

Cargo Insurance

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Cargo Insurance

- Who am I?
 - Head of Commercial Litigation
 - From a sea faring background
 - Practised in Marine Insurance Law
- Why a Lawyer?



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Cargo Insurance



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Somali pirates hijack Russian China-bound oil tanker

A Russian warship is rushing to assist an oil tanker bound for China which has been hijacked by Somali pirates.

The Marshal Shaposhnikov was heading towards the Moscow University, which was attacked 900km (560 miles) off the Somali coast, officials said.

The 23 Russian crew on board are reported to have locked themselves in the ship's radar room.

But a BBC reporter says the Russian warship is unlikely to intervene as it could put the hostages' lives at risk.

Big prize

Shots were fired at the 96,000-tonne tanker from two speedboats in the dawn attack, the ship's owner said.

The BBC's East Africa correspondent Will Ross says the oil tanker is a big prize for the pirates who, based on previous hijackings, are likely to release the cargo and crew only once a multi-million-dollar ransom has been paid.

While the international war ships



Numerous pirate groups are holding more than 350 hostages



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Armed kidnap gang in Flintshire lorry hijack

An armed and hooded gang have hijacked a lorry carrying sportswear, and threatened and kidnapped the driver after forcing him into another vehicle.

The driver was released an hour later 40 miles (64km) away, and the lorry was found burnt-out, its load missing.

North Wales Police are hunting the robbers, who struck at about 0800 GMT on the Deeside Industrial Estate.

The shocked but unhurt driver was freed in Wigan, Lancashire, and the lorry found in St Helens, Merseyside.

The vehicle was making its way to the Umbro clothing factory when it stopped.

The lorry, a black Volvo FH12 Sleeper cab, with Ray Stewart Haulage on the sides written in gold and silver, was attacked by three people, all believed to be male, wearing balaclavas.

Windows smashed

Police said one of the men was believed to have had a gun.

The cab windows were smashed and the driver was forced into a black people carrier-type vehicle.

When he was released at about 0900 GMT he made his way to a police station in the Wigan area.

Sgt Craig Turner, who is leading the investigation on behalf of North Wales Police, said: "The driver was uninjured, but very shocked.

"Deeside Industrial Estate is a busy area, especially at this time of the morning, and we are keen to speak to anyone who may have



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Background of Marine Insurance

- Designed to facilitate international trade
- Lloyd's coffee house in 17th century
- Roman times

Marine Insurance Concepts

- Utmost good faith
- Warranties
- Insurable Interest
- Insured Perils
- Proximate Cause



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Contract

- To assign liabilities and risks
- Underlying commercial contracts



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- Africa
- Americas
- Asia-Pacific
- Europe**
- Middle East
- South Asia

From Our Own Correspondent

Letter From America

- UK
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- Entertainment
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In pictures: Channel sinking

Attempts to salvage a cargo ship which sank in the English Channel while carrying 3,000 luxury cars were due to resume on Sunday.

The Norwegian-registered Tricolor was in collision with the container ship Kariba in thick fog 30 miles east of Ramsgate, Kent. None of the crew was injured.



The Tricolor is still visible at low tide but fog has hampered salvage efforts



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Napoli salvage is declared over

An operation to salvage a cargo ship which was deliberately grounded off the Devon coast has been officially declared as completed.

The MSC Napoli was beached off Branscombe in January 2007 after being storm damaged in the English Channel.



The estimated cost of the total salvage operation is thought to be about £50m

The Secretary of State's Representative for Maritime Salvage and Intervention (SOSREP) said work had taken 924 days.

Thousands of scavengers flocked to Devon where about 50 of the stricken ship's 2,400 containers washed ashore.

Damage prevention

The 62,000-tonne vessel was en-route from Antwerp to South Africa when its hull was cracked during a storm off the Lizard. Its crew had to be airlifted to safety by Royal Navy helicopters.

It was being taken to Portland in Dorset when the decision was taken to deliberately ground the vessel to try to prevent pollution damage to the world heritage Jurassic coast.

Thousands of scavengers flocked to Branscombe beach when containers from the stricken Napoli washed ashore.

BMW motorbikes, pet food, anti-wrinkle cream, wine barrels and nappies were among the goods taken from the beach.



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Two types of Issue

- Policy to protect you against risks
- Steps to assign where the risk lies



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Liability for Cargo Insurance

- Underlying commercial contract – buyer and seller
- Underlying commercial contract – owner and carrier



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Commercial Contract – Buyer and Seller

- Ownership of goods
- Incoterms – go to www.businesslink.gov.uk

Commercial Contract – The carriage contract

- International conventions
- Road – CMR
- Ship – Hague
- Air – Warsaw Convention
- Rail – COTIF



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Commercial Contract – The carriage contract

Common Features

- Strict liability for damage
- Limited Defences
- Limited Liability
- Rules about delivery
- Ability to obtain higher limit of liability – at a price



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Insurance a good thing!

Concepts of general application

- Insurable interest
- Utmost good faith
- Warranties



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Questions

