

The purpose of the TP&I News is to provide the latest news for the shipowners, charterers, as well as any other maritime interests around the globe. Each issue of TP&I News will include a focused review section of several articles on a topic of current interest.

1. Extra Measures Required For Ships Flying Turkish Flags For The Paris Mou

The Ministry of Transport and Infrastructure, General Directorate of Maritime Affairs, summarized the inspection performance of Turkish-flagged ships in recent years under the Paris MoU (Paris Port State Control Agreement) in a letter dated 20.08.2024 with the number 2087483.



Source: Vapur Donatanları ve Acenteleri Derneği

In the mentioned letter, it is emphasized that ships flying Turkish Flag should be prepared for port state inspections (PSC) to prevent/reduce ship detentions within the scope of the Paris MoU and maintain Türkiye's presence on the Whitelist.

In this context, it is reminded that ships within the PSC inspection range should participate in the inspections with the company of a DPA/inspector and receive technical support from the ship's classification society or the institution that issues the SMC document before the inspection.

In addition, it is stated that additional measures should be taken, for Turkish Flag to maintain its presence on the Paris MoU Whitelist.

The Paris MoU requires that ships in the "Priority I (PI) and II (PII)" inspection range, should fill out the inspection lists every month until 31/12/2024, which should then be approved by the DPA and sent to gemi.denetim@uab.gov.tr within the first week of each subsequent month. It is necessary for the inspection lists to be filled out by the master of the ship.

In addition, the Paris MoU requires that for ships in the "Priority I (PI)" inspection range the company's technical officers (Designated Person Ashore/ Inspector) participate in the inspections. Furthermore, the necessary preparations for the visa etc. procedures should be made in advance.

Moreover, it was stated that the Administration should be contacted prior to the inspections. In accordance with the instructions to be given, the inspection list, which is attached to the letter allowing the ship to participate issued by the ship's classification society, should be filled out by the necessary people, and sent to gemi.denetim@uab.gov.tr.

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2. Contractual Remedies For The Red Sea Crisis

The Houthi group has carried out numerous attacks in the Red Sea for the past nine months. These attacks, concluded through drones, ballistic missiles, unmanned surface boats, and hijacking have caused significant disruption to the shipping trade passing through the Red Sea.



Source:Lester Aldridge

Unfortunately, there is no end in sight for these sorts of attacks.

The increased aggression of the Houthi group has forced most shipping companies to avoid using the Suez Canal altogether. They are now rerouting their vessels around the southern tip of Africa, the Cape of Good Hope.

This detour is significant, adding around 3,500 nautical miles and 15-20 days to each voyage. Such delays to vessels carrying perishable goods could be significant and cause a total loss for such goods. But companies are willing to take such 'risks' rather than the risk of attack by the Houthis.

The attacks have also caused severe congestion and disruption in the supply chain. As a result, disputes may arise between parties of shipping and logistics contracts. Those parties with shipping contracts affected by prolonged delays will certainly look for remedies. Through such remedies, the parties can avoid loss and prevent disagreement. One of the remedies, the force majeure clause, is explained below.

Force Majeure Clauses

Many shipping contracts include a force majeure clause. These clauses provide relief from liability when a party fails to perform its contractual obligations due to certain events beyond their control.

Often, a force majeure clause will require the party to overcome the effects of the force majeure event through "reasonable endeavors". These can be described as certain steps that a party is expected to take to avoid a force majeure event. In this case, Houthi attacks could be listed as such force majeure events in the contracts.

One issue could be the fact that, quite often, the delays are not caused by the Houthi attacks themselves but by the fear of such attacks occurring. If the force majeure clause does not cover the "risk of attacks", the party will not be excused if it does not perform the obligation.

Another issue is whether the disruptive event makes the performance of the contractual obligation impossible or merely more expensive. In some contracts the threshold which is required to trigger the force majeure clause is high, requiring the disruptive event to make the performance of the obligation impossible. If the obligation becomes merely more expensive, the party will not be excused if it does not perform the obligation.

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3. Proposal To Impose 100% Tariff On Chinese Made Ships By The Cmisa

The Canadian Marine Industries and Shipbuilding Association has been involved in the proposal to impose a 100% tariff on Chinese-made ships.

The request comes after Canada announced a similar tariff on Chinese-made electrical appliances and as American unions investigate a trade complaint against the Chinese shipbuilding industry

The Canadian Marine Industries and Shipbuilding Association (CMISA) mentions China's maritime permits and its neighbors in its statement, and points to reports of Chinese ships in Canada's Arctic waters.

The trade association said in a statement:

"The Canadian Marine Industries and Shipbuilding Association is calling for immediate action. We are demanding that all Chinese-made ships imported into Canada be subject to a 100% additional tariff, and that any government be expressly prohibited from purchasing or leasing Chinese-made ships".



Source: Denizhaber

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