

CORRESPONDENT NEWS CLIPPING

Issue No.5

China P&I Club

I LOCAL

Algeria

Source: Budd

Cargo claim challenges in Algeria: One of the reasons that negotiating cargo claims or retrieving bank guarantees is so tough in Algeria is that under Algerian anti-corruption laws, an error or oversight which has led to “bad business results” exposes the individual concerned to being charged and possibly imprisoned for “economic crime”.

To protect claims managers, local cargo insurance agencies have therefore set up commissions to make all the decisions about the level of claims settlements in the light of the company’s economic performance. Each local insurance branch acts independently to ensure that their branch is constantly in the black throughout the year.

When the insurance agency is likely to make a loss, the commissions adjust claim settlement levels upwards. The merits of the claim have little if any role to play. The criminalization of individuals for their decisions is resulting a climate of fear and a very cumbersome system.

In the 45-odd years that it has been operating in all of Algeria’s ports, Budd is fully familiar with the country’s complex evolution and has an in-depth knowledge of how the system works. Budd’s guarantees are accepted by all claimants and, according to recent press reports, the Algerian President has just instructed the government to prepare appropriate legislation to decriminalize the management act, as this will hopefully end a situation which makes victims of executive managers.



Argentina

Source: [Pandi Liquidadores](#)

On 15th November 2024 Pandi Liquidadores issued Circular 053/2024 informing about an intensification of Argentine Customs House inspections of the ship's store list declaration, with a continued upward trend of cases resulting in alleged infringements, especially at Campana, San Nicolas, Rosario and San Lorenzo port.

The situation continued intensifying and it would seem now to have become a systematic issue. The correspondent therefore suggests to the Clubs reminding this to their Members trading to Argentina and to instruct their crews to make all effort to declare as accurate as possible their store lists, especially fuel, gasoil and/or diesel, lubeoils in bulk and cans, chemicals, paints, etc. For more information, please see the Association's article LP 31/2024 Argentine Customs – Ship's Store List Declaration.

Brazil

Source: [Proinde](#)

The National Waterway Transport Agency (ANTAQ) published Resolution 119, dated 9 October 2024, outlining the requirements to be met for operating agreements related to space charter in long-haul navigation between Brazilian shipping companies (EBN) and foreign shipowners. This regulation seeks to enhance service quality and consistency, optimise vessel usage, and reduce operational costs. The regulation stipulates that operating agreements between EBNs and foreign companies must be submitted for approval to ANTAQ through a designated "liaison agent" that remains jointly and severally liable for the accuracy of the information provided, and the liaison agent must provide ANTAQ with a monthly statement detailing the total cargo transported under the agreement.

The National Supply Company (CONAB) projects a total grain production of 322.5 million metric tons (mmt) for the 2024/25 harvest. This represents an 8.3% growth compared to the past cycle, marking a new record if these optimistic estimates

are confirmed by the end of the ongoing season. While soya beans and maize (corn) – the top two commodities in Brazilian agribusiness, respectively – are the main contributors to this increase, rice production is also noteworthy, showing a significant rise in both planted area and yield. The cereal is now being increasingly grown in regions beyond Rio Grande do Sul. For the 2024/25 season, rice production is estimated at 12 mmt, up 13.8% from the previous season.



Source: [Rabb Carvalho Advogados](#)

The strike by Federal Revenue auditors, initiated on November 21 and increasingly impactful since July, has severely disrupted customs clearance operations at Brazil's key airports and ports, prompting significant concern among foreign trade stakeholders.

In a manifesto addressed to Finance Minister and other key government officials, they describe the situation as critical, with profound implications for both domestic and international economies. The manifesto highlights substantial delays at pivotal airports, where goods awaiting clearance face risks of spoilage, jeopardizing supply chains for exports and imports.

According to the associations, these delays are driving up logistical costs, eroding Brazil's global competitiveness, and endangering contracts, particularly for small and medium-sized enterprises that rely on consistent cash flow. Brazilian companies are struggling to meet delivery deadlines,

risking replacement by alternative suppliers in the global market.

At customs facilities, auditors have committed to maintaining standard protocols for essential goods, such as food, medicines, and live animals. However, stricter inspections and extended processing times are expected for other cargo. Since port work is considered an essential public service, there is a chance that federal courts would intervene to ensure a minimum flow of essential goods and minimise the impact on foreign trade and shipping.

Source: Brazmar

The utilisation of cargo vessels for drug smuggling from Brazil to Europe and Asia has been a long-standing concern, primarily associated with the Southeastern ports. However, Brazmar has recently observed an increase in cases originating from the North and Northeast regions.

In the Southeast, smugglers traditionally conceal drugs within containers or attach them to the vessel's external hull (e.g., in sea chests below the waterline). In contrast and whilst these general tactics also apply, in the North and Northeast, larger bulk carriers are frequently targeted, with smugglers also utilising the vessel's deck, including void spaces, to hide the drugs.

Brazmar lawyers highlight that drug trafficking penalties locally range from 5 to 15 years in prison, in addition to fines. For interstate or transnational trafficking, penalties increase by one sixth to two-thirds. Further charges, such as association to commit crime, typically would also apply adding to the penalty.

When drugs are discovered on board a vessel in circumstances where the location of the drugs suggests potential crew involvement, the crew is typically taken ashore for questioning. It is reasonable to anticipate that a crew change will be necessary before the vessel is allowed to sail. Investigations are usually conducted under the jurisdiction of the Federal Police, and if no initial arrests are made, the investigations will have an allowed period of 90 days which can be extended by an equal period. Based on our experience, if no crew connection to the drugs is evident, the crew's

stay in Brazil averages 30 to 45 days.

As part of the investigatory steps, the Federal Police will generally file a request with the Federal Court for the retention of crew's passports and access to their phone / communication records. It is also usual for the crew's electronic devices (such as computers) to be taken for analysis. The Federal Prosecutors, who typically hold the power of indictment, are also involved in the process. Nevertheless, the crew members are typically afforded due process and, barring exceptional circumstances, are allowed to be accommodated in hotels with freedom of movement within Brazil during the investigations. Arrests in the North/ Northeast remain rare and are usually reserved for extreme cases.

The evolving nature of these smuggling methods highlights the importance of heightened vigilance and tailored security measures, particularly for the larger vessels operating in the North and Northeast. Enhanced watchkeeping, thorough inspections, and strict control of access points are crucial to mitigate these risks.

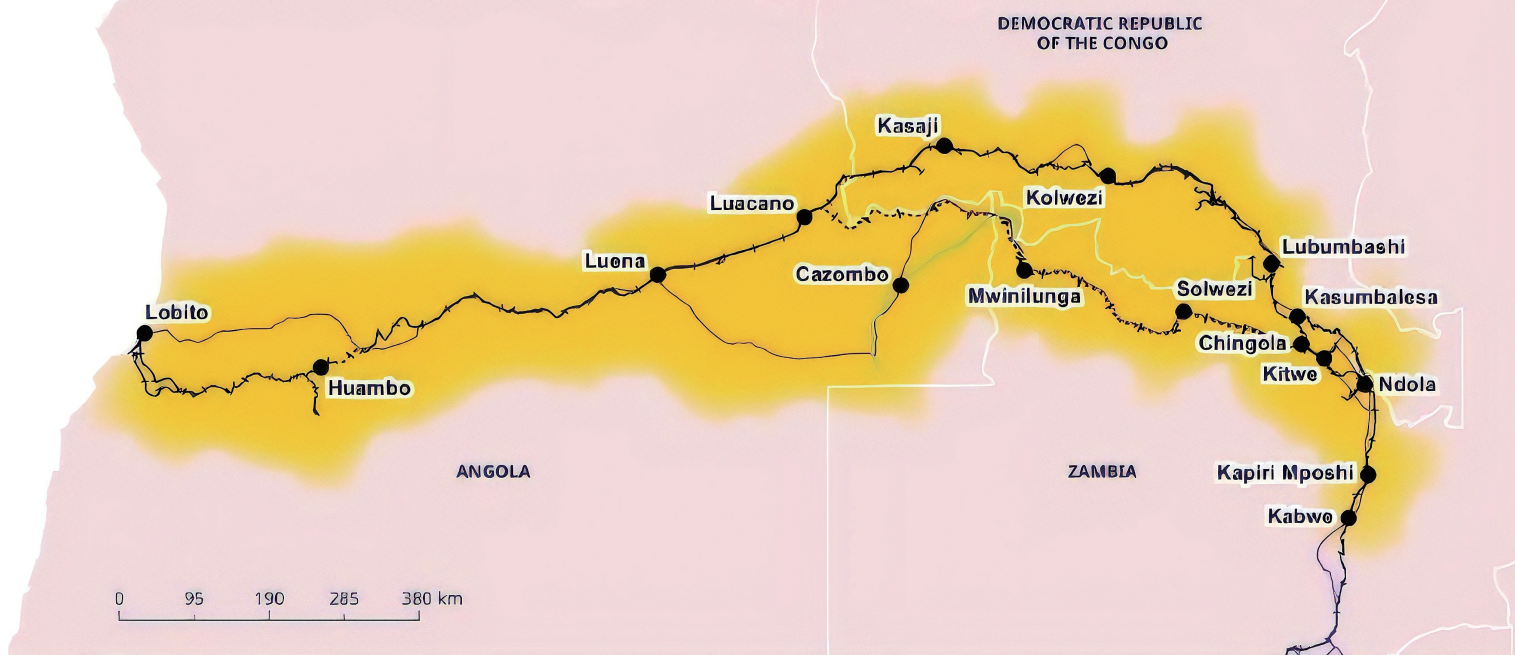
Bangladesh

Source: Interport

Since the establishment of Maritime Anti-Corruption Network (MACN) in Bangladesh in 2021 through their local partner, United Nations Global Compact Network in Bangladesh UNGCB, Interport Ship Agents Ltd has encountered seven incidents where it was faced with unethical/corrupt demands by local authorities and local/charterers agents. It has successfully resolved each case, underscoring the power of collective action in resisting corruption and promoting integrity within Bangladesh's maritime industry.

As the first member of the MACN from Bangladesh, Interport believes its responsibility to build awareness of these issues by sharing them with key stakeholders and drive engagement in order to make further strides in ethical practices as a community. It will narrate these [seven incidents/cases](#) that highlight the challenges and how, with the support of the MACN, it takes collective action and working towards positive change.

LOBITO CORRIDOR



RECOMMENDED CORRIDORS TRANSPORT LINKS

- +— Railway
- - - Railway (envison)
- Road
- Waterway

● Main cities

Area of interest of the analysed corridor

Africa country

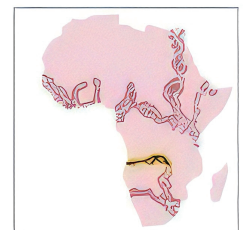
SOURCE

EC-INTPA.F.4, EC-JRC.B.3

DISCLAIMERS

The network layout should be considered as indicative and not committing for the next phases of the analysis.

This map and the content therein do not necessarily represent the official position of the European Commission or of the European Union. It is to be considered as a working document for study purposes.



DR Congo

Source: Budd Angola & Budd DR Congo

Budd's Angola and Democratic Republic of Congo offices are excited to share news of the Lobito Corridor Project which is expected to provide both direct and indirect benefits to their countries by facilitating the export of minerals such as graphite, lithium, cobalt, and copper as well as providing a greatly enhanced transport network.

The Lobito Corridor Project is a collaborative infrastructure initiative involving Angola, the Democratic Republic of Congo (DRC), and Zambia. The project is supported by the European Union, the US, the African Development Bank (AfDB) and the Africa Finance Corporation (AFC). It aims to establish a seamless transport and logistics network connecting the mineral-rich regions of the DRC and Zambia to the Atlantic port of Lobito in Angola. This corridor integrates rail and road systems to facilitate efficient cargo movement, thereby enhancing trade flows and economic integration within the region.

The U.S. President Joe Biden recently visited Angola to express support for the Lobito Corridor. This endorsement highlights the project's strategic importance and is viewed as a counterbalance to China's Belt and Road Initiative, offering an alternative framework for regional trade and investment.

Key aspects of the project include:

- **Strategic Connectivity:** The corridor links the DRC's and Zambia's mining areas to Angola's Lobito port, providing a direct route for exporting minerals and other goods to global markets.
- **Regulatory Harmonization:** The participating countries are working to align Customs procedures and trade policies to ensure smooth and efficient operations along the corridor.
- **Economic Prospects:** The project is expected to reduce transportation costs and times, stimulate regional trade, and attract foreign investment, thereby fostering economic growth.

The concession for railway services and support logistics along the Lobito Corridor was transferred to the Lobito Atlantic Railway consortium in July 2023. A six-month feasibility study ran through the first half of 2024. While specific timelines for full implementation are under review, phased operations are anticipated to commence soon, significantly impacting maritime traffic and trade dynamics in the region. Budd advises shipowners and operators to monitor these developments closely, as they may influence routing decisions and port selections.

Ecuador

Source: [Power Maritima](#)

The Guayaquil Port Authority, in partnership with Contecon S.A. and the Ecuadorian Navy, signed a cooperation agreement to use land at the Simon Bolívar Port for the establishment of the Maritime Operational Group (Gopmar). A facility equipped with necessary infrastructure will be constructed to enable effective police and military operations.

This new force aims to enhance security in the aquatic spaces of the Gulf of Guayaquil, and to address the threat posed by transnational criminal organizations, such as drug trafficking groups, through coordinated operations and by securing the port's access channel and incoming vessels, as well as tackling related crimes.

Guinea

Source: [Budd Guinea](#)

According to local press reports, on 7 December 2024, the Managing Director of Guinea's Customs Services, Mousssa Camara, his deputy Macky Diallo, and nine other people including accountants and freight forwarders, were arrested for the alleged embezzlement of between 700 billion and 800 billion Guinean Francs (76.7 to 87.52 million Euros).

Some sources indicate that the different parties conspired to by-pass the automated Customs duty payment system, SYDONIA, while others claim that they took advantage of a system failure. The government has not made any official

announcements about the arrests, but there are fears that the resulting disruptions and uncertainty may lead to additional delays for vessels in Guinea's ports.

In Kamsar, vessels carrying out commercial operations with the Guinea Alumina Corporation GAC have already been experiencing delays since October due to a government dispute with GAC which also involved Customs. Anxiety is running high in Guinea, and according to Budd local office, it is becoming increasingly difficult to obtain information from the key players in the ports.

Israel

Source: [Harpaz P&I](#)

Following massive discussions lead by USA, France and some other countries we are happy to advise that a ceasefire between Israel and Hezbollah started as from today 27th November 04:00LT Israel.

As a first step the ceasefire will last for 60 days and all sides intention is that it will be permanent. All ports in Israel operates as usual.

Mozambique

Source: [Budd Mozambique & 2OPICS](#)

Budd Mozambique advised that protests against alleged rigging of the 9 October 2024 general elections were preventing surveyors from reaching the port of Pemba in northern Mozambique.

Electoral authorities announced that the ruling party had received 71% of the votes, while the main opposition party's Venâncio Mondlane had received only 20% of the votes. Mr. Mondlane is claiming that he won the election.

In southern Mozambique, the capital of Maputo has been the site of demonstrations since 21 October. South Africa has once again closed its Lebombo border crossing with Mozambique because demonstrators have been regularly cutting off access for the 1,000 or so trucks which travel to

Maputo daily.

It is reported that between 30 and 100 demonstrators have been killed and 200 injured by security forces. The United Nations reports that over 300 protestors have been arrested. It is calling for an end to the use of excessive violence by security forces.

The unrest has had a profound impact on maritime operations at Mozambique's ports. The ports of Maputo, Beira, and Nacala, which are crucial hubs for international trade, have been severely affected.

The violence has caused significant disruptions in port operations, leading to delays in loading and unloading cargo. This has resulted in extended waiting times for ships, increased costs for shipping companies, and challenges for businesses relying on timely deliveries.

Security concerns have also heightened, making it difficult for port authorities to ensure the safety of personnel and cargo. This has led to a reduction in the number of vessels willing to dock at Mozambican ports, further exacerbating delays.

Additionally, the violence has caused damage to port infrastructure, including warehouses, and loading equipment, hindering the ports' ability to

handle cargo efficiently.

The disruptions at Mozambique's seaports have had a ripple effect on cargo movements throughout the region. Extended transit times for goods have affected the entire supply chain.

The political situation in Mozambique remains tense, with ongoing protests and violence. The impact on maritime operations is significant, and the situation is likely to continue affecting trade and logistics in the region for the foreseeable future.

New Caledonia

Source: [Budd New Caledonia & Mcleans](#)

The curfew in the French overseas territory of New Caledonia was finally lifted at the beginning of the week on Monday, 2 December 2024.

A few restrictions remain in place:

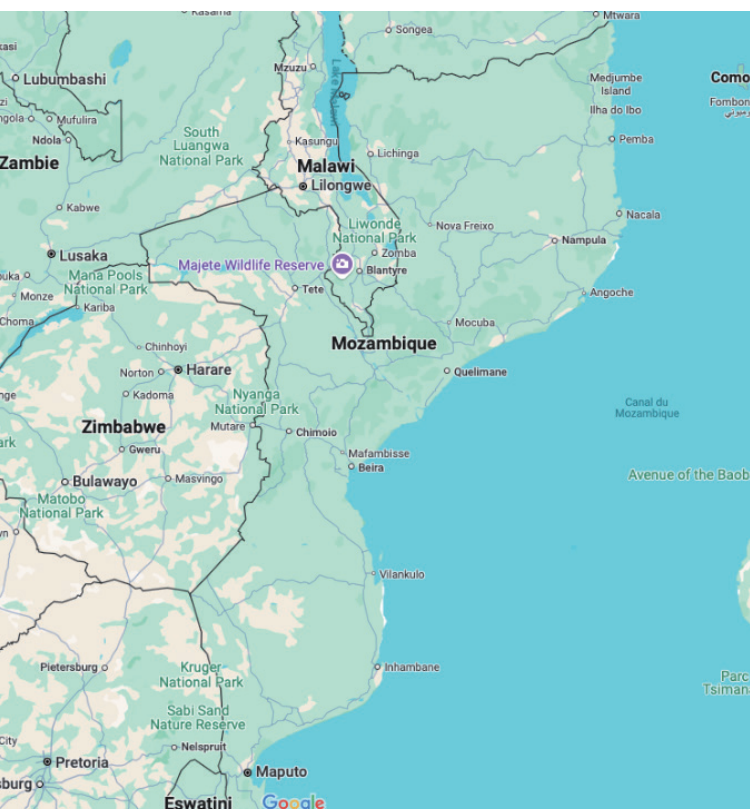
- Up to 20 December, the quantities of take away alcoholic beverages are limited to 4 litres for beer or cider, 2 litres for wine and a maximum of 1 litre for spirits.
- In the Grand Noumea region, the ban on marches, public meetings and processions still applies.

In the six months since riots first started, hundreds of people were injured, thousands were arrested, and an estimated 2.2 billion Euros of property was damaged. Following the election of a new French government in September 2024, the electoral reform project which sparked the protests was withdrawn.

Spain

Source: [Medpandi](#)

The torrential rain on Tuesday October 29 which triggered flash floods in the area south of Valencia where there are a number of container depots and warehouses which had been adversely affected interrupting the normal activity. Also, the road and rail communications have been seriously affected and access to the port was limited. According to local news sources, this is the deadliest flood in



decades with more than 200 reported deaths.

Turkey

Source: Kalimbassieris Maritime A.S.

The Turkey pollution fines are updated each year based on the inflation adjustment rate. The Directorate of Revenue Administration under the Ministry of Treasury and Finance has announced the inflation adjustment rate in the Official Gazette dated 27 November 2024. The rate has been set at 43.93%, meaning that fines in 2025 will increase by 43.93% compared to the fine levels applied in 2024, effective from 1st January 2025. The revised 2025 rates are outlined in the table below.

(1) Petroleum and petroleum products including but not limited to crude oil, liquid fuel, greasy waste, oily mud, slop, sludge by tankers

GROSS TONNAGE	Rates valid from 01.01.2025
Up to 1000 (inclusive) GT	TRY per GT (Base) 4,583.90
1001-5000 (inclusive) GT	TRY per GT (Additional) 1,146,01
5001 and up	TRY per GT (Additional) 114.55

(2) Dirty ballast discharged by tankers

GROSS TONNAGE	Rates valid from 01.01.2025
Up to 1000 (inclusive) GT	TRY per GT (Base) 835.15
1001-5000 (inclusive) GT	TRY per GT (Additional) 166.61
5001 and up	TRY per GT (Additional) 26.44

(3) Vessels / other sea vehicles releasing dirty ballast and petroleum products

GROSS TONNAGE	Rates valid from 01.01.2025
Up to 1000 (inclusive) GT	TRY per GT (Base) 2,291.94
1001-5000 (inclusive) GT	TRY per GT (Additional) 458.40
5001 and up	TRY per GT (Additional) 114.55

(4) Vessels and other sea vehicles discharging/ releasing solid waste garbage/ domestic wastewater/

sewage/ detergent water/ foam/ scrubber water or similar wash water, etc.

GROSS TONNAGE	Rates valid from 01.01.2025
Up to 18 (inclusive) GT	TRY 25,419.48
18-50 (inclusive) GT	TRY 50,843.27
50-100 (inclusive) GT	TRY 101,686.55
100-150 (inclusive) GT	TRY 152,531.26
Up to 1000 (inclusive) GT	TRY (Base) 1,146.10
1001-5000 (inclusive) GT	TRY (Additional) 229.21
5001 and up	TRY (Additional) 26.44

Source: Vitsan

Turkey exports steel products to a large number of countries worldwide and, to meet production demands, imports steel scrap which consists of various types of steel from various sectors, typically comprising materials that are no longer in use and have been disposed of. As per relevant import regulations, during cargo discharge operations, scrap cargo loaded onto trucks is checked using fixed radioactive detectors to ensure the cargo's radioactivity levels comply with standards. The fixed detectors are directly connected to the Nuclear Regulatory Authority (NRA) in Ankara, which oversees the entrance procedures of radioactive materials into Turkey in coordination with the Customs Authorities.

In one of Vitsan's recent experiences, a piece of cargo was found to be contaminated with radioactivity, triggering a warning signal from the radioactive detectors. The second mandatory measurements via portable detectors were made by authorized institution appointed by port/ cargo receivers and Nuclear Regulatory Authority (NRA) was subsequently informed as necessary, and the contaminated piece was separated and secured at the open area within the terminal, awaiting the NRA's comments.

The NRA reviewed the cargo documents and noted that the non-radioactivity certificate was issued by a company not authorized by the NRA. They have requested from the Customs Authority that the

relevant piece of cargo be returned to its origin.

Although the importer is responsible for arranging the return of the radioactive cargo to its origin, in practice, the importer proceeds with loading the radioactive piece back onto the vessel, regardless of whether the vessel's next destination is the origin country or not, as an easier solution. This course of action is effectively supported and imposed on the vessel by Customs Authorities, additionally the Harbour Master does not permit the vessel's departure unless the matter has been solved.

Considering the above, the importance of radioactivity measurements at load port has increased and should be carried out with due diligence. If practicable and cost effective, the correspondent strongly recommends that the Owners/ Charterers verify whether the non-radioactivity certificates provided by the Shippers at load port have been issued by a company authorized by the [Turkish Nuclear Regulatory Authority](#).

If the non-radioactivity certificate is not issued by any of above-mentioned authorized company, in order to prevent the possible loss to the Owners with the radioactive scrap piece on board, we suggest that the terms of the charterparties prior to entering any agreement should be reviewed and the Members should seek the advice of their Club accordingly.

USA

Source: [Lamorte Burns](#)

As of October 5, 2024, the East and Gulf Coast port strike has officially ended following a tentative agreement between the International Longshoremen's Association (ILA) and the U.S. Maritime Alliance (USMX). The three-day strike, which began on October 1, caused significant disruptions across 36 ports from Maine to Texas, affecting the flow of container shipments and logistics throughout the U.S.

The new agreement includes a 61% wage increase over six years, with both parties agreeing to extend the current contract until January 15, 2025,

to continue negotiations on unresolved issues, particularly concerning port automation. The ILA is strongly opposed to increased automation, citing concerns over job security and safety, while USMX advocates for modernization as essential to efficiency and competitiveness. Without a new agreement, there is a significant risk of a strike, which could disrupt port operations and supply chains.

In anticipation of potential disruptions, shipping companies like Hapag-Lloyd have announced contingency surcharges to cover costs that may arise from labor disputes. These surcharges, scheduled to take effect from January 20, 2025, will be waived if no disruptions occur.

The uncertainty surrounding the negotiations is already affecting industries such as red meat exports, with exporters seeking alternative ports to mitigate potential delays.

Adding a political dimension to the discussions, President-elect Donald Trump has expressed support for the ILA's stance against port automation, emphasizing the importance of protecting American jobs.

Uruguay

Source: [Chadwick Weir Navegacion S.A.](#)

As per the latest official reports, China has once again consolidated its position as the main destination for Uruguayan exports, driven mainly by an increase in soybean sales. In July, Uruguayan exports to China reached US\$ 300 million, representing 26% of the monthly total and registering an 89% increase compared to the same period in 2023. The main driver of this growth was soybeans, whose exports increased more than sevenfold compared to the worst moments of the drought.

A Protocol of phytosanitary requirements for the export of soya beans from Uruguay to China, signed by respective authorities of both countries, is in place since 2017.

There has been since then a significant number of expensive claims relating to soya beans carried

from Uruguay to China had arisen, likely due to over-moisture and high temperatures previous to the cargo being loaded on board.

Surveyors were appointed to be in attendance during loading and to arrange for controls of cargo condition before loading the soya beans on the vessel. But recently most private terminals have decided not to allow external inspectors to enter their facilities in order to perform cargo quality controls at their conveyors or even in the vessel's cargo, alleging that it is a restriction imposed by

shippers. The correspondent has been having problems performing the requested precautionary surveys. Accordingly, Members are recommended to coordinate with cargo interests well in advance to get their authorization timely.

2 CORPORATE

Chadwick Weir Navegacion S.A.

Capt. Alejandro Laborde of the Association's Uruguay correspondent Chadwick Weir Navegacion S.A. has sent a farewell letter, announcing that he has decided to retire from the position of Managing Director as from December 31st, after 27 years serving to the P&I Clubs. He expressed in the letter that he feels proud to have helmed Chadwick Weir over this time and satisfied to get the goals. He also thanked and acknowledged his team. Mr. Sergio Chertkoff will remain in charge of the office as from 1 January 2025.

Proinde

On 22 November 2024, the majority of members attended the 20th Annual General Meeting of the South American P&I Correspondents Association (Sapic) in the charming city of Viña del Mar, central Chile, either in person or remotely. The event provided an excellent opportunity for leading P&I club correspondents in the region to discuss common challenges, share insights, and foster cooperation and relationships.

Pandi Costa Rica S.A.

Pandi Costa Rica has recently moved its office and has updated its permanent contact information, which was updated accordingly on the Association's website.

*The above is a non-exhaustive list of the information provided to the Association by its correspondents and serves only as a reference for the Members. As the global landscape changes all the time, please consult local agent/ correspondent for updated information should there be any clarification needed.