

Rabie responds to criticism of SCA over Ever Given accident

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Suez Canal Authority (SCA) chairman Osama Rabie has denied that the SCA was in any way at fault for the grounding of Panamanian-flagged ULCV **Ever Given** or for its response to the incident after it occurred on March 23rd, blocking the canal for six days. He also revealed for the first time that there had been a death during the operation to free the ship.

During a visit by Panama's ambassador to Egypt with the director general of the Panamanian Maritime Authority, Rabie said that the vessel owner, Japan-based Shoei Kisen, "did not show the due recognition deserved, which did not reflect an understanding of the huge losses incurred by the authority due to the incident, that can be seen in the damage to a number of participating marine units and the sinking of one of SCA marine units during the salvage operations, resulting in the death of one of the participants in the salvage operations, as well as the material and moral damages that the reputation of the Suez Canal has sustained by the suspension of navigation traffic".

He also said that arrest of the vessel and its detention in the canal ever since was Shoei Kisen's fault. "We relied on the principle of good intentions when dealing with the shipowning company as we responded to their request not to take immediate legal measures, and we waited for 11 days, during which we did not succeed in reaching an agreement commensurate with the losses we incurred, which forced us to resort to the court to legalise the status of the ship."

He said that the SCA's initial claim for \$916m came from its own estimation of the value of the cargo, containers and the ship itself at \$2bn. He said that this was because the shipowner "did not have an idea of the combined value of the goods". This should not have been a surprise, as it would not be the owner, but the charterer, if anyone, who would have an approximate idea as to the cargo's value. The charterer was Taiwan-based Evergreen.

The \$916m sum was described by vessel liability insurer UK Club as "largely unsupportable".

Rabie confirmed that the SCA had reduced its claim to \$550m, and that a \$200m down payment would be sufficient to release the vessel (*IMN* March 26th). He accepted that part of the claim was a “salvage bonus”. He said that under Egyptian law whoever performed any salvage work had the right to receive “a fair bonus”, and that the remuneration would be “determined according to the value of the ship and the value of the goods on board”.

Rabie said that Egyptian law also stipulated that any vessels bear the responsibility of any damage to the canal. He insisted that the two SCA pilots who were on board the *Ever Given* when it grounded were there purely “in an advisory capacity”. The Egyptian line is that, even if pilots were navigating the ship, the master retained ultimate control, and therefore ultimate responsibility.

The SCA chairman stressed the invalidity of the allegations that the authority was responsible for the occurrence of the incident as a result of allowing the vessel to transit the canal under unfavourable circumstances. The SCA said that this allegation had “nothing to do with the truth”, as the navigation traffic in the Suez Canal ran normally even during bad weather.