



IUMI

International Union of Marine Insurance

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IMO

International Maritime Organization

Report of the Liaison Officer

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1 Acknowledgment and Generalities

I would like to take advantage of this opportunity to thank Mr Anthony S. Nunn who has contributed, also during this IUMI-year, a great deal to the success of IUMI's liaison with IMO.

A great deal of time is being spent in plenary sessions, working groups and even correspondence groups. Many times, insurance aspects fail to be dealt with, are postponed or do not receive the enthusiastic reception we would hope for. Despite these sometimes a bit frustrating circumstances (other NGOs face the same problem in their specialties) we covered IMO's activities comprehensively and defended insurers' interests technically.

2 Reporting

From each IMO Meeting detailed reports and resumes are drawn up and sent to the Chairmen of the Technical Committees, Executive Committee Members and our President.

I would also like to refer to IMO's website (www.imo.org) where each committee reports extensively its activities.

3 Focus

IUMI is cost conscious and participates in as few IMO meetings as possible but in enough so as not to miss aspects which may be important for marine insurers and where IUMI, on behalf of its members, may intervene in time. I want to stress that the higher up (starting in working groups of sub-committees, going to committees, to the council and then to the assembly) a particular issue moves, the more difficult it becomes to change it to the better of marine insurers' interests.

4 Activities

MEPC (Marine Environment Protection Committee)



As a matter of course, IUMI participates in these meetings (there are normally 2 weekly sessions per year).

Main topics now:

Ballast Water and Sediments

-> development of rules to avoid pollution and ingress of foreign substances into local waters.

Importance for marine insurers: limited – no direct liability exposure to be expected.

Recycling of ships

Reference: IMO Guidelines on Ship Recycling, December 2003.

- > development of (mandatory?) guidelines
- > 'green passport' for new and existing ships
- > development of a list of hazardous materials contained in ships
- > development of rules for recycling facilities, to be put up by recycling states
- > notification system
- > environmental compliance plan
- > safety and health plan including a 'gas-free ready-for-hot-work certificate'
- > Greenpeace: vociferously insists on mandatory regulations – MEPC 52, October, 2004, starts discussing this issue
- > problem of non-compliance with the voluntary 'Industry Code of Practice on Ship Recycling'

Insurers

should adopt a pro-active attitude and accept 'final voyages' only if

- *vessel certified ready for re-cycling and ready for the final voyage for recycling*
- *vessel is approved for re-cycling by Flag State*
- *vessel has a valid recycling contract as per IMO so far voluntary guidelines.*

Greenhouse Gas Emissions from Ships (CO₂)

time consuming and highly political topic.

Low importance for insurers

Technical side: how to achieve a reduction and the

Political side: who does what to achieve it.

Whilst it is likely that a consensus on what to do will be achieved, the how and who will be more difficult.

There are 2 factions:

Kyoto – annex 1 countries

**equal burden
(ships are international)**



India, China, Saudi, Pakistan, Russia
Poland, Brasil, Syria, Bulgaria

Norway, Netherlands, Denmark,
Spain, Japan, Italy, Greece,
Germany,

LEG (Legal Committee)

also meets normally twice a year and IUMI participates in both meetings.

Topics now:

SUA (Suppression of Unlawful Acts Against Safety of Maritime Navigation)

-> manufacture and proliferation of nuclear and chemical weapons.

Low importance for insurers.

Draft Convention on Wreck Removal

Discussion on the so far missing definition of terrorism.

Important for insurers as far as terrorism is concerned. To be watched carefully.

Places of Refuge

So far there is no official statute which defines the rights and obligations of a coastal state when being faced with a request for refuge.

A new Convention appears to be premature.

Establishing guidelines is important.

Financial consequences have to be dealt with (P&I and IUMI issues)

Fairly important for marine insurers.

Revision of the Athens Convention

At stake are the compensation limits and the war risk issue.

P&I apparently agree that they would be able to cover up to SDR 100.000 per passenger (taking into account that there may be some 3.000 passengers on a vessel) – the Protocol asks for SDR 250.000.

As far as war (terrorism) is concerned, IUMI, together with others, voiced its concern on the proliferation of definitions.

The issue will be further studied intrasessionally..



Very important mainly for P&I but also for fixed premium insurers.

Torres Strait Pilotage regime

General discussion on whether pilotage should be mandatory. This may have implications on other areas.

Fairly unimportant for marine insurers who would not, as a rule, consider this item a fundamental part of their decision –making.

MSC (Maritime Safety Committee)