



WORLD SHIPPING COUNCIL
PARTNERS IN TRADE

European Commission Workshop on Containers Lost at Sea

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About the World Shipping Council

- **Coordinated voice for international liner shipping on public policy:**
 - Economic regulation
 - Cargo and maritime security
 - Customs matters
 - Environmental impacts
 - Maritime transportation infrastructure
 - Maritime Safety
 - Cyber security
- **Formed in 2000**
- **Headquartered in Washington, D.C.**
- **Brussels office in 2007**
- **Singapore office in 2018**
- **19 member companies: Operating
~90% of global liner shipping capacity**





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WSC Members

- **A.P. Moller-Maersk Group (including Maersk Line, Hamburg Süd, Safmarine, Seago, SeaLand, MCC Transport)**
- **China COSCO Shipping Corporation Ltd. (COSCO)**
- **CMA CGM Group (including ANL, APL, U.S. Lines, MacAndrews)**
- **Crowley Maritime Corporation**
- **Evergreen Marine Corporation**
- **Hapag-Lloyd Container Line (including CSAV, UASC)**
- **Hyundai Merchant Marine Company**
- **Independent Container Line (ICL)**
- **Kawasaki Kisen Kaisha Ltd. (K-Line)**
- **Mediterranean Shipping Company (MSC)**
- **Mitsui O.S.K. Lines (MOL)**
- **NYK Line (NYK)**
- **Ocean Network Express (ONE)**
- **Orient Overseas Container Line (OOCL)**
- **TOTE, Inc.**
- **Wan Hai Lines Ltd.**
- **Wallenius Wilhelmsen**
- **Yang Ming Marine Transport Corporation**
- **Zim Integrated Shipping Services Ltd.**



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What is liner shipping?

Liner shipping is the service of transporting goods by ship on:

❖ Regular routes

❖ Fixed schedules



Liner services

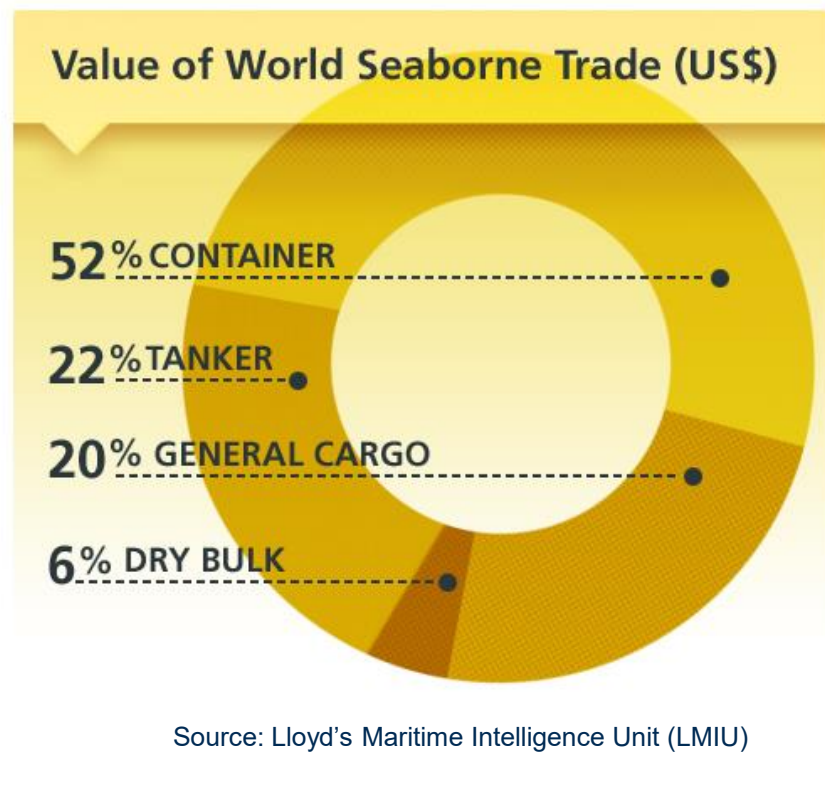
➤ *Liner services include container services and vehicle carrier services.*



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Scope of Global Liner Shipping

- About 500 weekly services connecting main trade lanes
 - Dozens of intra-region & feeder services
- ~6100 ships active on liner trades, ~ 90% of ships and 98% of capacity fully cellular
- Transport more than 60% of value of seaborne trade
 - More than \$4 trillion worth of goods annually
 - **219 million loaded TEU* (2018)**
 - **144 million empty TEU (2018)**
 - **Using ~ 25 million container units (2019)**
- Annual economic impact
~ \$440 Billion, 13.5 million jobs



* TEU: Twenty-foot Equivalent Units

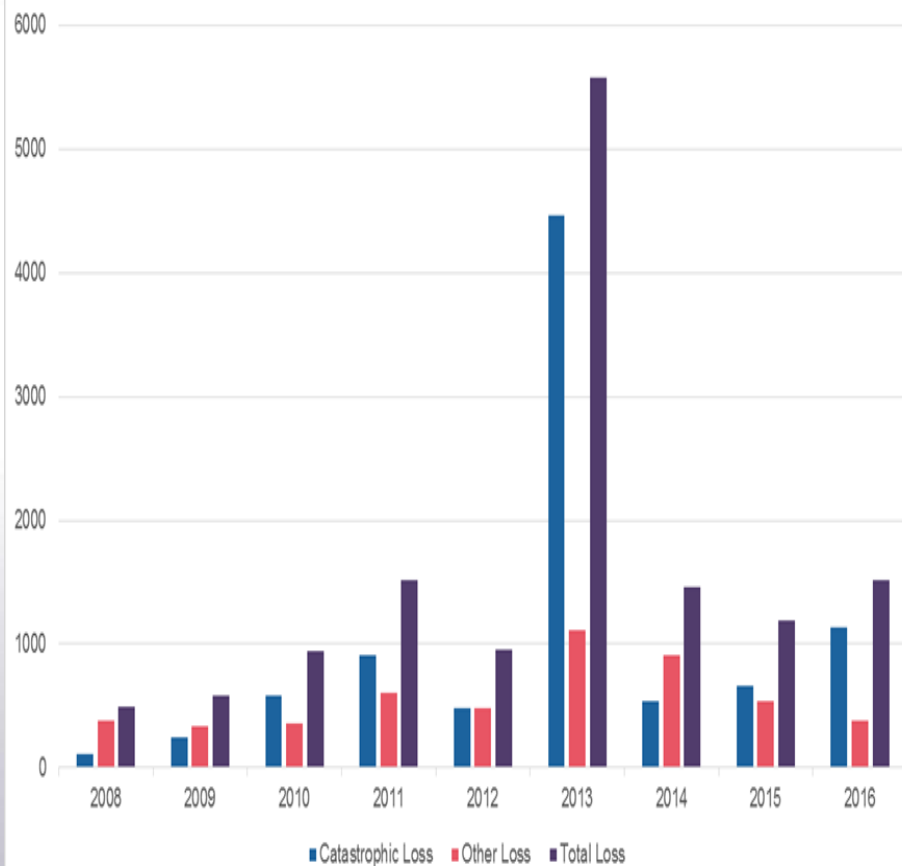


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Numbers of containers lost at sea

WSC Surveys:

Summary of Containers Lost at Sea



Annual container trips:

	Loaded TEU (Million TEUs)	Empty TEU (Million TEUs)	Loaded Units (Million Units)	Empty Units (Million Units)	Total TEU (Million TEUs)	Total Units (Million Units)
2008	148.9	79.2	89.34	47.52	228.1	136.86
2009	131.2	71.6	78.72	42.96	202.8	121.68
2010	150.9	80	90.54	48	230.9	138.54
2011	163	102	97.8	61.2	265	159
2012	169.6	107	101.76	64.2	276.6	165.96
2013	176.5	111.5	105.9	66.9	288	172.8
2014	187	118.5	112.2	71.1	305.5	183.3
2015	190.3	124.2	114.18	74.52	314.5	188.7
2016	195.6	128.2	117.36	76.92	323.8	194.28

Excludes transshipments, both loaded and empty. Unit estimates done by WSC based on TEU count by Drewry

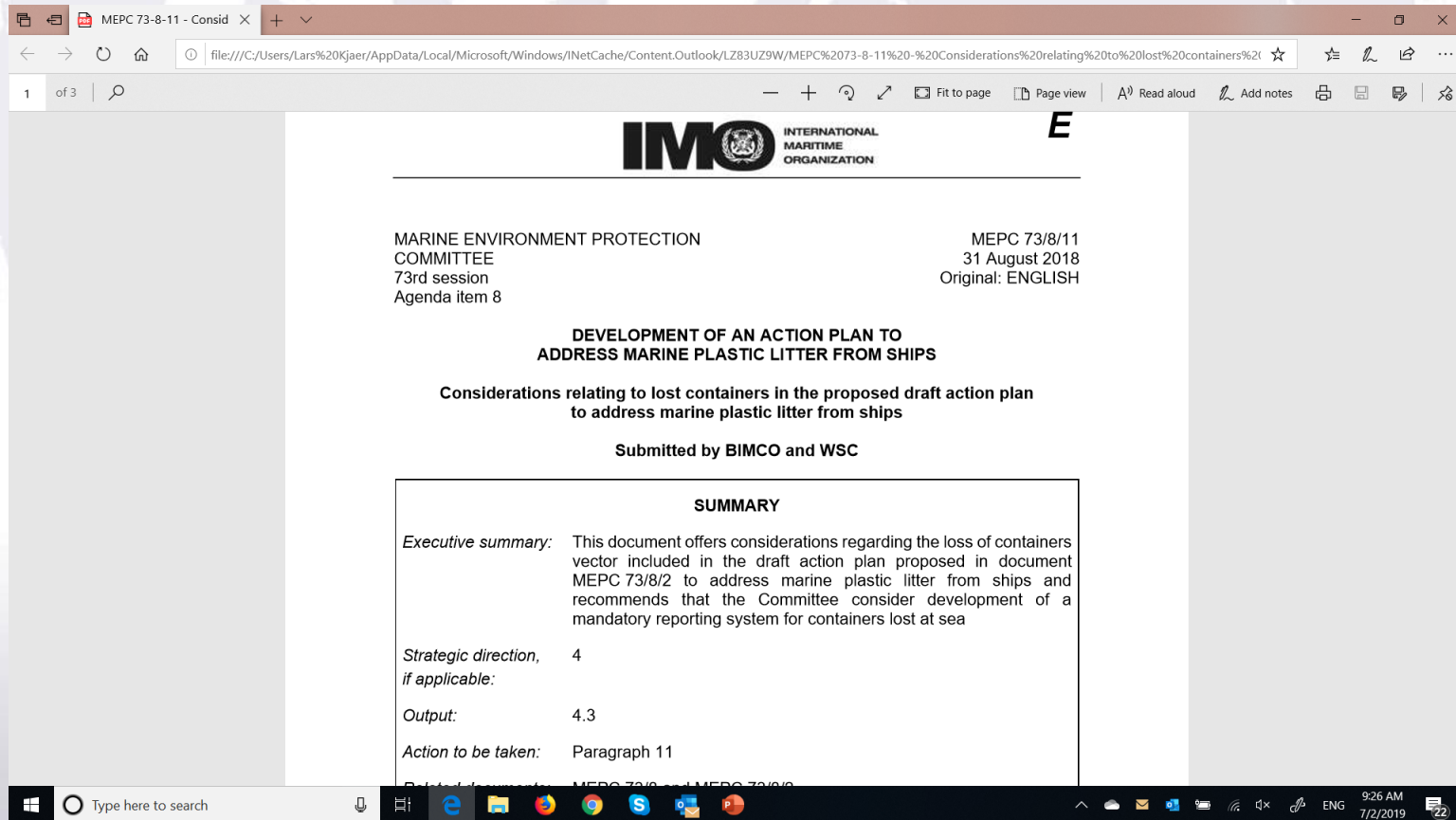


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Numbers of containers lost at sea (*cont.*)

- **One container lost is one too many. BUT.....**
- **For 2008-2016 period, we estimate that *on average*:**
 - 568 containers lost at sea each year
 - 1,582 containers lost at sea each year including catastrophic events (≥ 50 containers lost in a single incident)
 - On average, 64% of containers lost during that period were due to catastrophic events
 - Container losses in any particular year vary substantially due to weather and other unusual events (e.g. 2013 (*MOL Comfort*) and 2015 (*El Faro*))

Liner shipping industry supports *international* mandatory reporting system



The screenshot shows a Microsoft Edge browser window with the following details:

- Address Bar:** file:///C:/Users/Lars%20Kjaer/AppData/Local/Microsoft/Windows/INetCache/Content.Outlook/LZ83UZ9W/MEPC%2073-8-11%20-%20Considerations%20relating%20to%20lost%20containers%20
- Page Title:** MEPC 73-8-11 - Consid
- Page Content:**
 - IMO INTERNATIONAL MARITIME ORGANIZATION** logo at the top center.
 - MARINE ENVIRONMENT PROTECTION COMMITTEE** (left) and **MEPC 73/8/11** (right).
 - 73rd session** (left) and **31 August 2018** (right).
 - Agenda item 8** (left) and **Original: ENGLISH** (right).
 - DEVELOPMENT OF AN ACTION PLAN TO ADDRESS MARINE PLASTIC LITTER FROM SHIPS** (centered).
 - Considerations relating to lost containers in the proposed draft action plan to address marine plastic litter from ships** (centered).
 - Submitted by BIMCO and WSC** (centered).
 - SUMMARY** (centered in a box):
 - Executive summary:** This document offers considerations regarding the loss of containers vector included in the draft action plan proposed in document MEPC 73/8/2 to address marine plastic litter from ships and recommends that the Committee consider development of a mandatory reporting system for containers lost at sea
 - Strategic direction, if applicable:** 4
 - Output:** 4.3
 - Action to be taken:** Paragraph 11

Mandatory Reporting: Issues to be addressed

Examples of issues that still need to be addressed at the IMO:

- Which communication channels to be used
- Which authorities should receive reports
- Which minimum data elements
- Which time line would apply to reports
- Which legal instrument (e.g. MARPOL, SOLAS, Nairobi)



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Recent efforts to enhance container safety with active industry support

- **Verified Gross Mass (VGM)**

Became legally binding July 2016. However, concerns about:

- Compliance
- Enforcement

- **Code of Practice for Packing of Cargo Transport Units (CTUs)**

Approved 2014. Revision may be launched in 2020 timeframe

- **Revision of ISO standards for :**

- lashing equipment (ISO 3874:2017)
- corner castings (ISO 1161:2016)



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Ongoing industry efforts to enhance container safety

- **Need to align stacking strength requirements**
 - ISO 1496-1 (2013): 213,000 kilograms
 - Safe Container Convention (CSC): 192,000 kilograms
 - Discrepancy may have been contributing factor to recent losses
 - Submission to IMO (CCC 6; September) with France as co-sponsor
- **Active engagement in IMO activities regarding container safety (e.g. non- or misdeclaration of dangerous goods)**



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Ongoing industry efforts to enhance container safety *(cont.)*

- **Global industry campaign to promote the CTU Code. That effort is constantly being re-assessed.**

The CTU Code embodies that:

- Regulations do not provide all the solutions
- Training and outreach important elements in enhancing safety
- All industry stakeholders have a shared responsibility to work towards this objective. **BUT We can't do it alone**
- Industry & government collaboration needed to support promotion and awareness of the CTU Code and container safety. Today's workshop may facilitate such collaboration.



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For more information:

Please visit WSC's website at

www.worldshipping.org/industry-issues/safety