

NEWSLETTER NO. 19 / 20

6th October 2020

Robbery and piracy attack increase

In our Newsletter 9/20 we advised that robbery and piracy activity in South and Central America was increasing.

In its latest report, the International Maritime Bureau (IMB) confirmed that there had been an increase in the total number of incidents worldwide by 25% during the first half of 2020. The report recorded 81 ships boarded, 10 suffered attempted attacks, six ships fired upon and one ship was hijacked.

Furthermore, ReCAAP (Regional Cooperation Agreement on Combating Piracy and Armed Robbery against ships in Asia) recently issued a report showing a significant increase in incidents in the anchorage and ports of the Philippines.

The reason behind this increase is said to be that Manila has been functioning as a Green Zone for crew changes during the COVID-19 pandemic. In turn, this has attracted more ships to the region which has provided perpetrators with more opportunity to come alongside in small boats during the night to commit armed robbery against such ships.

It is also reported that some incidents involved an increased level of violence against the crew members with the use of knife to steal personal belongings. Unlike other more common piracy zones, attacks have not discriminated against specific ship types or trades; they have been made against tankers, containerships and bulk carriers. The Philippine Coast Guard has responded by undertaking additional inspections and patrols.

ReCAAP is therefore advising the shipping industry to enhance vigilance and maintain strict anti-robbery watches, particularly whilst calling Manila and Batangas – the two main ports where this type of incidents occurred.

We also take the opportunity in this newsletter to refresh minds as to when P&I cover responds in respect of such incidents:

- a) Acts of piracy are usually covered under P&I insurance, unless the same are considered an act of war (because of the use of weapons, explosives, etc.) or a terrorist action. Whilst all aspects of P&I cover remain in force, it does not automatically extend to ransom payments.

- b) Robbery / theft of cargoes are covered under P&I insurance for the liabilities of the carrier under the contract of carriage with the usual caveats: i.e., terms of the contract of carriage must be no more onerous than the Hague / Hague-Visby Rules or Hamburg Rules, as applicable.

- c) Loss of personal belongings of a crewmember by reason of theft on board is covered under P&I insurance as applicable under the crewmember's contract of employment.

- d) Loss of personal belongings and luggage of a passenger are covered under P&I insurance in accordance with the terms of the passenger ticket, which should in turn incorporate the Athens Convention or similar Regulation / Law.

- e) Robbery / theft of cash (or any precious metals / watches) on board under the custody of the Master is not covered by P&I insurance and a separate insurance maybe required.

Should you have any queries regarding the above arguments and insurance issues, please do not hesitate to get in touch with your usual P.L. Ferrari contact or get in touch via our website at <https://www.plferrari.com>

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