



KIMO RESOLUTION 1/08 (updated 2019)

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 4th North Sea Ministerial Conference in Esbjerg and subsequently at the 5th 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.”

Despite these assurances and campaigning by KIMO and other actors, the current position remains that cargo from spilled containers that has polluted the coastlines continues to create an environmental, operational and financial burden on coastal authorities unless the ship owner’s insurance has been willing to meet the cost.

Background

There has been a rapid increase in the worldwide containership fleet. In terms of value, global container trade now accounts for 60% of all seaborne trade. While the quantity of goods being carried by containers has risen from 102 million metric tons in 1980 to 1.83 billion metric tons in 2017, vessels have also increased their capacity. Between 1980 and 2018, the deadweight tonnage of container ships has grown from 11 million metric tons to around 253 million metric tons and the global container ship fleet has the capacity to carry more than 20 million standard containers.

Concern about container loss incidents in European waters is widespread. A number of global carriers have suffered incidents over the years, many of which go unreported. For the period 2008-2016, an average of 1,582 containers were lost each year, 64% of which were from catastrophic events (defined as incidents in which more than 50 containers are lost). Recent incidents include the Mediterranean Shipping Company’s ultra-large containership MSC Zoe which lost around 342 containers overboard in German waters after being caught in heavy seas between Vlieland, Netherlands and the German Bight in the southeastern North Sea on 1st January 2019. This was the second largest reported container ship loss from a ship due to heavy weather (the largest was from the Svendborg Maersk which lost 517 containers off the port of Brest, France, in February 2014).

A significant amount of debris from broken containers including toys, household items and white goods washed up on Dutch and German islands in the Wadden Sea, an area awarded UNESCO World Heritage and Natura 2000 status and recognised by the International Maritime Organisation as a Particularly Sensitive Sea Area (PSSA) requiring special protection. Volunteers, fishermen and the military were involved in extensive clean-up operations which have cost €260,000 to island municipalities and €777,296 to private companies. It is expected that lost cargo will continue to be washed up on beaches and shores for many months and the extent of the pollution will increase as the debris is carried further by the strong currents.



Bad ship design, flimsy containers, faulty twist locks, bad stowage, shoddy maintenance, poor seamanship, top heavy container stacks, mis-declared cargo, bad weather, commercial pressures, lack of compliance and communication failure all contribute to an increasing number of similar incidents.

Containerships and general cargo ships may carry hugely varied cargos anything from plastic pellets, polythene, training shoes, and tobacco to fridges and car parts and there may be many different types of cargo in a single container, making it difficult to reconcile containers that have been lost over the side with the ship's 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 around 22 knots, much faster than tankers or bulk carriers. This higher 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, an increasing number of 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 clean-up.

Position

KIMO is of the opinion that, as well as inadequate cover in the compensation and liability regimes for pollution from shipping, there are technical improvements that could be made to reduce the number of containers lost from vessels every year and the associated financial burden on coastal communities that have to clean them up.

KIMO:

Recognising the need to reduce the number of containers lost overboard each year and to mitigate their environmental impact, including on coastal communities

Recognising the need to establish environmental liability and ensure that the polluter pays for the costs of clean up and having regard to KIMO Resolution 01/05 (A convention on liability and compensation for damage in connection with the carriage of non-toxic substances)

Urges:

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

- **Ensure and enforce ship planning vessel compliance;**
- **Ensure proper transparency on container losses;**
- **Facilitate container traceability and visibility to boost their recovery;**



- Review and strengthen the construction criteria for containers with regard to current stacking heights;
- Review and strengthen specifications and maintenance regimes for twist locks;
- Clarify the legal status of lost containers and related liabilities
- Introduce financial penalties and compensation regimes for the retrieval of lost containers and their contents

All European Governments, the European Commission and the European Parliament 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 Tønder, Denmark, on 5th October 2008 and became KIMO policy upon that date. This update was agreed unanimously by delegates at the 29th KIMO International Annual General Meeting in Velsen, the Netherlands, on 13th October 2019.