


Global service
built around you

North

Correspondents



Reaching out during the COVID-19

Being a P&I Correspondent
during these challenging
times

2019 IG Regional Seminar for P&I Correspondents

In order to reflect the growing importance of the Asia Pacific region to shipping and the global economy, the International Group held its first Regional Seminar for P&I Correspondents at the Raffles City Convention Centre in Singapore on 4 December 2019.

ISSUE 4:
MAY 2020

www.nepia.com

Correspondents

Welcome to our fourth Correspondents Newsletter.

We must first of all hope that everyone is safe and well and our thoughts go out to all those around the world who have been tragically affected by the COVID-19 pandemic.

Following on from our article in Issue 3 of the Correspondents' Newsletter on continuing to operate following a disaster or social upheaval, who would have known that to be quite prophetic and everyone would find themselves tested by this?



From everyone at North we wish to thank each and everyone of you for stepping up to the challenge. This has been not only in dealing with difficulties in keeping the office running, but also getting surveyors to the vessels and dealing with increasingly challenging situations in getting the crew medical attention with the lock downs in place.

What has stood out for us is in line with the comments made in Issue 3, in ensuring that the Club and our Members were kept up to date with what was happening in your area to combat this terrible virus.

Once again, it just shows the importance that we place on you to allow our Members trade with confidence around the world

and we can only do this with your continued help and teamwork.

Nick, Neil, Abbie and Adele.

North

Copyright © 2020 The North of England P&I Association Limited. All articles or extracts may be quoted provided that North is credited as the source.

100 The Quayside,
Newcastle Upon Tyne NE1 3DU UK
Telephone: +44 191 2325221
Email: nick.tonge@nepia.com or
neil.watson@nepia.com
www.nepia.com

HOW HAVE WE DONE?

Let us know what you think of the latest edition. Contact us at: nick.tonge@nepia.com,
neil.watson@nepia.com

CONTRIBUTORS

Contributors: Nick Tonge, Neil Watson, Abbie Rudd and Andy Glen.

Photographs: Shutterstock

Thanks to: Mike Asherson at Shepstone and Wylie, Meena Matthews at Gulf Agency Company (Dubai) LLC, Cristobal Jimenez at A Mateos & Sons Limited, Maria Isabel de Rodriguez at Agencia Mivigar SA de CV, Beto Trigub at Pandi Liquidadores SRL and Irfan Vazeer, AIV Private Limited.

INSIGHT ARTICLES AND BACK ISSUES

Current articles from the Correspondents Newsletter and back issues are available online at: www.nepia.com/latest/publications/newsletters

JOIN THE CONVERSATION

 www.nepia.com

 [@NorthPandiClub](https://twitter.com/NorthPandiClub)

 [NorthPandiClub](https://www.facebook.com/NorthPandiClub)

 The North of England
P&I Association Limited

 [North P&I Club](https://www.youtube.com/NorthP&IClub)

Time is money

If ever there was a phrase that summed up shipping, it is that "time is money" and opponents in disputes are often keen to exploit this to pressurise a ship owner or charterer in to settling a claim by arresting or otherwise detaining a vessel. This is overcome by the issuance of security or a guarantee to release a vessel from arrest pending the proper investigation of a claim.

Although there is absolutely no obligation upon any IG Club to provide any security, whether this is in the form of a Bank Guarantee or a Letter of Undertaking, this is a service that all of the Clubs provide to assist our Members in avoiding any undue delays to the vessel. Please refer to Section 7 of the 2017 IG Guidelines for Correspondents for basic guidelines on the provision of security. Nowadays however this process is not as straight forward as it perhaps once was.

From the Club's point of view, before we even start to discuss the wording of any security, we have to do our checks not only on the position with a Member's premium and whether the claim is covered, but we also have to ensure that the party to whom we are providing security are not on the UK/EU or OFAC sanctions list. This is a relatively new procedure but with dire consequences for the Club and correspondent if this is not handled correctly. You will have found a lot more requests for information as to who the ultimate beneficiary is, as we are no longer able to issue security to a generic "cargo interests" or "those interested in the cargo recently loaded on board the vessel". If you could find out this information beforehand it would save a lot of time for the claim handler. More importantly, never promise the provision of security without the express authority of the Club before any commitment is made.

It is often possible for the correspondent in some jurisdictions to provide the security on the Club's behalf on the understanding that we will keep you completely indemnified for doing so. This greatly speeds up the process of releasing a vessel from arrest and therefore minimises Members' possible losses. We understand however that this simply may not be possible in some jurisdictions or it may be that Club Letters are not accepted and a bank

guarantee has to be provided. This can of course result in significant delays to a vessel especially if this happens over a weekend.

It may be that the Member and the claims handler is not familiar in dealing with claims in your jurisdiction, it is therefore vital that if there are likely to be any delays in getting the vessel released we are made aware of this as soon as possible as this may alter our approach to the situation. Whilst you may think that this routine and just "how things are", to the Member and the Club, this may be the first time they have encountered this and what they think will be a matter of a few hours delay turns into days.

We are doing what we can at the Club to assist in educating staff on the claims handling in your areas, via our profiling initiative, but once again we cannot do this without your help. We are appreciative to those correspondents who responded to our initial 2016 questionnaire which allowed us to populate the initial profile. More importantly, the Club recognises those correspondents who have updated their profile since then and continue to do so!

By Neil Watson
Senior Executive (Claims)



FIND OUT MORE

https://static.mycoracle.com/igpi_website/media/article_attachments/IG_Correspondents_booklet_0917_compressed.pdf

GDPR (General Data Protection Regulation)



The General Data Protection regulation (GDPR) came into force on the 25th May 2018. North Group has provided guidance on the GDPR on its website and you are encouraged to re-visit the publications issued as necessary.

www.nepia.com/privacy-policy/

However, if you are unsure of your rights or obligations under GDPR, you should seek independent legal advice.

Update your contact information



We remind correspondents to regularly check North's website to ensure that we are holding the correct contact details and to advise Nick Tonge: nick.tonge@nepia.com or Neil Watson: neil.watson@nepia.com of any changes, as we will no longer be sending an annual request for updates. Remember if this information is not correct then you may miss out on an instruction.

Reaching out during the COVID-19 pandemic

The COVID-19 pandemic has forced many involved in the shipping industry to face lockdown. In many instances this has resulted in P&I Clubs and correspondents to operate totally or mostly from home. The demands faced by correspondents following natural disasters and civil unrest as outlined in North's previous Correspondents Newsletter (November 2019) are now enhanced and shared by P&I Clubs and our correspondents on a global basis.



working and expectation from both ends were extremely beneficial as it gives clear understanding and guidance.

As this session was not restricted to one person from the correspondent's office, it permitted another colleague to participate which would not have been possible during a physical visit to North. This enhanced further understanding of the needs and requirements of the club including North's expectations. We were also able to discuss an ongoing matter with another of North's offices during the meeting.

In short, we feel that it was a brilliant idea to have this session and feel it should be continued at least till the time for travel is appropriate, if not for all time.

"I could feel that we are part of the club, that there are persons that care about what we do and about how we feel."

Another frequent visitor to North is Meena Matthews with Gulf Agency Company (Dubai) LLC in Dubai. Meena shared a few the views expressed by Irfan and added that the tour of the office involving meeting North staff was missed and went on to state that the social side of lunch and/or dinner could never be replaced!

Yet again, the resilience, professionalism and dedication demonstrated by many of North's correspondents in the provision of regular and substantive updates as to measures being taken by port authorities for example, has been exemplary.

Whether by way of individual reports and updates from correspondents, or by way of a collaborative approach by regional correspondents such as the South American P&I Correspondents (SAPIC), North has posted these updates on GlobeView and this has been utilised by all IG Clubs and their Members. For this North and our Members are very grateful.

Sadly, a number of correspondents who had made appointments and travel arrangements to visit North were forced to cancel their visits due to COVID-19 travel restrictions. Thankfully, technology has provided an opportunity to overcome this disappointment. By using Skype for Business and Microsoft Teams, a number of virtual meetings with correspondents have taken place with further meetings involving more correspondents scheduled during May 2020.

Five correspondents who have participated in these virtual meetings with Neil Watson and Nick Tonge have kindly agreed to share some of their real impressions of the virtual meetings with North in this way.

One correspondent who had arranged to visit North and whose travel arrangements had to be cancelled due to COVID-19 travel restrictions is Irfan Vazeer with AIV Private Limited in Karachi, Pakistan. Irfan is a regular visitor to North's Offices and he was able to include one of his colleagues in the virtual meeting. Irfan summarises his experience of the virtual meeting as follows:

We feel that having this session during these trying times is most helpful and beneficial as one can't travel and have a face to face meeting. The timing of the session was just perfect and clarity in connectivity was very much appreciated. The points addressed were the ones which usually one covers during a visit to North. The briefing on the COVID-19 situation as to how North sees it and is addressing it was very useful. The exchange on day to day

I think it was a great initiative of the Club to arrange the Microsoft Teams meeting because we are not sure how long it will take for us to travel to see anyone. It was also a very productive meeting and we managed to cover a lot – so the content of the meeting was much like having a meeting in your office. It was wonderful to see you both and know that all is well at the Club. Hearing that things are fine from someone far away is really very reassuring for us especially in these unprecedented times. Also, I felt that you both cared about us to take time from your schedules to organise the meeting.

It really makes the bond stronger and felt a oneness with the Club.

I think it may be the way forward especially for those correspondents who are unable to travel often to meet Club Correspondent Managers and also at present when all companies are going to try and cut costs to survive the difficult times that lies ahead.

A correspondent whose visits to North have been frustrated on a number of occasions due to travel restrictions owing to civil unrest is Maria Isobel de Rodriguez, with Agencia Mivigar SA de CV, in San Pedro Sula, Honduras. As with Irfan, Maria was joined by a colleague who had not previously visited North and this was an ideal opportunity to meet.

The experience of enjoying a video call between the Club and the correspondents was of great help, especially as we are on the other side of the world and waiting for opportunities to coordinate a trip to hold an in-person meeting would take too much time, and in COVID19 times, those chances are reduced to nil.

In terms of efficiency, we consider the video call to be of great benefit, as it also allows a better understanding of what the Club intends to communicate to its correspondent, and vice versa, and with screen sharing we viewed North's presentations which provided a clearer illustration.

The purpose of the meeting provided an unbeatable experience. We were able to clarify certain concerns / enquiries that we have as correspondents and which had only previously been expressed in email

exchanges, but we are sure that they cannot have been addressed and understood as readily as they were through the videocall. In addition, the video call added the possibility of humanizing or giving more cordiality to the club-correspondent relationship.

"Coronavirus has taken away many things...communication is still here!"

Earlier in the year, Cristobal Jimenez with A Mateos & Sons Limited in Gibraltar was seeking to arrange a meeting at North. Events prevented the meeting being finalised. With this in mind, a virtual meeting was arranged with Cristobal.

It was simple, we had a videoconference, we spoke, we discussed, we agreed, we laughed and we met each other.

Despite some technical issues we had at the beginning, our meeting was smooth and productive. Almost a

couple of hours sharing thoughts, ideas, plans and wishes. I could feel that we are part of the club, that there are persons that care about what we do and about how we feel.

Where an airplane cannot take you, the internet will (or at least will take you closer).....this is especially important in these strange times we are living, and this has also changed somehow our way of working as a P&I correspondent. Currently crew changes, repatriations and access to vessels, for example create issues with physical contact being kept to a minimum.

We try to overcome the restrictions looking for alternatives to the usual paths.....we have to think outside of the box, change our mind and keep going.

Coronavirus has taken away many things...communication is still here!

The final correspondent's comment is left to Beto Trigub with Pandi Liquidadores, Buenos Aires, Argentina:

It was great and a very good experience to go through this online meeting which is very encouraging for the future as without doubt many changes will take place after this pandemic and it was also nice to see you and Neil in good health.

Keep safe and stay well!

By Nick Tonge
Deputy Director (Correspondents)

IN SHORT, THERE ARE A NUMBER OF ADVANTAGES IDENTIFIED BY OUR CONTRIBUTING CORRESPONDENTS:



Virtual meetings allow the participation of more people from correspondent's office



Shared screen technology allows North to share and update a correspondent's profile page



Correspondents who have never visited or have been unable visit North are able to meet, at less cost and time to the correspondent.

The Correspondents' questionnaire

In the first of hopefully a regular article, we have asked a number of questions to one of our correspondents about their work and the challenges they face acting for North and our Members. We ask a few questions of former North Director Mike Asherson from our South African correspondents, Shepstone and Wylie.



Q How long have you been in a correspondent and how did you start in the industry?

A Shepstone & Wylie have been listed as Club correspondents for various International Group Clubs for over 100 years. I qualified as a South African attorney with Shepstone & Wylie in 1999 and thereafter relocated to the United Kingdom where I was fortunate enough to be offered a job at North. In 2018, I returned to my home country of South Africa where I re-joined Shepstone & Wylie as a partner. In total, I have been involved in shipping and P&I for over 20 years.

Q What is the current state of the shipping industry in your country?

A From a P&I correspondent's perspective, we are fortunate to be based in the port of Durban, South Africa. It is the busiest port in sub-Saharan Africa handling over 30 million tons of cargo each year and it boasts the fourth largest container terminal in the southern hemisphere. Durban also has a car terminal, as well as a cruise terminal.

Aside from the usual cargo claims we also deal with major casualties. Shepstone & Wylie acted for North and its members in the well publicised case involving the loss of the M/V "SMART" bulker off the port of Richards Bay in 2013. My partners Tony Edwards and Shane Dwyer remain actively involved in the South African litigation which followed the casualty.

South Africa is also a popular arrest jurisdiction where security can be obtained for claims in London arbitration. A good percentage of our work, therefore, relates to security arrests in support of foreign

arbitration. But in line with the state of the shipping industry generally, cargo claims and ship arrests in this jurisdiction are somewhat reduced at present.

Q Can you mention one of the most interesting and/or challenging cases you have dealt with?

A Every case presents its own challenges and South Africa is a very "hands-on" shipping jurisdiction. Therefore, there are frequently opportunities to take statements, attend on board vessels and play an active role in those matters which proceed to trial.

One of the more interesting cases I have handled recently has given rise to arguments regarding what indemnity provisions an arresting party may or may not be entitled to demand be included a Club Letter of Undertaking issued in order to procure the release of a vessel from arrest in this jurisdiction. Having spent several years working for North and sitting on International Group Sub-committees, I am aware that the Clubs pay close attention to the wordings of IG Letters of Undertaking and any deviation from standard wordings or forms is generally closely monitored.

Q What are the challenges you face locally in attending to the vessel's interests?

A The local port authorities, as well as the South African Maritime Safety Authority ("SAMSA") are well run and are generally easy to engage with. SAMSA, in particular, has shown itself to be effective in the context of marine casualties and we would suggest this was well illustrated in the

case of the MV "SMART" where the Club and Shepstone & Wylie engaged with SAMSA in order to facilitate and agree the successful removal of the wreck at Richards Bay.

Q What prevailing shipping trends in your jurisdiction?

A South Africa, in line with many other maritime jurisdictions around the world, is currently in the grip of a strict lock-down as a consequence of the COVID-19 pandemic. Clubs have required ongoing advice and guidance in relation to the impact of the new regulations on shipping operations in South Africa.

We had anticipated that the IMO 2020 low sulphur regulations would give rise to disputes. In reality we have not, as yet, seen much evidence to suggest that this is having a significant impact locally.

More generally, we have seen a gradual decline in the number of cargo claims. We believe that this is consistent with active efforts by the Clubs to curb legal costs by taking an early view on cargo liabilities and/or settling these claims in-house.

Q What are your top three tips for reducing/defending claims?

A Firstly, clear communication. All involved should, ideally, be aligned and focused on a common objective.

Secondly, obtaining good evidence, early on in the case or immediately after an incident. The cost of obtaining such evidence should always be weighed against the cost of the potential liability itself.

Finally, a constructive working relationship with the local authorities



Mike Asherson from Shepstone and Wylie



is important in dealing with complex maritime liabilities and casualties.

Q What are your passions outside of working as a correspondent?

A We are incredibly fortunate to live in a country which lends itself to being outside. I spend as much time as I can on the beach, in a surf-ski, in our local game reserves and watching my children play sport. I shan't mention rugby or the 2019 Rugby World Cup.

Q How do you see the role of the Club Correspondent evolving over the coming years?

A A gradual decline in what we would describe as traditional P&I correspondent work such as cargo claims has presented a challenge for all P&I Correspondents. We need to be agile and adapt to the changing needs of the Clubs and their members in an industry being shaped by increasing levels of automation, regulation and digitalization.

We need to remain relevant to the changing industry in which we operate whilst at the same time preserving our critical role as the "eyes, ears and legal flag-bearers" of the International Group in those jurisdictions to which IG Club members trade.

We have seen an increased focus on the collation and sharing of data at International Group level. Perhaps this is an initiative to which the P&I Correspondents can, where appropriate, contribute.

By Abbie Rudd
Senior Executive (Claims)

2019 IG Regional Seminar for P&I Correspondents

In order to reflect the growing importance of the Asia Pacific region to shipping and the global economy, the International Group held its first Regional Seminar for P&I Correspondents at the Raffles City Convention Centre in Singapore on 4 December 2019.



The Seminar proved very popular, with approximately 250 correspondents attending from 63 countries, as well as some 100 staff from International Group Clubs based both locally and some travelling in from around the world.

Following words of welcome from the IG's Chairman, Paul Jennings and CEO, Nick Shaw, presentations from Group Club employees and invited local experts centred around subjects covered by the Group's Distance Learning Course on issues such as People Risks; Cargo Risks; Collision, FFO & Pollution; and Towage, Salvage & GA.

There were also external speakers from around the world including Toby Abaya from Health Metrics; Chris Ellyatt, Consultant at CWA international; Yafeng Sun of Wikborg Rein; Karen Purnell, Managing Director at ITOPI; Rene Angelo Macahig, Consulting Scientist at Andrew Moore Associates and Wei Yang Tan, Consultant Civil Engineer at LOC Group.

My topic was "Load Port Surveys" and the challenges these present for some of the more problematic cargoes shipped in the region. These challenges can require a hands-on approach by our correspondents, and we are extremely grateful for the support, often at short notice in order to ensure vessels are loaded safely and Members' interests are protected.

Perhaps even more important than the excellent presentations, and something I was immediately struck by was the tremendous sense of coming together as a collective or group with shared interest, it reminded me very much of the IG Group mantra "Collectively Stronger". Coming less than a year after my relocation to North's Singapore office, the seminar presented a fantastic networking opportunity and a chance for me to meet many of North's correspondents from the Asia Pac Region and further afield.

With so many correspondents in town North held an "open office" afternoon the day before the seminar, so that those travelling from far afield could catch up with old friends and meet new members of the team. North's presence in Singapore continues to grow with a team of 21 supporting Members in the region.

The event was extremely well managed, and thanks must go to the IG secretariat and Catherine Grey in particular for putting on such a well organised event.

As well as the Regional Seminar, delegates also enjoyed a welcome reception at the Raffles City Convention Centre and a buffet dinner at the Hotel Fort Canning. The next International Conference for P&I Correspondents is currently expected to be held in 2021.

By Andrew Glen
Director (Loss Prevention)



Connect

 www.nepia.com

 [@NorthPandiClub](https://twitter.com/NorthPandiClub)

 [NorthPandiClub](https://www.facebook.com/NorthPandiClub)

 [The North of England P&I Association Limited](https://www.linkedin.com/company/the-north-of-england-p-i-association-limited)

 [North P&I Club](https://www.youtube.com/channel/UC...)