

IUMI leaders have pledged to continue working to ensure financial liabilities imposed by law on shipowners are kept within 'fair bounds', writes James Brewer .

Amid general anxiety over the trend towards evaporation of limitation, the underwriters' organisation said it would lobby international bodies to recognise that the industry faced new mega-risks.

IUMI secretary general Fritz Stabinger said that the limits of liability for shipowners were already too high, because they failed to take into account possible accumulations of risk such as occurred at the giant port Fort Lauderdale, or the gathering of cruiseships at Piraeus during the last Olympics.

He said that IUMI had always shared the view of the International Group of P&I clubs that the shipowner should not be liable for cases of terrorism, a category which it saw as a war-like peril.

IUMI appreciated that it was hard to persuade others of that case, because terrorism was not defined by the International Maritime Organization. IMO had refused to review its pre-2001 liability conventions to insert a definition of terrorism — "but that is something that will have to be addressed," said Mr Stabinger.

No-one is fully working on that definition problem, but progress could be achieved. He added IUMI is participating in a working group on the impact of planned higher compensation for cruise passengers when the 2002 protocol to the Athens convention is implemented.

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