

P & I QUALIFICATION

P&I Qualification

Historically, there has been no structured learning material available to the staff of all P&I Clubs to guide them in developing their knowledge of the fundamentals of the marine insurance industry, P&I cover's place within it, and the main risks associated with P&I insurance. Today there is. The new P&I Qualification (P&IQ) programme provides a comprehensive introduction to P&I insurance.

The qualification consists of seven modules. The qualification has been accredited and verified through the Chartered Insurance Institute. Although the P&IQ is a standalone qualification, the P&IQ modules can also contribute to the achievement of an ACII qualification. The seven P&IQ modules equate to 210 ACII credits. A total of 150 credits from the P&IQ can be credited against the ACII requirement of 290 credits, so just over half of the ACII qualification can be represented by the P&IQ. Learning is through studying texts specifically prepared for the exams, which may be enhanced by face-to-face training sessions organised by individual P&I Clubs. The exams take place two times a year in various locations, including Hong Kong and Singapore.

The seven modules are as follows:

Module 1: The marine insurance business

Module 2: P&I insurance: history, operation and practice

Module 3: People risks

Module 4: Cargo risks

Module 5: Vessel risks

Module 6: Practical underwriting (including loss prevention)t

Module 7: Practical claims.

At the moment only people working for the management of P&I Clubs can take the exam, but in the near future it is expected that others will be able to study the modules and take the exam.

Average

In English, average means loss or damage. From a hand-out of a leading average adjusting firm, we have noted the words of similar meaning used in other languages:

Danish	-	Haverie	Dutch	-	Averij
French	-	Avarie	German	-	Avarie
Greek	-	Avaria	Norwegian	-	Haverie
Portuguese	-	Avaria	Russian	-	Abereia
Spanish	-	Avaria	Swedish	-	Hafverie

Seminars

The Institute in conjunction with the HK Logistic Management Staff Association are in the process of organizing a series of workshops on inter-disciplinary marine practice covering various issues arising from the moment when a ship owner is interested in placing an order to build a new vessel until she is sold for scrap.

The Marine Insurance Club (香港海事保险学会) and Wang Jing & Co. (敬海法律师事务所) have been organizing an annual seminar since 1999. This year the seminar will be held at Nan Sha 南沙 on Monday, 25th November 2013.

Members are being notified separately of further details.

Case Brief

Fane Lozma v. The City of Riviera Beach, Florida (2013) – The US Supreme Court ruled that a floating home is not a vessel and therefore not subject to arrest under maritime law, concluding that not everything that floats is a “vessel” under federal maritime law. A new articulation of the vessel-status test, known as the “reasonable observer” test for vessel status, is that a structure does not qualify as a vessel “unless a reasonable observer, looking to the [structure’s] physical characteristics and activities, would consider it designed to a practical degree for carrying people or things over water.”

Q & A

A cargo of logs insured subject to ICC (A) falls overboard as a result of a maritime peril and floats ashore in a remote village and is seized by group of villagers who sell what they find and keep the proceeds. Would the claim on the policy be

rejected on the ground that the loss was a result of seizure, an excluded peril?

It appears from the limited fact given that the logs merely floated to the beach and the villagers did not seem to have any knowledge of exact source. They simply took possession of the cargo logs without any threat or display of force and just enjoyed a bit of luck! *In Bayview Motors Ltd. v. Mitsui Marine & Fire (2002)*, whilst the Judges admitted that it is common ground on the authorities that actual force is not required to constitute a “seizure”, they submitted that a threat of force or its indicia is however required. Accordingly, the Assured could submit that the possession by villagers was a case of misappropriation of cargo recoverable under the all risks cover, but not “seizure” as excluded by Clause 6.2 of ICC (A).

*Editor: Raymond T C Wong
Average Adjuster*