

Circular from LONDON**Date: 27 February 2013**

Liquefaction Risks - Iron Ore from Indonesia

Members will be aware of the dangers associated with the carriage of cargoes that can liquefy from the various Circulars, News Alerts and Stop Loss articles issued by the Club over recent years.

The principal concern has been in respect of the carriage of iron ore fines from India and Brazil as well as nickel ore from the Philippines and Indonesia. More recently, the Club has highlighted problems associated with the carriage of iron ore fines from Sierra Leone.

The Club now has recent experience of shippers in Indonesia presenting cargo declarations which describe cargo as Group C iron ore (ie a cargo that is not liable to liquefy) when tests conducted upon samples of the cargo presented for loading firmly indicated that it was more accurately to be designated as a Group A cargo (ie a cargo liable to liquefy if the moisture content exceeds the Transportable Moisture Limit (TML)). In that particular case testing on the cargo confirmed that the cargo had a Flow Moisture Point (FMP) and that as the moisture content of the cargo exceeded the TML and the FMP, the cargo was not fit for carriage. Click [here](#) to see an example of a failed can test on the cargo. Fortunately on that occasion it was possible to persuade the charterers to present an alternative safe cargo for loading.

This experience highlights the need for Members to remain vigilant at all times. In particular, Members should ensure they do not take the shipper's cargo declaration at face value (either as regards the description of the cargo, its categorisation under the IMSBC Code as a Group A or Group C cargo, or the moisture content, TML or FMP of the cargo). If Members are in any doubt as to the authenticity of the cargo declaration or any of the details provided therein when iron ore, iron ore fines or iron ore lumps cargoes are to be loaded in Indonesia, the earliest possible consideration should be given to contacting the Club so that independent tests may, if considered necessary, be conducted in order to determine the true nature of the cargo to be loaded and its suitability for carriage.

More generally Members are reminded of the recommendations set out in the Club's Circular 5.421 of 13 December 2010 (India - Safe shipment of Iron Ore Fines from Indian Ports). While this Circular applies to iron ore fines loaded from Indian ports, the recommendations contained therein apply equally to the carriage of any cargo that has a propensity to liquefy in any country where shippers have been shown to be failing to comply with their obligations under the IMSBC

Code.

Source of Information: London P&I Club

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