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Suez Canal Blocked Due to Huge Container Ship

Hit Right Bank of Canal

MV Ever Given was suspected of being hit by a sudden strong wind, causing the hull to deviate and accidentally hit the bottom and run aground. Eight tug boats are working to refloat the ship, and diggers on the ground have been removing sand from where it is wedged into the side of the canal bank.

About 30 percent of global container shipping volumes pass through the canal each day, carrying everything from fuel to consumer goods. The main alternative route for ships travelling between Asia and Europe, around the African cape, takes a week longer to navigate.

P&I insurance provide protection against an operator's liability for damages, whilst Hull & Machinery insurance cover repair costs arising from collision, grounding or from the ship striking a fixed or floating object. But neither of these cover the time lost. Delay insurance cover complements P&I and Hull & Machinery by indemnifying you for lost income during the period of delay following such an incident.

Shipowner of MV Ever Given for the shipboard risk

As MV Ever Given will take some days to refloat the ship and a further days to complete repairs before it could begin trading again.

Time lost: both refloat the ship and repairs can be recovered
Recoverable: Subject to Collision, Grounding – "striking any fixed or floating object by the entered ship".

Charterer / other vessels for the partial or total closure of the waterway

The container ship has blocked the path of other vessels which are now trapped in lines in both directions.

Time lost: move to the anchorage and await reopen the waterway
Recoverable: Subject to Partial or total closure of any port, berth, sea-lane or navigable Waterway"

Source of Information: Andrew Liu & Co., Ltd www.andrewliu.com.hk