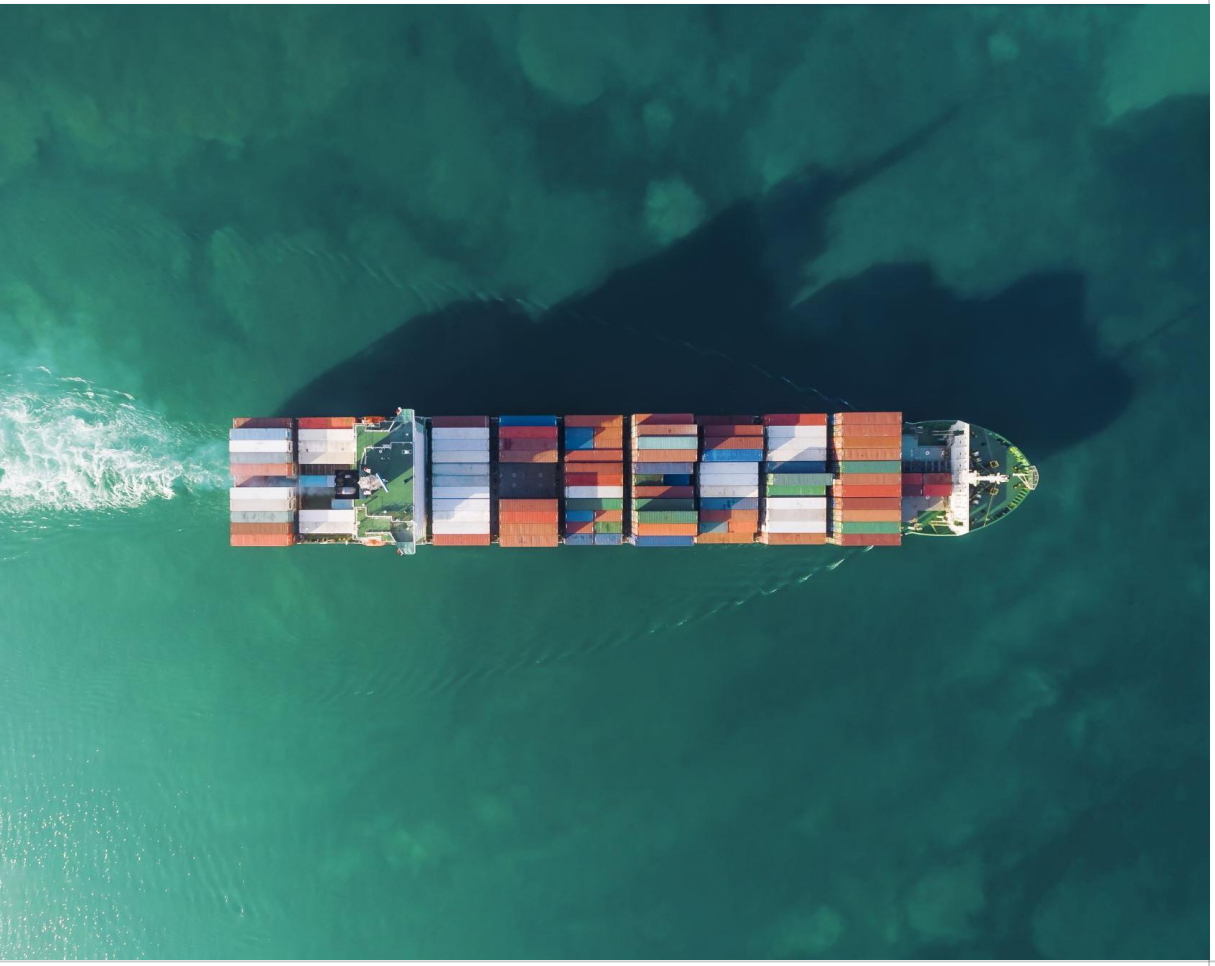
NCB: Enhancing Maritime Safety through Risk Management

Safety of Life and Cargo at Sea

Importance of Maritime Safety in Global Trade

- Over 80% of goods traded worldwide by volume are transported through maritime shipping lanes, as such, maintaining maritime safety is critical in directly supporting economic interests, enhancing global trade, as well as more importantly, protecting the environment and safety of life.
- As the landscape of shipping changes and new exposures emerge with changing technologies, loss prevention and risk mitigation processes must also adapt and evolve, requiring a holistic approach to reducing maritime loss.

Foundation and Mission



Foundation and Purpose

NCB was established in 1952 as a non-profit organization with a mission of “Safety of Life and Cargo at Sea” following a series of maritime disasters which demonstrated a need for uniform standards and regulations.

The Bureau was created to render assistance to the United States Coast Guard in discharging its responsibilities under the 1948 International Convention for Safety of Life at Sea* and for other purposes closely related thereto.

National Cargo Bureau, Inc. is a continuation and amplification on a broader base of inspection services formerly performed by the Board of Underwriters of New York and the Board of Marine Underwriters of San Francisco and now operates on a nationwide basis

Mission

NCB’s mission, 'Safety of Life and Cargo at Sea,' reflects the commitment to enhancing maritime safety through rigorous inspections and technical oversight

Marine Surveyor Expertise

Experienced Marine Surveyors

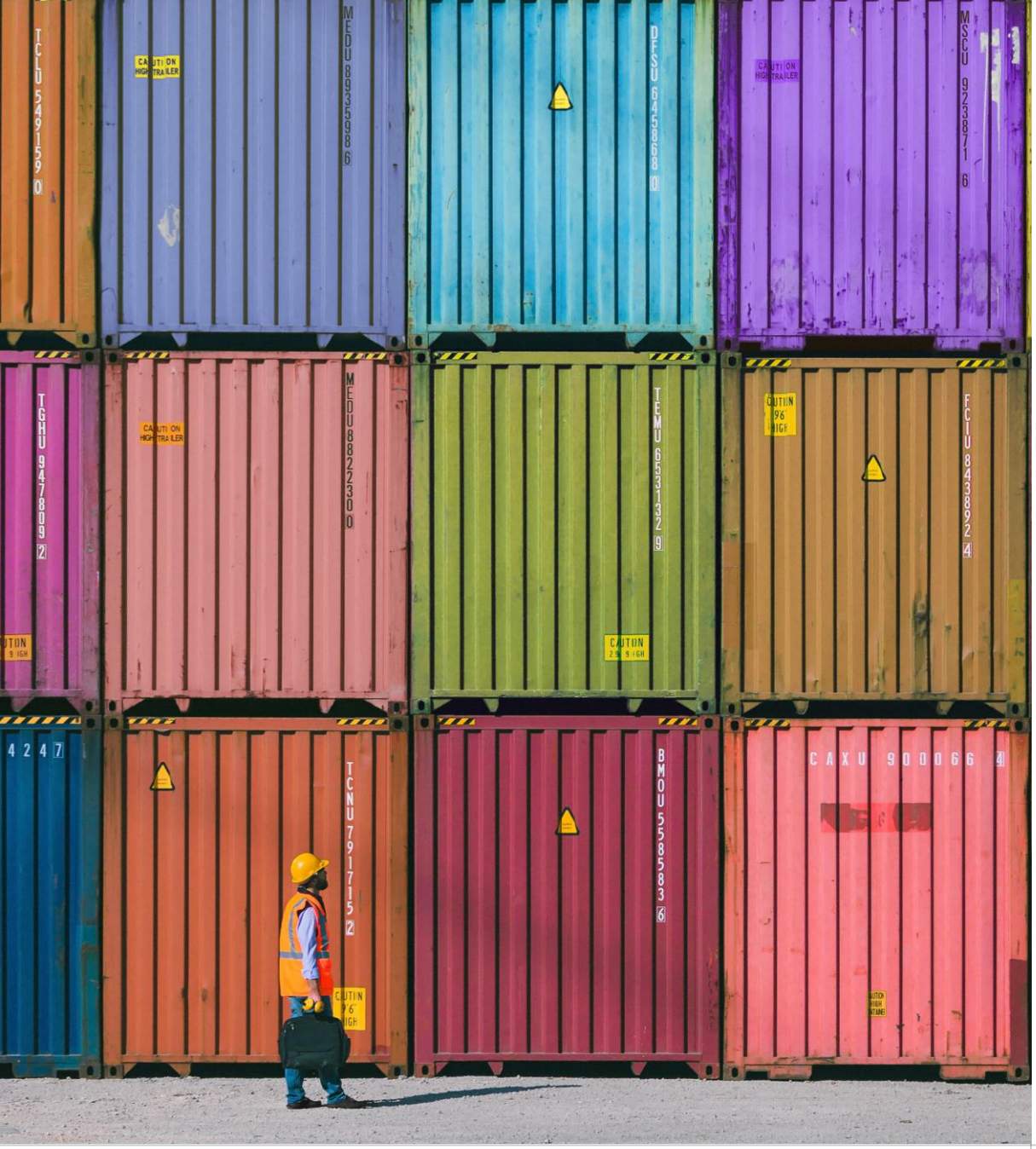
Surveying staff is comprised primarily of licensed ex-mariners with extensive vessel and cargo surveying experience enhanced and maintained by a robust internal training regimen

Diverse Specializations

Specialties include broad expertise in bulk, breakbulk, project and containerized cargo handling and transport, hazardous material regulatory requirements, loss prevention and other related disciplines.

Safety and Compliance Expertise

The U.S. Code of Federal Regulations (CFR) contains several references to NCB in Titles 7, 19, and 46 as well as in the Hazmat Regulations under Title 49. By assignment and under the authority of the United States Coast Guard, the certificates issued by National Cargo Bureau, may be accepted as prima facie evidence of compliance with the provisions of the Dangerous Cargo Act, bulk solid cargo transport regulations and the rules and regulations for Bulk Grain Cargo.



Industry Support

- International Maritime Organization’s (IMO) Sub Committee on Carriage of Cargoes and Containers in London each year to provide technical support for the U.S delegation.
- (AIMU) Marine Loss Prevention and Technical Services Committees.
- ICHCA, IVODGA, National Cargo Bureau and World Shipping Council White Paper and Checklist for Dangerous Goods Storage and Handling Facilities.
- Container Inspection Initiative
- World Shipping Council - Cargo Safety Program

Marine Risk Management

Role in Global Trade

Maritime safety is essential for secure and efficient transportation of goods across international waters, supporting global trade.

Impact on Insurers and Assured

Safety in maritime operations influences risk exposure and liabilities affecting insurers and the assured parties.

Potential Consequence

Inadequate risk analysis and loss prevention measures can lead to sustained loss and interruption of business continuity underscoring the need for proactive risk management.

Risk Management Framework

Risk Analysis

This technical insight helps underwriters assess potential risks and exposures accurately.

Risk Assessment

Analyzing exposure levels and evaluating intervention strategies help assess the impact of risk factors.

Targeted Risk Mitigation

Assessment enables targeted measures to prevent incidents and ensure compliance with safety standards.

Continuous Monitoring

Ongoing review and monitoring enhance risk management, allowing timely improvements and adjustments.

Risk Management Benefits

- Improved Operational Resilience
- Cost Efficiency
- Enhanced Decision-Making
- Regulatory Compliance
- Reputation and Brand Protection
- Reduced Claims
- Coverage Optimization

MITIGATION STRATEGIES

Shipping & Handling Consultations

Risk Identification

Claims and cargo analyses identify loss trends, production processes, and theft risks to manage sensitive cargo effectively.

Logistics and Security Review

Evaluating routing, transport modes, and security exposures ensures optimal protection during shipment.

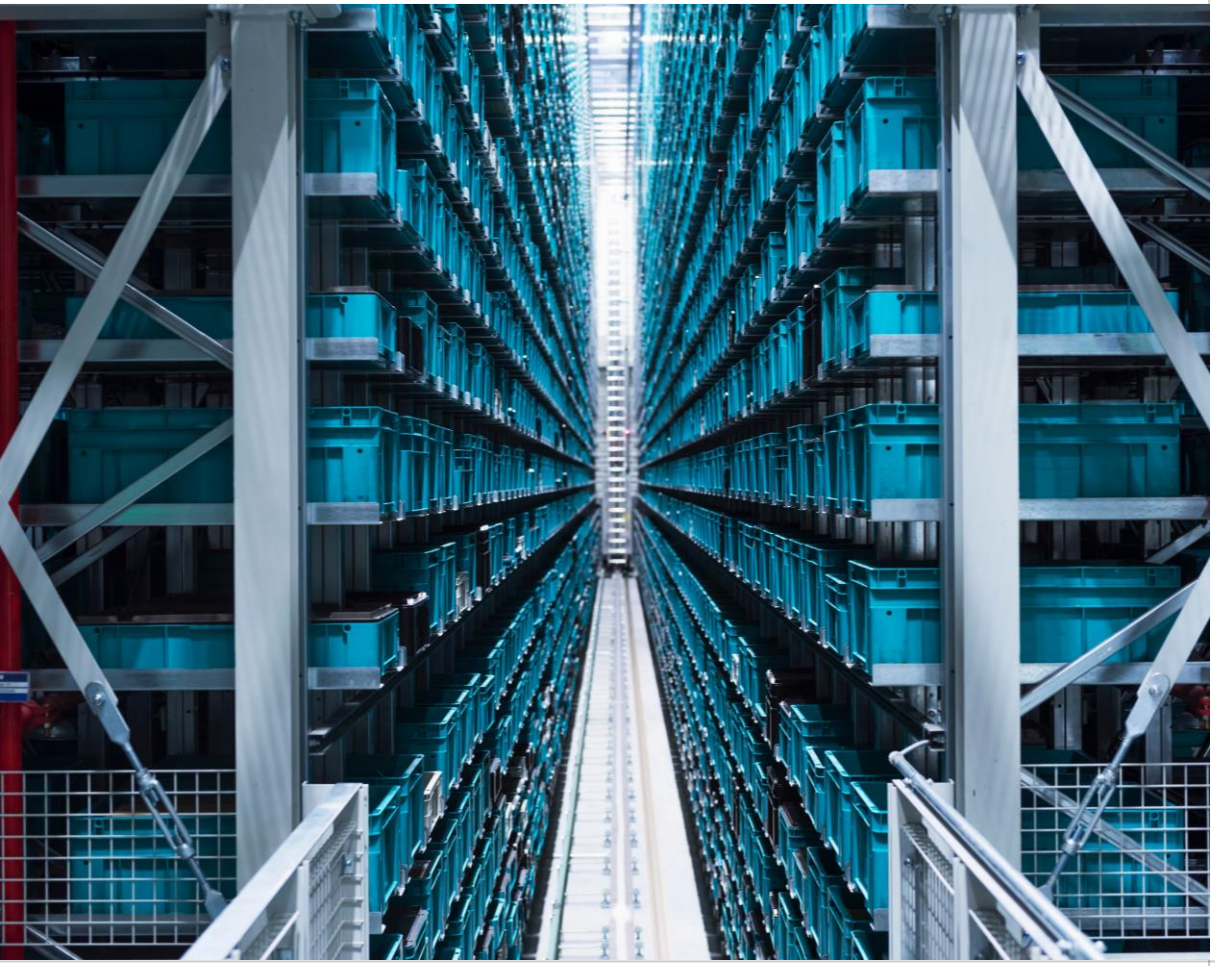
Packaging and Documentation

Review of packaging, labeling, and marking to verify adequacy for the intended transport based on cargo properties and handling requirements.

Monitoring and Compliance

Follow-up consultations or site visits may be conducted to provide real-time monitoring at transit points to ensure ongoing compliance and proactive risk management.

Cargo Suitability Inspections



Inspection Types

Inspections include desktop vetting to assess risks and physical checks to verify vessel readiness.

Vessel Condition Checks

Physical inspections verify certificates, stability, lifting capacity, deck strength, and ballasting capability.

Crew and Cargo Hold Evaluation

Crew competencies and cargo hold cleanliness, structure, and water-tightness are thoroughly reviewed.

Customized Reporting

Detailed reports outline vessel suitability and potential risks tailored to specific cargo requirements.

Cargo Load, Stow & Discharge

Pre-shipment and Method Reviews

Inspections verify packaging, marking, lifting points, and review method statements for industry compliance.

Cargo and Equipment Suitability

Inspections confirm cargo conveyance methods and validate lifting equipment certifications and rigging arrangements.

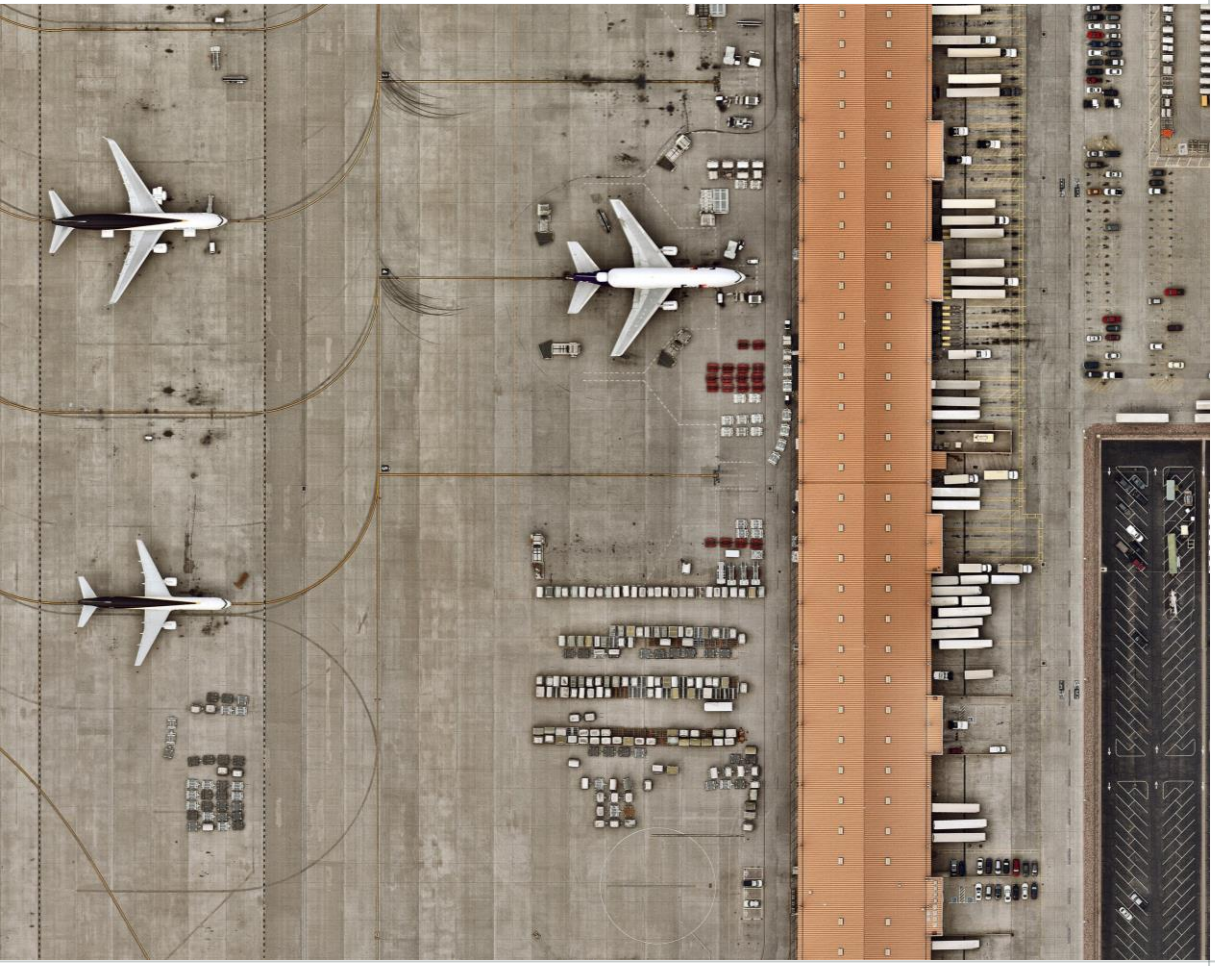
Vessel Stability and Safety

Evaluation of vessel stability to ensure the vessel can safely accommodate the cargo during all stages of the lifting operation and throughout the intended voyage.

Operational Oversight and Escalation

Surveyors witness loading and discharge, ensuring approved methods are followed and initiate corrective actions if needed.

Cargo Security Risk Assessments



Purpose of Risk Assessments

Evaluation of cargo security for insurers and shippers managing High Value Theft Targeted cargo to mitigate theft risks.

Pre-Audit and Certification Support

Assessments act as pre-audit consultations for logistics providers aiming for TAPA FSR or TSR certification standards.

Warehouse Risk Assessments

Structural and Location Analysis

Assessment includes warehouse construction, layout, and location near high-risk areas to evaluate exposure.

Operational and Handling Review

Reviews storage methods, handling procedures, and traffic flow to ensure adherence to best practices.

Fire and Theft Risk Evaluation

Evaluates fire prevention and suppression systems and physical security measures with workforce integrity protocols.

Natural Catastrophe Exposure

Analyzes natural disaster risks and mitigation strategies to reduce potential damage and losses.

Marine Liability Risk Assessments

Risk Evaluation Scope

Assessments cover shipyards, wharfingers, and marine terminal operators focusing on liability exposure and safety programs.

Environmental and Safety Controls

Evaluations include environmental risk mitigation and compliance with OSHA, Hazmat, and MTSA regulations.

Operational and Workforce Review

Operational controls and workforce exposure assessments ensure effective loss prevention and site security.

Recommendations and Best Practices

Risk management recommendations are based on industry standards to improve safety and operational effectiveness.

MARINE CLAIMS SERVICES

Claims Investigation and Support

Comprehensive Cargo Surveys

Thorough inspections and documentation to assess cargo loss during transport accurately.

Causality and Evidence Documentation

Determining causes of damage through procedural review and preserving evidence with joint surveys.

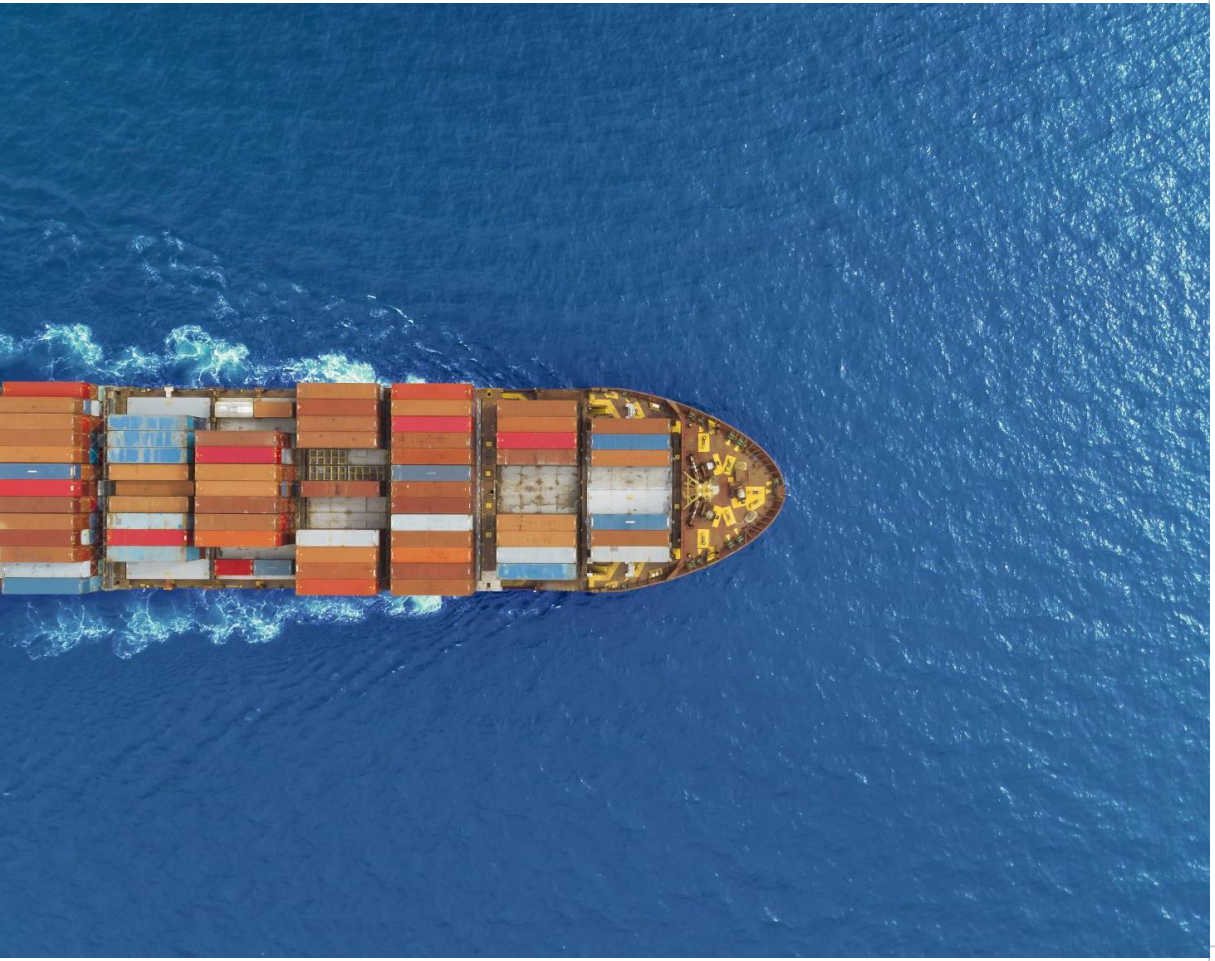
Salvage Support and Recommendations

Salvage assistance and advice on loss mitigation and future prevention strategies.

Remote Survey Services

Remote assessments offer a quick, cost-effective solution for managing non-complex marine claims.

Summary



The adoption of a loss prevention strategy offers advantages that significantly surpass the replacement cost of a loss. Well-structured loss prevention and risk management protocols can effectively mitigate exposure and serve as critical instruments for underwriters. These measures enable the prevention of prolonged losses, reduce the probability of occurrence, and minimize the potential impact on the insured party.

WWW.NATCARGO.ORG

National Cargo Bureau, Inc.
180 Maiden Lane – Suite 903
New York, NY 10038
1 (212) 785-8300

losspreven tion@natcargo.org
claims@natcargo.org

NCB
SAFETY OF LIFE AND CARGO AT SEA