

UK P&I CLUB



# Top 25 causes of container Claims

*A loss prevention advice checklist  
for container operators*

UK P&I CLUB  
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Damaged Container & Cargo

Damages to cargo only

Wet damage

Temperature damage

# The types of incidents that occur to containerised cargo

This is a quick reference breaking down of types of incidents that occur to containerised cargo, listing the incidents, the cause of incidents, identifying any documentation needed, and identifying any loss preventative steps that can be taken.

1. **Damage to the container and potentially the cargo inside.**
2. **Damages and losses to cargo inside a sound container.**
3. **Wet damage to the cargo inside a container.**
4. **Temperature damage to reefer cargo.**

## Key references to note

### Sub-Contractor could be:

- The barge owners.
- The container freight station.
- The load port terminal.
- The transhipment port terminal.
- The discharge port terminal.
- The railway company.
- The road haulage company.
- The stevedores company.

### Charter Party could be with:

- Owners of ocean vessel.
- Owners of feeder vessel.
- Joint service partner as vessel provider.
- Joint service partner as space charterer.
- Charterers.

### The Merchant under the bill of lading could be:

- The notify party.
- The shipper.
- The consignor.
- The consignee.
- The owner and receiver of the goods.
- The holder of the original bill of lading.
- Any other party acting on their behalf of the holder.

### The mandatory Claim Documents should be:

- The statement of claim.
- Copy of the original bill of lading.
- Proof of title to the goods.
- The commercial invoice.
- The packing list.
- An independent expert's report.

Checklist

# Damage to the container and potentially the cargo inside

Damage	Cause	Documents needed	Loss prevention advice
<b>Broken container doors</b>	<ul style="list-style-type: none"> <li>→ Poor handling of heavy lift equipment</li> <li>→ RTA (Road Traffic Accident)</li> <li>→ Pilferage</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Gate in EIR at origin</li> <li><input type="checkbox"/> Gate out EIR at discharge</li> <li><input type="checkbox"/> Sub-contractor's damage/loss report</li> <li><input type="checkbox"/> Sub-contractor's contract with Member</li> <li><input type="checkbox"/> Container track</li> <li><input type="checkbox"/> Copy of bill of lading</li> <li><input type="checkbox"/> Witness statement if any</li> <li><input type="checkbox"/> Road haulage documents</li> <li><input type="checkbox"/> Delivery Notes</li> <li><input type="checkbox"/> Police Reports</li> <li><input type="checkbox"/> Equipment interchange report</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Check condition of container frames at terminal in gate.</li> <li><input type="checkbox"/> Issue note to shipper advising them of damages.</li> <li><input type="checkbox"/> Personnel present on quayside during handling operations to individually observe container condition.</li> <li><input type="checkbox"/> Container maintenance schedule established in order to confirm the units good condition upon despatch from the container yard. If rented unit, documents provided to confirm container maintenance/inspection prior to release to loading location.</li> <li><input type="checkbox"/> Repair effected (if possible) prior to container being loaded to vessel</li> <li><input type="checkbox"/> If unrepairable, extent of damage established prior to loading to carrying vessel, to consider sea worthiness of unit. Possible devan-revan of cargo either prior to or subsequent to shipment.</li> <li><input type="checkbox"/> Surveyors' attendance at devanning location if reserves are raised regarding damaged/missing cargo and mitigation.</li> <li><input type="checkbox"/> Issue note to shipper if damage noted prior to despatch.</li> </ul>
<b>Collapse of stow and loss of container on board a vessel</b>	<ul style="list-style-type: none"> <li>→ Bad weather</li> <li>→ Collision</li> <li>→ Grounding</li> <li>→ Sinking</li> <li>→ Poor stowage by the crew</li> <li>→ Shipper's miss declared cargo weight</li> <li>→ Shipper's improper stowage of cargo inside the container</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Sub-contractor's damage/loss report</li> <li><input type="checkbox"/> Sub-contractor's contract with Member</li> <li><input type="checkbox"/> Copy of bill of lading</li> <li><input type="checkbox"/> Witness statement if any</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Diligent passage planning to minimise chances of vessel grounding/getting caught in bad weather.</li> <li><input type="checkbox"/> Receive and act on latest weather forecasts to avoid severe weather.</li> <li><input type="checkbox"/> Try to avoid excessive vessel motions by timely alteration of course or speed or both.</li> <li><input type="checkbox"/> Follow Colregs to minimise chances of collisions.</li> <li><input type="checkbox"/> Check that each container has been assigned a Verified Gross Mass (VGM) in line with new SOLAS regs which came into force 1st July 2016.</li> <li><input type="checkbox"/> Educate shippers not to load containers asymmetrically or over load containers.</li> <li><input type="checkbox"/> Check stack and lashing forces using class approved lashing program.</li> <li><input type="checkbox"/> Check that lashings have been applied correctly by stevedores.</li> <li><input type="checkbox"/> Crew should regularly check and tighten lashings as required.</li> <li><input type="checkbox"/> Condition of lashing equipment should be monitored and any damaged or worn gear should be replaced.</li> <li><input type="checkbox"/> Check condition of container frames and corner castings at terminal prior to loading.</li> </ul>

Damage	Cause	Documents needed	Loss prevention advice
			<ul style="list-style-type: none"> <li><input type="checkbox"/> Educate shippers not to load containers asymmetrically or over load containers.</li> <li><input type="checkbox"/> Educate shippers how to correctly stow cargo in a container. Reference <a href="#">IMO MSC. 1/Circ. 1497 IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code)</a> and <a href="#">MSC.1/Circ. 1498 Informative Material related to the IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code)</a>.</li> </ul>
<p><b>Dented and scratched container</b></p>	<ul style="list-style-type: none"> <li>→ Poor handling of heavy lift equipment</li> <li>→ RTA (Road Traffic Accident)</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Gate in EIR at origin</li> <li><input type="checkbox"/> Gate out EIR at discharge</li> <li><input type="checkbox"/> Sub-contractor's damage/loss report</li> <li><input type="checkbox"/> Sub-contractor's contract with Member</li> <li><input type="checkbox"/> Container track</li> <li><input type="checkbox"/> Copy of bill of lading</li> <li><input type="checkbox"/> Witness statement if any</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Extent of damage to be established (re ISO measurements). Container stopped if necessary ASAP for devan-revan).</li> <li><input type="checkbox"/> Check condition of container frames at terminal in gate.</li> <li><input type="checkbox"/> Issue note to shipper advising them of damages.</li> </ul>
<p><b>Dropped container</b></p>	<ul style="list-style-type: none"> <li>→ Poor handling of heavy lift equipment</li> <li>→ Faulty heavy lift equipment</li> <li>→ Cargo overweight limit</li> <li>→ Uneven distributed weight inside the container</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Witness statement if any</li> <li><input type="checkbox"/> VGM</li> <li><input type="checkbox"/> Weighbridge tickets</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> VGM.</li> <li><input type="checkbox"/> Weighbridge tickets.</li> <li><input type="checkbox"/> Look for particular shipper re weight distribution if previous history exists.</li> <li><input type="checkbox"/> Check condition of container corner castings at terminal in gate.</li> <li><input type="checkbox"/> Issue note to shipper advising them of damages.</li> <li><input type="checkbox"/> Educate shippers not to load containers asymmetrically or over load containers.</li> <li><input type="checkbox"/> Educate shippers how to correctly stow cargo in a container. Reference <a href="#">IMO MSC. 1/Circ. 1497 IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code)</a> and <a href="#">MSC.1/Circ. 1498 Informative Material related to the IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code)</a>.</li> </ul>

Damage	Cause	Documents needed	Loss prevention advice
<b>Heat damage</b>	<ul style="list-style-type: none"> <li>→ Miss-declared Dangerous goods catching fire</li> <li>→ Fire on board</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> DG Manifest</li> <li><input type="checkbox"/> IMDG Code</li> <li><input type="checkbox"/> Specific advices from shipper/consignee</li> <li><input type="checkbox"/> Safety data sheet for DG goods</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Look for particular shipper re number of claims (previous history).</li> <li><input type="checkbox"/> Compliance with IMDG Code regulations for segregation/heat sources.</li> <li><input type="checkbox"/> Permission to work on board (re hot work).</li> <li><input type="checkbox"/> Hot area stowage (Engine rooms/heated fuel tanks).</li> </ul>
<b>Hole in Container</b>	<ul style="list-style-type: none"> <li>→ Poor handling of heavy lift equipment</li> <li>→ Hit by a moving vehicle</li> <li>→ Hit by another container during shifting</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Gate in EIR at origin</li> <li><input type="checkbox"/> Gate out EIR at discharge</li> <li><input type="checkbox"/> Sub-contractor's damage/loss report</li> <li><input type="checkbox"/> Sub-contractor's contract with Member</li> <li><input type="checkbox"/> Container track</li> <li><input type="checkbox"/> Copy of bill of lading</li> <li><input type="checkbox"/> Witness statement if any</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Personnel present on quayside and/or main hub during handling operations to individually observe container condition.</li> <li><input type="checkbox"/> Container maintenance schedule established in order to confirm the units good condition upon despatch from the container yard. If rented unit, documents provided to confirm container maintenance/inspection prior to release to loading location.</li> <li><input type="checkbox"/> If reported/known before loading to carrying vessel or subsequent to discharge from carrying vessel, nature of cargo should be established and if possible, temporary repairs carried out. If considered unsuitable for temporary repair, devan-revan should be considered to prevent cargo claim.</li> <li><input type="checkbox"/> Regular container inspection for corrosion and wear, particularly corner castings areas on roof (6 months minimum).</li> </ul>
<b>Road accident</b>	<ul style="list-style-type: none"> <li>→ Truck going too fast</li> <li>→ Shipper's improper stowage of cargo inside the container</li> <li>→ Weather conditions</li> <li>→ Poor road conditions</li> <li>→ Driver fatigue</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Witness statement if any</li> <li><input type="checkbox"/> Police Reports</li> <li><input type="checkbox"/> Tachograph Data</li> <li><input type="checkbox"/> Drivers statement</li> <li><input type="checkbox"/> Traffic data</li> <li><input type="checkbox"/> CMR/Transit document</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Consider Bill of Lading/Invoice terms regarding responsibility for road haulage.</li> <li><input type="checkbox"/> Integrity, quality and professionalism of road hauliers used by carrier dependent upon terms).</li> <li><input type="checkbox"/> If prior to loading to carrying vessel, extent of damage estimated and consideration given to devan-revan of cargo.</li> <li><input type="checkbox"/> Survey following incident to establish, if possible, whether cargo was correctly stowed/secured, particularly with regard to cargo distribution (top heavy) and, to establish appropriate actions to mitigate any loss.</li> <li><input type="checkbox"/> High value goods subjected to container loading inspection at shippers' premises (subject to limit). (equivalent abt. £50,000).</li> <li><input type="checkbox"/> Salvage potential to be explored.</li> </ul>

Damage	Cause	Documents needed	Loss prevention advice
<b>Train derailment</b>	<ul style="list-style-type: none"> <li>→ Train going too fast</li> <li>→ Poor rail maintenance</li> <li>→ Driver fatigue</li> <li>→ Extreme Weather</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Witness statement if any</li> <li><input type="checkbox"/> Driver statement</li> <li><input type="checkbox"/> Police report</li> <li><input type="checkbox"/> Rail company statement &amp; surveyors report</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Consider Bill of Lading terms regarding responsibility for pre/post shipment transit.</li> <li><input type="checkbox"/> If prior to loading to carrying vessel, extent of damage estimated and consideration given to devan-revan of cargo.</li> <li><input type="checkbox"/> Survey following incident to establish, if possible, whether cargo was correctly stowed/secured, particularly with regard to cargo distribution (top heavy), to investigate circumstances surrounding the incident (train speed etc.) and to establish appropriate actions to mitigate any losses.</li> <li><input type="checkbox"/> Salvage potential to be explored.</li> </ul>

Checklist

# Damages and losses to cargo inside a sound container



Damage	Cause	Documents needed	Loss prevention advice
<b>Collapse of stow</b>	→ Shipper's improper stowage of cargo inside the container	<ul style="list-style-type: none"> <li><input type="checkbox"/> Stowage plans from shipper</li> <li><input type="checkbox"/> IMO Guide for container stuffing (CTU Guide) <a href="#">MSC 1/Circ. 1498 Particularly heavy/irregular cargoes</a></li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Educate shippers not to load containers asymmetrically or overload containers.</li> <li><input type="checkbox"/> Educate shippers how to correctly stow cargo in a container Reference <a href="#">IMO MSC. 1/Circ. 1497 IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code)</a> and <a href="#">MSC.1/Circ. 1498 Informative Material related to the IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code)</a>.</li> <li><input type="checkbox"/> Surveyors instructed quickly once cargo damage reported so to establish nature of cargo stowage/securing. Even if cargo de-vanned, remnants of securing material may provide an insight.</li> <li><input type="checkbox"/> Establish if pattern has emerged with cargo damage from particular shippers. If so, surveyors' attendance at shippers premises to observe and if necessary, assist in safe stowage.</li> </ul>
<b>Contamination</b>	<ul style="list-style-type: none"> <li>→ Preloading cargo infestation</li> <li>→ Tainting by previous cargo</li> <li>→ Tainting by floor preservative</li> <li>→ Tainting by pallet preservative</li> <li>→ Taint from other cargo (same/adjacent containers)</li> <li>→ Wetting (damaged container)</li> <li>→ Cargo leakage</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Cargo manifest (updated)</li> <li><input type="checkbox"/> Material Safety Data Sheet (if relevant)</li> <li><input type="checkbox"/> Fumigation Certificates (if appropriate)</li> <li><input type="checkbox"/> Phytosanitary/ Veterinary Certificates (if relevant)</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Compatibility of cargo within same container (LCL containers).</li> <li><input type="checkbox"/> Pre shipment inspection during loading (high value cargo).</li> <li><input type="checkbox"/> Documents obtained from source (rental company / container yard) confirming that containers have been cleaned / fumigated prior to release. This should include confirmation that no infestation is present and that any "taint" has been eliminated. Once allegations have been made regarding "taint", attempts could be made to establish the nature of previous cargo to confirm validity of claim.</li> <li><input type="checkbox"/> Immediate surveyors' attendance to confirm any presence of "taint" and whether this could be removed through ventilation.</li> <li><input type="checkbox"/> Tainting by floor preservative is difficult. How could one establish what has been used? Could this possibly be a locality issue? i.e., more stringent rules on preservatives used in Australasian areas than others. Or, could this be epoxy used to fit/repair floors. Again, this could be controlled through cleaning / fumigation and ventilation at source, prior to the container being delivered to loading locations.</li> <li><input type="checkbox"/> Pallet preservative taint would be unusual. Although pallets are often treated with methyl bromide, the concentration used should be insufficient to produce significant odour. If allegations are made regarding pallet taint, we would recommend immediate attendance by surveyors to confirm, assuming the cargo is stated as "shippers load, stow and count" on the relevant Bills of Lading, that the pallet taint is of pre shipment origin.</li> </ul>

Damage	Cause	Documents needed	Loss prevention advice
<b>Delayed cargo delivery</b>	<ul style="list-style-type: none"> <li>→ Collision</li> <li>→ Grounding</li> <li>→ Fire on board</li> <li>→ Ship's slot availability</li> <li>→ Engine failure</li> </ul>		<ul style="list-style-type: none"> <li><input type="checkbox"/> Once delivery is made, surveyor's attendance in order to establish the time sensitive nature of any cargo subjected to delay and the measures taken by cargo receivers to mitigate loss.</li> <li><input type="checkbox"/> Diligent passage planning to minimise chances of vessel grounding/getting delayed due to bad weather.</li> <li><input type="checkbox"/> Receive and act on latest weather forecasts to avoid severe weather.</li> <li><input type="checkbox"/> Follow Colregs to minimise chances of collisions.</li> <li><input type="checkbox"/> Monitor machinery in order to pre-empt failure.</li> <li><input type="checkbox"/> Follow planned maintenance systems to minimise chances of machinery failure.</li> <li><input type="checkbox"/> Ensure DG cargoes correctly stowed to avoid fire incidents.</li> <li><input type="checkbox"/> Implement effective planning systems to reduce instances of slot unavailability. Good communication between planning office and the vessel will aid effective planning of the containers. Any foreseeable situations that may impact of slot availability (such as repair work to hatch covers etc.) should be advised to the planners as early as possible.</li> </ul>
<b>Heat damage</b>	<ul style="list-style-type: none"> <li>→ Container stowed near a heated area on board</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> DG Manifest</li> <li><input type="checkbox"/> IMDG Code</li> <li><input type="checkbox"/> Specific advices from shipper/consignee</li> <li><input type="checkbox"/> Material Safety Data Sheet for DG goods</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Compliance with IMDG Code regulations for segregation/heat sources.</li> <li><input type="checkbox"/> Permission to work on board (re hot work).</li> <li><input type="checkbox"/> Hot area stowage (Engine rooms/heated fuel tanks).</li> </ul>
<b>Infestation</b>	<ul style="list-style-type: none"> <li>→ Insects</li> <li>→ Vermin</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Fumigation Certificates (if appropriate)</li> <li><input type="checkbox"/> Phytosanitary Certificate</li> <li><input type="checkbox"/> Veterinary Export Certificate</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Documents obtained from source (rental company / container yard) confirming that containers have been cleaned / fumigated prior to release. This should include confirmation that no infestation is present. Surveyors' attendance in order to confirm the nature of cargo, (attractiveness to reported insects/vermin) extent of infestation, damage as a result and likely origin.</li> </ul>
<b>Leakages</b>	<ul style="list-style-type: none"> <li>→ Shipper's improper stowage of cargo inside the container</li> <li>→ Shipper's improper packaging of the cargo</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Shippers load / stow plan</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Surveyors' attendance upon discovery of leakage to establish the nature and extent thereof and suitability of stowage/packaging.</li> <li><input type="checkbox"/> Establish if pattern has emerged with cargo damage from particular shippers. If so, surveyors' attendance at shippers premises to advise suitable packaging and assist in appropriate stowage especially on high value cargoes.</li> </ul>

Damage	Cause	Documents needed	Loss prevention advice
<b>Uncollected cargo</b>	<ul style="list-style-type: none"> <li>→ The Merchant cannot receive the cargo</li> <li>→ The Merchant will not receive the cargo</li> <li>→ Merchant bankruptcy</li> <li>→ Market issues</li> <li>→ Mis-described cargo</li> </ul>		<ul style="list-style-type: none"> <li>□ Establish whether the Merchant intends to receive the cargo in due course. If so, charge demurrage as appropriate. If cargo uncollected after a reasonable length of time, place the goods into the hands of surveyors for salvage disposal.</li> </ul>

Checklist

# Wet damage to cargo inside a container

Damage	Cause	Documents needed	Loss prevention advice
<b>Condensation</b>	<ul style="list-style-type: none"> <li>→ Inherent vice of the cargo</li> <li>→ Wooden pallets with high water content</li> <li>→ Transit through hot and cold temperatures</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Documents re moisture content (Certificates)</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Surveyor's attendance once cargo is de-vanned in order to confirm inherent vice of cargo or high moisture content of pallet boards (both pre transit issues).</li> <li><input type="checkbox"/> All free standing containers have small ventilation ducts to the upper side corners. These are designed to allow reasonable airflow into the container and thus reduce the risk of climatic condensation. Often shippers choose to tape these ventilators closed. These could be checked prior to the containers being delivered to the shippers premises and a document issued to confirm the ventilators were not sealed.</li> <li><input type="checkbox"/> The shippers and receivers would need to take a degree of responsibility whilst stowing condensation sensitive cargoes, by the use of desiccant bags and Kraft liner paper over the surface of the stowed cargo. It could also be established whether it is a limited number of commodities or the goods from particular suppliers that are subject of claim due to climatic condensation. If this is the case, those concerned could be assisted by stowage advice.</li> <li><input type="checkbox"/> Stowage method (Space to top of stow).</li> </ul>
<b>Container doors with worn rubber seals</b>	<ul style="list-style-type: none"> <li>→ Poor maintenance</li> </ul>		<ul style="list-style-type: none"> <li><input type="checkbox"/> Regular container inspections.</li> <li><input type="checkbox"/> Pre stuffing inspection at shippers premises for high value cargoes.</li> <li><input type="checkbox"/> Container maintenance schedule established. If rented unit, documents provided to confirm container maintenance/inspection prior to release.</li> <li><input type="checkbox"/> Repair effected (if possible) prior to container being loaded to vessel.</li> <li><input type="checkbox"/> Extent of cargo damage established by surveyors following devanning, in order to minimise loss.</li> <li><input type="checkbox"/> Container removed from service until full repair carried out.</li> </ul>
<b>Container dropped in water</b>	<ul style="list-style-type: none"> <li>→ Poor handling of heavy lift equipment</li> <li>→ Faulty heavy lift equipment</li> <li>→ Cargo overweight limit</li> <li>→ Uneven distributed weight inside the container</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Witness statement if any</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Check condition of container frames and corner castings at terminal prior to loading.</li> <li><input type="checkbox"/> Check that each container has been assigned a Verified Gross Mass (VGM) in line with new SOLAS regs which came into force 1st July 2016.</li> <li><input type="checkbox"/> Educate shippers not to load containers asymmetrically or over load containers.</li> </ul>

Damage	Cause	Documents needed	Loss prevention advice
<b>Container lost overboard</b>	<ul style="list-style-type: none"> <li>→ Bad weather collapse of stow on board vessel</li> <li>→ Poor lashing collapse of stow on board vessel</li> <li>→ Collision</li> <li>→ Grounding</li> <li>→ Sinking</li> </ul>		<ul style="list-style-type: none"> <li><input type="checkbox"/> Diligent passage planning to minimise chances of vessel grounding/getting caught in bad weather.</li> <li><input type="checkbox"/> Receive and act on latest weather forecasts to avoid severe weather.</li> <li><input type="checkbox"/> Try to avoid excessive vessel motions by timely alteration of course or speed or both.</li> <li><input type="checkbox"/> Follow Colregs to minimise chances of collisions.</li> <li><input type="checkbox"/> Check that each container has been assigned a Verified Gross Mass (VGM) in line with new SOLAS regs which came into force 1st July 2016.</li> <li><input type="checkbox"/> Check stack and lashing forces using class approved lashing program.</li> <li><input type="checkbox"/> Check that lashings have been applied correctly by stevedores.</li> <li><input type="checkbox"/> Crew should regularly check and tighten lashings as required.</li> <li><input type="checkbox"/> Condition of lashing equipment should be monitored and any damaged or worn gear should be replaced.</li> <li><input type="checkbox"/> Check condition of container frames and corner castings at terminal prior to loading.</li> <li><input type="checkbox"/> Educate shippers not to load containers asymmetrically or over load containers.</li> <li><input type="checkbox"/> Educate shippers how to correctly stow cargo in a container. Reference <a href="#">IMO MSC. 1/Circ. 1497 IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code)</a> and <a href="#">MSC.1/Circ. 1498 Informative Material related to the IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code)</a>.</li> </ul>
<b>Flooded Container Freight Station</b>	<ul style="list-style-type: none"> <li>→ Bad weather</li> <li>→ Prone to flooding (water source nearby)</li> </ul>		<ul style="list-style-type: none"> <li><input type="checkbox"/> Surveyors' attendance in order to establish extent and location of damage, position of the container and suitability of facility. If not regarded as total loss scenario, follow up survey once container delivered to ensure receivers mitigation.</li> <li><input type="checkbox"/> If regular occurrence at one station, surveyor's attendance to establish station conditions.</li> </ul>
<b>Flooded hold</b>	<ul style="list-style-type: none"> <li>→ Bad weather</li> <li>→ Faulty hatch cover seals</li> </ul>		<ul style="list-style-type: none"> <li><input type="checkbox"/> Inspect hatch cover seals on a regular basis and repair as necessary.</li> <li><input type="checkbox"/> Inspect and maintain seals on all entry points to the vessels hold.</li> <li><input type="checkbox"/> Check and clean hold bilges on a regular basis.</li> <li><input type="checkbox"/> Check bilge alarms are functioning correctly and investigate any alarms.</li> <li><input type="checkbox"/> Avoid shipping water on deck/hatches as much as possible by prudent ship handling and correct weather routing.</li> </ul>

Damage	Cause	Documents needed	Loss prevention advice
<b>Flooded port terminal</b>	→ Bad weather		<ul style="list-style-type: none"> <li><input type="checkbox"/> Surveyors' attendance in order to establish extent and location of damage, position of the container and suitability of facility. Follow up survey, once container delivered, to ensure receivers mitigation.</li> <li><input type="checkbox"/> If regular occurrence at one terminal, surveyor's attendance to establish terminal conditions.</li> </ul>
<b>Water ingress through hole in container</b>	<ul style="list-style-type: none"> <li>→ The holes are not usually noticed on top of the container</li> <li>→ Nobody reports the damage</li> <li>→ The hole is left to allow water to ingress</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Pre loading inspection report</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Container holes are not usually noticed at first, and could allow rain water to ingress.</li> <li><input type="checkbox"/> A simple patch up could have stopped water ingress.</li> <li><input type="checkbox"/> Pre transit inspection of container internally and externally at source (Documents obtained from source (rental company/container yard) confirming that containers are visibly undamaged prior to release to shippers.</li> <li><input type="checkbox"/> Container removed from service until full repair carried out.</li> </ul>
<b>Water damage by flooded ship's hold</b>	<ul style="list-style-type: none"> <li>→ Ballast water tank full</li> <li>→ Bilge tank full</li> <li>→ Hatch covers with worn seals</li> <li>→ Access covers with worn seals</li> <li>→ Burst/broken pipes</li> <li>→ Broken non return valves</li> <li>→ Broken sounding pipe</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Bay plan position</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Inspect hatch cover seals on a regular basis and repair as necessary.</li> <li><input type="checkbox"/> Inspect and maintain seals on all entry points to the vessels hold.</li> <li><input type="checkbox"/> Keep a watch on level of ballast tanks when ballasting and stop ballast pumps when full. Do not continue to pump ballast into tanks once the tank is overflowing through air vents.</li> <li><input type="checkbox"/> Follow correct ballasting procedures. Check valve positions before commencing ballasting/de-ballasting.</li> <li><input type="checkbox"/> Check and clean hold bilges on a regular basis.</li> <li><input type="checkbox"/> Check bilge alarms are functioning correctly and investigate any alarms.</li> <li><input type="checkbox"/> Ensure ballast systems are well maintained (values and pipes). Follow planned maintenance systems.</li> <li><input type="checkbox"/> Ensure sounding systems are well maintained. Follow planned maintenance systems.</li> <li><input type="checkbox"/> Avoid shipping water on deck/hatches as much as possible by prudent ship handling.</li> </ul>

Damage	Cause	Documents needed	Loss prevention advice
<b>Cargo cannot be delivered due to cold treatment failure</b>	<ul style="list-style-type: none"> <li>→ Use of containers over five years old that can only spot read</li> <li>→ Container defrosting</li> <li>→ Change of equipment vehicle carriage</li> <li>→ Incorrect probe locations</li> <li>→ Incorrect settings made on reefer container by Merchant</li> <li>→ Incorrect settings made on reefer container by sub-contractor</li> <li>→ No electricity supply to reefer container</li> <li>→ Reefer container unit malfunction</li> <li>→ Cargo warm loaded</li> <li>→ Late harvest</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Bill of lading NVOCC if applicable</li> <li><input type="checkbox"/> Bill of lading</li> <li><input type="checkbox"/> Container track</li> <li><input type="checkbox"/> Data Logger download text file</li> <li><input type="checkbox"/> EIR Gate in at origin</li> <li><input type="checkbox"/> EIR Gate out at discharge</li> <li><input type="checkbox"/> Health authorities condemnation of cargo</li> <li><input type="checkbox"/> Letter placing Merchants on notice</li> <li><input type="checkbox"/> Letter placing sub-contractor on notice</li> <li><input type="checkbox"/> Mandatory claim documents (see above)</li> <li><input type="checkbox"/> Photographs</li> <li><input type="checkbox"/> PTI (Container's pre-trip inspection)</li> <li><input type="checkbox"/> Relevant correspondence with the shipper</li> <li><input type="checkbox"/> Relevant correspondence with the sub-contractor</li> <li><input type="checkbox"/> Salvage invoices</li> <li><input type="checkbox"/> Stacking position for container stacked in Port terminal</li> <li><input type="checkbox"/> Stacking position for container stacked in the CFS, if applicable</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Old container used: Ensure that booking and allocation of containers have procedures in place to ensure that only newer containers are used, and that bookings are not accepted if the correct equipment is not available.</li> <li><input type="checkbox"/> Defrosting: If failure is due to USDA probe temperature deviations during defrost, investigate the exact placement of the probes. If improvements can be made, discuss with shipper and responsible authorities. Ensure clausuring of Bs/L with special C/T clause is being applied, to exempt carrier from liability where no malfunction or other deviation from the set C/T procedures has occurred.</li> <li><input type="checkbox"/> Incorrect settings: Investigate where the wrong setting occurred, what was the root cause, and could it have been caught by monitoring before damage ensued. Based on result, review procedures and ensure involved parties are following them.</li> <li><input type="checkbox"/> No electricity/Malfunction: Investigate whether it could have been avoided, where it occurred and if more could have been done to repair before damage ensued. Inform involved/responsible parties.</li> <li><input type="checkbox"/> Warm load/Late harvest: Losses caused by these factors should be discussed with shippers for their corrective action. Where a given problem persists, acceptance of such shipments should be re-considered.</li> <li><input type="checkbox"/> When the cargo is potentially damaged, appointing a surveyor should be considered, unless the cargo is of low value or only a small amount of the cargo is being claimed as damaged.</li> </ul>



Damage	Cause	Documents needed	Loss prevention advice
		<ul style="list-style-type: none"> <li><input type="checkbox"/> Stacking position for container stacked on the Ship, Bay plans</li> <li><input type="checkbox"/> Sub-contractor's applicable temperature logs</li> <li><input type="checkbox"/> Sub-contractor's contract with Member</li> <li><input type="checkbox"/> Sub-contractor's damage/loss report</li> <li><input type="checkbox"/> USDA probe positioning plan</li> <li><input type="checkbox"/> Witness statement if any</li> </ul>	
<p><b>Cargo cannot be delivered due to fumigation treatment</b></p>	<ul style="list-style-type: none"> <li>→ Incorrect fumigation type</li> <li>→ Insufficient fumigation</li> <li>→ No fumigation certificate issued</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Bill of lading NVOCC if applicable</li> <li><input type="checkbox"/> Bill of lading</li> <li><input type="checkbox"/> Container track</li> <li><input type="checkbox"/> Data Logger download text file</li> <li><input type="checkbox"/> Fumigation certificate</li> <li><input type="checkbox"/> Health authorities condemnation of cargo</li> <li><input type="checkbox"/> Letter placing shipper on notice</li> <li><input type="checkbox"/> Letter placing sub-contractor on notice</li> <li><input type="checkbox"/> Mandatory claim documents (see above)</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Losses caused by these factors would often be technical losses, since it is not so much related to the inherent quality of the product but its conformance to trade/legal standards after preparation for export. This should be discussed with shippers for their corrective action. Where a given problem persists, acceptance of such shipments should be re-considered.</li> <li><input type="checkbox"/> When the cargo is potentially damaged, appointing a surveyor should be considered, unless the cargo is of low value or only a small amount of the cargo is being claimed as damaged.</li> </ul>

Damage	Cause	Documents needed	Loss prevention advice
		<ul style="list-style-type: none"> <li><input type="checkbox"/> Photographs</li> <li><input type="checkbox"/> PTI (Container's pre-trip inspection)</li> <li><input type="checkbox"/> Relevant correspondence with Health authorities</li> <li><input type="checkbox"/> Relevant correspondence with the shipper</li> <li><input type="checkbox"/> Relevant correspondence with the sub-contractor</li> <li><input type="checkbox"/> Salvage invoices</li> <li><input type="checkbox"/> Sub-contractor's applicable temperature logs</li> <li><input type="checkbox"/> Sub-contractor's contract with Member</li> <li><input type="checkbox"/> Sub-contractor's damage/loss report</li> <li><input type="checkbox"/> Witness statement if any</li> </ul>	

Checklist

# Temperature damage to reefer cargo

Damage	Cause	Documents needed	Loss prevention advice
<b>Cargo defrosted</b>	<ul style="list-style-type: none"> <li>→ Incorrect settings made on reefer container</li> <li>→ No electricity supply to reefer container</li> <li>→ Reefer container unit malfunction</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> PTI (Container's pre-trip inspection)</li> <li><input type="checkbox"/> Data Logger download</li> <li><input type="checkbox"/> Gate in EIR at origin</li> <li><input type="checkbox"/> Gate out EIR at discharge</li> <li><input type="checkbox"/> Ship's bay plan/s</li> <li><input type="checkbox"/> Sub-contractor's damage/loss report</li> <li><input type="checkbox"/> Sub-contractor's contract with Member</li> <li><input type="checkbox"/> Container track</li> <li><input type="checkbox"/> Copy of bill of lading</li> <li><input type="checkbox"/> Witness statement if any</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Incorrect settings: Investigate where the wrong setting occurred, what was the root cause, and could it have been caught by monitoring before damage ensued. Based on result, review procedures and ensure involved parties are following them.</li> <li><input type="checkbox"/> No electricity: Investigate root cause and consider appropriate corrective action.</li> <li><input type="checkbox"/> Malfunction: Investigate whether it could have been avoided, where it occurred and if more could have been done to repair before damage ensued. Inform involved/responsible parties.</li> <li><input type="checkbox"/> When the cargo is potentially damaged, appointing a surveyor should be considered, unless the cargo is of low value or only a small amount of the cargo is being claimed as damaged.</li> </ul>
<b>Cargo gone mouldy</b>	<ul style="list-style-type: none"> <li>→ Incorrect settings made on reefer container</li> <li>→ No electricity supply to reefer container</li> <li>→ Reefer container unit malfunction</li> <li>→ Cargo warm loaded</li> <li>→ Mixture of new and old cargo</li> <li>→ Old cargo</li> <li>→ Inherent vice of the cargo</li> <li>→ Late harvest</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> PTI (Container's pre-trip inspection)</li> <li><input type="checkbox"/> Data Logger download</li> <li><input type="checkbox"/> Gate in EIR at origin</li> <li><input type="checkbox"/> Gate out EIR at discharge</li> <li><input type="checkbox"/> Ship's bay plan/s</li> <li><input type="checkbox"/> Sub-contractor's damage/loss report</li> <li><input type="checkbox"/> Sub-contractor's contract with Member</li> <li><input type="checkbox"/> Container track</li> <li><input type="checkbox"/> Copy of bill of lading</li> <li><input type="checkbox"/> Witness statement if any</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Incorrect settings: Investigate where the wrong setting occurred, what was the root cause, and could it have been caught by monitoring before damage ensued. Based on result, review procedures and ensure involved parties are following them.</li> <li><input type="checkbox"/> No electricity: Investigate root cause and consider appropriate corrective action.</li> <li><input type="checkbox"/> Malfunction: Investigate whether it could have been avoided, where it occurred and if more could have been done to repair before damage ensued. Inform involved/responsible parties.</li> <li><input type="checkbox"/> Last 6 points are related to the product itself and its preparation for transport. Losses caused by these factors should be discussed with shippers for their corrective action. Where a given problem persists, acceptance of such shipments should be re-considered.</li> <li><input type="checkbox"/> When the cargo is potentially damaged, appointing a surveyor should be considered, unless the cargo is of low value or only a small amount of the cargo is being claimed as damaged.</li> </ul>

Damage	Cause	Documents needed	Loss prevention advice
<b>Chilled cargo frozen</b>	<ul style="list-style-type: none"> <li>→ Incorrect settings made on reefer container</li> <li>→ Poor stowage by shipper causing a blocked air flow</li> <li>→ Poor packaging</li> <li>→ Cold treatment failure</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> PTI (Container's pre-trip inspection)</li> <li><input type="checkbox"/> Data Logger download</li> <li><input type="checkbox"/> Gate in EIR at origin</li> <li><input type="checkbox"/> Gate out EIR at discharge</li> <li><input type="checkbox"/> Ship's bay plan/s</li> <li><input type="checkbox"/> Sub-contractor's damage/loss report</li> <li><input type="checkbox"/> Sub-contractor's contract with Member</li> <li><input type="checkbox"/> Container track</li> <li><input type="checkbox"/> Copy of bill of lading</li> <li><input type="checkbox"/> Witness statement if any</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Incorrect settings: Investigate where the wrong setting occurred, what was the root cause, and could it have been caught by monitoring before damage ensued. Based on result, review procedures and ensure involved parties are following them.</li> <li><input type="checkbox"/> Stowage and packaging: Losses caused by these factors should be discussed with shippers for their corrective action. Where a given problem persists, acceptance of such shipments should be re-considered.</li> <li><input type="checkbox"/> When the cargo is potentially damaged, appointing a surveyor should be considered, unless the cargo is of low value or only a small amount of the cargo is being claimed as damaged.</li> </ul>

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TMC Marine, a Bureau Veritas Group Company, is a leading international marine consultancy, which was established in 1979 by three partners, each of whom brought many years of marine surveying experience to the company. TMC's greatest strength is the quality of its staff – TMC is able to offer a comprehensive range of marine surveying and consultancy services through a team of consultant surveyors (naval architects, marine engineers and master mariners) assisted by in-house technical support team.

TMC expertise assist clients in matters related to salvage and wreck removal, marine claims and accident investigations, legal disputes and litigation, surveys, inspections and audits, design and engineering consultancy, marine warranty and offshore services.

TMC has a global reach with offices in UK (London - head office, Medway, Newcastle, Southampton), Singapore, Shanghai, Melbourne and USA (Houston and Stamford)



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Jensen Associates is an independent expert consultancy and survey company, specialising in the international trade of perishable products. The company undertakes surveys and audits pertaining to fruit, vegetables, meat, seafood, plants and other perishables, providing specialist surveys and inspections worldwide through their global network of vetted surveyors. Furthermore, Jensen Associates provide training and seminars on handling of refrigerated transport units and claims prevention. They are regularly involved in arbitration and claims mediation, and act as expert witness in court cases. Further information can be found at their website, [www.jensenassoc.com](http://www.jensenassoc.com)

