

Ship Type: All Trade Area: Asia

Bulletin 295 - 04/03 - Severe Acute Respiratory Syndrome - Asia

A number of Members have raised questions about the potential impact of SARS (Severe Acute Respiratory Syndrome) on shipowners' liabilities, and about appropriate loss prevention measures.

As always, prevention is better than facing claims. Contagious diseases which lead to vessel quarantines can spread very quickly, and Members should therefore seek advice directly from current expert sources, such as the World Health Organisation (WHO) at www.who.int. The WHO provides extensive information and research about infectious outbreaks, as well as about tropical and other diseases and has much dedicated information on SARS. Other useful sources include the US Center for Disease Control at www.cdc.gov, and the UK Department of Health at www.doh.gov.uk.

The March 2003 outbreak of SARS affecting Hong Kong is tracked by the Hong Kong government at www.info.gov.hk. Any particular shipping notice is posted by the Hong Kong Marine Department www.info.gov.hk/mardep/.

For the majority of Members, however, local port agents must provide current advice, and owners must appreciate that conditions may change on a daily basis during a contagious disease outbreak.

Owners should always follow health guidelines to prevent the spread of illness and not recklessly expose crew or spread disease. Loss prevention measures will vary by disease and may involve preventive vaccinations, vessel disinfections, limitations on crew shore leave or passenger excursions, restrictions on ship supplies, stricter security to reduce the numbers of visitors to the ship, restrictions on treatment of sewage or waste water, or may even require cancellation of port calls. The use of face masks has been widespread in areas affected by SARS and has been adopted by airlines serving such areas.

Potential losses which can be caused to shipowners by outbreaks of infectious disease, and measures to control their spread, include the following:

Liability for illness or death of crew;

Cost of repatriating or substituting crew;

Liability for illness or death of passengers;

Vessel deviation costs;

Additional running costs while under quarantine;

Disinfection costs;

Fines;

Delay or contamination related cargo claims;

Loss of time or profit;

Loss of a commercial fixture or other consequential loss.

While most such losses fall within the scope of normal P&I cover, Members will recognize that some, such as loss of profit or loss of a commercial fixture, are excluded risks.

Members who are involved in trade to affected areas and who have any doubt as to whether a particular loss is covered should take further advice from the Association.

Source of Information: Thomas Miller (Hong Kong) Ltd