



News release for immediate use

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Salvors consider important issues at General Meeting: new Bunker Removal Clause; environmental salvage awards; containership insurance proposals and meritorious service awards

Members of the International Salvage Union (ISU) have held their 58th General Meeting in Istanbul, 25-26 September 2012. At the meeting they discussed a range of issues and policy matters including the idea of a new Bunker Removal Clause for salvage contracts.

The proposal, from the International Group of P&I Clubs, suggests the introduction of a Bunker Removal Clause as an option in the commonly-used Lloyd's Open Form salvage contract. The intention is to enable liability insurers to have more influence over the process of removing bunker fuel from casualty vessels.

Commenting on the proposal, ISU President, Andreas Tsavliris, said: "We have had preliminary and informal discussions with the Clubs and others but I have to say we have serious concerns about a Bunker Removal Clause. Nevertheless, the idea is relatively new to us and our Executive Committee and our membership have agreed at our AGM to form a sub-committee to give the idea more consideration and we have asked that committee to report its views to the next scheduled ISU Executive Committee in December."

At the same meeting, salvors confirmed their intention to press for a change to the 1989 Salvage Convention at the forthcoming meeting of the over-arching marine law body the Comité Maritime International to be held in Beijing in October 2012. Possible changes to the Convention are set to be a key part of the CMI's agenda.

ISU has suggested that changes should be made to the Convention to enable financial awards to be made that specifically recognise salvors' efforts to protect the environment. The changes would also mean that payment for environmental protection in salvage cases would be more fairly spread between property and liability insurers.

ISU President, Andreas Tsavlis, said: "We believe we have made a strong case for change and we think it can come about through quite simple amendments to key parts of the 1989 Convention. We think our suggestion is fair and will give proper encouragement to salvors to intervene in cases which threaten the environment. This was always the intention of the 1989 Convention. We know that the P&I Clubs do not share our views on this but we are looking forward to hearing the matter fully discussed in Beijing."

The ISU AGM also confirmed ISU's interest in the Landmark Consortium's proposal regarding insurance and security for large containership casualties. The proposal is for an insurance product which would set an agreed, nominal value for each container in such cases. The proposal is still under development and ISU has re-stated its commitment to discuss the idea further.

The ISU has also announced that it will introduce its own award to recognise meritorious service among its membership. The award will not be made annually but on an ad hoc basis and will be judged by members of the ISU Executive Committee.

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