

MEMBER ALERT



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INTERCARGO GUIDE FOR THE SAFE LOADING OF NICKEL ORE

Members will be interested to know that INTERCARGO has very recently published a Guide for the Safe Loading of Nickel Ore. A copy of the Guide is attached hereto with the kind permission of INTERCARGO. It aims to help masters, ship operators and other industry stakeholders understand the risks associated with the carriage of nickel ore cargoes.

Members are also referred to Club Circular No. 06/11, Indonesia and The Philippines: Safe Carriage of Nickel Ore Cargoes, of January 28, 2011, which also provides detailed advice in regard to the carriage of nickel ore and other bulk cargoes prone to liquefaction.

NICKEL ORE: STOP, THINK, VERIFY!

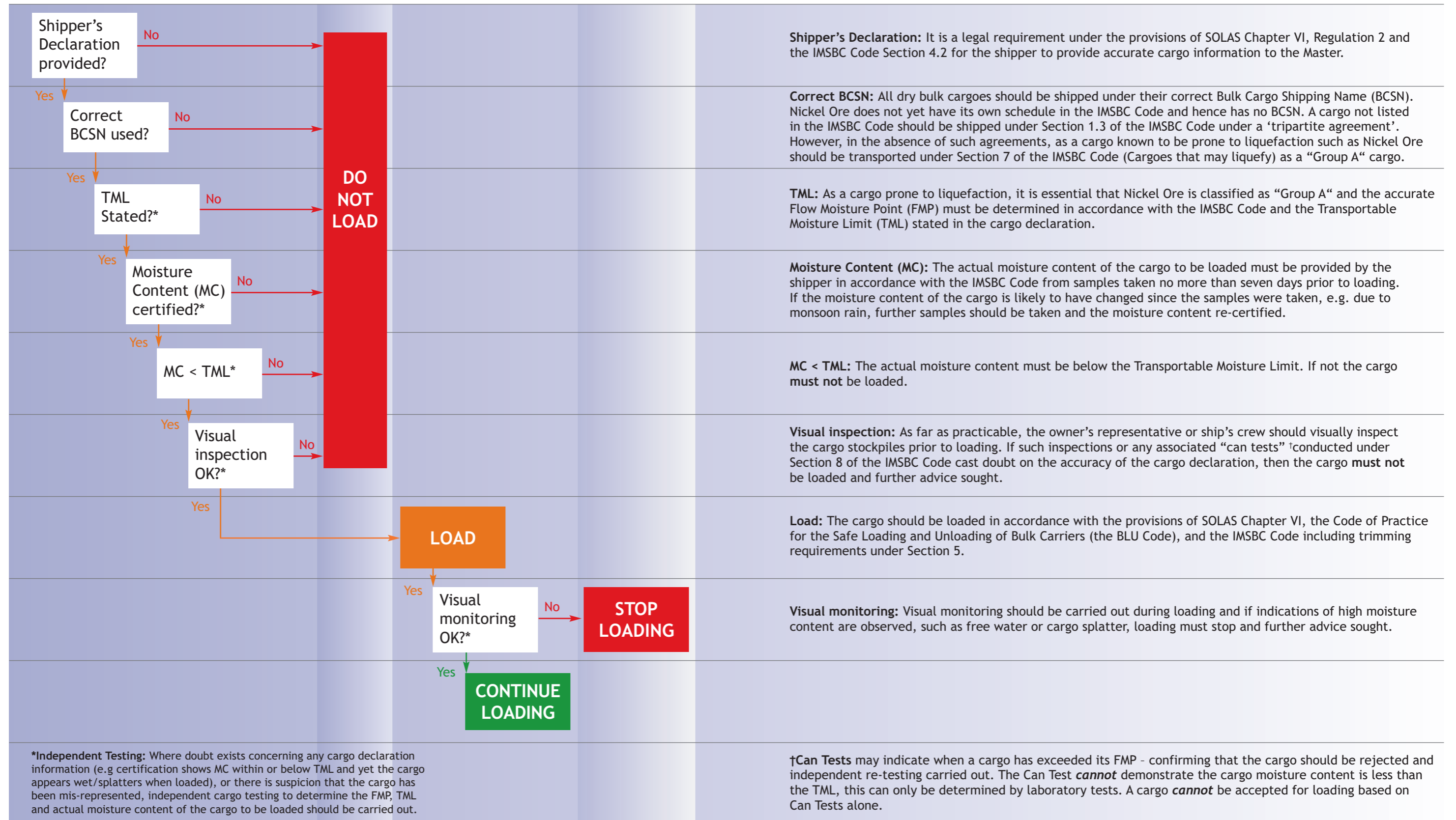
Intercargo Guide for the Safe Loading of Nickel Ore

Nickel Ore cargoes are exported from a number of countries in the Tropics including Indonesia, the Philippines, and New Caledonia. Four, very serious incidents recently resulted in the sinking of the bulk carriers *Jian Fu Star*, *Nasco Diamond*, *Hong Wei* and *Vinalines Queen* in very short succession, all of which were carrying nickel ore. These casualties have resulted in the loss of 66 seafarers' lives in just over 12 months.

This guide aims to help masters, ship operators and other industry stakeholders understand the risks associated with the carriage of nickel ore cargoes.



Intercargo Guide for the Safe Loading of Nickel Ore: What Should I look For?



Intercargo Guide for the Safe Loading of Nickel Ore: Stakeholder Responsibilities

The Responsible Shipper

Responsible shippers must not mis-represent cargoes. In order to provide accurate cargo declarations shippers should have in place procedures for sampling, testing and controlling moisture content of cargoes including procedures to protect cargo on barges from any precipitation and water ingress. These procedures should include provisions to facilitate access to stockpiles for the purpose of inspection, sampling and subsequent testing by the ship's nominated representative. Additionally responsible shippers must have the ability to test cargo in accordance with the procedures set out in the IMSBC Code. The Competent Authority (CA) of the port of loading provides the regulatory oversight and should operate independently from the shipper.

The Responsible Shipowner

Responsible shipowners must check that the cargo documentation is provided as required in the IMSBC Code. As far as practicable the owner's representative or ship's crew should visually inspect the cargo stockpiles prior to loading. Visual monitoring should also be carried out during loading and if indications of high moisture content are observed, such as free water or cargo splatter, loading must stop and advice be sought. It is important to ensure that this process is ongoing throughout the loading operation especially as new barges present further cargo to be loaded.

Chartering Departments

Before fixing, chartering departments should refer to their own internal procedures regarding the acceptance of Nickel Ore cargoes. Due diligence on the shippers should include checks on the shippers commitment to safety through specific internal procedures implementing the IMSBC Code, including timely provision of accurate shipper's declarations; and facilitating access to stockpiles for inspection, sampling and subsequent testing by the ship's nominated representative. Charterparty clauses excluding the use of independent surveyors and consulting scientists should be viewed with extreme caution. If possible, clauses should expressly provide a right of independent testing in facilities commercially separate from the shipper.

Further Information and Support

Most P&I Clubs publish detailed information on the transportation of Nickel Ore. Consideration should be given to contacting the P&I Club prior to loading to obtain the latest information. In the event of difficulties, the ship's P&I Club and the Competent Authority of the port of loading should be notified. Owners should also be aware that allowing a vessel to sail in circumstances where there has been non-compliance with the IMSBC code, or where they/ their master has concerns as to the safety of the cargo for carriage/risk of liquefaction, could have an impact on Hull cover.

INTERCARGO exists in order to present a unified voice for companies operating in the dry bulk sector. Intercargo's primary objective is to link industry stakeholders in a commitment to a safe, efficient and environmentally friendly dry cargo maritime industry.

The information in this document is based on regulation in force at the time of writing including the IMSBC Code, February 2012.

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