

Where there's a way but no Will

Lloyd's List

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The fact that Svitzer Salvage is concerned about how to secure financial backing for its containerised mobile crane system unfortunately comes as little surprise.

As part of AP Moller-Maersk, Svitzer could foot the bill itself- unlike some other salvors- but it is reluctant to continue on this route, as the solution would benefit the whole industry.

As the size of vessels has increased over the past 15 years- and even more so in the past three or four – so have fears on the part of insurers and salvors about what would happen should one run aground.

This concern has become even more acute after 18,000 teu boxships started operating this year.

Svitzer Salvage chief executive, Peter Pietka insists shipping lines are not putting lives at risk with their larger ships, but acknowledges that carriers have not fully considered all the emergency-response implications of the biggest post-panamax vessels before bringing them into service.

The risks have been pointed out many times by insurers and legal experts such as Swiss Re's Pete Townsend and DWF Fishburns' Michael Kingston.

Shipping has been warned repeatedly not to wait for others to take the lead and has been urged to take action. However, tangible progress requires buy-in from all parties and everyone seems to be looking to someone else to jump in first.

Lobbying for government support has also proved fruitless. Mr Townsend's appeal to the UK government to put a 10Cent levy on each container to create a fund to provide for salvage equipment was rejected.

The problem is seen politically as a property issue that falls to the insurance and shipping industry to solve.

However, as Mr Kingston points out, making provisions for an adequate salvage response to a major catastrophe is not a property issue but a societal one and, in the absence of a funding solution, energies should be spent on preventing casualties happening in the first place.

Recent studies compiled by Lloyd's and the International Group of P & I Clubs have highlighted human error as an important factor in significant casualties.

Mr Kingston has drawn attention to the importance of predetermined routes and forcefully argues that the *Costa Concordia* casualty should never have happened.

He argues the technology exists to sound an alarm on the vessel's own bridge when it deviates from a predetermined route, in the owner's headquarters and that of the harbour authority, and says it is time for a system to be implemented.

Mr Kingston adds technology is ready for large-ship salvage, as with Svitzer's crane system, but there is a lack of will to fund implementation.

Both P&I clubs and hull insurers have criticised government intervention and cited it as one of the primary causes of the rising cost of wreck removal.

Yet it is likely that a prediction made by Mr Townsend will come true, despite this understanding. A megaship grounding will happen, the salvage response will be woefully inadequate and there will be a knee-jerk legislative reaction from governments.

That will take any semblance of control from salvors and insurers, forcing them to comply with harsh and possibly unrealistic regulation.