

SUB-COMMITTEE ON CARRIAGE OF
CARGOES AND CONTAINERS
5th session
Agenda item 9

CCC 5/9/3
20 July 2018
Original: ENGLISH

**CONSIDERATION OF REPORTS OF INCIDENTS INVOLVING DANGEROUS GOODS OR
MARINE POLLUTANTS IN PACKAGED FORM ON BOARD SHIPS OR IN PORT AREAS**

Comments on documents regarding reports of incidents

Submitted by ICHCA International Ltd.

SUMMARY

Executive summary: In light of the ongoing background of reports from MSC.1/Circ. 1442, as amended by MSC.1/Circ.1521, published findings by Cargo Incident Notifications System (CINS) and high profile containership incidents, this document considers taking a holistic approach to improving vigilance/visibility of containerized cargoes in the maritime supply chain

Strategic direction, if applicable: Other work

Output: OW 19

Action to be taken: Paragraph 17

Related documents: CCC 4/8/4; MSC.1/Circ. 1442, as amended by MSC.1/Circ.1521; CCC 5/9, CCC 5/9/1, CCC 5/9/2, CCC 5/INF.16; and related reports submitted through GISIS

Introduction

1 This document is submitted in accordance with the provisions of paragraph 6.12.5 of the *Organization and method of work of the Maritime Safety Committee and the Marine Environment Protection Committee and their subsidiary bodies* (MSC-MEPC.1/Circ.5/Rev.1) and provides comments on documents CCC 4/8/4 (ICHCA), CCC 5/9 (Canada), CCC 5/9/1 (China), CCC 5/9/2 (Republic of Korea), *Inspection programmes for cargo transport units carrying dangerous goods* (MSC.1/Circ.1442, as amended by MSC.1/Circ.1521) and related reports submitted through GISIS.

2 During CCC 4, ICHCA brought the issues of the transport of cargoes and the importance of MSC.1/Circ.1442, regarding both inspection programmes for Cargo Transport Units (CTUs) and the reporting of their findings to the Organization, to the attention of the Sub-Committee. ICHCA also highlighted the need to consider all cargoes and to consider dangerous goods as being a subset of cargoes to which additional conditions of transport apply.

3 Despite ongoing efforts by IMO and the shipping industry in providing guidance on this topic, over at least the last 10 years, the proportion of deficiencies identified in CTU inspections and reported to IMO by Administrations have not significantly improved over that period and there has been a number of tragic ship incidents in that period ranging from, for example, the **MSC Flaminia** (July 2012) to the **Maersk Honam** (March 2018).

4 The frequency of shipboard cargo-related fires and terminal incidents is increasing. Furthermore, shipping lines' propriety solutions for detecting false declarations are returning an alarming number of such non-compliances and examples of deliberate fraud by shippers to avoid additional charges.

5 The cargoes that have been identified from reports from the shipping industry as a "top 10" that may lead to, or have led to, an incident are as follows (in no particular order):

- .1 wastes including metal drosses, etc.;
- .2 logs and timber;
- .3 high density cargoes (e.g. marble, pipes, granite);
- .4 liquids in flexi-tanks;
- .5 cotton, wool (animal/vegetable fibres);
- .6 seed cake;
- .7 fishmeal, krill;
- .8 batteries (new, used or contained in tracking devices);
- .9 charcoal; and
- .10 hypochlorites and similar products.

6 The above cargoes are varied in their properties and hazards, resulting in incidents from fire, container collapse or pollution. Transport worker safety is also affected due to poor packing or weight distribution and health issues arising from leaking cargoes.

7 Whilst it is accepted that each incident will have its own cause and that the causality can be complex, analysis often reveals multiple failings and the resultant severity of any incident can vary significantly. In general, cargo-related incidents often display failures at the point of packing of CTUs, such as:

- .1 ignorance of the appropriate regulatory provisions;
- .2 deliberate avoidance of those provisions; or

-
- .3 use of vague cargo descriptors either through:
- .1 ignorance of the potential consequences; or
 - .2 deliberate decision to avoid perceived problems through the supply chain, in many cases because such cargoes attract a premium in freight rates.

8 Shipping lines require a high level of confidence with regard to the identification, classification (general cargo or IMDG Code) and packing/securing of cargoes within the CTU to enable the safe stowage, segregation and carriage on board the ship.

9 It is recognized that containerized cargoes are carried on other ship types, e.g. ro-ro ships; however, the recent high-profile incidents and large number of units carried on containerships highlight the need to consider a holistic approach to cargoes carried on such ship types in order to create a culture within the supply chain that assists shippers and the wider industry to eliminate ignorance and discourage incorrect reporting or, worse, deliberate avoidance.

10 Responsible shippers recognize that the shipping lines may need to decline the carriage of certain cargoes; however, they believe that such actions can lead to an environment whereby some shippers may have an incentive to misdeclare in order to continue their supply to their customers.

11 Deliberate avoidance can only be countered by greater vigilance within the whole supply chain, through actions such as inspections of containerized cargoes and by working with other bodies, e.g. World Customs Organization (WCO) and non-governmental organizations to cascade information to stakeholders. It was noted at CCC 4 that the level of reporting inspections is not sufficient in drawing concrete conclusions by which to steer the work of the Sub-Committee, improve compliance or increase safety; and the reports submitted to CCC 5 under this agenda item do not change this position.

12 It is argued that MSC.1/Circ.1442, as amended by MSC.1/Circ.1521, could usefully be subject to review in order to strengthen inspection programmes. Among others, the following issues are raised as relevant:

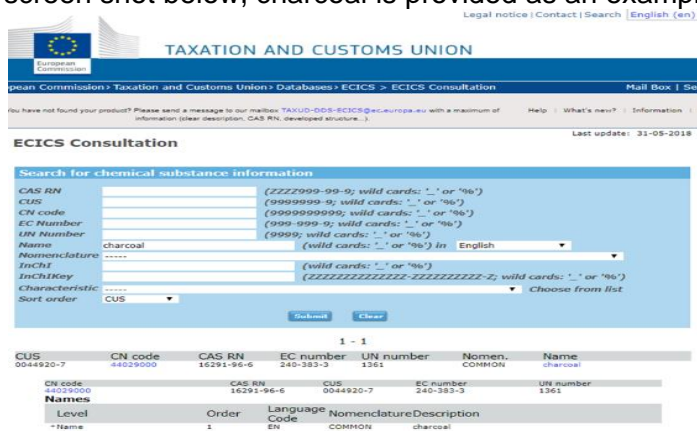
- .1 clarify further, in the title and guidance, that selection criteria should be applied equally to CTUs carrying all types of cargoes, not specifically biased towards those declared to be carrying dangerous goods;
- .2 Member Governments could be encouraged to identify non-governmental entities that are, or may be, conducting inspections aligned to the defined programme, and urge them to facilitate reporting of results; and
- .3 ensure that the guidelines contained in annex 1 to MSC.1/Circ.1442 are compliant with, and adequately refer to, the IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code).

13 Shippers already use a variety of differing cargo identifiers to comply with the requirements arising from other bodies, such as the WCO (Harmonised System (HS) Code), the Environmental Compliance and the Globally Harmonised System (GHS) for labelling.

14 A single point of access to the data used by other bodies for all products may not currently exist. European Customs Inventory of Chemical Substances (ECICS) is an information tool managed by the European Commission (EC) that contains base data, such as

CAS Number, CN Code, UN Number, name, nomenclature, etc. If access could be obtained, it would provide an excellent foundation, albeit requiring some data manipulation, e.g. mapping between the full eight character European tariff number (CN Code) and the six character WCOHS Code.¹ Information relating to ECICS is provided below:

- .1 introductory text: https://ec.europa.eu/taxation_customs/online-services/eu-customs-inventory-chemical-substances_en
- .2 database: http://ec.europa.eu/taxation_customs/dds2/ecics/chemicalsubstance_consultation.jsp?Lang=en&Cas=&Cus=&CnCode=&EcCode=&UnCode=&Name=charcoal&LangNm=en&NomenclatureSystem=&Inchi=&Inchikey=&Characteristic=&sortOrder=1&Expand=true&offset=0&viewVal; and
- .3 In the screen shot below, charcoal is provided as an example:



15 The gaps and anomalies would need to be identified following data manipulation and, through interested parties working together, to make it comprehensive.

Proposal

16 This document has been submitted to initiate consideration of the above matter and to this end, it might be appropriate for the Sub-Committee to establish an intersessional correspondence group comprised of representatives of all stakeholders, including the industry (shippers, carriers and non-governmental organizations), Administrations, IMO Secretariat, other UN bodies and intergovernmental organizations to gather more information and suggest appropriate solutions to the next session of the Sub-Committee in 2019. The draft Terms of Reference (ToR) for the correspondence group on solutions to resolve the lack of compliance with the IMDG and CTU Codes could be:

- "1 to seek responses from industry and regulatory bodies on why such non-compliance prevails;
- .2 to gather evidence, where available, seeking to establish the scale of the problem;
- .3 to consider potential industry/regulatory solutions to address the issues; and
- .4 to report back to CCC 6 in 2019."

¹ The WCO Harmonised System comprises about 5,000 commodity groups, each identified by a six digit code, arranged in a legal and logical structure, and supported by well-defined rules to achieve uniform classification.

Action requested of the Sub-Committee

17 The Sub-Committee is invited to consider the above information and the proposal in paragraph 16 above and take action, as appropriate.
