

## First signs of compromise in Ever Given grounding bill

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The Suez Canal Authority (SCA) looked to be prepared to reduce the compensation bill it has demanded from the owners of ULCV Ever Given from \$916m to about \$600m.

However, UK Club responded yesterday that the amount demanded was still too high.

The vessel has been detained in Great Bitter Lakes on the Suez Canal ever since April 13th. It was freed from its grounding position in the southern section of the canal on March 29th after blocking the channel for six days. It was then towed to the central lake for inspections, and has been there ever since, pending the resolution of a dispute over the money owed to the SCA as compensation for the Ever Given's grounding.

SCA chairman Osama Rabie said to local television channel MBC Masr that the offer had already been made to Japan-based Shoei Kisen Kaisha, which was yet to respond.

Last week an Egyptian court once again rejected a plea from the owner for the ship to be released on the posting of a bond, pending the resolution of the dispute. The Ever Given's owners have until May 20th to appeal.

The containership was arrested on April 13th after SCA and the shipowner failed to reach an agreement.

"The appeal was rejected and the Ismalia Court upheld their original order that the vessel and its cargo can only be released from arrest upon the owners' payment of the SCA's full claim of \$916m, instead of releasing the vessel based on security for the claim being provided," the club's liability insurer UK P&I Club said on May 5th, adding that "the Ever Given's interests will continue to negotiate in good faith with the SCA to reach an amicable resolution, which remains the UK Club's priority,

along with enabling the vessel and its cargo and crew to continue its intended voyage”.

Owner Shoei Kisen said on May 7th that the claim for \$916m was “unprecedented” and had been made “without adequate justification”.

Shoei Kisen said that it was challenging all the claimed items “in an effort to reduce the quantum of the claim to a reasonable level”.

It said that negotiations were “ongoing but, so far, a breakthrough has not been achieved”.

“While the progress of the negotiations is slow, we remain confident that Owners will do their best to achieve an outcome which is in the best interests of Ship, Cargo, and other property interests.”

Rabie’s statement to local media did not break down in precisely what areas the claims for compensation were being reduced, although it was hoped that this would become clearer if and when an official statement appeared from either the SCA, Shoei Kisen or UK Club.

The Club has confirmed that all other claims outside of Egypt arising from the incident, including from Smit, were being dealt with and that information would be provided on these in due course.”

<http://www.wecoxclaimsgroup.com/CASUALTY-UPDATE-EVER-GIVEN-Grounding>