



SEMAPHORE

Newsletter of the Maritime Law

Association of Australia and New Zealand



Piracy Protection Offered

West P&I Club has launched West Piracy Protection to help vessel owners manage the evolving threat of piracy in high-risk waters.

The new product provides cover for vessels entering a war and piracy “breach” area, such as the Gulf of Aden or the Gulf of Guinea, where there is a heightened risk of vessels being seized.

It is tailored to provide insurance protection for piracy events where the traditional war policy coverage does not respond adequately to indemnify clients for the typical seizures that can take place in these areas. This includes incidents when ships are sometimes held for just a few hours.

Indemnities are provided for ransoms and the costs of response consultants and legal experts, including reputational risk expenses. Expert support is provided for employees directly impacted by the seizure. Additional coverage is available for loss of hire related to a seizure and for a maximum period of 14 days after release of the vessel.

The piracy protection has been developed in partnership with the Hamilton Global Specialty underwriting platform written by Syndicate 4000 at Lloyd’s. Embedded emergency expertise is provided by Crisis24, one of the industry’s largest exclusively-retained crisis response teams, and global law firm HFW, a market leader in the specialist field of piracy response.

Comments West head of product development Richard Turner: “We have seen a pattern of incidents where a vessel is hijacked for just a few hours, meaning that current market wording on loss of hire may not be triggered, or ceases as soon as the vessel is released, with little regard for the knock-on consequences, which may include crew changes or vessel repairs. Our new product will stand out from the market, not just for the extended coverage but also the embedded expertise we can offer with Crisis24 and HFW.”

Shipowners and operators can purchase West Piracy Protection as an extension to the West War policy, or as a product on a standalone basis. It is also available to non-West clients.

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