



Welcome

Welcome to another monthly update from Seacurus, as we explore the latest trends and issues affecting shipping.

The focus this month is two-fold, as we explore developments relating to seafarer abandonment and the Maritime Labour Convention (MLC), while also examining a range of issues on the piracy front.

There has been a huge amount of interest in our CrewSEACURE policy, and this has led to extensive media coverage and also a very healthy debate across the industry as to the extent of shipowner responsibilities. Given that MLC is but a couple of months away, it is important that the industry is being pushed towards an appreciation as to the requirements and degree of accountability which owners and manning and recruitment agencies are set to face.

With the shipping markets in a depressed state, seafarer abandonments are sadly on the rise, and even MLC will not be able to fix that. What the Convention will do, is to provide safeguards for seafarers' livelihoods and we at Seacurus are proud to be playing an important role in this.

On the piracy front, the downward spiral of lawlessness is still blighting the West African coast, and with hijackings and ransom demands on the rise the problems are set to worsen.



Captain Thomas Brown
Managing Director –
Seacurus Limited

We hope, as ever, that the Seacurus Monthly gives you some context to the issues affecting the industry and is of interest.

Content

Bright Idea - looks at the debate around the thorny issue of Seafarer Abandonment and considers insurance as a practical solution.

Driving Industry Debate - a look at whether the Club's MLC endorsement provides the requisite comfort to ship-owners and their crews.

On-going Abandonments - an analysis of some recent and on-going cases of seafarer abandonment.

Privately Securing Nigeria - buyer beware on the security companies you contract with out of Nigeria, they may not be licensed!

Review of Western Africa Problems - a closer look at the issues that are underpinning the proliferation of piratical activity off West Africa.

Rules Released - at last the industry has a standard set of rules governing the use of force on merchant vessels, what will this mean for the industry?

Monthly News Roundup

Bright Idea

The problem of seafarer abandonment is increasingly coming to the fore as the Maritime Labour Convention (MLC) moves into view, and Lloyd's List terming the issue, "the sorry underside of shipping".

With MLC about to enter into force there are some who believe that that abandoned seafarers will become a thing of the past – but sadly MLC isn't some silver bullet which will stop owners going bust. It should, however, mean that seafarers will be better catered for when they do.

MLC is explicit on the need for seafarer recruitment and manning agencies to have necessary financial protections in place if they supply seafarers to shipowners, but even in the pages of the convention, there is a lack of substance on how wages will be recovered. This is something which is leading to heated debate across the industry. When seafarers are abandoned even if they do get home relatively quickly it is the struggle to get their outstanding wages paid which all too often adds so much insult to injury and so an insurance solution can be the perfect win-win solution for all parties.

Abandonments are something which shames the industry, and the International Labour Organisation's (ILO) database on seafarer abandonment shows a sorry litany of disgraceful treatment – crews are being left to fend for themselves, and all they can do is cry for help. Thankfully with the support of local charities, communities and the ITF, most situations eventually end with the crew back in the homes... but when entries blithely state, the crew spent "eight months without any payment and 30 months without social security" it barely scratches the surface of the pain, torment, suffering and inhumanity of people huddling together on pariah vessels as the food, fuel and hope drain away.



Seafarers' Rights International executive director Deidre Fitzpatrick said earlier this year that the Maritime Labour Convention of 2006, which comes into force in August, fails to adequately address the problem of abandoned seafarers and it's not up for debate within the ILO until 2014.

Currently, short of arresting a ship, there is little recourse to recover crews' unpaid wages. However, encouraging progress has been made and Lloyd's recently amended its risk codes to include a new class of insurance that covers this.

The new classification in effect supports a new form of insurance launched which indemnifies seafarers if their employers default, and Seacurus has welcomed the decision of Lloyd's to amend its risk codes to include a new class of insurance covering seafarer abandonment (SA) through the "CrewSEACURE" policy which indemnifies seafarers in the event of the financial default of their employers. A policy, which for the first time offers recompense in respect of unpaid crew wages. The policy will enable all employers of seafarers to meet their regulatory obligations under the Maritime Labour Convention 2006 (MLC), which enters force on 20 August, 2013.

Lloyd's provides guidance to underwriters on the classification of business into various categories using a risk coding scheme which provides a common basis for the classification and description of risk. This new class of insurance is very welcome and most timely.

Seafarer Abandonment (SA) is classed as financial guarantee insurance, meaning that any Lloyd's syndicate wanting to write it will need approval from the Lloyd's performance directorate to do so. Seacurus, acting as the managing general underwriter for Lloyd's Brit Syndicate under a fully delegated underwriting authority, has that approval.

MLC 2006 recognises the need to ensure that seafarer recruitment and manning agencies do not supply seafarers to shipowners without the requisite financial protection in place. Such protection provides a financial safeguard to seafarers in the event that they are left abandoned as a result of the financial failure of the shipowner.

CrewSEACURE is proving popular and we have received many inquiries from manning and recruitment agents trying to satisfy their MLC obligations. Seacurus managing director Thomas Brown says, "A number of these agents are very concerned about supplying seafarers to vessels without this level of protection in place.

Lloyd's List isn't easily enthused by new insurance products, after all it has seen rather a few in its two hundred odd years of publication, they are very conservative by nature – so when Tom Leander says the cover is "a good idea", then it really must be.

Driving Industry Debate



The launch of CrewSEACURE has not been without controversy. The matter of indemnifying seafarers for lost wages has led to a reassessment of the wording and working requirements of the MLC.

It is with increasing concern that shipowners, represented by International Group of P&I Clubs (IG), claim that the MLC does not place any burden on them to provide financial security for seafarer wages. As the clock ticks down to the launch of MLC, shipowners seem keen to distance themselves when it comes to abandoned seafarer wages.

Disappointingly, the IG is seemingly choosing to interpret the convention as only requiring repatriation in case of insolvency. The IG does, however, accept that the MLC has created obligations for states parties which, in turn, would require owners to ensure that seafarers are paid. This surely means that someone, somewhere, somehow is going to be responsible to pick up the wage tab if a company goes bankrupt, and as such there is a clear responsibility on the owners.

It is troubling on many levels that the IG does not seem to believe that shipowners should be required to meet their obligation to pay wages through the provision of financial security. In a time when the MLC is shining a positive light on progress and change in shipping, some commentators have said such a view represents, "a step back to the days of Plimsoll and the Dickensian style owners trying to wriggle off the hook of having to settle the wages of their crews". When a shipowner goes bust, it is not the fault of the seafarers and so to try and sidestep this most basic of requirements is nothing short of a disgrace.

The MLC, however, clearly and unequivocally covers the issue of unpaid wages and the requirement to provide financial security against unpaid wages. Naturally the IG's viewpoint is shipowner-centric, but the critics claim this entrenched view provides an incomplete picture and adds to the confusion surrounding the issue. The intent of the MLC standard A1.4 is to place an obligation on member governments to regulate companies within their territories that supply crew to ships around the world.

There is a clear onus on protecting seafarers from monetary loss in the event of the shipowner's contractual default. By trying to deny this or by misinterpreting the spirit of the MLC, owners are going to be faced with more and more reputational hits as crews face the financial hit of having worked for the wrong owners.

Bankruptcies are likely to become an increasing part of shipowner's lives in the coming couple of years as the market bumps along on the bottom of a freight rate chasm. By trying to claim that owners are not responsible for the wages owed to crews, it is unlikely that there will be much sympathy for those who are forced to the wall.

On-going Abandonments

A recent Vatican conference heard that forced labour in the maritime world is still commonplace – even occurring in developed countries. Fr Giacomo Martino, consultor to the Pontifical Council for Migrants and Itinerant Workers, highlighted the problems facing crews, and while he focused on fishing fleets – his stories of crews positioned on the high seas not freely reporting abuse, injury or death or otherwise seek help for their own protection has resonated.

Martino said a further factor contributing to the vulnerability of these people is the irregularity of their salary, together with a lack of transparency, and he stressed the importance of MLC in fighting social ills at sea.

The shipping industry is littered with companies who have gone bust, or who have decided to turn their backs on their crews and vessels. At any one time in ports across the world there are seafarers left to fend for themselves, suffering in abject conditions and falling on the mercy of others as the owners of their ship abandon them.

The most recent high profile abandonments have seen the company TMT struggling through the blight of seeming financial meltdown. This saw reports last month that their car carrier "C Ladybug" was forced into discharging cargo which has remained stuck on board since it was arrested around two months in Belgium.

The move followed a ruling from a local judge in an Antwerp court that cargo interests should in principle be able to access their merchandise.

The 2012-built "C Ladybug" was arrested in Singapore in February, released, and then arrested again in the Antwerp in March, at the behest of multiple parties owed money by the company and related interests. The vexed creditors include First Bank, Mega International Commercial Bank, Cathay United Bank and other banks.



As is to be expected when a company goes into such financial collapse, seafarers across the fleet are left in limbo waiting for wages to be paid. The crew of the TMT VLCC “A Whale” recently distributed a round robin letter, complaining of not being paid for several months, and last week TMT’s affiliate shipmanager admitted that only one of its 18 VLCCs had a cargo.

The company has repeatedly claimed that wages will be settled, but it is far from clear as to how this will be done and when, leaving seafarers to suffer the torment of financial uncertainty.

The problems facing owner TMT are not confined to Antwerp and the “C Ladybug” – elsewhere courts are dealing with the aftermath of the financial meltdown and vessels are being put up for auction.

However, with the shipping markets in turmoil and vessel values recessed, it seems that even forcing sales is proving difficult. As a case in point, the maritime court in the Chinese city of Ningbo has failed to achieve a judicial sale of TMT’s “F Elephant”, a 1989-built very large ore carrier, after no bids reached the reserve price during the auction. None of the four bidders were even ready to put up the ship’s scrap value.

According to analysts the company’s problems stem from the fact that many TMT vessels were ordered at a time when the newbuilding prices were very high, and now in a hardening market with low freight rates, TMT simply cannot afford the repayments. Some banks have been pushing for TMT ships to be sold to pay off loans, but other banks are more canny in maritime matters and have been warning against forced sales in the current depressed circumstances as they (as the “F Elephant” has proven) are unlikely to generate the funds necessary.

When the worst happens, and companies collapse, vessels are abandoned and crews forsaken, it is vitally important that the proper, formal and pragmatic solutions are provided to assist seafarers to not simply get back home, but to get back what they are owed.

In such volatile market conditions it seems any number of operators teeter on the brink of a financial abyss. It was recently announced that a panamax bulker carrier belonging to the struggling South Korean operator STX Pan Ocean was been arrested in Singapore.

It seems the company may have crept into problems after an initial round of bidding to acquire a controlling stake in the South Korean bulk shipper failed to attract any bids.

The company’s largest shareholder STX Corp announced that it would decide future plans for the sale after discussing the situation with its main creditor bank, the Korea Development Bank. The bank for its part had reportedly stated that it would, “review ways to ease STX’s financial troubles”. It seems perhaps other creditors may have been a little more proactive?

Privately Securing Nigeria

A number of security providers have been forced to suspend operations in Nigeria following the implementation of new laws governing the private maritime security sector.

Although precise legislation governing the sector's activities has been in place for many years, the decision to further regulate the maritime security industry reflects the country's anger over the flaunting of laws.



The new laws were drafted and approved with the express intention of closing the loopholes previously used by non-legal contractors to supply services in Nigeria. The Nigerian authorities consider as non-legal any company that is supplying services in Nigeria without the appropriate licenses.

Operating licenses are only issued to wholly Nigerian owned and managed companies that are registered in the country. The application process involves a series of ministries and authorities and, given the audits and controls that have to be conducted, can take a considerable amount of time.

A number of the companies who have signed the MoU have been welcomed into the Nigerian Navy fold – and a recent meeting was held to cement relations. In a welcome address to the companies, Vice Admiral Ezeoba emphasised the importance of Nigeria's maritime assets and interests while reminding all present at the meeting of the NN's statutory responsibility of providing security in the maritime domain. He referred to the companies as partners to the NN and contributors to the task of preserving the national maritime assets.

According to the CNS; "this meeting will afford us the opportunity to know one another even better", adding that "it is in furtherance of these objectives and to create a framework for the coordination of our activities and overall cooperation and synergy that the Navy deemed it necessary to articulate a Memorandum and Guidelines document."

The Chief of the Naval Staff urged all the stakeholders to see themselves and the organisations they represent as being involved in the shaping of the future of the security cooperation in Nigeria's maritime domain which in the medium to long term, would contribute to the shaping of the regional maritime environment.

There is reportedly no formal list of private security companies who have signed the Nigerian Navy MoU, but the following are understood by senior local sources to have been involved in the process. These companies are:

- **Aquashield**
- **Global Spectrum**
- **Hovaka Nigeria**
- **Ocean Marine Security**
- **Plantgeria**
- **Protection Plus**
- **Strickland**
- **Taribest**

Review of Western Africa Problems

The African Maritime Security Network is a global, senior group of key industry and government security stakeholders committed to finding collaborative solutions to the challenge of combating maritime crime in both East and West Africa.

The network meets formally four times each year and the group has released its latest “Community Trend Report” on the piracy and security problems blighting the Gulf of Guinea region.

According to the report:

- No permanent solution can be found to the maritime security challenge without a genuine commitment from regional governments to tackle the problem. There are some examples of this being done successfully, but there is much still to do.



- Government should not view industry's proactive approach towards security as the solution to the problem; this should be seen merely as bridging the gap until a more sustainable political solution is found.
- The recent discussions on changes to the use of armed guards in West African waters requires companies to not rely on this as the panacea – armed guards are a temporary solution and need to be viewed as such. All other efforts to address this problem need to continue in line with this.
- The lines of communication between government and industry must remain open and industry lobbying of government to develop a dedicated response capability should continue. The group wants to see reports, such as this, disseminated as widely and freely as possible to ensure the messages are heard across governments, the international community and industry.
- International support – be it financial, assets or people – from all sectors should be given to the efforts to create, train, and develop the capability of a military response force to tackle piracy and maritime crime across the region.
- Communication is key, and efforts should be channelled into creating a central source for information gathering and sharing (e.g.OCIMF). Once created, efforts must be made to counter under-reporting and ensure all companies use this resource to maximise its effectiveness.
- Clarity to be provided by OCIMF and other relevant organisations as to how the information gathered will be effectively disseminated for the benefit of operating companies, and what immediate response might be possible once information is reported.
- Increased collaboration and information sharing between individual companies is vital to prevent a dilution of effective response capability – company policy should give more freedom for individuals to discuss security matters both internally and with wider industry.
- Increased visibility and information sharing about how individual companies conduct thorough risk assessments is needed and best practice should be shared openly to encourage collaborative experience sharing.
- Collaboration, communication and coordination are key, and the industry should seek to advance their ability to do all three by supporting forums which allow the dissemination of “lessons learned”.
- The entire industry should support these forums and efforts at collaborative experience sharing, rather than just the more proactive operators and governments across the region, which means companies who traditionally have not been open being prepared to cooperate more.

- A number of companies are undertaking an internal review of whether intelligence gathering and analysis can be done in-house or whether this should be outsourced to external solution providers to ensure they remain one step ahead of the threat.
- Whilst everyone agrees that it is important, some still feel there is work to do in vetting employees and carrying out due diligence to reduce the risk of information passing to criminals, militants and pirates from within.
- The Security function and Social Performance functions [of government] must work closer together and a greater internal collaboration must be achieved to apply soft solutions onshore as well as hard solutions at sea to the maritime security challenge.
- Effective engagement, training of the local population to take security jobs and therefore be less likely to engage in illegal activity is needed – success has been seen through incentivising local communities in order to encourage their support.
- Minutes and recommendations from such forums as the West African Maritime Security forum should be widely disseminated to both industry and government. Individual companies should pressure government to respond to recommendations made at such forums.
- Security personnel should report back to BIMCO (or any other relevant body) any company experiences that will influence the recommendations made in the 'Interim Guidelines for Owners, Operators and Masters for protection against piracy in the Gulf of Guinea region'.
- Guidance is needed on the effective use of a citadel in West African waters, and security personnel should explore the range of the latest technologies available to provide additional support and a thorough cost-benefit analysis should be carried out.
- Company funding should support regular crew training and training of those who carry out crew training. Crew training should focus on how to react at capture, during captivity, on release and post release.
- Increasing attention should be given to emerging threats, such as cyber-attacks. Companies should review their internal processes and assess any vulnerabilities, putting mitigation measures in place where necessary.

Rules Released

The long awaited 100 Series Rules for the Use of Force (RUF) have finally been released after a 20-month consultation period across the shipping industry.

With the support of SAMI, BIMCO, ICS, and UNICRI, who have played a key role in making RUF possible, the author David Hammond, a UK barrister-at-law and maritime lawyer, said the 100 Series RUF is intended to be the first international model set of RUF for the benefit of and use by the entire maritime industry.



However the rules will not provide any form of indemnity or immunity against civil or criminal liability when force has been used unlawfully, they exist to provide a model against which privately contracted armed security personnel may be professionally trained; companies may be audited and operator actions measured and judged by competent authorities.

The guidance of the past simply wasn't enough – there is a “perversity” that rules for the use of force have not existed, and according to David Hammond there is no definition of the term “guidance” in any legal dictionary – so it was clear that something was lacking in the provision of support to the maritime industry.

The rules set out a threshold to start using force, soft measures come first, then escalating to aimed warning shots, finally rule 103 allows use of lethal force. The laying out of the steps is key, before there was simply guesswork, but now there is a process and a means of working within the boundaries of acceptability – it also addresses human rights in terms of the use of force at sea, providing as it does not just protection for the guard, but seafarers, and also the pirates.

At the core of the 100 Series is the basic principle of the individual right of self-defence; itself a universal concept and during the development of the rules, the legal team researched the legislation relating to force across 76 different nations.

The rules have undergone stringent operator, commercial and legal scrutiny from across the maritime industry and over a long period of time, and with the 100 series in place stakeholders can make informed decisions when reviewing and comparing RUF. Many misconceptions have pervaded, but finally it is becoming more clear and during the development those involved did a lot of listening to Masters, Owners, PMSCs and stakeholders and it is the intention that the model RUF can deliver to the betterment of all.

The 100 Series Rules complement current industry RUF guidance on the drafting of RUF, as well as supporting the requirements of the International Standard Organization's standard for private maritime security companies: ISO PAS 28007. The text has been submitted to and has been accepted by the International Organisation for Standards and has also been submitted to the International Maritime Organization (IMO) as an information paper for inclusion at its maritime safety committee in June.

Lloyd's Market Association's Joint War Committee is set to review the rules at its next meeting. During which time they will look to assess and explore some insurance industry concerns about its potential liability problems relating to the use of force.

According to underwriters the unpredictable liability was a major reason that shipowners had been so resolutely anti-armed guards for so long. Despite the underlying concerns and hesitations, insurers have praised those involved in the drafting the rules for managing to take complex land-based security and developing them for the offshore maritime sector.

The rules provide, if used properly and lawfully a clear audit trail for the rules for the use of force, and there has been a positive reception from many different sectors of shipping.

See <http://www.100seriesrules.com> for the latest situation and background development.

Monthly Roundup

MARITIME LABOUR CONVENTION AND SEAFARER NEWS

Inspectors Ready

The Paris Memorandum of Understanding on Port State Control (Paris MoU) held its 46th Committee meeting in Valletta, Malta, from May 20-24, 2013. The meeting was attended by members, the European Commission, EMSA, Montenegro, observers from the ILO, U.S. Coast Guard, Black Sea MoU, Caribbean MoU, Mediterranean MoU, Tokyo MoU and Vina del Mar Agreement. The Committee adopted amendments to the Memorandum to include the Maritime Labor Convention 2006 as a relevant instrument. Guidelines for Port State Control under this Convention were also agreed, providing practical guidance for Port State Control Officers to inspect ships starting August 20, 2013.

<http://goo.gl/E4ZcB>

Stranded Misery

Russian crew of the stranded Prok motor-ship is living in misery at China's Zhangjiang seaport, according to Russian media. Eight seamen have been paid no wages for several months. Chairman of primary trade union organization of the Seafarers' Union of Russia in Vladivostok, Peter Osichansky, claimed the crew debt amounted to 48 thousand dollars. On top of that, there was no electric power or water aboard the motor-ship. There are claims the owner of the abandoned motor-ship is the same as of the Veles ship, whose crew was impounded at the Rio Tuba Filipino seaport as of January 2013. The seafarers also had to suffer food and water shortages and live in insanitary conditions with their wages delayed for several months.

<http://goo.gl/6wL7r>



Wage Agreement

The crew of a Ukrainian ship seized in Dublin last March are to be repatriated to the Ukraine after a deal was struck over pay. The 17 crew of the MV Clipper Faith have been stranded in Dublin since their ship was seized on 12 March. The ship was seized on behalf of the Amsterdam Trade Bank because the owners had failed to keep up mortgage payments. The crew could not get home to the Ukraine because they had not been paid since 1 December 2012. They have been onboard for up to seven months. Over 40 children in the Ukraine are dependent on the crew. The settlement was eventually struck between the bank and the International Transport Workers Federation, but it highlights the slow painful nature of the current process.

<http://goo.gl/sjN4O>

Owner Indicted

A US federal grand jury has indicted the owner, operator and chief engineer of a coal ship detained in Hampton Roads by the Coast Guard for more than a month. The Maltese-flagged vessel, the Antonis G. Pappadakis, has been marooned in the port since mid-April after Coast Guard inspectors conducting a routine examination alleged they found evidence of violations of environmental law. The eight-count criminal indictment names as defendants Kassian Maritime Navigation Agency Ltd., a Liberian corporation with offices in Athens, the operator of the ship; Angelex Ltd., the Malta-based owner of the ship; and Lambros Katsipis, the ship's chief engineer. The charges include conspiracy, falsification of records and obstruction of justice.

<http://goo.gl/4NgFq>

Sales Start

Vinalines is aiming to offload the six remaining ships of its subsidiary Vinashinlines by the end of next month. The six ships, and the combined 96 crew, of the cash strapped subsidiary have been held in Pakistan, China, the UAE and India for many months. Vinalines is trying to free the ships to sell them to get urgent collateral to pay off Vinashinlines' debts. If the sales fail, the company claims it will try and repatriate the crews and replace them with a new set of seafarers from Vietnam. The seafarers have complained of horrendous conditions onboard. Vinalines has got a VND200bn (\$9.52m) loan from the government to support the sailors of the ships detained in foreign countries and liberate the detained ships.

<http://goo.gl/jBHR4>

Legal View

US Lawyers have written to advise US owners about MLC and the potential pitfalls of trading post August 20th. At this time, it is unclear how various port State control authorities will implement MLC 2006 requirements when it goes into effect on August 20, 2013. Regardless of whether the United States becomes a party to MLC 2006, however, it behooves U.S.-flag owners and operators to take advantage of this voluntary program to obtain a Coast Guard SOVC-MLC prior to August 20, 2013. Although there is no guarantee that a particular port State control authority will honour the Coast Guard SOVC-MLC, taking action now to schedule an inspection by an owner's or operator's RCS to confirm compliance with MLC 2006, will minimize port State action.

<http://goo.gl/kNyi4>

UK Detentions

The UK Maritime and Coastguard Agency (MCA) has announced ten foreign flagged ships were under detention in UK ports during April 2013 after failing Port State Control (PSC) inspection. Latest figures show that there were 4 new detentions of foreign flagged vessels in UK ports during April 2013 and 6 vessels remained under detention from previous months. Three vessels remained under detention at the end of April. The overall rate of detentions/inspections carried out over the last twelve months was 3.56%. Out of the detained vessels eight were registered with a flag state listed on the Paris MOU white list, one was registered with a flag state on the grey list, none were registered with a flag state on the black list.

<http://goo.gl/Xal4s>

Cash Aid

A report published by the International Seafarers' Welfare and Assistance Network (ISWAN) details best practice in establishing and operating port levies around the world. The report documents how levies make a real difference to welfare organisations and the services that they are able to provide for seafarers, at a time when funding for seafarers' welfare is under pressure. Port levies and sustainable welfare for seafarers shows that 35% of the 132 participating ports already operate port welfare levies. Voluntary levy payment rates were 75-99% for 10 of these ports, and the average levy rate emerged as \$58 (approximately £38). While there are often no restrictions on levy expenditure, revenue is almost always used for maintenance of seafarers' centres.

<http://goo.gl/hTV5K>

Sea Shame

The ITF and its affiliated maritime unions in Bulgaria, Georgia, Romania, Russia, Turkey and Ukraine will be exposing substandard working conditions and fighting for improved safety in what they have described as the 'Black Sea of shame', from 13 to 15 May. The ITF states, 'The severe impact of a substandard industry on seafarers and their families cannot be underestimated. The intentional non-payment of wages amounts to a situation of bonded labour or slavery and should be unthinkable in the 21st Century. ... As the entry into force of the Maritime Labour Convention, 2006 comes ever closer; the situation in the 'Black Sea of Shame' can no longer be tolerated.'

<http://goo.gl/SyNiK>

Nice Atmosphere

The "Grandfather" of shipmanagement, Univan has spoken on its view of the people within its business. The head of the company Capt Hojgaard recognises how important its seafarers are, and aims to provide a congenial working environment. Even fatigue is no more an issue. With the new regulations of the Maritime Labor Convention coming in, fatigue is expected to be a thing of the past. "When I was sailing more than 16 years back things were more difficult," recalls Capt Hojgaard. "I believed in keeping myself busy doing work while on board since I felt I might as well keep myself busy." Today the rules are far more clear on what can be done and when.

<http://goo.gl/04ACk>

Nigeria Signs

Ahead of the 20 August 2013 for the International Labour Organisation's (ILO's) Maritime Labour Convention (MLC), 2006 come into force, Nigeria's Federal Executive Council will at its weekly meeting tomorrow ratify the convention. While at least 30 member states with a total share in the world gross tonnage of ships of 33 per cent are needed to ratify the convention for it to come into force, a total of 39 countries had done so as at May 7, 2013, with the latest being Finland, Malta, Greece and France which ratified on 9 January 2013, 22 January 2013, 8 February 2013 and 28 February 2013 respectively. As part of process towards the ratification of MLC 2006, the Minister of Labour and Productivity, addressed a Special Session of the National Labour Advisory Council.

<http://goo.gl/dgjq0>

Healthy Concern

In response to the new MLC and in the wake of growing concern over seafarer fitness and rising incidence of sudden cardiac arrests (SCA) resulting in deaths onboard, Martek Marine is warning shipowners of the importance of carrying enough marine defibrillators, and ensuring crew know how they are used. In February, the head of the Norwegian Maritime Directorate (NMD) said that seafarers were losing their health certification because of Body Mass Index (BMI) scores over 35 which make them "vulnerable to diabetes and heart conditions through lack of exercise and poor diet."

<http://goo.gl/9prMU>

PIRACY AND MARITIME SECURITY NEWS

Death Threats

Families of the five Pakistani nationals on board an oil vessel, "MT Matrix 1", abducted last Saturday at 40 nautical miles off the Bayelsa coast have told the management of the company, Matrix Energy, in Warri, Delta State, not to pay any ransom to the abductors to get them released, promising to take revenge on Nigerians in their hundreds in Pakistan, if any of the victims was killed. The abducted victims include the Captain, Chief Officer, cook and two others. They were conveying automated gasoline oil, AGO, from Lagos to Eket, when they were abducted at 9pm. Sources said that relevant security agencies in Bayelsa State and Warri in Delta State, had been informed of the incident. The source added that the company had begun negotiation with the abductors.

<http://goo.gl/93Rbq>

WAF Hijack

Pirates have hijacked a fuel tanker and kidnapped foreign sailors in West Africa. Security officials said Tuesday that the hijacking of the MT Matrix I happened Saturday off the coast of Bayelsa state in Nigeria. The officials said the pirates kidnapped both Nigerian and Pakistani sailors in the attack. Nigerian naval authorities listed the ship as one of several allowed to bring subsidized gasoline into the country in May as part of a program costing the nation billions of dollars a year. Insurers have listed Nigeria, neighbouring Benin and nearby waters in the same risk category for hijackings as Somalia. Security experts told The Economist that 2013 could be the worst year ever for pirate incidents off West Africa with 28 reported incidents this year so far.

<http://goo.gl/aFxqv>

Extending Range

According to a new report by Reuters, Nigerian pirate gangs are extend their reach off West Africa. The reports states that Nigerian pirate gangs spreading across the oil-rich Gulf of Guinea, while also stating that regional navies, coastguards are overwhelmed in the face of this violent and evolving threat. The spread of the violence threatens economies of some of world's poorest nations and there are renewed calls for Western nations to provide adequate backing to regional efforts to tackle problem. The article focuses on a team of local gendarmes who set out in a leaky wooden pirogue with no weapons and nothing more than mobile phones for communication as they attempt to hold the front line against piracy in the world's new hotspot for maritime crime.

<http://goo.gl/ojGLO>

Evolving Threat

The maritime piracy threats in the Gulf of Aden, whether calculated or opportunistic, are about to change and evolve according security experts. Ambrey Risk Intelligence believes that pirates are about to change their approach, and they believe this will lead to a period of unpredictability and uncertainty. According to the company a suspected pirate action group armed with a shoulder-mounted, rocket-propelled grenade approached a Panama-flagged vessel in Bab el-Mandeb strait on May 18, and that this was the third such approach in three days and one of at least 15 in the region in the five months to May. As the SW monsoon beckons it is believed the pirates will take more risks in a desperate attempt to land a target.

<http://goo.gl/7TdfV>

Hostages Released

Four crew members kidnapped from the container ship "Hansa Marburg" off the West African nation of Equatorial Guinea in April have been released, the vessel's management company said. Pirates raided the Liberia-flagged ship, the Hansa Marburg, on April 22, Reuters reports. "The four seafarers, who were taken from the vessel by armed men 130 miles southwest of Malabo, Equatorial Guinea, and held hostage, have now been released," Hamburg-based shipping firm Leonhardt and Blumberg said in a statement. The company said the crew - two Ukrainians, one Russian and one from the Pacific island nation of Kiribati - were in good spirits, but gave no further details of their release to "avoid encouraging further criminal acts of this kind".

<http://goo.gl/jBeYo>

Latest Reports

The Office of Naval Intelligence has issued its Worldwide Threat to Shipping (WTS) Report for the period 21 April 2013 - 22 May 2013, and it highlights a rapidly worsening security situation off West Africa with some 18 incidents cited. It also shows that piracy off Somalia and in the Indian Ocean is a still a real concern, with 7 attacks included in the report. The Worldwide Threat to Shipping (WTS) message provides information on threats to, and criminal action against, merchant vessels worldwide in the last 30 days. This report is produced primarily to inform merchant mariners and naval forces.

<http://goo.gl/6oIQx>

All Change

Glencore-backed private security company Typhon has shelved its plans to launch a close-vessel protection service as numbers of attacks in the Gulf of Aden by pirates continue to dwindle. Having struggled to secure funding in Europe, the firm is reconsidering its original plans born out of the Somali threat to diversify beyond counter piracy. There have long been doubts concerning the real desire for shipping to buy into the private escort convoy concept. Despite having managed to generate a great deal of media exposure, the financial backing has been rather less forthcoming.

<http://goo.gl/tiSpP>

Nations Withdraw

It is being reported that both Estonia and Slovenia are set to end their participation in the European Union anti-piracy operation Atalanta, and alarm bells are ringing that this could see more nations back out from their security roles. Despite a period of success against the Somali pirates there are still clear warnings that piracy has not been defeated, and pirates are still determined to get out to sea and will attack if presented with an easy target. The Estonian navy has participated in Operation Atalanta since 2010. Five 10-member Estonian ship protection crews have taken part in the operation, serving on Germany and France-flagged ships along the coast of Somalia. It is understood that Estonia will withdraw support this month, while Slovenia will pull out end of June.

<http://goo.gl/dSoHe>

EU Support

The EU will provide some €37 million to strengthen the fight against piracy in several Eastern and Southern African countries through support for the Programme to promote Regional Maritime Security (MASE). In the past decade, the level of maritime insecurity in the region's waters has become the highest in the world, undermining development and affecting the wellbeing of millions of people. The EU has been present in the region already since 2008 to address the deteriorating situation and to harden ships against attack. This new European support marks a step forward in the fight against piracy because it demonstrates the EU's on-going commitment to combatting this complex problem.

<http://goo.gl/mYNul>

Insurance Fight

Global insurers are resisting India's demand to review 'high risk areas' for piracy and shrink it till 65 degree longitude, The New Indian Express reported. The reason behind the opposition, according to a senior official, is that the demand by ships for specific insurance that has high premium would fall. War risk insurance is mandatory for ships passing through the high risk areas. This could fall following the implementation of India's demand, which comes after the country has seen a fall in pirate raids in recent months.

<http://goo.gl/6m2yE>

German Concerns

As the costs and difficulties of securing vessel begin to bite, Ralf Nagel, manager of the Federation of German Shipping Companies (VDR) has spoken on the cost of anti-piracy measures. Though according to Nagel, not all ports can be accessed with weapons on board, and at present, there is no legal framework for ships sailing under a German flag. Insurance companies quote higher premiums for unaccompanied shipments - the risk is just too high. Not to mention additional insurance costs. "Every passage costs an average of about 50.000 US dollars in extra insurance, and employing armed personnel costs another 50.000 US dollars," Nagel says. High-speed sailing uses more fuel, too. In total, it is estimated measures increase transport costs by 10 to 20 percent.

<http://goo.gl/X2IBB>

Piracy Focus

CMA CGM, MSC, Maersk Line and Hamburg Süd representing 40 percent of the world container shipping industry have met to discuss the piracy threat towards international shipping. The meeting focused on piracy in the Gulf of Aden, the Indian Ocean and West Africa. The cooperation includes information exchange on security measures, piracy policies and procedures as well as coordination with relevant stakeholders. In a joint statement they said, "Although we have seen a decline in piracy activity over the past year, piracy continues to be a concern for the shipping industry, and therefore we still need our piracy consensus meetings where we can cooperate on responses to the threat to ensure the safety and security of our seafarers."

<http://goo.gl/RE13x>

Security Charts

The United Kingdom Hydrographic Office's (UKHO) security charts are designed to protect against risks, including piracy. The two new Admiralty Maritime Security Charts, cover the waters around India and Southeast Asia, including the Malacca Straits. These paper charts provide a single point of reference for recording the most up-to-date security information and, taken together with the UKHO's three existing security and piracy charts, create the world's first suite of security planning charts. Admiralty Maritime Security Charts are designed to be used by ship personnel, shore-based managers and security specialists as a key voyage planning tool for recording the latest security-critical navigational information, which can be accessed for free via the UKHO's Security service.

<http://goo.gl/sQr8A>

Piracy Reporting

The Security Association for the Maritime Industry (SAMI) has raised concerns about the level of piracy reporting globally, and more particularly in the Indian Ocean High Risk Area (HRA). The concerns emerged as a result of a workshop held by SAMI in Hamburg, during which ship owner representatives and company security officers were encouraged to discuss security issues. According to the feedback gained, the figures showing a reduction in Somali piracy mask the true numbers – in fact the statistics which appear to show a fall in the region are thought to be somewhat misleading – while others call them "downright wrong". It seems that the curse of "under reported" pirate attacks or misunderstood data are the next major issues to dog the shipping industry.

<http://goo.gl/CQLD>

Kingpins Remain

On June 3, the United States began a capital murder trial against three alleged Somali pirates, accused of killing four Americans at sea. If convicted, the defendants could be sentenced to death. While more pirates are being convicted in courts around the world, the kingpins who profit most from the crime continue their work with impunity. In the last decade, shipping off the coast of Somalia was subjected to relentless pirate attacks, the numbers peaking in 2011 with 176 reported cases. Now, though, international naval patrols and armed guards on ships are keeping the pirates at bay. But this cannot last for long, said Pottengal Mukundan, director of the International Maritime Bureau.

<http://goo.gl/jntpb>