



**Queensland
Government**
Queensland Transport

CHAIN OF RESPONSIBILITY (COR) FORUM

WORKSHOP REPORT

A First Step in Preparation for the Introduction for the Compliance and Enforcement Bill

Wynnum Manly Rugby League Club
7th February 2006

Time: 0830 – 1200 hours

Queensland Transport

Port of Brisbane Authority

This document has been prepared for the purposes of providing material that may assist organizations preparing for the introduction of the Compliance and Enforcement Bill. The contents relate to fictitious entities and events that are unrelated to any existing organization or event. Any similarity with persons, entities or events is unintentional. The contents **are not** legal opinion, legal advice, certified professional advice, or, information that can be relied on in a particular set of circumstances or real events and should not be circulated, copied, quoted, paraphrased or used for such purposes, or, for any other purpose, except for the purpose for which it is intended.

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General Remarks

Introduction

On 7th February 2006 Queensland Transport and the Port of Brisbane Authority co-hosted a forum that workshopped issues concerning the pending introduction of the Compliance and Enforcement Bill. The forum held at the Wynnum Manly Rugby League Club, at Wynnum Manly attracted over 320 participants from every link in the sea freight logistics chain. Attending the conference were representatives from organizations involved in custom broking, freight forwarding, shipping and road transport, as well as exporters and importers. Representatives from industry associations, state and local government authorities also attended. A professional adjudicator was used to guide the Workshop.

The implementation of national Chain of Responsibility legislation in Queensland will further subject all parties in the supply chain to road transport law, especially in relation to overweight and inappropriately restrained loads, fatigue and carriage of dangerous goods.

Aims

The forum had three objectives.

- (1) Provide background information and analytical tools in the form of questions to all players in the sea freight logistic chain to assist them in reviewing their business processes prior to the introduction of legislation.
- (2) Facilitate self learning about the relationship between parties in the sea freight chain through their business processes.
- (3) Initiate discussion on the Compliance and Enforcement Bill.

Method

The workshop provided an overview of the key legal principles behind Chain of Responsibility (COR) by formal presentation and the use of excerpts of the SARTA Video¹. Two real-life problem scenarios (Appendices 1-11) were then given to selected teams from each part of the sea freight supply chain. They were asked to work out (in a group) what they would do in response to these scenarios. The participants were grouped into fictitious organizations but the scenarios were based on real incidents minus the detail that would identify those who had been involved.

¹ "Can You Mount a Reasonable Steps Defence or Will You be Held Absolutely Liable? A Hypothetical About Your Responsibilities and Exposure Under The Compliance and Enforcement Bill and OH&S Legislation" *South Australian Road Transport Association (SARTA) Video*,

The workshop teams then presented their solutions to the rest of the forum in the same sequence as sea freight moves through the chain. After the final outcomes of the scenarios (Appendices 12-13) a short analysis of the solutions presented occurred, followed by a presentation of questions organizations might ask themselves as measures to identify areas that need review (Appendices 14-17).

Any conclusions or lessons learnt from discussing the scenarios, concern only those scenarios and the fictitious organizations they relate to and are offered in this report as a guide to assist organizations to prepare for the introduction of the Compliance and Enforcement Bill.

Feedback

General feedback on the presentations was positive, with particular mention made of the SARTA Video excerpts which many said were enlightening. On the day people attending the forum called it thought-provoking, interesting, beneficial and informative. The same comments were made in relation to the analysis questions at the end of the forum. The forum used a small group break out session to work on the solutions to the scenarios while the majority individually worked on the problems.

Feedback indicated that while the small group break out sessions were occurring, more structure and involvement was required for the remainder who were working individually. Several people commented on the timeliness of the forum.

Opening Remarks

Acknowledgements to all participants preceded the following remarks by key opening speakers:

- For a number of years Queensland has been leading the country in 'chain of responsibility' activities – both prosecutions and education of those in the transport chain
- Other jurisdictions are now just catching up through the implementation of national compliance and enforcement legislation, including extended 'chain of responsibility' provisions
- The new legislation including the extended 'chain of responsibility' provisions for handling and transportation of sea freight, will take effect in Queensland later in 2006.
- Before then, QT is undertaking an education program to ensure everyone who has responsibilities under the legislation, is aware of those responsibilities.
- This workshop is part of that process.
- The legislation aims to achieve cooperation and uniformity in the handling of freight and the operation of heavy vehicles.
- It seeks to have 'off road' parties who influence on road behaviour or the load of a heavy vehicle, recognise their responsibilities and accept their liability to act within the law.

- This is to improve road safety and protect infrastructure and the environment.
- It is also aimed at dealing with those in the transport chain who constantly flout the law to try and gain a commercial advantage over those who 'do the right thing'.
- There are many people in the chain of responsibility including of course transport operators and drivers, but there are also importers and exporters; freight forwarders, customs brokers, stevedores, loaders and packers, and many others.
- At its simplest, if individuals or organizations influence on road non compliance with heavy vehicle laws, they have responsibility and legal liability for their part in the on road breach.
- Therefore ... Influence = Responsibility = Liability
- Queensland Transport wants to work closely and cooperatively with everyone in the chain of responsibility, but will also identify and take action against those not prepared to comply. We make no apology for this.
- Since the late 1990's when Queensland introduced 'chain of responsibility' legislation there have been over 180 successful prosecutions of 'off road' parties for a total of over 880 charges, amounting to over \$920,000 in fines.
- In the past three years there have also been six significant prosecutions under related legislation
- The largest single fine was \$165,400 for 306 counts of breaching driving hour's regulations.
- Enforcement of the extended legislation will be undertaken by authorised officers and will be applied consistently and evenly to individuals, companies, government and other agencies.
- Attendance at this workshop indicates you want to understand the legislation, your particular responsibilities and what you need to do to comply.

What is the chain of responsibility?

The chain of responsibility refers to all parties in the transport chain who influence on-road behaviour beyond the driver, owner or operator. In other words, if organizations use road transport as part of their business, they share responsibility for ensuring breaches of road laws do not occur. Laws about chain of responsibility are intended to hold all parties in the transport chain accountable for what they do and what they fail to do. Drivers have traditionally been the targets for breaches of road laws. In more recent years Queensland Legislation has included trucking owners and operators.

New Laws

The chain of responsibility currently applies to mass and dimension limits, load restraint requirements, driving hours and dangerous goods regulations. New provisions are planned to be introduced in the *Transport Operations (Road use Management) Act 1995* and is based on the model regulations in the *Road Transport Reform (Compliance and Enforcement) Bill* (CE Bill) which will clarify such things as who is considered to be an "influencing person".

Critique of Solutions Given by Participants

The real life scenarios given to the working groups required the solutions to be given in the form of a sequence of steps taken to achieve the task asked of each link in the chain.

Analysis Tool

To aid the analysis of solutions given by the participants a hybrid form of the communications model has been used as shown in Figure 1. The reason for using this tool is that multiple organizations have to communicate with each other for the sea freight logistics chain to operate. Additionally the movement of shipping containers and cargo from one party to the next is similar to the movement of information and messages along a chain. Finally the accuracy of the information passed and the reliability of transmission of information and freight is necessary for not only such things as container weight declarations (CWDs) but also for efficiency of the chain itself.

Figure: 1

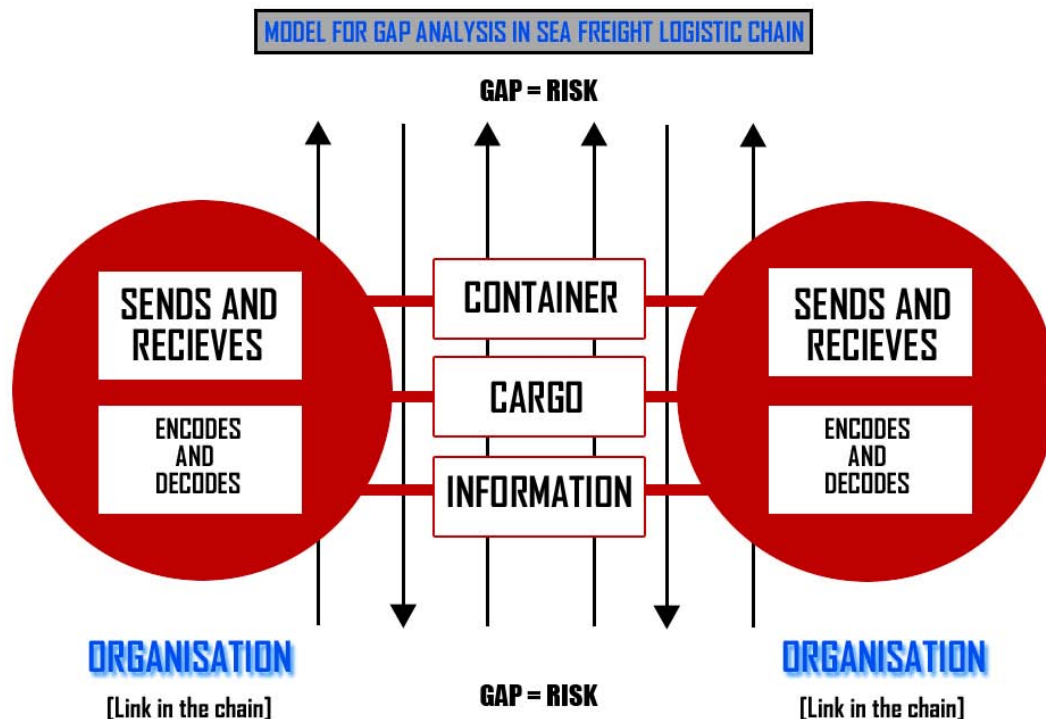


Figure 1 depicts two organizations of the sea freight supply chain interacting with each other during the process of moving goods and cargo. Each organization must encode information relating to the processing of cargo such as the calculation of consignment weights, or loading patterns which are then sent to other organizations. Each organization must decode information they receive from another, for example, handling and storage requirements for a particular class of dangerous good. Each party in the chain either sends or receives information; some send and receive cargo which in many circumstances is carried in shipping containers. Note that many principles discussed in this paper also apply to break bulk cargo.

The channel for movement of containers and cargo is by sea, rail, air and road. The forum primarily focused on freight that is moved by sea to road. Air movement was not considered. Rail movement was used in one of the solutions but most of the discussion centred on the use of sea transport and road transport. However the issues discussed during the forum are applicable to cargo transfer to and from any air or rail internodal facility to the roadway. The channels are depicted by inter connecting horizontal lines between the two organizations (Figure 1).

Whilst the primary focus of the CE Bill is on road transport, what happens to cargo during transportation by sea, air or rail, and how it is handled at internodes can have a bearing on its carriage by road transport.

The vertical lines that cut through the organizations and channels in Figure 1 represent gaps that can effect the requirements of a reasonable steps defence under the CE Bill as cargo is moving through the chain. The gaps can interfere with the clarity of communication sent or received.

In the model the gaps are correlated to any issue, event, process, practice or absence thereof, which affects the appropriate passage of cargo or information between links in the sea freight logistic chain. Each "gap in the chain" may represent a risk to organizations in being able to mount a reasonable steps defence when an offence is identified during road transport of goods. The model is now used to analyse scenario solutions.

Exporters

AX Exports P/L listed the following steps in response to their scenario question - Appendix 1:

- Calculate Number of containers required relevant to weight and volume.
- Contact forwarder to organise Voyage Number and Vessel booking.
- Container arrives by rail.
- Ensure product is clean and meets Quarantine Inspection requirements for Singapore.
- Weigh goods when packed using certified Public Weighbridge.
- Supply relevant documents to forwarder

Comment on the Role of AX Export PL

AX Exports P/L act in this scenario as the packer, loader and consignor links within the chain. The following critique will focus on the role of packer and loader. Comments applicable to exporters in the role of consignors will be covered in more detail during the critique of importers. An exporting firm that engages another organization to consign or move goods cannot abrogate that responsibility.

A loader means a person who:

- Loads a vehicle or vehicle combination with goods for transport by road
- Loads a vehicle or vehicle combination with a freight container (whether or not containing goods) for transport by road
- Without limiting the above, loads a freight container already in or on a vehicle or vehicle combination with goods for transport by road
- Supervises a loading activity
- Manages or controls a loading activity

A packer of goods means a person who:

- Puts the goods in a packaging for transport by road; or
- Assembles the goods as packaged goods in another packaging or unit load for transport by road; or
- Supervises a packing activity
- Manages or controls a packing activity

A Consignor of goods means a person who:

- Engages an operator of a vehicle or combination, either directly or indirectly or through an agent or other intermediary, to transport the goods by road; or

Packers have a responsibility for ensuring that documentation about the vehicle's load is not false or misleading. Packers also need to make sure that any goods packed in a freight container do not cause:

- the container's gross weight to exceed the carrying capacity of vehicles loaded, and
- the safety approval rating weight of the container to be exceeded.

Loaders have a responsibility for ensuring a vehicle's load:

- Does not exceed dimension limits
- Does not cause vehicle mass limits to be exceeded
- Is placed in a way that it does not become unstable, move or fall off the vehicle

A consignor has a responsibility for ensuring that any demands made do not require a transport operator/driver to:

- Exceed permitted driving hours
- Exceed the speed limit
- Exceed vehicle dimension legal limits

- Cause a vehicle legal mass limits to be exceeded
- Fail to appropriately secure the load.

Risks Exposure for the Exporter

AX Export PL may be exposed to the following risks:

- Staff not loading containers correctly
- Containers hired or used have not been inspected according to regulation
- Carrier arrives with a vehicle to carry the container to a weigh bridge or rail terminal with a GVM not suitable to carry the weight
- Carrier arrives with an inappropriate vehicle (other than GVM)
- Carrier arrives with a vehicle in poor repair with defects that are obvious and evident to your loading staff, such as bald tyres and rusty vehicle
- The driver does not load or secure the container in the appropriate manner
- The driver is a poor driver and has an accident after departing with the container
- The rail terminal refuses to take the container
- The driver is not qualified to drive the vehicle
- The driver has already been driving 12 hours before arriving to collect the container

Should AX Export have known and could they have been reasonably expected to know that the above risks are present? This list is not exhaustive. Most of the above risks are well known and easily determined. That being the case did AX Exports exercise due diligence and take reasonable steps to mitigate those risks and prevent a breach by the vehicle on the road. Did they record those steps to prove reasonable steps were taken?

Comments on Steps Taken by AX Exports

The solution given at the forum by AX Exports does not indicate any actions that would mitigate the potential risk that organization faces. There is no reference to steps in a "Code of Practice" that would limit their exposure.

Comments on Actions by AX Exports Sending/Receiving

When packing, loading and sending goods AX Exports has used a public weigh bridge and rail transport. This raises the question of how the container and goods arrived at the public weigh bridge and then the rail terminal. A reasonable assumption would be they travelled by road unless they were situated in a rail loading yard. Would AX Exports be able to mount a reasonable steps defence if the road accidents described in the final outcomes (Appendices 12-13) occurred during transport to those locations as part of a process designed to provide the company with that defence?

The necessity of using a public weigh bridge or installing one on the company premises is not the only method of calculating the weight of a consignment. The key is to have a process that works, which is accurate and in place prior to goods entering the road network.

Requirements for packing and restraining goods inside a container are also important. In exercising due diligence and taking reasonable steps AX Exports would be expected to have a higher degree of control over container loading than an importer who may be using an overseas agent. The following questions highlight processes that should have been considered in arriving at their solution:

- What training have the staff received and is it documented?
- Are they qualified to make determinations?
- What is the process if non-compliance is detected?
- Who supervises the loading and who inspects the consignment before road transport and how is this recorded?
- Are these container inspections recorded?
- What is the procedure to determine the appropriate restraint, and who determines the appropriate restraint?
- When inspecting the load of a container who checks the situation of the load to ensure that it is spread evenly, creating the appropriate centre of gravity?

A shipping container is a "contained load" for the purposes of road transport. Reference should have been made by AX Exports to the requirements for loading a shipping container in the Load Restraint Guide.²

"Incorrect loading in a freight container can adversely affect the carrying vehicles weight distribution or stability, especially if the load shifts during transport. The load should be arranged where possible so that its weight is evenly distributed over the floor and packed tightly against the walls of the container. Drivers should ask the consignor for information on the packing of the container"³

If the container is only partially loaded an internal restraint system is required in line with the principles of the Load Restraint Guide. Containers with uneven weight distribution should be clearly marked with "a centre of mass cargo symbol" if the weight distribution has more than 60% of the load in less than half of the containers length.⁴

Handling and loading and unloading procedures need to be developed and continually assessed and updated. Regular documented training needs to be performed for all staff involved. As a minimum the following handling considerations by AX Exports should be included in the handling and packing procedures:

² NTC Australia, 2004, *The Load Restraint Guide: Guidelines and Performance Standards for the Safe Carriage of Loads on Road Vehicles*, Second Edition, The National Transport Commission (NTC) and Road and Traffic Authority (RTA),

³ *ibid*, p. 140

⁴ *ibid*, p. 140

- Types of pallets, crates, tea chest and other containers to be used.
- Conveying and stacking procedure (For repetitive loads stacking maps can be developed)
- Design features of the goods that enable handling and lifting
- Lifting equipment to be used
- If loading procedures are developed for classes of goods and documented - they should be included a code of practice procedure.

In addition to contacting the forwarder to organise the Voyage Number and Vessel booking AX Exports need to provide an accurate "container weight declaration" (CWD) or the information necessary for determining the CWD if they leave it to the forwarder. They also need supplier assessment processes to assess their transport provider, the vehicles and the methods they use.

Comments on Actions by AX Exports Encoding/Decoding

AX Exports would need to be able to demonstrate how they calculated weight and volume to determine the number of containers? If calculations and consignments are not recorded it may be difficult to prove they exercised due diligence and took reasonable steps. It would also be desirable for them to determine the container weight prior to road movement.

A weigh bridge is the most accurate means of weighing vehicles or vehicle combinations. Many organizations do not have access to a public weigh bridge. In such cases it is suggested they use alternative means to establish the weight such as:

- If the load is bulk break, by weighing a small quantity of it and then calculating how much is loaded in the container, a container weight can be determined if the weight of the container is known.
- If the vehicle's mass cannot be accurately assessed at the time of loading, under-load for the first trip and verify the mass at some stage of the journey. Subsequent loads can be adjusted accordingly.
- Fit scales to loading equipment and keep a "running" total of the mass of the load for each trip
- Refer to weights on previous consignment notes and then test weigh some of the load.

Identified Gaps

During the assessment of AX Exports solution the following gaps were identified:

- No reference to documented procedures for determining container weight declarations (CWD)

- No reference to the distribution of the CWD
- No reference to packing or loading procedures
- No reference to marking or procedures for marking container centre of gravity
- No reference to recording actions by packers, loaders or supervisors.
- No reference to order, tender or contract document clause
- No vehicle or transport supplier checks
- No reference to notification or emergency procedures when things go wrong.

Importers

HK Imports P/L listed the following steps in response to their scenario questions:

Scenario 1 – Appendix 2

- Place purchase order for 1 x 40' container and 1 x 20' container with supplier requesting weight confirmation, packaging sizes, restraining method for 40' container, and the fumigation requirements.
- Receive product information from supplier, confirming these requirements.

Scenario 2

- Place four purchase orders with individual factories advising weights and cubics.
- Receive invoices from factories confirming weights, cubics, packing configuration, and material data sheet.
- Contact Dangerous Goods office to confirm which products are considered dangerous and confirm that the mix of products is okay.
- Email Freight forwarder to advise of product mix to be consolidated – (specific weight and cubic) = Wire Coil + Brake Fluid = 1 x 20' Container; Cloth + Pool Granules = 1 x 20' Container.
- Freight forwarder to receive copies of invoices and product information from each factory and prepare bills of lading.

Comment on the Role of HK Import PL

HK Imports P/L act in this scenario as a consignor link within the chain. The following critique will focus on the role of consignor. Comments applicable to Forwarders in the role of consignees, consignors and their influence on packing and loading will be covered in more detail during the critique of Forwarders. An exporting firm that engages another organization to consign or move goods cannot abrogate their responsibilities.

A consignee (receiver) of goods means a person who:

- With the person's authority, is named or otherwise identified as the intended consignee of the goods in the transport documentation relating to the transport of the goods by road; or
- Actually receives the goods after completion of their transport by road.

A consignor of goods means a person who:

- With the person's authority, is named or otherwise identified as the consignor of the goods in the transport documentation relating to the transport of the goods by road; or
- Engages an operator of a vehicle or combination, either directly or indirectly or through an agent or other intermediary, to transport the goods by road; or
- Imports the goods into Australia.

As a consignor or receiver HK Imports has a responsibility for ensuring that any demands made do not require a transport operator/driver to:

- Exceed permitted driving hours
- Exceed the speed limit
- Exceed vehicle dimension legal limits
- Cause a vehicle legal mass limits to be exceeded
- Fail to appropriately secure the load.

Risks Exposure for the Importer

HK Import PL may be exposed to the following risks:

- Inability to obtain accurate information on the imported products
- Misreading of information passed to the Forwarder concerning the goods
- Miscalculation by the Forwarder of CWDs, load restraint requirements and procedures for the dangerous goods
- Forwarder fails to ensure containers are loaded correctly through overseas agent
- Failure of Forwarder to use containers that have not been inspected according to regulation
- Forwarder fails to track the goods in transit
- Forwarder does not inform of damages to cargo during ocean voyage
- Forwarder uses road-haulage company with poor vehicle standards and operating methods – inappropriate vehicles to carry the load.
- Stevedores damage the container during loading and unloading.
- Stevedores at the port terminal fail to load the container correctly
- Customer at the last minute increases order just prior to container being packed
- Failure to obtain access to current regulations

Should HK Import have known or could they have been reasonably expected to know that the above risks are present? This list is not exhaustive. Most of the above risks are well known and easily determined. That being the case did HK Imports exercise due diligence and take reasonable steps to mitigate those risks and prevent a breach by the vehicle on the road? Did they record those steps to prove reasonable steps were taken?

Comments on Steps Taken by HK Imports

The solution given at the forum by HK Imports made reference to checking the information they received. They also contacted an external organization to identify the nature of the dangerous goods; however the remainder of the steps listed do not indicate any actions that would mitigate the potential risk that organization faces. There is no reference to steps in a "Code of Practice" that would limit their exposure.

Comments on Actions by HK Imports – Encoding/Decoding

When HK Imports are importing goods (not dangerous goods) and employing other people or forwarders to import goods into Australia it would be reasonable to assume that they ensured the goods were designed, manufactured or produced in such a way to be without risk to others health and safety when used or handled in accordance with the overseas producers or manufacturer's instructions. To demonstrate this is the case, the appropriate examination or testing in the course of its procurement, design or manufacture should have been carried out.

In many cases construction, testing and manufacture must meet relevant Australian or recognized international standards. In addition, information must be provided for the goods use. All of this information is particularly important for agency arrangements with freight forwarders or others arranging road transport. Adequate information on any specific conditions or prohibitions necessary in handling, dismantling, erecting, restraining, packing, transporting and in-transit testing (if needed) is required. Control measures for using specialist tools for handling the goods, and training on how to use those tools should also be provided.

Failure to obtain and provide correct information can and do cause weight, load restraint and load dimension problems for other links in the chain. HK Imports should be actively involved in the provision of a CWD, and as the consignor must ensure the information on documentation is not false or misleading as this is an offence under the CE Bill.

HK Imports needs to ensure that not only do the purchased goods conform to the above specific requirements, but they must be able to demonstrate through a documented procedure they have checked them. They should also be able to demonstrate:

- They have evaluated and assessed both their overseas supplier and forwarding agent by a documented and recorded capability assessment.

- They have evaluated the purchasing documents ensuring they clearly describe the product and all the requirements, and that this information is passed to the forwarding agents by a documented and recorded procedure.
- They have evaluated the forwarding agent's understanding of the information and recorded the outcome
- They have reviewed the goods before release and then supplied all the necessary product information to the purchasers of the imported product, including delivery details if the goods are to be delivered directly to the customer.

Once a purchase order has been placed following receipt of product information it would be reasonable to assume that HK Imports wants to expedite the process and conduct surveillance over the process from the actions of all parties including the supplier, the forwarding agent, the shipper, delivery agent and customer to ensure compliance with the requirements of the CE Bill.

Should HK Imports have known or could they have been reasonably expected to know" what is going on with the importation of their goods into Australia? Can they demonstrate tracking procedures are in place and they took reasonable steps when things go wrong? A key component of movement of sea freight is up to date, reliable and detailed movement information. By doing so it provides a proactive way of demonstrating the company is managing the legislative requirements of their cargo movement. This can be done through an agent but not left to an agent.

Comments on Actions by HK Imports – Sending/Receiving

Scenario 2 involved the importation of dangerous goods. A consignor of dangerous goods is:

- A person who is identified as the consignor in shipping documentation for the transport of goods by road; or
- A person who engages a prime contractor, either directly or through an agent (forwarder) or other intermediary to transport the goods by road; or
- If the goods are imported into Australia, the importer is the consignor.

HK Imports is therefore directly responsible for:

- Providing shipping documentation to the forwarder with separate documents for each part of the load.
- Providing emergency information for the vehicles carrying the dangerous goods
- Ensuring the packaging used is suitable and prepared in the appropriate way for the particular class of dangerous goods
- Ensuring the suitability of the freight container to carry the dangerous goods
- Ensuring the vehicles that carry the shipping containers and their equipment comply with the vehicle safety standards
- Ensuring the segregation of dangerous goods

- Ensuring stowage arrangements are suitable for the dangerous goods
- Having in place an emergency plan to deal with any dangerous situation arising out of the transportation of dangerous goods⁵

If the importer is conducting business through an agent there has to be demonstrable procedures to indicate they have taken reasonable steps to fulfil their obligations.⁶

Comments in the later sections on contracts, container weight declarations and additional suggestions are also applicable to HK Imports.

Identified Gaps

During the assessment of HK Imports solutions the following gaps were identified:

- No reference to the determination of a container weight declarations (CWD)
- No reference to the process of assessing suppliers, agents, forwarders, shipping, stevedores or carriers.
- No reference to steps that enable a consignment to be tracked
- No reference to checking containers, packing or loading procedures
- No reference to marking or procedures for marking container centre of gravity
- No reference to recording actions by packers, loaders or supervises through agents.
- No reference to order, tender or contract documents
- No reference to the requirement to check currency of regulatory requirements
- No reference to emergency procedures

Forwarders

First Freight PL listed the following steps in response to their scenario questions:

Scenario 1 – Appendix 4

- Receive order into customer service.
- Customer service advise over-seas agent to contact shipper and arrange containers and packing.
- Overseas agent advises us of booking and shipping details – sends a copy of documents.
- On receipt of documents, we register an import shipment and proceed to arrange customs clearance.

⁵ The Australian Dangerous Goods Code, ADGC, Sixth Edition Volumes 1 and 2

⁶ *Transport Operations (Road Use Management – Dangerous Goods) Regulation 1998*

- Once clearance is completed, the Delivery Order (DO) is passed to the Carrier for cartage.

Scenario 2 – Appendix 5

- Customer service receives order.
- Customer service has noticed pool granules and brake fluid could be hazardous cargo and sought UN No – proper shipping name from importer.
- Customer service advises overseas agent of the order and passes the correct hazardous information.
- Overseas agent advises booking/shipping details and sends copies of all records.
- On receipt of documents the job is registered and customs clearance arranged.
- Once clearance is completed, the deliver order is passed to the Carrier/Cartage.

Comment on the Role of First Freight PL

First Freight P/L acts as a consignor within the chain. The following critique will therefore focus on the role of consignee/consignor. Comments applicable to Exporters and Importers in the role of packing and loading will also be applicable to the Forwarder as a foreign agent is responsible for the loading and packing of containers. A forwarding firm that engages other organizations to consign or move goods cannot abrogate their responsibility.

In this case a consignee (receiver) of goods means a person who:

- With the person's authority, is named or otherwise identified as the intended consignee of the goods in the transport documentation relating to the transport of the goods by road; or
- Actually receives the goods after completion of their transport by road.

A Consignor of goods means a person who:

- With the person's authority, is named or otherwise identified as the consignor of the goods in the transport documentation relating to the transport of the goods by road; or
- Engages an operator of a vehicle or combination, either directly or indirectly or through an agent or other intermediary, to transport the goods by road; or
- Imports the goods into Australia.

As a consignor or receiver First Freight has the same responsibilities as HK Imports in relation to transport operators/drivers. That is they cannot make the driver/operator:

- Exceed permitted driving hours
- Fail to have minimum rest periods
- Exceed the speed limit
- Exceed vehicle dimension legal limits
- Cause a vehicle legal mass limits to be exceeded
- Fail to appropriately secure the load.

Risk Exposure for the Forwarder

First Freight PL may be exposed to the following risks:

- Inaccurate information from the importer
- Importer increases the consignment just before packing commences
- Overseas agents fail to pack containers according to regulations and directions.
- Dangerous goods loaded incorrectly by overseas agent
- Container not marked appropriately by packers
- Miscalculation by the agents of CWDs, load restraint requirements and procedures for the dangerous goods
- Container that fails to comply with ISO 1496 / AS3711 – see later comments on containers
- Illegal substances are stowed with imported goods
- More cargo is loaded than necessary to compensate for pilfering thus increasing the weight of the container after calculation of the container weight and CWD notation on documents
- Stevedores damage the container during loading and unloading – and the load shifts.
- Road-haulage Company has poor vehicle standards and operating methods – inappropriate vehicles to carry the load.
- Stevedores at the port terminal fail to load the container correctly
- Shipper does not inform of damages to cargo during ocean voyage – see PNO Lines PL
- Other sea freight parties fail to provide the service due to unforeseen circumstances or for other reasons.
- Driver is not licensed to carry dangerous goods

Should First Freight have known and could they have been reasonably expected to know that the above risks are present? This list is not exhaustive. Most of the above risks are well known and easily determinable. That being the case did First Freight exercise due diligence and take reasonable steps to mitigate those risks and prevent a breach by the vehicle on the road? Did they record those steps to prove reasonable steps were taken?

Comments on Steps Taken by First Freight

The solution given at the forum by First Freight made reference to obtaining the correct hazardous substance information; however the remainder of the steps listed do not indicate any actions that would mitigate the potential risk that organization faces. There is no reference to steps in a "Code of Practice" that would limit their exposure.

Comments on Actions by First Freight - Encoding/Decoding

First Freight need to ensure that the cargo ordered conforms to the specific requirements not only for Customs and AQIS but for road movement. Much of the Forwarder's evaluation of the task must be done through inter-mediatory parties which would require an evaluation process which can be monitored and recorded. Information received from the customer and the requirements of moving the goods should be determined by a documented planning process. A "responsible person" needs provide approval that the import or export task goes ahead. That 'responsible person' has to be able to demonstrate all reasonable steps were taken when using the information provided to them by their customers. The standing business procedures for moving cargo, the current environment and the standards required in the CE Bill also need consideration. First Freight need to record that these steps were taken. Comments in relation to how this may be achieved through tender and contract arrangements are discussed later. First Freight should also be able to demonstrate:

- They have evaluated and assessed their overseas agent, shipping company, stevedores and carriers through documented and recorded capability assessment.
- They have evaluated the documents sent by the importer ensuring they clearly describe the product and all the requirements and this information is passed to the inter-mediatory parties by a documented and recorded procedure.
- They have evaluated the understanding of the information sent to the inter-mediatory parties and recorded the outcome

The above requirements should to some degree occur in existing business processes as First Freight would receive and issue purchase orders, invoices, packing declarations, beneficiary certificates, certificates of origins, bills of lading, manifests, drafts and lodgements, foreign exchange notifications, dangerous goods declarations for shipping, vessel and voyage details.

Comments on Actions by First Freight - Sending/Receiving

First Freight is responsible for the importation on behalf of the importer which requires them to have processing and monitoring procedures in order for them to fulfil their obligations as an intermediary on behalf of that importer. Most of what is sent and received is information and reports, or directions in the event of changes or emergencies to ensure the agencies the forwarder hires are complying with the requirements. These processes would need to cover the following activities:

- Overseas agent concentrates goods for export in the bond store/warehouse.
- Overseas road carrier transports empty container to bond store/warehouse.
- Packing of containers occurs with container on vehicle or on the ground.
- Overseas road carrier transports packed containers to wharf.
- Stevedores load containers at Port of Origin
- Shipper transports to Port of Brisbane – (Shipper may have to transfer container ship to ship)
- Stevedores unload at Port of Brisbane

- Stevedore loads container on road carrier vehicle
- Road carrier transports containers to bond store/warehouse – (Customs/AQIS clearance may occur at wharf or Bond Store)
- Container is reloaded on a vehicle and transported to customer, or the container is unpacked and the contents collected by the customer.
- Container is then returned to container park

Scenario Question 2 required First Freight to move dangerous goods. The quantities of dangerous goods in the problem exceeded 1000 litre capacity or 1000kg mass capacity. As a result the containers are termed "placard loads" for the purposes of road transport and require:

- The container to be marked by placard
- The vehicle to be marked by placard
- The vehicle needs to be specially licenced to carry DG
- The driver needs to be specially licenced to drive the vehicle carrying the placard load
- An emergency response procedures book, and the appropriate fire extinguishes and safety equipment need to be on the vehicle
- The packaging in the containers needs to be marked and packed in accordance with the IMDG Code, ADG Code

No mention was made in the steps by First Freight to ensure these requirements were met.

Identified Gaps

During the assessment of First Freight's solutions the following gaps have been identified:

- No formal planning process for order/tender evaluation
- No formal approval process for conducting the importation
- No process for the determination of accuracy of a container weight declaration (CWD)
- No reference to the process of assessing agents including overseas forwarders, shippers, stevedores or carriers.
- No reference to steps that indicate a consignment is being tracked and that each step has been successfully completed
- No reference to checking containers, packing or loading procedures to ensure they comply with the regulations
- No reference for marking containers for DG and longitudinal centre of gravity
- No reference to recording actions by packers, loaders or supervises through agents.
- No reference to order, tender or contract documents containing CE Bill provisions
- No reference to emergency procedures

Shipping

PNO Lines PL listed the following steps in response to their scenario questions – Appendix 6:

- Receive notification and Bill of Lading from agent
- Identify container number, container weight, port of origin and other relevant detail.
- Organise Vessel booking - Generate Sea Freight Manifest allocate Voyage Number.
- Notify agent.
- Load at Port of Origin – Stowage Bay Plan to destination
- Container arrives by vessel at POB.

Comment on the Role of PNO Lines PL

PNO Lines P/L in both scenarios acts in the role of transporting cargo to and from the Port by sea. While they play no part in the transportation of goods by road in this case they play an important role in bringing sea freight to Australia. (Note: A firm involved in multi modal international freight would be required to comply with the Compliance and Enforcement provisions when transporting freight by road).

Risks Exposure for the Shipping Agent

PNO Lines PL are exposed to many risks not associated with the CE Bill. However two key risks are of importance to the passage of the container through the sea freight chain. Those

Two risks are:

- Damage to the container
- Security of the cargo inside the container

Comments on Actions by PNO Lines – Sending/Receiving

Ships from many countries carry thousands of containers across the globe under different marine insurance arrangements. Ocean cargo treaties and laws contain defences for shipping agents and firms in relation to containers that are not found in road transport regulations. As such the care and maintenance of container handling and carriage will vary from one ship to the next.

Shipping containers can get crushed or fall off vessels or salt water can seep into them. Accidents can occur during the dock loading procedure. Other losses can occur from improper stowage, pilferage, breakage and leakage; and wave motion stresses during heavy weather.

Reference is given in various codes and regulations to reporting incidents and accidents for general cargo while at sea. The "International Safety Management Code" requires accidents and hazardous situations to be reported to the "Designated Person". The "Designated Person" is one or more persons designated to provide a link between the company and the ship.⁷ The issue of reporting damage or security issues that occur with containers is not covered. The IMO Code of Safe Practice for Cargo Stowage and Securing⁸ makes no reference to internal packing of shipping containers or reporting damage to them during the voyage.

Arrangements for reporting the dangerous goods incidents at sea are listed within in the IMDG Code⁹. Vessel stowage plans must be given to the Port of Brisbane Harbour Master indicating location of dangerous goods in the case of emergencies.

There are therefore no specific requirements for vessels to report damage to containers or seal tampering during the voyage.

Comments on Actions by PNO Lines – Encoding/Decoding

All of the codes and requirements do not cover the loading and unloading of cargo at the wharf, which raises the issue of who is responsible for reporting containers that are dropped at the port of origin and on arrival in Australia. Consideration should be given by shipping companies and forwarding agents to developing a reporting system concerning damage to containers.

Forces acting on ocean cargo have to be absorbed by the methods of stowage employed. Cargo experiences significant longitudinal, transverse and vertical forces with the movement of the vessel. The severity of those forces depends on where the cargo is stowed. Some cargos become deformed being pushed in one direction, or they are compacted.

Stevedores

Ocean Cargo Stevedores PL listed the following procedures in response to their scenario questions:

Scenario 1 and 2 – Appendix 7

- Shipping line contractual obligation to provide stevedore with an accurate bay plan.
- EDI to stevedore operating system
- Discharge sequence generated.
- Passed to operational staff

⁷ The International Safety Management Code

⁸ The International Maritime Organization (IMO) 2003, *Code of Safe Practice for Cargo Stowage and Securing*, 2nd Edition, London

⁹ The International Maritime Dangerous Goods Code (IMDGC) 2002

- Foreman/quay crane discharges.
- Stack to yard

Comment on the Role of Ocean Cargo

Ocean Cargo Stevedores load and unload vessel. They also load and unload road transport vehicles. The loader is defined under the CE Bill as a person who:

- Loads a vehicle or combination with a freight container (whether or not containing goods) for transport by road
- Supervises a loading activity
- Managers or controls a loading activity

Risks Exposure for the Stevedores

Ocean Cargo Stevedores PL may be exposed to the following risks:

- Inaccurate information from the shipper – for example, container of DG not marked as such on the bay plan
- Shipping company does not inform of damages to cargo during ocean voyage
- Dangerous good containers arrive without placards
- Container arrives without documentation identifying consignor.
- Dangerous goods leak from container
- Container not marked appropriately by packers
- The container is loaded beyond its gross mass weight - see later comments on weight
- Container that fails to comply with ISO 1496 / AS3711 – see later comments on containers
- The bond or other container seal is broken
- Stevedoring companies not following correct procedures
- Road-haulage Company has poor vehicle standards and operating methods – and arrives with an inappropriate vehicle to carry the load.
- Unforeseen circumstances delay unloading

Should Ocean Cargo Stevedores have known and could they have been reasonably expected to know that the above risks are present? This list is not exhaustive. Most of the above risks are well known and easily determinable. That being the case did Ocean Cargo Stevedores exercise due diligence and take reasonable steps to mitigate those risks and prevent a breach by the vehicle on the road? Did they record those steps to prove reasonable steps were taken?

Comments on Steps Taken by Ocean Cargo Stevedores

The solution given at the forum by Ocean Cargo Stevedores made reference to their vessel unloading procedure obtaining and moving the container to the stack. However the remainder of the steps did not include the loading of road transport vehicles with containers and did not indicate any actions that would mitigate the potential risks that organization faces. There is no reference to steps in a "Code of Practice" that would limit their exposure.

Comments on Actions by Ocean Cargo – Sending/Receiving

Stevedores receive import and export containers and unload the containers from vessels and trucks; in most cases temporarily stacking them and then loading them onto vessels and trucks. The risk for road transport comes from the import containers loaded by the stevedores on trucks and trailers.

Procedures or steps that Ocean Cargo should consider include:

- Checking dangerous goods containers and cargo to ensure:
 - They have the appropriate placards on them
 - They are free from any defect (damages) likely to cause a hazard during transport
 - The bond or other container seal is broken

(Note: As a loader of bulk DG, tanks and other IBCs the requirements of the ADG Code apply)

- Develop or have in place emergency procedures for accidents during loading or other events such as dangerous goods leaking from container
- Have a process in place to identify containers that are near to or over loaded according to their gross mass weight
- Have a procedure that can identify whether a container meets the requirements of ISO 1496 / AS3711
- Conduct checks on the suitability of the road-haulage company through the frequency of having poor vehicle standards and or operating methods.
- Have a procedure in place to check that the gross weight of the container is loaded on a vehicle that has a suitable gross vehicle mass or gross combination mass to carry the container within the requirements of the Regulations

Comments on Actions by Ocean Cargo – Encoding/Decoding

Procedures or steps that Ocean Cargo should consider include:

- Developing a process to ensure the accuracy of the cargo plan.
- Requesting information from the shipper on damages to cargo during the voyage.
- Developing a process to ensure a container arrives with documentation identifying consignor.

Under the CE Bill the definition of a consignor has two additional qualifications to those previously stated - a consignor of goods also means a person who:

- Has possession of, or control over, the goods immediately before the goods are transported by road; or
- Loads a vehicle with the goods, for transport by road, at a place where goods in bulk are stored or temporarily held and that is unattended (except by a driver of the vehicle or a trainee driver)

Should a container arrive and be unloaded from the vessel at the Port without documentation where the consignor is identified then Ocean Cargo becomes the consignor of the goods is are required to ensure that all of the requirements for road transport are met.

Identified Gaps

During the assessment of Ocean Cargo Stevedores solutions the following gaps were identified:

- No reference to the determination of a container damage or broken seals
- No reference to the process of assessing road carriers.
- No reference to steps that enable a DG consignment to be loaded in accordance with the ADG Code
- No reference to assessing vehicle mass and container mass compatibility
- No reference to actions taken with containers that do not have a CWD or consignment documents
- No reference to steps concerning overweight containers
- No reference to emergency procedures
- No reference to a code of practice

Road Carrier

Scenario 1 and 2

Rex Transport PL listed the following steps in response to their scenario questions:

- Documentation showing weight – net and gross of container (location of freight in container) CWD.
- Description of Goods DG? If DG, check safety equipment.
- Check receiver is on a B Double Route.
- Check containers when loaded on B Double meet correct axle weights.
- Considerations
 - B Double licence
 - Hours of work

- Driver training
- Customer emergency contacts
- If DG can product be delivered
- Procedure for WIMS
- Off Island
- Delays at wharf and road closures
- Delivery requirements on site
- Book VBS slot – accepts carrier obligations / weight disclaimers
- Truck arrives at wharf and presents delivery order, handover agreement returned from stevedore and CWD and cargo declaration (GVM).
- Clerk validates 2 and issues 3
- Truck to yard
- Container Loaded
- Gatehouse validates correct container loaded prior to exit.
- If when handling the load behaves abnormally, operator places unit aside for further investigation – cargo interests.

Comment on the Role of Rex Transport PL

As an operator, manager or scheduler of a business involved in road transport, Rex Transport responsibilities include ensuring that:

- Rosters and schedules do not require drivers to exceed driving hours regulations or speed limits
- Vehicle speed limiters are functioning
- Vehicles do not exceed mass or dimension limits
- Appropriate restraint equipment is provided and loads are appropriately restrained
- They keep records of drivers' activities, including driving, work and rest times
- Their operation complies with all transport legislation

Risks Exposure for the Road Carrier

Rex Transport PL may be exposed to the following risks:

- Inaccurate information from the importer/forwarder
- No consignment documentation arrives
- No CWD is provided, or no weight is shown on the VBS
- A false CWD or misleading inaccurate weight is shown on the VBS
- An overseas agent fails to pack containers according to regulations and directions.

- Dangerous goods loaded incorrectly by overseas agent
- Container not marked appropriately by packers with a centre of gravity
- Container that fails to comply with ISO 1496 / AS3711 –
- Stevedores damage the container or the vehicle during loading and unloading procedures
- Serious lengthy delays are experienced getting to the wharf, or waiting for loading at the wharf
- Stevedores at the port terminal fail to load the container correctly or load the wrong container
- Failure by operations staff – scheduler, contracts manager, dispatcher to calculate the proper requirements of the haulage task
- Failure by drivers to follow procedures
- Failure by mechanical servicing and repair staff to follow procedures

Should Rex Transport have known and could they have been reasonably expected to know that the above risks are present? This list is not exhaustive. Most of the above risks are well known and easily determinable. That being the case did Rex Transport exercise due diligence and take reasonable steps to mitigate those risks and prevent a breach by the vehicle on the road? Did they record these steps to prove reasonable steps were taken?

Comments on Steps Taken by Rex Transport

The solution given at the forum by Rex Transport made reference to a good list of considerations some of which concern the risks they could expect to encounter, however, the remainder of the steps listed do not indicate any actions or procedures that would mitigate the potential risk that organization faces in a manner suitable to meet the provisions of the CE Bill. There is no reference to steps in a "Code of Practice" that would limit their exposure.

Comments on Actions by Rex Transport – Encoding/Decoding

Rex Transport needs to have a documented planning procedure that ensures that the container task is achievable. The evaluation of the task done through information received from the customer and the vehicle requirements of moving the goods are planned from this data. A procedure needs to be in place to determine the accuracy of the information received and a record of the steps taken before issuing tasking orders to drivers and vehicles.

A "responsible person" needs provide approval that the task can go ahead and provide documentary evidence on how this was determined. That 'responsible person' has to be able to demonstrate all reasonable steps were taken when using the information provided in conjunction with the standing business procedures for moving the containers with consideration of the current environment and the standards required in the CE Bill. Rex

Transport need to record that these steps were taken. See also comments in relation to tender and contract arrangements discussed later.

They would therefore have considered those items listed in the answer to the Scenario questions, routes, licencing, drivers, licensing, hours for the journey, rest periods.

Rex Transport needs to demonstrate:

- They have evaluated the consignment documents ensuring they clearly describe the load and all the requirements, particularly for dangerous goods, and then pass this information to the relevant operations staff and driver by a documented and recorded procedure.
- They have evaluated the vehicle and driver they are sending on the task and recorded the outcome
- Scenario 2 involved the importation of dangerous goods. Rex Transport needs to ensure they have clearly identified who the importer and consignor are in the shipping documentation for the transport of goods by road
- Rex Transport should also evaluate their importer and forwarding agent by a documented and recorded capability assessment.

Comments on Actions by Rex Transport- Sending/Receiving

When sending the vehicle to collect the container and deliver it to its final destination, documented directions actions need to be given to all operational staff to ensure the move occurs within the Regulations through the activities of:

- Travelling from the depot/yard to the wharf
- Waiting for loading at the wharf
- Loading and checking the load at the wharf
 - Suitability of container
 - Twist locks or other restraints
 - Documentation
 - Procedures or equipment to access overloading
- Departing the wharf
- Vehicle and load in transit checks
- Arrival at the consignee's premises
- Unloading the Containers if required
- Returning empty containers to the Container park if required
- Returning to the depot/yard

The quantities of dangerous goods in the problem exceeded 1000 litre capacity and 1000kg mass capacity. As a result the containers are termed "placard loads" for the purposes of road transport and require Rex Transport as the Prime Contractor to:

- Assess the packaging

- Assess the loading requirements
- Ensure the consignment/load meets the requirements of the ADG Code.
- Assess the suitability of the container.
- The container to be marked by placard
- The vehicle to be marked by placard
- The vehicle needs to be specially licenced to carry DG
- The driver needs to be specially licenced to drive the vehicle carrying the placard load
- An emergency response procedures book, and the appropriate fire extinguishes and safety equipment need to be in the vehicle
- The packaging in the containers needs to be marked and packed in accordance with the IMDG Code, ADG Code
- Ensuring there is an emergency plan
- Ensuring authorities are informed if required.

No mention was made in the steps by First Freight to ensure these requirements were met.

Identified Gaps

During the assessment of Rex Transport's solution the following gaps were identified:

- No mention of the formal planning process even though task evaluation was done by the forum group.
- No formal checking procedures to ensure the right vehicle departed the Depot
- No reference to the process of assessing importers or forwarders.
- No reference to steps that provide actions for each move and activity of the vehicles
- No reference to checking containers, packing or loading procedures to ensure they comply with the regulations
- No reference to marking containers for DG and finding the centre of gravity marked on containers
- No reference to recording actions by staff
- No reference to Prime Contractor responsibilities for DG
- No reference to emergency procedures
- No reference to a code of practice

Contracts

A contract is a document that can demonstrate that the C&E Bill provisions are an integral part of the commercial transaction between entities. When reviewing contracts the following should be considered:

- How do sea freight chain organizations review contracts, overseas orders, tenders, arrangements with agents and insurance arrangements?
- In what documents and records are the channels of communication and interface with other parties in the chain defined and how are they defined?
- How do companies or individuals control and coordinate contract reviews and how often?
- How do organizations ensure that the chain of responsibility and compliance and enforcement provisions are accurately documented before they are accepted by the parties involved?
- How do organizations ensure that requirements of an export, import or movement order with differing requirements from those in contracts or tenders meet the contractual arrangements before accepting the order, and who is responsible to give approval?
- What procedures do companies have in place to ensure the organization has the capability to meet the contractual requirements being suggested by the other party before accepting the contract, tender or order?
- How are amendments made to contracts and recorded?
- In what documents do organizations record the results of contract reviews?

The Risks to Public Safety of Heavy Vehicles

The risks to public and individual safety increase when the following vehicle failures occur if the heavy vehicle is loaded beyond limits allowed by the Regulations:

- Overloaded brakes may exceed their designed capacity and be unable to stop the vehicle at the prescribed braking force levels (The outcome of Scenario 1)
- Tyres loaded beyond their rated capacity might fail causing immediate loss of control of the vehicle. Steer axles tyres that fail are more serious than tyres on other axles. Overloaded tyres on the other axles can shed their tread, causing a hazard to other road users and property damage.
- Overloaded steer axles may result in deterioration of the manoeuvrability of the vehicle, or, failure of the steering components and wheel bearings. In rare cases axles can completely fail.
- Overloaded suspensions may fail causing loss of control of the vehicle.
- Performance tests are carried out by vehicle manufacturers to ensure vehicle performance complies with Australian Design Rules. Most ADR testing occurs with the vehicle loaded to the "manufacturers rated vehicle mass (GVM) or GCM". A manufacturer cannot give an assurance the vehicle will provide the road user protection levels required under ADRs if the vehicle is loaded beyond the manufacturers GVM or GCM.

The risks to public and individual safety and property damage increase if a load packed on a heavy vehicle shifts resulting in:

- Vehicle failure or loss of control due to a much a heavier weight brought to bear on areas of the vehicle not designed to carry it
- Propelling the load towards the driver of the vehicle or other road users vehicles

The risks to public and individual safety and damage to the environment increase when the following incidents occur, as a result of the heavy vehicle being loaded with dangerous goods in a way not allowed by the Regulations:

- Explosions – (The outcome of Scenario 2)
- Fire
- Release of toxic solids, liquids and gases.
- Spillage of corrosive substances.
- Significant financial loss
- Significant disruption through lengthy road closure

Weights, Containers and Container Weight Declaration (CWD)

Weights

The Australian Standard ratings for freight containers are contained in the AS/NZS 3711 series 1993.¹⁰ Requirements of the International Standards for containers (ISO 1496 parts 1 to 5) are contained within the Australian Standards (AS3711, parts 4 to 8) The Australian Standards include the full text of the relevant ISO Standards. These standards relate to all containers including general purpose containers (series 1) thermal, tank, platform and special purpose containers. For the purposes of this discussion series R containers which are designed for use in Australia only for road and rail transport will not be discussed. (Series R container's stacking strength does not comply with ISO standards).

General purpose containers Series 1 have a gross mass rating (GMR) R – which is the maximum mass for operation and the minimum mass for testing. For a 40' container the GMR R is 30480 kg and for a 20' container the GMR R is 24000 kg. To calculate the maximum payload known as the P rating of the container the following formula is used:

$$P = R - T$$

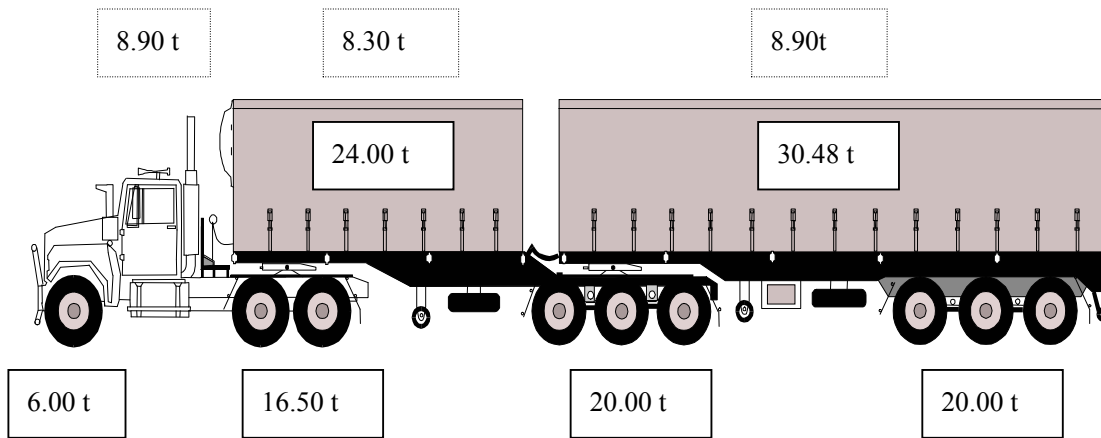
where

R is the GMR

T is the tare weight of the container

If one 20' and one 40' container loaded to maximum capacity ' P ' meaning weighted at their ' R ' weight, were placed on a B Double (a vehicle Rex Transport decided to use in its solution to the scenarios), it would be reasonable to assume the vehicle will be overloaded (Figure 2).

¹⁰ Australian and New Zealand Standard 3711 Freight Containers - 1993



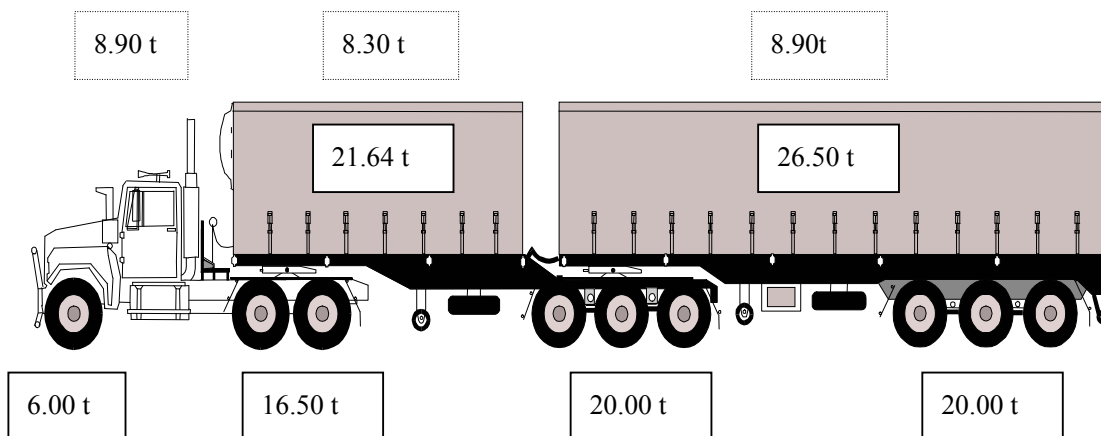
Total Weight of Containers Load 54.48t + GVM of Combination 26.1t = 80.58t

Total Weight of Allowable Load on Axle Groups = 62.5t

Figure 2

Figure 2 shows the 20' container loaded with an 'R' weight of 24 tonne loaded on the A trailer, and a 40' container with an 'R' weight of 30.48 tonne loaded on the B trailer. Under each axle group is the allowed regulation weight allowable for that axle group. On the top of the containers are the tare weight of both the A and the B trailer and the tare weight of the prime mover. While it is not possible to accurately determine the weight exerted on each axle group because the load is spread, and it would depend on the design of the vehicle, it does, however indicate that there is more combined weight with the trailer and container than the allowable axle weights beneath them.

If importers or forwarders load a container to its maximum capacity it is likely to be non compliant with the Regulations. There are a variety of "mass schemes" available to transport operators which allow higher mass limits on axle groups. Those higher mass limits would also not be sufficient to allow the above weights to be carried legally. The scenario problem is shown in Figure 3 and there is more combined weight with the trailer and containers than the allowable axle weights beneath them.



Total Weight of Containers Load 54.48t + GVM of Combination 26.1t = 74.24t

Total Weight of Allowable Load on Axle Groups = 62.5t

Figure 3

Containers

The intention of the Standard AS3711 is to set out the required capabilities of a container design, along with the appropriate testing of those capabilities. The Standards do not address the issue of when, where, how and by whom the appropriate testing should be carried out, as such issues are the responsibility of the relevant regulatory authority. The relevant regulatory authority in this case is the Commonwealth, who have adopted the "International Convention for Safe Containers"¹¹ Regulations from the Convention can be found in the *Navigation Act 1912 (Commonwealth)*¹².

The Schedule states the owner is responsible for maintaining the container in safe condition. Containers should have a "safety approval plate" with the heading "CSC Safety Approval" in the form of a permanent, non corrosive fire proof rectangular plate. The plate displays among other things; date of manufacture and the maximum gross weight. The tare weight is not marked on this plate.

The container has to be examined and tested in accordance with the prescribed procedure within five (5) years of the date of manufacture and every two (2) years thereafter. The date before which the container shall be re-examined is to be clearly marked on or new the "safety approval plate".

Container Weight Declaration

Container weight declarations are defined in S 101 and 102 of the CE Bill. A CWD for a freight container is a declaration that states or purports to state the weight of the freight container and its contents. Subject to the regulations, a container weight declaration:

- May be comprised in one or more documents or other formats, including in electronic form
- Without limiting the above, may be comprised wholly or partly in a placard attached or affixed to the freight container.

A CWD for a freight container complies with s102 of the CE Bill if it contains the following additional information:

- The number and other particulars of the freight container necessary to identify the container
- The name, home address or business address in Australia of the responsible entity;
- The date of the declaration

However, a container weight declaration does not comply with this division if:

¹¹ International Convention for Safe Containers

¹² *The Navigation Act 1912 Commonwealth Amended Volume 3 Schedule 5*

- the contents of the container weight declaration are not readily available to an authorised officer or police officer who seeks to ascertain its contents, there and then in the presence of the container (whether by examining documents located in or on the vehicle or combination or by obtaining the information by radio or mobile telephone or by another means); or
- it is not in a form that can be used or adapted for evidentiary purposes; or
- it is not in a form that satisfies requirements prescribed by the regulations.

The container weight declaration is given by $CWD = C + T$

Where C = Total weight of the Cargo (Goods + Packaging + Dunnage + Pallets + Restraints)

T = Tare weight of the container including all fittings and appliances associated with the container

Having a loading diagram for different types of loads to ensure axle mass limits are not exceeded can be developed in a "code of practice". These loading diagrams can also be sent by Forwarders to overseas agents to ensure packing and loading complies with the requirements. The loading diagrams should specify weights and should have a degree of tolerance factored into them.

General Conclusions

The reliability and efficiency of the sea freight logistic chain is determined by the weakest link. To strengthen the links in the chain there must be a desire by all parties to improve the relationships and processes that bind them together. The significant attendance at the COR Forum was an indication that the desire is there, albeit for the reason of gaining an understanding of the CE Bill. The common denominator with these relationships and processes in the chain is the shipping container. Links in the chain either use them or move them. As such procedures introduced to meet the requirements of the CE Bill should be container centric.

Sea freight containers have higher legal payloads for shipment on vessels, but those payloads exceed legal mass limits for road haulage. The problem of overweight containers on the road threatens public safety and damages the road infra-structure. This problem is not only a Queensland issue but a National issue. The COR Forum and any initiatives that move towards improving this situation may therefore have a much wider influence.

Overweight containers or non compliant loads in relation to restraint, dimension and dangerous goods are no longer just a truck operator's problem. Large numbers of local, state, national and international businesses are involved in bringing cargo to the Port of Brisbane. All of those are involved. As procedures are introduced to meet the CE Bill it will take some time for their influence to spread from the local chain to those other parties.

During the workshop there was a tendency to leave various steps and responsibilities to the next link in the chain. "*That's their problem*" or, "*I will rely on the information our company has.*" Within the CE Bill provisions the phrase "*knows*" or "*reasonably ought to know*" is a repetitive theme. In plain language that means it's your organizations responsibility to find out. Processes for finding out information were rarely mentioned.

Many of the solutions listed steps and procedures for the most part that did not cover the entire journey and activity that would be associated with the containers given the hypothetical scenarios. The steps suggested by the fictitious players in the Forum's sea freight chain would not meet the scrutiny of an investigation within the parameters of the CE Bill. This is to be expected due to the simplicity of the problems and the time limit. But it is an indication that procedures capable of withstanding the scrutiny of "reasonable steps" are far from perfect. One of the determinants of taking reasonable steps is the use of "codes of practice" and the existence of documented emergency procedures. Their non existence was highlighted during the Forum.

Some confusion exists over who is liable for dual responsibilities. Dual responsibility occurs in situations where both parties are acting in unison, for example, the loading process. There needs to be a realization that both parties are liable. A similar situation exists concerning the requirement to understand the importance of weight and the responsibility for declaring it. The trucking end of the chain has a better understanding for obvious reasons than the initiating end. It will take a significant period of time to achieve best practice with loading containers and marking them at the initiating end.

Recommendations

It is recommended that this report be used as an aid to commence investigation of areas within each business or industry group within the sea freight logistic chain that need review before the introduction of the CE Bill.

It is further recommended that consideration be given to developing codes of practice and emergency procedures.

SCENARIO – EXPORTER**Appendix 1**

You are a Manager/Owner of an export company. Your company name is AX Exports P/L.

Your company has been employed by a freight forwarding agent in Australia to export bulk freight from Australia to Singapore.

Details of the bulk freight are as follows-

Freight- 20 boxes of Mining Equipment which weighs 33260 kg. – all the same size with the same contents.

The weight of each heavy box package is approximately 350 kg.

Volume- 65 m³

For the purpose of this exercise only 20 foot and/or 40 foot standard containers can be used.

The characteristics of these containers are as follows-

20 Foot Container**40 Foot Container**

Length- 6.05 m

Length- 12.19 m

Height- 2.59 m

Height- 2.59 m

Width- 2.44 m

Width- 2.44 m

Carrying capacity- 21640 kg

Carrying capacity- 26500 kg

Volume- 32.8 m³

Volume- 67.2 m³

Weight- 2360 kg

Weight- 3980 kg.

Your Task

Is to describe the steps your company will take to export the freight mentioned above using your companies current policies / procedures and how the export will be conducted by you.

Please use dot points on the butchers paper provided for your working table. When describing your procedures use the following example as a guide –

- Request to import goods sent to agent in Singapore by email.
- Details of email are-
- Bill of lading sent electronically with description of goods, container numbers, declared container weights.

SCENARIO 1 – IMPORTER**Appendix 2****BACKGROUND**

You are a Manager/Owner of an import company. Your company name is HK Imports P/L.

Your company specialises in importing mining equipment and general goods from South East Asia. Aust Mining PL has place a purchase order for goods from your catalogue requiring you to import bulk freight from Singapore to Australia.

Details of the bulk freight are as follows-

Freight- 20 boxes of Mining Equipment which weighs 33260 kg – all the same size with the same contents. Each equipment piece weighs 1663kg.

Packaging- Each piece of equipment needs a heavy box package approximately 350 kg in weight. Internal tension cables keep equipment upright, and must be checked before moving.

Volume- 65 m³ – includes packaging.

These goods do not require quarantine clearance.

YOUR TASK

Is to describe the steps HK Imports will take to import the freight mentioned above using your own company's current policies / procedures, that is, describe how the import would be conducted by your organization.

Where two or three different companies are represented at a working table a generic set of procedures can be used. Please use dot points on the butcher's paper provided. When describing your procedures use the following example as a guide –

- Request to import goods sent to agent in Singapore by email.
- Details of email are-
- Bill of lading sent electronically with description of goods, container numbers, declared container weights.

SCENARIO 2 – IMPORTER**Appendix 3****BACKGROUND**

You are a Manager/Owner of an import company. Your company name is HK Imports P/L.

Your company specialises in importing general goods from South East Asia. Four customers have placed a purchase order for goods from your catalogues requiring you to import freight from Singapore to Australia.

Details of the freight are as follows-

<u>Customer</u>	<u>Freight</u>	<u>Weight (pkg incl)</u>	<u>Volume</u>
Aus Mining	10 Boxes – Wire Coil	16250 kg	20m3
Garments PL	20 Bails – Cloth	10750 kg	15m3
Repro PL	5 Crates – Brake Fluid	7000 kg	10m3
QLD Pools	30 Boxes – Pool Filter Powder	9260 kg	20m3

These goods do not require quarantine clearance.

For the purpose of this exercise only 20 foot and/or 40 foot standard containers can be used.

The characteristics of these containers are as follows-

YOUR TASK

Is to describe the steps HK Imports will take to import the freight mentioned above using your own company's current policies / procedures, that is, describe how the import would be conducted by your organization.

Where two or three different companies are represented at a working table a generic set of procedures can be used. Please use dot points on the butcher's paper provided. When describing your procedures use the following example as a guide –

- Request to import goods sent to agent in Singapore by email.
- Details of email are-
- Bill of lading sent electronically with description of goods, container numbers, declared container weights.

SCENARIO 1 – BROKER / FORWARDER**Appendix 4****BACKGROUND**

You are a Manager/Owner of a freight forwarding and custom brokerage company. Your company name is First Freight PL. Your company has been employed to import bulk freight from Singapore to Australia by HK Imports PL.

Freight- 20 boxes of Mining Equipment – all the same size with the same contents.

The weight of the mining equipment is 33260 kg.

The volume of the mining equipment is 65 m3

For the purpose of this exercise only 20 foot and/or 40 foot standard containers can be used.

The characteristics of these containers are as follows-

20 Foot Container**40 Foot Container**

Length-	6.05 m	Length-	12.19 m
Height-	2.59 m	Height-	2.59 m
Width-	2.44 m	Width-	2.44 m
Carrying capacity-	21640 kg	Carrying capacity-	26500 kg
Volume-	32.8 m3	Volume-	67.2 m3
Weight-	2360 kg	Weight-	3980 kg.

YOUR TASK

Is to describe the steps First Freight PL will take to import the freight mentioned above using your own company's current policies / procedures, that is, how the import will be conducted from start to finish by your organization. Specify the number of containers.

These goods do not require quarantine clearance.

Where two or three different companies are represented at a working table a generic set of procedures can be used. Please use dot points on the butcher's paper provided. When describing your procedures use the following example as a guide –

- Request to import goods sent to agent in Singapore by email.
- Details of email are-
- Bill of lading sent electronically with description of goods, container numbers, declared container weights.

SCENARIO 2 – BROKER / FORWARDER**Appendix 5****BACKGROUND**

You are a Manager/Owner of a freight forwarding and custom brokerage company. Your company name is First Freight PL. Your company has been employed to import bulk freight from Singapore to Australia by HK Imports PL.

<u>Freight</u>	<u>Weight incl pkg</u>	<u>Volume</u>
10 Boxes – Wire Coil	16250 kg	20m3
20 Bails – Cloth	10750 kg	15m3
5 Crates – Brake Fluid	7000 kg	10m3
30 Boxes – Pool Filter Powder	9260 kg	20m3

For the purpose of this exercise only 20 foot and/or 40 foot standard containers can be used. The characteristics of these containers are as follows-

20 Foot Container**40 Foot Container**

Length-	6.05 m	Length-	12.19 m
Height-	2.59 m	Height-	2.59 m
Width-	2.44 m	Width-	2.44 m
Carrying capacity-	21640 kg	Carrying capacity-	26500 kg
Volume-	32.8 m3	Volume-	67.2 m3
Weight-	2360 kg	Weight-	3980 kg.

YOUR TASK

Is to describe the steps First Freight PL will take to import the freight mentioned above using your own company's current policies / procedures, that is, how the import will be conducted from start to finish by your organization. Specify the number of containers.

These goods do not require quarantine clearance.

Where two or three different companies are represented at a working table a generic set of procedures can be used. Please use dot points on the butcher's paper provided. When describing your procedures use the following example as a guide –

- Request to import goods sent to agent in Singapore by email.
- Details of email are-
- Bill of lading sent electronically with description of goods, container numbers, declared container weights.

SCENARIO 1 & 2 – SHIPPING LINE**Appendix 6****BACKGROUND**

You are a Manager/Owner of a shipping line. Your company name is PNO Lines P/L.

Your company has been employed to ship bulk freight from Singapore to Australia.

The bulk freight has been arranged through importer/freight forwarder consisting of four containers. You have the vessel "Veron Carte" available to take these containers listed below and others to Brisbane:

GESU2365487561, GESU2365487562, GESU2365487563, GESU2365487564.

Details are shown on the two attached sea freight manifests.

During loading at Singapore the hoisting equipment gave way at one end of the container GESU2365487564 just as it was about reach its location according to the stowage plan. The container fell 5 metres at one end. The container was righted by the signal man and hoisting equipment operator. No damage occurred to the container.

For the purpose of this exercise only 20 foot and/or 40 foot standard containers can be used. The characteristics of these containers are as follows-

20 Foot Container

Length- 6.05 m
 Height- 2.59 m
 Width- 2.44 m
 Carrying capacity- 21640 kg
 Volume- 32.8 m3
 Weight- 2360 kg

40 Foot Container

Length- 12.19 m
 Height- 2.59 m
 Width- 2.44 m
 Carrying capacity- 26500 kg
 Volume- 67.2 m3
 Weight- 3980 kg.

YOUR TASK

Is to describe the steps PNO Lines PL will take to ship the freight mentioned above using your own company's current policies / procedures from the port of loading (POL) to port of discharge (POD).

Where two or three different companies are represented at a working table a generic set of procedures can be used. Please use dot points on the butcher's paper provided. When describing your procedures use the following example as a guide –

- Request to import goods sent to agent in Singapore by email.
- Details of email are-
- Bill of lading sent electronically with description of goods, container numbers, declared container weights.

SCENARIO 1 & 2 – STEVEDORE**Appendix 7****BACKGROUND**

You are a Manager/Owner of a Stevedore. Your company name is Ocean Cargo Stevedores P/L.

Your company has been notified by PNO Shipping Lines P/L of the expected arrival of the vessel "Veron Carte". The vessel is carrying containerised cargo from Singapore to Australia and its cargo includes containers GESU2365487561, GESU2365487562, GESU2365487563, GESU2365487564.

Details are shown on the attached bill of lading and sea freight manifests. Rex Transport has been organized to move the containers from the wharf.

For the purpose of this exercise only 20 foot and/or 40 foot standard containers can be used. The characteristics of these containers are as follows-

20 Foot Container

Length- 6.05 m
 Height- 2.59 m
 Width- 2.44 m
 Carrying capacity- 21640 kg
 Volume- 32.8 m3
 Weight- 2360 kg

40 Foot Container

Length- 12.19 m
 Height- 2.59 m
 Width- 2.44 m
 Carrying capacity- 26500 kg
 Volume- 67.2 m3
 Weight- 3980 kg.

YOUR TASK

Is to describe the steps Ocean Cargo will take to unload the vessel and move the containers to and load the road freight vehicle using your own companies current policies / procedures That is, how the arrangements for and movement of the container/s will be conducted.

Where two or three different companies are represented at a working table a generic set of procedures can be used. Please use dot points on the butcher's paper provided. When describing your procedures use the following example as a guide –

- Request to import goods sent to agent in Singapore by email.
- Details of email are-
- Bill of lading sent electronically with description of goods, container numbers, declared container weights.

SCENARIO 1 & 2 – TRUCK COMPANY**Appendix 8****BACKGROUND**

You are a Manager/Owner of a Transport Company. Your company name is Rex Transport P/L.

Your company has been tasked through the (VBS) vehicle booking system to transport containerised bulk freight, consisting of 2 x 20' and x 40' containers, from the Port of Brisbane to Rocklea.

GESU2365487561 20'

GESU2365487562 40'

GESU2365487563 20'

GESU2365487564 40'

You have a Western Star prime mover registration no. 123 (GVM) and two Haulmark triaxle trailers registration numbers 111 (GVM) and 112 (GVM). (B Double).

Details of the bulk freight have been organised by the importer-

Freight- 20 boxes of Mining Equipment – all the same size with the same contents.

Weight- 33260 kg

Volume- 65 m3

For the purpose of this exercise only 20 foot and/or 40 foot standard containers can be used.

The characteristics of these containers are as follows-

20 Foot Container**40 Foot Container**

Length- 6.05 m

Length- 12.19 m

Height- 2.59 m

Height- 2.59 m

Width- 2.44 m

Width- 2.44 m

Carrying capacity- 21640 kg

Carrying capacity- 26500 kg

Volume- 32.8 m3

Volume- 67.2 m3

Weight- 2360 kg

Weight- 3980 kg.

Your Task

Is to describe the steps your company will take to transport the containerised freight mentioned above using your companies current policies / procedures from the stevedores to HK Imports P/L.

Please use dot points on the butchers paper provided for your working table. When describing your procedures use the following example as a guide –

- Request to import goods sent to agent in Singapore by email.
- Details of email are-
- Bill of lading sent electronically with description of goods, container numbers, declared container weights.

SCENARIO 1 & 2 – STEVEDORE**Appendix 9****BILL OF LADING****Shipment details:****Originating Agent**

ABC – Singapore

Destination Agent

HK Imports P/L

Wharf

Ocean Cargo P/L, Fishermans Island.

Shipping Line

PNO Lines Pty Ltd

Vessel

Veron Carte

Port of Loading	ETD	Port of Discharge	ETA
SGSIN – Singapore	20-02-06	AUBNE – Brisbane, Australia	28-02-06

Containers	Gross Weight	Volume
GESU2365487561		
GESU2365487562		
GESU2365487563		
GESU2365487564		

SCENARIO 1

Appendix 10

SEA FREIGHT MANIFEST

SHIPMENT DETAILS:

Originating Agent	Destination Agent
ABC – Singapore	HK Imports P/L - Australia
10 First Street	20 Second Street
The Plaza	Brisbane
Singapore	Australia

Wharf

Ocean Cargo, Fishermans Island.

Shipping Line

PNO Lines P/L

Weight	Volume	Chargeable	Package Quantity	Agents Booking Ref
33260	65m3		20	
Port of Loading	ETD	Port of Discharge	ETA	
SGSIN – Singapore	20-02-06	AUBNE – Brisbane, Australia	28-02-06	
Vessel/Voyage/Lloyds	Ocean Bill of Lading	Consol Number		
'Veron Carte'	Yes			

Job No	Packs Outer	Volume	Dest	Declared Value	CAN	Collect
12345		65m3	AUBNE			Charges
Shipper				Consignee		
ABC-Singapore				Aus Mining P/L		
Singapore				24 Brisbane Road		
				Brisbane, Qld, Australia.		
Order No:	56789			Weight:	33260	
				Del Agent:	Containers R Us.	
Goods:	20 boxes of mining equipment			Notify:	As above	
Marks:	Δ LT MR					
CTR #'s:	GESU2365487561, GESU2365487562					

SCENARIO 2

Appendix 11

SEA FREIGHT MANIFEST

SHIPMENT DETAILS:

Originating Agent	Destination Agent
ABC – Singapore	HK Imports P/L - Australia
10 First Street	20 Second Street
The Plaza	Brisbane
Singapore	Australia

Wharf

Ocean Cargo, Fishermans Island.

Shipping Line

PNO Lines P/L

Weight	Volume	Chargeable	Package Quantity	Agents Booking Ref
33260	65m3			
Port of Loading	ETD	Port of Discharge	ETA	
SGSIN – Singapore	20-02-06	AUBNE – Brisbane, Australia	28-02-06	
Vessel/Voyage/Lloyds	Ocean Bill of Lading	Consol Number		
'Veron Carte'	Yes			

Job No	Packs Outer	Volume	Dest	Declared Value	CAN	Collect
677	10	20m3	AUBNE			Charges
Shipper				Consignee		
ABC-Singapore				Aus Mining P/L		
Singapore				24 Brisbane Road, Brisbane		
Order No: 3112				Weight: 16250 kg		
Goods: 10 boxes of wire coil				Notify: As above		
Marks: Δ LY						
678	20	15m3	AUBNE			
Shipper				Consignee		
ABC-Singapore				Garments P/L		
Singapore				25 Brisbane Road, Brisbane		
Order No: 3113				Weight: 10750 kg		
Goods: 20 Bails of cloth				Notify: As above		
Marks: Δ LX						

FINAL OUTCOME OF SCENARIO 1 –**Appendix 12****BACKGROUND**

- Rex Transport's B Double comprising of a Western Star prime mover registered number 123, and 2 Haulmark tri axle trailers registered numbers 111 and 112 proceeded to Fisherman Island.
- The vehicle combination was loaded with 1, 20 foot and 1, 40 foot container at Ocean Cargo Stevedores at 09.40 hours, 01/03/2006. As per the stevedores docket.
- At 10.10 hours, the vehicle combination while travelling westbound, collided with a Toyota Corolla, 234-FGH, it was following outside ABC Industries P/L, located at 110 Lytton Road.
- As a result, the 3 occupants of the passenger vehicle are now deceased.
- Both containers were full of imported general freight.
- The vehicle combination was weighed, at police request, and it was determined that it was overloaded. Axle masses were as follows-

Steer axle –	6.00 tonne
Drive axle -	19.50 tonne
Tri axle (A trailer) -	25.50 tonne
Tri axle (B trailer) -	24.60 tonne
Total -	75.60 tonne
- The stevedores docket showed the total mass of the 20 foot container and load on the A trailer as 15 tonne.
- It also showed the total mass of the 40 foot container and load on the B trailer as 20 tonne.
- The tare mass of the vehicle combination is 21 tonne.
- A police investigation revealed that due to the vehicle combination being overloaded it was unable to stop when a passenger car stopped suddenly in front of it. As a result, the vehicle combination collided with and ran over the passenger vehicle in front of it.
- Further to this, the weather fine and dry, the road surface was sealed bitumen and in good condition, the vehicle combination was not following too close, and there was no excess speed involved.

FINAL OUTCOME OF SCENARIO 2 –**Appendix 13****BACKGROUND**

- Rex Transports B Double comprising of a Western Star prime mover registered number 123-ABC, and 2 Haulmark tri axle trailers registered numbers 111-QBA and 112-QBA travelled to Fisherman Island.
- The vehicle combination was loaded with 1, 20 foot and 1, 40 foot container at Ocean Cargo Stevedores at 09.40 hours, 01/11/2005. As per Patricks docket.
- At 10.10 hours, the vehicle combination while travelling westbound, collided with a Toyota Corolla, 234-FGH, travelling in the opposite direction. As a result, the 1 occupant of the passenger vehicle is now deceased; three passengers and two pedestrians are seriously injured. Significant property damage has also occurred
- Both containers were full of imported general freight. The container on the B Trailer exploded throwing the container door in the path of the oncoming vehicle.
- The vehicle combination was weighed, at police request, and it was determined that it was within legal mass limits
- A police and transport investigation revealed that the rear container was carrying a mixture of dangerous goods As a result, an explosion occurred blowing of the door of the container.

QUESTIONS TO BE ASKED

- Is there a documented set of procedures HK Imports follow when importing goods?
- If so can your company demonstrate they follow those procedures?
- Are specifications of the goods, including characteristics of DG and handling instructions sent to your forwarding agent?
- Can you prove those instructions were sent?
- Do you regularly access your forwarding agents 'quality of service', particularly in regard arranging for the transportation of goods?
- What steps do you take to know and understand how your freight forwarder provides the service for you?
- Do you place time and financial pressures on the supplier at the point of origin and the freight forwarder?
- If a written contract exists between your company and the freight forwarder and their overseas supplier, does it specify consideration for the legal requirements on how freight is moved.
- How do you check the 'weight of goods' and the 'type of packaging is as specified' when you receive them?
- When you receive a quantity of goods that weight more than you purchased, or are heavier than specified on the documentation, or, they are damaged, what remedial actions you take?
- Can you Company demonstrate it takes remedial action when things go wrong?
- When you receive and distribute goods do you place pressure on truck companies to meet loading and unloading times and load requirement restraints?
- Is there a code of practice?

QUESTIONS TO BE ASKED

- Is there a documented set of procedures to follow when organizing for the move of goods?
- If so can your company demonstrate they follow those procedures?
- Do you ensure you receive specifications of the goods, including characteristics of DG and handling instructions from the importer?
- Are specifications of the goods, including characteristics of DG and handling instructions sent to your overseas agent?
- Can you prove those instructions were sent?
- Do you regularly access your overseas agents 'quality of service', particularly in regard arranging for the transportation of goods?
- How often do you physically visit your overseas agent?
- What steps do you take to ensure your overseas agent obtains the correct container, and loads the container in a way that ensures the weight is evenly distributed?
- How do you check the overseas agent has the correct 'weight of goods', weight of packaging, and weight of the container, and that the 'type of packaging is as specified'.
- Who responsible for the Container Weight Declaration?
- How is this clearly notified to others in the chain?
- Do you place time and financial pressures on the overseas agent?
- If a written contract exists between your company and the importer and your overseas agent, does it specify consideration for the legal requirements on how freight is moved?
- When there is a vessel voyage problem or, customs/quarantine problems arise do you shop around for the cheapest road haulage to recover costs, or place pressure on them to make up time to reduce delivery delays?
- When notified by other parties in the chain that weight of the freight is more than you arranged for, that is, heavier than specified on the documentation, or, they are damaged, do you have reasonable procedures in place to organize decanting, reloading and alternative transportation?
- Can your Company demonstrate it takes these remedial actions when things go wrong?
- Is there a code of practice?

QUESTIONS TO BE ASKED

- Is there a documented set of procedures PNO Lines follow when containers are suspected of being damaged or are unusually heavy?
- How are incidents of damage or heavy containers recorded and reported?
- Can your company demonstrate they follow those procedures?
- What steps do you have in place to ensure the accuracy of cargo manifests and invoices sent to you by forwarding agents?
- Can you demonstrate you regularly do spot audits on the markings shown on containers, specifically those for weight, DG and seals, against the manifests supplied to you?
- Do you refuse to carry containers for forwarding agents who you have found have not complied with your requirements, particularly in regard to false gross weight declarations?
- What steps do you take to know and understand how your 'stevedoring services' load and unload your vessels?
- What steps do you take to ensure your employees are properly trained and know the loading, transporting and unloading containers?
- Do you place time and financial pressures on the stevedores at the POL and the POD?
- If a written contract exists between your company and the consignors does it specify consideration for the legal requirements, weight, size, and condition of containers; and on how containers are moved?
- How do you check the 'weight of containers'?
- When you receive a quantity of goods that weight more than you purchased, or are heavier than specified on the documentation, or, they are damaged, what remedial actions you take?
- Can you Company demonstrate it takes remedial action when things go wrong?
- Is there a code of practice?

QUESTIONS TO BE ASKED

- Is there a documented set of procedures Ocean Cargo follow when containers are suspected of being damaged or are unusually heavy?
- How are incidents of damage or heavy containers recorded and reported?
- Can your company demonstrate they follow those procedures?
- What steps do you have in place to ensure the accuracy of cargo manifests, bills of lading and invoices sent to you by forwarding agents?
- Can you demonstrate you regularly do spot audits on the markings shown on containers, specifically those for weight, DG and seals, against the manifests supplied to you?
- How do you check the 'weight of containers'?
- Do you refuse to load export containers for forwarding agents who you have found have not complied with you requirements, particularly in regard to false gross weight declarations?
- What steps do you take if a truck driver refuses to take a container because he considers it to be too heavy, or, your employees consider it is too heavy?
- How do you ensure containers listed on the vessels loading plan as "carrying DG" are correctly placarded before you load them for road transport?
- What steps do you take to ensure your employees are properly trained and know the loading, transporting and unloading containers?
- Do you place time pressures on trucking companies to collect containers?
- If a written contract exists between your company and the shipping lines does it specify consideration for the legal requirements, weight, size, and condition of containers; and on how containers are moved?
- Can you Company demonstrate it takes remedial action when things go wrong?
- Is there a code of practice?

CRITIQUE – TRUCKING**Appendix 17****QUESTIONS TO BE ASKED**

- Is there a documented set of procedures Rex Transport to follow when collecting containerised freight?
- If so can your company demonstrate they follow those procedures?
- Do you ensure specifications of the goods, including characteristics of DG and handling instructions are sent to you forwarding agent?
- Can you prove you requested those instructions and they were sent?
- Do you regularly access your forwarding agents 'quality of service', particularly in regard arranging for the transportation of goods, and the validity of the container weight declaration?
- What steps do you take to know and understand how your freight forwarder provides the service for you?
- Do you place time and financial pressures on your drivers and staff in order to meet the demands of your customers?
- If a written contract exists between your company and the freight forwarder and does it specify consideration for the legal requirements on how freight is moved.
- What steps do you take to ensure your employees are properly trained and know the loading, transporting and unloading containers?
- How do you check the 'weight of the container' and that you have the means to secure the load correctly?
- When the container weight is more than the DCW or heavier than specified on other documentation, or, the container is damaged, what remedial actions you take?
- Can you Company demonstrate it takes remedial action when things go wrong?
- When you receive and distribute goods do you place pressure on truck companies to meet loading and unloading times and load requirement restraints?
- What action do you take when the truck driver advises you that the container is too heavy?
- Is there a code of practice?