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Reducing Accidents and Insurance Claims Within Ports & Terminals 2017

CMA CGM
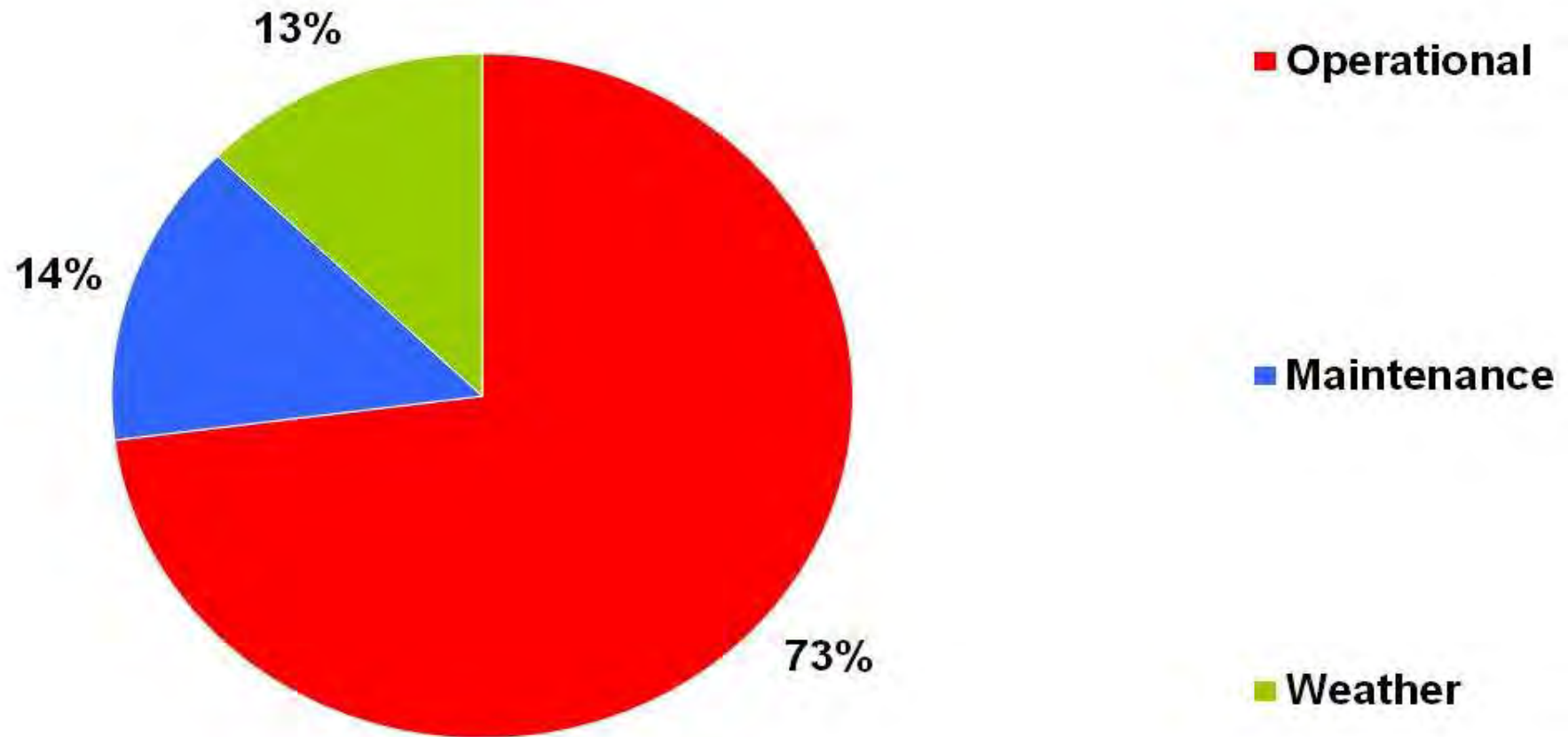
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IS MANAGED
BY **THOMAS MILLER**

Sandro Chu
Senior Claims Executive – TT Club

Analysis of the main causes of claims:
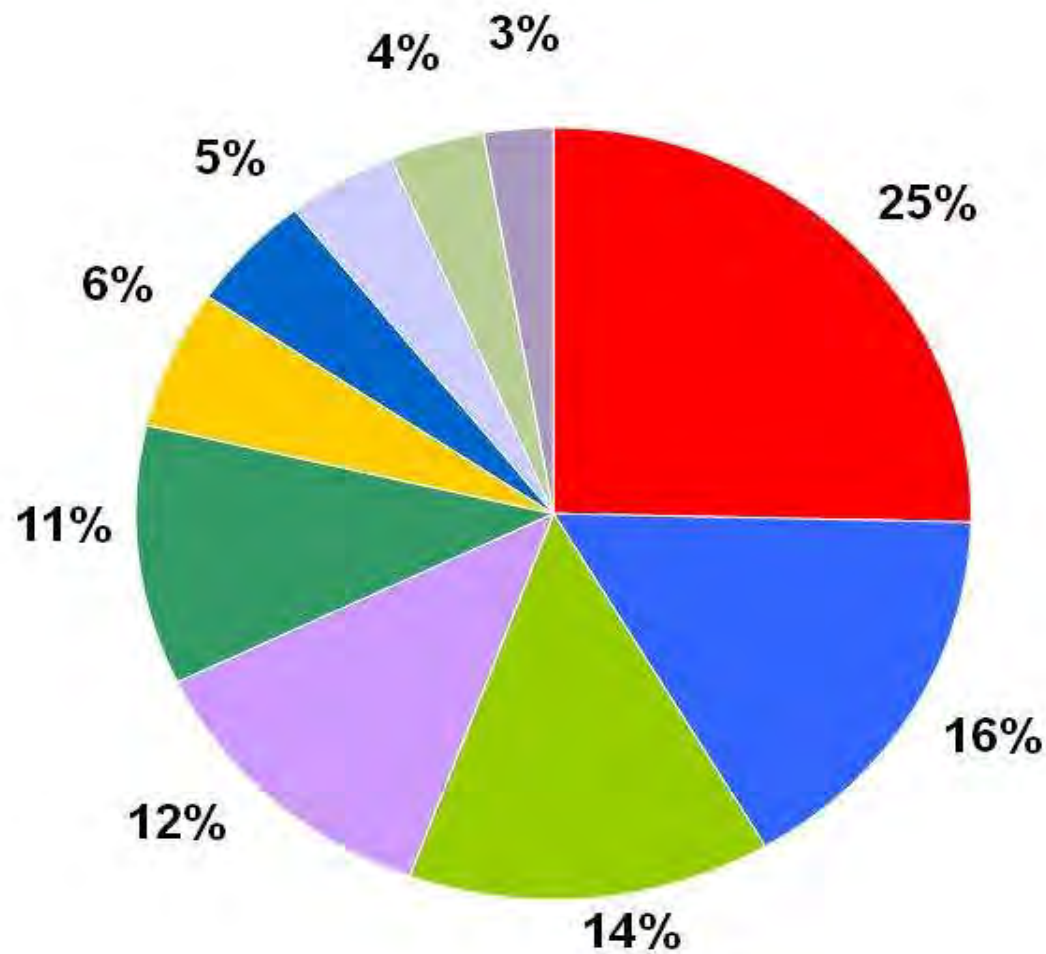
- Includes last 5 years data

- All claims over US$10,000

- Over 7,000 claims

- Includes all claim types:

  – Property

  – Liability
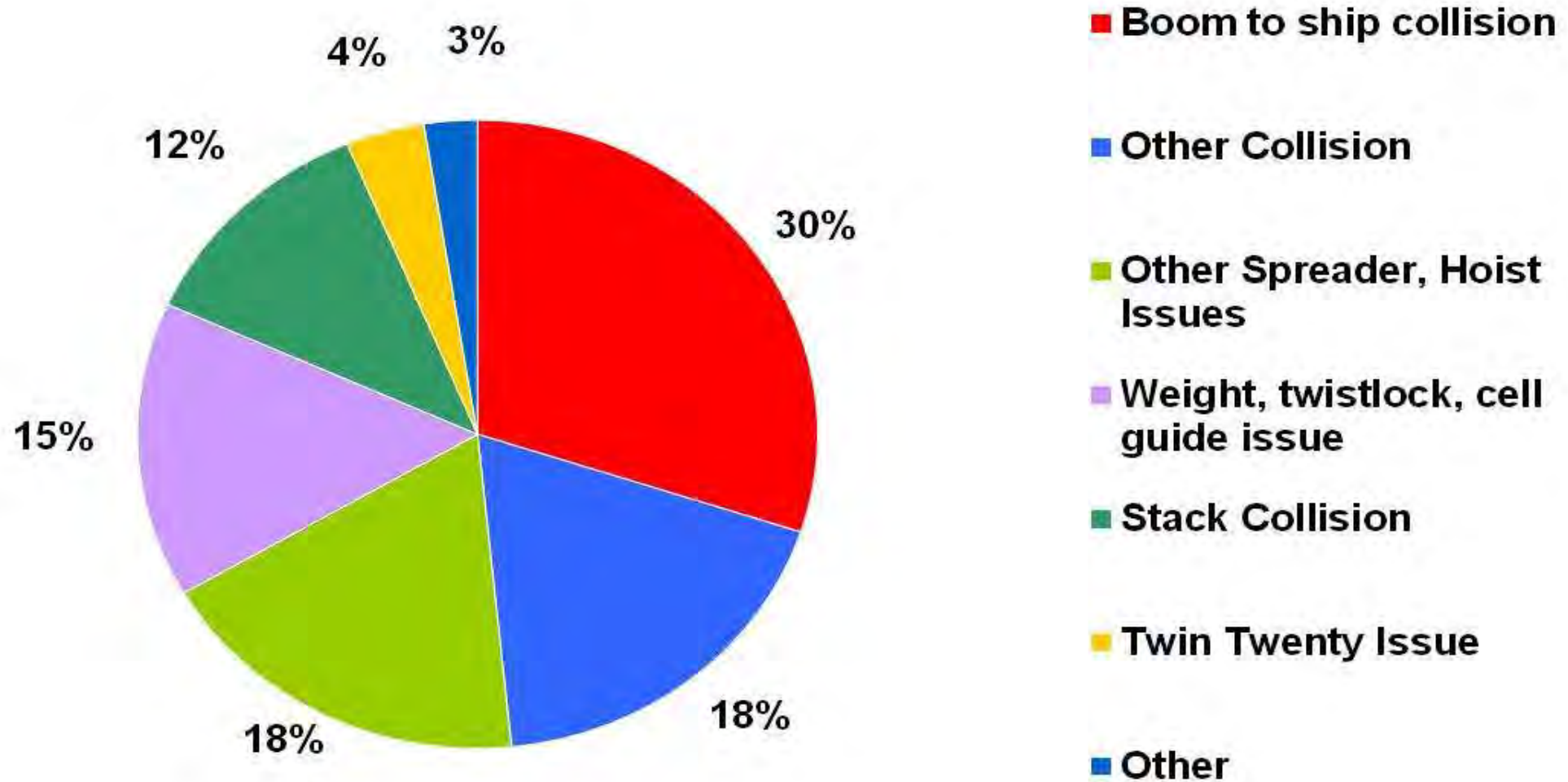
  – Bodily injury

Main cost cause categories

- 13% Weather
- 14% Maintenance
- 73% Operational

- Operational
- Maintenance
- Weather

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Pie chart legend:
- Wharf Crane — 25%
- Systems & Processes — 16%
- Lift Truck — 14%
- Truck/ Vehicle — 12%
- Theft — 11%
- Yard Crane — 6%
- Single Person Incident — 5%
- Straddle — 4%
- Ship in Port — 3%
- Other

Bigger ships and bigger and more cranes

Quay crane issues costs

- **Boom to ship collision** — 30%
- **Other Collision** — 18%
- **Other Spreader, Hoist Issues** — 18%
- **Weight, twistlock, cell guide issue** — 15%
- **Stack Collision** — 12%
- **Twin Twenty Issue** — 4%
- **Other** — 3%
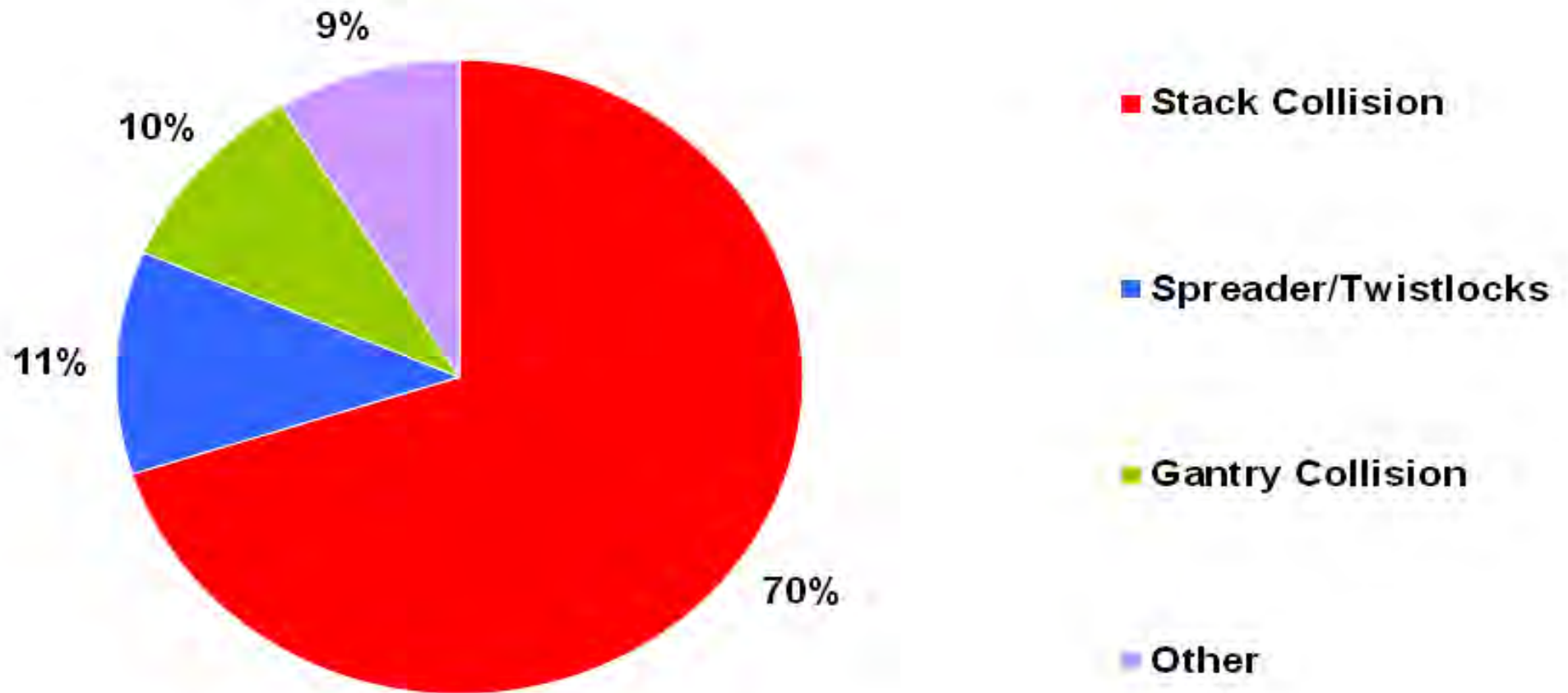
30% of quay crane claims costs

Biggest single cause of quay crane claims cost

Prevention:
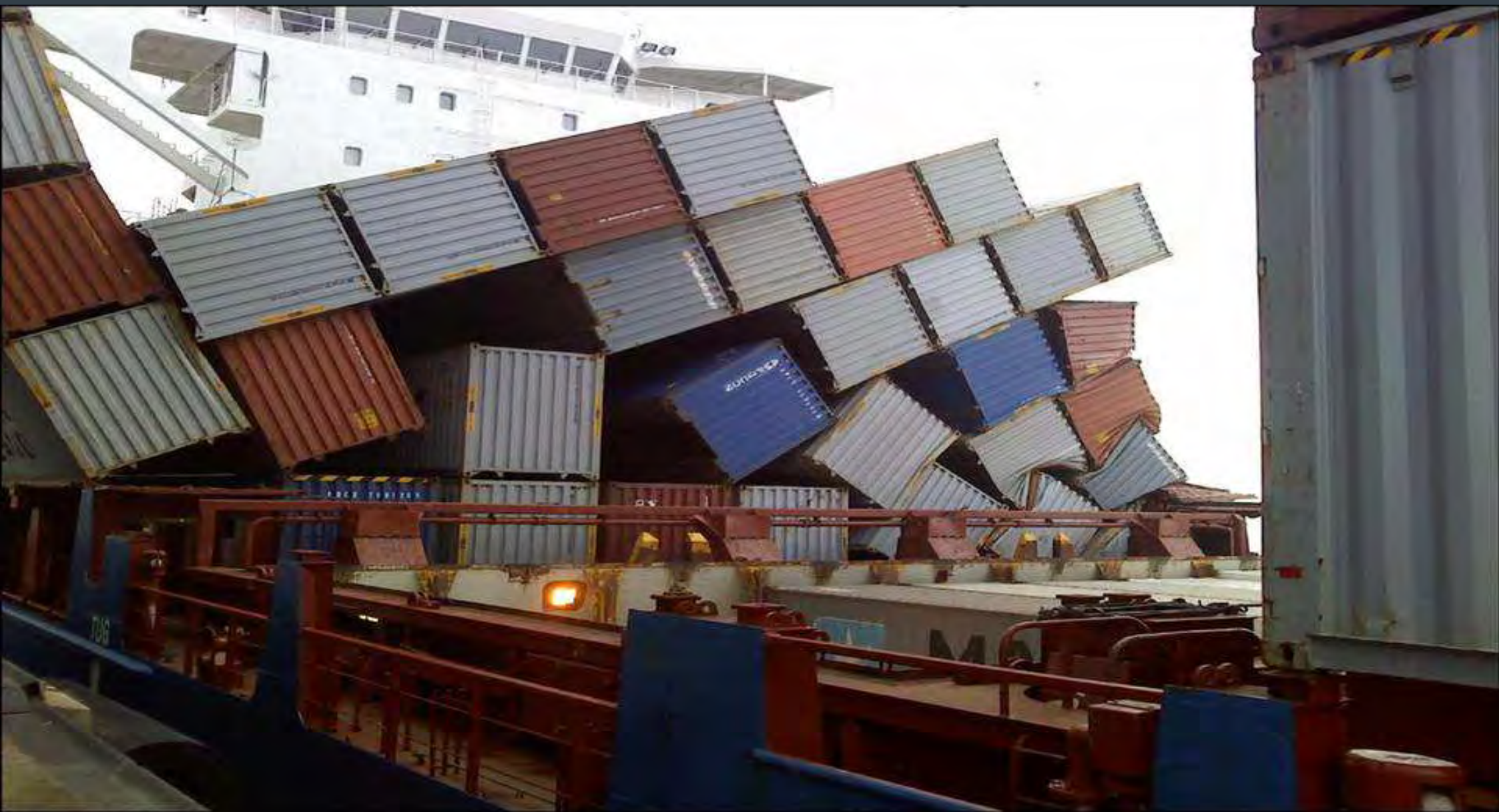
Totally preventable with quay crane boom anti-collision sensors

Laser sensors – www.sick.com

Yard crane issues costs

Pie chart showing yard crane issues costs:
- Stack Collision — 70%
- Spreader/Twistlocks — 11%
- Gantry Collision — 10%
- Other — 9%

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12% of quay crane claims costs

70% of yard crane claims costs

Loss prevention:

- Reduced with crane PLC logic to limit trolley & gantry travel unless at full hoist – cheap option but will slow operations.
- Totally preventable with a stack profiling system using sensors & PLC logic

Spreader, twistlock, container weight & eccentricity issues

15% of quay crane claim costs

11% of yard crane claims costs

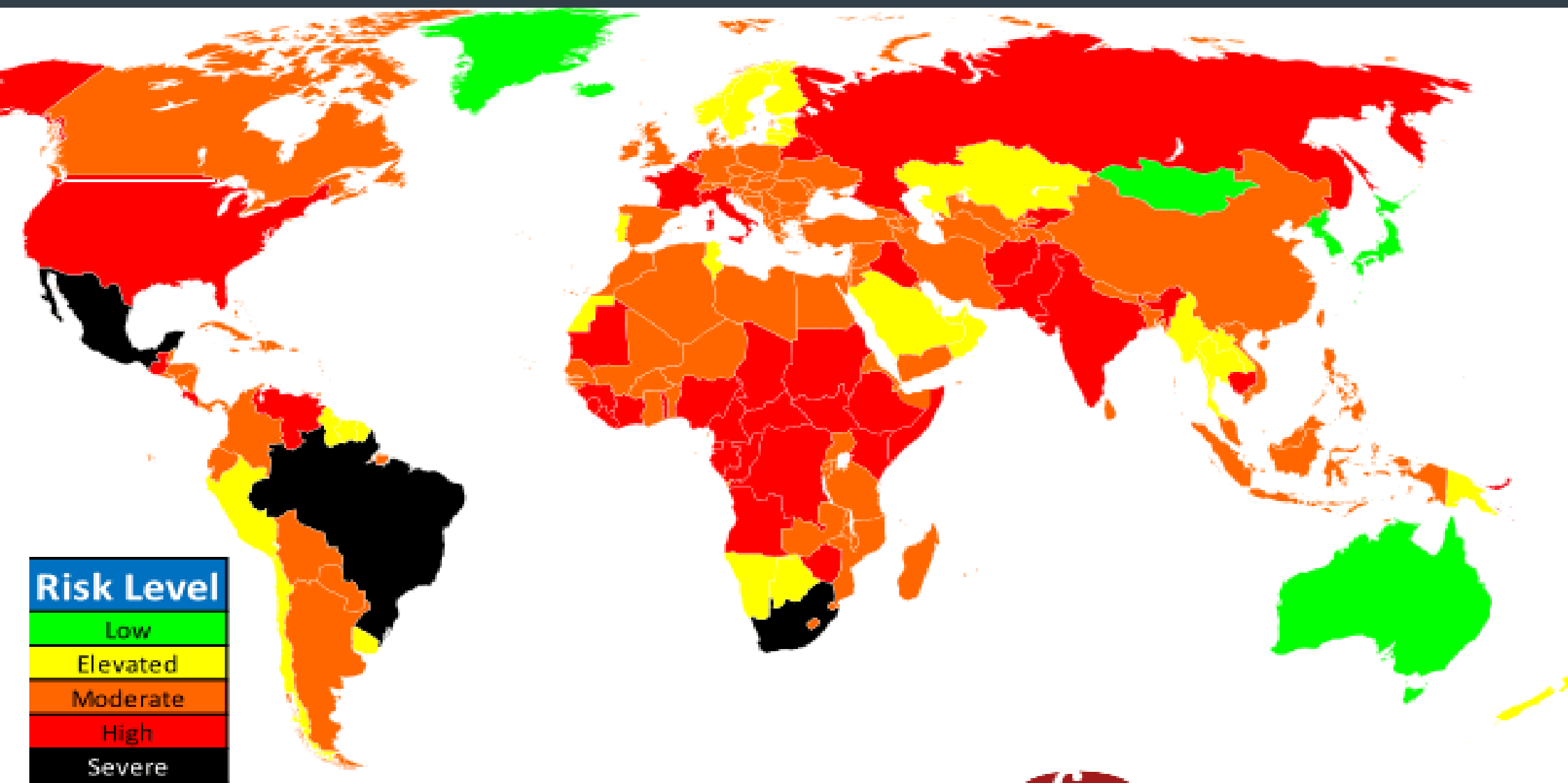Many preventable with twistlock load sensing technology

Measures weight & eccentricity of each container

Can be installed on any twistlock, on any spreader and on any equipment

Suppliers:
- Lasstec – www.lasstec.com
- Bromma – www.bromma.com
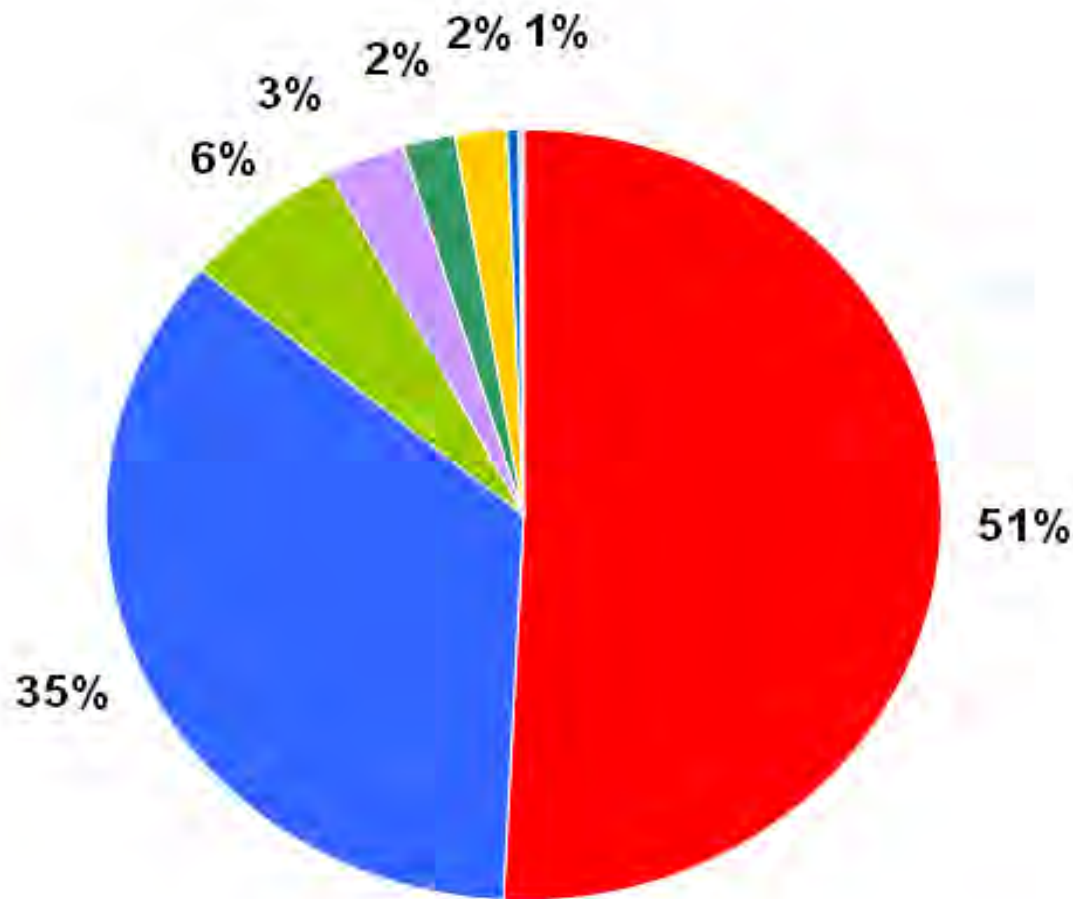- Strainstall – www.strainstall.com

Cargo theft - level of risk by country

© FreightWatch International (U.S.A), Inc. 2013

Theft issues costs

- **Theft from member's premises** — 51%
- **Theft in transit – contractor** — 35%
- **False paperwork** — 6%
- **Theft in transit – member** — 3%
- **Theft from contractor's premises** — 2%
- **Stocktaking loss** — 2%
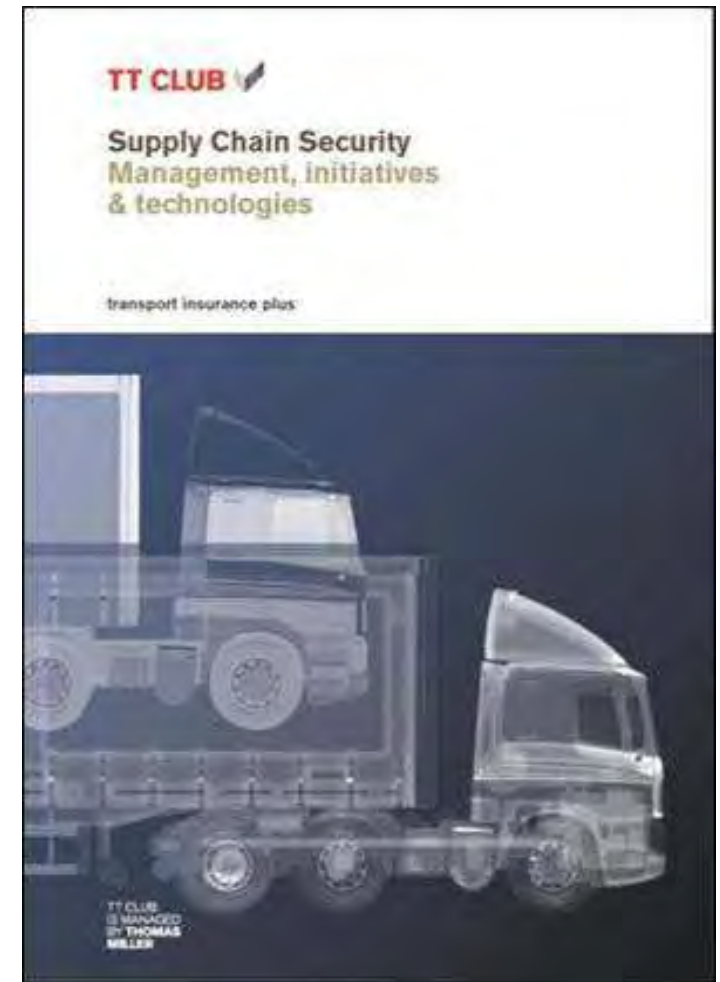- **Seal intact** — 1%
- **Other or unknown**

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53% of theft costs occur from premises

Prevention:

- physical security – good fences
- security guards
- CCTV monitoring
- automated gate control system
- checks and double checks on paperwork

Most thefts are inside jobs

Refer to TT Club Supply Chain Security booklet

Available at www.ttclub.com

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Supply Chain Security
Management, initiatives
& technologies

transport insurance plus

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MILLER

35% of theft costs occur in transit using contractors

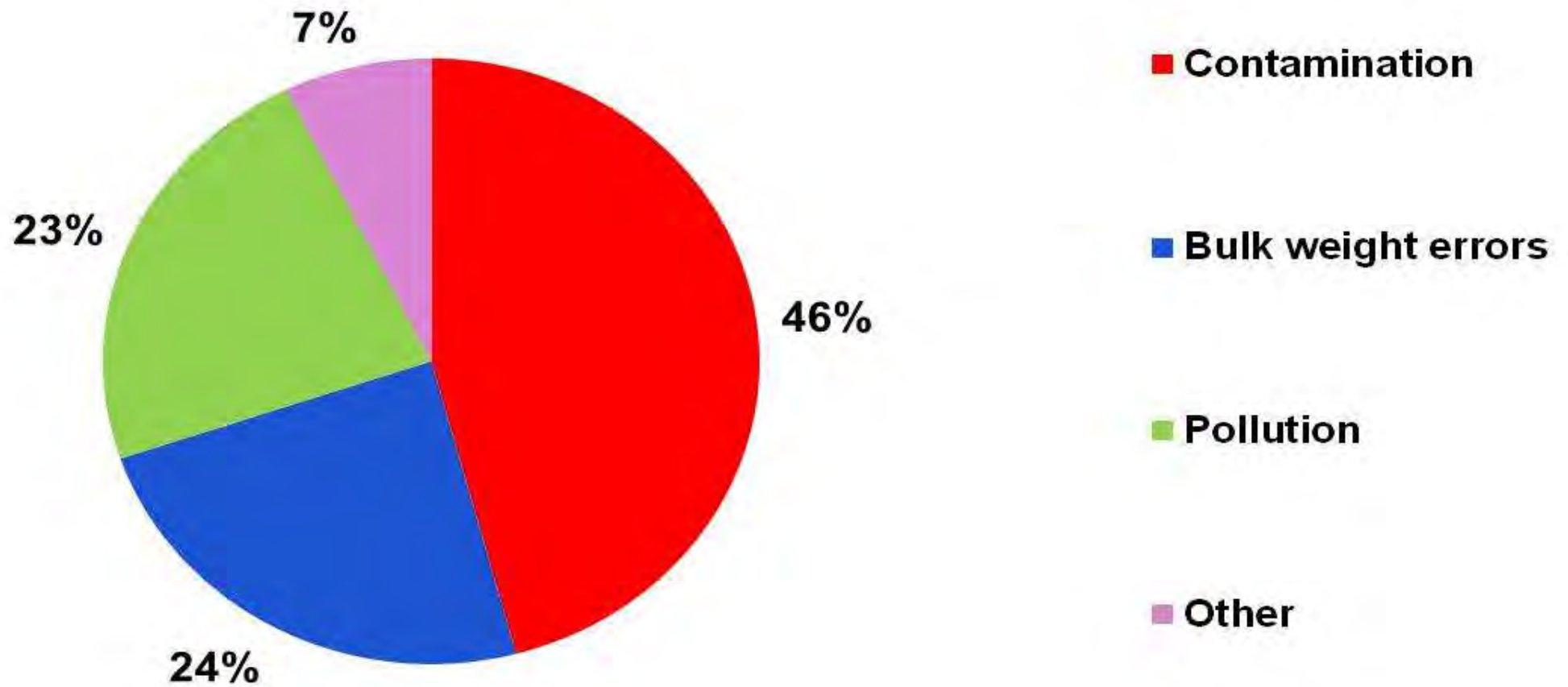**2% due to theft from contractor's premises**

Prevention:

- Due diligence on contractors
- Pre-employment checks / references
- Number of years established
- Company registration number
- Country entity is registered
- Direct contact details
- Any affiliations with Industry Trade Bodies
- Contractors' Standard Terms and Conditions

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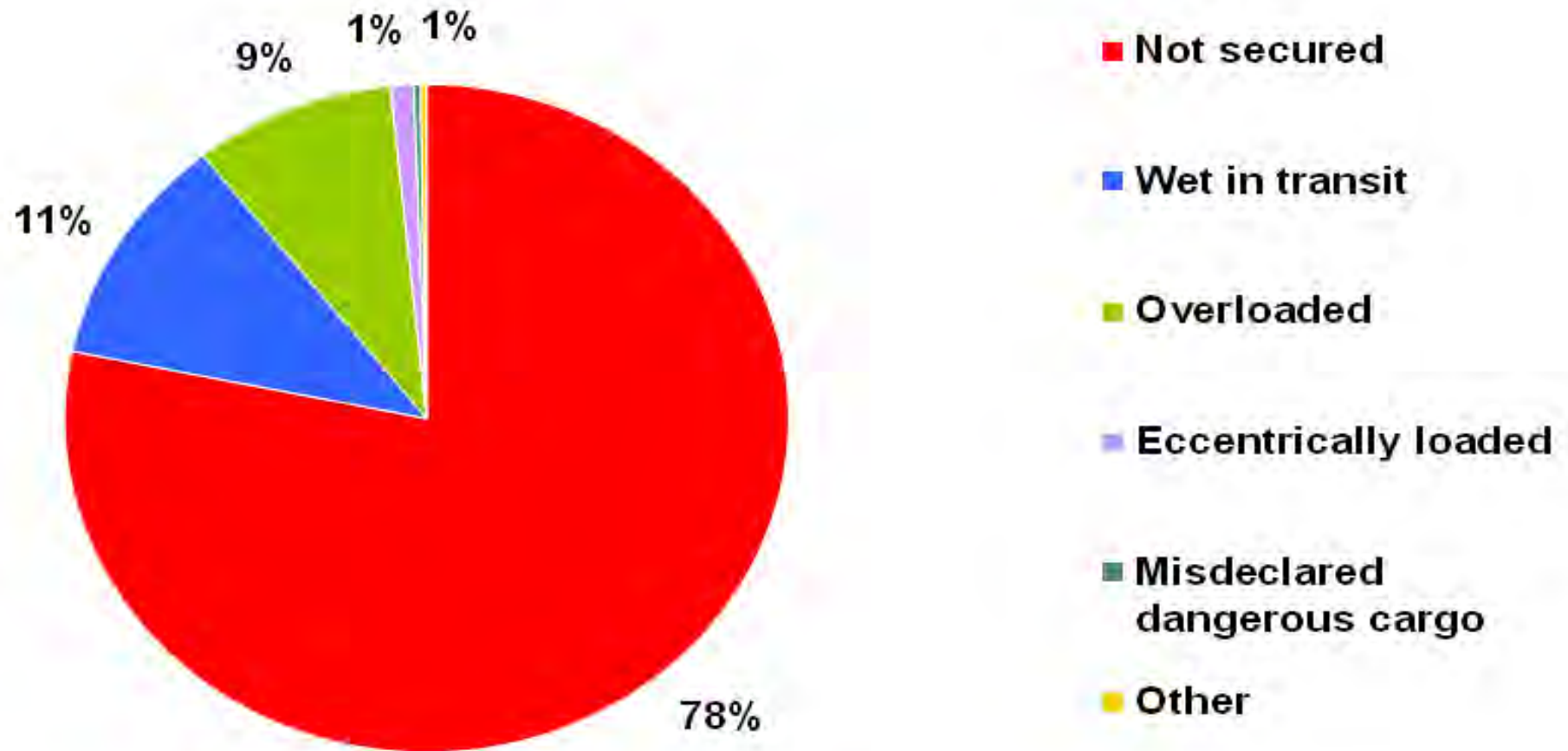## 38% of theft costs occur in transit

Prevention:

- Send trucks in convoy
- Only stop at approved truck stops
- Do not leave truck unattended
- Alter routes on regular deliveries
- Only use approved transport contractors
- Use GPS tracking devices
- Share bad experiences
- Use available tracking and locking technologies

- Contamination 46%
- Bulk weight errors 24%
- Pollution 23%
- Other 7%

Bad stowage/packing issues costs

- **Not secured** — 78%
- **Wet in transit** — 11%
- **Overloaded** — 9%
- **Eccentrically loaded** — 1%
- **Misdeclared dangerous cargo**
- **Other** — 1%

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24% of systems & processing issue costs

Prevention: 'Pack it right'

- Declare correct weight
- Pack container evenly & securely
- Do not eccentrically pack containers
- Declare dangerous cargo
- Protect against wet weather
- Train and monitor staff
- Refer to new IMO/ILO Code of Practice for Packing of Cargo Transport Units
- E-learning system developed by Exis Technologies provides this training
- TT members get 15% discount on Exis training package
- Contact: **www.ctupack.com**

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24% of systems & processing issue costs

- 40% alleged damage – can't be disproved

Prevention for alleged damage:

- Take photos of arrival & departure condition
- Use cameras on in/out gates.
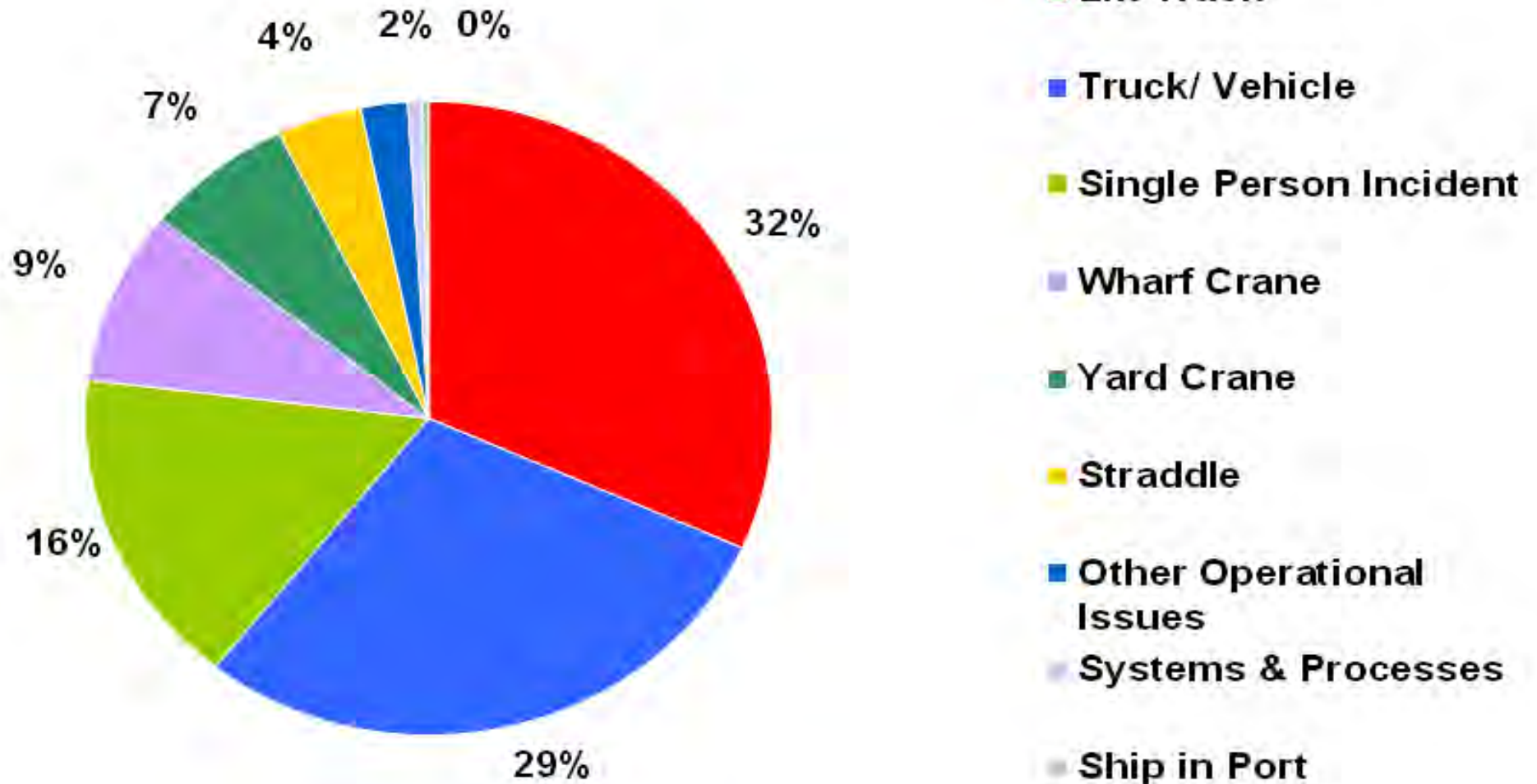
Prevention for damage:

- Equipment driver training (simulators)
- Use low loader when needed
- Store steel coils undercover
- Ensure slings in good condition
- Synthetic slings – no sharp corners

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13% of systems & processing issue costs

Prevention:

- Store at correct temperature
- Pack it right
- Do not forget to plug in reefer
- Set correct temperature on reefer
- Fahrenheit or Celsius?
- Double check data
- Use EDI
- Maintain an audit trail
- Monitor – remote reefer monitoring
- Verify condition of reefer unit prior to loading
- Ensure sufficient power for peak periods

Bodily injury claims costs

Legend:
- Lift Truck — 32%
- Truck/ Vehicle — 29%
- Single Person Incident — 16%
- Wharf Crane — 9%
- Yard Crane — 7%
- Straddle — 4%
- Other Operational Issues — 2%
- Systems & Processes — 0%
- Ship in Port

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81% of injury costs caused by mobile equipment and vehicles

Prevention:

- **Traffic management procedures:**
  - One-way traffic flows
  - Limiting vehicles & pedestrians in yard
  - Site induction procedures
  - Safe area for truckers to secure/unsecure loads
  - Speed limits set and enforced

- **Technologies:**
  - RFID system on all pedestrians and mobile equipment
  - Mobile equipment anti-collision sensors
  - Rear view cameras on lift trucks
  - Automation of main gate and yard cranes
  - Automated twistlock removal & placement system under QC
  - Cameras to identify container numbers on QC's

16% of injury costs caused by single person accidents

Prevention:

- Safety awareness
- Tool box talks
- Safety lock out systems
- Safety walks/audits with workers
- Good housekeeping

Loss Prevention Summary

Training:

- Continuous safety awareness
- Enhanced focus on driver training (simulators)

Procedures:

- Preventive not breakdown maintenance
- Better crane securing procedures & brake maintenance
- Structural inspections
- Ship movement & berthing procedures
- Security – theft
- Systems & processes – pack it right
- Traffic management

Re-design/Technology:

- Wharf crane boom anti-collision sensors
- Wharf & yard crane stack profiling
- Mobile equipment travel anti-collision
- Fire suppression
- Container weight & eccentricity measurement.

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Thank you
Any questions?

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www.ttclub.com