

Bagged Cargo Claims

With no sign of improvement in market conditions and in an effort to secure the best freight rates, a number of owners are trading their ships to ports and carrying cargo for which the ship may not be ideally suited or their crew sufficiently experienced. In particular, the club has seen an increase in the number of ships carrying bagged cargo to ports where the incidence of stevedore rough handling and pilferage are high. The carriage of bagged cargo is a risky trade which most owners have historically chosen to avoid. The increase in voyages to these ports has led to a rise in the number of claims for the club, which may impact upon rates at the next renewal.

The club's investigations of these incidents at the discharge port have found:

- loading figures that do not match discharge figures, resulting in cargo shortfall
- wet and mouldy cargo showing the effect of condensation damage
- contaminated cargo, such as cargo having leaked from bags and/or being mixed with hold dirt
- damaged and/or empty cargo bags
- rips to cargo bags caused by stevedores' hooks

Members whose ships are trading with bagged cargo have a greater exposure to cargo damage claims.

To reduce the risk of cargo damage, the following loss prevention checks are recommended for the master:

- test hatch cover water tightness before loading and monitor the effectiveness of securing arrangements during the voyage
- test hold bilge suctions and check effectiveness of non-return valves
- thoroughly clean the hold bilge wells, which should then be covered with burlap and sealed
- conduct an accurate cargo tally at the load port
- ensure the cargo quantity, as agreed between shore-based and ship tally, is accurately represented on mate's receipts and bills of lading
- ensure stevedores utilise correctly designed bag hooks and do not roughly handle the cargo
- collection of spilt cargo promptly for re-bagging
- ensure hatch covers are fully closed prior to the onset of rain
- monitor the dew point of the cargo hold during the voyage
- ensure correct ventilation management throughout the voyage
- conduct frequent visual inspections of cargo whilst the ship is in transit or at anchor
- always follow the enclosed space entry procedures before entering a cargo hold
- ensure there is effective security and theft avoidance

These procedures, if followed, should go far to prevent cargo damage. However, should members suspect a problem during loading or en route to the discharge port, they should immediately contact the club for assistance.

Setting the Standard for Service and Security

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Ian joined Charles Taylor in September 2012 as the director of loss prevention for the Standard Club.

Ian is a master mariner with a total of 40 years' experience in the shipping industry. He commenced his seagoing career in 1971 as a navigating cadet with a major British shipping company, being promoted through the ranks to Master prior to continuing his career ashore in 1987. Whilst employed ashore, he has worked predominately in the field of marine operations and ship management, in various worldwide locations, and has held positions as port captain, marine/operations superintendent, operations manager and, for the last 11 years, managing director for one of the world's foremost ship management companies. Through both his seagoing and shore based experience Ian has extensive knowledge across the range of tanker, dry bulk and liner trades.



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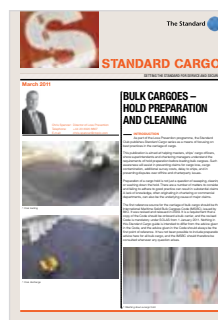
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