

FÉDÉRATION FRANÇAISE DES SOCIÉTÉS D'ASSURANCES

26, boulevard Haussmann 75311 Paris Cedex 09
Téléphone : 01 42 47 90 00 - Télécopie : 01 42 47 93 11 - Internet : <http://www.ffsa.fr>

DIRECTION DES ASSURANCES TRANSPORTS
Téléphone : 01.42.47.91.45 – Fax : 01.42.47.91.42 – E-mail : dmat@ffsa.fr

Report of the IUMI Liaison Officer to the ICC

<p style="text-align: center;">IUMI COPENHAGEN CONFERENCE – 2007 REPORT ON THE ACTIVITIES OF THE INTERNATIONAL CHAMBER OF COMMERCE (ICC)</p>
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UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS OF THE INTERNATIONAL CHAMBER OF COMMERCE – UCP 600

The Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce – UCP 600 – announced and presented in our last year report – entered into force on 1 July 2007 after three years of work by the UCP drafting group

As far as insurance is concerned, the opinion of the French Association was sought by the ICC as the recognized representative both of IUMI and of the French Market. The French Association's final agreement was given in October 2006 when it was noted that all the insurers' suggestions and requirements had been taken into account.

Among the changes introduced into the last version of UCP 600, the insurers' attention must be drawn to article 28 which deals with insurance documents, as the French Association's intention and that of IUMI 'were to put an end to the restrictive construction of article 185 of the 2003-revised International Standard Banking Practice (ISBP) concerning the issuers of insurance documents.

Under this article, it is provided that “*a broker may sign as agent for the named insured company or the named underwriter*”.

while,

in most insurance markets, it is the practice that agents and representatives of the insurer may be authorized to sign insurance certificates either as insurance agents or **as authorized by an insurance company for a specific insurance contract** (in which case the broker is most frequently the person who acts on behalf of the insurer).

Hence the importance for the UCP600 wording to clearly specify that “*an insurance document, such as an insurance policy, an insurance certificate or a declaration under an open cover, must appear to be issued and signed by an insurance company, an underwriters or their agents or **their proxies***”. And the text continues: “*Any signature by an agent or **proxy** must indicate whether the agent or **proxy** has signed for or on behalf of the insurance company or underwriter*”.

Another point of importance is that a certificate of insurance and generally “*an insurance document may contain reference to any exclusion clause*”. In this respect, it must be reminded that a certificate of insurance is a proof that an insurance contract has been effected and contains certain terms of a full-length insurance.

However, in no case shall this certificate override the provisions of the policy to which it refers. For instance, the fact that a risk excluded under a policy does not appear in a certificate of insurance does not mean that such exclusion has been waived by the insurer. As a rule, the rights of the holder of the certificate of insurance are strictly those provided in the policy, regardless of any other insurance documents.

Another provision laid down in Article 28. f. iii of the UCP 600 states that “*the insurance document must indicate that risks are covered at least between the place of taking in charge or shipment as stated in the credit and the place of taking in charge or final destination as stated in the credit*”. This provision exactly reflects the practice of the marine insurance markets.

The 2007 revision of the Uniform Customs and Practice for Documentary Credits – UCP 600 – is available at ICC Business Bookstore
<http://www.iccbooks.com/Home/Home.aspx>

UNCITRAL DRAFT INSTRUMENT ON CARRIAGE OF GOODS BY SEA

The last UNCITRAL working group session on the draft transport convention took place in New York City from 18 – 26 April 2007. ICC was represented by a delegation.

The main chapter discussed at the meeting were :

- Definition of the maritime performing party ;
- Freedom to contract and volume contracts ;
- Compensation for delays in delivery.

The document as amended at this session should be examined during a next session in Vienna in November 2007, for final reading in New York in April 2008 and a vote by the competent U.N bodies in June 2008.