MEMBER ALERT

Shipowners Claims Bureau, Inc., Manager One Battery Park Plaza 31st Fl., New York, NY 10004 USA

+1 212 847 4500 Fax: +1 212 847 4599

www.american-club.com

JANUARY 22, 2018

INTERCARGO WARNS OF HEIGHTENED INDONESIAN CARGO RISKS

The wet season (October to April) has commenced in Indonesia, and recent heavy rain has resulted in significant congestion at both loading and unloading ports in Asia.

The heavy rainfall increases the risk of nickel ore and other Group A cargoes (i.e. cargoes that may liquefy), as defined by the International Maritime Solid Bulk Cargoes (IMSBC) Code, being shipped with a Moisture Content (MC) above its Transportable Moisture Limit (TML). The transportation of Group A cargoes with a MC above its TML can lead to cargo failure (liquefaction/dynamic separation) with catastrophic results.

Additionally, a case has been brought to the INTERCARGO Secretariat's attention, in Indonesia, where nickel ore has been mis-declared as iron ore.

In view of the above, INTERCARGO recommends being especially cautious when accepting cargoes from Indonesia during the wet season and times of heavy rainfall.

Mandatory notification of loading nickel ore

Reference is made to Club Circular 15/12 of May 31, 2012, Dangers of Carrying Nickel Ore From Indonesia and the Philippines—Mandatory Notification Requirements.

Members are also reminded of the mandatory requirement to notify the Club's Managers no later than 7 days prior to loading nickel ore from the Philippines and Indonesia, and related shipper's documentation and certificates should be provided to the Managers as soon as they become available but not less than 24 hours prior to loading. Notification and documentation should be sent to surveys@american-club.com as set forth in Circular No. 07/13 of February 28, 2017.

The Managers have previously issued various circulars and alerts related to the carriage of nickel ore and other cargoes that have the potential to liquefy. This information and further guidance can be found on the Club's website at:

http://www.american-club.com/page/liquefying-bulk-cargoes

It is recommended that the available guidance and information is sent to the vessel prior to loading and that the Master confirms receipt and understanding of same. Members are also reminded that the current edition of the IMSBC Code containing the latest amendments and guidance is the 2016 edition which should be available onboard.

N American Club Member Alert – January 22, 2018

MEMBER ALERT

Shipowners Claims Bureau, Inc., Manager One Battery Park Plaza 31st Fl., New York, NY 10004 USA

+1 212 847 4500 Fax: +1 212 847 4599

www.american-club.com

Both the shippers and the vessel's Master have responsibilities under the IMSBC Code and Members must endeavor to support the master to the fullest extent in his decisions in order to ensure that only safe cargo is loaded.

Due to very real dangers and potentially disastrous results associated with the liquefaction of nickel ore cargoes where the MC exceeds the TML it is strongly recommended that the services of an experienced cargo surveyor be engaged to ensure that only safe cargo is loaded in accordance with the requirements of the IMSBC Code.

In the meantime, should Members have any questions, they should contact the Survey Compliance Department at +1 212 847 4500 or by email at surveys@americanclub.com.