

# SABATINO PIZZOLANTE

## *Circular for P & I Clubs*

DATE: 29 JANUARY 2003

**Correspondents for:**

**North of England (through Globalpandi, S.A.), Assuranceforeningen SKULD, British Marine, The Charterers Mutual Assurance Association Limited, Through Transport Club (TTC), ITIC, Raets P&I and InterCoastal P&I.**

### *Venezuelan Port and Shipping activities back to normal*

On 6<sup>th</sup> December 2002 pilotage and tug services joined the general strike currently taking place at Venezuela, affecting normal operations of ports nationwide. (See Sabatino Pizzolante for P&I Clubs dated 9<sup>th</sup> December 2002) In the subsequent days ships stopped calling at Venezuelan ports, the cargo being diverted to neighbouring ports in the Caribbean area, while various ships anchored awaiting for things coming back to normal. On 17<sup>th</sup> December 2002 the government through the National Guard seized some private tugs on strike, in order to resume the tug services; in view of the military control of the tugboats and oil tankers of PDVSA, the insurance cover and port safety became an issue, in particular, due to alleged loss of P&I and H&M cover for ships and tugboats operating at domestic ports.

This uncertainty affected very much the maritime activity, particularly at Puerto Cabello, to the extent that at least one tug company sent a letter to the shipowners/charterers/operators through their ship agents informing them that as no insurance cover was in place and the tugboats were under military control, the tug company would not accept responsibility for damages that could arise during towing operations, holding them responsible at the same time for eventual damages the tug itself could suffer. Besides, the port authority, in view of the uncertainty about the insurance cover issue, required since 19<sup>th</sup> December from the ships agents a letter of compromise undertaking responsibility in case any damage to the port infrastructure could take place.

To make things worst, the letter required by the port authority was regarded by some local ship agents as a P&I Letter of indemnity, obviously a misunderstanding, so making it difficult or delaying the arrival of ships.

Fortunately, it has been learned now that the pilots have returned to work from the beginning of this week, and that port authority has lifted the requirement of the letter of compromise with effect 27<sup>th</sup> January 2003. Consequently, over the weekend the major shipping lines (Maersk Sealand, P&O Nedlloyd, Evergreen, MSC, etc.) resumed calls to this port to bring to Venezuela the cargo left at Caribbean ports as a result of the general strike.

It is observed, therefore, that Venezuelan ports are back to normal activity, and that there are no arguments to support that ports are unsafe. The trend among shipping lines is to resume calls to all commercial ports in the next weeks, although some pending issues regarding the availability of diesel and gasoline for the trucking companies within the ports, gas for the forklift trucks, container demurrage, storage, extra-freight and transshipment costs will need to be further assessed.

**Should you need any assistance or further information regarding the topic stated above, please feel free to contact:**

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