

# MARPOL Detention Costs Insurance (MDCI) Product Information Sheet



## **Post-Dali Impact:**

Following the Dali incident in Baltimore this year, we expect to see an increase in expanded U.S. Port State Control (PSC) inspections focusing on safe vessel operations and regulatory compliance. Even if MARPOL, APPS, and PWSA compliance is not the initial focus of these inspections, heightened scrutiny increases the risk of discovering irregularities.

## **Challenges:**

Such discoveries can be costly, even for well-operated ships. Compounding the problem, ship operators and crew managers continue to be ensnared in the U.S. whistleblower trap more than 20 years after its implementation. This policy remains a keystone of U.S. regulatory and legal enforcement.

## **Risks Faced:**

- Business disruption due to vessel and crew detention in the U.S.
- Risk to reputation and potential suspension of oil major approvals for tank ships.
- Significant additional operational and legal expenses.
- Potential reservation of your vessel's P&I cover.

## Increased Operational Costs:

MARPOL violations in the U.S. can lead to significant fines and civil penalties, along with increased unbudgeted operational costs. MDCL offers affirmative insurance coverage to manage these additional operational costs and expenses, providing up to US\$1 million for:

- **Initial Shipboard Inspection and Investigation:** To understand the allegations, collect evidence for your company's defense, and ensure your crew understands their rights and conducts themselves properly when faced with U.S. law enforcement.
- **Vessel Loss of Hire**
- **Crew Substitution Costs**
- **Crew Detention Costs:**
  - ✓ Individual legal representation
  - ✓ Accommodation and living expenses
  - ✓ Full wages
  - ✓ Reparation costs

## Why Choose Shoreline's MDCL Cover?

- **Comprehensive Coverage:** MDCL provides cost-effective, primary, and affirmative coverage from the first dollar lost, eliminating the uncertainties associated with other discretionary marine insurances.
- **Preservation of Loss Record:** MDCL insurers waive any rights of recovery, preserving the loss record on your other marine insurances.

## How to Purchase This Coverage:

- **Existing Shoreline Clients:** You can easily add this essential new cover to your U.S. OPA Guarantee coverage by opting into [Shoreline's MDCL – Client Protection Scheme](#).
- **Non-Shoreline Clients:** This coverage is available to all ship operators, regardless of their U.S. COFR guarantor.

Contact our underwriting team at [mdci@shoreline.bm](mailto:mdci@shoreline.bm) for a quick and easy application process.

