



Ship Type: Bulk Carriers Trade Area: Aden

Bulletin 219 - 11/01 - Problems with steel receivers – Aden, Yemen

Our correspondent in Aden has brought to our attention a problem that is becoming more commonplace – with one particular receiver in the area.

A vessel loaded a steel cargo in Iskendrun for discharge in Aden discharging directly onto the receiver's trucks for delivery to his yard. Half way through the discharge, the receiver claimed that the cargo delivered was severely rust-damaged and demanded a bank guarantee for the sum of US\$400,000 – which represented 10% of the invoice value of the cargo.

A surveyor was immediately despatched by the correspondent to attend the vessel. The surveyor stated that cargo remaining on board was only superficially rusted and that the claim made by the receiver was for goods delivered to his yard, which had been discharged without comment.

The receiver refused the surveyor access to his yard to substantiate the security request for the steel already discharged. No documents were presented to the correspondents, but there was a constant threat by the receiver that the vessel would be arrested should the bank guarantee not be produced.

The receiver used various delaying tactics to keep the vessel alongside until a bank guarantee was produced; he changed his mind on a daily basis, agreeing to accept an undertaking by the correspondent one day, refusing the next; he slowed down discharging operations by not making sufficient trucks available for discharging onto. The receiver refused to accept any other form of security.

This particular receiver is one of the largest buyers of steel in Aden and appeared to have some control over the local agents, dictating terms to them to the extent they were not acting in the vessel's interests. The local Club lawyer was contacted who spoke to the receiver who *agreed to give the agent instructions to allow the vessel to sail* upon receiving an undertaking from the lawyer. The following day, the receiver changed his mind....

Finally, a bank guarantee was personally handed to the receiver, after which the vessel was allowed to sail.

Members should be aware of the problems at this port and charterers made aware at the time of negotiating the charter party. The Club also recommends at this port, that surveyors are appointed prior to commencement of discharging steel cargoes, to assess and record the condition of the cargo before it reaches the receiver. Photographic records go a long way to refuting claims.

Unfortunately, Yemen has not ratified any of the International Conventions and it is doubtful whether a Yemeni Court will give effect to the bill of lading paramount Clause.

Source of information: Puspa Rajamoney, Thomas Miller (SE Asia)