



## Vigilance needed to prevent onboard fires and explosions

As part of its ongoing loss prevention activities, the Club continues to monitor dangers inherent in shipboard operation. The incorrect storage of gases, oils, chemicals and other substances is a case in point.

Members are urged to observe the strictest procedures on board their vessels with regard to the storage of gases, oils and other flammable/combustible materials.

On modern ships, flammable gases such as acetylene are required to have external storage, with a totally separate ventilation system. But on older ships the requirements may be less stringent and flammable gas can be stored in areas within the accommodation block, for example. There have been recent instances of tragic loss of life resulting from onboard explosions and fires.

It is standard procedure to properly shut off gas bottles



*It only takes a spark*

both at source and outlet. Failure to do so may result in leakage, perhaps very gradually. An explosive atmosphere can build up very quickly in spaces which are seldom used, and it takes only a spark - from a defective light switch or a discarded cigarette, for instance - to ignite it.

Members are urged to be proactive in this respect. Crews should check regularly that gas supplies are properly shut off, and members should try to ensure that acetylene and other flammable substances carried on board are stored outside the accommodation block.

## Y2K update

THE Club has received a number of enquiries about whether members' charter parties and other contracts should include a specific millennium clause.

Many charterers have circulated Year 2000 clauses, some of which are unduly onerous and could result in P&I cover being prejudiced for owners.

Since Y2K compliance is essentially an issue of seaworthiness - it is in fact an obligation which imposes a duty of due diligence on owners which is non-delegable and which is already expressed or implicit in voyage and time charter provisions - it is preferable that carriers avoid any clause concerning millennium compliance in their contracts of carriage.

But if members have to agree a Year 2000 clause, the BIMCO clause, drafted in conjunction with the International Group of P&I Clubs, is recommended as it will not place Club cover at risk. Members who are in doubt about the use and wording of Y2K clauses should contact the Club for advice.



## Vietnam bagged rice warning

**R**ICE is exported regularly from Vietnam these days. But when shipments of the latest Vietnamese crop start moving this month, the clubs will doubtless be mindful of recent experience with these cargoes, which have produced a rash of claims.



*Members contracting to load rice in Vietnam are advised to contact the Club beforehand*

The main problem is that the high moisture content of the rice exported from Vietnam can create conditions within the holds conducive to the development of sweat on the cargo and, as a result, cargoes have been outturned in mouldy condition.

The consequence is usually a costly claim made against the shipowner by the cargo interests. It is important that proper procedures are

followed in connection with these shipments, particularly at the load port.

Stowage must be carried out in accordance with good

cargo practice, ensuring that there are sufficient ventilation channels.

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## Australian ruling on perils of the sea

**T**HE Australian courts - in a case involving a London Club member - have handed down an important decision involving interpretation of the perils of the sea defence under the Hague Rules.

The *Bunga Seroja*, owned by Club member Malaysian International Shipping Corporation (MISC), was carrying aluminium coils in containers from Sydney to Keelung.

While transiting the Bass Strait, an area notorious for bad weather, the vessel encountered severe storm conditions and suffered structural damage.

On discharge, a number of the coils were found to have been damaged due to shifting within the containers as a result of the heavy weather encountered.

A claim was brought by the cargo owners in the Supreme

Court of New South Wales, which found that MISC had in fact discharged its responsibilities under Article 3 Rule 2 of the Hague Rules "carefully to carry and care for the cargo."

Subsequent appeals by the cargo owner were turned down by the courts in Australia.

The case is important because the courts considered in detail the meaning of the perils of the sea defence, which had been put in issue in the appeals.

Rejecting the stricter US and Canadian approach, which take into account the element of foreseeability, the high court continued to favour the more lenient anglo-Australian approach in holding that MISC could still have relied on the perils of the sea defence, even though the weather that was encountered was foreseeable.



## Making a meal of soyabean cargo damage

**S**OYABEAN meal is a somewhat innocuous-looking cargo. But experience shows that its transportation by sea can lead to problems which are anything but straightforward, and often very costly.

Recently, a member's vessel unloaded a 33,000-ton cargo of Brazilian yellow soyabean meal.

During the course of cargo discharge, the master of the vessel reported that some of the soyabean meal near the bulkhead in one of the vessel's holds was found to be discoloured.

A surveyor was immediately appointed to attend at the discharge port. He found that

### FEEDBACK

THE Club has been greatly encouraged by the response to its StopLoss Bulletin, which serves to supplement its ongoing loss prevention initiatives. Meanwhile, Nigel Hartley and his colleagues in the London Club's loss prevention department will be happy to answer any queries on +44 (0)171 772 8000.



*Soyabean meal - not always quite the innocuous cargo it might look when shipped by sea*

an estimated 400 metric tons of the soyabean meal cargo was caked, partly moulding, and discoloured to a height of about fourteen metres, a thickness of more than one metre, and a width of five metres.

He confirmed that this was in the vicinity of the vessel's heavy fuel oil tanks, on both the port and starboard side, immediately behind the engineroom bulkhead.

Security was requested for a grossly inflated figure, given the invoice value of the cargo, but one which could not be negotiated down to a more realistic amount.

Such incidents may arise due to an inherent problem with the cargo and/or heat radiating from the oil tanks. Ships' staff should be made

aware of this potential problem when any sensitive cargo is being carried adjacent to heated bulkheads, and take appropriate steps to prevent or minimise any damage.

### Financial responsibility in Jamaican waters

THE recently enacted Jamaica Shipping Act requires foreign vessels trading in Jamaican waters to provide evidence of financial responsibility as an indemnity for third party claims.

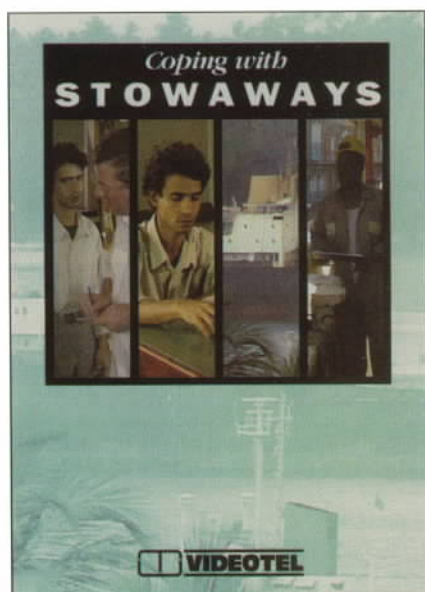
But until it is agreed what form such evidence should take, a copy of the insurance certificate will be deemed satisfactory proof of financial responsibility.



## New video explains how to deal with stowaways

**M**ORE and more people are illegally trying to board ships in ports around the world. For many of these people, shipping represents a convenient way of escaping from the problems that face them in their home country. For shipowners and their crews, meanwhile, the problems represented by stowaways cannot be over-estimated.

The dilemma facing shipowners and operators today is how best to deal with stowaways in a humane manner which at the same time recognises the need for commercial expediency. This can be a traumatic, costly, time-consuming and often dangerous exercise.



The best way to deal with stowaways is to stop them becoming stowaways in the first place, by preventing them getting on board.

Easier said than done. But help is now at hand in the form of a new video and booklet from Videotel Productions entitled *Coping with Stowaways*. Produced in association with Bilbroughs, the video and booklet can

be used during training sessions to help instruct officers and crew in how to prevent stowaways gaining access to their ships.

For information on hiring or buying the video, call Videotel on 44 171 299 1800, or fax them on 44 171 299 1818. London Club members are entitled to a discount of twenty per cent on these products.

### Brazil crew problems

FOREIGN-flag vessels on charter to Brazilian companies carrying out coastal or inland voyages are at risk of being fined, and their crews deported by immigration authorities, if crew members do not have the requisite Visa Type V.

This visa is usually only issued to foreigners who propose to work in Brazil and who are employed by Brazilian companies under a contract of employment.

Immigration control authorities are currently prevented from actually collecting the fines and deporting crew members pending the outcome of an appeal by owners affected by this problem.

Club correspondents and lawyers have meanwhile protested to the Brazilian government that Visa Type V cannot be obtained by foreign crew members. All parties are awaiting the outcome of a new ordinance drafted by the immigration council and sent to its legal department for analysis.

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