Welcome to TT Talk

No. 102 in the series



Contents

- 1. New TT Club website
- 2. Packaged Dangerous Goods report from IMO sub-committee
- 3. Corner castings and Container Safety Convention (CSC)
- 4. Supply Chain Security new ISO standard
- 5. IATA air waybill effective on 17 March 2008
- 6. Conclusion

1. New TT Club website

We are pleased to announce that the TT Club has a new website, which now offers a consistent look and feel throughout, unifying for the first time the public and secure sections of the site. We have simplified the navigation and introduced a new design which we think is cleaner and easier on the eye. There are several new features you might like to look at:

- **Hurricane watch** regular automated information tracking Hurricane and storm developments worldwide:
- **Simpler registration and login**, which allows external users to reset passwords and user names themselves;
- **Why Register?** graphic throughout the public section of the site, summarising the benefits of registration, and hopefully promoting more registrations;
- My Profile page which will aid improved name and address collation;
- What's New? graphic throughout the secure section, allowing us to raise awareness of any aspect of services or products we wish to promote;
- ClaimsTrac, TT's claims management tool, is now simpler to use and made easier to navigate;
- a Legal section in the secure part of the site for the usual model conditions and more detailed advice;
- a Member Resources section which offers a central point for the Member Handbook , insurance wordings and the latest information on our Customer Satisfaction Survey;
- we continue to offer a comprehensive selection of current and future events in the insurance, transport and logistics industries. We hope you will use this as a regular reference point.

To see the TT Club's new website for yourself, please click: www.ttclub.com

2. Packaged Dangerous Goods - report from IMO Dangerous Goods, Solid Cargoes and Containers subcommittee (DSC)

Mike Compton of ICHCA International reports on the IMO sub-committee meeting, which took place 17-21 September 2007. Most of the IMDG Code has been mandatory since 1 January 2004. However, one small part is not and that is concerned with shoreside training of those persons who are involved in any way with the generation of packaged dangerous goods to the port and the ship. Similar training for ships'

crews is mandatory but the reasoning for the difference is that IMO's remit does not extend ashore beyond the immediate ship/shore interface.

However, the continuing procession of major disasters at sea arising from packaged dangerous goods, the continuing reports of maritime administrations showing substantial non compliance with the IMDG Code and the views of those involved in the handling and carriage has prompted a rethink. As a result, the UK delegation had submitted a paper proposing that this provision of the Code be made mandatory and it was supported by a paper from ICHCA International.

Furthermore, the UK delegation organised a presentation during a lunchtime slot given jointly by Peregrine Storrs-Fox, TT's Risk Management Director, and John Leach of Maersk Line strongly supporting the need for this change based on operational and loss experience. Happily, many delegations spoke in support of the UK proposal, including major flag states and those representing the carriers, the cargo handlers and the insurance world as well as just about every NGO that had anything to do with Dangerous Goods. As a consequence of this overwhelming support for the proposal, it will now be referred to IMO MSC/84 in May 2008. Assuming the proposal is being approved by IMO MSC approves the proposal, it will form part of Amendment 34 and will come into mandatory force on 1 January 2010.

This is clearly an important milestone and the TT Club urges liner operators to lobby the flag states of their fleets to ensure support in May 2008. Just the week before there were press reports that 'Zim Haifa' suffered a fire and explosion in June 2007 arising from Dangerous Goods cargo allegedly declared as harmless.

3.. Corner castings and Container Safety Convention (CSC)

Mike Compton also reported on an investigation into a container falling away from a front loading lift truck. This was caused by badly damaged corner castings on the container which did not arise from that particular lift but arose from some earlier incident. The metallurgy report indicated that the quality of the metal was correct and that the box was travelling under a properly authorised Continuous Examination Programme. As other corner castings have since been found in similar conditions in the same port, the Canadian report to DSC/12 recommended that there should be a review of the Container Safety Convention (CSC) of 1972 and also the ACEP provision within it.

CSC was adopted in 1972, having been developed in the late 1960s. Its aim was to impose a regime which will ensure that freight containers are maintained in a suitable condition to enable them to continue to be safely used in intermodal transport. However, it is undoubtedly true that in the intervening 35 years the numbers and use of freight containers have increased enormously and they are now used much more intensively than before.

With the ports industry handling an estimated 500 million TEU last year whilst the freight container population is approximately 21 million TEU, containers are now worked much harder than they were. Whilst the instances of damaged corner castings reported on by Canada were a small number and there was only one incident reported, the inspection reports from maritime administrations reported 2,500 approximately serious structural deficiencies and 600 CSC plate contraventions found in 2006 by the nine administrations making reports.

4. Supply Chain Security - new ISO standard

Supply Chain Security has been a hot topic for some years now with the vulnerability of international trade to threats such as economic and political terrorism, smuggling and organised crime becoming an increasing focus for companies. The Club is pleased to be working with Hart Security on these issues and welcomes this introductory item from Hart alerting readers to the new ISO security management standard.

Security of any international supply chain involves a number of different entities and generally spans many borders. Each entity will have their own specific objectives and needs driven by different initiatives dependent on the practice of the market in which they operate. The one common factor is that supply chains need to co-operate to ensure integrity throughout the whole chain as the security of any chain is only as good as its weakest link.

Several countries, regions and industries have developed initiatives to address supply chain security, including ISPS (International Ship and Port Facility Security Code), C-TPAT (Customs-Trade Partnership Against Terrorism), TAPA (Transported Asset Protection Association) and EU AEO (Authorised Economic Operator). Although these have undoubtedly collectively improved security there is still disharmony and confusion with companies either unsure what they should choose to do and what benefits it will bring, or frustrated at auditing or checking processes required for a number of different initiatives.

The International Organization for Standardization (ISO) has now developed ISO 28000:2007 Specification for Security Management Systems for the Supply Chain, released as a full standard on 21 September 2007. In the introduction to ISO 28000 it states: 'This International Standard has been developed in response to demand from industry for a security management standard. Its ultimate objective is to improve the security of supply chains. It is a high level management standard that enables an organisation to establish an overall supply chain security management system.'

ISO 28000 has been developed along the same lines as ISO 9001 and ISO 14001 with the Plan-Do-Check-Act methodology and with the vast array of operators within the supply chain in mind, whether they be small or large. Clearly, the need for assimilation with other regulations and initiatives was desirable. Consequently regulatory compatibility was considered throughout the development process and the Standard has been developed to provide an overall management system that will provide the majority of requirements for any initiative or regulation currently in practice.

ISO 28000 requirements address security from a management perspective. A security management system which supports the operational and functional requirements of the supply chain demonstrates to customers, business partners and employees a company's commitment to effective security practices and the protection of their personnel, goods and assets. By developing security requirements through a management system approach businesses will see immediate benefits and can feel certain that their security practices will easily be adapted to any future initiatives or regulations.

5. IATA air waybill effective on 17 March 2008

In TT Talk Edition 101 we mentioned that a new IATA air waybill would appear and we advised Club Members to keep their stocks of air waybills low. IATA have now announced that its new resolution 600b has been approved and declared effective per 17 March 2008, when it replaces the current Resolution 600b (II). The new Resolution 600b consists of two notices (one on the face, the other on the back) and the Conditions of Contract on the back of the air waybill.

The soon departing IATA Resolution 600b (II) has been widely used by forwarders (Transport Operators) and its exact wording was on the back of the present FIATA-recommended neutral air waybill. Freight forwarders who act in one transaction as contracting air carrier and in another transaction as IATA agents (when they issue the air waybill on behalf of the airline) have been able to use the same neutral FIATA air waybill form for both these roles.

However, a first reading of the new IATA Resolution 600b suggests that the new IATA Conditions of Contract are not in every respect suitable for freight forwarders who act as contracting air carriers. Clause 4 of Resolution 600b deals with 'carriage to which neither the Warsaw Convention nor the Montreal Convention applies'; perhaps the most obvious problem for freight forwarders would be the final limb of Clause 4 '(.....) provided that any such limitation of liability in an amount less than 17 SDR per kilogram

will not apply for carriage to or from the United States'. The TT Club will examine these legal issues in more detail and provide advice in due course.

For further information and the full text of the new IATA Resolution 600b, please use the following web links:

- Announcement on IATA website:

http://www.iata.org/whatwedo/cargo/resolution600b.htm

- Full text of IATA Resolution 600b (accessed through the IATA website):

http://www.iata.org/NR/rdonlyres/024FE86D-8F41-4B64-9A33-222569268804/0/Resolution 600b.doc

6. 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 the editor at tt.talk@ttclub.com. We look forward to hearing from you.

Peter Stockli Editor for the TT Club

TT Talk is a free electronic newsletter published as occasion demands, by the TT Club, International House, 26 Creechurch Lane, London EC3A 5BA, United Kingdom.

You can also read this newsletter and past issues on our website: http://www.ttclub.com

If you do not wish to receive future editions, please reply to this message and include the word "REMOVE" in the subject line. If you have received this edition via someone else and you would like your own personal copy in future, please send your name, company name and e-mail address to: tt.talk@ttclub.com

For Company Registration Information please click below http://www.thomasmiller.com/companyinfo

