



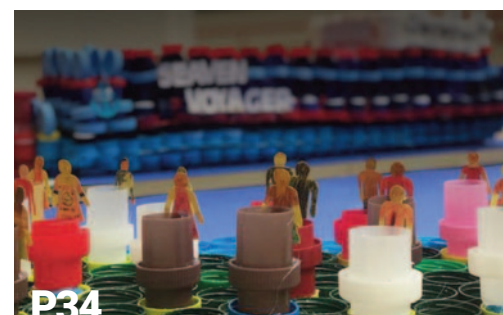
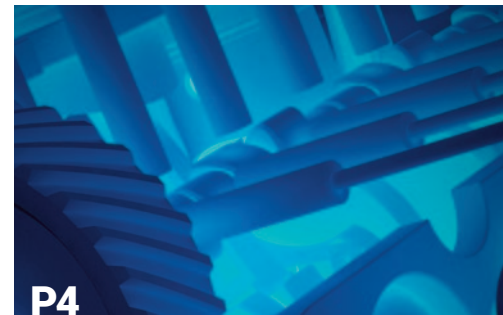
Liquefaction - no excuses

**SCOL: New, improved and
adding value for members**

**Supporting you through
sanctions**

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The Swedish Club

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150 years and counting...

At the time of writing this leader the geopolitical situation in the world is tense. World leaders do their best to understand, or not to understand each other. We are saddened by the war situation in Ukraine following the Russian invasion. We cannot but hope that sense will prevail at the end of the day. The Club does its best to protect and give advice to members on the complex issues of economic sanctions and other measures taken that affect trade and shipping.

The year 2021 was yet another eventful year for the Club on many fronts. We believed that the pandemic restrictions in Europe would be over by October, and that was indeed the case, but only to a certain extent. Little did we know that a new and different mutation of the virus would appear in November leading to new constraints. Now we start to see country after country easing restrictions, at least for the most part. I am aware that many countries in Asia take a much stricter approach, not least in China and Hong Kong where zero-tolerance policies still apply. COVID-19 related claims however have really escalated in 2021 in the wake of these restrictions, compared

to 2020. Such claims have not abated at the beginning of 2022.

Recently our staff have been able to enjoy meeting members and associates in real life, where and when possible. That joy has been reciprocated. We have always emphasised personal relationships and believe trust is best generated in person.

2021 was a challenging year financially for the Club. We had budgeted for a break-even result. The out-turn differed substantially from expected outcome. Both Marine and P&I are cyclical markets. Whilst Marine seems to be in balance P&I has experienced an increase in claims, and the COVID issue has aggravated the picture. Having said this, insurance is there to afford cover and to respond. P&I is dynamic arrangement.

The Club enjoyed strong support from members at the P&I renewals. Whilst premium increases are not always welcome, there is an understanding that the claims environment has changed in the last four years. The Swedish Club has always moved with the times. This ability

has been our strength in the long history of the Club.

The planning for the AGM in June and the Club's 150th anniversary is in full swing. We hope to welcome a large audience in Gothenburg, sharing the moment of mutual partnership and pride. Our mission has never changed; to provide high quality and efficient advice and solutions. Most important for us in the celebration is however to have the trust of members going forward.

Many interesting topics and articles are featured in this edition of Triton. There are never two Tritons alike, and I hope you enjoy reading your copy. 🐋

Lars Rhodin
Managing Director

A deep dive into the causes of lubrication failure

It is well known that lubrication oil related failure is the most common cause of main engine damage and a major contributing factor to auxiliary engine breakdowns. To gain a clearer picture of the situation The Swedish Club recently carried out an investigation into engine damage claims. Over one hundred* claims between 2009 and 2020 were reviewed to gain an insight into why lubrication failures occur, and to better understand how they can be prevented.



Peter Stålberg,
Senior Technical Advisor



Andreas Olsson
MSc student,
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Lubrication failures were commonly severe and often required replacement of the engine's crankshafts or major overhauls. The average cost of H&M claims investigated was around USD 550,000, without including the costs of downtime and loss of hire. It is therefore easy to see how reducing the frequency of these type of failures is in everyone's interest.

Maintenance

The Club identified that the vast majority of the failures that were investigated in the research were in some way connected with the maintenance process. In fact, approximately half of all failures could be traced back to a simple lack of maintenance. This includes maintenance to the engine itself, but also to auxiliary components such as lubricating oil filters, oil and scavenge air coolers, pumps, and separators. This high occurrence of neglected maintenance in relation to costly lubrication failures undoubtedly highlights the need not only to carry out maintenance, but also to do this punctually.

Auxiliary systems

In most cases, engine maintenance was carried out within the time between maintenance (TBO) recommended by the engine manufacturer. However, maintenance on auxiliary systems and components was found to be neglected more often. It is therefore probable that many failures could have been prevented if maintenance had been carried out on all engine-related systems. Whether maintenance on auxiliary components was deliberately neglected, or if it was simply missed when setting up the planned maintenance system (PMS) of vessels is hard to tell. It is wise, therefore, to revise the PMS to ensure that maintenance is carried out according to equipment manufacturers' recommendations, with emphasis on auxiliary engine components such as filters, pumps, coolers, and engine safety systems.

Failure to follow procedures

The investigation also revealed that almost one third of lubrication failures of both main and auxiliary engines occur shortly after maintenance. This was often the result of a failure to follow

maintenance procedures provided by the engine manufacturer. In total, 12% of the investigated failures where a cause of damage could be identified were caused by incorrect maintenance procedures. This could for example, be the use of incorrect tightening torques, missing parts/seals, defective/worn out parts or parts being incorrectly fitted during assembly.

The issue of engines sustaining damage shortly after overhaul is nothing new. According to statistics from The Swedish Club, 55% of damage to auxiliary engines occurs within 10% of the TBO recommended by the engine manufacturer. The only way to prevent such failures from occurring is to strictly follow the maintenance procedures and to use parts (and tolerances) approved by the engine manufacturer. The investigation also revealed that it was not unusual for failure to occur after an engine overhaul carried out by an external contractor, proving that it is not only engine crews that need to pay more attention to the maintenance manual.

Water contamination

Engine damage caused by water-contaminated lubricating oil accounts for 18% of the investigated failures.*

Several sources of water contamination were identified; these included ingress from purifiers, coolers, internal cooling

water leaks, and defective diaphragm seals connecting the engine crankcase with the sump tank. What was common for failures caused by water contamination is that they were often the result of neglected maintenance.

The high occurrence of engine damage caused by water contamination is influenced mainly by two factors:

Effect of water on lubrication

Water contamination has the potential to severely impact a lubricant's ability to lubricate. The load bearing capacity of the lubricant will decrease and in severe cases of contamination, water will displace the lubricant film. This will promote conditions where excessive wear can occur, which can, depending on the severity of contamination, quickly result in engine failure.

To illustrate this, a bearing's expected lifetime can be reduced by as much as 75% with a water-in-oil content of 0.1%. Even if a contamination does not directly result in failure, the engine might already have sustained damage from excessive wear, and failure might occur weeks or even months after the contamination has been rectified.

For this reason, it is probable that failures that were not identified to have been caused by water, were in fact caused by previous, but unreported or undetected, water contamination. On top



Damaged candle elements for automatic oil filters

* When unknown causes are discounted

LOSS PREVENTION

of this, water in the engine lubricating oil will promote corrosion and oil degradation, which will further deteriorate a lubricant's properties.

Problems with detecting water

In most cases, crews relied on ordinary oil analyses sent to a laboratory for detection of water contamination. Such analyses were, in the best-case scenarios, carried out every three months, while in other cases this was done even less frequently.

While carrying out lubricant analyses many times a year can be considered good practice, it is not a suitable method for monitoring the lubricant condition in terms of water contamination, as this will allow any potential contamination to remain undetected for prolonged periods. There are however relatively easy solutions for detecting water-in-oil.

(i) Test kits for testing the water-in-oil content are readily available and can be carried out on board in a matter of minutes. By introducing routines for weekly onboard analysis of water-in-oil content, the potential of undetected

water contamination can be reduced from months to days.

(ii) Another option is to install sensors capable of detecting water in oil. When installed in the main lubricating oil stream, these will continuously monitor the water-in-oil content and will instantly alert the crew if the content exceeds a pre-set limit. While such sensors may not be as accurate as analyses or on-board test kits, they will provide an indication of water contamination and will enable the crew to instantly take further action. These should be considered as a part of the engine package when ordering new vessels.

Filter failure

Another cause of damage frequently occurring was identified as faulty lubricating oil filters, which, unsurprisingly, could be traced back to neglected or incorrectly performed maintenance. This type of damage accounted for 13% of failures.* The usual problems with filters were identified as being seals either missing or being of the

wrong type, damaged filter elements that were put back into operation after maintenance, or filters that were bypassed in other ways.

Damage and reusing parts

Lubricating oil filters protect the engine from abrasive particles and debris. Should there be any damage to filter elements, or if seals are not working as intended, unfiltered oil will be able to bypass the filter. This will enable abrasive impurities to enter the engine freely where they can cause severe damage to bearings and other components, with catastrophic engine failure as a result. Reusing damaged or heavily worn filter elements also comes with the risk of pieces of filter mesh breaking free and making their way into the engine, where they may become embedded in bearing surfaces or block the lubricating oil supply.

Ultrasonic cleaning

It was also found that damage to filter elements can occur during ultrasonic cleaning if the elements are not properly separated. The process of cleaning the

While carrying out lubricant analyses many times a year can be considered good practice, it is not a suitable method for monitoring the lubricant condition in terms of water contamination.



filters can also introduce dirt or particles on the clean side of filters. It is therefore highly recommended that attention is paid to the manufacturer's instructions when cleaning filter parts.

The importance of spare parts

To reduce the risk of operating engines with faulty lubricating oil filters, there should always be spare parts for the filters on board. If not, it is likely that the crew will reuse parts which may not be suitable for further service, or they will fit makeshift parts or seals in the absence of the proper spares.

Maintain and monitor lubricant condition

To minimise the risk of costly failures from faulty lubrication, it is essential to monitor the condition of the engine lubricant. This is usually done by carrying out frequent lubricating oil analyses. These will provide useful insights into the lubricant condition and its suitability for further use and will show any potential issues with the engine or lubricating oil. Carrying out such analyses was found to be a widely used approach, even if the frequency of

analyses varied. In 61% of the investigated failures, previous lubricating analysis results were available. Whether the remainder had not carried out analyses or if they were simply missed during the investigation, we will leave unsaid.

By examining the available analysis results, we can see that in roughly 40% of cases, there were indications that something was not right with either the engine or the lubricant. This could for example be signs of excessive wear, oil degradation or contamination by fuel, water or soot.

Investigate warnings

Such information should alert the crew and measures to identify and rectify the underlying problem should be taken. This was however not always the case, since signs of problems could often be detected in consecutive analyses carried out months apart. This shows that there are improvements to be made in how the results are treated once received by the vessel. It is hard to tell whether the crew neglected the warnings or if information went missing along the line. However, there is no point in carrying out analyses if the recommendations and warnings provided are not investigated.

Separators

In terms of maintaining the lubricant condition, separators are very effective. This became evident in situations where separators were either taken out of service or when these did not function as intended. In those cases, the likely cause of failure was severely degraded lubricating oil, which would likely have been in better condition if the separators were in working order. For instance, on many occasions it was found that separators were operating way below the recommended separation temperature of 95°C. This will negatively impact separation efficiency.

Not running any separation even if the possibility exists is not recommended. Naturally, this requires separators to be installed, which is not always the case on smaller engines. Despite having separators available, some will argue that frequent renewal of the engine lubricant can substitute the operation of separators. In such situations, monitoring the engine lubricant condition becomes even more important. With no means to separate contaminants from the engine oil, any issues resulting in contamination may otherwise quickly escalate, and result in engine failure. 🦋



- Carry out maintenance on engines and equipment according to the manufacturer's recommendations
- Introduce routines for frequently testing water-in-oil content on board
- Consider installing water-in-oil sensors
- Ensure availability of important spare parts for filters, replace if damaged
- Monitor the lubricant's condition by frequently sending samples for analysis and act on the results
- Make sure that separators are always operating when applicable and ensure sufficient preheating of lubricating oil

TELP - tailored loss prevention advice delivers real results



By Ellinor Borén ,
Claims & Loss Prevention Controller

If you want to minimise your risks, the first thing you need is information about what those risks are. It sounds simple! But when when The Swedish Club created the Trade Enabling Loss Prevention (TELP) system nearly three years ago, we were ourselves on uncharted territory.

The concept of using AIS technology to track members' vessels and matching this with our own claims analysis to provide tailored advice to specific vessels, represented an entirely new strand of proactive loss prevention support for our members.

We are delighted to say that the concept has been more than proven. Take-up has been remarkable, the breadth and content of TELP has increased, and we have seen clear indications that claims have fallen in some of the areas of high risk that we have identified.

Learning from experience

When TELP was launched, we had analysed years of claims information to create a fact-based list of 30 high-risk destinations around the world, refining and matching this with AIS routes to warn members' ships of the risks ahead – from tricky approach channels to frequent groundings, for example. Additional layers of information and timely updates are provided by correspondents – anything from the latest COVID-19 situation to issues around strikes or port closures.

Excellent take up

By the end of 2021, nearly 60 per cent of our H&M members were using TELP, with the level at 40 per cent for follow members. At the same time, in P&I, this figure was 60% of gross tonnage.

There has been positive, proactive and valuable feedback and information from correspondents, technical experts, business partners and members, all of which enabled us to feed more information into TELP for the benefit of our members.

Real results

There are real results, too. We set ourselves a target of reducing claims frequency in areas of high risk by 10 per cent in three years and started measuring the benefits as part of the project.

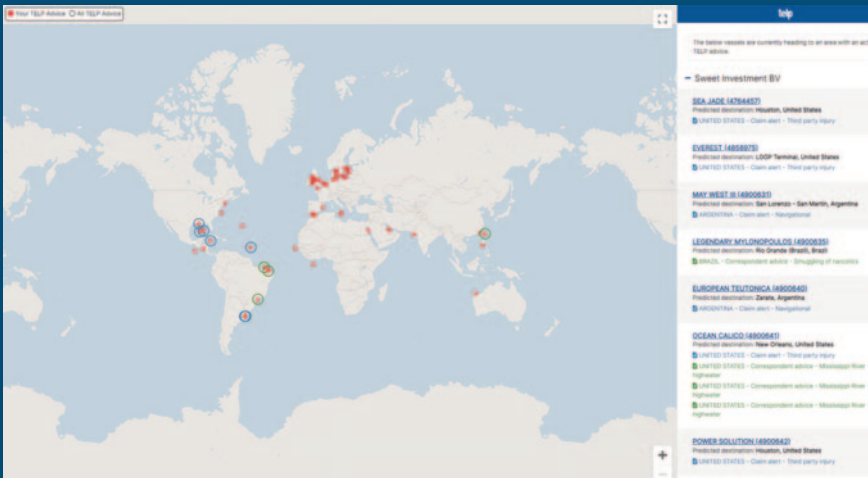
We compared navigational claims both pre-TELP and post-TELP and between 2017 and 2021 we found a reduction in the frequency of claims of 13 per cent in these high risk areas. That is really encouraging and shows we are

absolutely on the right track. The statistics demonstrate that TELP works, that the information is getting through to the right places, and that our members – and crews – are not just glancing at the guidance we provide but paying real attention and acting accordingly. I should add that this reduction in claims was despite the booming freight market.

Expanding TELP

These results gave us the impetus to expand the reach of TELP and also to add new features and types of advice.

During 2021, we added advice on third party injuries and fines in various jurisdictions to our Claims Alerts, and we ended the year with a portfolio comprising Claim Alerts, Correspondent's Advice, Piracy Alerts and Bunker Alerts. This year we will extend the number of high risk areas identified, based on feedback highlighting issues or situations that require extra caution. In addition to refining TELP to make it even more user friendly, we are also looking at using TELP to direct important Member Alerts to shore based offices.



New TELP home page on SCOL

often require different types of information at different times.

Improving safety at sea

TELP is a free service for all vessels entered with the Club and we are delighted that more and more members are taking up the opportunity to be forewarned of potential risks ahead.

TELP is a fantastic and unique way to distribute information. If we can extend its benefits and reach beyond our own membership, what better way to help improve safety at sea?

We will continue to feed the system with more and more information, while taking care to ensure that the guidance issued via TELP is always tailored to the vessel's planned route. We are grateful for all the feedback from from members and correspondents – and, indeed, TELP has also created even closer cooperation between Club and members. We are just getting started!

TELP and SCOL

TELP now has its own area within the new SCOL (Swedish Club OnLine) platform, which was launched to members early in April. (See page 36 for more details.)

Whereas we previously requested contact details in order to send out alerts, users can now log in to SCOL and identify specific vessels or individuals to whom TELP messages should be sent. Ultimately, we are planning to divide the TELP system into two sites – one designed for Masters and the other for shore-based staff, recognising that they



Safety scenario

Serious injury during inspection



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

It was morning, the weather was good with a northerly wind, force 3-4 Beaufort.

A vessel was proceeding in calm seas at 14 knots. During the ten o'clock coffee break, the Chief Engineer informed the First Engineer that the ballast pump, which had been out of commission for some time, needed to be repaired before they arrived at the next port on the following evening. The First Engineer said he would inspect the pump after the break, with assistance from the Third Engineer and an oiler.

The previous day, the pump had been moved to the engine workshop and an oiler had removed the nuts on the pump case. The engineers were wearing safety shoes, gloves, boiler suits and helmets when they started to dismantle the pump. No work permit or risk assessment had been completed or checked before the job commenced.

The engineers decided that this was a routine job that required neither a work permit nor risk assessment.

The engineers started to remove the shaft and impeller from the ballast pump. They secured the shaft in a threaded hole with a chain to an eyebolt. The engineers used a five-tonne safe working load (SWL) chain block, which was secured in a monorail, and the shaft was raised so the engineers could work on it more easily. The chain block was undamaged, certified and approved for the lifted weight.

It was decided that the shaft had to be moved to a larger workbench. To be able to do this, another chain block needed to be attached. The oiler left to find a suitable chain block. While waiting for the chain block, the engineers started to inspect the shaft and rotated it a couple of times when it was hanging over the workbench. Suddenly the shaft became unscrewed from the eyebolt, and the edge of the shaft landed heavily on the

Suddenly the shaft was unscrewed from the eyebolt, and the edge of the shaft landed heavily on the Third Engineer's hand.

Third Engineer's hand, which was severed. The First Engineer was also seriously injured by the shaft, and his hand was crushed.

The vessel diverted to the nearest harbour. Medical assistance was established with the Joint Rescue Coordination Centre (JRCC) and a helicopter was dispatched, which arrived a couple of hours later. Both engineers' lives were saved, but unfortunately, they could not return to their careers at sea. 🙏



Questions

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 if this could 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?
- Do we have a risk assessment for this kind of job?
- If we do, could this risk assessment be improved?
- Is a work permit required?
- Would a risk assessment or work permit have identified the risk of the shaft being secured in this manner on our vessel?
- Are all the relevant crew trained on how to use the equipment?
- Is there any training that we should do that addresses these issues?
- What sections of our SMS would have been breached, if any?
- Does our SMS address these risks?
- How could we improve our SMS to address these issues?
- What do you think was the root cause of this accident?

Supporting our members through sanctions



By Malin Högberg,
Director, Corporate Legal

No one needs reminding of the sanctions story in 2022. Sweeping sanctions against Russia in response to the war in Ukraine were introduced with scarcely any warning or time for shipowners to prepare or adjust operations.

But to some extent shipowners were not facing the situation unprepared. The new restrictions followed a turbulent 2021 when, despite speculation that sanctions might ease after President Trump left office, in fact the reverse was the case. Last year brought more complexity for shipowners and operators as more sanctions were put in place by the United States and the European Union (EU), as well as by the United Kingdom as it developed its own regulatory regime outside the EU.

Unique to the sanctions landscape concerning Russia is the wide number of states issuing their own, and differing, sanctions regimes against Russia and Russian interests. This adds a whole new layer of complexity to international shipping.

Here to help

Shipowners need to abide by the rules, however challenging and complex, says Malin Högberg. “The Swedish Club is here to help. We play a vital role in supporting and advising members as they get to grips with a very complicated sanctions landscape. The team is diligent in keeping members informed about the changes that can come almost daily, work that also includes keeping the Club’s website sanctions section up to date.

“The Club is not a regulator, but it does have an obligation to members and the membership as a whole – and within this, our role is to explain what should be considered when drawing up a new

contract or considering trading into a particular region, for example,” she says.

However, while the Club will explain what sanctions are in place and advise members to be careful, it cannot provide specific legal advice on the legality of a particular trade, so as not to create a conflict of interest between the member and the Club. Members are always encouraged to seek external advice each time they plan to call in contentious regions, particularly because the rules change continuously.

Correct procedures

The Club’s *Guidance for Owners and Charterers on Sanctions Compliance Practice* is available on the website and highlights what needs to be considered – such as checking that the documentation is genuine, establishing exactly who is operating the ship, and so on.

“All members must have procedures in place to recognise the ‘warning signs’



“We are hearing of increasing incidences of AIS spoofing, painting false names on ships or stealing the identity of another ship in order to cover up illegal operations.”

Warning signs

The Club’s underwriters assess every new vessel seeking entry, to establish where the ship trades and where it has traded. Malin’s role is to help the underwriters to understand the risks.

“What are the warning signs? Most potential new members welcome our enquiries and provide all the information we ask for. When someone says ‘I don’t want to give you that’, that’s a clear red flag – either they don’t understand the risk or they could be involved in something that is in breach of the rules”, she says. “Incidentally, an added value of these investigations is that they help us to understand the overall risk appetite of a potential member.”

The Club also monitors AIS for any gaps. “That would definitely ring alarm bells,” says Högberg. “We believe that members who are in the business for the long-term wish to look after their crews and their ships – they are not normally in business for a ‘quick buck’. However, we remain clear-eyed – a tanker might be able to earn a quick and profitable return by ‘disappearing’ from AIS for a number of hours in order to ship a cargo to or from a sanctioned state. We are hearing of increasing incidences of AIS spoofing, painting false names on ships or stealing the identity of another ship in order to cover up illegal operations.”

Maintaining dialogue

For The Swedish Club, it is a case of continuous follow up, ensuring documentation is correct and up to date,

“The Swedish Club is here to help. We play a vital role in supporting and advising members as they get to grips with a very complicated sanctions landscape.”

that something might be amiss, and have processes to deal with such a situation,” says Malin.

She explains that innocent or unintentional breaches of sanctions do happen – perhaps there is a hidden transaction or the paperwork looks perfect but is a cover for something else. “No company can protect themselves 100% against such a

scenario but what will protect you, if your company does find itself under investigation or gets into difficulties, is being able to show you have worked with a consistent and transparent compliance programme, with assessments and processes in place and fully documented,” she says.

“It is about having a system that detects the warning signs; do the due diligence in each and every case and work proactively to improve your routines.

Take responsibility

“What will not protect you is imagining that you can’t be held responsible for what someone else has done. You are held responsible – and it is the same for The Swedish Club as an insurance company. We insure 6,000 vessels in total across all classes and we cannot know what each and every one of them carries each and every day. You need to have a risk-based approach.”

FEATURE

and maintaining conversations with its members.

There are clear expectations on all P&I clubs in this regard. For a start, explains Malin, “the members of the International Group have a 90% market share when it comes to liability insurance, so it is very effective for us to understand the risk.”

The Swedish Club has chosen to apply this approach to all of its insurance classes, on the basis that they are all in some way assisting a shipowner to trade. “It is also valuable assurance for all our members that we are prudent and doing the right thing – and mostly a welcome approach, because they have nothing to hide,” says Malin.

Additional complexity

Something that is often forgotten amongst the headlines is that there are some counter sanctions that must also be considered – for example, imposed by China and Russia to counter EU and US sanctions.

“The way to look at this issue is to accept its complexity and understand



Something that is often forgotten amongst the headlines is that there are some counter sanctions that must also be considered – for example, imposed by China and Russia to counter EU and US sanctions.



“The regulators have their role to play and their requirements often drive us to improve even more in terms of transparency.”

that adhering to sanctions regulations places high demands on all of our operations,” says Malin. “For the clubs, it presents an opportunity to support and advise our members and provide much-welcome added value.”


Time for reflection

A clear ‘upside’ to the COVID-19 travel restrictions during the past two years has been having more time available to analyse legislation and regulations, refresh advice and documentation and gather new perspectives on legislation, sanctions and compliance.

Taking a positive view

Sanctions remain an efficient way for states to regulate activities and deter certain behaviours and that is not going to change. Malin says: “From The Swedish Club’s point of view, compliance with regulation, whether the Solvency II regime and money laundering or the latest sanctions, is all about doing prudent business, showing that we are here for the long journey, and supporting and serving our members.

“The regulators have their role to play and their requirements often drive us to improve even more in terms of transparency and really ‘thinking through’ and refining our processes and business practices,” she adds.

“With all regulation, whether environmental, financial or sanctions-related, the Club will continue to support our members as best we can, and not burden them.” 

Offering a helping hand

The Swedish Club has worked in conjunction with law firm Reed Smith LLP to produce *Guidance for Owners and Charterers on Sanctions Compliance Practices*, which sets out standards and procedures for sanctions compliance that ship operators should follow.

The Guidance aims to assist members in understanding and complying with applicable sanctions, and the Club encourages members to share the content of the publication with colleagues and business partners. It explains the purpose of sanctions and looks in detail at the sanctions applicable to the maritime industry.

Although written prior to the situation in Ukraine, the Guidelines have been designed to apply to all situations the shipowner may encounter. They explain the different types of sanctions that exist and to whom they apply. The publication also provides advice on ‘red flags’ to look for, followed by comprehensive guidance on taking a risk based approach to sanctions compliance. This includes running an effective Sanctions Compliance Programme (SCP), carrying out due diligence, ongoing monitoring, and recognising the need to seek advice from the professionals where necessary.

To download your copy of *Guidance for Owners and Charterers on Sanctions Compliance Practices*, please visit <https://www.swedishclub.com/loss-prevention/legal/sanctions/>

“With all regulation, whether environmental, financial or sanctions-related, the Club will continue to support our members as best we can, and not burden them.”



Liquefaction

- no excuses



Liquefaction can be sudden, and it can lead to devastating loss of life. But it can also be prevented. More needs to be done, says Ed Wroe, Technical Manager at INTERCARGO.

Liquefaction – it’s a term used as a ‘catch-all’ phrase to describe at least two moisture-related cargo failure mechanisms. The results, however, are the same – vessel instability and ultimately the vessel sinking. How often these incidents occur isn’t clear, says Ed Wroe, Technical Manager at INTERCARGO. While there is increasing awareness of the dangers, near-misses are often not reported.

“We usually only hear about cases when there has actually been a casualty and it has been reported in the maritime press. But speaking to contacts, I do hear there are a lot of near-misses.”

Sobering statistics

INTERCARGO (the International Association of Dry Cargo Shipowners) produces a rolling ten-year bulk carrier casualty report – and it’s worth drilling down into the figures. In the ten years to 2021, 27 bulk carrier were lost for various reasons, and 92 seafarers lost their lives. However, of these, five

casualties were due to liquefaction – and these accounted for 70 of the seafarers who died. As Wroe says, the situation may even be worse – we don't hear about all the cases around the world.

“Once the liquefaction process is happening, the only thing the crew can do – assuming the vessel hasn't capsized – is to find a place of refuge,” he says.

Classical liquefaction

He explains the two mechanisms. Classical liquefaction occurs when moisture between the cargo particles becomes sufficiently pressurised, causing the particles to separate. “Then the cargo – imagine water between the particles – starts acting like a liquid, in a ship designed to carry solid bulk cargoes. That has a negative impact on stability and can cause the ship to capsize.”

Dynamic separation

The second mechanism, dynamic separation, has only been discussed or recognised in more recent years. “Dynamic separation happens when the larger particles move because of gravity to the bottom of the cargo hold and start compacting, and the smaller/finer particles become saturated and start moving to the top. This causes a free surface effect, of liquid on top of the cargo. Again, in a ship designed to carry solid cargoes you have this

liquid sloshing around. This can cause the cargo to shift, with vessel instability and potential capsizing.”

Little warning

It is quite possible there are other liquefaction mechanisms we don't know about yet, which are moisture related, says Wroe.

But in any case, the impact can be sudden. “You will see that compared to the number of vessels lost, there is a very high disproportion of seafarers killed, because it can be very quick.”

In cases of dynamic separation, a sign for the crew that things are going wrong is when the vessel ‘wobbles’, he says. Sometimes the vessel lists, giving time to abandon ship – but often there is scarcely any warning.

Types of cargoes

Most cases of liquefaction involve cargoes of nickel ore, iron ore fines and bauxite, but Wroe says it is a simplification to say that those cargoes are necessarily bad.

The geology of the materials and where they

came from is also a factor and could be more important.

“For example, nickel ore probably causes most of the cases – but nickel ore from Canada has a low risk, whereas nickel ore from South East Asia has a much larger risk profile.”

Having said that, even nickel ores mined from the same area in South East Asia can have differing levels of risk – as the mining operation progresses deeper or sideways, the geology of the material can change

“Once the liquefaction process is happening, the only thing the crew can do – assuming the vessel hasn't capsized – is to find a place of refuge.”



Nickel ore loaded onto barges from the stockpile at a jetty, and transported onto an mother vessel for export aboard. Southeast Sulawesi, Indonesia.

and that changes the risk profile, says Wroe. Of course, as he notes, we can hardly expect a ship's crew to be geology experts. That responsibility lies elsewhere.

Responsibilities

What makes the situation worse, he says, is that the people involved – from the cargo owners/shippers/miners to the regulators – are often not doing what they should be doing.

“The cargo has to comply with certain regulations at the point of loading and prior to loading – and the local enforcement or local government officials are not really enforcing these as they should.”

The loading and carriage requirements for carrying this type of cargo are covered by the International Maritime Solid Bulk Cargoes (IMSBC) Code, which links into SOLAS – as he says, “if you are a country that is a signatory of SOLAS, you should be implementing this”.

The regulations stipulate are set times prior to loading when the cargo must be sampled and tested for its moisture content; the implications of not doing this properly are obvious, especially if the cargo has been sitting outside in the rain.

It is the shipper's responsibility to carry out this testing and the local authority should ensure that it is done, says Wroe.

He says the problem is the general practices of the miner/shipper, rather than individual people, and the problems are particularly obvious in South East Asia and in West Africa, with lack of transparency and enforcement being frequent issues.

“Investment is needed – it takes money, time, knowledge and laboratories to do the necessary testing. What's clear is that if everybody stuck to the rules, it would definitely help – although of course sometimes you have accidents.”

Ships' crews

While the most obvious improvement would be for shippers to accurately sample and test cargoes pre shipment, and provide safe cargoes, Wroe says that ships' crews – “unfortunately the last line of defence” – should be provided with all the necessary information and understand the requirements of transportable moisture limit

“The cargo has to comply with certain regulations at the point of loading and prior to loading – and the local enforcement or local government officials are not really enforcing these as they should.”

certification, so that they can make a judgement. “They should monitor cargo loading and ensure the correct documentation is in place,” he says.

However, information can be inaccurate – whether deliberately falsified or due to lack of competence.

“Crew cannot be expected to be experts in this field, especially taking into account the diverse range of cargoes they can carry from port to port,” says Wroe. “If the crew are given inaccurate information by the shipper, it becomes very difficult to relate the cargo to the condition – and they come under a lot of pressure to accept cargoes. When you read accident reports, often the crew are blamed – and that is really unfair, because in the end the shipper should be providing safe cargoes and proper documentation.”

Awareness of the problem

There is definitely more awareness of the risk of liquefaction but it is difficult to say whether the situation has improved, he says. “We don’t hear about the near-misses unless by word-of-mouth. There are various liquefaction-related projects being undertaken and it does seem there is a willingness among some administrations to improve.”

From INTERCARGO’s point of view, the casualty report produced every year highlights liquefaction, hence raising awareness. The organisation has worked with the International Maritime Organization (IMO) to deliver workshops and works with national administrations, to encourage and help them to implement the IMSBC Code.

Working in partnership

“Some administrations have improved and that has had an effect,” says Wroe. “We also work with other stakeholders, such as the International Group of P&I Clubs and various consultants, and we engage with shippers too. We have a cargo panel within INTERCARGO where liquefaction is one of the topics considered, and we issue press releases highlighting the risks. We also believe there could be ways to improve the IMSBC Code.”

The main way to learn lessons is from the accident investigation reports, he says – “but often the national administrations drag their feet when it comes to producing these reports.

“When we compare with our bulk carrier casualty report for the past ten years, only 70% of the related accident investigation reports have been submitted – and we still have reports missing from ten years ago.”

The P&I Clubs will often hear about near-misses, says Wroe, and it would be helpful for INTERCARGO to have an idea of the total number – with cases kept anonymous – to raise awareness generally.

The future

Is enough being done? Wroe says it is not. “One life lost is too many,” he says. Eliminating liquefaction entirely is unlikely because there are cases of water entering the hold in very bad weather, although this is uncommon, he says: “But there is no reason why the situation should not be massively improved. It simply requires everybody to do what they are meant to do.”

In short, the solution is clear: “Shippers must provide accurate information, from accurate sampling and testing, and administrations must fulfil their obligations. Usually, liquefaction happens because the cargo itself should never have been shipped.” 🐦

INTERCARGO represents the interests of quality dry cargo shipowners. Convened for the first time in 1980 in London, it has had consultative status at the IMO since 1993.

The Association provides a forum where dry bulk ship owners, managers and operators are informed about, discuss and share concerns on key topics and regulatory challenges, especially in relation to safety, the environment and operational excellence.

ESG and the life cycle of a ship

Stage one: financing



Diana Syziu,
Partner in the corporate and ship finance team, Hill Dickinson



Traditionally lenders have concerned themselves with the value of the ship, its operational income and the borrower's ability to keep up repayments.

Lenders would usually be looking at five- to seven- year lending at its shortest, and a loan for up to 15 years for newbuild vessels, although always with an expectation of re-financing two to three years in. The famous 'shipping cycle' followed on rotation almost like clockwork. However, times have changed, and stability and sustainability have become the new targets for both lenders and borrowers. Pursuant to the ever-growing awareness campaigns, preserving our planet and our resources are now the priority in every walk of life, ship financing included.

Shipping has often been accused of being a 'harsh on the planet' industry, albeit an essential one as more than 90%

of world goods move by sea. In the current turbulent times, the cost of operating in the industry has risen dramatically with hire and fuel prices going up significantly and key sea corridors of the shipping world being cut off, out of reach, or simply too risky to sail into, in view of sanctions and trade uncertainties.

Taking responsibility

Despite rising costs, it is nonetheless a legal and social responsibility of lenders, borrowers and operators alike that the carbon footprint of each of these vessels is reduced to the absolute minimum (and over the next two to three decades reduced to zero). Lenders always prefer stability and sustainability long-term and one of the main ways of achieving this is through careful borrower selection: selecting borrowers whose fleet or vessel(s) meet certain emission targets, whose vessels have or are about to upgrade into greener technology, and, most

Despite rising costs, it is nonetheless a legal and social responsibility of the lenders, borrowers and operators alike that the carbon footprint of each of these vessels is reduced to the absolute minimum.

importantly, borrowers who have, through behaviour and operations, embraced the social and governance responsibilities of 'togetherness'.

Below, we look at some of the areas in which lenders have exerted influence to effect change:

Legal documentation and approach

We are seeing an increased number of lenders revising their lending documentation, which now incorporates tailored ESG (environmental, social and governance) covenants and undertakings that repeat themselves on each drawdown date and other key dates in the loan documentation.

Borrowers embrace lender support and in fact, they work closely with the lender's technical and commercial teams to put in place and agree on realistic covenant thresholds. Co-operation and transparency in the context of ESG are key components to the successful relationship between borrowers and lenders. A number of lenders who already subscribe to and follow the Poseidon Principles have put together internal commercial teams that

We are now seeing a growing number of technological advances crossing over into shipping and its operations and infrastructure, ranging from newbuilds to vessels already sailing.

specialise in assessing ship performance, data analysis and the ships' technological advancements. It is naturally an added cost to the lenders, however, it creates certainty in relation to the continuing monitoring and quality assurance which the lenders require for their ship lending portfolio, as well as for the borrowers who can report directly to the lender without having to incur additional costs on independent assessments.

Parties in the chain

Each party in the lender-borrower-operator chain needs to be aligned in their approach to ensure consistency; this is particularly important in chartering arrangements where often the owner (borrower) is obliged to give covenants and undertakings which depend heavily upon the behaviour and

operational management of its charterer. The chartering documentation should mirror the loan documentation so that there is perpetuity in the chain and lenders are confident of the effectiveness of documentation and commitment by all concerned.

Technology and finance

The importance of green financing (including the most recent blue financing initiative) has established itself and is here to stay – it is no longer a mere aspiration. Various forms of similar ESG covenants and targets are set by lenders in syndicated lending for project and structure finance. There is an increasing interest in investing in green projects that will protect the environment. Lenders want to play their part by using the powerful tool of credit lines, which will come with ESG strings attached.





According to UBS sustainability group reports over the last two years, a majority of European countries are falling considerably behind, with the US leading the green finance investment. This could partially be due to the limitations of local fiscal policies concerning the cash being made available for investment. This limits the possibility of there being enough liquidity to support ship finance, which requires substantial sums to enable fleet innovation and allow newer and more efficient technology to be installed on ships.

Technology will be key in transforming shipping operations, and like in other industries, automation and software developments in artificial intelligence will push the boundaries in shipping.

There are many green projects using innovative technology that may not be well understood or are emanating from a start-up that are viewed as high risk and are therefore having difficulties navigating the financing world and gaining access to lending channels. More needs to be done to raise awareness of these.

Banks are working very hard to keep up with technology, as are borrowers, collaborating in efforts to marry up the two and provide access to platforms for document checks, data input analysis and reporting results in real time. COVID-19 certainly brought a halt to the flow of connecting channels and business innovations.

However, we are now seeing a growing number of technological advances crossing over into shipping and its

operations and infrastructure, ranging from newbuilds to vessels already sailing. These include remote satellite emission measurement on moving ships and on those calling into ports (for example the EU ports). This is similar in principle to the technology measuring car emissions, which introduced the preventive measure of the Ultra Low Emission Zones in London. Buyers have embraced the concept of virtual ship inspections prior to making an offer, which is a considerable step forward already in cost savings on manpower and reporting in real time.

Technology will be key in transforming shipping operations, and like in other industries, automation and software developments in artificial intelligence will push the boundaries in shipping. Fully automated ships are most likely a thing of the future, however, in the meanwhile, smaller autonomous components within the essential operations of a vessel will increase efficiency and cut emissions. Even though there will only be minor changes, everyone plays a role in our greener planet and cleaner seas and oceans.

Social and governance

Borrowers have always had an obligation to review their crews' employment agreements and labour conditions. However, it is noticeable that all parties in a chain now work closely together to

ensure effectiveness in employment arrangements and better working conditions.

Operators throughout the supply chain have a duty of care to their counterparties. They must comply with the anti-slavery provisions of the Maritime Labour Convention, the Modern Slavery Act and similar legislation applicable to the shipping trade. Long gone are the days when the crew could only rely on their rights to arrest the vessel (as a maritime lien), and operators have come to recognise the difficult conditions under which some of their vessels operate (for example, in war zones or dangerous territorial waters). A recognition of this sort has transformed the circumstances of the workforce in shipping for the better, and part of that transformation is attributed to the financiers of the green projects and the pressure they put on compliance and governance of the operators.

Compliance

A borrower's compliance has become an essential component of the early valuation of borrower's governance and business capabilities. As part of assessing compliance, the borrower (and its group and business partners in project finance) undergoes extensive checks and assessments, including their business plan and operations. Although

it may appear intrusive, the assessment is a helpful tool to lenders in accepting borrowers for the long-term, and with a particular focus on sustainability. Carrying out a compliance assessment process is considerably costly and lengthy, and lenders have to bear these costs with no initial recovery. With this added cost comes a requirement on the lenders to ensure they provide finance to sustainable projects only, i.e. projects that are green, cost-effective and run long-term on terms providing certainty regarding the lenders' return, whilst keeping the finance costs for borrowers to reasonable and affordable levels.

Shipping is a dynamic industry with many moving parts, which makes sustainability a slightly more challenging criteria to satisfy in green finance and related projects. International politics, pandemics, global warming etc., are all factors which have a direct impact. However, responsible operators are showing more and more proactivity in their efforts to improve the efficiency of their fleets, which has resulted in a number of operators seeking fleet upgrades, putting them, slowly but surely, on the right trajectory of eligible borrowers of green finance.

Investing in sustainable green projects matters, and we must all play our part across all industries, shipping included. 🐦

Shipping is a dynamic industry with many moving parts, which makes sustainability a slightly more challenging criteria to satisfy in green finance and related projects.



Interview with **Malin Högberg**,
Director, Corporate Legal

ESG into 2022



Signing up for ESG (environmental, social and corporate governance) initiatives is one thing – commitment is something else, says Malin Högberg.

“Equally, signing up for an initiative because on the surface it looks simple and attractive is not the same as taking a careful and detailed analysis to make sure such an initiative will really make a difference and add value for our members,” she says.

“Following the work we have carried out over the last two years we have been able to move into 2022 with the knowledge that our commitments are meaningful, deliverable, and most of all, add real value to our members and the communities we serve.

The Swedish Club’s ESG policy, based on four of the UN’s Sustainable Development Goals, establishes a common view on what sustainability means for the Club, and provides guidance to employees and members.

Understanding the Club’s role

Taking a step back to ensure objective analysis is crucial. Malin believes that

there is a danger that some apparently ESG-related initiatives are not initiatives at all, because their goals and aspirations are already mandated in regulation.

“During 2021, we spent a great deal of time mapping emerging industry developments and understanding better the Club’s role in supporting our members through the massive changes that they will face moving forward,” she says.

“One of the most important areas of focus for 2022 and beyond is ensuring that there is insurance for shipowners making the transition to new technology as the industry seeks decarbonisation. Indeed, transition is what the Club was born for – the transition from sail to steam ship, and to steel hulls were risks few wanted to take, but which were covered by the mutual approach.”

At the heart of the issues

The Club also plays a proactive role as a member of the International Group’s Sustainability Committee, which will shortly publish its first sustainability report to cover 2021. In fact, the Club has been ahead of many others in that the Swedish authorities have required companies to produce annual sustainability reports since 2017 – and it was at least two more years before ESG became a ‘headline’ topic in shipping.

Governance

When discussing ESG, the importance of the ‘governance’ aspect must also be emphasised, says Malin “In this regard, the Club is dedicated to analysing and updating information on sanctions and money laundering regulations – and advising our members accordingly. This has, of course, been made considerably more complex as a result of the situation in Ukraine.” 🇺🇦

(See page 12 for more information.)

Customs fines for cargo shortage

Customs authorities around the world often issue fines for short/excessive discharge of cargo. The reason for this is often to compensate the government's loss of customs revenue. In some jurisdictions, customs officers may be allowed to retain a percentage of fines collected as part of their salary or as a reward. For customs authorities, a vessel is an easy target.



Martin Birgersson,
Claims Manager, P&I, Team Gothenburg

With a special thanks to:



Simon Williams,
Director, Mills & Co.



Chris Hellström,
Solicitor, Mills & Co.

Figures used to determine the customs fine

Commonly, customs' figures are based on tally or shore-scale figures. These figures are determined away from the ship and are, therefore, beyond the control of the carrier. Such figures may count bags of cargo that have been torn after discharge as being short-landed. In some jurisdictions, a 'Customs draught survey' may be requested by Owners via the Agent. Whenever possible, we recommend that such a draught survey is performed.

Limitation to fines and level of fines

The liability to compensate cargo interests for shortage and the liability to pay the customs fines, are subject to different rules. This can produce

unexpected and unfavourable results. A shipowner may be able to reject the cargo claim in full and yet have an obligation to pay the related customs fines. In a cargo shortage case, a shipowner may be able to limit the liability for the cargo claim by relying on the Hague, Hague-Visby or Hamburg Rules, whereas the fine for the same shortage may amount to several times the value of the short-landed cargo without any defences or limitations available. The main reason for this is that customs fines are imposed by the relevant customs authority (with whom the Carrier has no contractual relationship) and are usually regulated by local law, whereas the cargo claim is often (by way of the contract of carriage) subject to international conventions, such as the Hague or Hague-Visby Rules.

Fines vary in both size and how they are determined. By way of example, the fine might be:

- An administrative lumpsum fine;
- The difference between the duties and taxes that would have been paid in respect of the bill of lading quantity and those actually paid based on the customs' figures;
- Based on the entire value of the short-landed cargo; or
- 'Punitive' and amount to several times the value of the short-landed cargo.

In some places, it is possible to obtain a reduction of the initial fine through negotiations.

Fines from three directions

The fines may come from three different directions:

Directly from the Customs authorities against Owners

When the fine is issued directly against the Owners by the Customs authorities, the Customs authorities may, sometimes without warning, issue an administrative arrest order at the time of departure. This will inevitably cause delays and sometimes requires an LOU or direct payment of the fine before the vessel is allowed to sail.

From the Customs authorities against the ship's agent

In some jurisdictions, the ship's agent is deemed to be jointly and severally liable for the payment of the import duties. The reason is that the ship's agent is regarded as being the local representative of the vessel. As such, the ship's agent may be exposed to the payment of Customs fines, perhaps many years after the vessel's departure. For that reason, the ship's agent sometimes requests a Club LOU/cash deposit to avoid arresting the vessel. Sometimes the ship's agent will simply not obtain the vessel's port clearance, thereby preventing the vessel from sailing until the ship's agent have received funds (or an LOU).

From the Customs authorities against the receiver

The third alternative, which is less common, is for the Customs authorities to fine the receivers, who in turn bring a 'cargo claim' against the vessel (for more information, please see the section dealing with the ICA below).

P&I cover for customs fines for cargo shortage

In general, liabilities in respect of cargo are covered as per P&I Rule 4, section 1 *Cargo liabilities*:

'Liabilities, costs or expenses for loss, shortage, damage or other responsibility relating to cargo before, during or after the contracted transport by the entered ship.'



The P&I cover for cargo-related fines is further described in Rule 7 Section 6.1 (a) *Liabilities in respect of fines*.

'1. Fines (dues, penalties or charges) as set out under a-c whether judicially imposed upon the Member, a member of the crew or a representative of the Member whom the Member may be liable to reimburse or reasonably reimburses with approval of the Association (a) fines imposed for short or over-delivery of cargo, or failure to comply with regulations concerning the declaration of goods, or documentation of cargo (other than fines or penalties arising from the smuggling of goods or cargo or any attempt thereof), provided that the Member is insured by the Association for liability in respect of such cargo and subject to the terms of the entry in respect of such cargo cover,...'

Letter of Undertaking ('LOU') request from Agent or the Customs Authorities

The Club's decision to issue security by way of an LOU (Letter of Undertaking) in order to lift or avoid an arrest/detention is always discretionary and subject to the LOU wording being acceptable to the Club, that no outstanding payments are due to the Club, and a satisfactory sanctions check of the LOU receiver. In addition, the issuance of an LOU will trigger payment of

the applicable deductible. How and by whom the security is requested will affect the possible delay to departure. Usually, a request from the ship's agent will be sorted out quite swiftly, and will often be requested before completion of discharge based on an anticipatory shortage.

Customs fines and the responsibility between Owners and Charterers under a NYPE 46

At common English law, Owners are under an obligation to discharge the cargo at their risk and expense. This is often varied in charterparty forms and the general position under clause 8 of the New York Produce Exchange Charterparty 1946 (the 'NYPE 46' form), subject to the particular circumstances of the case, is as follows:

'Supervision'

Clause 8 provides at line 78 that *'Charterers are to load, stow and trim the cargo at their expense under the supervision of the Captain...'* to which the word *'discharge'* is often added by way of amendment. This usually has the effect of transferring the responsibility for discharge from Owners to Charterers.

If a cargo shortage is caused by, for instance, the poor discharge practices, pilferage and/or inaccurate tallying by Charterers' agents at the discharge port,

this is something that Charterers are responsible for pursuant to clause 8 of the NYPE 46 form. If a customs fine is imposed on Owners for such a cargo shortage, Owners would have a claim in damages against Charterers for the cost incurred in paying the customs fine, or, if Charterers have paid the customs fine and seek to recover the cost thereof from Owners, a defence against such a claim.

'Supervision and responsibility'

If the wording *'and responsibility'* is added after *'supervision'* in line 78 that has the effect of shifting responsibility for cargo shortages arising from loading, stowage, trimming and discharging operations, and customs fines imposed on account of such shortages, back to Owners.

Implied indemnity

A separate, but related, issue is the wording at line 77 of the NYPE 46 form: *'Captain (although appointed by the Owners), shall be under the orders and directions of the Charterers as regards*

employment...' An indemnity is usually implied in Owners' favour by this wording, entitling them to be indemnified against loss or damage suffered or liability incurred by them as a consequence of complying with Charterers' orders as to the employment of the vessel (unless the Owners have consented to bear the risk of such loss, damage, or liability in the charterparty – e.g. where line 78 contains the words *'supervision and responsibility'*).

If a customs fine is imposed at the discharge port on account of a cargo shortage (for which Charterers are responsible) and was incurred by Owners as a consequence of complying with Charterers' orders to load, carry, and discharge the cargo to that port, Owners would arguably be entitled to be indemnified by Charterers for the cost of the customs fine.

Customs fines and the Inter-Club Agreement 2011

The Inter-Club New York Produce Exchange Agreement, generally referred to as the Inter-Club Agreement ('ICA'),

provides a relatively simple mechanism for apportioning liability for cargo claims between Owners and Charterers, when incorporated into a Time Charterparty.

As per the ICA's 'Scope of Application': *'Cargo Claim(s) mean claims for loss, damage, shortage (including slackage, ullage or pilferage), overcarriage of or delay to cargo including customs dues or fines in respect of such loss, damage, shortage, overcarriage or delay...'*

However, the ICA applies only to Cargo Claims made under a contract of carriage. So, even though the ICA expressly covers customs fines, it will only be covered under the ICA if the claim is brought under a contract of carriage. This means that if the customs fine is imposed directly against Owners by the Authorities or via the Agent, the ICA will not apply. This, however, might not have been the intended result of the ICA wording.

Owners and Charterers (and their P&I Clubs) could however agree to deal with the matter as being covered by and apportioned in accordance with the ICA





(even though not falling within the definition of a Cargo Claim), which would normally mean a 50% apportionment as being a shortage claim if not found to be caused by e.g. handling of the cargo (such as torn bags) or otherwise as a result of act or neglect of one of the parties or their servants, etc.

Recommendations to Owners regarding customs fines for shortage

A proactive defence against shortage generally starts in the load port with the accurate quantity loaded being inserted into Bills of lading issued. Despite this, as described above, a customs fine for shortage could be imposed at the discharge port especially where the customs fine is determined by means of shore scale figures/tally, etc.

The second line of defence is the contractual terms of the Charterparty. In the case of a Time Charterparty, it is the choice of the Charterers to trade the vessel within the applicable trading

A proactive defence against shortage generally starts in the load port with the accurate quantity loaded being inserted into Bills of Lading issued.

limits in the charterparty. That may well include countries that routinely impose customs fines (on which, see below). Appropriate wording in the charterparty may be included to make Charterers responsible in full for both securing, handling and settling any cargo shortage claims and/or customs fines imposed.

Such a bespoke clause may require legal advice as to whether it is appropriate for the charterparty and circumstances and may include clauses dealing with, for example, arrest/detention, counter-securities and off-hire. Such clauses may, however, be difficult to incorporate due to commercial considerations.

As an alternative the 'normally included ICA Clause' could be amended to also include Customs fines and would require the other party to counter-secure any securities issued. Depending on the other terms this may be a trade-off between recovery in full against a counter-security.

A sample wording of such an amended ICA protective charterparty clause is set out below.

NYPE Inter-Club Agreement and customs fines

Cargo Claim(s) as between Owners and the Charterers shall be governed by, secured, apportioned and settled fully in

Selected jurisdictions

The following is a list of ports/countries where the Club has experience of customs fines being routinely imposed for shortage of dry bulk cargoes:

- Turkey
- Argentina
- Morocco
- Dakar, Senegal
- Cotonou, Benin
- Abidjan, Ivory Coast

accordance with the provisions of the Inter-Club New York Produce Exchange Agreement 1996 (as amended 2011), or any subsequent modification or replacement thereof (together the 'ICA Agreement'). This clause shall take precedence over any other clause or clauses in this charterparty purporting to incorporate any other version of the Inter-Club New York Produce Exchange Agreement into this charterparty.

In addition, and notwithstanding any provisions of the ICA Agreement to the contrary, Owners and Charterers agree that Apportionment under the ICA Agreement shall be applied to customs dues or fines where such customs dues or fines are claimed against a party to the charterparty whether or not such customs dues or fines are claimed under a contract of carriage and whether claimed directly against that party by any authority or indirectly by any other person, including by way of indemnity.

Further, where a party to the charterparty provides security in respect of anticipated or actual customs dues or fines (whether or not claimed under a contract of carriage and whether claimed directly against that party or indirectly or by way of indemnity) that party shall be entitled to security from the other party in accordance with the provisions of the ICA Agreement.



In the case of a time charterparty, it is the Charterers' choice to trade the vessel within the applicable trading limits in the charterparty. That may well include countries that routinely impose customs fines

It is further agreed that this provision shall not constitute a 'material amendment' to the cargo responsibility clauses in the charterparty for the purposes of the ICA Agreement.

All other terms of the ICA Agreement to remain unaltered. 

Members can receive the latest updates on specific ports via our Trade Enabling Loss Prevention (TELP) service. (See article on page 8.) TELP is free of charge to our members with advice issued for a particular port based on the vessel's AIS information. Please contact our Loss Prevention department at lossprevention@swedishclub.com to learn more and to sign up for TELP.

Total power outage in Malta:

Limitation of liability - which Court has the jurisdiction to release letters of undertaking?

The recent English High Court decision of *Enemalta Plc v The Standard Club Asia Ltd* [2021] EWHC 1215 (Comm) offers important insights into the issue of which court has jurisdiction over the release of a letter of undertaking furnished by a club as security for a claim in respect of which there is no arrest or threat of arrest.

Case summary

On 23 December 2019, a Singapore-flagged ship the *Di Matteo* came into contact with an underwater high voltage alternating current connector cable in the Sicily Channel, causing a nationwide power outage in Malta. Malta's national power distributor Enemalta Plc ('Enemalta') incurred loss and damage for which it had a claim against Owners ('Owners'). The 1996 Protocol to the Convention on Limitation of Liability for Marine Claims 1976 ('1996 Protocol') was in force in Malta. Enemalta's lawyer contacted Owners' club ('the Club') and asked for security. There was no threat of arrest. The Club agreed to 'furnish security ... in a sum up to the ship's limit of liability under the '96 Protocol to the LLMC 76 as applicable in Malta'. A letter of undertaking



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Senior Partner, Dentons Singapore



Jen Wei Loh
Senior Partner, Dentons Singapore

(LOU) was furnished on 3 January 2020 in the maximum sum of EUR 21.56 million. The LOU was subject to English law and to the exclusive jurisdiction of the English High Court.

Proceedings in Singapore

Three weeks later, the Owners commenced limitation proceedings in Singapore. Singapore was then transiting

between the Convention on Limitation of Liability for Marine Claims 1976 ('1976 Convention') and the 1996 Protocol. Under Singapore law, the 1976 Convention would apply to the incident and the limit of Owners' liability was the equivalent of EUR 5.77 million. Among the orders that Owners sought from the Singapore Court, when applying to limit liability in Singapore, was an order that the LOU be released by Enemalta, under Art 13.2 of

On 23 December 2019, a Singapore-flagged ship the *Di Matteo* came into contact with an underwater high voltage alternating current connector cable in the Sicily Channel, causing a nationwide power outage in Malta.

The English High Court thought that Owners' argument missed the real issue, which was whether any order made by the Singapore Court for release of the LOU would affect the validity of the LOU, which was governed by English law.

the 1976 Convention. Art 13.2 of the 1976 Convention, which states:

'After a limitation fund has been constituted in accordance with Article 11, any ship or other property, belonging to a person on behalf of whom the fund has been constituted, which has been arrested or attached within the jurisdiction of a State Party for a claim which may be raised against the fund, or any security given, may be released by order of the Court or other competent authority of such State...'

Enemalta contested the ability of the Singapore Court to make such an order. It argued that the LOU was not physically present in Singapore, but in Malta, and parties had agreed to the choice of English law and English exclusive jurisdiction in the LOU. Neither Malta nor England were, at the time, state parties to the 1976 Convention. Therefore, the LOU was not within the jurisdiction of the courts of a State Party in which the limitation fund was constituted.

English proceedings

To underscore its point, Enemalta commenced English proceedings against the Club to seek a declaration that only the English High Court had power over the LOU. The Club's response was to challenge the jurisdiction of the English

High Court, contending that the Singapore Court had jurisdiction to decide on the question of release of the LOU as that question did not concern matters of substance within the LOU.

The English High Court thought that Owners' argument missed the real issue, which was whether any order made by the Singapore Court for release of the LOU would affect the validity of the LOU, which was governed by English law. The English High Court determined that the Club's dispute of English jurisdiction failed on the following grounds: -

- It could see a good argument by Enemalta that the LOU was not located in Singapore because it was not furnished to obtain the release of the ship from arrest.
- It was likely that English law would treat the LOU as being located in England because of the English exclusive jurisdiction clause which, under English law, represented the intention of the parties that the English High Court would resolve all disputes of any kind (*Fiona Trust & Holding Corporation v Primalov* [2008] 1 Lloyd's Rep 254 at [26]).
- It was likely that the Singapore Court would be viewed under English law as having no power over the LOU.

Therefore, if the Singapore Court ordered the release of the LOU and Enemalta obtained judgment in Malta for sums in excess of Singapore limitation and attempted to enforce it in England against the LOU, the English High Court had jurisdiction to determine the validity and status of the LOU.

Permission to appeal

The Club applied for permission to appeal, which was refused at first instance and refused by the English Court of Appeal on reasons that were similar and possibly stronger, focusing on the *Fiona Trust* principle. The English Court of Appeal considered that the Singapore limitation proceedings appeared to be an attempt to oust the exclusive jurisdiction of the English High Court, and that the LOU and correspondence read as a whole, including the qualification that it was furnished 'without prejudice to any rights or defences of the owners ... including their right to limit liability', did not envisage that limitation proceedings might be brought in a non-1996 Protocol country.

Observations

The decisions of the English High Court and Court of Appeal demonstrate that where an LOU is furnished without an arrest or threat of arrest, a shipowner should consider the negotiations leading to provision of the LOU, the wording of the LOU including any governing law and jurisdiction clause, the legal locality of the LOU and the limitation of liability conventions applicable, in determining the place to limit its liability. The difference in limitation amounts between the 1976 Convention and the 1996 Protocol is vast, as the figures in this case show. 🇬🇧

webinar

Launch of new Bills of Lading Guides



On Wednesday 23 March, The Swedish Club held a webinar to formally launch its new *Bills of Lading Guides*, designed to provide members and brokers with solutions to the most commonly found issues with bills of lading.

The Guides are the brainchild of Torbjörn Claesson, Senior Claims Executive, Team Gothenburg, and were created in response to requests for further support from those dealing with bills of lading. Despite their seeming simplicity – a bill of lading is a very short contract, with only about five clauses, compared with the many clauses to be found in a charterparty – bills of lading are important legal documents and a number of legal issues may arise from their use. Often a decision made on the spur of the moment can have long reaching legal implications.

Deceptively complicated

The bill of lading is complex partially because of its simplicity. Because a bill of lading is so short, much of the law is found outside of the wording of the contract itself. The reality is that, whilst there is a lot of information available, it is not always easy to find. Part of the issue

is that much of the advice is found in legal textbooks, which may reach a restricted audience.

A pair of shoes

Torbjörn explained to the audience that the factfiles were like shoes – ‘they always come in pairs’.

The *Practical Guides* offer pragmatic solutions, identifying the simple steps needed to resolve a particular issue. Whilst designed to be of particular use to the Master, crew and the members’ chartering and operations department, they are also relevant to the claims team when they need a practical viewpoint.

The *In Focus* publications go into depth and reference case law where necessary, explaining why the law works as it does. This is especially useful for in-house counsel, claims team members, brokers, and those familiar with the law in general.

In real life

Torbjörn then introduced two real-life examples. The first looked at the issue of clausuring bills of lading, and he discussed how the *Practical Guide* could be of help in the situation where foreign material is found in cargo. How do you deal with the fact that the P&I cover may be prejudiced if the bill is not properly clausured? What happens if the charterparty requires the



Torbjörn Claesson,
Senior Claims Executive, P&I and FD&D

Master to sign the bill as presented? Further details of the various legal implications were then shown in the *In Focus* guide.

He also covered the situation of bearer bills and demonstrated how both of the guides can be used to help with issues arising.

There were plenty of questions – some pretty challenging – proving that this particular pair of shoes will likely be of use for some time.

The new *Bills of Lading Guides* can be accessed via new SCOL and were created in association with a number of leading law firms. 🐦

(For more information on new SCOL please see page 36.)

Gold Sponsors of the Donsö Shipping Meet 2022

The Swedish Club is proud to be a Gold Sponsor of the unique Donsö Shipping Meet, in this, the Club's 150th Anniversary Year.

When the Club began in 1872 the island of Donsö would not have looked much different - a small fishing village with houses crowding up against each other and boathouses lining the harbour - behind the scenes things are, however, very different today.

The island is no longer dominated by the fishing industry. These days, cargo shipping, and in particular tanker shipping, has taken over. Out of a population of about 1600, there are nine shipping companies in Donsö that are active in tanker shipping in the bulk goods and chemical sectors – indeed 53 ships are controlled by businesses on the island.

Every other year however, the island would most certainly be unrecognisable to the Club's forefathers, when it reaches out to the shipping community and hosts the Donsö Shipping Meet (DSM). A key event for the maritime cluster, DSM is a lively, friendly event that encourages delegates to make new connections and provides a forum for lively debate. With more than 2,000 delegates, 300 exhibitors, and a busy programme of side events and sector specific conferences crowding the quays, the island is transformed.

As a long term Gold Sponsor, the Club supports DSM's aim to elevate Swedish shipping in the international arena. The theme of this year's event, 'Clean Ocean with Future in Sight', is of key importance

to the face of shipping today, explains Lars Rhodin, Managing Director of the Club. "In the coming years the issue of sustainability and protection of the environment will have a fundamental change on how the industry operates its vessels and how it does business. Working to meet the International Maritime Organization's framework for green house gas reduction, and integrating environmental, social and governance (ESG) principles into everyday business life will become an increasing focus.

"What the Donsö Shipping Meet achieves for the industry and for the environment, as well as for Gothenburg itself, is very close to our heart." 🐦



Making waves in the classroom: Adopt a Ship



The 'Adopt a Ship' programme forges unique links – between ship and classroom, captains and pupils, seafaring and learning. Originally created by the Cyprus Shipping Chamber in 2006, it has expanded into the Philippines, Poland, India, Greece and North America. Irene Notias, founder of the non-profit organisation that introduced and manages this programme in Greece, Project Connect, tells Triton why she is championing 'Adopt a Ship' in Greece.

In October 2018, Irene Notias received approval from the Greek education ministry to introduce the Adopt a Ship programme to schools in Greece. The first match, with an elementary school, was made almost immediately – and within 18 months, the programme had attracted 138 classrooms and nearly 100 vessels. The numbers are still growing – Irene hopes to have linked classes with more than 200 vessels by the end of the year. It's a result she's proud of, and a programme she passionately believes in.

Project Connect

How did it begin? Irene appears to embody the phrase 'If you want something done, ask a busy person'. Founder and Managing Director of Prime's Bunkersplus Services in Glyfada, she was already running Project Connect, a matchmaking service she had set up to link students/graduates with jobs in the Greek shipping community. The Swedish Club has provided sponsorship for Project Connect, which Irene describes as an 'auxiliary Human Resources facility for the Greek shipping community's benefit'.

It was Project Connect's Honorary Chairman, George Tsavlis, who introduced Irene to Adopt a Ship. Having

"The children wrote their first letters to the captains – beautiful letters, very inquisitive, asking about the ship and the crew."

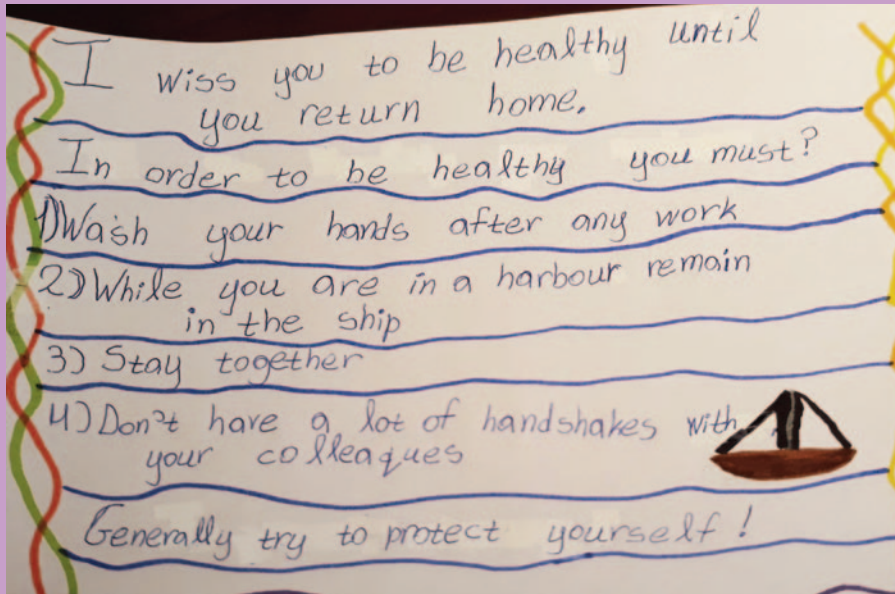
met with the founders of the Cyprus programme, she worked with a young intern and another assistant to create the Greek version and get authorisation to take it into the education system.

A flying start

"Once we had the authorisation, we had to get the ships! I used my own client base and had seven responses right away," she says. "We began matchmaking almost immediately."

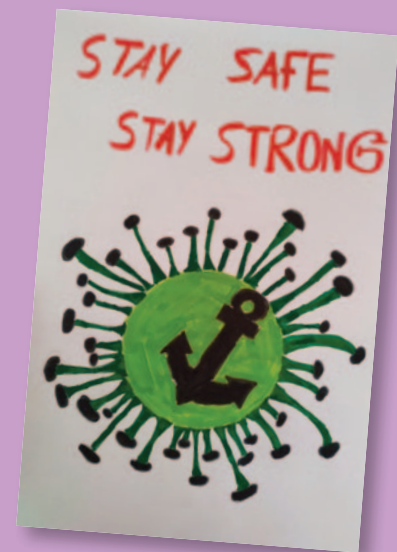
Adopt a Ship had begun. Very quickly, classes of nine-year-olds at seven schools were matched with seven vessels.

"The children wrote their first letters to the captains – beautiful letters, very inquisitive, asking about the ship and the crew. They received really touching and informative responses back. The teachers were really enthused because they didn't think the captains would be interested in responding in that way. Happy pupils, happy teachers, happy captains and crew, happy Greece! We need a happy world."



Industry response

Irene has been delighted by the response from the industry. One shipowner paid for a Skype call so that the pupils could talk to the captain and crew while they were at sea. Captains visit 'their' school when they are ashore. The pupils have been sent sketches from the ships, pictures of the food made on board, and video of the bridge and what happens there. There have been cards at Christmas time and Greek shipping songs. The children write letters about their lives and interests.



At the end of the first year, a school play was organised in Piraeus, where the seven schools showed their work, including a fabric art installation with sail boats moving through the waves, an entire cargo ship made from water bottle lids, and Greek songs about the sea.

Interactive learning

Adopt a Ship is designed for nine to 12-year-olds. The programme provides each class with a gigantic route map on which

the children can follow 'their' vessel, learning about ports and geography. Each classroom also has a booklet covering the history of Greek shipping and the various types of vessels.

"One teacher told me the children want to go to school because of this programme – they look forward to getting a letter from the captain. In fact, the children from the next-door classroom were waiting outside, hoping to come in and see what was happening!"

At the end of the first year, a school play was organised in Piraeus, where the seven schools showed their work, including a fabric art installation with sail boats moving through the waves, an entire cargo ship made from water bottle lids, and Greek songs about the sea.



The next generation

Adopt a Ship is, of course, an excellent way to raise awareness amongst younger children – and their teachers – of the importance of shipping and career opportunities in the maritime world. The questions can be fun: one child asked a captain, "When your vessels are in the ice area and it is snowing, do you all stop working?"

Other points are encouraging. When asked who would like to be a captain, three young children immediately raised their hands. In a survey of participating children, 97% said women could be captains.

And what's next for Irene? She is planning to create a virtual shipping company tour where visitors can see the office environment and learn about the various support functions that are essential to keeping a vessel at sea. Watch this space! 🐦



SCOL: New, improved and adding value for members

Welcome to our new, improved SCOL! We are proud to have launched an updated, reconfigured version of our hugely popular Swedish Club OnLine (SCOL) portal – and are delighted to say that the feedback so far has been overwhelmingly positive.

SCOL has been a valuable resource for members, brokers and other stakeholders for many years, providing information on vessel locations, insurance status, claims and benchmarking. However, technology is constantly improving, and we are always looking at ways to pass on those benefits in the service that we offer.

Customised

We have focused on making SCOL more user friendly, with simpler, more direct navigation and search tools. TELP, our Trade Enabling Loss Prevention tool, has its own area and the new SCOL also features a wealth of loss prevention guidance and information – all at the touch of a button. A library is now available where members can easily

access all loss prevention publications and other resources.

The next generation SCOL is customised to the individual needs of the user, and we believe that the new features we have added will deliver real value for members and business partners – particularly the Advanced Claims Analysis which offers smart analytics, allowing members to carry out analysis of their own claims, or benchmark their claims against those of the Club.

Interactivity

Users log in to a welcome page and can easily view the position of all their vessels, with the aid of an interactive map or via simple menus. This information is updated hourly. In addition to a new sophisticated search function, users can directly see notifications for each vessel at a glance, showing that something new has happened or new documents are available.

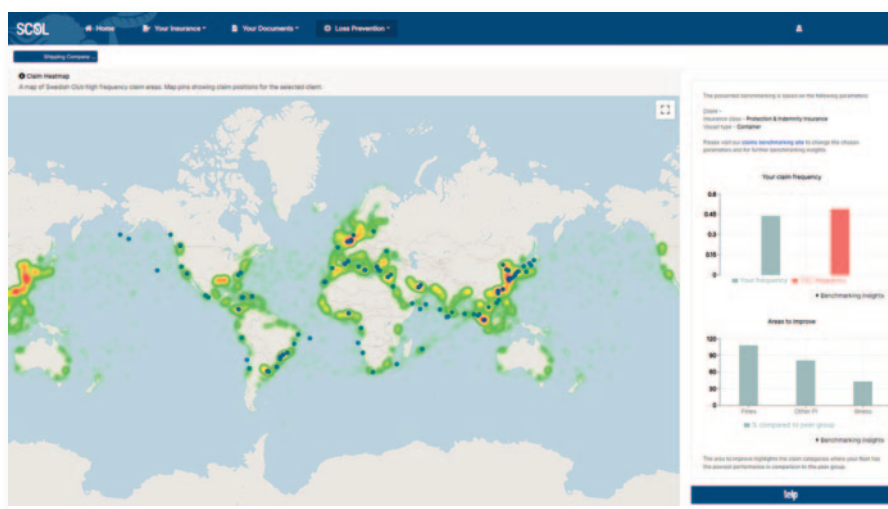


Lars A. Malm, Director Strategic Business Development & Client Relations.

The system enables easy navigation between a vessel's records, insurance, premiums and claims history, open claims and important documentation.

Reporting

Monthly reports cover the progress of all claims, while sophisticated filters enable in-depth analysis of performance and incidents. Members and brokers can swiftly pinpoint any risks that are high-



coded depending on type. In addition, they can also now add email addresses to select specific vessels or individuals to whom TELP advices should be sent.

While we are pleased with the new features and ease of use of our new SCOL, we will never be entirely satisfied. Not only are we always looking for new ways to add value for our members, but we know that the rapid advance of data access and analysis and AI will allow us to embed even more information and intelligence in the future.

“SCOL has always been a good tool in our day-to-day administration. This makes it even better.”

Inger Landerholm Capital, Insurance Services MIS

What next?

At present, the portal is a route for The Swedish Club to share data, analysis and information, but we anticipate that in the near term, SCOL will allow more of a two-way communication.

We expect this to change, so that SCOL will enable members to carry out tasks and make requests – for example, ordering new certificates or submitting documents and requests to insure a vessel – via the online platform. We have discussed the possibility of online claims in some situations, with users able to register simple claims at first and perhaps more complex claims in due course.

However, in all such discussions, we never forget that the priority of The Swedish Club is ‘service at all times’; the philosophy of the Club is personal service; the success of the Club is based on trust; and everyone at the Club prides themselves on building long-lasting, friendly and personal relationships. Some things will never be ‘virtual’.

For the second half of 2021 the Club ran a pilot programme, testing and improving new SCOL. We would like to thank our ‘test pilots’ for their help and encouragement. 🐦

“The new TELP section works very well, wonderful feature!”

Sanne Hauschildt & Team, NSB Claim Solutions

frequency, whether on a specific ship type or in particular locations, or fleet-wide.

SCOL also enables even faster handling of documents, and access to important information which can be easily exported to an Excel spreadsheet.

Improved benchmarking

The previous site allowed members to benchmark their vessels’ performance and claims levels against similar fleets – and that capability has been advanced through the introduction of a ‘heat map’, showing

where claims happen more frequently and also highlighting the particular member’s claims.

Loss prevention

Users can pick up insights and compare claims costs through dynamic and interactive graphs, charts and stats, to gain a very clear picture of how their fleet is performing. Clever analytics show claims frequency and areas for improvement – linking to loss prevention publications ‘suggested reading’. A pie chart provides a visual breakdown of claims by cost and by category (for example, cargo damage, fire/explosion, theft, etc.).

TELP

TELP is now built into SCOL, and users can access all TELP advice via a map; simply click on the ship to receive all relevant information and alerts for the area, colour-

Helping us to help you

Interview with **Britta Patriksson**, Director, Human Resources

When Britta Patriksson joined The Swedish Club in 2018 she could never have imagined the challenges that she would face in the first few years of her new role. The COVID-19 pandemic turned accepted working practices on their head and had a huge impact on people's day-to-day lives. Today, as we begin to emerge from the restrictions of the pandemic, we ask Britta for her reflections on the last two years, and for an insight into her plans as we move forwards.

In her role as head of human resources, Britta Patriksson has organised, advised and supported staff across The Swedish Club, and witnessed the positives and negatives of some dramatic changes.

Supporting people on the ground

As a truly global company, one of the first challenges was to keep up to date with what was happening locally, and this is as important today as it was at the beginning of the pandemic.

Originally, lockdowns were switched on and off in the various locations and staff worked from home or went into the office in shift systems to allow for a reduced number in the same space. It was a major task to keep ahead of the changing restrictions, to adapt guidelines and to keep the management team informed and up to date. At that

As a truly global company, one of the first challenges was to keep up to date with what was happening locally, and this is as important today as it was at the beginning of the pandemic.



“I would say that the organisation has become closer because the offices are interacting more with each other; as it’s still difficult to travel, we try to see each other digitally more often.”

point, Britta was well aware of the risk that employees could become isolated and the Club’s ‘family feeling’ could be undermined. “Our managers made a huge effort to keep close to each and every member of their team at this time,” she said. “There has been an extra focus on leadership as, of course, there were additional challenges to leading digitally.

“Today, as restrictions continue to ebb and flow, the challenges are different,” said Britta. “As we emerge from the pandemic many people are fatigued, having faced their own personal difficulties during that time. It’s important that we continue to support our staff, ensure that they keep their energy levels up, and help them to keep offering the great levels of service and support that our members have seen over the last months.

“Interestingly I would say that the organisation has become closer because the offices are interacting more with each other; as it’s still difficult to travel, we try to see each other digitally more often. Digitally, more people can be involved in meetings together and we can cooperate and see each other in different ways. I am proud of the way in which we made such rapid changes – we did really well at that.

However, she says, “we were always aware that the ‘spark’ from something as simple as chatting at the coffee machine could be lost.”



Supporting people through technology

The Club has put a great deal of effort into the technical opportunities, not only in the basics of providing laptops and ensuring connectivity for day-to-day work, but also in making best use of digital links to meet colleagues regularly, run seminars and training, and provide advice. A year of little travel was successful in terms of efficiency and successful digital meetings, says Britta, “but nevertheless it is clear that the shipping industry, and the business cultures of most countries, really do depend on face-to-face meeting and personal relationships and I am enjoying the fact that people are beginning to meet face to face again. Meeting in person is essential - you get different energy and creativity.”

Business as usual

As the Club settled into an established rhythm of online meetings, working from home and flexibility, Britta was able to focus on ‘business as usual’.

“We were able to run our employees’ survey, which is carried out every two years,” says Britta. “The responses help us to take a snapshot of our employees’ attitudes to the company and their work. They help us to pinpoint areas for improvement and focus for each team in

the coming year, while not forgetting, of course, to appreciate their positive comments.

Unsurprisingly, following the pandemic the issue of stress has been raised in many workplaces, says Britta. “As a direct result of the employees’ survey findings, we are running a programme which aims to support employees at all levels deal with the issue.”

The Club has also been able to step up its focus on ‘communicative leadership’ – for example, what to do if a conversation goes badly, or how to give clear feedback and constructive criticism, explains Britta. “As part of this, we aim to gather all the Club’s leaders together three to four times a year.

Moving forward

“A highlight for 2022 will be the opening of our new office in Singapore, says Britta. “As the company develops I want to focus on building a great working environment, support managers as good role models, and create a workplace with a lot of positive energy.

“My ambition is to learn from the accelerated use of technology over the last few years and to regularly bring the whole organisation together, online, to share ideas and to support one another - wherever in the world people are based.” 🐙

15-17 June 2022

Gothenburg, Sweden

The Swedish Club's Annual General Meeting



Notice board

Ukraine and Russia

The developments in Ukraine and the impact on shipping activities in the area are being closely monitored by The Swedish Club. Members are advised to exercise particular care in performing due diligence on any trade to Russia or the Ukraine that they may be contemplating.

Reference is made to the Club's *Guidance for Owners and Charterers on sanctions compliance practices*.

Updated information on the EU, UK and US sanctions regimes in place against Russia from a shipping

perspective, as well as information on insurance cover and services, can be found on the sanctions section of the Club's website: <https://www.swedishclub.com/loss-prevention/legal/sanctions/>

Continuous updates are received through our local correspondents in both Ukraine and Russia. Correspondent advice issued via our Trade Enabling Loss Prevention (TELP) programme is also available on our website.

Out and about

Record-breaking attendance at The Swedish Club's traditional breakfast seminar in Oslo



Last hosted by Team Norway in March 2019, this year's breakfast seminar was held at Tjuvholmen Sjømagasin on 16 March 2022.

More than 50 members, brokers and lawyers were updated about the Club's activities from the office in Oslo by Area Manager Tore Forsmo, followed by a state-of-affairs overview from Managing Director Lars Rhodin.

With the geopolitical events taking place today in mind, the Club delivered a presentation on the issue of sanctions. Malin

Högberg, Director Corporate Legal, and Tine Vigmostad, Senior Lawyer at Wikborg Rein, shared their expertise and provided advice on how to navigate the tricky sanctions landscape.

Feedback from the attendees was extremely positive, and for many this was the first in-person event that they had attended for a considerable time.



Staff news

Team Gothenburg



Fredrik Thool
Assistant Claims Executive, P&I

Fredrik joined Team Gothenburg on 10 January 2022 as Assistant Claims Executive to spend one year as an intern. He holds a bachelor of Maritime Transport and Nautical Science from SIMAC, Denmark and a Master of Law from Uppsala University in Sweden and the University of Oslo, Norway.

Team Asia



Catherine Wong
Claims Manager, FD&D and P&I

Catherine joined Team Asia on 17 January 2022 as Claims Manager, FD&D and P&I. Catherine is a qualified solicitor in Hong Kong and England and Wales. Previously she has worked for English shipping law firms and other International Group clubs in Hong Kong.

Team Asia



Motohiko Kobayashi
Exclusive Senior Advisor

Moto replaced Ryuzou Imai, our representative in Japan, on 1 January 2022. He has previously worked for Tokio Marine and Fire Insurance Co. and has extensive experience in Marine and P&I claims.

Team Piraeus



Carl Hakner
Senior Claims Executive, Marine

Carl joined Team Piraeus on 1 February 2022 as Senior Claims Executive, Marine. He is a former Chief Engineer and previously worked as Claims Executive, Marine in Team Gothenburg. He has been employed by the Club since 2019.

Team Norway



Vilde Vestreng
Claims Executive, Marine

Vilde joined Team Norway on 1 March 2022. She has a Masters in Maritime Law from the University of Oslo and has worked as a legal advisor/case handler at the Norwegian Labour and Welfare Administration. She has also worked as a claims assistant with the Norwegian Hull Club.



Club Calendar 2022

As COVID guidelines begin to relax around the world, The Swedish Club is slowly reintroducing its programme of face to face events.

We are delighted to be able to advise you of the dates below - new events will be added to the Club website as they are scheduled, so keep posted.

Club Calendar 2022

15 June - Board Meeting, Gothenburg
16 June - Annual General Meeting (AGM), Gothenburg
15-17 June - Club's 150th Anniversary AGM events, Gothenburg

We will continue to run our popular programme of webinars. Visit <https://www.swedishclub.com/training/webinars/> for the latest updates.

Club Quiz

1. What city would you travel to if you want to rent a gondola?

- 1 Cairo
- X Tokyo
- 2 Venice

2. What is the name of the ship that served as the Royal Yacht for Queen Elizabeth II?

- 1 HMY Boris
- X HMY Britannia
- 2 HMY Windsor

3. The Swedish Club celebrates its 150th anniversary this year. What is the name of the first Chairman (who also was MD of the Club)?

- 1 Axel Broström
- X William Fleetwood
- 2 Gunnar Carlsson



Winner of Quiz No 3-2021

Ann-Sofie Ankarcrone
Donsö Shipping Meet
Gothenburg, Sweden

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

- 2 **Mayflower**
What was the name of the ship that sailed in 1620 to North America to establish a colony?
- 2 **Poseidon and Amphitrite**
Who are the parents of Triton?
- X **Asparagus**
What kind of food is served as the main course at The Swedish Club's AGM dinner?

Mail your answer to 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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