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## **Dangers of carrying Nickel Ore from Indonesia and the Philippines**

### **– Mandatory Notification Requirements**

Since October 2010, due to the causes like the non-existent or limited loading equipment methods and eroded demarcation between the dry season and rainfall season, the liquefaction of nickel ore has led to the number of vessels sunk and loss of many lives, which International Group urges the mandatory measures to be taken as soon as possible.

Nickel ore is a cargo which may liquefy if the moisture content of the material exceeds its Transportable Moisture Limit (TML), and its liquefaction will lead to the loss of stability and the ship may even capsize. Considering the amendments to improve safe carriage of nickel ore in the International Maritime Solid Bulk Cargoes (IMSBC) Code, the International Group has been involved into the discussions with the other industries and the Indonesian Administration in Jakarta regarding the compliance with the duty of a competent authority to oversee compliance by shippers of their obligations under the Code in respect of reliable testing and accurate certification of the cargo to be shipped. In absence of an early resolution to these discussions, the International Group has required the Members to mandatory notification to get rid of possibly prejudicing the Club cover.

Apart from the remaining responsibility for the member to ensure the safe carriage of nickel ore cargo in compliance with the IMSBC Code, when planning to fix or charter a ship for loading nickel ore from ports in the Indonesia and the Philippines, here is the compulsory obligation for the member to notify the club at the earliest opportunity regarding the following information:

- Ship name
- Port/anchorage of loading and estimated time of arrival
- Date of intended loading
- Charterer/shipper's details
- Agent's details
- Copy of the shipper's cargo declaration and supporting certificates

In general consequences, the club could provide the relevant information to the Members to take the precaution measures so as to reduce the risk. There would be a local surveyor to be appointed to assist the Master, and liaise with an independent expert if necessary to ensure that the laboratory conducts its tests in accordance with the Code. Furthermore, if the master is in any doubt as regards the suitability of the cargo for loading, considering that the problems is likely to arise owing to the permitted unsafe cargo, the Member should contact the club in due course to appoint a surveyor in assistance with the master, which does not mean the obligation of the shippers to conduct under the Code or local regulations could be relieved.

In consideration of being a better position to identify those areas, ports and shippers which present particular difficulties, including inaccurate cargo declarations, the club emphasizes that when planning to fix or charter a ship, or the ship having been ordered, to load nickel ore from a port in Indonesia or the Philippines, the members not only should consider how they might protect themselves contractually before agreeing to carry such cargoes e.g. including an appropriate clause in any charter party, but it also requires the compulsory notification for the Members in order to make aware of the dangers. Even if the measures to reduce the risk taken with the club could not be treated as a guarantee of safety, however, without such notification procedure to the club's managers for risk mitigation, there is the consequence to prejudice the Club cover such as the members themselves may even bear the costs and risk which incur during the loading and navigation.