

CIRCULAR

OUTLINE

- Members must notify the Club at the earliest opportunity if they intend to load nickel ore from Indonesian or Philippine ports, and may prejudice cover if they fail to do so.
- This circular details the information that needs to be advised to the Club.
- The Managers are likely to require surveys to be carried out on prospective nickel ore cargoes in the Philippines or Indonesia for the foreseeable future.
- Until further notice, the costs of such surveys will be met by the Club, with the costs being recorded against a Member's loss record.

TO THE MEMBERS

SAFE CARRIAGE OF NICKEL ORE

Advance notice to the Managers of intention to load nickel ore cargoes from ports in Indonesia or the Philippines

This circular should be read in conjunction with the previous Circular 8/12 “Dangers of carrying nickel ore from Indonesia and the Philippines – Mandatory notification requirements.” Although the volume of trade from Indonesia has reduced, nickel ore remains a common export from the Philippines. As reported in the Club's recent loss prevention bulletin number 1049 ([click here](#)), the Club is currently dealing with a case involving liquefaction of a nickel ore cargo shipped from Surigao in the Philippines, and the Managers understand that a separate incident involving a cargo loaded in the same region is ongoing.

Local correspondents in the Philippines have advised that the nature of cargo shipped from Surigao is of a particularly high clay content, which makes it harder to identify a high level of moisture in the cargo on visual inspection. Advice on the practical precautions that can be taken when loading ore cargoes can be found on the Club's website ([click here](#)).

Members are reminded of the obligation set out within Circular 8/12 to notify the Club at the earliest opportunity if they have contracted or are ordered to load a cargo of nickel ore from Indonesian or Philippine ports. In addition, Member's attention is drawn to the Nickel Ore Clause found within the Addendum to the Club's Rules both for owners and charterers. Where incorporated into a Member's terms of entry, this Clause makes advance notice to the Managers of an intention to load nickel ore cargoes from ports in Indonesia or in the Philippines a condition of a Member's insurance with the Club. The notice must include, where possible:

- ship name
- port/anchorage of loading and estimated time of arrival
- date of intended loading
- charterer/shipper's details
- agent's details
- a copy of the shipper's cargo declaration and supporting certificates

The Clause also gives the Managers discretion to require a survey of any cargo to be conducted before and during loading. In light of recent incidents, Members are advised that the Managers are likely to require surveys to be carried out for the foreseeable future. Until further notice, the costs of such surveys will be met by the Club, with the costs being recorded against a Member's loss record.

Members should also be aware that the advanced notice requirements of the Nickel Ore Clause are a condition of insurance with the Club, and where those requirements are not complied with, there may be no recovery from the Club for any liabilities or losses which are attributed to the condition of the cargo.

Yours faithfully

THE MANAGERS

For more information

Members requiring further information should call their usual Club contact.