



Ship Type: All Trade Area: Iraq

## **Bulletin 396 - 01/05 - Cargo Discharge - Iraq**

The following has been received from the Club's correspondent in Iraq.

“The situation in Iraq generally remains extremely difficult. However, the Basrah/Umm Qasr area is not so bad as Baghdad and other cities. The decision of the Moqtada Sadr followers to join the Shia political process has reduced some of the tensions in the South. It has often been very difficult to move about during the last 6 months, but the last 2 weeks have been reasonably quiet. Life is somehow continuing as normally as is possible, given the continuing lack of electricity and other basics. Umm Qasr port is relatively quiet. It is isolated by geographical location close to the Kuwaiti border, and by the extensive military presence. Traffic continues at a very low level, despite recent reductions in the port tariff. Most owners have complained that war risk premiums make the trip to Umm Qasr uneconomic and we continue to see discharge of Iraqi cargoes at a number of other ports. A further port tariff reduction is expected next month.

We hope the situation will remain stable in the next weeks but regret that nothing is predictable. So far as the ship and crew safety is concerned, we do not believe that there are particular problems. However, we do not recommend that the crew go ashore except within the immediate port area.

There are no known unusual problems in the channel through the Khawr Abdullah waterway, but the ship should be aware of the need to keep a constant check on position. The channel buoys are known to shift frequently.

We have attended discharge of various vessels in recent weeks. Average discharge rates for bagged cargo are still sometimes very low, some days down below 1,000 MT daily, but it can be possible to achieve 2,000 MT daily. Slow speed of discharge is mainly the result of shortage of trucks. This is obviously in part related to the difficult situation in the country, but it is a problem which has affected Umm Qasr for many months, and was common even before March 2003.

We strongly recommend tally and supervision of discharge of bagged cargo to minimise the problem of torn bags and shortages which are a continuing problem. On a recent voyage our tally found 1,000 bags short. Consignees and port "official" figures were 2,500. On another, which we did not attend except to check draught survey, the consignees have claimed over 5,000 bags short. We can supply labour for about US\$30 per day to keep the loss from spillage from torn bags to a reasonable minimum. Tally cost is typically about US\$0.25 per MT, depending on the speed of discharge.

We have experienced considerable difficulty with Iraqi Foodstuff Trading, who are the main State importers of bagged sugar. We are in the midst of a long and tortuous negotiation with them in respect of standard forms of guarantee for shortage and damage claims.

Bulk grain presently is less of a problem. Most grain imports are currently from Australia. We have carried out a draught survey on all grain vessels this year, and found reasonably good results. There are now three berths working for bulk grain discharge: the main silo berth and nos. 2 and 12 with mobile evacuators. Rates of discharge are variable, but it is possible to achieve 4-5,000 MT daily on the silo berth, and 3,000 MT on the other berths.

Container rates are not bad: about 20 moves per hour.”

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