

On the 1st of January 2019 the International Maritime Solid Bulk Cargoes (IMSBC) Code will set new requirements to manage the risk of liquefaction during the transport of coal cargoes. The IMSBC Code describes coal as a natural, solid, combustible material consisting of amorphous carbon and hydrocarbons. The two primary concerns with coal cargoes are that they may self-heat and that they may emit methane (a flammable gas).

The IMSBC Code provides that the shipper's cargo declaration shall specify whether the cargo may be liable to emit methane or self-heat. Furthermore, certain coals cargoes may also be subject to liquefaction. As such, the amended IMSBC Code classifies coal as Group A (i.e. cargoes which may liquefy if shipped at a moisture content in excess of their transportable moisture limit) if 75% or more of the material consists of fine particles under 5mm in size.



## Amendments to the IMSBC Code

The planned amendments to the IMSBC Code will affect the criteria claiming that coal cargoes are considered liable to liquefy (Group A) besides the chemical hazards which apply to all coal cargoes referring to self-heating or methane emissions (Group B).

This means that all coal cargoes are now to be seen as both liable to liquefy and have a chemical hazard unless the shippers can demonstrate that a coal cargo is not belonging to Group A:

Coal cargoes are not subject to Group A requirements if they have a particle sizedistribution such that:
 a. not more than 10% is less than 1 mm AND
 b. not more than 50% is less than 10 mm.

Cargoes exceeding either of these limits will not be exempt from Group A requirements. This differs from the equivalent size criteria for iron ore fines.

2. A competent authority of the country of loading can specify laboratory criteria to assesswhether or not a coal cargo possesses Group A properties. Such criteria would most likelybe based on the outcome of the test methods for Group A cargoes in Appendix 2 of theIMSBC Code.

## Precautionary measures

Prior to loading, the master should at all times request the correct coal classification and shippers should clearly state whether the cargo falls under Group B only or Group A and B.

If no sizing criteria are provided, the coal should be assumed to be both Group A and B. The master should insist (as per IMBSC code regulations) on receiving a cargo Transportable Moisture Limit (TML) and moisture certification prior to loading.

Proper documentation should be provided to the master prior to any loading commencing as per IMBSC code for solid bulk cargoes including the correct information on the coal classification.

"The master should insist on receiving a cargo TML and moisture certificate prior to loading"

In case it is known that a specific coal cargo has been declared under Group A and B, precautions have to be taken when cargo is piled up on the shore or loaded from barges and therefore to be covered against rain. After a rain period and before resuming loading operations the cargo moisture has to be re-inspected in order to ensure safe transportation.



When the correct test procedures are not being followed or no certification of these test results has been delivered, it may lead to delays and additional costs. All clients should be aware though that cargo liquefaction could lead to catastrophic events such as loss of life and property, capsizing and sinking of vessels carrying coal cargo. Masters should always follow the latest IMBSC code regulations and when in doubt contact MSIG Europe for further information.



Michel Vonk

Prevention Consultant

+31 10 799 5900 michel.vonk@msigspecialtymarine.com

For any queries on this topic, please contact our Client Services Desk: ClientServices@msigspecialtymarine.com

## Changes in required documentation for the master

Before loading the coal cargo the master should be provided with proper documentation.

Such documentation should consist of the cargo declaration indicating if the coal cargo falls under Group B or both Group A and B.

If the coal cargo falls under Group A and B a cargo TML and moisture certificate should be provided as well.

## **MSIG Europe offices**

Antwerp, Hamburg, London, Paris, Rotterdam and Singapore



The information contained herein is intended to be for informational purposes only and is correct at the time of printing. This circular is not, and is not intended to be construed as, an offering of MS Amlin securities in the United States or in any other jurisdictions where such offers may be unlawful. The services and products mentioned in this circular may not be available in the United States or in jurisdictions where Lloyd's does not have a trading license. Potential insureds should consult with an appropriately licensed broker in their area for further information. MS Amlin Underwriting Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under reference number 204918. Registered office The Leadenhall Building, 122 Leadenhall Building, 125 Leadenhall Buildi

MSIG Specialty Marine N.V. - Registered office at Boulevard du Roi Albert II 37, 1030 Brussels (Belgium) - <u>www.msamlin-marine.com</u>
Registration Number BCE 0670.726.393 - Supervisory Authority: Financial Services and Markets Authority ("FSMA")
BrusselsStatute: Belgian Mandated Underwriters and Belgian Reinsurance agents