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Welcome to TT Talk

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1. Thefts of reefer containers in Hong Kong

Club Members have reported the recent systematic thefts of at least 30 refer containers in Hong Kong. It appears that the thieves operated through a bogus company who contacted several shipping lines pretending to be a new customer. The bogus company received the reefer containers for loading but never returned them to the shipping lines. Some of the stolen containers have been found in Shenzhen. The police are involved and Investigations are still progressing, but this occurrence is reminiscent of a spate of systematic thefts of reefer containers which occurred in Hong Kong during 1997-1999.

In its sheet 'Stop Loss 7 - Container loss', the TT Club strongly recommends that Members - before supplying containers for loading - perform industry or financial checks on new customers through in-house channels or external industry/financial system operators or visit new customers in order to establish that they actually exist. Large bookings for multiple containers, especially for refrigerated units, should be treated with suspicion. When multiple containers are requested, logistics departments are advised not to arrange despatch of more than one container at a time, and to hold subsequent units until the earlier units have been returned loaded. If there is doubt about a new customer or haulier, the Member should insist on receiving a bank guarantee (i.e. not simply a guarantee from the new customer which may well be worthless) for the value of the containers before releasing them.

Please use the following web link for the full text of the TT Club's 'Stop Loss' advice. The sheet 'Stop Loss 7 - Container loss' is available in English, Russian and Chinese:

http://www.ttclub.com/TTClub/public.nsf/HTML/CWOG-6Y6G9A?OpenDocument

2. Dockworkers slightly hurt by lightning whilst unlashing deck stows of containers

On 18 September 2008 ICHCA International (www.ichcainternational.co.uk) distributed the following as Information Paper 35/2008:

1. The ILO's Code of Practice on Safety and Health in Ports gives general advice about precautions to be taken when adverse weather conditions are forecast or being experienced and which may affect the safety of persons and equipment (paragraph 5.1.5).' The ILO code can be found at: http://www.ilo.org/public/english/dialogue/sector/techmeet/messhp03/messhp-cp-b.pdf

2. This includes the situation in which lightning may be expected and ICHCA International has just learnt of an incident that happened recently that underlined this advice. Two dockworkers were working from a gondola or cradle suspended from a container crane and engaged on unlashing duties. A lightning bolt or charge struck the deck of the ship and, as they were connected both to the crane and the ship at that time, caused both men to be slightly injured.

3. The terminal receives by arrangement regular forecasts and alerts regarding bad weather and it requires crane drivers to stop operations and stay in their cabs if lightning is anticipated.

4. Although the injuries received were thankfully slight, it does underline the risks and members are advised to review their emergency procedures where this eventuality might occur.'

3. More Stringent Crane 'Tie-down' Procedures Urged

With the hurricane season continuing in the Western hemisphere and damaging Pacific windstorms having been recently recorded the TT Club is strongly recommending that terminal operators urgently review their terminal emergency plans for dealing with high winds and in particular crane tie-down procedures.

Analysis of the TT Club's claims over a number of years has highlighted that wind damage to quayside cranes is the biggest weather related cost to terminals. Due to their size, profile and location on the quayside, these cranes are particularly susceptible to wind, and care must be taken in the design and operating procedures to protect against the crane being blown over or along the rails.

'This type of incident can result in serious injuries to workers and be very costly in repairs and operational downtime,' notes Laurence Jones, TT Club's Director Global Risk Assessment. However, such incidents can be prevented, or at least the collateral damage caused can be restricted by having appropriate procedures and ensuring that they are followed. Essential elements include: having effective national and local weather forecasting systems and ensuring that operational procedures respond appropriately when sufficient warning is forthcoming. In addition, good practice would dictate that storm pin or tie-down facilities and procedures are invoked. Furthermore, appropriately designed braking systems, which are properly maintained, can significantly help in conditions of sudden wind bursts. There are two major windstorm issues to be considered: protection against forecast strong winds and protection against sudden local winds called micro-bursts.

In the case of forecast strong winds, storm pins and tie-downs of sufficient number and size to hold a crane structure stationary (and procedures to implement these) are required to protect quayside cranes. Storm pins are vertical sliding pins mounted at suitable positions under each leg of the crane. These pins are dropped into sockets set into the surface of the berth. The pins must be interlocked with the travel motion so that the crane can only be moved when the pins are disengaged.

Storm tie-downs are connections on the crane, normally at the four corners, where suitable slings, chains or bars of appropriate size and number are fitted to connect to anchor points in the

terminal pavement. These anchors must be able to hold the loadings of the crane under potential wind conditions.

The other situation of primary danger is the occurrence of micro-bursts. In the worst circumstances, unknown to the driver, a strong wind arises blowing in the same direction in which the crane is travelling and the driver is unable to stop the motion of the crane. To deal with these situations, suitable storm brakes and service brakes are necessary and should be fitted to the crane. These are not however, an acceptable alternative to pins or tie-downs for forecast weather conditions.

There are a number of different systems used for storm brakes or, as they are sometimes called, parking brakes. These include rail clamps and railhead brakes. However, these are static brakes, i.e. they are only applied when the crane has stopped moving. They normally operate if the emergency stop is activated and unless severely damaged will help prevent a stationary crane from being pushed along by the wind. Their main purpose and benefit is to park and anchor the crane between normal operations without the need to apply the storm pins or tie-downs.

If rail clamp and railhead brakes are applied when the crane is moving, both the brakes themselves and the crane rail can be damaged. For this reason, wheel brakes should also be installed; these are normally disc brakes mounted on the crane wheels. Finally, the service braking system forms the normal operating brake. This is part of the motor and gearbox of the crane, which slows and ultimately stops the crane during daily working.

Apart from accurate weather forecasting and adequate technical measures Jones emphasises that both maintenance and training are crucial to safer procedures. ‘Investigations of these incidents have shown that most were due to, or made worse by, many of the service brakes and park brakes being inoperative due to poor maintenance’.

‘When a driver is faced with a crane being blown along the quay, the natural tendency in many cases has been for him to try to move the crane back into the wind. However, by doing this the crane service brakes are lifted and become ineffective. The driver must immediately hit the emergency stop, applying the service brakes as well as the storm or parking brakes,’ explains Jones.

The TT Club urges terminal managers concerned with quayside cranes and bulk loaders/ unloaders to review their emergency plans in respect of high wind situations and ensure that all necessary measures have been taken to prevent injury, damage and downtime arising from this cause.

4. Inland waterway carriage - Budapest Convention (CMNI) 2001

In Europe, the Rhine and Danube rivers are important for inland waterway carriage. The Central Commission for Navigation on the Rhine (CCNR), the Danube Commission and the United Nations Economic Commission for Europe (UNECE) cooperated in drafting the ‘Budapest Convention on the Contract for the Carriage of Goods by Inland Waterway’, also called CMNI. CMNI is in force in the following 13 countries: Bulgaria, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, Moldova, Netherlands, Romania, Russian Federation, Slovakia and Switzerland.

CMNI applies by mandatory force of law to international inland waterways carriage if, pursuant to the carriage contract, at least the port of loading (or the place of taking over the goods) or the port of discharge (or place of delivery) is in a Convention State. Thus, CMNI takes precedence over bill of lading provisions which extend a sea carriage regime to inland waterway carriage. CMNI

does not govern multimodal carriage, with the exception that it applies also to combined inland waterways/ sea carriage provided (i) the goods are not being transhipped between the inland waterways and sea carriage (ii) no maritime bill of lading has been issued for the carriage, and (iii) the 'distance to be travelled in waters to which maritime regulations apply' is not the greater.

The carrier is under a duty to use due diligence to make the vessel seaworthy before and at the beginning of the voyage and can disprove his liability if the loss was caused (amongst other factors) by the conduct of cargo interests, the nature of the goods or the state of their packing or identifying marks. Furthermore, the parties can agree that the carrier is not liable for loss arising from (i) nautical fault, (ii) fire or explosion on board the vessel or (iii) defects of the vessel which already existed before the start of the carriage.

The 'general rule' is that the carrier's liability is limited to the higher of (i) 666.7 SDR per 'package' or 'other shipping unit' or (ii) 2 SDR per kilogram of the lost or damaged goods. This 'general rule' applies if the carriage document enumerates the 'packages' or 'other shipping units'. If such enumeration is absent, three cases are possible:
(i) if the goods are carried in a container, the 'general rule' above is replaced by 1,500 SDR in respect of the container itself and by 25,000 SDR for the goods inside the container; the carrier is liable for these amounts or for 2 SDR per kilogram of the container and contents, whichever method yields the higher sum;
(ii) in the case of a pallet or 'similar article of transport', limitation will apply as specified in the 'general rule' above;
(iii) in the case of breakbulk cargo, it is thought that the limitation of 2 SDR per kilogram will apply.

Liability for delay is limit to the amount of the freight. The carrier's liability limits can be broken if he caused the loss, damage, or delay with intend or recklessly and with the knowledge that such loss, damage or delay would probably result.

The applicable domestic law determines which party (or parties) can sue the carrier. The limitation period is one year from the day the carrier delivers or should deliver the goods to the consignee. Even if the carrier causes the damage with intent or recklessness, the limitation period remains one year. The applicable domestic law is also pertinent for the question whether this one-year period can be suspended and/or interrupted. For a recourse action, a further period is available similar to the Hague-Visby or Hamburg Rules.

Please use the following web links for:

- The full text (in French, German, English, Dutch and Russian) of the Budapest Convention (CMNI) 2001:

http://www.unece.org/trans/main/sc3/cmniconf/cmni.pdf

- The updated list of countries in which the Budapest Convention (CMNI) 2001 has entered into force:

http://www.unece.org/trans/conventn/sc3_cmni_legalinst.html

5. 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.

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