Containers Overboard
Cause and Effect

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May 2021
An additional cause - COVID?

Aside from the more typical causes of containers being lost overboard, has COVID had an impact?

**Cause**

- China goes into lockdown 1\textsuperscript{st} half of 2020
- China emerges from lockdown 2\textsuperscript{nd} half of 2020
- US consumers remain in lockdown - surge in demand
- US retailers low on inventory – surge in demand
- Trade imbalance leads to shortage of containers in China
- Freight rates increase dramatically
An additional cause - COVID?

Aside from the more typical causes of containers being lost overboard, has COVID had an impact?

**Effect**

- Container ships sailing to capacity?
- Container stack heights up to 10-11 high, 7 tiers above lashing bridges held on with twist locks?
- Increased stack weights with fewer empty containers?
- Carriers charter in tonnage, pressure to meet schedules?
- How do ships deal with adverse weather?
- Ship’s design capability stretched?
When things go wrong!
The aftermath. What are the issues?

**Evidence Collection**

- Access for expert surveyors – physical evidence
- Weather data
- Navigational data
- Vessel data
- Documentary evidence
- Witness evidence
The aftermath. What are the issues?

Who are the stakeholders?

- Cargo owners
- Cargo insurers
- Cargo reinsurers
- Brokers
- Surveyors
- Lawyers
- Shipowners
- Charterers
- Freight forwarders
- P&I insurers
- H&M insurers
- Weather agencies
- Metallurgists
- Port authorities
Who is liable?

Primary carriage obligations of the carrier:

• The exercise due diligence to make the vessel seaworthy at the commencement of the voyage

• To properly and carefully load, handle, stow, carry, keep, care for and discharge the goods carried.

• Hague Rules / Hague-Visby Rules / US COGSA / Others?
Who is liable?

Defences - Are there any?

- Perils of the sea?
- Negligent navigation?
- Act of God?
- Latent defect?

Limitation

- Package / weight
- Vessel tonnage LLMC / value
- Breaking limit?
Who is liable?

Carriers / Jurisdiction

• Who is the carrier?
• MLOs / NVOCCs in contract
• Vessel owners in bailment or tort
• Various laws and jurisdictions
• A multitude of legal actions?
• A consensual solution?