DISTINGUISHED EXPERT IN MARINE INSURANCE LAW LECTURES AT IMLI

Professor Marko Pavliha (Vice-Dean for Research and Development and Head of the Law Department at the Faculty of Maritime Studies and Transportation, University of Ljubljana, Slovenia) visited the IMO International Maritime Law Institute and delivered a set of lectures on the Law of Marine Insurance to the IMLI Class of 2016 - 2017. Professor Pavliha’s lectures constitute the core part of the course on the Law of Marine Insurance, which is one of the key subjects within IMLI’s Shipping Law curriculum.
Professor Pavliha started his lectures with the definition of insurance and the classic London insurance market division of insurance. Under this heading, he introduced the students to risk management – covering among others – the identification of risk, evaluation of risks, and control of risks.

The students learned that the primary function of insurance is risk transference and distribution and that by effecting insurance, the insured transfers the risk of economic losses to the insurer, who in turn redistributes the risk through investment and reinsurance arrangements. Professor Pavliha also distinguished marine insurance from non-marine insurance and noted that the central object in marine insurance is to indemnify the insured against losses incident to marine adventure.

On the definition and nature of marine insurance contracts, Professor Pavliha engaged the students in discussing the three cardinal principles of marine insurance, namely, indemnity, insurable interest and utmost good faith. The discussion on maritime perils covered not just the traditional perils of the sea, but also the current and emerging perils associated with piracy and human (migrant) smuggling.

The Class also discussed the types of marine insurance, including Hull insurance (insurance of the vessel with its gear); Cargo insurance (insurance of goods carried by sea); Insurance against the
liability of the carrier; protection and indemnity insurance (P & I Clubs); compulsory or mandatory
insurance as prescribed in international conventions such as the International Convention on Civil
Liability for Oil Pollution Damage (CLC) 1992. Other types of marine insurance discussed related
to insurance of freight, salvage expenses and general average contributions, insurance of
containers, shipyards and oil rigs.
Other topical issues addressed during the course were the formation and enforcement of marine
insurance contracts, insurable interest, the principle of utmost good faith (*uberrimae fidei*), the
rules for construction of policy, the premium and warranties. Professor Pavliha also introduced the
students to the UK Insurance Act of 2015 and the various amendments it has brought to the Marine
Insurance Act of 1906

During the course of the lectures, the students were also involved in two class exercises. In the
first exercise, the *Institute Cargo Clauses* 1982 and 2009 were comparatively analysed through an
interactive discussion with an emphasis on Clauses A, B and C thereof. During the second exercise,
the Class was divided into three groups (the Insured, the Underwriters and the arbitrators) that
presented arguments on a case study concerning the insurance implications of a destroyed cargo.
These practical exercises, depicting real case scenario involving insurance claims, complimented
the students’ understanding of the law of marine insurance. The students welcomed with keen
interest Professor Pavliha’s lectures and the exercises as a valuable experience. They expressed
their appreciation to him for such an opportunity.

Professor Pavliha obtained a Bachelor of Laws from University of Ljubljana, Slovenia, in 1986,
and Master of Laws from University of Split, Croatia, in 1989. He obtained his Doctorate Degree
from McGill University, Canada, in 1991 under the supervision of the legendary Professor William
Tetley. He was Minister of Transportation and Vice-President of the Parliament of the Republic

Professor Pavliha is a celebrated author of 34 books and hundreds of scientific and other articles,
papers and essays on transportation law, maritime law, law of the sea, insurance law, global ethic,
philosophy, just to mention a few.

Professor Pavliha has been a Visiting Professor at the Institute for 18 years. He is a member of
IMLI’s Governing Board and a long-standing friend and supporter of the Institute and its
activities.

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