



Navigating the Parana River – guide for masters and shipowners

As one of South America's longest waterways, the Parana River provides a vital route for exporting agricultural products. However, the continuously shifting sediment beds, unpredictable currents and narrow channels have also made it a hotspot for ship groundings with numerous ships running aground in the river in 2025 alone.

Published 24 July 2025

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This article explores the legal implications for shipowners in the unfortunate event that a ship grounding occurs, and what may be done to protect their position.

Claims, claims, claims

When a grounding occurs, the owners of the grounded vessel typically face claims from various parties. Here are some examples:

- **Port/terminal:** If the grounding causes damage to the port or terminal, whether by way of physical damage, including pollution, or by blocking other vessels from entering, the shipowners may face claims by the port or terminal.
- **Local authorities:** After a grounding an administrative enquiry may be conducted by the relevant authority and the vessel subjected to a fine pursuant to local rules/regulations.
- **Cargo interests:** Cargo interests may bring claims for damage, delay or loss arising from the incident under the bill of lading or any other contract of carriage – or for cargo shut out. They may also refuse to contribute to general average, if declared, on the basis of unseaworthiness.
- **Other affected vessels:** If the grounding disrupts traffic, shipowners may face claims from the owners of delayed or blocked vessels. These claims are typically governed by tort law in the relevant jurisdiction, e.g., Argentina or Brazil, unless the parties agree otherwise. In some jurisdictions, claims for pure economic loss are permitted and can be substantial.
- **The charterers:** The charterers themselves may bring a claim under the charterparty for any delay or loss suffered as a result of the incident.

The merits of each claim will depend on the facts of the case. However, whether it is to defend these claims or to pass it down the charter chain, e.g. via an unsafe port claim, evidence is the key to success. We therefore turn to what evidence may be helpful in protecting the shipowners' position following a grounding incident.

Evidence

Master's conduct – before the grounding

The master's conduct leading up to the grounding is often closely scrutinised. A reasonable and competent master may be expected to consider the following before transiting the river and preserving any evidence in relation to these points can assist owners later when they seek to bring a recovery claim against their charterers:

- **Assessment of the under-keel clearance (UKC):**The vessel's SMS requirements should provide details of the manager's UKC policy and the factors to be taken into account, such as the charted depth, local sailing restrictions, height of water above chart datum, anticipated speed, use of tugs, and squat.
- **Assessment of river currents/weather conditions:**These would impact the vessel's manoeuvrability and stability.
- **Vessel trim:**Monitoring trim is essential to avoid excessive bow or stern draft, which can affect both manoeuvrability and the UKC.
- **Assessment of the vessel's general manoeuvrability:**The vessel's ability to navigate in restricted waters should be confirmed, including checks on rudder effectiveness, engine power (and impact of engine power limiter, if installed), and propeller characteristics. The master should also anticipate challenges at low speeds in strong currents.
- **Areas requiring caution:**Identifying shallower areas in advance allows the crew to take extra precautions when navigating through them.
- **Maintaining vigilance:**The master and crew should remain alert, maintain communication with other vessels, have effective communication with pilots and be prepared to take evasive action if necessary.
- **Master-Pilot exchange (MPX):**In many claims handled by Gard, inadequate or incomplete MPX has been identified as causative of the grounding incident. To ensure they have similar expectations of the passage ahead and with no surprises occurring, the pilot and Master must share all the information they have in a formal master-pilot exchange.

Information from the port authority – after the grounding

Port authorities typically issue daily river bulletins announcing draft limits, which masters must rely on for passage planning. The accuracy of these bulletins is therefore critical. If shipowners can demonstrate that inaccurate information contributed to the grounding, it may support an unsafe port claim, suggesting that an inadequate system failed to monitor and identify navigational hazards.

The following information may be helpful in supporting such a claim and can be requested from the port authority:

- Bathymetric survey data for the grounding site conducted on or around the grounding date.
- Water depth reports for the grounding site on and around the grounding date.
- Information regarding any dredging and other maintenance works undertaken around the grounding site/date.

Ship's safety management system (SMS) vs commercial orders to load to maximum draft

Every ship should have an SMS manual which sets out how the ship is complying with the ISM Code, and it would typically include a UKC policy amongst other things. As discussed above, whether the master considered the SMS manual and the UKC policy may be scrutinised by a party seeking to bring a claim against the shipowner following a grounding. However, sometimes the shipowners' or the Master's attempt to comply with the UKC policy may come into direct conflict with the charterers' instructions to load to maximum draft where the port authority's published draft is less than the ship's UKC policy. In such circumstances, is the shipowner or master entitled to insist on complying with their own UKC policy?

In general - yes. A company and its vessels must have a Safety Management System (SMS) under the ISM Code. The SMS is crucial for the issuance of the Document of Compliance and the Safety Management Certificate by the Flag State. Charterers will therefore have difficulty arguing that it can be safely ignored. Also bear in mind that shipowners and the Master have an overriding duty to ensure the safety of the crew, vessel and cargo pursuant to SOLAS. The requirements of the SMS manual and in particular the UKC must be considered early in the voyage planning stage. Vessel stowage plans should take account of the fact that sailing drafts may be adjusted over time, and the UKC requirements that the vessel will need to meet when transiting the river. If charterers want to load cargo to a level that gives insufficient allowance for UKC, the issues and options should be explained clearly to them as early as possible in advance and advice sought.

In summary...

In any dispute, the quality of the evidence is key in successfully pursuing and/or defending a claim. We therefore strongly recommend that the master/shipowners keep a good record of all steps that were taken to plan the transit through the Parana River. In the unfortunate event that the vessel does run aground, we are always happy to assist our Members.

The author thanks Louis Shepherd and Siddharth Mahajan for their contribution to this article.