ATHENS TANKER CONFERENCE
The Importance of this Event

Presented by international specialists in a workshop setting with active participation from delegates in problem solving and searching for solutions, this year’s Athens Tanker Conference shall be examining the following areas:

THE FIXTURE

The merchant tanker “The Pride of Athens” is fixed for a voyage from 1 safe port/berth Ras Tanura to Singapore - Japan Range on Worldscale, alternatively 1 safe port/Berth Ras Tanura to East Med not north of but including Haifa on a lump sum basis carrying a cargo 100,000 metric tonnes of clean petroleum product. The vessel is fixed basis ASBATANKVOY form with the usual additional clauses permitting the vessel to go to interim ports, wait for instructions and perform discharge by way of STS operations.

SAFETY

Tensions are rising in the Persian Gulf/Gulf of Oman. The Pride of Athens sets out on her approach voyage but, following a series of attacks on vessels in the Gulf of Oman area (most recently on the “Front Altair” and the “Kokuka Courageous”), the Master has interrupted the voyage at sunset (18:08 hrs local time) and whilst drifting joins a conference call with the owners head office at 09:30 the next day in Athens to discuss whether owners should or can refuse to transit the Strait of Hormuz or refuse to call at a port in the Arabian/Persian Gulf on grounds of risk of “war risks”.

A concerned charterer has called to ask the vessel to proceed stating that delays in reaching the load port may lead to the vessel arriving out of turn causing further delay and indicates that it will consider challenging the counting of laytime or time on demurrage if this occurs. The charterer is also challenging the legitimacy of an Additional War Risk Premium stating that is was not incurred on the loaded voyage and therefore is not for charterers account.

The owners’ P&I Club and their legal advisors join the discussion. Security consultants are on standby.

LOADING

The vessel loads without incident, but delays waiting for a berth mean that the vessel uses its allocated laytime allowance and goes onto demurrage. Delays in the approach voyage, it is alleged, are the cause of demurrage and charterers send an e mail challenging waiting time as the result of delay in acting on charterers instructions to load.
PART CARGO DISCHARGE

Whilst The Pride of Athens has completed loading the product and departed Ras Tanura, the owners sense that there may be issues with the underlying trade and sale of the cargo as charterers begin to assess a number of voyage options. Charterers ask owners to do some deviation calculations so they can assess whether to go East to Singapore - Japan Range on Worldscale - or go to the Eastern Mediterranean on a Lumpsum basis.

The charterers order the vessel to proceed towards the Eastern Med but change initial instructions and request discharge of part of the cargo at the port of New Mangalore, India. The charterparty contains a variant of the original Torm Interim Port Clause. Part of the cargo is discharged without incident alongside in New Mangalore, India and the vessel is then ordered to wait off the port at a location outside port limits where the vessel drifts for 10 days before being able to anchor and waits for a further 20 days.

WAITING TIME

The Charterers then instruct the vessel to proceed to Aden and await further instructions. The vessel is able to wait at anchor safely outside port limits and does so and waits for 30 days. At this point Charterers still appear to have difficulty finding a party to buy the cargo on board but, in view of the amount of time on demurrage, pay the sum of US $200,000 on account and without prejudice to their rights “under the charterparty and at law”. The charterers consider this good commercial practice and have taken advice on whether or not they are legally obliged to make a payment on account.

At this stage of the voyage Charterers advise Owners in writing that the discharging prospects are unknown. Charterers have also orally confirmed to Owners that they have no idea as to what they will do with the cargo. Owners are concerned how long this situation will last. An increasingly exasperated owner fears that it may lose out on a rising market sits down together with their P&I Club and Counsel to work through the following issues:

Are the Charterers’ orders to wait in such circumstances permissible? Is requesting the vessel to “wait for orders” seemingly indefinitely lawful? The vessel is being used as a “floating tank” can charterers do this? Are the Owners entitled to argue that the “waiting orders” clause is not applicable and claim damages for detention including the cost of bunkers consumed? If the freight market rises are the Owners entitled to claim “loss of earnings” and the difference between the demurrage rate and what would have been earned “per day” if the vessel was employed on the spot market or let on time charter? Is there a point where Charterers are no longer entitled to keep The Pride of Athens waiting for further voyage orders. If so, when is this point reached and what would that mean for Owners?

Overall, Owners want to know their options so that they can decide on their best course of action.

SHIP TO SHIP TRANSFER

After 45 days total waiting time the Charterers issue further instructions. Part of the cargo remaining on board has apparently been sold. Instructions are issued to discharge a further part cargo into shuttle tankers by ways of STS. The charterers instruct owners that a total of 5 locally registered shuttle tankers will be used. The Pride of Athens arrives later than expected at the STS location having departed the waiting area to enter Aden to take on more bunkers. The charterers of the daughter vessel (buyers and receivers of the cargo) who have been waiting for 18 hours to start operations inform the owners of The Pride of Athens that they will claim waiting time from them. Charterers are indicating they will also contest demurrage.

Once again issues escalate as the owners refuse to discharge into 3 of the shuttle tankers nominated. Charterers claim this was a wrongful refusal to comply with charterers lawful instructions. They state that they will reject owners demurrage claim for this part of the voyage and bring a counterclaim for the losses incurred on having to substitute tankers.

The P&I Club and advisors again have to be called in.
PAYMENT FOR ADDITIONAL COSTS

Invoices for various additional costs incurred have been submitted by owners to charterers and these have been paid and as when they have been submitted but despite working together commercially in this fashion unfortunately it means difficulties lie ahead with settling all claims and closing the file.

DEVIAITION AND INTERIM PORT CLAUSES

The Pride of Athens steams into the Eastern Med in accordance with charterers instructions and proceeds to the port of Ashdod, Israel. Charterers inform owners that the discharge will be completed alongside in port. The vessel reaches the pilot station anchors and waits for a berth. This spot sale cannot go ahead as planned, and charterers issue revised instructions to complete discharge at Corinth, Greece. The Pride of Athens completes discharge in the port of Corinth by way of STS.

Once again on this troublesome voyage issues occur and now it’s the deviation calculation. The additional charterparty clause charges for the deviation on the basis of the additional time taken to perform the actual voyage less time taken to perform a direct voyage between the first and final discharge ports.

The principle issue is how is time is calculated what data points are to be used for speed and distance. Adverse conditions had an impact on the actual voyage leading to careful scrutiny of the deviation clause and the basis of compensation and amount to be paid.

THE DEMURRAGE CLAIM

The owners submit a claim for the balance of their claim for demurrage taking account of various sums paid on account. The claim includes the cost of all bunkers consumed by the vessels auxiliaries including heating of cargo whilst waiting together with a series of bunker invoices and the masters consumption statement.

Advisors are again called in – is the claim properly supported? Can the charterers insist on a breakdown? What is and is not included in the demurrage rate? Upon carefully looking at the bunker invoice that is provided it is evident that the owners bunkered the vessel without telling charterers but apparently charging for all time until reaching the drifting location including time spent bunkering. Discussions become even more difficult when charterers learn that the owners want to charge them for purchasing low sulphur fuel.
Timetable

09:30  Conference registration with light breakfast and coffee and tea
09:45  CHAIRMAN’S INTRODUCTION AND WELCOME TO THE CONFERENCE  
        Andrew Wilding, Managing Director, Asdem
10:00  MORNING SESSION 1
11:30  Coffee and Tea break
11:45  MORNING SESSION 2
12:30  Lunch
14:00  AFTERNOON SESSION 1
15:30  Coffee and Tea break
15:45  AFTERNOON SESSION 2
16:30  End of Conference

17:00 – 19:00  EVENING NETWORKING and COCKTAIL RECEPTION  
                (The Galaxy Room, Athens Hilton)

Cost and Venue

The fee for this conference, which will be held at the Hilton Athens Hotel, is €890*  
per delegate plus 20% VAT if applicable*. The fee includes all documentation,  
refreshments, lunch (please inform us of any special dietary requirements) and  
the evening networking/cocktail reception which follows the conference.

This fee does not, however, include hotel accommodation. If you require  
accommodation, please contact the Hilton Athens Hotel on +30 210-728-1000.

*Under current Excise regulations only delegates from companies based in the UK are required to  
pay VAT for their attendance at this conference.

Discounts

We are offering a 15% early bird discount on each booking made for this event  
on or prior to 13 September. If three or more delegates from the same company  
registers for this event during the early bird discount period, each delegate will  
be entitled to a 20% discount.

Registration and Payment

You may register one or more delegates for this event immediately online by  
clicking here.

Payment may be made by cheque or direct bank transfer. Once your registration  
form has been received, you will be issued an official invoice with full payment  
instructions. Full payment must be received prior to the event.

Cancellation

Cancellations must be received in writing by 27 September 2019 and will be  
subject to an administration fee of €220 plus VAT if applicable. It is regretted that  
cancellations after this date cannot be accepted and your company will be liable  
for the full fee. Delegate substitutions, however, may be made at any time.