



Friday 5th February 2010

Bulletin 677 - 02/10 – Increase of Exaggerated Claims - Aden

The Association would like to inform Members about the situation involving an increased number of exaggerated cargo claims in the Yemeni port of Aden. Bulletins 219, 377, 521 and 523 all contain information regarding cargo problems in Yemen.

In the past, owners have experienced a great deal of problems in Aden due to exaggerated claims and other difficulties when discharging cargoes in the port. Typically claims are made for damaged cargo or short shipments. These claims are often largely exaggerated which makes it difficult for owners to produce bank guarantees and the vessel is arrested. Once a vessel is arrested, negotiations and court procedures can be very slow.



In 2007, a committee was established to help resolve these issues and implement measures to help deter false claims. The measures (described in bulletin 523) were welcomed and, as a result, the number of ship arrests fell significantly and the bank guarantees that shipowners were required to pay were much lower. Despite the system imposed by the committee still being in force some of the older problems have begun to resurface.

Recent cases have seen vessels detained for long periods and claims being massively exaggerated. In one case, a judge awarded a receiver compensation for cargo damage at a value more than double the amount quoted by an independent surveyor.

Yemeni courts place large importance on clean bills of lading. Many issues occur where owners issue clean bills of lading against a letter of indemnity when the cargo is damaged.

Source of information: International Law Office
<http://www.internationallawoffice.com>