

## Circular

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# ATTENTION FERRY USERS. DANGEROUS GOODS DECLARATIONS MUST BE CORRECT. FERRY TIE DOWNS MUST BE COMPLIANT

The NZ Shipping Federation recently made contact to raise two areas of very serious non-compliance that are occurring with too regular frequency. This has also been brought to the attention of enforcement and regulators. See also attached article.

Transport operators may find DG declaration and ferry tie down design and compliance becomes more controlled if the situation does not improve. It is likely random inspections of cargo and vehicles in the boarding queue will increase.

Delays and aggravation caused by those inspections may become inevitable.

#### **DG** declarations

There have been multiple cases of operators submitting DG declarations and information to ship/ferry operators that does not match what is being transported and/or its location on the vehicle.

Undoubtedly (and only for a small number of DG or environmentally hazardous substances) drivers carrying DG's will have at least a DG licence endorsement matched with sufficient training. Part of the requirement when obtaining that endorsement is having a thorough understanding of documentation requirements and consequences of submission of incorrect documentation.

In all probability in a number of cases company's will be submitting DG documentation in advance of their vehicle arriving at the ship/ferry.

Whoever is submitting DG documentation is responsible for ensuring it is correct.

#### **Ferry tiedowns**

The fitment of compliant ferry tiedowns to heavy vehicles are a regulatory requirement when being transported on ships/ferries. The NZ Shipping Federation mentioned multiple cases of tie down points on heavy vehicles breaking off during transit or when being twitched down. There is also a problem of tie down points being located in the wrong position, the orifice that lashing devices pass through

being too small in diameter and insufficient numbers of tie down points being fitted.

In one case a tie down point broke away from a vehicle when being twitched down and whipped back into the leg of the person operating the twitch, causing severe injury.

Maritime Rule 24B sets the standards for New Zealand ships carrying cargo and foreign ships carrying cargo in New Zealand. Although they don't have to be certified, tie down points must be compliant with Part Two of the Load Anchorage Standard- NZS 5444. Including design verification through a Statement Of Design Compliance.

It is obvious the tie down points that have broken away were not designed or installed in accordance with NZS 5444. Transport operators may wish to ensure their tie down points have been correctly designed and installed and they have access to paperwork and documentation confirming that.

#### **NZ Shipping Federation Transport Talk Articles**

#### **Dangerous Goods at Sea**

The truck operator is the one in the firing line when their truck is pulled over at a random truck stop but he or she is not the only one with a significant liability if the goods on the vehicle do not square with the documentation.

There is a chain of responsibility for the correct conduct or passage of dangerous goods. That chain stretches right back to the person responsible for ensuring that there is adequate training for all staff involved in the passage of dangerous goods, including but not limited to the people who prepare the manifests and shipping declarations. The chain includes documentation, packing, placarding, stowage and segregation.

The possible fines are large at every link in the chain. And if the fines don't provide enough motivation, then think about this from the perspective of the RORO operators.

Ship operators are worried about the safety of their ships and the lives of the people on board. Their interest in the correct cargo packing, documentation and segregation is actually a very real concern about the safety of the ship. The nature of the cargo affects whether it can travel at all, where it can be stowed, what it can be stowed near and even when it can travel.

It is essential that carriers use accurate technical names in their declarations. This is how to keep passengers and crew safe by carrying the cargo on appropriate sailings and stowing it safely. Also, in the event something does go wrong, it is essential the ship operator know the correct technical name as this defines the response to fire, spill and medical emergencies

As set out by Nick Savvides in a recent FreightWaves article:

Some shippers can be unaware of the possible dangers of particular cargoes (such as charcoal) and can inappropriately declare their cargo, which during the course of the voyage can ignite. Others seek to reduce shipping costs by not declaring hazardous cargo, leading to a shipping line stowing the container inappropriately.

The mis-declarations are sometimes evident because of differences between the manifest and the shipping declaration, sometimes the problem becomes obvious when a truck is inspected, sometimes truckies will dob their past-employers in. Usually, it is a matter of luck that a mis-declaration is identified which leads to concerns about other cargoes by that operator and the levels of mis-declaration generally.

This is not just academic or pin-pricking. As noted in the TT Club newsletter of 20 March 2019,

Taking the maritime segment of global supply chain, it is estimated that a major container ship fire at sea occurs on average every 60 days,

albeit that there have already been four major cargo-related fire incidents in 2019.

Furthermore TT Club's records indicate that across the intermodal spectrum as a whole, 66% of incidents related to cargo damage can be attributed to poor practice in the overall packing process; that is not just in securing but also in cargo identification, declaration, documentation and effective data transfer

The Federation is very keen to see better compliance with the requirements of the International Maritime Dangerous Goods code (known as the IMDG Code). Compliance with that code is vital to the safe passage at sea.

There are 2 Cook Strait RORO operators. They compete fiercely on most things but they are absolutely aligned on the need to get truck operators to up their game. Various things have been tried in the past, including charging for correcting documentation. Ships are not going to wait for a non-compliant truck. Trucks have been left behind if they are unable to sort out their documentation in time.

The policing of the carriage of dangerous goods falls to all or any of the NZ Police, Maritime New Zealand, NZ Transport Authority, Environmental Protection Agency, WorkSafe and probably other government agencies as well. We are hoping that the various agencies are working towards a more joined up approach so that it is made very clear to truck operators that this issue needs to be taken seriously. This applies to the responsibilities of everyone in the chain from the truckie through to the person who is legally liable for the education of the person who is doing the paperwork.

containers that need varying degrees of specifial handling, positioning in termina is and stowage onboard. However, information from inspections by several countries, which are focused mainly on declared DG shipments, suggests that more than 20% are poorly packed or incorrectly identified.

That ratio converts to about 1.3 million potentially-unstable declared DG loads per year – and that does not reveal the amount of DG cargo that goes undeclared or mis-labelled.

An initiative by Hapag-Lloyd and more lately by IBM, has seen the development of a detection system, Cargo Patrol, which attempts to identify cargoes that may be undeclared DG at the time a shipper books the move, leading to more detailed investigation before acceptance.

From the "potential hits" thrown up by the detection system it would seem that between 2-5% are more than likely undeclared DG cargoes. It suggests maybe 150,000 or so containers are being carried where the shipping lines, terminals and others in the supply chain have no idea they are handling potentially-volatile cargo.

The issue of undeclared DG is part of a bigger picture of poor practice in the overall packing process. TT Club records indicate that as much as 66% of incidents related to cargo damage can be attributed in part to load distribution and cargo securing as well as poor data transfer from classification and documentation through to declaration.

These incidents are estimated to cost insurers in excess of US\$500 million each year, and many could be avoided. As the size of container ships increases, so does the potential risk and consequences of a large explosion or fire.

Now, an international project is under way to try and improve the standards of cargo packing, handling and declaration, called the Cargo Integrity Campaign, being led by TT Club along with ICHCA. have submitted details of the top ten commodities that may lead or have led to incidents – not all of which are classified as dangerous goods. There is a need for increased regulatory coordination and harmonisation. The two bodies urged the IMO to initiate a correspondence group to advise on the best means of achieving such unified guidelines.

Another focus is data transfer and management. TT Club's Risk Management Director, Peregrine Storrs-Fox says that the integrity of knowledge, information flow and data transfer, ranks alongside the correct care for the cargo inside the container. It also represents an area of considerable risk.

Hence the Cargo Integrity campaign. It focuses on all stakeholders in the supply chain doing the right thing, correctly labelling cargoes and divulging content, and passing that information on.

The campaign wants more communal efforts such as the cooperation among five of the top liner operators to capture key incident data in order to provide an early warning of worrying trends, whether relating to cargoes that display dangerous characteristics or unsafe practices in the container supply chain.

An example is the Cargo Incident Notification System (CINS – www. cinsnet.com) now has a membership that includes 16 liner operators, representing over 70% of container slot capacity.

The need for more transparency goes beyond shipping lines. Many players in the supply chain, most notably shippers and forwarders who are responsible for packing the containers and the crucial initial declarations of what they contain, as well as ports and terminals, must become more knowledgeable about safety procedures and more vigilant in minimising errors.

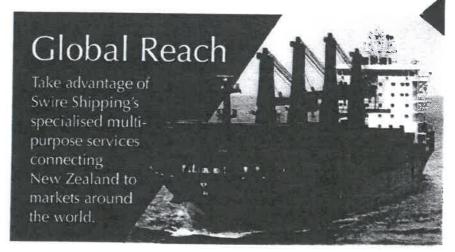
One problem is that procedures governing DG handling around the world lack standardisation. In order to as the "consignor" on a dangerous goods document may not have direct or physical control over key elements

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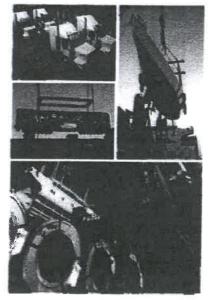


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## Potentially-volatile DG cargoes go undeclared

By:- Dave

MacIntvre

Given the recent fire onboard the Yantian Express and the multiple loss of life that occurred with the fires and explosions on the MSC Flaminia in July 2012 and the Maersk Honam in March 2018, one might think the shipping world has defined its problems with dangerous cargoes and put in place measures to solve those problems.

Think again.

According to the leading international freight and logistics insurer, TT Club, there are weekly reports of ship fires, and on average a major fire every 60 days that involves loss of life or damage to the ship, disruption and costs.

There is another chilling figure that the insurer produces – that there are some 150,000 ticking container timebombs that are shipped each year carrying potentially-volatile cargo that has been mis-declared.

Wrongly-classified, declared or labelled dangerous goods (DG) are seen as a primary hazard at sea. The master does not know what potentially-lethal cargo the vessel is carrying.

The representative body of cargo handling and container terminal operators, ICHCA International, has extrapolated statistical evidence of the extent of the problem. It calculates that of an estimated 60 million packed containers moved around the world each year, 10% are declared to contain IXI.

That equates to six million containers that need varying degrees of special handling, positioning in terminals and stowage onboard. However, information from inspections by several countries, which are focused mainly on declared DG shipments, suggests that more than 20% are poorly packed or incorrectly identified.

The campaign is to be a longrunning project spread over some years to consistently raise awareness in all of the areas of deficiency mentioned above.

There are several areas in which particular initiatives are being pursued.

Last September, TT Club called for urgent action on the safety of container transport at the International

Maritime Organization's Sub-Committee on Carriage of Cargoes and Containers (CCC). ICHCA, has consultative status at the IMO so was able to make submissions to the committee urging positive action.

One of the reasons the IMO needs to be stirred into action is that reports by IMO member states of container inspections are pathetically few – just seven countries submitting reports last year.

The number of member states reporting on their inspections has always been less than 10% and currently stands at about 2.5%. On average only four or five of the 170 member states regularly report.

This is a woefully-low rate of inspection and next to useless in order to enforce regulations, drive change or provide evidence of frequent transgressors in terms of shippers and commodities.

However, TT Club and ICHCA have submitted details of the top ten commodities that may lead or have led to incidents – not all of which are classified as dangerous goods. There is a need for increased regulatory coordination and harmonisation. The two bodies urged the IMO to initiate a correspondence group to advise on the best means of achieving such

help clarify the situation, Exis Technologies, with the support of TT Club and its sister insurance mutual, UK P&I Club, has developed a portal

integrating information on such restrictions.

The Hazcheck Restrictions Portal is designed to simplify the end-toend management of DG booking processes, taking account of port,

terminal, carrier, ship and partner line restrictions. TT Club wants more ports, terminals and liner operators to upload their DG handling policies and restrictions into the portal free of charge, allowing use by shippers, forwarders and others.

Other areas of improvement being called for are stricter adherence to the IMO's International Maritime Dangerous Goods Code (IMDG) and the Code of Practice for Packing of Cargo Transport Units (CTU Code), including areas such as training for shore-based personnel.

The TT Club and the UK P&I Club have updated and revised the 'Book it right and pack it tight' publication, which provides a thorough introduction and guidance on the provisions of the IMDG Code. This is available in PDF and paperback form at www.ttclub.com.

As a bottom line, TT Club is emphasising that the entity identified as the "consignor" on a dangerous goods document may not have direct or physical control over key elements of the end-to-end process, but nonetheless legal liability rests with that "consignor" to ensure that arrangements are in place for compliance with international and national regulations.

The buck will stop with the shipper if mis-declared dangerous goods cause an accident.

Footnote: Links to some of the material mentioned above can be found at http://hazcheck.existec.com/hazcheck-systems/hazcheck-restrictions, and http://www.imo.org/en/Publications/IMDGCode/Pages/Default.aspx

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