STOPPING THE PIRACY JUGGERNAUT

IUMI Welcomes ICS Decision on Shipboard Guards

The International Union of Marine Insurance (IUMI) has welcomed the announcement by the International Chamber of Shipping (an affiliate member of IUMI) that it is now taking a more neutral position on the use of private armed security personnel on board ships to protect them from pirates. This is precisely the stance adopted by IUMI, which announced in January that it was up to individual insurers whether to provide cover for ships and operators if private armed guards were employed on board.

IUMI currently has 55 national associations as members, protecting and advancing their interests. It also provides an essential annual forum to discuss and exchange ideas, information and statistics of common interest, attended by marine underwriters and other marine professionals. IUMI’s roots date back to 1874.

ICS chairman Spyros Polemis commented, “ICS has had to acknowledge that the decision to engage armed guards, whether military or private, should be made by the ship operator after due consideration of all risks, and subject to approval of the vessel’s flag state and insurers.”

Ole Wikborg, the Oslo-based president of IUMI, added, on 17th February, “We anticipate that more industry organisations will go down this route as the problem escalates. Frustrated by the weak resolve on the part of governments and international agencies to take effective action to stop the piracy juggernaut in the Gulf of Aden and the Indian Ocean, the shipping industry is now reaching a point where it must take decisive – and, if necessary, deadly – action at sea to end this huge and dangerous business. At a time when the industry is struggling against weak freight markets and other adverse factors such as sanctions, it cannot afford to bleed more money from pirate activity, nor to see an increasing number of vessels and their cargoes captured. That
goes for insurers too. Above all else, the fact that more than 700 seafarers are being held hostage, many for very long periods, and that attacks on ships are becoming more violent, must surely tip the scales in many cases where shipowners have to make painful decisions.”