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# Conflict Resolution & Relationship Management between owners and charterers

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# Shipping as International Trade facilitator

- Journey from oars driven machines to highly technical vessels today.
  - Technical innovations & greater performance at lower cost.
  - Rising demand, Lower transportation cost and economies to scales exploited.
  - Evolution of the bigger ships (VLCC's)
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# Ship Brokers

- Accomplish the following:
    - ✓ Finding ships for cargoes & cargo for ships
    - ✓ Source of information
    - ✓ Market trends and an advisor to owners & charterers
    - ✓ **A dispute resolver.**
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# Conflicting issues in Tanker Market

- Rejection of vessel due to tank clearing method adopted;
  - Commencement of Laycan/ Tendering NOR;
  - Dispute over fuel price in long time charter;
  - Charterers providing wrong grade of fuel to owners;
  - Cargo/ fuel discrepancy in delivery & redelivery;
  - Issue over cargo in line contents;
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# Conflicting issues in Tanker Market

- Delay in operations over issue with local authorities;
  - Unexpected delay in berthing: owners requirement to bunker the vessel & charterers refusal for the same;
  - Loading & Discharging rate;
  - Wrong cargo information provided by charterers;
  - Bunker delivery;
  - Forged quantity certificate to avoid taxes;
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# Conflicting issues in Tanker Market

- Delay in documentation by master;
  - Vessels refusal to transit a piracy prone area while charterers wish to sail vessel;
  - Adding additives to cargo;
  - Issuance of LOI by charterers;
  - Financial hold on cargo due to non-payment;
  - Unavailability of certificate of origin & technical specifications of cargo;
  - Vessel missing tide.
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# Proposals to resolve the conflicts

- Participants to engage as joint problem solvers, seeking to resolve the dispute.
  - Negotiation, based on interests and proper communication.
  - Require the range of strategies for mediation to resolve varied problems.
  - **“Good negotiating skills require practice & thought.”**
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- The focus lies on approaches below:
  - ✓ Foreseeing & prior notification about the concerned issues;
  - ✓ Documentation of the facts;
  - ✓ Discussing & unanimously arriving at an approachable optimistic solution;
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- Strategies for improving relations and building loyalty range from simply opening up communication channels to implementing long term business relationships.
  - Alternative Dispute Resolution is non-confrontational approach to resolve the concerned issues.
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- Small gestures for better communication.
  - Results into repeat clients which in turn renders the best business.
  - VIDEO ON CONFLICTS & THEIR RESOLUTION
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**Thank you..**

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