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1. Mis-release of Shipments by Transport Operators and Ocean Carriers

The Club has recently seen an increase in claims against transport operator Members for release of cargo without presentation of the transport operator bill of lading.

As readers will well know, international shipments move under bills of lading issued both by transport operators and ocean carriers. These bills of lading are frequently independent of each other and in many cases the ocean carrier releases the cargo to the consignee under its bill of lading in circumstances where the transport operator bill of lading has not been presented. This can expose the transport operator to claims from cargo interests for the full cargo value if the shipper has not been paid by the consignee.

A further complicating factor is that straight non-negotiable bills of lading and waybills do not need to be submitted to the carrier or terminal in order for the consignee to take delivery.

Ocean carriers do not have a contract with the transport operators “shipper” so they have no way of knowing or establishing easily if the shipper has been paid by the consignee or if the transport operator bill of lading has been submitted prior to the shipment being released.

To avoid these claims, it is imperative that proper procedures are in place to prevent one party from releasing the cargo when the other party has not received the bill of lading.

We offer guidance below to transport operators to prevent mis-release of shipments by ocean carriers and terminal operators.

Transport operators:

- Must not use the same bill of lading number as the ocean carrier
- Must receive the negotiable bill of lading between the transport operator and the shipper or consignee and payment of ocean freight prior to releasing the negotiable bill of lading between the transport operator and the ocean carrier
- Should instruct the ocean carrier in writing not to release the shipment to the consignee until the transport operator authorizes them to release the cargo. Further, this should be done on all shipments which have arrived at the discharge port
- Must not present ocean carrier’s negotiable bills of lading until they have received their negotiable bill of lading and ocean freight.

Ocean Carriers:

- Must obtain the transport operator negotiable bill of lading, payment of ocean freight and ensure the cargo is released by customs prior to instructing the terminal operator to release the cargo to the consignee
- Must never assume that just because the consignee is ready to take delivery of the cargo at the discharge port, that all negotiable bills of lading have been presented, that ocean freight has been paid and received and that the shipper has been paid

For further guidance, please refer to TT Club's Stop Loss 2 "Release of Cargo Documents" or speak to your TT Club contact.

2. IMDG Code Revision

Readers of TT Talk may well remember the article we published about the IMDG Code Amendment 34-08 which came into mandatory force in January this year. The article pointed out that a major change in the IMDG Code was the introduction of new mandatory training requirements for shore side staff involved in the preparation, handling and transport of dangerous goods by sea. Accidents involving packaged dangerous goods continue to occur and this measure was seen as an important element in the wider programme of tackling this issues.

The IMDG Code revision affects all those involved in classifying, consigning, packaging, marking, declaring, documenting, container packing, handling and accepting dangerous goods - a vast array of people throughout the entire supply chain, not just those involved at the port or onboard ship. As the Club has previously advised, everybody involved in the chain, including booking staff, carry responsibility to be aware of and apply these important international rules.

The Club recommended that those who deal with shippers, consignors and consolidators develop a simple strategy aimed at informing and, eventually, achieving the goal of the new requirement as far as its customers are concerned. It is recognised that certain jurisdictions already have training requirements relating to dangerous goods.

However, at this point in time the Club would like to try to assess the extent to which IMDG Code Amendment 34-08 has been implemented and we would be grateful for your help. Would you kindly complete the brief questionnaire by following this link:

[Click here to take our short IMDG Questionnaire](#)

Where customers are unable to find appropriate training, help is at hand. The Club is aware of a number of different approaches being taken - from face-to-face training courses to online tools. One example of the latter is an e-learning system developed by Exis Technologies. The course has been developed by a dedicated team of specialists and the support of industry and IMO, and has been certified against the DNV (Det Norske Veritas) Standard for Certification of Learning Programmes. It is tailored to the IMDG Code requirements for both general awareness and function specific training. The course comprises modules dealing with topics such as classification or consignment, with elements corresponding to lessons. There are self assessment tests at the end of each element to ensure that a good understanding of the course content is being gained as the student progresses, building towards a Course Completion Certificate and overall score.

A demonstration of IMDG Code e-learning and online brochure can be found at <http://www.imdgc-learning.com>. For further information please contact Melanie Stephenson at Exis Technologies (+44 1325 467836 or melanie.stephenson@existec.com). Other information can be found also at <http://www.hazcheck.com>, including validation of products against the IMDG Code requirements, from packing to segregation and marking and placarding to documentation.

The next amendment of the IMDG Code (35-10) will be issued later this year and enter transitional force from 1 January 2011; the Club will provide further advice on the changes nearer the end of this year.

3. Conclusion

We hope that you will have found the above items interesting. If you would like to have further information about any of them, or have any comments you would like to make, please email ttalk@ttclub.com. We look forward to hearing from you.

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TT Club

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