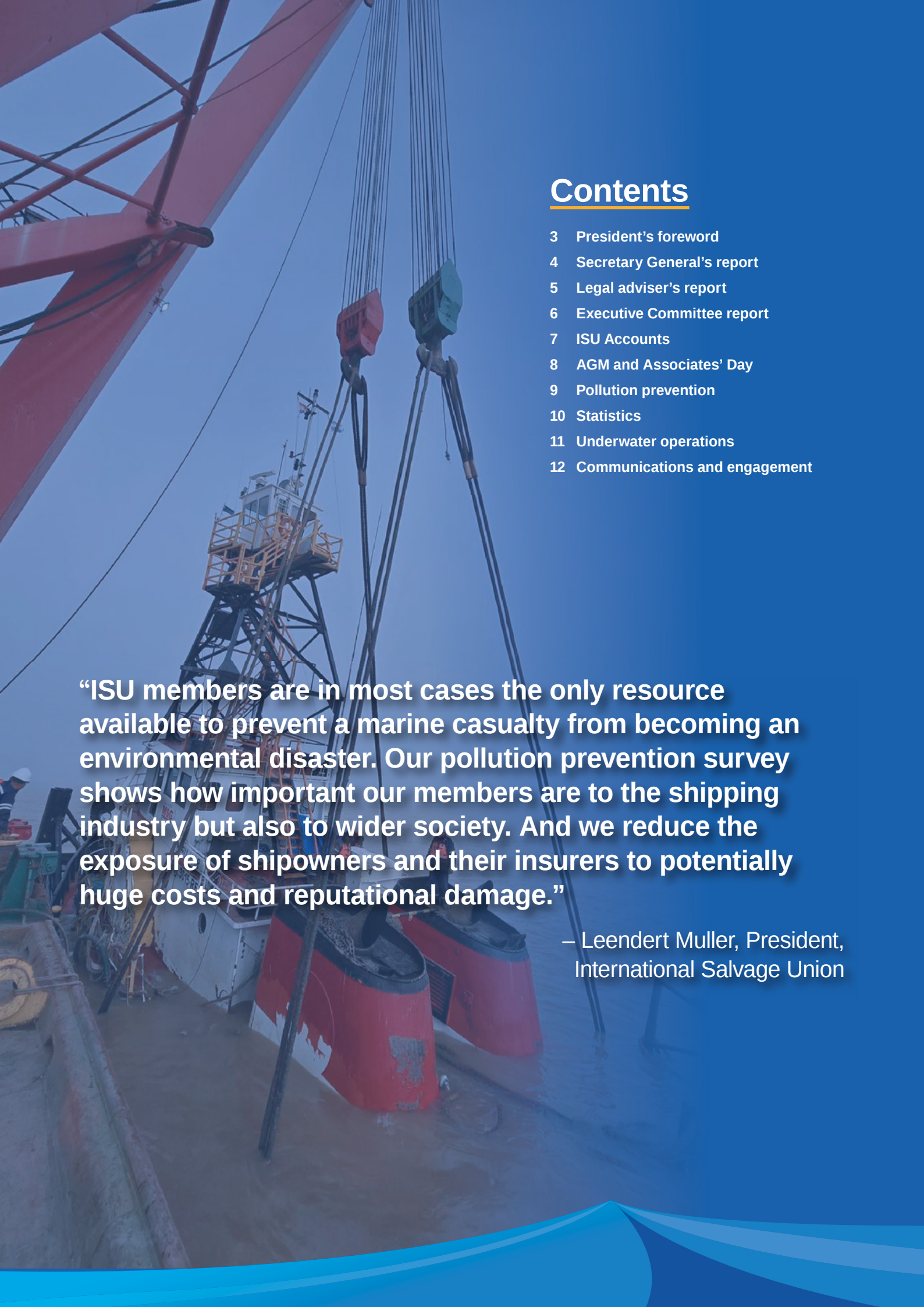


International Salvage Union Annual Review 2025





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“ISU members are in most cases the only resource available to prevent a marine casualty from becoming an environmental disaster. Our pollution prevention survey shows how important our members are to the shipping industry but also to wider society. And we reduce the exposure of shipowners and their insurers to potentially huge costs and reputational damage.”

– Leendert Muller, President,
International Salvage Union

International Salvage Union Annual Review 2025

President's foreword

It is a privilege to write this foreword to our 2025 Annual Review in my second term as ISU president. And I start by thanking my predecessor, John Witte, for his wisdom and commitment and noting that he was the ISU president for the majority of 2025.

It seems strange writing these words which relate only to our activity in 2025 when the world changed so dramatically in the early part of 2026. Nevertheless, our annual review is tied to the timing of our annual accounts and the production of our annual statistics for the year in question.

But it would be an omission not to note the conflict in the Middle East and elsewhere and to acknowledge the suffering brought by all wars. And we keep in our thoughts the seafarers – possibly including people from ISU members and associates – who are caught up in violence and danger, and we hope that they remain safe.

One of the ISU's key messages is that our industry needs to be financially sustainable. A capable, professional salvage industry with the capacity to provide emergency response around the world and available to undertake major projects like wreck removals is essential to the business of international shipping.

We all want to see those services carried out safely, cleanly and at a fair price. That requires a delicate and balanced eco-system. It also requires trust and transparency. At a strategic level, ISU and the salvage industry is well engaged with its counterparts at the International Union of Marine Insurance, the International Group of P&I Clubs and the International Chamber of Shipping and many others with whom ISU has built good relations.

There is still a challenge to see that high level industry positivity translating into better practice and relationships between our members, insurers and consultants in contracting and during operations. And a concern is when the line between consulting and contracting is blurred. We only seek fairness and transparency.

Turning to the performance of the industry, the ISU's annual salvage industry statistics on Page 10 of this Review indicate a significant fall in our members' revenue. This is gross income and it is needed to sustain our members' businesses; to invest in their people and to repair and replace their vital equipment.

In operational matters, containership fires remain a major threat and the transportation of batteries and Electric Vehicles poses a continuing risk as the devastating



incidents in recent years have clearly demonstrated. The long-term trend for oil trades to be safer must not lead to complacency and our members frequently respond to incidents where the casualty was carrying several thousand tonnes of bunker fuel - more than some coastal tankers.

Therefore we are always very proud to present our Pollution Prevention Statistics each year and which demonstrate the great environmental benefit of our work. The 2025 numbers show that our members provided services to ships carrying nearly 3 million tonnes of potential pollutants. Not all that material was at imminent risk of going into the sea but it is always worth considering what might have happened had no salvor been available to provide services. The full results can be seen on Page 9.

In legal developments we continued to work on revisions to the BIMCO Wreckhire contract and also note with regret the low number of Lloyd's Open Forms (LOF) reported during the year. The new LOF Fast Track Documents Only arbitration system has now begun to operate and it is one of several initiatives to try to increase use of the LOF contract. Our Legal Adviser's report is on Page 5.

This review is not a statutory requirement but I hope it demonstrates our commitment to keeping our members and stakeholders properly informed about the work of our association and the performance and current state of our important industry.



Leendert Muller
President, International Salvage Union

Secretary General's report

The ISU secretariat is a small unit and this year we recruited a new Secretary General's assistant who works across administration, communications and finance. The other member of the secretariat is our legal adviser, Richard Gunn, Master Mariner and partner at Reed Smith who continues to give the association excellent support and advice.

During 2025 we have continued to improve ISU administration, particularly in finance matters and in liaison with the membership. We moved office at short notice in October due to unexpected changes to our building's management, but we continue to operate from the City of London and remain in walking distance of many of our key stakeholders among the P&I Clubs, Lloyd's, brokers, underwriters and the shipping law community.

The ISU President and Vice President join the secretariat to form the ISU management team which takes day to day decisions and refers more important matters to the full Executive Committee which meets four times each year.

ISU finances are well managed, and the financial position is stable. There is a report of the 2025 Annual Accounts on Page 7. We maintain a balanced budget and sometimes generate a small surplus which, with prudent cost control, has enabled us to build up our reserves over the past three years. Income is derived from a membership subscription of £5,500 per year (increased modestly in 2024) as well as from the general salvage and wreck removal levy which members pay to the association for each substantial operation they conduct. Associate members' subscriptions are £950.

The ISU is proud to be the only global voice for the salvage industry and it is important that we should represent the whole of the salvage community. At the close of 2025 there were 48 Full Members. They come from each continent (not Antarctica – though certain ISU members provide services around that continent). Members are treated equally regardless of the scale of their business and important resolutions are decided on the basis of "one member one vote".



James Herbert

Associate Membership stands at some 70. Every year we find that a handful of associates choose to leave the organisation but are replaced by new members joining us. We also have an additional category of Affiliate Members – these are mostly similar trade associations and other non-profit organisations – and we are pleased to have 15 members in this category and they do not pay a subscription fee.

Although we are a small organisation we try to ensure we have a loud voice in the right forums and with the right stakeholders. We hold consultative NGO status at the IMO of which we are proud and it is a privilege to be part of the panel that assesses the IMO's annual Honours for Exceptional Bravery at Sea and to attend the award ceremony. We monitor and participate as necessary in other IMO business.

We continued with our commitment to improve visibility of the industry in shipping media and had several articles published and our communications are covered further on Page 12.

The ISU Salvage sub-Committee met three times during the year and continued its valuable work on industry issues, providing advice and recommendations to the ISU Executive Committee. The Salvage sub-Committee is chaired by Eline Muller of Multraship supported by committee members Gordon Lorensen, Donjon Marine; Kyriakos Mitsotakis, Five Oceans Salvage; Daniel Dettor, Resolve Marine (part year); Marjan Schuringa, Smit Salvage; Alexander Tsavlis, Tsavlis Salvage; Naci Hoşcan, Aras Salvage and Maurice Schreurs, Smit Salvage.

Legal Adviser's report

2025 saw developments in reported cases which could impact the salvage industry.

The most directly significant case for salvage practitioners was *SD Rebel BV and another v Elise Tankschiffahrt KG* [2025] EWHC 376 (Admlty), decided in February 2025. The master of the assisted vessel had signed a Certificate of Safe Delivery providing for London jurisdiction but the Owners commenced action in the Netherlands. The Admiralty Court fixed salvage remuneration, assessed damages, and granted a final injunction in respect of the defendant's failure to abide by the terms of a jurisdiction agreement and defiance of an anti-suit injunction. The award for a short service was around 5% of value.

Also of interest is *MSC Mediterranean Shipping Company SA v Conti 11 Container Schiffahrts-GmbH & Co KG MS "MSC Flaminia"* [2025] UKSC 14, decided by the UK Supreme Court in April 2025. It is primarily a limitation of liability case and the Supreme Court held that a charterer can limit its liability under the 1976 Convention for claims by a shipowner. However, the court took a narrow approach to categorisation under Article 2.1: only costs of discharging and decontaminating cargo were limitable under Article 2.1(e). Therefore claims by the shipowner against the Charterers for costs of removing firefighting water, payments to national authorities and waste removal costs were not. This decision has implications for the quantification of limitation funds in casualties involving salvage operations but should not directly affect the members of the ISU.

The EVER GIVEN "salvage" dispute (*Smit Salvage BV v Luster Maritime SA, Court of Appeal* [2024] EWCA Civ 260) continued to be of relevance in 2025. The Court of Appeal upheld the finding that no contract had been concluded between SMIT and the vessel owners, leaving SMIT's claim for salvage to proceed under common law and the Salvage Convention 1989 (as a matter of English Law).

The ISU management team continued to be active representing the ISU at the Lloyd's Salvage Group and SCOPIC committee.

Lloyd's Open Form (LOF) 2024 (the 13th edition) came into full use during 2025 following its launch in June 2024. The key changes include replacement of the Fixed Cost Arbitration Procedure (FCAP) with a new Fast Track Documents Only (FTDO) procedure, applicable to all arbitrations where the security demand is US \$10 million or less; new requirements for parties to provide Environmental Social and Governance information as well as salvaged values and settlement data to Lloyd's within 60 days of termination of services. A LOF management fee of 0.025% of total salvaged value (minimum £1,000, maximum £10,000) was introduced.



Richard Gunn

The Special Compensation P&I Club (SCOPIC) clause remains incorporated within LOF 2024, though parties retain the option to exclude it. No substantive amendments to SCOPIC were introduced in 2025 apart from the annual inflationary increase in Appendix A rates. However, SCOPIC continues to be of practical significance: in the context of the EVER GIVEN litigation, commentary noted SCOPIC's role in facilitating global negotiation of wreck removal contracts by providing ready-made rates for personnel and equipment. SCOPIC tariff rates continue to serve as a benchmark for commercial contracts beyond LOF, underscoring the clause's broader market influence even in non-LOF engagements.

The London Market LOF Default Clause 2024, drafted in collaboration with the International Chamber of Shipping, was introduced for insertion into hull and machinery policies from January 2025. Its stated aim is to promote the use of LOF. However, the clause has attracted mixed reactions, with concerns that the requirement for "immediate" danger (as opposed to merely "danger" at common law) may introduce confusion and delay. The clause only indirectly affects ISU members as it is essentially an insurance clause to be agreed between shipowners and their underwriters.

2025 saw the number of published Lloyd's Open Form Contracts flatline at 16 (noting that not all contracts are publicised). Of these, SCOPIC was incorporated in most of the contracts and invoked in seven.

During the year only one award was published. It is an award utilising the application procedure to "carry forward" settlement agreements with cargo to unrepresented cargo and it is of interest for its comments on The Amerique principle (that the value of the salvaged fund must not result in a disproportionate award).

Elsewhere, the ISU worked with BIMCO on revisions to its suite of wreck contracts. Following the introduction of a wholly new WreckStage 2024 contract work continued on the WreckHire revisions. It is possible that this will be published in 2026. The drafting committee will then move on to WreckFixed.

Executive committee report

The International Salvage Union is a company limited by guarantee (not for profit) incorporated in England. It acts as the trade association for marine salvors globally and its principal activity has been the provision of services to its members who are marine salvage contractors. The ISU is governed by a President supported by a Vice President and an Executive Committee made up of senior managers from the members companies. The Executive Committee meets quarterly and there is an annual meeting to which all members are invited. Day to day business is conducted by a secretariat consisting of the Secretary General and their Assistant, supported by the Legal Adviser. The ISU operates from an office in the City of London, UK.

OFFICERS

President

John Witte Jr, Donjon Marine, USA *[until October 2025]*

Leendert Muller, Multraship Towage & Salvage, The Netherlands *[from October 2025]*

Vice President

Leendert Muller, Multraship Towage & Salvage, The Netherlands *[until October 2025]*

Richard Janssen, SMIT Salvage, The Netherlands *[from October 2025]*

EXECUTIVE COMMITTEE

Carlos Bastias, Ultratug, Chile

Dominique Caillé, Les Abeilles, France

Charo Coll, Boluda, Spain

Li Chang, China Rescue and Salvage, China

Daniel Dettor, Resolve Marine, USA *[from October 2025]*

Jiro Okhubo, Nippon Salvage, Japan *[from October 2025]*

Nikolaos Pappas, Five Oceans Salvage, Greece

Carlos L Paz, Raul y Negro, Argentina

Drew Shannon, United Salvage, Australia

Shimonshi Sukekazu, Nippon Salvage, Japan *[until October 2025]*

SECRETARIAT

Secretary General

James Herbert

Secretary General's Assistant

Nicky Prentis *[from August 2025]*

Legal Adviser

Richard Gunn



ISU Abbreviated Accounts

International Salvage Union Limited, a company limited by guarantee

Statement of Income and Retained Earnings year ended 31 December 2025

	2025 £	2024 £
Turnover	427,499	409,945
Gross profit	427,499	409,945
Administrative expenses	384,876	344,621
Operating profit	42,623	65,324
Other interest receivable and similar income	4,319	4,766
Profit before taxation	46,942	70,090
Tax on profit	—	—
Profit for the financial year and total comprehensive income	46,942	70,090
Retained earnings at the start of the year	354,865	284,775
Retained earnings at the end of the year	401,807	354,865

All the activities of the company are from continuing operations.

Statement of financial position at 31 December 2025

	2025 £	2024 £
Fixed assets		
Tangible assets	1,858	910
Current assets		
Debtors	87,650	77,431
Cash at bank and in hand	523,244	418,581
	610,894	496,012
Creditors: amounts falling due within one year	80,260	11,372
Net current assets	530,634	484,640
Total assets less current liabilities	532,492	485,550
Net assets	532,492	485,550
Capital and reserves		
Other reserves	130,685	130,685
Profit and loss account	401,807	354,865
Members funds	532,492	485,550

AGM and Associates' Day

AGM

The ISU held its 2025 AGM in Cape Town hosted by ISU member AMSOL and it was an opportunity for ISU members, associates and dignitaries from the South African shipping industry to meet and exchange views.

ISU members attended from all over the world including China, Japan and the Philippines as well as Argentina, Chile, South Africa and the Middle East as well as many from Europe, demonstrating the global reach of ISU. There were some 70 delegates from ISU members.

The AGM conducted the formal business of the ISU - approving the re-election of Executive Committee members, confirming Leendert Muller as the new President and Richard Janssen as the new Vice President as well as considering the 2024 annual accounts and hearing reports from the secretariat. The International Group of P&I Clubs had been invited to brief the meeting about its activities and its interest in ensuring the availability of salvage capability around the world. There was the traditional "open forum" for members to raise issues and discuss ISU policy. There was a social programme including a gala dinner showcasing African food and culture.

Associate Members' Day

The ISU Associate Members' Day conference was again held at the prestigious venue high in the Leadenhall Building in London which remains a world centre for shipping, the law, insurance and finance, all of which have a stake in the success of the salvage industry.

In his opening address ISU President, John Witte, emphasised the importance of maintaining constructive relationships with the ISU's stakeholders and members and he complimented the ISU associate members for the "excellent professional support" they provide to the salvage industry noting that they "often make essential contributions during specific operations."

The keynote address was given by Hiro Yamada, the International Maritime Organisation's Director for Maritime Safety, who outlined the IMO's safety work and the importance of the salvage industry.

The afternoon part of the event was the biennial Forum for Special Casualty Representatives (SCRs) and was jointly arranged and funded by the International Group of P&I Clubs. It focused on the importance of the SCOPIC regime and there were many SCRs in attendance.

The conference was followed by a reception.



Pollution prevention

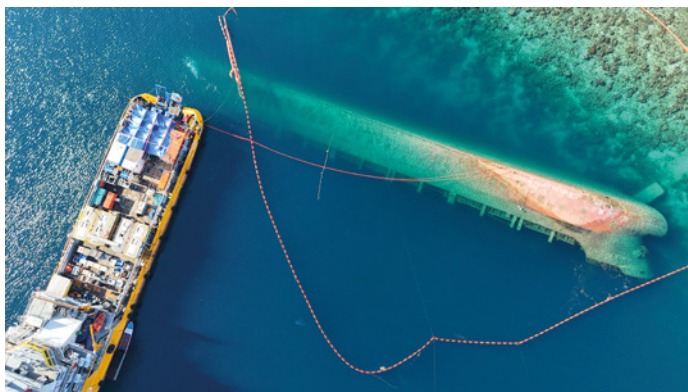
Members of the International Salvage Union (ISU) provided 231 services to vessels carrying nearly 3 million tonnes of potentially polluting cargo and fuel during operations in 2025.

Containerised cargo was up significantly at more than 1 million tonnes in ISU members' services. The data come from the ISU's Annual Pollution Prevention Survey for operations in 2025 which again demonstrates the vital role of professional salvors in protecting the marine environment.

There were 231 services in 2025 compared with 162 the previous year. A trend is for cases to get larger as classes of vessel increase in size, particularly containerships and also because of the amount of bunkers carried by the largest ships.

Each year there can be significant variations in the quantities of pollutants in each category. The number of containers in 2025 is notably higher than last year. Containers, after bulk cargo, remain the most significant category with ISU members providing services to vessels carrying 69,000 TEU amounting to just over 1 million tonnes of cargo. It compares with 506,000 tonnes of crude oil. It is now commonly accepted that containers carrying a great variety of harmful and dangerous goods including plastic pellets (nurdles) are one of the biggest threats to the marine environment.

Cargoes of refined oil products decreased in 2025 and there was very little chemical cargo recorded in the survey. Bulk cargoes in 2025 were 1.2 million tonnes. Several of the services in the survey did not record the quantity of bunkers or the cargo type meaning the reported numbers likely represent a more modest total than the reality.



The 231 services in 2025 included 42 wreck removal/marine services contracts; 13 Lloyd's Open Forms; 37 towage contracts; 15 Japanese Forms; 12 fixed price/lump sum, 31 day rate contracts; 53 other contracts (including commercial terms) and 28 Turkish Forms.

ISU notes that not all the potential pollutants were at immediate risk of going into the sea. Some cases will have had limited danger, but others will have carried a real risk of causing substantial environmental damage.

2025 ISU Pollution Prevention Survey Results (tonnes)

	2025	2024
Number of services	231	162
Bunker fuel	77,359	73,747
Crude oil	505,734	399,817
Refined oil products	126,431	281,481
Chemicals	8,722	11,298
Bulk [see Editor's note]	1,203,497	923,433
TEU - tonnes equivalent	1,038,840 (69,256 TEU)*	614,610 (40,974 TEU)*
Other pollutants	11,240	92,659
Totals	2,971,823	2,397,045

*nominal 15 tonnes/TEU



The survey was first conducted by ISU in 1994, and the methodology was updated in 2014 to include a wider range of potential pollutants including containers and hazardous and dirty bulk cargoes. In the period 1994 to end-2025, ISU members have provided services to casualty vessels carrying 48,790,081 tonnes of potential pollutants, an average of 1.5 million tonnes per year.

ISU salvage industry statistics 2025

- Gross revenue for ISU members - US\$ 190 million (2024, US\$ 406 million)
- 166 services provided (2024, 191 services)
- Lloyd's Open Form (LOF) - 18 cases (2024, 29). LOF revenue US\$ 50 million (2024, US\$ 118 million)
- Wreck removal income - US\$ 46 million from 18 services (2024, US\$ 205 million from 40 services)

The headline 2025 numbers show a dramatic fall in gross income – down by 53 per cent. This is due to a significant drop in wreck removal – both activity and income. In a typical year, wreck removal income and emergency response income are approximately equal for ISU members. But in 2025, wreck removal income was US\$ 46 million from 18 services compared with US\$ 205 million the previous year.

Emergency response services generated US\$ 144 million split between LOF at US\$ 50 million and other contracts at US\$ 93 million.

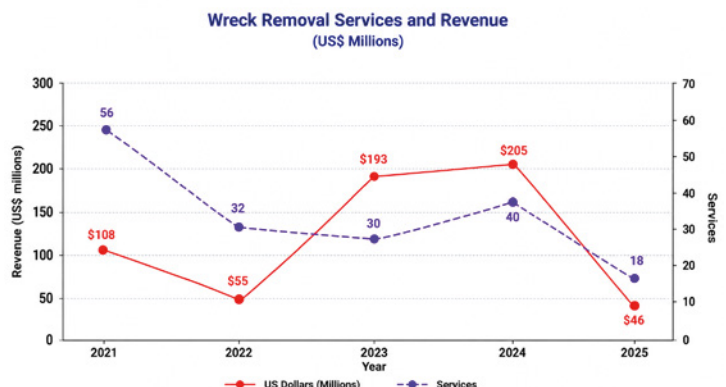
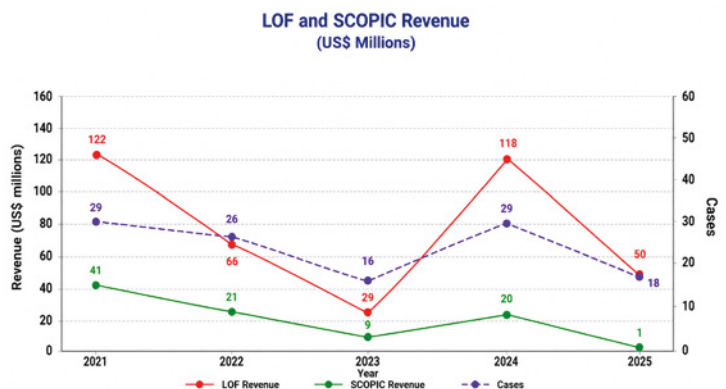
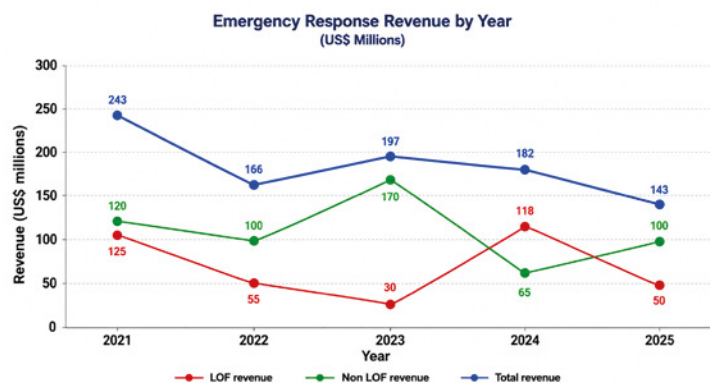
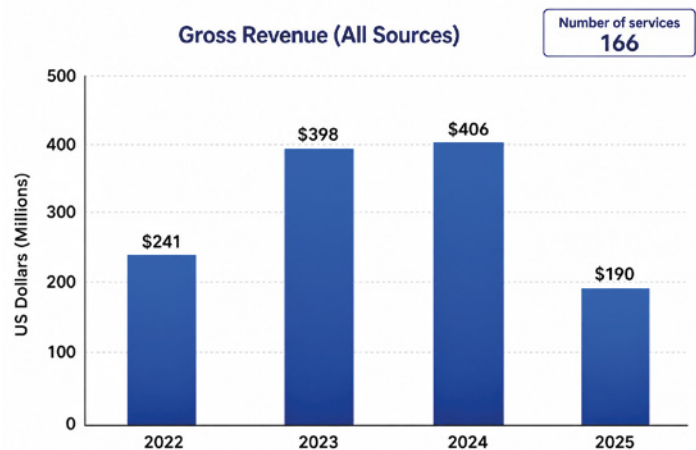
The number of services provided is generally down but it is the great drop in wreck removal income that has dramatically reduced overall income levels. The salvage industry can have significant variability year-on-year but a drop of more than 50% will have a major impact on ISU members. The variability makes it hard to plan, and reduced income will affect investment decisions.

The 2025 ISU statistics show 18 LOF cases for ISU members – only just above the historic low of 16 LOFs in 2023. LOF income in 2025 was an average of 7 per cent of the salvaged value for each case. SCOPIC income was US\$ 1.2 million which is historically low.

Revenue in 2025 from operations conducted under contracts other than LOF was US\$ 93 million. The average revenue from each non-LOF contract was US\$ 720,000.

The ISU statistics are collected from ISU members by a professional third party, which aggregates and analyses them. All numbers are gross income from which all the contractors' costs must be paid. Numbers are for income in the year received not the year when the service was provided and there can be an element of "time lag". ISU members have reported that the speed of settlement of large cases has slowed in recent years.

They are the only published measure of the state of the industry but do not include information from non-ISU members.



Underwater operations

Site surveys, vessel damage surveys, rigging for lifting, cargo recovery, pollution control, temporary repairs, welding, cutting, demolition and more are often done underwater to ensure the success of a salvage or wreck removal operation.

Many ISU members employ their own specialist divers and keep the equipment for a “dive spread” ready to deploy at short notice in their warehouses around the world. Some senior figures in the industry have a background as commercial divers. It can be dangerous work and divers have a special place and status in the industry. Some go on to be salvage masters. Several of the ISU associate member companies are underwater and diving specialists providing vital services to the industry.

In addition, there is regular use of Remotely Operated Vehicles (ROVs), drones, submersibles and other underwater equipment like “hot tapping” systems to facilitate access to, for example, fuel or cargo tanks. It must all be maintained in top condition ready for immediate use.



Communications and engagement

Trade associations should communicate effectively on behalf of their industry and it is an important part of the work of the ISU. Good relations with media are essential and we try hard to maintain contact with the important maritime journalists and titles. Although we do not comment on individual salvage cases we endeavour to provide background briefings and to help reporters understand the practicalities and legal framework of the business of marine salvage and wreck removal.

We also supply articles to media about current issues and in 2025 we saw the publication of several thoughtful pieces on different aspects of our industry. We continued to build our social media presence on LinkedIn and have seen an increase in our followers. Transparency builds trust.

We also engage with a range of key stakeholders keeping up a positive dialogue with, for example, the International Chamber of Shipping, the International Union of Marine Insurance (IUMI) and the International Group of P&I Clubs (IG). We do not always agree on policy matters but we nevertheless try to be positive and constructive for the wider benefit of shipping.

Participation in conferences is a core part of our communications and engagement work and in 2025 we attended the China International Rescue and Salvage Conference in Nanning as well as the IUMI conference in Singapore and the World Maritime University's Summer Academy.

In 2025 we were particularly proud to organise, jointly with IUMI, the IG and the International Underwriting Association, a new Global Salvage and Wreck Forum.



This proved to be very popular and was a “sell out”. The London-based event was non-commercial and styled as “by the industry, for the industry.” It will be repeated in 2026.

ISU continues to publish its quarterly newsletter, Salvage World, which reports the corporate and operational news of the ISU and its full members as well as news from its Associate and Affiliate Members and the wider shipping industry.

It carries great pictures and is a good “shop window” for salvors to demonstrate their capability around the world. We try to focus on a range of stories not just the big, “eye-catching” cases. Much of the good work of the ISU members is carried out with no publicity but all the cases have benefit for owners, insurers and wider society and it is good to provide an outlet where this can be seen more widely.



