

Beware extended US witch hunt for maritime polluters, warns lawyer

Company News

By Nigel Lowry in Athens - Monday May 09 2005



[Printer Friendly Format](#)



[Send To Colleague](#)



[Email The Editor](#)

A LEADING maritime lawyer has painted a bleak picture of spiralling prosecutions and fines in the US for a supine shipping industry — unless the industry takes co-ordinated action to open up a dialogue with regulators.

Michael Chalos, a senior partner at the Fowler Rodriguez & Chalos law firm, said shipowners ought to dwell on the question, 'Why has the shipping industry in the last three years become the focus for so many investigations and prosecutions?'

"I think the real impetus is that the government has discovered that the shipping industry is an easy target and is seen as having lots of money," Mr Chalos told a shipping audience in Athens at the UK P&I Club's 'Criminalisation in the maritime context' forum.

"They love a big fish and shipping companies are seen as big fish that will pay large fines rather than fight it," he said.

"Sad to say, shipping has no political constituency and cannot deliver or take away votes in the US.

"It has no political muscle and there is no organised dialogue with the authorities to discuss these matters."

According to Mr Chalos, the blitz of recent prosecutions was calculated to provide "good publicity" for the Justice Department in a Bush administration that "is seen as soft on polluters".

He claimed that the Justice Department had decided to pick on the industry to garner "good statistics" in the fight against "environment criminals".

But no other industry was being subjected to similar scrutiny as the shipping sector, Mr Chalos stated.

The rate of US investigations and prosecutions, as well as the size of fines, were "on the rise".

In the case of Marpol violations, "the punishment never fits the crime", said Mr Chalos. Recent examples had included \$25m in fines slapped on Evergreen, but in general penalties were "too harsh for what we are talking about".

The lawyer predicted prosecutions would continue in the US and warned shipowners and executives based outside the US that they might not be safe from personal prosecution.

"The fact that a company and its officers or directors are outside the US is not a bar to the dogged efforts of US prosecutors," he stated.

"The industry must organise itself to have an open and frank dialogue with the Coast Guard and the Justice Department — and if necessary challenge them by lobbying Congress and policy makers for fair treatment," said Mr Chalos.

"Ways and means exist," he said, "but we need the industry to step forward and come with us to

work out an agreement that will stop this madness”.

[Back to Home Page »](#)