierra Leone arising from a phased restart of iron mines in the region and with vessels loading such cargoes in the port of Pepel.

For further information see P&I Circular 2671/2021



# Staff news

## GOTHENBURG



### Örjan Karlsson

Örjan re-joined Team Gothenburg in September 2021 as a Senior Claims Manager, Marine. He is a Master Mariner and has spent the last eight years with Stena Rederi, where he worked as a Marine Insurance Manager. Before that, he held the position of Claims Manager in Team Gothenburg.



### Henrik Karle

Henrik joined Team Gothenburg in September 2021 as a Technical Manager. He is a Marine Engineer with broad experience from various technical positions in shipping companies and recently as Managing Director at AdMare Ship Management.

## HONG KONG



### Tammy To

Tammy joined Team Asia in September 2021 as Team Assistant. She previously worked with a marine insurance broker in Hong Kong.



# Club Calendar 2021

In response to COVID guidelines around the world, The Swedish Club continues to restrict its programme of face to face events. However, we are beginning to run a limited number of face to face Club events where local circumstances permit.

We are running a programme of webinars, which you will find on our web <https://www.swedishclub.com/training/webinars/>

To take part, or to find out more, please contact [webinar@swedishclub.com](mailto:webinar@swedishclub.com).

We all hope that you keep well, and we look forward to meeting again as restrictions are lifted.

## Club Quiz

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1. What was the name of the ship that sailed in 1620 to North America to establish a colony?

- 1 Bristol
- X Balmoral
- 2 Mayflower

2. Who are the parents of Triton?

- 1 Zeus & Hera
- X Ask & Embla
- 2 Poseidon & Amphitrite

3. What kind of food is served as the main course at The Swedish Club's AGM dinner?

- 1 Ice cream
- X Asparagus
- 2 Salmon



**Winner of Quiz No 2-2021**

Simon Webster  
Eltvedt & O'Sullivan,  
Marseille, France

The right answers to Club Quiz No 2-2021 are:

- X **Splicing**  
What is the method used to repair ruined line?
- 1 **Celestial navigation**  
What is navigation by the stars called?
- X **Six days**  
How many days did the containership Ever Given block the Suez Canal?

Mail your answer to [quiz@swedishclub.com](mailto:quiz@swedishclub.com) The first correct answer pulled out of the hat will win a prize.



**The Swedish Club** is a mutual marine insurance company, owned and controlled by its members. The Club writes Protection & Indemnity, Freight, Demurrage & Defence, Charterers' Liability, Hull & Machinery, War Risks, Loss of Hire insurance and any additional insurance required by shipowners. The Club also writes Hull & Machinery, War Risks and Loss of Hire for Mobile Offshore Units and FPSOs.

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