

West Of England: Carriage of containers on dry bulk carriers



16th August 2021

West of England has become the second P&I club this week (following an article by Steamship Mutual) to warn of the dangers of carrying containers on vessels not originally designed for container carriage.



West underwriting director Simon Parrott wrote to members stating that the container shipping markets and trades had recently seen an unprecedented demand for container vessels. "However, due to the growing pressure on container slot availability with demand exceeding the current supply on container vessels on specific routes, exporters are looking at alternative vessels to fulfil carriage commitments."

He said that as a result the Club had seen incidents of bulk carriers designed purely for the carriage of dry bulk cargo being chartered for the carriage of containers. He warned that the carriage of containers on this type of vessel could lead to a number of issues which needed to be understood and addressed for the shipment to be delivered successfully to the discharge port.

The carriage of containers on a bulk carrier could be deemed a change of use. Therefore members should contact the vessel's Flag State Administration and Classification Society to determine what documentary changes would be necessary to the vessel's statutory and Classification certification.

Parrott said that it was also likely that loading containers might be deemed a material change by the P&I Club. Therefore in order to prevent the risk of cover being prejudiced, Members would be advised to contact the Underwriting department.

A pre-loading survey might also be required to validate the lashing and stowage arrangements.

Should employment involve multiple voyages carrying containers, then statutory certificates might need to be re-issued, particularly those detailing the vessel type, and possibly including the operator's International Safety Management (ISM) Document of Compliance (DOC).

In addition, to warrant a DOC issued for general/multipurpose dry cargo ship operation, the company's Safety Management System (SMS) might need amending to include guidance on the loading, stowage, and carriage of containers.

These changes might then need to be verified by an additional external ISM audit of the office and vessel. The vessel's Classification Society might require reclassification of the vessel and possibly other surveys to confirm that the vessel could be reclassified for the carriage of containers.

Although Class should be advised of any such change of use, a single trip might only involve the issuance of an exemption letter for the voyage by the Classification Society.

In addition to possible changes to certification, other documents might require updating and re-submitting to the Flag Administration's Recognized Organisation (RO) for verification and approval. In particular, said Parrott, it was most likely that the Cargo Securing Manual (CSM) would have no provision for the stowage and securing of cargo other than dry bulk. The CSM would therefore need to be amended and submitted for re-approval. The stability book likewise might need amending.

When certification or documents required updating and re-issuing, verified copies of the certificates and documents, or exemption letters issued, would have to be on board the vessel before loading operations commence.

Where containers were stowed on deck, it would have to be confirmed that the contract of carriage allowed such stowage, and the B/L was suitably claused to reflect that the cargo had been stowed on deck.

Members were specifically referred to West's News Item of July 2nd 2019 about suitable wording for such clausing. If Members were contractually obliged not to agree to such clausing, then additional cover might be necessary.

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