The second of North of England’s new loss-prevention Safe Work poster series has been published. It uses humour to deliver the safe working practice message to seafarers and depicts good and bad working practices associated with bridge management.

A copy of the new poster – ‘Safe Work, Bridge Management’ – is enclosed with this issue of ‘Signals’ for all Members and entered ships. A high resolution A4 sized copy of the poster can be downloaded from the Association’s website: www.nepia.com/risk/publications/posters/safework.php

North of England has extended its pre-employment medical scheme for seafarers to Odessa in the Ukraine. The fully audited scheme has three recommended clinics. The Ukrainian scheme mirrors that of the Association’s pre-employment medical scheme in the Philippines, which has now been running for over five years. Both are entirely voluntary and are designed to help Members ensure their Filipino and Ukrainian crews are fully fit and healthy at the point of being employed.

North of England provides Members with an on-line service where they can view details relating to their entry with the Association. Called North Online, the service developed from the club’s management ethos of transparency and service excellence. Probably the two areas of most interest are claims records and the unique Global Legal Navigator, which provides answers to frequently asked questions and can be simply accessed by clicking on the world map and specifically targeting the country to which a question relates. This issue of Signals includes a ‘tear-off’ guide to North Online, which is intended as an ‘aid to navigation’ through the various aspects of the service.

North of England deals with many personal injury claims that appear to be unique. However, on further analysis, there are common factors to these apparently ‘one-off’ incidents. The article in this issue of Signals explores how a common sense approach to dangerous jobs such as working aloft can reduce the risk.

Nickel ore mining projects are invariably located in remote areas of the world, which means there may be difficulty in getting a suitably qualified cargo surveyor locally at short notice. Flying one in from further afield may take too long due to restricted flight availability. These are not the best of circumstances when being pressed to start loading or the cargo already loaded is showing alarming signs of being much wetter than advised by shippers. Advice is provided by experienced surveyors in this issue of Signals to help Members achieve the best possible risk assessment of the dangers associated with loading nickel ore – not least of which is the fact that the BC Code moisture tests may not be suitable for this type of cargo.

Members may not be aware that emails sent concerning a claim can end up being revealed in court as part of the process of “disclosure”. It may also come as an unpleasant surprise to find that disclosure can include ship operators’ internal operational or technical paperwork, which was assumed to be ‘privileged’ – that is, exempted from the duty of disclosure.

The article in this issue considers some of the steps a ship operator can take to ensure that documents and communications assumed to be confidential can remain so. This is one area of claims handling where it definitely pays to be proactive.
The Association receives many claims arising from shipboard accidents that appear to be one-offs. However, when these incidents are analysed more closely, there is often a pattern to be found, with several common features such as procedures, permits-to-work and the people who use them. Several such claims relate to instances where crew have been badly injured when working aloft and, though circumstances are entirely different, most could possibly have been avoided had there been an effective procedure in place, proper use of a permit-to-work system and perhaps a little more common sense.

**Toolbox talk**

Flag State health and safety legislation is likely to require a full formal risk assessment by the ‘employer’ of all work employees are reasonably expected to carry out. There should be a comprehensive written procedure for working aloft that incorporates this risk assessment and states the control measures required to make the risk acceptable. If ‘live’ control measures are required – such as the presence of a responsible person on safety watch throughout – then instructions for those control measures must be contained in a permit-to-work.

Most permit-to-work systems incorporate working aloft as work that requires ‘live’ control measures. During a toolbox talk, the permit should be made out for a period of time that reflects the task to be completed. If someone needs to go up the mast to free a halyard, the permit-to-work should be for say 30–45 minutes – if the job takes longer the risk should be re-assessed.

**Common sense**

The most important aspect for safety is common sense. When undertaking work aloft, the control measures to reduce risk should include common-sense physical barriers such as isolating switches and levers; locking switches, valves or levers; and keeping breakers or keys with the person carrying out the work. This process will automatically generate communication with the engineering department so they become aware too.

A new Signals Experience case study entitled ‘Permitted to work’, which deals with the topic of working aloft and using permits-to-work, accompanies this issue of Signals for all Members and entered ships.

**Pre-employment scheme extended to Ukraine**

North of England has extended its pre-employment medical scheme for seafarers to Odessa in the Ukraine. The fully audited scheme, with three recommended clinics, was announced with a circular to all Members and a downloadable set of guidelines and ‘model’ examinations.

The Ukrainian scheme mirrors that of the Association’s pre-employment medical scheme in the Philippines, which has now been in running for over five years. Both are entirely voluntary and are designed to help Members ensure their Filipino and Ukrainian crews are fully fit and healthy at the point of being employed.

**Value for money**

Members who have taken part in the Philippines scheme have certainly benefited from a substantial reduction in related illness claims, making their involvement good value for money. Five Filipino clinics are now recommended, all of which are audited annually by North of England and an independent specialist UK based doctor.

Following frequent requests from Members, the scheme has now been extended to the Ukraine. The Association also provides comprehensive guidelines for Members to use when employing seafarers from other parts of the world, including selecting a medical clinic and model examinations for those clinics to work from.

Members requiring further information should contact Judith Burdus or Lucy Dixon at the Association.

**Myth or truth?**

Should you starve a fever and feed a cold, or perhaps feed a fever and starve a cold? Either way, the answer is yes and no!

In medical studies it has been found that, after a meal, the average level of the chemical that stimulates the body’s defence against infections increases by 450%, so it could make sense to feed both a cold and a fever. However, alternative medical studies indicate that, after starvation, the body can have high concentrations of another chemical associated with production of antibodies – implying it might be better to starve both a cold and a fever.

The evidence supporting both the ‘starve’ and ‘feed’ approaches is clearly ambiguous, so the best course of action for both a cold and a fever is to assume the body needs rest, fluid and nourishment. If you have lost your appetite, try to drink plenty of fluids and eat whatever healthy food appeals, but avoid both over-indulgence and starvation.
Keeping communications confidential

It is probably well known that, when matters are arbitrated or put before a court, English law requires all relevant documentation or information held by each party to be passed to the other side (even if adverse to its position) at some stage. This process is known as ‘disclosure’.

However, fewer people appear to be aware that disclosure can include a ship operator’s internal operational or technical paperwork, which it had naturally assumed to be ‘privileged’ – that is, exempted from the duty of disclosure.

Under English law, only some documents are privileged – and a ship operator’s internal reports and correspondence about an incident are not normally privileged. But it is possible to improve the chance of arguing a document is privileged if certain precautions are taken.

Contemplation of litigation

Privilege can be gained for internal documents that are produced ‘in contemplation of litigation’. To do this, ship operators must keep a close eye on what is happening in the employment of their ships – it is easy enough to determine when a P&I claim occurs but more difficult to determine when there might be a litigious dispute with a charterer.

A ship operator is best advised to assume there is likely to be a dispute when their chartering broker or chartering department receives a ‘complaining message’ from the charterer. If the operator wishes to carry out an internal investigation, a lawyer – either in the ship operator’s legal team or an external lawyer (for example the lawyer used by the company for its general legal business) – should then immediately send an instruction to the technical or operations staff asking them to investigate the matter for the purpose of legal proceedings and to report back direct to them. The instruction should be acknowledged in writing.

Reports produced as a result of this investigation should include:

- a factual report on the matter
- a separate ‘confidential letter’ containing any opinions on the matter, its cause or any recommendations on how to avoid a recurrence
- a separate report about any other matters that were investigated or inspected at the same time.

None of the reports should refer to each other; that way, if one report does have to be disclosed, it avoids an automatic request for the other documents.

Address to lawyer

To take advantage of privilege it is also important that the reports are addressed to the lawyer who issued the instruction. The reports must also clearly state on the face of them that they are privileged and confidential documents issued at the request of the company’s legal team or external lawyer in contemplation of legal proceedings.

The above may not be sufficient to establish legal privilege in all cases – it depends on the jurisdiction and also whether the judge accepts it as establishing privilege – but it does at least give the ship operator the opportunity to claim privilege.

However, the best advice is probably to avoid producing such correspondence or internal reports since the opposing lawyers will inevitably request them. If the incident is significant and an independent expert has been instructed by the Association, it may be best to utilise this report, which will normally be privileged, for internal purposes instead of making an internal investigation.

Email with care

Remember also that the duty to disclose applies not only to formal documents, such as reports, but also to informal documents such as emails – and this includes emails that may have been deleted but can still be recovered from back-up systems or hard-drives.

As regards the text of any email, people are often much less guarded in emails than they are in reports and can often say more than was intended or was prudent to say. It is best to remind everyone they should never put anything into an email they would not wish to be read out in court, or which they would not wish someone outside the company to read.

Another point worth considering is that emails and most other forms of electronic documents can reveal more than the text – they often include ‘metadata’, which is usually invisible but can reveal who has drafted, edited and even reviewed the documentation.

Members requiring further advice should contact Peter Scott at the Association.

Somalia piracy attacks double

So far this year the number of piracy incidents recorded in the waters off Somalia is almost double those reported for the same period in 2006.

According to the International Maritime Bureau (IMB), there have been eight cases of hijacking involving a total of 85 crew members taken hostage. Some accounts talk of at least two attacks on ships working for the World Food Programme (WFP) and in one of these incidents a security guard was reportedly killed.

The situation is of course serious enough for ships and seafarers but the increased threat is beginning to affect the wider issue of food aid to Somalia – there is a growing reluctance amongst commercial and fishing vessels to operate in these waters. This is not good news for a country desperate to rebuild after more than 15 years of conflict and recurring natural disasters, according to IMB.

Potentially about 80% of food aid to Somalia can be delivered by sea, so this should be a time when full advantage is taken of cheaper and safer movement of food aid by ship rather than by the less secure and safe overland routes.

Lobbying UN Security Council

Recognising the recent apparent improvement in the country’s political situation, the International Maritime Organization (IMO) has authorised its Secretary-General Mr Efthimios Mitropoulos to lobby the United Nations Security Council to approach the transitional federal government of Somalia.

IMO’s objective is to highlight the implications of the piracy situation and to propose action, including measures such as allowing ships engaged in operations against pirates to enter the territorial waters of Somalia.

But it remains to be seen whether the IMO’s initiative will reduce the risk of piracy and hijack in the waters off Somalia for seafarers and ship operators. In the meantime, current advice is to stay at least 200 nautical miles off the coast of Somalia – although there has allegedly been an attack reported at over 300 miles.

Members can keep up to date with all the latest developments through Industry News on the Association’s website: www.nepia.com/news/industrynews_links.php

The International Maritime Bureau Piracy Reporting Centre can be contacted at: ICC IMB (Far Eastern Regional Office), PO Box 12559, 50782 Kuala Lumpur, Malaysia. Telephone: +60 3 2078 5763. Fax: +60 3 2078 5769. Email: IMBKL@icc-ccs.org.uk Website: www.icc-ccs.org.uk

Anti-Piracy Helpline

The Piracy Reporting Centre 24-hour helpline number is +60 3 2031 0014
Lifeboat safety

Accidents during maintenance and operation of davit-launched lifeboats with on-load release mechanisms continue to cause concern. Recurring contributory factors featuring in accident reports include operational errors during the launch and recovery process, critical component failure, inadequate levels of on-board supervision and poor planned maintenance.

Since the introduction of compulsory on-load release mechanisms in 1986, some 72 different types of hook have emerged – which might explain why accident investigators describe some designs as ‘inherently unsafe’ or ‘unstable’.

In an attempt to resolve some of the issues, the Maritime Safety Committee (MSC) of the International Maritime Organization (IMO) published two important circulars in May 2006 to clarify guidance on the safe operation and maintenance of lifeboats with on-load release mechanisms.

IMO MSC Circular 1206 – Measures to prevent accidents with lifeboats (MSC 1206)

MSC 1206 places responsibility for carrying out lifeboat maintenance with ship operators and it quotes SOLAS Chapter III, regulation 20 – Operational readiness, maintenance and inspection – and regulation 36 – Instructions for on-board maintenance – as the regulatory framework to be adhered to.

To clarify the detail and scope of maintenance work, MSC 1206 distinguishes between work that should be the responsibility of equipment manufacturers or their authorised representatives, and work that can be performed by the ship’s crew as part of routine weekly and monthly life saving appliance (LSA) checks.

Concerns have recently been raised by organisations such as Intertanko, BIMCO, Intercargo, Oil Companies International Marine Forum (OCIMF) and flag States about difficulties of establishing a global network of service agents to carry out work that should be the responsibility of equipment manufacturers as part of an annual inspection.

Licensing of too few independent service agents, and a requirement to use only original spare parts, are suggested as reasons why ship operators may not have access to an effective global network of service agents.

Operational safety can be improved if the on-load release hook incorporates design features such as a positive locking mechanism that can be verified visually, stainless steel construction and a safety pin. These features are shown on the Safelaunch hook above.

IMO MSC Circular 1205 – Guidelines for developing operation and maintenance manuals for lifeboat systems (MSC 1205)

MSC 1205 promotes the idea of more user-friendly manuals and instructions with greater emphasis on the use of a simplified common technical vocabulary for lifeboat and launching equipment.

It makes sense to produce one document encompassing the requirements of the entire lifeboat system, simplifying matters for those on board and incorporating the aspects of MSC 1206 discussed above.

What happens next?

If the on-load davit launched lifeboat is to remain the principal method of abandonment, unsatisfactory design issues must be resolved permanently through IMO, ensuring a uniform international solution that restores confidence in lifeboat launching and puts a halt to the poor accident record that has developed since 1986.

In the meantime, ships’ crew should:

- be trained to understand that on-load release hooks were introduced to enable lifeboats to be released from falls when the ship is making up to 5 knots – the hooks were never intended for dropping the boat from any height.
- be trained to understand why the annual thorough testing of on-load devices includes the launch of a partially suspended boat and the purpose of the hydrostatic interlock by-pass function.
- appreciate the safety benefits of fitting locking pins or pennants to isolate the risk of component failure and improve the safety of crewmembers during the required launch-and-recovery training procedures.

A new Signals Experience case study entitled ‘On-load lifeboat accident’, which deals with the topic of lifeboat safety and maintenance, accompanies this issue of Signals for all Members and entered ships.

Men requiring further details of the Safelaunch release hook should contact Survival Craft Inspectorate. Telephone: +44 1224 784488.
Email: info@survivalcraft.com
Website: www.survivalcraft.com
New EU regulations on the shipment of waste

New EU regulations came into force on 12 July 2007 to ensure waste is properly handled from the time it is shipped to the time it is disposed of or recovered at destination. The export of hazardous waste or waste for disposal to certain countries is also banned.

EU Environment Commissioner Stavros Dimas said, ‘The safe shipment of waste is one of the Commission's highest environmental priorities. We must make sure that tragic accidents such as last year’s dumping of dangerous waste in the Ivory Coast never happen again’.

The regulations include the following:
- The person responsible for the shipment of the waste is defined as the ‘notifier’ as identified in point 15 of article 2 (see note below).
- Prior written consent for movement of certain types of waste.
- Certain wastes such as those destined for recovery operations must be accompanied by certain information.
- The notifier or waste producer must complete notification and movement documents.
- The notifier must provide financial guarantees or equivalent insurance to cover costs of transport, ‘take-back’ costs and costs of 90 days storage.
- Where a shipment of waste cannot be completed, then it should be compulsory for the person whose action is the cause of an illegal shipment to take back the waste or make alternative arrangements (this person should be the ‘notifier’).
- If the notifier cannot be identified, then the ‘holder’ of the waste can become the responsible person.

The last point above is of potential concern to the shipping industry as it is unclear yet whether the ‘holder’ could possibly be the shipowner or carrier, who would thus become responsible for the waste they are carrying.

Members requiring further information or assistance should contact the Association’s risk-management department. Members can also keep up to date with the latest developments through Industry News on the Association’s website: www.nepia.com/news/industrynews_links.php

New judgments on steel cargoes

The Association monitors global developments in the law as it relates to claims as a matter of course, and important judgments in steel cargo claims have recently been given in the US and Australia. Given that steel is traded worldwide, similar claims and arguments may be raised in other jurisdictions.

The claims have three common elements:
- incompatible cargoes
- ventilation
- additional measures for cargo care
- incompatible cargoes.

Carriers have been found liable for mixing cargoes in holds, for instance, wet or hygroscopic cargoes in the same holds as moisture-sensitive steel cargoes. Masters should always be wary of loading in rain and of loading wet cargoes or dunnage into holds also containing cargoes that need to be kept dry or in dry conditions.

If masters are asked by a charterer to mix such cargoes, they should protest and notify the owner and/or the Association’s local correspondent for assistance.

Ventilation

Recent cases have highlighted the need for proper ventilation and, just as importantly, the keeping of full ventilation records. In the USA, good ventilation records provided an owner with a complete defence to a significant cargo claim in both the first instance and appeal courts.

Good ventilation records should regularly record the seawater temperature, as well as the ambient wet-bulb and dry-bulb temperatures and the calculated relative humidity for each hold. The surface temperature of the steel should also be recorded. They should also record when and how the holds were ventilated.

Additional measures for cargo care

There has been an unwelcome development in Australian law. As well as finding an owner liable in respect of incompatible cargoes and improper ventilation, the court held that, if the conditions the vessel might encounter are likely to lead to condensation forming on the steel, then the carrier is obliged to supply a ship fitted with equipment capable of dealing with that risk.

The court held that, as it was practicable for the owner to install dehumidifiers in the holds – of a bulk carrier in this case – but the owner did not do so, the ship was unseaworthy and the owner had failed to exercise due diligence to make the ship seaworthy.

Owners carrying steel cargo – especially when bound for Australia – should make specific enquiries as to the nature of the packaging and the precise carriage requirements. If not fitted, they should install equipment such as dehumidifiers necessary to accommodate the specific carriage requirements of the steel even in the absence of specific requests by shippers to do so.

Owners may wish to consider inserting clauses in their charterparties requiring charterers to make the above enquiries and to install necessary equipment should it be necessary for the carriage of the cargo.

Detailed guidance on cargo ventilation is provided in the Association’s loss prevention guide ‘Cargo Ventilation – A Guide to Good Practice’. Members requiring additional copies should contact the risk management department. Email: risk.management@nepia.com.
Carriage of nickel ore from Indonesia and the Philippines

Liquefaction of mineral cargoes, particularly nickel ore, have been widely publicised recently. The Association published an article by Brookes Bell in Signals 65 (October 2006) that Members are advised to refer to.

The Association is very grateful to Ken Grant of Minton, Treherne & Davies (MTD) and Nicholas Crouch and Martin Jonas of Brookes Bell for providing this article, which describes in more detail the problems associated with liquefaction of nickel ore, and the difficulty in determining its moisture content and flow moisture point, and hence whether it is safe to carry.

Background

Nickel laterite is an inhomogeneous low-grade ore consisting of very fine clay-like particles and larger rock-like particles. There are two different types, limonite and saprolite, which differ in their chemistry and their physical appearance, but present similar problems in bulk shipping due to their high moisture contents. As with many finely particulate minerals, including mineral ore concentrates, these ores have the property that they can liquefy and shift if their inherent moisture level is too high. There have been several serious instances of cargo liquefaction of nickel ore, including total losses and near-misses. Nickel ore is subject to the IMO Code of Safe Practice for Solid Bulk Cargoes (BC Code) regulations on testing and certification of cargoes that are liable to liquefy. The shippers in this case (which is not exceptional in our experience) were in breach of the requirements of the BC Code, their practice was to present the master with information relating to the cargo loaded onto a previous unrelated vessel. In turn, the results of the analysis of the cargo was to present the master with information relating to the cargo loaded onboard the subject vessel had then be presented to the next ship and so on. By the time the subject consignment had actually been characterised in terms of its suitability for carriage, it had already been loaded, making it more difficult to resolve any issues arising. The master would have been totally unaware of the fact that he was carrying a potentially dangerous cargo.

Assessing whether a cargo is safe to ship requires the flow moisture point (FMP) to be measured and the transportable moisture limit (TML) to be calculated (90% of FMP). The TML is then compared to the moisture content of the cargo, and provided the TML is the higher figure, the cargo is safe to ship.

There are problems with both the determination of TML (which for nickel ore needs to be determined by a competent laboratory separately for every single cargo) and moisture content (which must be of the cargo offered for shipment), which the BC Code requires shippers to provide prior to commencement of loading.

Sampling of nickel ore

Various problems arise with sampling for moisture content and FMP testing – both of which are required to enable a reliable TML to be determined. Some problems stem from the actual manner in which the stockpiles are physically sampled. In a recent case, it was found that the mine did not routinely sample the stockpiles prior to shipment, but rather sampling was conducted during the course of loading. As this was too late to comply with the requirements of the BC Code, their practice was to present the master with information relating to the cargo loaded onto a previous unrelated vessel. In turn, the results of the analysis of the cargo loaded onboard the subject vessel would then be presented to the next ship and so on. By the time the subject consignment had actually been characterised in terms of its suitability for carriage, it had already been loaded, making it more difficult to resolve any issues arising. The master would have been totally unaware of the fact that he was carrying a potentially dangerous cargo.

The shippers in this case (which is not exceptional in our experience) were in breach of the requirements of the BC Code for a number of reasons. Firstly, the moisture content data on the cargo certificates related to a different cargo and not the actual one due to be carried. Secondly, the stockpiles intended for loading onboard the subject vessel had not been sampled in accordance with the requirements of the BC Code. This details the frequency and extent of sampling for a given stockpile size, and states that sampling should be conducted no more than one week prior to shipment if the ore is stored uncovered – as most nickel laterite stockpiles are.

Moisture content determination

The inhomogeneity of lateritic nickel ore means that the proportion of the fine clay-like and larger stone-like fractions in different samples can vary significantly. As the clay material typically has higher moisture content (30 – 50%) compared to the larger stony fraction (about 20%), the actual moisture content determined will be an average. As a consequence, the actual moisture content of the clay-like fraction, which is the one prone to liquefaction, will typically be higher than the declared value.

Preparation of samples for moisture content and FMP determination can be a lengthy process involving samples being spread out on a floor in hot environments. One can therefore expect moisture loss due to evaporation and contact with a dry surface. Although this is not critical for FMP determination (providing testing is carried out correctly), it will result in an understimation of the actual cargo to be loaded, from which there will be no such moisture loss.

Flow moisture point testing

Appendix 2 of the BC Code provides three methods for determining the FMP of commodities. One of these methods, the flow table test (FTT), is the method of choice of the nickel ore mines. However, FTT was developed for measuring the FMP of relatively homogeneous mineral concentrates. The BC Code states that the method is primarily for...
Identification of a flow state

The BC Code does not provide any definite criteria for identifying a flow state (Appendix 2, Section 1.1.4.2.3), but instead lists a number of physical observations that indicate plastic deformation, and suggests procedures for measuring this deformation. The physical signs include: "moulded sides of the sample may deform", "cracks may develop on the top surface" of the sample cone; "the sample cone begins to show a tendency to stick to the mould"; and there may be "cracks of moisture on the table" following the test. As regards measuring the extent of deformation, "an increase in diameter of up to 3mm in any part of the cone is a useful guide". An alternative approach is to measure the increase in diameter (if any) following additions of water to the sample. If in the first instance there is 1 – 5mm increase, followed by 5 – 10mm increase, a flow state is indicated.

While some of the Philippine mines rely solely on identifying a subjective change in shape of the sample cone, the Indonesian mines tend to rely only on measuring the extent of the deformation (typically 3mm). These vastly different approaches can lead to a great variance in the declared FMP. No consideration is given to the overall behaviour of the sample, and the key indicators referred to in the BC Code may simply be ignored.

Construction of the flow table

According to the BC Code the metal frame of the flow table is to be attached to a metal base plate, which in turn is securely fixed to a concrete plinth. This arrangement is designed to provide a known constant force to the sample during testing. Typically, the mines do not comply with the BC Code, and frequently utilize a free standing table on various surfaces. Figure 1 shows the FMP determination at a Philippine mine for a limonite ore when the table was (a) loosely fixed to a wooden desk, and (b) when securely fixed to a concrete plinth.

A much smaller deformation was obtained with the flow table mounted on a flimsy wooden desk, due to dissipation of energy into the structure of the support, compared to the deformation observed with a similar sample when the flow table was securely fixed to a rigid platform. This would result in a higher FMP being declared for an incorrectly fixed table.

Effect of tamping pressure

Before the FMP of nickel ore can be determined it needs to be prepared in the form of a truncated sample. The moulded sample is moulded in three distinct phases, each layer being compacted by a defined number of actions with a tamper. This is to simulate the packing of the material in the cargo hold. The tamping pressure used is calculated from the bulk density of the cargo (at loaded moisture content) and maximum depth of the cargo in the hold. In the case of nickel ore such tamping pressures can be difficult to apply, and as a consequence, the mines apply incorrect technique and reduced tamping pressure. In effect, the sample is simply spread around to fill the mould, rather than compacted.

Figure 2 shows the significance of this failure, where cone expansion on the flow table is plotted against tamping pressure for a limonite sample in the MTD Laboratory.

The sample contained 35% moisture. Using the 3mm cone expansion used by a number of the mines as indicating a flow state, this sample would only fail the FTT if a tamping pressure >6.2Kgf had been applied. This tamping pressure would correspond to a cargo depth of only 3 – 4m. In reality, the depth of cargo would be greater, requiring a correspondingly greater tamping pressure. By using a lower tamping pressure you are underestimating the FMP. You can effectively control whether a samples passes or fails the test.

Determining moisture content at flow point

The FMP is determined by adding water to a stock sample of nickel ore until a flow state is determined. At the mines there is no control of the laboratories’ environment, and moisture loss can be expected. The BC Code is specific in requiring that “the whole moulded sample should be placed in a container, weighed immediately and retained for moisture determination”. This is not done at many of the mines. Instead, they start with a known weight of sample that is fully utilized in the sample mould, and use the declared moisture content of the cargo as the baseline moisture content. If the sample passes the FTT the whole of the sample is removed and water added, with the test being repeated. The new moisture content is then calculated based on the original sample weight and the volume of water added. We have witnessed both moisture and sample loss during this procedure. The failure to determine the moisture content of the samples experimentally will result in an overestimation of the moisture content, and consequently, FMP.

Advice to shipowners

In all recent instances that we are aware of, shippers of nickel ore have issued certificates based on sampling and testing carried out by the respective mine’s in-house laboratory. Regrettably, extensive audits of the sampling and testing methods used by these mines have in every instance so far revealed serious deficiencies, which have rendered the values certified by shippers effectively meaningless.

This presents shipowners with a serious dilemma. They are faced with a choice of either accepting the values certified by shippers at face value, despite the high probability of these certificates being flawed, or of becoming actively involved in an (inevitably acrimonious and time-consuming) investigation of the safety of the cargo being offered for shipment.

Shipowners should be aware that in recent cases in the Philippines, we have come across certificates similar to those encountered during our first involvements with nickel laterite ores being shipped from Indonesia. These certificates state simply that the material has been tested in accordance with the BC Code flow table test method and found to pass. No figures for the FMP and TML are stated although average moisture content, which is valueless without a TML, is provided. Needless to say, it is not possible to assess the safety and suitability for carriage of a material based on such an incomplete declaration.

Expert attendance on site is required to carry out the type of in-depth audit of the sampling and certification procedures necessary to demonstrate either the reliability, or the lack thereof, of the certification offered by shippers. This is beyond the capacity of a master or a non-specialised marine surveyor.

The BC Code describes a shipboard method (the “can test”) for checking whether a cargo may be suitable for shipment. This involves filling a small can with the material and repeatedly banging it on a hard surface. The appearance of the material at the end of the test can be used to shed light on the suitability of the material for shipment. This test should not be a substitute for proper laboratory testing using an appropriate methodology. However, if can tests carried out on a cargo presented for loading indicate a propensity for liquefaction, this is a major warning sign that the cargo as a whole is unsafe for carriage. Expert advice should then be sought. If shippers present significant amounts of ore that fails the can test, this is an indication that the cargo as a whole is unsafe, and that any certification to the contrary is flawed.

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New wreck-removal convention adopted

A new convention entitled the Nairobi International Convention on the Removal of Wrecks, 2007, has recently been adopted under the auspices of the International Maritime Organization (IMO).

The following frequently asked questions provide some guidance to the new convention.

What does it do?
The convention defines the limits on ship interests’ liability, owner’s obligations and the coastal State’s ability to make demands for wreck removals. It allows a coastal State to order the removal of wrecks over a much greater area – over the Exclusive Economic Zone (EEZ) (up to 200 miles from shore). It also requires shipowners to have insurance to cover the costs of wreck removal and allows a coastal State to claim directly against that insurance if necessary.

When does it apply?
It applies when a ship is involved in a maritime casualty resulting in a wreck in the EEZ of a country that is a signatory to the convention.

How does it work?
Where there has been a wreck, the flag State, if a signatory to the convention, will require either of the master or ship operator to notify the relevant EEZ country, known as the ‘affected State’. The affected State will then determine whether the wreck poses a hazard, which is defined in the convention, along with the criteria it must use to make that decision.

Thereafter, the affected State is required to use all practicable means to establish the precise location of the wreck and to warn mariners and other States of the nature and location as well as to mark the wreck.

As soon as the affected State determines the wreck is a hazard, the convention requires the shipowner to remove it. The owner may contract with any salvor, though the affected State may set removal conditions – but only to the extent necessary to ensure safety and protection of the marine environment. Once removal operations have commenced, the affected State can intervene only on issues affecting safety and protection of the marine environment.

The affected State can intervene immediately where the hazard has become particularly severe, but it would be more usual for it to set a deadline by which the shipowner must remove the wreck, and to carry out the works itself if the deadline is not met. Where the State has to remove the wreck, it will do so at the shipowner’s expense.

Who pays for it?
The shipowner pays for the wreck removal, unless it can prove the wreck resulted from act of war, act of God, purposeful act of a third party or by negligence or wrongful act of those responsible for the maintenance of lights and other navigational aids.

The right of the registered owner to limit its liability under any applicable national or international regime, such as the Convention on Limitation of Liability for Maritime Claims, 1976, or subsequent amendments, is not affected. However, some States have made a reservation that such limitation does not apply to wreck removal claims and have higher or unlimited liability in their national law.

To ensure owners can pay, the convention requires ships of 300 GT or over and flagged with a signatory to the convention to maintain security or insurance to the amount of the vessel’s applicable national or international limitation regime, but not exceeding an amount calculated in accordance with the Convention on Limitation of Liability for Maritime Claims, 1976, as amended. It is envisaged that ships will have a certificate to show such financial security is in place and for flag States to require such certificates as a condition of registration. The International Group of P&I Clubs has not yet confirmed it will be able to provide the certificates mentioned above until the convention is adopted and it has been able to determine likely costs and exposure involved.

Affected States are given the right to claim directly on the insurer or holder of the security if the owner fails to remove the wreck or to pay for its location, marking or removal.

Can States increase owners’ obligations?
Yes, a State can extend the operation of the convention to include territorial and inland waters as well as the EEZ. However, under the terms of the convention, the financial security provided by shipowners would not cover any demands of the State beyond what would normally be covered by the convention, even if the State was entitled to make these demands by its own national law.

Do States increase owners’ obligations?
No, the convention has not yet come into force, which will only happen when ten States have ratified it.

Update on Ukraine

Dias Marine Consultants, the Association’s correspondent in Odessa, has published advice recently about some of the issues Members and ships’ masters need to be aware of when visiting Ukrainian ports.

Ballast water
The Ukrainian authorities have set very high standards, perhaps unrealistically, for the quality of ballast water discharged during loading operations. Owners are required to pay for permits to discharge such ballast water. To date the fees have on average been less than US$10,000. However, the authorities are now demanding higher licence fees of up to US$60,000 for alleged dirty ballast water. Dias Marine Consultants recommends the following loss prevention steps:

• arrive only with the minimum safe levels of ballast
• exchange ballast in the Black Sea and where the water is visually clean
• attempt to keep all ballast tank coatings maintained and clear of rust or loose scale
• masters should insist that samples are taken through the manhole of the ballast tank and at the mid-level of the ballast water.

Bunker smuggling
Recently, customs officers have taken to carrying out a bunker survey on a vessel’s arrival. Any difference between the customs’ calculations and those declared by the master leads to the authorities imposing a fine of not less than US$2,500 for alleged ‘smuggling of fuel’. Normally the discrepancy arises because the master is using estimated figures of bunkers rather than actual figures. Masters are recommended to request an independent tally team to carry out a bunker survey immediately prior to arriving at the Ukraine rather than estimate usage.

Masters should be cautious about over-declaring quantities on board as this may cause a problem if there is an alleged oil-pollution incident. If the source of the pollution is not obvious, the environmental authorities will often carry out a bunker survey on all ships in the vicinity and may seize upon any difference between the declared arrived figures and actual quantities on board to accuse a ship of being the source of the pollution.

Tallying and inspecting export cargoes
Ukrainian authorities have also made it more difficult for masters during the loading of cargoes. Some time ago, Ilyichevsk port prohibited masters from inserting remarks on mates’ receipts and required them to sign clean documents unless the tally and/or survey on which the remarks were based had been carried out by an independent tally team. This is now being enforced more strictly and may be introduced into other Ukrainian ports.

Members are reminded that, if their vessels load cargo and masters sign clean documents for whatever reason, P&I cover may be prejudiced if clean bills of lading are issued for cargo which is ‘dirty’. Where masters have any concerns about the quantity or condition of cargo presented for loading, they should immediately contact the Association’s local correspondent. Steel cargoes should always be the subject of a pre-load survey.

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UCP 600 – new rules on documentary credits

The 2007 revision of Uniform Customs and Practice for Documentary Credits (UCP 600) was published on 1 July 2007.

The new rules on documentary credits, which are used for letter-of-credit transactions worldwide, were approved by the International Chamber of Commerce (ICC) Commission on Banking Technique and Practice on 25 October 2006. UCP 600 is the first revision of the rules since 1993 and represents more than three years of work by the commission.

UCP 600 contains significant changes to the existing rules, including:

- a reduction in the number of articles from 49 to 39
- new articles on ‘definitions’ and ‘interpretations’ providing more clarity and precision in the rules
- a definitive description of negotiation as ‘purchase’ of drafts of documents
- replacement of the phrase ‘reasonable time’ for acceptance or refusal of documents by a maximum period of five banking days.

For the first time UCP 600 also includes the 12 articles of the eUCP – rules for governing presentation of documents in electronic or part-electronic form.

Risk management tour continues

Since the last issue of Signals, North of England’s risk-management department has contributed to Member visits with in-house seminars in Greece, India, Singapore, Norway and the United Kingdom. Loss-prevention topics have included bridge-team issues, root causes of accidents, carriage of liquid cargoes, risk assessment and what is happening with oily-water separators.

Amendments to MARPOL annex I enter into force

New requirements concerning the location of fuel-oil tanks in all ships with an aggregate fuel-oil capacity of 600m³ and above, and which are delivered on or after 1 August 2010, entered into force on 1 August 2007. Fuel-oil tanks must have a protected location inside the double hull, thus helping prevent spillages of oil fuel in case of collision or grounding.

Members can find more details on the IMO website: www.imo.org

New guide to electronic charts published

The International Centre for ENCs has published a second edition of its comprehensive guide to charts and carriage requirements that explains and clarifies many of the issues concerning the use of electronic charts.

Members can download the guide from the International Centre for ENCs’ website: www.ic-enc.org

New bridge procedures guide published

The International Chamber of Shipping has published an updated fourth edition of its Bridge Procedures Guide. This provides guidance on best navigational practice on merchant ships operating today in all sectors and trades, and embraces internationally agreed standards and recommendations adopted by IMO. The guide also includes bridge and emergency checklists for use by ships’ masters and navigating officers.

Members requiring further information, or to order a copy of the guide, should contact Marisec Publications. Telephone: +44 20 7417 2855 Email: publications@marisec.org Website: www.marisec.org

Shiptalk, a website portal that provides news, views and advice for seafarers, is conducting an independent survey of modern day life at sea. Shiptalk has teamed up with a maritime market research company – Gilmour Research – to conduct the online survey, which will attempt to establish the views of modern day seafarers on subjects of significance to the industry, including, attraction, retention, qualifications and training of seafarers, as well as career progression and the effect of regulations.

Members and seafarers who would like further information, or to participate in this study, can obtain details from Shiptalk’s website: www.shiptalkjobs.com/lifeatseasurvey

Pictures:
1. Captain Halbe (R), Loire Marine, Mumbai, India
2. Bergen, Norway
3. Rio Tinto Marine, London, UK
4. Case study
Electronic information services for Members

North of England’s electronic risk-management information services include the following.

Industry News
Industry News is a proactive loss-prevention service for Members that is available on the Association’s website.

Members can access Industry News from the link on the home page of the Association’s website: www.nepia.com

E News
E News is distributed to Members by email and provides a monthly digest of Industry News items, club circulars and press releases.

RSS feeds
The Association provides RSS (really simple syndication) feeds for Industry News, club circulars and press releases, which enable Members to receive new information as soon as it is published and without having to check the website for updates.

A guide to using the RSS feeds is available on the Association’s website: www.nepia.com/rss/

Questions

1. What type of internal communications may be disclosable?
2. What should be used to reduce risks when working aloft?
3. Where is the piracy reporting centre based?
4. Where has the Association introduced a new medical scheme?
5. What updated procedures guide has recently been published?
6. Where was the recent wreck removal convention adopted?
7. What is North of England’s electronic service for members called?
8. Where was the recent wreck removal convention adopted?
9. Where is the piracy reporting centre based?
10. Where was the recent wreck removal convention adopted?

Your copy of Signals

Copies of this Signals should contain the following enclosures:

• Safe Work poster – Bridge Management (Members appointed ships only)
• Signals Experience P003 – On-load lifeboat accident (Members and entered ships only)
• Signals Experience P004 – Permitted to work (Members and entered ships only)

Answers to Signals Search 12

1. Teesport
2. Hospitals
3. IMDG Code
4. High cube
5. Whistleblower
6. Communication
7. Singapore
8. North Sea
9. Safe work
10. Ship source

Signals Search 12 Winner

Sim Seng Guan, Executive Director – Newstate Stenhouse

The first correct entry drawn will receive a prize along with a statuette of “Bosun Bo.” The next 5 correct entries drawn will each receive a statuette.

Details of the winner and runners-up will appear in the next edition of Signals.

Apology

Due to a publishing error, the wrong version of Signals Search 12 quiz was published in Signals 68. We sincerely apologise for this error and hope it did not cause inconvenience or disappointment. The correct version of Signals Search 12 was published in the electronic version available on the Association’s website and distributed by email.

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In this publication all references to the masculine gender are for convenience only and are also intended as a reference to the female gender. Unless the contrary is indicated, all articles are written with reference to English Law. However it should be noted that the content of this publication does not constitute legal advice and should not be construed as such. Members with appropriate cover should contact the Association’s FIDB dept. for legal advice on particular matters.

The purpose of the Association’s Risk Management facility is to provide a source of information which is additional to that available to the maritime industry from regulatory, advisory, and consultative organisations. Whilst care is taken to ensure the accuracy of any information made available (whether analysis in writing and whether in the nature of guidance, advice, or direction) no warranty of accuracy is given and users of that information are expected to satisfy themselves that the information is relevant and suitable for the purposes to which it is applied. In no circumstances whatsoever shall the Association be liable to any person whatsoever for any loss or damage whatsoever incurred or occurring in connection with the supply (including negligent supply) or use of information (as described above).
A Guide for Members

North Online is part of North of England’s website provided specifically to enable Members and brokers to access information relating to their entry with the Association.

How to get access to North Online

The North Online login screen can be accessed by either:
• Selecting the ‘Members log-in’ button on the home page of the Association’s website: www.nepia.com
• Visiting the North Online website directly: https://members.nepia.com

On the North Online login screen, Members can enter their UserID and password and click the ‘login’ button to enter North Online. Both the UserID and password are case sensitive. Members and brokers who require a UserID and password should contact the underwriting department at the Association.

Information available on North Online

The following provides a brief overview of the principal information available from North Online.

P&I and FD&D Claims
North Online provides the following ways of searching for details of claims within P&I and FD&D classes of cover:

Claims by Member (P&I and FD&D classes)
This option enables claims for appropriate vessels to be searched and viewed for a range of policy years. All claims, or outstanding claims only, can be displayed for the selected range of policy years. By default the claims are first sorted by policy year, then by vessel name and finally by the number of the claim within the policy year.

Claims by Vessel (P&I and FD&D classes)
This option enables claims for appropriate vessels to be viewed for a range of policy years, even if the name of the vessel is not available or the vessel has changed its name (see Hints and Tips overleaf). By default all the claims for the selected range of policy years are first sorted by policy year, then by vessel name and finally by the number of the claim within the policy year.

Claims by Voyage (P&I and FD&D classes)
This option enables claims for appropriate vessels to be viewed for a range of policy years, even if the claims description or voyage number is not available (see Hints and Tips overleaf). By default all the claims for the selected voyage for the range of policy years are first sorted by policy year, then by vessel name and finally by the number of the claim within the policy year.

Claims Analysis (P&I class)
This option enables Members to view a summary of the different types of P&I claims for appropriate vessels for a range of policy years. Each P&I claim is categorised using the main cause of the claim. The summary information provided includes the value of claims, as well as the number of claims, in each category.

From the search results, more information about each claim can be viewed. This information includes the name of the adjuster dealing with the claim, information regarding any guarantee or counter-security that has been given, as well as all the claims payments and recoveries for any claim. Comments regarding any of the claims can be made in a comment box, which will be sent directly to the appropriate claims adjuster.

Finally, to enable a review of selected claims offline, a ‘download’ option will produce a Microsoft® Excel compatible spreadsheet with full details of the selected claims. This can be used, for example, to produce an analysis of claims by claim category or ship type.

Underwriting
North Online also provides underwriting information for Members and brokers:

View Vessels
This option enables appropriate vessels to be viewed for a range of policy years. The details of each vessel, its cover and, if required, an electronic copy of the relevant certificate of entry are available.

Other Services
North Online provides two other principal services for Members:

Global Legal Navigator
This option enables access to the Association’s unique and innovative service that provides instant free legal advice to Members about a wide range of commonly asked questions on a variety of topics. The advice has been drafted by leading law firms.

The system is accessed by clicking on the relevant area of the world and selecting the required country. Members can then choose either an answer to a question from the available categories or use the search option.

The aim of the service is to provide a starting point or quick and easy reference for Members when considering a legal topic in a particular jurisdiction. It should not however be seen as a substitute for seeking direct legal advice from the Association when specific circumstances arise.

NEPIA Service Portal
North of England is continually striving to improve all aspects of its service to Members of the Association. This option allows Members to provide the Association with valuable comments.

Feedback from Members in respect of any aspect of the service provided by the Association is welcomed, including its correspondents, publications or website.

North Online can also provide information relating to Members’ loss ratios and outstanding account balances. For further details please contact the underwriting department at the Association.
On the North Online logon screen, Members can enter their UserID and password and click the 'login' button to enter North Online. Both the UserID and password are case sensitive, which means, for example, that 'nepia' is not the same as 'NEPIA'.

**Accessing North Online**

**Menu Options**

**P&I Claims**
- Introduction
- Claims by Member
- Claims by Vessel
- Claims by Voyage
- Claims by Analysis

**FD&D Claims**
- Introduction
- Claims by Member
- Claims by Vessel
- Claims by Voyage

**Underwriting**
- Introduction
- View Vessels

**Other Services**
- Introduction
- Global Legal Navigator
- NEPIA Service Portal

**Search Options**

<table>
<thead>
<tr>
<th>Screen Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy Year From</td>
<td>Selecting this option allows you to start your search from a specific policy year.</td>
</tr>
<tr>
<td>Policy Year To</td>
<td>Selecting this option allows you to finish your search at a specific policy year.</td>
</tr>
<tr>
<td>Member</td>
<td>The default setting is for all Members. Members with different operating groups, can select a specific group from the list.</td>
</tr>
<tr>
<td>Vessel</td>
<td>The default setting is for all vessels. You can select a specific vessel from the list.</td>
</tr>
<tr>
<td>Claim Status</td>
<td>The default setting is for all claims. You can choose to show current claims only.</td>
</tr>
</tbody>
</table>

**Result Options**

<table>
<thead>
<tr>
<th>Search</th>
<th>Download</th>
<th>Outstanding P&amp;I Claims Report</th>
<th>All P&amp;I Claims Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>This option will display all the search results on screen.</td>
<td>This option provides you with a file which can be downloaded and used in any spreadsheet. This allows you to analyse the information, for example, by type of claim or by voyage.</td>
<td>This option will provide you with a PDF report of current claims for the last five policy years.</td>
<td>This option will provide you with a PDF report of all claims for the last five policy years.</td>
</tr>
</tbody>
</table>

**Global Legal Navigator**

By clicking on the relevant area of the world and selecting the required country, you can choose either a question from the available categories or use the search option.

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**Hints and Tips**

**P&I and FD&D Claims**

1. To look for claims for a specific vessel it may be easier to use the 'Claims by Vessel' menu option. This should also be used when looking for claims belonging to a vessel that has changed its name.
2. To look for a specific claim, or claims for a specific voyage, it may be easier to use the 'Claims by Voyage' menu option.

**P&I and FD&D Claims by Vessel Search**

1. To search for vessels beginning with a specific word, use the '*' wildcard character. For example, to search for vessels beginning with Spring, you could enter Spring* in the vessel name box.
2. To search for vessels ending with a specific word, use the '*' wildcard character. For example, to search for vessels ending with castle, you could enter *castle in the vessel name box.
3. To search for vessels containing a specific word, use the '*' wildcard character. For example, to search for vessels containing the word sea, you could enter *sea* in the vessel name box.

**P&I and FD&D Claims by Voyage Search**

The following tips apply to any search using the 'Voyage Reference', 'Claim Description' or 'Members Internal Reference'. For simplicity, examples are given using a search for a specific claim description:

1. To search for a claim description beginning with a specific word, use the '*' wildcard character. For example, to search for a crew claim, with a claim description beginning with crw, you could enter crw* in the claim description box.
2. To search for a claim description ending with a specific word, use the '*' wildcard character. For example, to search for a claim description ending with China, you could enter *china in the claim description box.