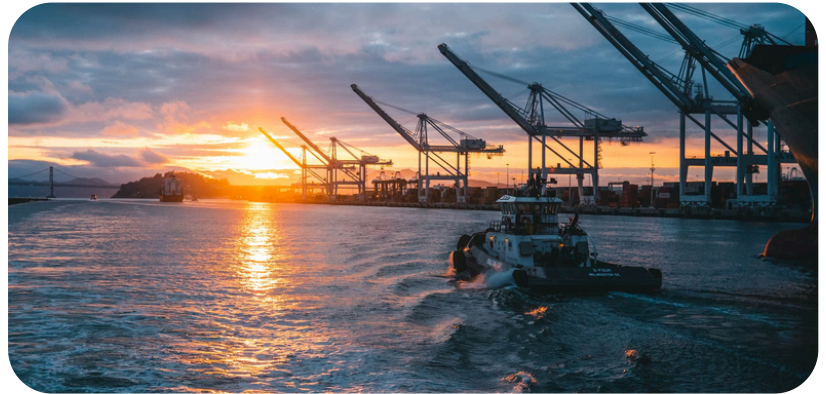




by Türk P&I Sigorta A.Ş.

AMENDMENTS TO THE PORTS REGULATION

The Regulation on the Amendment to the Ports Regulation was published in the Official Journal dated 17 November 2024. According to the new regulations, a navigation permit will be used instead of a port exit permit for private and commercial yachts. While capacity inspections will be tightened for passenger ships, the suitability of the cargo carried on cargo ships and compliance with stability criteria will be checked. In addition, port authorities will examine the seaworthiness and safety conditions of the ships in detail for the port exit certificate. (Pg.2)



EFFECTS OF NATURAL DISASTERS ON THE INSURANCE MARKET IN 2024

In 2024, insured losses from natural disasters reached \$102 billion, exceeding the 20-year average and creating a serious burden for the industry. With the effect of Hurricane Milton, the \$125 billion loss in 2023 is expected to be exceeded. Increasing costs necessitate new approaches in pricing policies and risk management. (Pg.5)

AMENDMENTS TO THE PORTS REGULATION



The Ministry of Transport and Infrastructure of Türkiye published The Regulation Amending the Port Regulation in the “Official Journal” dated November 17, 2024, issue number 32725, and entered into force.

According to the amendments:

- For private and commercial yachts, excursion boats, and other marine tourism vehicles engaged in tourism activities for travel, sports, and entertainment purposes (excluding passenger and cruise ships), the port departure permit is granted via the navigation permit issued under the Maritime Tourism Regulation. In this case, the navigation permit substitutes for the port departure permit.
- The fundamental inspection for issuing a port departure certificate is conducted by verifying the adequacy of the ship's minimum manning requirements based on the information and documents provided by the ship's representatives through the Port Management Information System (LYBS) or in writing.
- For passenger ships, the number of passengers on board is checked against the Seaworthiness Certificate for Turkish-flagged vessels or the Passenger Ship Safety Certificate (or an equivalent document) for foreign-flagged vessels. Ships exceeding their passenger capacity are not allowed to depart.
- Cargo suitability is inspected per Ministry guidelines, ensuring the load doesn't exceed the ship's capacity. Loading and stowing of cargo is checked for stability and balance compliance, confirmed by the captain. Authorities may request the compliance to be confirmed by an authorized inspection firm.
- If deemed necessary by the port authority, additional inspections are conducted before the ship departs. These include checks on lifesaving, fire prevention, firefighting, navigation equipment; provisions fuel, passenger count, cargo type, stowing, amount, and loading marks. Ships found non-compliant with relevant regulations will not be allowed to depart.
- For port departure certificate applications, the port authority may request the originals of the relevant documents or conduct on-board inspections if deemed necessary.
- Port departure certificates are only issued to seaworthy ships. If it is determined that a ship is not seaworthy or any information preventing its departure reaches to the port authority, the departure permit will not be granted, or the issued port departure certificate will be canceled.
- New construction ships conducting sea trials beyond the port's administrative boundaries must obtain permission to sail. However, they are exempted from requiring a port departure certificate.
- Port departure certificates are not issued for ships not engaged in commercial activities.

THE EUROPEAN UNION REVISED SHIP SOURCE POLLUTION DIRECTIVE

The European Union has completed the revision process of the Ship Source Pollution Directive (SSPD). The revised directive will come into force 20 days after its publication in the Official Journal of the EU, with Member States required to incorporate the provisions into their national legislation within 30 months.

The revised directive significantly broadens its scope. Previously limited to oil and harmful liquid substances transported in bulk, it now also covers packaged harmful substances, sewage, solid waste, and residues from exhaust gas cleaning systems. Additionally, provisions related to criminal sanctions will now be addressed under the Environmental Crime Directive (ECDD) and Member States to be obligated to impose administrative penalties on individuals and organizations responsible for illegal discharges from ships.

The final version of the SSPD is [available on the official website](#) of the European Union.



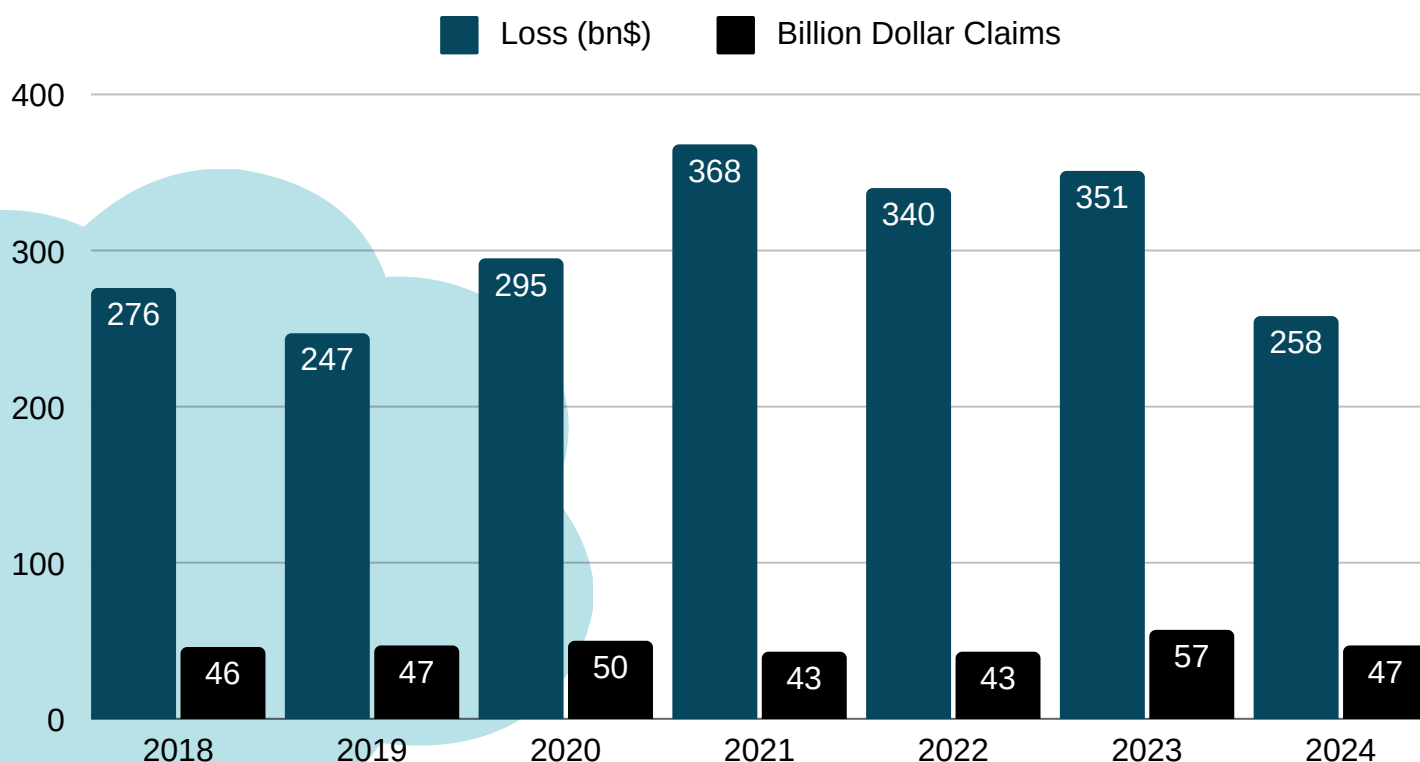
(European Parliament, 25.10.2024, <https://data.consilium.europa.eu/doc/document/PE-91-2024-INIT/en/pdf>)

ECONOMIC LOSSES EXCEED \$250 BILLION ACCORDING TO THIRD QUARTER RESULTS

In the first three quarters of 2024, global economic losses from natural disasters are estimated at approximately \$258 billion. This amount is higher than the long-term median value of \$254 billion, as recorded since the year 2000. The recorded losses worldwide once again emphasize the significant impact of climate change-related events, which are becoming increasingly severe and causing widespread economic damage.

During this period, 47 incidents caused economic damages exceeding \$1 billion. Regionally, the highest number was recorded in North America, with 32 major incidents. Asia reported eight major disasters, the EMEA region (Europe, the Middle East, and Africa) recorded 4, and South America experienced three significant events. This distribution highlights North America's increasing vulnerability to natural disaster risks and the growing burden on the insurance sector in the region. It is important to note that these figures are based on preliminary estimates of event losses and may be subject to change even months after the events occur.

It should also be noted that these figures do not include Hurricane Milton and Helene, which struck the western coast of the United States in October, causing significant damage. The impact of this hurricane on the insurance sector will become clearer in the upcoming months.

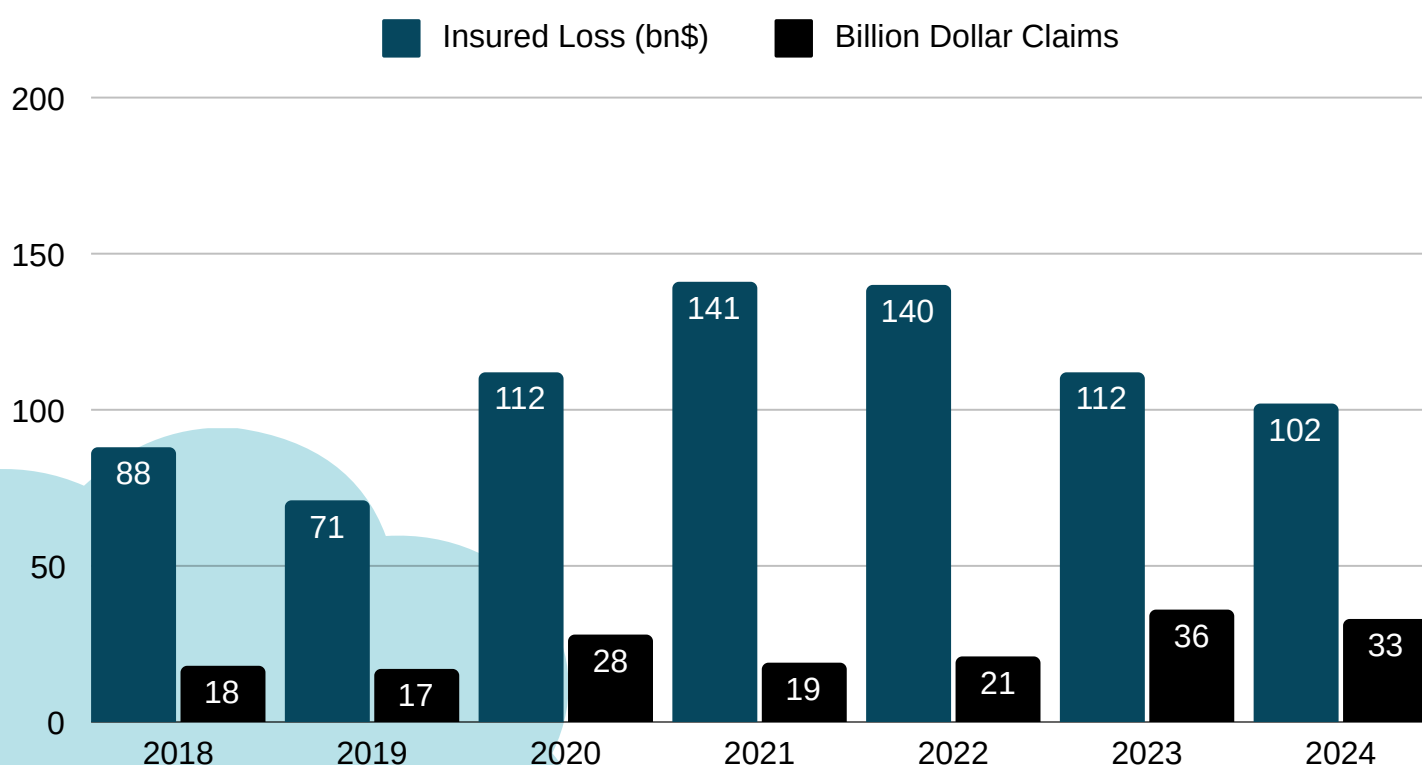


(Swissre, <https://www.swissre.com/institute/research/sigma-research/sigma-2024-01.html>)

EFFECTS OF NATURAL DISASTERS ON THE INSURANCE MARKET IN 2024

The impact of natural disasters on the insurance sector in 2024 has been particularly striking based on the data collected so far. In the first three quarters, the total claims covered by insurance companies are estimated at \$102 billion. This figure significantly exceeds both the average insured losses of \$79 billion and the median value of \$68 billion recorded over the past 20 years. This indicates a growing financial burden for the insurance sector and signals potential challenges that companies in the sector may face in the future.

It is very likely that the total insured losses, which amounted to \$125 billion in 2023, will rise this year. This increase will be driven by potential disasters that may occur later this year, along with the impact of Hurricane Milton and Helene in October. It is foreseen that the hurricane will not only impose a direct financial burden on the insurance sector but also influence long-term policy pricing and risk management strategies.



The economic and insured losses from natural disasters in 2024 have exceeded long-term averages, highlighting the urgent need for more effective climate change mitigation measures and risk management policies. On the other hand, the insurance sector's ability to maintain resilience despite rising costs will depend on innovative solutions and international collaborations. Data emerging in the remainder of 2024 will provide a clearer understanding of this critical situation.

(Aon, <https://aon.mediaroom.com/news-releases?item=138375>)

(Reuters, <https://www.reuters.com/world/americas/canadas-insurance-sector-faces-climate-catastrophe-claim-deluge-2024-09-03/>)

PRECAUTIONS AGAINST SHADOW TRADE

The Price Cap Coalition issued an updated advisory with recommendations for industry and government stakeholders involved in maritime oil trade to promote responsible practices and prevent evasions from sanctions. The advisory focuses on compliance with price caps on Russian origin crude oil and petroleum products upheld by the G7, EU, Australia, and New Zealand. The updated advisory includes new recommendations and reinforces reducing risks linked to recent maritime oil trade developments due to geopolitical changes and the growing “shadow” trade involving high-risk actors and practices.

Key risks include:

Maritime Safety and Marine Environment: Shadow trade involves older vessels with potential safety issues due to lack of proper certification and inspections.

Insurance and Economic: Shadow vessels are often inadequately insured, risk environmental damage from oil spills and impose financial burdens on coastal states.

Reputational, Logistical, and Financial: Shadow trade actors often conceal their operations, making legitimate stakeholders unknowingly breach compliance policies and face reputational damages.

Legal and Sanctions: Shadow actors may use deceptive tactics to violate oil price caps, which attracts sanctions and brings out compliance risks.



The Coalition recommends the following practices:

- Vessels require appropriately capitalized insurance to cover costs related to potential accidents.
- Ensure vessel classification with recognized societies for safety assurance.
- Utilize Automatic Identification Systems consistently and complement with Long-Range Identification and Tracking for enhanced vessel monitoring.
- Cautiously monitor ship-to-ship transfers to prevent concealment of cargo origins or destinations.
- Request itemized shipping and ancillary costs to detect price cap violations.
- Conduct thorough due diligence on ships and intermediaries (management companies, traders, brokers, etc.) for compliance and risk mitigation.
- Report suspicious maritime trade activities to authorities.
- Ensure ships meet international safety and environmental standards.
- Closely monitor tanker sales and due diligence to prevent evasive or illicit practices.
- Avoid interactions with sanctioned parties, ensuring strict compliance checks.
- Enhance awareness through employee training programs and promote transparency in the market.

By implementing these recommendations, stakeholders can mitigate safety, financial, and legal risks while maintaining compliance with international regulations in maritime oil trading.

(European Commission, 21.10.2024, https://finance.ec.europa.eu/publications/price-cap-coalition-statements-and-guidance_en#files)



In maritime terminology, a “wake” is the trail of water left behind by a moving vessel. This trail indicates the path the vessel has taken and continues for a while after the vessel has passed. The size and intensity of a wake can indicate the vessel’s size and speed.

The phrase ‘in its wake’ is used to describe the effects or events that follow a significant incident or action. Much like the trail left behind by a vessel, this phrase emphasizes the changes and impacts that follow an event.