

“Hull Underwriters Moving Towards BMP Implementation as Part of Contract” - Giles Noakes of BIMCO

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Speaking on the 12th of October at the “Combating Piracy Week” conference in London, Giles Noakes of BIMCO indicated that hull underwriters were moving towards BMP implementation as a key part of their contracts. This means that should the shipping operator and crew fail to implement Best Management Practices, the underwriter’s contractual obligations to pay out in the event of vessel losses may become null and void.

This initiative implies underwriter confidence in BMP implementation as an effective piracy risk-reduction method as well as potentially serving to bring more of those not implementing BMP into the fold. Estimates of the numbers of vessels transiting the Gulf of Aden without utilising BMP vary, but as IMB and IMO statistics suggest, those vessels clearly not using BMP are more susceptible to a successful pirate attack.

As for those implementing currently implementing BMP for their Gulf of Aden and Arabian Sea transits, Mr Noakes advocated that “you cannot pick and mix with BMP measures,” emphasising that only when applied comprehensively can vessels avoid, deter or delay pirate attacks.

Further insight from Hanson Wade’s conference will be posted on www.marsecreview.com over the coming week.