



CIRCULAR FOR P&I CLUBS

8 NOVEMBER 2021

GLOBALPANDI, S.A.
P&I CORRESPONDENTS

SCRAP METAL LOADING IN VENEZUELAN PORTS

The loading of scrap metal in bulk has consistently increased in Venezuelan terminals since 2018, with a significant tonnage in 2021. This scrap metal cargo is exclusively handled by the State, as per Decree No. 3,586, published in the Official Gazette No. 41,464 dated 21 August 2018, according to which the National Executive reserved for itself the purchase of ferrous material of various kind, among them, aluminum, copper, iron, bronze and any other kind of resulting scrap. More recently, through Decree No. 4,445 (Official Gazette Extraordinary No. 6,617 dated 24 February 2021), the Executive declared of strategic character for the development of the national economy said materials, reserving its purchase through entity CORPORACIÓN ECOSOCIALISTA EZEQUIEL ZAMORA, S.A. (CORPOEZ), who may enter into strategic alliances with private companies for the exportation of it.

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The terminals from where the scrap metal is loaded are mainly Puerto Cabello, Guanta and El Bajo, the late in the Maracaibo area.

Shipments from Puerto Cabello and Guanta typically arrive alongside by means of road trucks with special open top purpose made containers named "Gamelas" which are lifted by means of ship cranes and tilted over the hold to release the cargo. At "El Bajo" the loading is conducted from barges using ship's cranes. The vessel remains on anchorage at this terminal.

Associated Problems

Generally, the following problems have been detected on Venezuelan shipments:

- Cargo quality: scrap metal cargo must be free from oil, lubricants, water this being a problem in the past.
- Physical damages to vessel's holds: specially on the initial stages of loading the open top containers which are tilted over have caused indent damages to vessel tank top and hold structures (side plating, frames, ladders, sounding and venting pipes) if done roughly.
- The open top containers – Gamelas – are of different size and given the irregular nature of the cargo and the lack of shore scale use, the weight of each Gamela is unknown and may exceed crane safe working load. Breaks of cargo

wires incident have occurred along with frequent limit switches stoppages of crane.

- Quantity claims: All loading terminals determine the cargo quantity by draught survey only, performed by shipper's appointed inspection, discrepancies on draught survey results have occurred.

- Scrap metal turnings are not regularly shipped from Venezuelan ports, this type of cargo may cause self-heating due to oxidation process and temperature must be monitored if loading turnings.

Practical Advice

Members could effectively avoid or minimize most of these problems with reasonable cargo handling good working practices.

We recommend the appointment of surveyors working exclusively for owners/operators with the specific scope and instruction for:

- Carrying out visual inspections of the cargo that may highlight any obvious hazards such as oil, mixed combustible material, lubricants, etc.

- Conducting initial/final draught survey jointly with shipper's surveyors and vessel crew.

- Conducting an initial condition survey of holds and monitoring of operations for timely detect any vessel damages and protect member interests accordingly.

Radioactive material is not a big issue right now, nonetheless pieces with relatively high levels have been found sometimes mixed in the debris, as the IMSBC Code ruled requesting shipper's declaration regarding radioactive materials so it should be checked and monitor as a regular practice in compliance with the code.

As usual, we recommend members to seek agents and P&I Correspondents assistance if needed.

Note: Globalpandi, S.A. wishes to thank surveyor Capt. Americo Gomez of Messrs. Consultek, for its kind contribution during the preparation of the present Circular.



The “Gamelas” arriving alongside for discharging. Weights of each are unknown and cranes failures and stoppages are common.



View of the loaded hold with the loaded “gamela” on top.



The “Gamela” is discharged in hold by tilting over – damages to holds structures are likely specially while commencing operations.

GLOBALPANDI, S.A.

P&I CORRESPONDENTS

Correspondents for:

Britannia, British Marine, Carina, Charterers P&I Club, China P&I Club, EF Marine, GARD, Hydor, ITIC, Korea P&I Club, Nordisk Defence Club (Through Sabatino Pizzolante), North of England P&I Club, MS Amlin, Shipowners P&I Club, Skuld, The Standard P&I Club, Steamship Mutual, The American Club, The London P&I Club, Thomas Miller Specialty, West of England and Through Transport Club (TTC)

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