

Chairman's Welcome 2020

15 May 2020

It is a great honour that I am able to kick off the next 150 years of the Association as Chairman. The Association represents a group of highly skilled maritime professionals in the international marine and insurance industry, which upholds professional standards of expertise amongst its members through education, training and examination. This provides the required warranty of impartiality and uniformity of practice in adjusting claims for both marine insurers and their assureds.

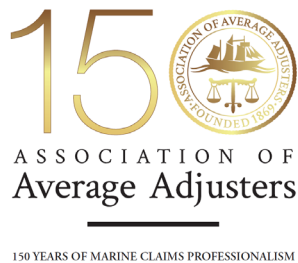
When Richard asked me to consider becoming the next Chairman back in November 2019, Corona was mainly known as a Mexican beer served with a wedge of lime. At time of writing my welcome message, Corona has presented itself as a pan(dem)ic virus to the entire world and has changed our way of living for a yet unknown period of time. New expressions like social distancing, flattening the curve, the R number and self-quarantine are dominating the headlines and have forced people to stay and work from home and/or closing down their business. Especially our health services have been under extreme strain coping with the high number of patients infected by this Covid-19 virus. In times of crisis new heroes are born like World War II veteran Captain Tom Moore who raised more than GBP 30 million pounds for the NHS by walking 100 laps in his garden at the age of 99.

My first involvement as upcoming Chairman was dominated by Covid-19 issues which needed to be resolved with Ann, Richard, Burkhard and Tristan. The special arrangements for the 150th dinner celebrations had to be postponed to 1st October and a special thanks goes out to the Canadian and US Association of Average Adjusters for postponing their annual dinner from 1st October to 14th October in order to accommodate our dinner plans with the Savoy hotel. The IUA/AAA joint-seminar on Collisions, which was originally scheduled for March, has been postponed to 11th November.

The Association has survived world crisis before like the Spanish flu a century ago, the Great Depression in the 1930's and the First and Second World Wars, so it is in the line of expectations that we will overcome this pandemic and the unavoidable worldwide economic recession as well. Adjusters understand the concept of making sacrifices for the common safety and benefit of all.

Churchill's famous expression "never waste a good crisis" is not applicable to the healthy state of the Association. Thanks to the great efforts of my predecessors and all Committee members, the Association is very well placed in the international marine market. The incorporation process has been completed, the Rules of Practice have been updated and modernized, the Advisory and Dispute Resolution Panel regularly handle enquiries from the market and a guaranteed influx of new candidates to be scrutinized by the Examining Committee. There is not much to change about the Association during this crisis, apart from consolidating its healthy state of affairs with the continued and appreciated assistance from all of you.

What may you expect from me during this year apart from steering the Association through the Corona crisis with the assistance of Vice-Chairman Burkhard Fischer, Treasurer Tristan Miller and Secretary Ann Waite? I am one of the Fellows who left the adjusting profession and started working with a ship owning firm. However, a trained adjusting mind never changes and I still apply it in my current profession. Some



P&I Clubs are less familiar with the expertise of average adjusters. They raise any questions they might have with the legal profession, even if it concerns matters of a General Average nature. I would like to investigate how the role of the adjuster could be marketed with P&I Clubs and whether this could be done through a joint seminar with the International Group of P&I Clubs. Any input from volunteers is welcome and especially from the Fellows employed by P&I Clubs.

As from 1st January 2020, the Marpol Annex VI regulations reduced the global limit of sulphur content in bunker fuels on board ships from 3.5% to only 0.5% (with tighter restrictions in designated emission control areas). Some shipowners invested in scrubber technology to “shower” the sulphur content from the exhaust gases and continue running the engines on high sulphur fuels, whereas other shipowners elected to purchase low sulphur fuels in order to remain within the new global limit. It remains to be seen what consequences these new environmental regulations might have, but it is not unthinkable that this might lead to an increase or a new type of engine damages with engines that were designed and built to burn high sulphur fuels. There will be new challenges for adjusters to deal with claims for excess costs of running the engines on low sulphur fuel after a scrubber broke down and is awaiting repairs. New regulations and new technologies might result in new types of claims and the same will apply to breakdown of ballast water treatment equipment following the BWM Convention. If the marine insurance market demands uniformity amongst adjusters to deal with these new types of claims, the Association shall be ready to assist.

I look forward to receiving your input and assistance this year and I hope that we will see many of you at the postponed dinner in October all going well. Our immediate Past Chairman Richard Cornah and the Association deserve a good celebration with many Fellows, Associates, Representatives and Subscribers, so that we can finalise that special 150th anniversary year. Richard will be Chairman again for 1 day during the postponed Annual Conference and Dinner on 1st October. He is not finished with us yet.

I hope that you and your loved ones remain safe and healthy throughout this unusual year.

Michiel Starmans

Chairman of the Association of Average Adjusters May 2020/ May 2021