

Roose + Partners

Casualty Newsletter 107

15th April 2015

FEATURE

To Infinity and Beyond?

It is no secret that container ships are getting larger and the shipping industry is having to adapt its infrastructure to accommodate these huge vessels. There has, over the last decade, been an 80% increase in containership capacity. With the recent delivery of the *MSC Oscar* into Mediterranean Shipping Corporation's fleet (January 2015), which for the time being is the largest containership in the World, we now have a ship which is capable of carrying some 19,224 teu's. As these vessels get larger, and there are a number currently under construction which are expected to have a carrying capacity of 22,000 teu, the risks of the industry facing a loss in excess of USD1 billion gets nearer.

It is worth noting that the claims lodged against the limitation fund in the aftermath of the *MOL Comfort* loss exceed USD1.2 billion. In contrast to the *MSC Oscar*, the *MOL Comfort* was less than half the size with a carrying capacity of 8,110 teu. When she split in two in the Indian Ocean in June 2013 she was loaded with 4,382 containers with much of the cargo comprising of expensive electrical goods being exported from Japan. Whilst there is expected to be a certain amount of duplication in terms of some of the claims filed in the Japanese proceedings, all of which are being reviewed by Trustees appointed by the Court, this is nevertheless a good example of the

potential losses facing the industry in the event one of the new breed of containerships is involved in a casualty. In addition to the simple loss of property, these containerships also have the potential to damage the environment with huge claims facing the P&I Clubs.

It is thought likely that the carrying capacity of containerships will, for the time being, continue its upward trend towards a capacity of 24,000 teu. Beyond that point issues of simple geography and infrastructure, with draft and berth restrictions and port congestion, will prevent further growth. There are not many ports that are presently able to accommodate these very large vessels. Of course the increase in vessel sizes and concerns regarding the potential for large losses continues, it remains open to debate as to whether the salvage industry has the necessary equipment to be able to deal with a casualty involving such ships. These questions are not new. Back in the 1980s similar questions were raised with the increase in tanker sizes and the concerns posed by the very obvious risks these vessels posed to the environment in the event they were involved in a significant casualty. Similar concerns were raised by the International Salvage Union back in 2008 in the wake of the *MSC Napoli* casualty, where Smit Salvage removed 3,600 tonnes of heavy fuel oil from the vessel which had been beached on Branscombe Bay in Devon.

Containerships pose unique problems. Salvors face challenges confronting serious fires on board with difficulties associated with the transfer of a myriad of different products which can threaten the safety of personnel and impact on the approach to the resulting salvage operation. There are also difficulties when faced with the task of lightening and refloating a heavily laden grounded container ship as well as additional challenges in moving and handling the boxes.

Salvage companies are once again being asked to invest in craft and equipment to cope with a casualty scenario involving these very large vessels. The 1989 Salvage Convention provides a mechanism to encourage investment by the salvage industry to ensure that they are adequately prepared for such an event. Salvors who can demonstrate a commitment to financing within the salvage industry should receive due credit for such investment. There are however a decreasing number of salvage contracts being agreed. Those that are often include caps which limit the potential rewards. This of course is good for property insurers who foot the bill but may come back to bite. Many salvors are under increasing commercial pressures. This, combined with an unpredictable business which has seen a decline in the number of salvage contracts make future investment in equipment and craft increasingly difficult.

NEW CASUALTIES



Further casualties overleaf ▶

Narvik during stormy weather. Tugs assisted and brought the vessel under control.

Type of Claim Allision damage claim
P&I Gard



Lily-Ha ▣

General cargo with container capacity, IMO 8116972, Built 1982, 12,352 dwt

Date of Casualty 8 April 2015

Voyage Oktyabrsk, Ukraine to Kos, Greece

Cargo 11,182 m³ of steel products

Type of Casualty Grounded off Kos in bad weather. The vessel was refloated with tug assistance on 9 April.

Type of Claim Possible hull damage, salvage claim and/or General Average declaration

Ao Nang Princess 5 ▣

Passenger ferry, No other details

Date of Casualty 8 April 2015

Type of Casualty Engine room fire which spread throughout the vessel causing the 104 passengers on board to evacuate the vessel, which had been heading to Phuket. One passenger died in the incident.

Type of Claim Total loss and loss of life claims

Wappen von Dresden ▣

Combined chemical and oil tanker, IMO 9365245, Built 2007, 8,211 dwt

Date of Casualty 7 April 2015 – Late Notification

Voyage Santa Marta, Colombia to Fortaleza, Brazil

Cargo Palm oil

Type of Casualty Cargo loss whilst discharging cargo at Fortaleza.

Type of Claim Cargo loss and clean-up operations

P&I Skuld



Samjohn Legacy ▣

Bulk carrier, IMO 9434436, Built 2010, 180,736 dwt

Date of Casualty 7 April 2015 – Late Notification

Voyage Hunterston, UK to Narvik, Norway

Cargo No details

Type of Casualty Broke free from her moorings and allided with a quay in



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NEW CASUALTIES - Continued - edition (107)



Captain Gavin ▣

Fishing vessel, No other details

Date of Casualty 8 April 2015

Type of Casualty Grounding on Point Pleasant Beach. After several failed attempts a salvage team from Donjon Marine Co. Inc were able to refloat the vessel on 11 April.

Type of Claim Hull damage and possible salvage claim



Eternity ▣

Tank barge, No other details

Date of Casualty 8 April 2015

Voyage Terneuzen to Amsterdam, Netherlands

Cargo Flammable liquids

Type of Casualty Grounding on the Wester Scheldt at Hansweert. The vessel was refloated with the assistance of the tug *Bravo*.

Type of Claim Possible salvage type claim

Deutschland

Passenger/cruise vessel, IMO 9141807, Built 1998, 3,460 dwt

Date of Casualty 8 April 2015

Type of Casualty Broke free of her moorings and struck the quay damaging the quay, pipelines and fenders whilst in Malaga.

Type of Claim Allision damage claim
P&I Standard Club

Genco Cavalier/DD Vanguard

Genco Cavalier - Bulk carrier, IMO 9345817, Built 2007, 53,617 dwt

DD Vanguard - Bulk carrier, IMO 9357420, Built 2007, 26,479 dwt

Date of Casualty 10 April 2015

Voyage Satui, Indonesia to Chittagong, Bangladesh / Chittagong to Singapore

Cargo 32,902 m/t of coal

Type of Casualty Whilst manoeuvring at Chittagong Outer Anchorage the *Genco Cavalier* collided with the *DD Vanguard* which was anchored undergoing repairs.

Type of Claim Collision damage claim
P&I Skuld / Japan Shipowners

Kobee III ▣

Hydrofoil, IMO 7933189, Built 1977, 30 dwt

Date of Casualty 10 April 2015

Type of Casualty Collided with a whale damaging the engine and hull. The vessel had to be towed into Busan. 16 passengers sustained minor injuries.

Type of Claim Hull damage and possible passenger claims

P&I Korea Shipowners



Sarina Andalas

Bulk cement carrier, IMO 7916193, Built 1979, 1,948 dwt

Date of Casualty 12 April 2015

Voyage Batam to Jakarta, Indonesia

Cargo In ballast

Type of Casualty Engine room fire whilst 1.5 nm off Tanjunguban, Bintan

Type of Claim Fire damage claim

Blue Dream

Liquid Petroleum Gas Carrier, IMO 8002664, Built 1981, 6,118 dwt

Date of Casualty 12 April 2015

Voyage Famagusta, Cyprus to Port Said, Egypt

Cargo No details

Type of Casualty Engine failure. Crews are trying to fix the problem but the vessel remains not under command.

Type of Claim Possible General Average declaration

Mawaddah/Dodo

Mawaddah - Passenger ro-ro, IMO 7214521, Built 1972, 3,702 dwt

Dodo - Ro-ro, IMO 7812957, Built 1979, 4,920 dwt

Type of Casualty The Dodo struck the stern

LOF NEWS

Eastern Amber - editions 102 & 105 - during the course of the bunker removal operation on Monday, the vessel sunk. Nippon Salvage were originally assisting the vessel under the terms of a Lloyd's Open Form of Salvage contract but the contract was terminated two weeks ago with the bunker removal being performed under an alternative contract.



African Highway ▣

Vehicle carrier, IMO 8100985, Built 1982, 9,190 dwt

Date of Casualty 11 April 2015

Voyage Emden, Germany to Sheerness, UK

Cargo Cars

Type of Casualty Allision with a berth at Emden causing damage to the starboard side of the vessel and the dolphins at the berth.

Type of Claim Allision damage claim
P&I Japan Shipowners

of the Mawaddah whilst manoeuvring in Jeddah port.

Type of Claim Collision damage claim
P&I American Club / Lodestar Marine

Palu Sipat

Oil tanker, IMO 9106651, Built 2000, 17,957 dwt

Date of Casualty 14 April 2015

Voyage n/a

Cargo n/a

Type of Casualty Explosion and fire whilst under repair in North Sumatra, Indonesia. Four yard workers died in the accident.

Type of Claim Fire damage claim

Nord Explorer ▣

Bulk carrier, IMO 9403097, Built 2009, 58,803 dwt

Date of Casualty 14 April 2015

Voyage Fairness Hills to Norfolk, USA

Access all our previous casualty newsletters here

Cargo In ballast

Type of Casualty Grounding on the Delaware River. The vessel had just discharged her cargo of salt and was proceeding to Norfolk when the grounding occurred. She is now afloat having been assisted by tugs and is undergoing an inspection.

Type of Claim Possible hull damage



CASUALTY FOLLOW-UP

Amadeo ▣ - editions 74, 75, 77 & 82 - Salvage tugs *Resolve Earl* and *Águila III* have arrived from Valparaiso with the barge *Marmac 302* at the grounding site in the Kirke Channel ready to begin the next phase of the recovery operation.

Lysblink Seaways - editions 99, 100 & 101 - the vessel which ran aground on the west coast of Scotland in February is to be scrapped. A detailed survey has established that the repairs costs would exceed the vessel's market value.

Saint George - edition 104 - the vessel left the Nobiskrug-Yard in Rendsburg on 9 April after repairs to the allision damage repairs were completed.

Kiran - editions 101 & 105 - after part of the cargo was discharged the vessel is now en route to Dubai under tug escort. The bulk carrier was proceeding from Ukraine to China loaded with iron ore fines when she grounded in the Suez Canal on 16 January 2015.

Aegean Leader - edition 105 - arrived at Toyohashi this morning under tow of the tug *Koyo Maru*.

Texas/Privocean/Bravo - edition 106 - the tug *Texas* has been towed to a dry-dock in New Orleans for survey. Whilst the vessel took on water during the incident her hull was not breached. The *Privocean* suffered minor damage and has been cleared to proceed although she remains moored in Grammercy whilst the tanker *Bravo* was anchored upriver of the crash zone where divers have cleared the mooring line from her propeller and rudder. Repairs are required to holes in her ballast tanks. In the meantime the owners of the *Bravo* filed suit for damages in the US District Court in New Orleans and the *Privocean* has been arrested. Suits have also been filed against *Privocean* by the dock owner Ergon-St James and by Crescent Towing and Salvage the owner of the *Texas*.



CASUALTY NEWS

Allianz have recently published a major review of shipping and casualties. The report shows a downward trend in casualties during 2014 but it also notes that the waters around the United Kingdom have seen the most casualties since 2005. Click [here](#) for a link to the report. Our thanks to Allianz for allowing us to refer to this in the Newsletter.