

TURKEY. AUTHORITIES WILL BE SEEKING EXPRESS DECLARATION/GUARANTEE OF P&I COVER FOR VESSELS CARRYING CRUDE OIL THROUGH TURKISH STRAITS

Ingosstrakh's P&I Correspondent in Turkey Messrs. Kalimbassieris Maritime Ltd reports about a recent circular published by the General Directorate of Maritime Affairs (the "General Directorate") under the Turkish Ministry of Transport and Infrastructure (the "Ministry") on 17 November 2022 which pertains to vessels carrying crude oil and will pass through the Turkish Straits.

The General Directorate, has drawn attention to the fact that vessels over 300 gross tons which transit or call in Turkish waters must have P&I coverage in place. As background, this is necessitated in Turkey for vessels which carry dangerous goods and which transit the Straits by article 13 of the Turkish Straits Maritime Traffic Regulation Implementation Directive.

The General Directorate in its circular states it has taken note of the recent publications by P&I Clubs alerting that P&I cover will not extend to cover a loss which arises out of an incident in relation to an illegal act or an act which was not in compliance with prohibitions and sanctions, even if the vessel has a valid P&I policy. Therefore, the authority feels it is necessary to confirm that P&I insurance and cover is still valid and inclusive during the passage of cargo vessels, especially those carrying crude oil products, which are likely to have catastrophic consequences in the event of an incident which may occur during transit of the Straits.

In light of the above, as of 01 December 2022, vessels which pass through the Straits carrying crude oil will need to submit a letter obtained from their P&I Club which makes specific reference to the vessel, cargo and voyage in question – expressly stating that P&I insurance will be valid and inclusive for the vessel, voyage and cargo during the time in which the vessel will pass through the Turkish straits. This letter will need to be sent to the vessels agents and attached as an annex to the voyage planning-1 document ("SP-1") and in addition, this same letter must also be sent via e-mail to "istcan.gth@kiyiemniyeti.gov.tr" as early as possible in order to prevent possible loss of time and not delay the passage of the ship.

BIMCO PUBLISHES UPDATED GENCON CONTRACT

It may be of Insured Owners' interest that in response to changes within the areas of regulation and safety, BIMCO has updated GENCON 1994 to reflect the commercial and legal requirements in today's shipping practices. The voyage charter party, used in dry bulk trade, was last updated in 1994 and the new version addresses all terms and conditions that the commercial parties need to incorporate by

means of rider clauses. This will help companies that may not have an internal legal department to turn to for assistance.

The drafting group engaged in the development of GENCON 2022 consisted of representatives from both the chartering and ship owning sector to assure the new version strikes the right balance with regards to the rights and obligations of both parties.

The 2022 update will mark 100 years since GENCON was first launched by BIMCO, as the first edition was published in 1922.