

P&I Membership update

The London P&I Club has recently concluded the 2019 renewal. Key developments in the Club's Membership are summarised below, along with an outline of other recent Club news featured in this edition.

Following the renewal completion, the Club saw encouraging year-on-year growth of 3.5m gt – or more than 7% – in its mutual-owned entry. Reto Toggwiler, director of underwriting, says: "Controlled growth in the Club's mutual book of business is a central part of our underwriting strategy, and it is pleasing to see the entries that we have received from new and existing Members over the last 12 months and around the recent renewal.

"In the challenging and uncertain trading environment that Members continue to face, the importance of reliable and understanding P&I support comes ever more to the fore. This appears to be reflected by the continued growth in the Club's Membership."

Reto adds: "We were delighted to welcome new Members to the Club throughout 2018, as well as at 20 February when 13 new fleets attached, comprising different ship types from countries including China, Greece, India, Indonesia, South Korea, Singapore and the USA.

"In addition to the growth in the Club's mutual Membership, good progress continues to be made in our other lines of P&I business

resulting in a total combined insured tonnage of over 60m gt. These developments are encouraging as the Club heads into the new P&I year. We take this opportunity to thank Members and brokers for their support of the Club's work."

In this *Club News*, we report from the 18th Piraeus Marine Club Annual P&I Conference, where claims director Steve Roberts was a speaker on MLC issues. Steve has also been heavily involved in several in-house presentations that the Club has recently provided to visiting student delegations. There is also our regular section on *Management News*, while *Club People* features Kitson Fung from our Hong Kong office.



Club joins international
P&I debate

p/2



Club welcomes
students from Greece

p/3



Club people
Kitson Fung

p/4

Club joins international debate in Piraeus

Club director, **Steve Roberts**, speaking at the conference

 London P&I Club



Piraeus Marine Club P&I Seminar

January 2019

The London P&I Club was one of the 11 International Group P&I Clubs attending this year's 18th International P&I Conference in Greece, organised by Evmar Marine Services and the Piraeus Marine Club.

The speakers and audience at the event held at the end of January debated a range of topical industry issues, including the 2020 global sulphur cap and the value of Clubs diversifying their activities into non-mutual lines of business.

The London P&I Club was represented by claims director, Steve Roberts, who was one of the speakers discussing the Maritime Labour Convention (MLC). The audience was asked whether the certification issued by the Clubs can present potential for conflict in some circumstances.

Often referred to as the "fourth pillar" of the maritime industry's regulatory framework, the MLC was adopted by the International Labour Organisation in 2006 and came into force in August 2013. Its purpose is to establish minimum living and working standards for all seafarers

on ships flying the flag of a ratifying state, and extends to lost wages and repatriation if their Shipowner employer becomes insolvent.

Club cover extends to some risks covered under the MLC, but not all. For example, although cover responds to medical treatment following an injury onboard, it does not extend to customary wages. Since January 2017, ships are required to prominently display certificates issued by an insurer or other financial security provider confirming that insurance is in place for the key MLC entitlements, including those following abandonment due to the Shipowner's insolvency. While the insolvency-related liabilities to be certified fall outside of customary P&I cover, the Shipowner Boards of all IG Clubs decided it would be more practical and cost-effective for them to issue the required certification. The certificates are provided on the back of a separate reinsurance purchased for claims in excess of US\$10m.

MLC certification remains a relatively new development, but it was apparent from the speakers'

presentations that the IG has collectively already seen about 40 abandonment cases. Most presented some difficulty in resolving, which indicates that the MLC's objectives are not always proving easy to deliver. Several practical impediments were identified.

It was agreed by speakers and audience that, although there was potential for conflict, implementation of the MLC is of paramount importance to ensure the well-being of seafarers, the backbone of the global shipping industry. Despite the difficulties, most of the problems encountered could be resolved in time through effective case handling or the sharing of experience with its authors.

The consensus among the speakers was that the Clubs remain best placed, in terms of resources, knowledge and cost, to continue facilitating the certification process, as well as helping resolve cases of seafarer abandonment. Most also agreed that it will be helpful for Clubs to share their experience with the regulators to help improve the effective delivery of all the intended benefits to innocent seafarers.

Club welcomes students from Greece



The Club's London staff were delighted to welcome delegations from the Alba Graduate Business School at The American College of Greece in Athens and the Department of Maritime Studies at the University of Piraeus.

The two recent visits included an introduction to P&I insurance and the Club's work, followed by a case study provided by claims director, Steve Roberts. This highlighted the wide range of risks and claims handling issues, including pollution and wreck removal, which can be involved in a shipping casualty. The students also met with members of the Club's claims team.

The feedback from both delegations was very positive, and we trust the students enjoyed their overall programme of other visits in London.



On the airwaves

The Club's business in Cyprus has been growing in recent years and its connections there are increasing further as the Club's new subsidiary, The London P&I Insurance Company (Europe) Ltd., is established on the island.

Also, Joanna Pavlidis, who heads the Club's Greek office, and colleague, Athina Sirimi, were featured on Cyprus' Cut-Radio 95.2 show, 'It's All About Shipping'. They discussed a range of shipping issues with shipping lawyer and radio host, Gina Panayiotou.

From left: Joanna Pavlidis, Athina Sirimi and Gina Panayiotou



Club people

Kitson Fung

Underwriter, Hong Kong

Teamwork is important to Kitson – from being a volunteer at the Beijing Olympics or supporting his favourite football club, to helping provide Club Members with the best possible solution.

He joined the Club in 2017 and is based in the Hong Kong office where he works on underwriting Members from Asia. He has a BBA degree in International Shipping and Transport Logistics from the Hong Kong Polytechnic University. Kitson speaks both Cantonese and Mandarin, and has previously gained experience in various aspects of the shipping industry through different roles working in Hong Kong-based marine insurance and broking firms.

"I very much enjoy my underwriting position at the Club as it gives me the opportunity to talk with different Shipowners and operators and find out what kind of services they are most interested in," says Kitson. "It is also particularly satisfying to play a part in arranging highly tailored solutions, often within a short time frame, which meet their needs. For example, I've been heavily involved recently in arranging covers for construction project-related ships and offshore wind-farm supporting vessels".

Another aspect of his role which Kitson likes is travelling. "Going to different places on behalf of the Club means I get to know local customs and meet different people," he says. "There is so much variety in bringing in new Members to the Club from different cultures and regions, for instance in mainland China, Indonesia, Philippines and Taiwan". Kitson believes that his communication skills and ability to learn quickly help to build robust business connections during his travels and discussions.

He appreciates what he describes as the friendly and open-minded environment at the Club, which leads to the sharing of ideas across teams. He says: "At the Club, there is a focus on collaboration and reaching and celebrating our goals together. We have a strong team here in Hong Kong and we work closely with our colleagues in the Club's other offices too". Kitson is also a keen Chelsea Football Club supporter, and he was delighted to be able to see them in action during a secondment in London.

Another highlight for Kitson was the 2008 Beijing Olympics. "I was delighted to be chosen as a volunteer and be part of the Olympic Games activity crew. My involvement helped me know more about the different developments in China, and it was an unforgettable experience to be the one of people serving in the first Olympics Game held in China."

MANAGEMENT NEWS

The Club has recently welcomed five new colleagues at two of our offices. In Hong Kong, Wenjie Gao and Mei Lau joined as underwriting assistants, while in London Fiona Pounds was appointed senior claims manager, Ciere Convey started as an underwriting assistant and Nick Bingham joined as claims technician.

In March, the Club's Ian Barr spoke on risks associated with operating in the chemical and product shipping sector, which was part of the IPTA/ Navigate Chemical and Product Tanker Conference in London.

The Club's Greek office continues to provide talks for Members and others involved in the local shipping industry. In the office's auditorium, Andreas Vrontakis gave a presentation on 'End of charter or start of dispute?' in January while Ioanna Exadaktylou led a discussion at the offices of Member Dorian (Hellas) on 'Evidence collection and information control'.

Congratulations to Davina Bose and her husband Harbinder on the birth of their daughter Shanvi on 11 March.

Managers

A. Bilbrough & Co. Ltd.

London
50 Leman Street
London E1 8HQ
T: +44 20 7772 8000
F: +44 20 7772 8200
E: london@londonpandi.com

Greece
Ionion Building
Akti Miaouli & 2, II Merarchias Street
185 35 Piraeus
T: +30 210 458 6600
F: +30 210 458 6601
E: piraeus@londonpandi.com

Hong Kong
Room 1802 Guardian House
32 Oi Kwan Road
Hong Kong
T: +852 3761 5678
F: +852 2838 2001
E: hongkong@londonpandi.com

