



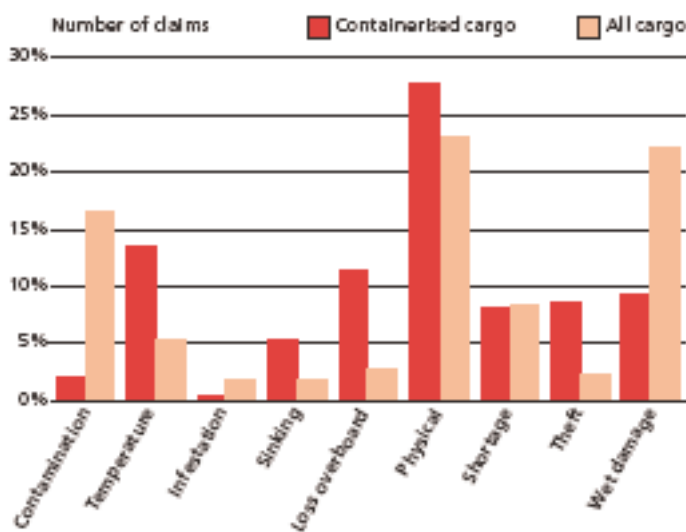
Carefully to Carry

Cargo damage – the causes

The container revolution of the 1960s was deemed to be the solution to limiting cargo damage, but has experience proved otherwise?

A considerable proportion of the UK Club's time is taken up handling container cargo claims where 25% of the damage is physical, 14% temperature related, 11% containers lost overboard, 9% theft and 8% shortage.*

The graph below shows how these compare to damages of all the UK Club's large cargo claims and highlights some of the real benefits, or otherwise, of containerisation.

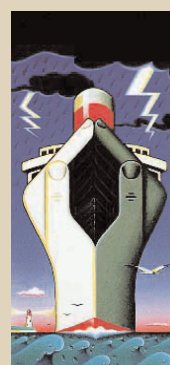


Large cargo claims – Type of damage

It is worrying that one of the biggest contributory causes of container cargo damage is bad stowage – causing nearly 20% of the claims. It would seem that we have merely shifted the cargo damage problem further back up the transit chain.

Shore error now accounts for around 27% of large container cargo claims compared with 19% for all types of cargo claim, tie this in with bad stowage statistics and it seems to point to problems originating at the time of stuffing.

We seem to have substituted problems in one large container (the ship) to problems in a lot of smaller containers (the container). With around 12,000,000 containers in circulation and 95,000,000 loaded container movements each year, this seems to be a real problem for the industry.



“The carrier shall properly and carefully load, handle, stow, carry, keep, care for and discharge the goods carried.”

Hague Rules, Articles iii, Rule 2

Carefully to Carry Advisory Committee

This report was produced by the Carefully to Carry Committee – the UK P&I Club's advisory committee on cargo matters. The aim of the Carefully to Carry Committee is to reduce claims through contemporaneous advice to the Club's Members through the most efficient means available.

The committee was established in 1961 and has produced many articles on cargoes that cause claims and other cargo related issues such as hold washing, cargo securing, and ventilation.

The quality of advice given has established Carefully to Carry as a key source of guidance for shipowners and ships' officers. In addition, the articles have frequently been the source of expertise in negotiations over the settlement of claims and have also been relied on in court hearings.

In 2002 all articles were revised and published in book form as well as on disk. All articles are also available to Members on the Club website. Visit the Carefully to Carry section in the Loss Prevention area of the Club website www.ukpandi.com for more information, or contact the Loss Prevention Department.

Although it is a major cause of container cargo damage, it would be wrong to lay the origin of all container cargo claims on bad stowage alone. Listed below are many other reasons for damage:

- Lack of export packaging.
- Increased use of weak retail packaging.
- Inadequate ventilation.
- Wrong choice of container.
- Poor condition of container.
- Lack of effective container interchange inspection.
- Ineffective sealing arrangements.
- Lack of clear carriage instructions.
- Ineffective internal cleaning.
- Contaminated floors (taint).
- Wrong temperature settings.
- Condensation.
- Overloading.
- Poor distribution of cargo weight.
- Wrong air flow settings.
- Wrongly declared cargo.
- B/L temperature notations misleading/unachievable.
- Lack of reefer points
- Organised crime.
- Heavy containers stowed on light.
- Stack weights exceeded.
- Heat sensitive cargoes stowed on/adjacent to heated bunker tanks or in direct sunlight.
- Fragile cargoes stowed in areas of high motion.
- Damaged, worn, mixed securing equipment.
- Poor monitoring of temperatures.
- Wrong use of temperature controls.

As an insurer finding and highlighting the problems and where the money goes is easy. Rectifying those problems unfortunately is not.