

Make sure lifting gear is regularly maintained to the highest standards

Maintenance the key to safety

REGULAR and proper maintenance is essential to the safe and cost-efficient operation of today's shipping fleet. It is not cheap, but it is ignored or compromised at the owner's peril.

The Club's records contain numerous claims for damage and personal injury arising from poorly maintained lifting gear. Although subject to Class inspection, the primary responsibility for such maintenance rests with owners.

Particularly disturbing are those incidents when deaths occur as a result of such a negligent lack of maintenance. These cases

arise when lifting gear failure results in sudden movements or falls of derricks, cranes or cargo from a height. The Club all too often sees instances of poorly maintained lifting gear. Specific and recurring examples include frayed and kinked wires, flimsy locking devices, and severe wastage to load-bearing components.

Poor maintenance of this sort can mean that the cargo gear is liable to failure at any time, perhaps during cargo operations. Preventative maintenance can seem expensive in a competitive market such as shipping. But it will pay for itself many times over during the average life of a ship.

Singapore gets tough on garbage

SHIP masters face fines of up to Sing \$20,000, in addition to two years in prison, for infringing new marine pollution laws recently enacted in Singapore.

The new regulations enter into force on August 27 following Singapore's accession to Annex V of Marpol.

Under Annex V, the discharge of plastic into the sea is prohibited, while the discharge of other materials, including dunnage, food waste and rags, is restricted. Singapore, as a signatory to Marpol, will be required to provide facilities at its ports and terminals for the reception of garbage.

Pilot reminder

IN the light of recent claims experience, members are reminded to ensure careful monitoring of the activities of pilots who provide services on board their vessels.

Remember, it is invariably the master who has ultimate responsibility and authority for onboard navigational matters.

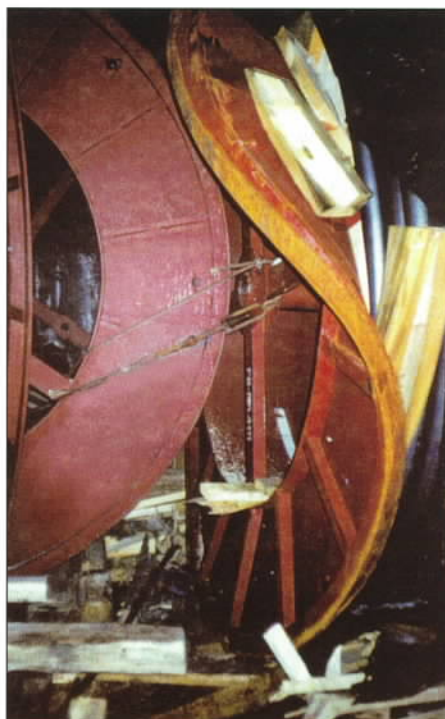
Cables on reels must be properly stowed and lashed

THE amount of damage sustained by some cargoes in transit bears little relation to the size of claims they can produce. Power cables are a case in point.

The Club's recent claims experience shows that such cables, on both wooden and steel reels, have a very low damage threshold. There can be a high price to pay even when only minor damage is sustained.

The smallest amount of crushing damage, for example, can result in the cable being written off, with little or no salvage value.

Damage to the sheathing or intermediate layers of

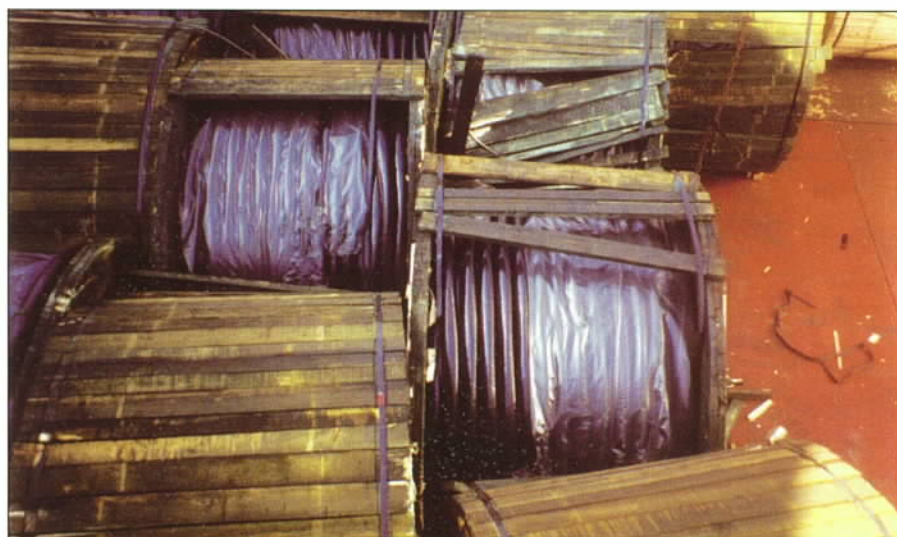


Emergency wire lashings are in place - but the damage is done

insulation may mean that the cable cannot be used for its intended purpose.

Damage to only a small section of the cable can render the entire reel-

The battens can only offer protection if they are in place



length unusable. The reels themselves can weigh up to seventeen tons, so their potential to cause damage, as well as to sustain it, is evident.

Additionally, by virtue of their very size and shape, the reels are often rolled along by stevedores at load or discharge ports, greatly increasing the likelihood of damage to the timber battens designed to protect the cable.

The greatest care must be taken when transporting these high-value cargoes by sea.

It is vital that all reels are properly lashed on board the vessel. Where custom-made cradles are not supplied, or where the reels are not pre-secured on flat beds, chocks should be used to secure the reels. If the packaging is so poor that the reels cannot be lashed, the cargo should be rejected.

The master should not hesitate to intervene if dissatisfied with the adequacy of the stowage/lashing.

Mere protest is unlikely to protect the vessel interests if damage ensues.

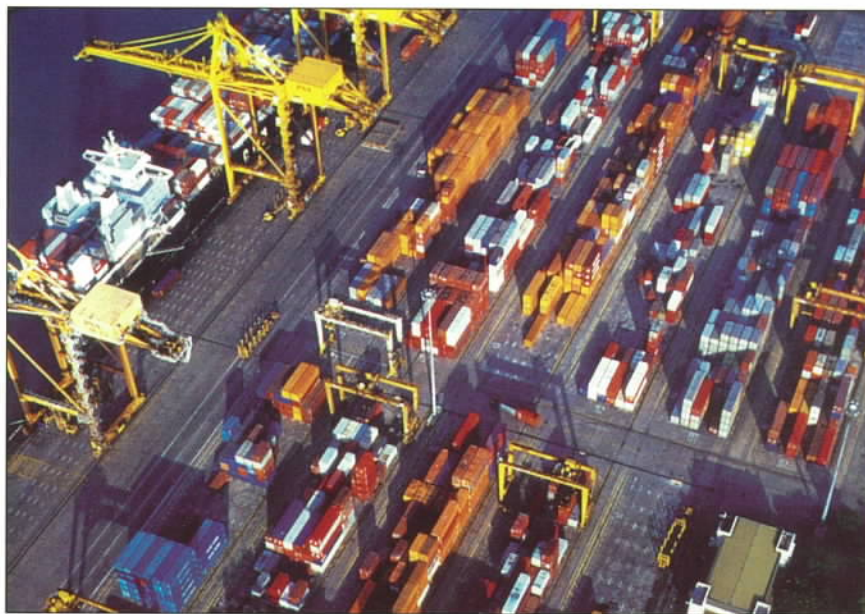
Container scam exposed

CONTAINERISATION has virtually eliminated certain types of claim. But it has also provided new openings for opportunistic thieves, as a recent case involving a Club member illustrates.

A consolidated container of computer parts was shipped on the member's vessel from the US to Argentina. The consolidator named himself as the shipper, and took out cargo insurance cover through a forwarder hired to arrange the shipment.

The container was discharged at Buenos Aires with the seal intact, and was delivered to the terminal at the port. It was later discovered that the seal was broken, whereupon customs fitted a new one. Later, at the bonded warehouse, it was discovered that cargo with a total value of \$440,000 was missing from some of the consignments in the box. The consolidator filed a claim with his insurance underwriters, who paid out in full but looked for recovery to the Club's shipowner member.

The actual shippers testified at the discovery



A revolution in transport, but an opening for the unscrupulous?

stage of subsequent proceedings that they had indeed made the shipments through the consolidator.

But they also confirmed that the shipments had been made by airfreight by the same consolidator several months previously,

and no claims had been received from consignees.

The Club moved for summary judgment, whereupon the cargo underwriters voluntarily dismissed the case. The consolidator, by this time, had disappeared with the \$440,000.

Picture this

CLUB members are reminded of the potential value of taking photographs wherever possible of incidents - however minor they may seem at the time - which could lead to claims against the ship. Any number of things may make suitable subjects for a photo - situations relating to cargo or cargo gear, for instance, or something relevant to a potential

injury claim. In short, anything which may have the potential for a claim in the making.

In a recent incident, for example, the Club was obliged to pay \$100,000 for damage to another vessel which the master insisted was "a mere paintwork scratch." No photographic evidence existed to support the master's view, and the member was obliged to settle.

Vigilant cargo monitoring needed

WEST AFRICA has traditionally been a fertile area for maritime claims.

The extent of potential loss and damage has fluctuated over the years as a result of political and economic developments in the region. But, as the Club's claims files confirm, the problems have by no means gone away.

In one recent incident, a member's vessel called at Lagos, Nigeria to discharge a cargo of bagged sugar.

The consignee alleged shortage and damage to the cargo on completion of discharge, and a letter of undertaking was issued for \$250,000 to prevent the vessel being arrested. According to the master, the bags were torn during discharge due to negligent handling by stevedores.

Proper procedures must be followed at all times during cargo loading and

discharge operations, and particularly in areas of the world - for example, certain ports in West Africa - where experience shows that cargo operations may be especially problematic.

Important Y2K port initiatives

WHILE IMO has circulated a code of good practice and a contingency plan guideline for Year 2000 compliance, port authorities around

the world are going ahead with their own initiatives. The Australian authorities are treating

Y2K as a risk management issue. With effect from November 1, vessels failing to maintain an appropriate level of Y2K awareness and preparation may be detained.



Members are warned that, as in this case, there may be no claim against charterers where the stevedores are considered to be the servants of the shipowner under the charter party. Members should therefore endeavour to avoid fixing charter parties containing these onerous terms.

In Singapore (*below*), the port authority has issued a list of precautionary measures and has stipulated critical dates and a critical time window.

In the Netherlands, port and waterway authorities have been empowered, between 1000hrs on December 31, 1999, and 1400hrs on January 1, 2000, to stop or direct to a safe place vessels which have not posted a satisfactory Y2K questionnaire. There is also a long list of additional and regional requirements and general instructions.

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Tel: +44 (0) 20 7772 8000
Fax: +44 (0) 20 7772 8200
E-mail: comms@a-bilbrough.co.uk
Website: <http://www.lso.com>

EDITED BY

Chris Hewer,
Merlin Corporate Communications,
11 Kingsland Court, Three Bridges Road,
Crawley, RH10 1HL
Tel: +44 (0)1293 55 00 44
Fax: +44 (0)1293 55 04 04
E-mail: wizard@merlinco.com

PRINTED BY

Stuart Vaux Associates,
Chiltern Lodge, 38 Clifton Road,
Amersham, Buckinghamshire,
HP6 5PP, UK.
Tel: +44 (0)1494 726593
Fax: +44 (0)1494 727380
E-mail: sales@stuartvaux.demon.co.uk