

JWC extends list of high-risk waters after tanker attacks



By Insurance Marine News, 21st May 2019

The London market has extended the list of waters termed “high risk” to include Oman, the United Arab Emirates and the Gulf after attacks on four vessels off Fujairah.



The Joint War Committee (JWC) said that the additions covered areas of perceived enhanced risk for marine insurers and reflected enhanced regional risk, noting that the situation would be “kept under close review”.

Four tankers, comprising Saudi Arabian, UAE and Norwegian-flagged ships, were attacked on Sunday off Fujairah. No one has claimed responsibility for the incident.

The JWC met on Thursday after developments in the Middle East ahead of Friday’s decision. The list previously had been updated in June 2018.

The UAE, Saudi Arabia and Norway have launched an investigation and have described the attacks as deliberate. They have not blamed anyone.

“Very little information is to hand about the explosions at Fujairah anchorage on May 12 and the circumstances and methods employed remain unclear,” the JWC said, adding that “there is no doubt that considerable damage was done and there will be significant claims”. It added that “the enmity between Iran and Saudi Arabia continues to create tensions as the Saudis believe Iran is trying to control strategic waterways”.

Iran has termed the attacks on the tankers a “cause for concern” and has called for an investigation.

According to a Norwegian insurers’ report seen by Reuters, Iran’s elite Revolutionary Guards (IRGC) were “highly likely” to have facilitated attacks last Sunday on four tankers, including two Saudi ships off Fujairah in the United Arab Emirates,.

A confidential assessment issued by the Norwegian Shipowners' Mutual War Risks Insurance Association (DNK) concluded that the attack was likely to have been carried out by a surface vessel operating close by that despatched underwater drones carrying 30-50 kg (65-110 lb) of high-grade explosives to detonate on impact.

The DNK noted:

- A high likelihood that the IRGC had previously supplied its allies, the Houthi militia fighting a Saudi-backed government in Yemen, with explosive-laden surface drone boats capable of homing in on GPS navigational positions for accuracy.
- The similarity of shrapnel found on the Norwegian tanker to shrapnel from drone boats used off Yemen by Houthis, even though the craft previously used by the Houthis were surface boats rather than the underwater drones likely to have been deployed in Fujairah.
- The fact that Iran and particularly the IRGC had recently threatened to use military force and that, against a militarily stronger foe, they were highly likely to choose “asymmetric measures with plausible deniability.” DNK noted that the Fujairah attack had caused “relatively limited damage” and had been carried out at a time when U.S. Navy ships were still en route to the Gulf.

Saudi-flagged crude oil tanker Amjad (IMO 9779800) and UAE-flagged bunker vessel A. Michel (IMO 9177674) sustained damage in the engine rooms, while Saudi tanker Al Marzoqah (IMO 9165762) was damaged in the aft section and Norwegian tanker Andrea Victory (IMO 9288849) suffered extensive damage to the stern.

The DNK report said the attacks had been carried out between six and 10 nautical miles off Fujairah.

According to DNK, it was highly likely that the attacks had been intended to send a message to the US and its allies that Iran did not need to block the Strait to disrupt freedom of navigation in the region.

DNK said Iran was also likely to continue similar low-scale attacks on merchant vessels in the coming period.

In a joint letter sent to the UN Security Council on Wednesday, the UAE, Saudi Arabia and Norway said the attacks had been deliberate and could have resulted in casualties, spillages of oil or harmful chemicals. “The attacks damaged the hulls of at least three of the vessels, threatened the safety and lives of those on board, and could have led to an environmental disaster,” the letter said.

Meanwhile, tanker Andrea Victory was still at anchor after her hull was breached in the attack. The tanker arrived at noon on May 11th with its crew resting following a two-week sail from Durban. The ship was to be loaded in Fujairah. Emirati officials concluded that the vessel probably suffered an attack from either a mine or an improvised explosive device attached to the side of the ship. On May 12th at 06:35 a call was made reporting something wrong with the engine and that there seemed to be water in the engine room. Within 90 minutes Emirati

authorities realized that four ships were struggling with unexplained incidents, with water pouring in below the water line. All the ships appeared to have been targeted at their rear, the hardest area to cover by radar and the most difficult to see with the eye. The holes were consistent with a 5kg charge. There was a lack of scorching or burning which one would expect to see if the breach were caused by a rocket or missile.

A Lloyd's Form of Salvage Agreement has been signed to Tsavliris Salvage (International) Ltd by the owner of A Michel, which sustained a flooded engine room following the explosion of a device at Fujairah Anchorage B on May 13th. SCOPIC was invoked. The tanker was listing to starboard side and was down by the stern after the flooding.

1998-built, UAE-flagged, 4,346 gt A Michel is owned and managed by Al Arabia Bunkering Co LLC of Sharjah, UAE. ISM manager is Poseidon SA of Athens, Greece. It is entered with Shipowners' Club on behalf of Poseidon SA.

2005-built, Norway-flagged, 29,214 gt Andrea Victory is owned by MAP MR3 Llc care of manager Champion Tankers AS of Paradis, Norway. ISM manager is Thome Ship Management Pte Ltd of Singapore. It is entered with UK Club (Area Group London L3) on behalf of WA Tankers AS. It is entered for H&M with Gard AS on behalf of Champion Tankers AS. Gard indicates the vessel as being Isle of Man-flagged. UK Club indicates the vessel as Norwegian International-flagged.

2017-built, Saudi Arabia-flagged, 154,252 gt Amjad is owned and managed by Bahri of Riyadh, Saudi Arabia. ISM manager is Mideast Ship Management of Dubai, UAE. It is entered with Assuranceforeningen Gard – gjensidig – on behalf of the National Shipping Company of Saudi Arabia. It is entered for H&M with XL Syndicate 1209, with Gard having a subscription position.

1999-built, Saudi Arabia-flagged, 58,141 gt Al Marzoqah is owned by Al Mubarakah International NAV care of manager Red Sea Marine Services LLC of Dubai, UAE. It is entered with West of England (Claims Team 1) on behalf of Al Mubarakah International Navigation Co Ltd.

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