

News Release

May 2020



Business (almost) as usual for the Association of Average Adjusters

The second week in May is often referred to in the London market as “Association” week, as people gather at its Public Meeting (now known as the Annual Conference) at Lloyd’s and attend the famous Annual Dinner at the Savoy.

With the Covid-19 lockdown, things were very different in 2020 but the Fellows nonetheless held a virtual AGM on Zoom that encompassed Asia, Australasia and Europe and were therefore able to complete the business of the Association to conclude its 150th year.

The outgoing chairman, Richard Cornah, said that nobody could have envisaged how the second half of the anniversary year would have turned out. It was a sad moment when the May dates had to be abandoned, but spirits were soon lifted when the Savoy Hotel was able to offer an alternative date of 1st October 2020 for the dinner, and the Association of Average Adjusters of the United States and Canada graciously put back its autumn annual dinner for a week to avoid a clash of commitments. The Annual Conference will, as usual, take place during the morning of the same day.

Mr Cornah reported that marine market gatherings to celebrate the 150th anniversary were able to go ahead in Cyprus, Dubai, and London, but events that were due to follow in Shanghai, Hong Kong and Singapore had to be shelved.

The chairman was pleased to welcome two new Fellows, Nanami Hara and Rui Hao, and congratulated the Association’s exam committee for completing the marking of papers for the 64 candidates who in 18 locations sat Associate and Fellowship papers in March, despite the logistical difficulties caused by coronavirus restrictions.

He thanked Burkhard Fischer for continuing to serve as Association vice-chairman and Michiel Starmans for agreeing to take over the helm as chairman. Michiel qualified as a Fellow in 2001 before going on to head the legal department at the Spliethoff Group, which operates more than 100 vessels and is preparing to celebrate its 100th anniversary next year.

Turning to other matters, Mr Cornah reported that the Association has been working closely with the Association Mondiale de Dispatcheurs (AMD) in reviewing the process surrounding General Average security collections and the wording of average bonds and guarantees.

In 2016 when the latest set of York-Antwerp Rules was approved by the custodian of the rules, the Comité Maritime International (CMI), a non-governmental body promoting the unification of maritime law, a new set of explanatory guidelines was also approved. These guidelines were intended to help commercial interests and insurers to understand and deal with General Average cases and the security collection process.

It had been hoped that the guidelines would include a set of standard wordings for General Average guarantees and bonds that would be endorsed by the principal shipping organisations and the International Union of Marine Insurance (IUMI). However, there was insufficient time to deal with this at the New York conference as well as the revision of the Rules, and the task was passed on to a CMI standing committee which includes members of the Association of Average Adjusters and AMD, together with representatives of shipping organisations and IUMI.

Additionally, the Association has conducted an overhaul of its Rules of Practice which set out a uniform approach on key aspects of marine claims adjusting. The objective was to bring the wording and format of the Rules up to date without changing their meaning, and it was decided to add two new Rules, relating to temporary generator hire and 'liner' vessels, that reflected existing market practice. The new version of the Rules will have 'probationary' status for the forthcoming year until confirmed by Fellows at the 2021 AGM, and the Association is ready to look at any comments or suggestions for further changes during that period.

Note to editors: The Association of Average Adjusters promotes professional principles in the adjustment of marine claims, uniformity of adjusting practice, and the maintenance of high standards of professional conduct. Irrespective of the identity of the instructing party, the average adjuster is bound to act in an impartial and independent manner. The Association plays an important part in London insurance market committees and has strong relationships with international associations and insurance markets.

Please see www.average-adjusters.com