

UK P&I CLUB



LP Bulletin

Friday 4th March 2011

Bulletin 747 - 03/11 - Illegal Waste Cargoes - USA

The Association would like to bring a recent case of the attempted export of illegal waste cargoes to the attention of Members. This case highlights the need for increased diligence in detecting and preventing these types of illegal export shipments which if not properly scrutinised may lead to heavy fines.

This bulletin follows previously issued advice concerning the practice of some unscrupulous shippers / freight forwarders to deceive carriers by submitting false bills of lading disguising the true nature of the scrap cargo they intend to ship.

Recently a carrier has been involved in a case where the US customs intervened to prevent a shipment of waste intended for Vietnam where if this shipment was not intercepted by US Customs it would likely have arrived in Vietnam and been subsequently abandoned leaving the carrier to dispose of the hazardous waste. Alternatively the shipment may have been rejected and re-exported back to the US at cost to the carrier. In either scenario, it would have been very costly to the line and a lot of time and money spent trying to recover the costs from the shipper.

We recommend that any Members currently doing business with the below companies should be very careful. We further recommend that lines arrange for random inspections of low value cargoes to ensure the commodities are declared properly by the shippers.

The Club has previously issued guidelines to assist Member's in avoiding low value high volume bookings which were being abandoned in China. (see Carefully to Carry article " *The perils of waste shipments in freight containers* ")

Metro Metals Corp. and **Avista Recycling, Inc.** have been ordered to properly dispose of computer waste they attempted to illegally export from Minnesota to Vietnam through the Port of Seattle, according to the US Environmental Protection Agency (EPA).

EPA said that they are also simultaneously seeking a \$31,600 penalty against the companies for violating federal hazardous waste laws.

Toronto-based Metro Metals Corp. and Minnesota-based Avista Recycling, Inc. arranged for the export of a shipment of 913 discarded computer monitors to Vietnam on December 6, 2010.

US Customs and Border Protection agents intercepted the shipment, which had been incorrectly identified in shipping paperwork as "scrap plastic" at the Port of Seattle for inspection before it could leave the US.

"Companies that collect discarded cathode ray tubes must be held accountable to manage these wastes in compliance with our laws which ensure that they will be properly handled, and not sent abroad to countries that have not agreed to receive waste from the US," ~ Edward Kowalski, Director of the Office of Compliance and Enforcement, (EPA, Seattle office).

Some televisions and computer monitors contain cathode ray tubes (CRTs). Colour computer CRT monitors contain an average of four lbs (1.8kg) of lead. CRTs may also contain mercury(corrosive), cadmium and arsenic (both toxic). All of which are harmful to human life and the environment.

EPA alleges that these companies violated several federal hazardous waste management requirements designed to ensure the proper management and transport of such wastes.

"First, the companies failed to evaluate their waste and identify it as hazardous. They also failed to manifest the waste or comply with other pre-transit requirements for such shipments. Even more importantly, the companies failed to notify EPA of their intent to export the waste to Vietnam and, consequently, attempted to bypass the process required for Vietnam to consent to receive hazardous wastes from the US before it can leave the country," ~ EPA spokesperson.

The EPA order will automatically become final unless either of the parties requests a hearing on the matter within thirty days.

Discarded CRTs are subject to regulation under the Resource Conservation and Recovery Act.

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