

Port Accidents are Avoidable Reports TT Club

Speaking this week at the industry forum, ASEAN Ports and Shipping in Ho Chi Minh City, Vietnam, TT Club's Regional Director for Asia Pacific, Phillip Emmanuel, showed evidence that a very high percentage of the insurer's claims were due to some kind of operational error. The vast majority could have been avoided through good management practice. Emmanuel highlighted the main areas of concentrated risk and presented effective recommendations to minimise these incidents.

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Leading transport and logistics insurer TT Club's latest analysis of 9,500 claims over the past seven years, valued at US\$ 400m, confirmed an ongoing trend in avoidable damaging events that resulted in claims. Emmanuel showed that the majority (68%) were due to poor operations and processes and a further 14% resulted from maintenance related issues. Only 18% were caused by weather related issues, seemingly out of the control of the operator, but an amount of these could have been avoided through more adequate preparation.

"Effective procedures, training and safety technology will reduce risk and bring other commercial benefits such as lower insurance premiums and higher customer satisfaction," advised Emmanuel.

The main area of risk, unsurprisingly, was in the operation of mobile equipment such as quay cranes, lift trucks, rubber-tyred gantry cranes, and straddle carriers. These make up two-thirds of the operational claims by value.

For example, quay crane boom-to-ship collisions are common at 236 incidents in the past 7 years worth US\$ 15m and representing 31% of quay crane claims. TT Club suggests that these accidents could be greatly reduced by fitting boom anti-collision sensors.

Stack collisions are also common and costly, accounting for 19% (US\$ 10m) of quay crane and 82% (US\$23m) of yard crane claims. This sort of incident can also be minimised through good management practice, often by the use of a stack profiling system.

As regards the enduring problem of theft, Emmanuel suggested, "Prevention is a combination of: a physically secure site; rigorous checks and double-checks on paperwork and well-trained and well-motivated staff. "

As Phillip Emmanuel concludes, "In analysing the causes of risk, we aim to promote good risk management practice and continuous improvement in our industry. TT Club is able to assist here given its resources and expertise".

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Notes for Editors:

A PDF copy of Phillip Emmanuel's presentation is available on request from ISIS Communications (contact details below) and will be posted on the TT Club website (www.ttclub.com) in due course.

Further information is also contained in the TT Club Supply Chain Security booklet available at www.ttclub.com

About the TT Club

The TT Club is the international transport and logistics industry's leading provider of insurance and related risk management services. Established in 1968, the Club's membership comprises ship operators, ports and terminals, road, rail and airfreight operators, logistics companies and container lessors. As a mutual insurer, the Club exists to provide its policyholders with benefits, which include specialist underwriting expertise, a world-wide office network providing claims management services, and first class risk management and loss prevention advice.

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