



## **KIMO RESOLUTION 1/08**

**Presented by KIMO Secretariat**

### **Lost Containers from Shipping**

#### **Introduction**

KIMO first raised the issue of pollution from containerships and the related lack of robust compensation regimes with regard to this sector of the shipping industry in 1995 at the 4<sup>th</sup> North Sea Ministerial Conference in Esbjerg and subsequently at the 5<sup>th</sup> Ministerial Conference in Bergen 2002 where Ministers agreed to *“To make coordinated efforts within IMO to review, strengthen and introduce, if appropriate, further compensation and liability regimes.”*

The current position is that materials from containers that have polluted the coastlines, whether from a major shipping accidents or from individual containers, creating an environmental, operational and financial burden on coastal authorities unless the ship owner's or box ship owner's insurance has been willing to meet the cost.

#### **Background**

There is now wide spread concern about a recent spate of accidents in European waters and one of the worlds major carrier is conducting investigations why so many containers are being lost over the side of so many ships. A number of global carriers have suffered incidents over the years, many of which go largely unreported. Up to 10,000 boxes a year could be lost worldwide through accidents of one form or another, according to a recent industry estimate, of which about a quarter are washed overboard. Recent incidents have involved a NYK Line ship losing about four dozen containers in the English Channel in November 2007 and the *P&O Nedlloyd Mondriaan* lost 58 containers over the side off the Dutch coast, and then another 50 a couple of weeks later in the Bay of Biscay.

Bad ship design, flimsy containers, faulty twist locks, bad stowage, shoddy maintenance, poor seamanship, top heavy container stacks, mis declared cargo, weather, commercial pressure, communication failure or a combination of these factors all contribute to an increasing amount of incidents. The audit of the containers removed from the MSC Napoli and the deadload calculated on departure, indicated that the declared weights of many of the containers

carried by the vessel were inaccurate<sup>1</sup>. While there are many contributory factors, one classification society has now added its voice to the growing lobby in favour of weighing every container before it is loaded onto a ship and there is also a case for building more robust containers which have remained unchanged in basic design for half a century. This would be the most effective way of preventing containers from crashing into the sea or from stacks collapsing. Approximately 50% of the worlds shipping tonnage carry non-toxic substances as bulk goods, in containers or as general cargo<sup>2</sup>.

There has been a rapid increase in the worldwide containership fleet, which has grown by 140% from 32.6 to 78.3, million gross tons<sup>3</sup> since 1994. This rise has been accelerated in recent years as Post-panamax ships have started to join the fleet with capacities of 9000 TEU's (Twenty Foot Equivalents). Even larger vessels than these are in the pipeline, with the China Ocean Shipping Group building four 10,000 TEU vessels, and the predictions are that vessels will reach an optimum size of 12,500 TEU's by 2013. The North Sea region is no exception with the container port capacity forecast to increase by 21.18 million TEU's over the next five years to 74.56 million TEU's. Transshipment of containers through the North Sea has also been forecast to increase by 60-90% in the period from 2001-2010.

Containerships and general cargo ships may carry hugely varied cargos anything from polythene, training shoes, and tobacco to garden gnomes and there also may be many different cargos in a single container. It may also be difficult to reconcile containers that have been lost over the side with the ships manifest.

Containerships operate at much higher speeds in order to move cargos around the world quickly and keep delivery times down. Modern containerships are designed to operate at service speeds of up to 27 knots<sup>4</sup> much faster than tankers or bulk carriers. This high speed will result in greater impact in collisions and groundings resulting in more damage to the vessel when compared to lower speeds. Therefore there is a greater risk that containers will be lost overboard if an accident does occur.

The ever-increasing incidents of lost containers that are arriving on coastlines and beaches are now becoming an issue for coastal local authorities. Although most of these incidents involve non-toxic pollution such as consumer goods more and more incidents are involving toxic material which adds a further burden to local emergency services. As the main providers of cleanup responses Local Authorities have to bear the cost of such incidents.

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<sup>1</sup> MAIB Report No 9/2008 on MSC Napoli - April 2008

<sup>2</sup> UK Department of Transport, Transport Statistics Report, Marine Statistics 2003, [www.dft.gov.uk](http://www.dft.gov.uk)

<sup>3</sup> UK Department of Transport, Transport Statistics Report, Marine Statistics 2003, [www.dft.gov.uk](http://www.dft.gov.uk)

<sup>4</sup> Most powerful low speed engines order for HMM containerships, [www.wartsila.com](http://www.wartsila.com) 17/8/05

KIMO is of the opinion that, as well as inadequate cover in the compensation and liability regimes for pollution from shipping, there are several technical improvements which could be made to reduce the 10,000 containers lost from vessels every year and their burden on coastal communities.

**Therefore,**

**KIMO, in recognition of the need to reduce the number of containers lost overboard each year and hence reduce the impact of this type of pollution on coastal communities; having regard to KIMO Resolution 4/94 (amended 96) and Resolution 01/05;**

**Urges:**

**All European governments, the European Commission and Parliament to act in unison at the International Maritime Organisation (IMO) to establish the following measures:**

- **Ensure that all containers are weighed before shipment and are reconciled with the ships manifest**
- **Attach automatically activated beacons to all containers so they can be identified and retrieved if they are lost overboard**
- **Review the construction criteria for containers with regard to current stacking heights**
- **Review specifications and maintenance regimes for twistlocks**
- **Introduce financial penalties and compensation regimes for the retrieval of lost containers**

**And to work towards a Convention on Liability and Compensation for Damage in Connection with the Carriage of Non-Toxic Substances including strict liability on ship owners for pollution from their vessels, compulsory insurance for all vessels and a reserve fund to cover any shortfalls in compensation.**

**KIMO members:**

Agree to submit this Resolution to all National Governments, the European Commission and other relevant organisations.

\*This Resolution was agreed unanimously by Delegates at the 18th KIMO International Annual General Meeting in Tonder, Denmark on October 5th, 2008 and became KIMO policy upon that date.