Introduction to P&I –
The background, the rules and the wet stuff

- The casualty case-

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Claims handling quiz:

Maritime casualties
“The casualty”

- One afternoon around half past 5, a fully laden bulk carrier touched bottom, took in water and subsequently capsized. The vessel was still floating and a rescue operation was immediately launched by the authorities. After a few hours it was established that 12 persons had been rescued while 18 was still missing. It was also evident that oil was leaking from the casualty which was still floating upside down.

- How would you consider the matter as a P&I claims executive?
"The casualty”

- The next few days revealed that heavy fuel oil had spread widely due to strong currents in the area and affected some 120 km of waterfront. The waterfront consisted mainly of rocks and boulders with many bays, peninsulas and small islands. The local authorities had quickly mobilized a response organization to the spill in accordance with its contingency plan but it was estimated that the clean up could take several months before finalized. There were several fish farms in the area and a number of birds had already been spotted soiled

- How would you consider the matter as a P&I claims executive?
"The casualty"

- Once the rescue operation had reached the phase where no survivors were expected to be found, the focus shifted to the salvage of the vessel. An LOF with SCOPIC included was soon after signed by the H&M insurer on behalf of the owner with a leading salvage company. The salvor invoked SCOPIC immediately and towed the still capsized vessel to a nearby yard where it started preparing for a parbuckling operation designed to get the vessel back on its keel. The operation was expected to last for 8 to 12 weeks before the vessel hopefully could be redelivered safely afloat at the yard ready for repair works.

- The daily SCOPIC cost was set at approximately USD 100,000 while the value of the damaged vessel if the parbuckling operation proved successful was estimated to be around USD 10 million.

- How would you consider the matter as a P&I claims executive?