

# Abandoned cargoes – more than money at stake

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## Abandoned cargo – what is this about?

- Various reasons why cargo may be abandoned by receivers/consignees
- Considerable headache for actors involved, most immediately forwarders/agents
- Costs can escalate rapidly – demurrage & detention, storage & eventual disposal
- Diverse regulatory concerns (both fiscal & safety)
- And someone has to store the cargo until all issues are resolved!





## Abandoned cargo – what are the characteristics?

- The **commodity** (low value, high volume, not newly manufactured goods)
- The nature of the **shipper** (due diligence pays dividends)
- Trade **routing** (being alert to anomalies, geopolitics & changing regulations)
- Sales contracts & **trade** fluctuations (economic & market conditions)
- **Sanctions**
- And now significant, sustained supply chain **disruption** (delays, congestion etc)



## Abandoned cargo – case study... this does happen!

- Container stuffed with IMDG cargo class 5.1 unloaded from ship **May 2017**
- Cargo shunted around the terminal five times after discharge from ship
- During a further shunting operation in **April 2021**, smoke was seen coming out from the container followed by fire and explosion
- Terminal infrastructure, other cargo & berthed ship all affected by the incident
- Direct physical and financial losses: USD7 million



## Call to action

- **Be on heightened alert to these risks**
- **Carry out due diligence on all counterparties**
- **Review abandoned cargo procedures (monitor key milestones)**
- **Review procedures for handling / storing (dangerous goods especially)**
- **Establish & rehearse emergency response plans (multi-agency)**



# Thank you

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