

NEW DIRECTION FOR CDI SCHEMES

Following a strategic review of the CDI Foundation, the CDI Executive Boards have endorsed recommendations made by the Directors. The recommendations effectively modify the remit of the Foundation and enlarge the scope of activity.

The vision is for CDI to be the leading global organisation to provide chemical industry guidance on bulk liquid transportation and storage. A new service will connect customers with the most experienced individuals, and companies, able to lend assistance and provide guidance on all aspects of transportation and storage.

Though active in most regions of the world, the mandate is to develop further in areas where CDI is not established, with the focus on Japan, China and South America.

In CDI-M the inspection process is to be revised to accommodate the industry changes that have evolved over the past 11 years and refocus on the physical inspection of the ship. A major change for the scheme is the creation of the CDI-Marine Inspection Department, which will have the responsibility for receiving the inspection request and allocating the inspector.

Databases in all schemes are to be enhanced to provide the risk assessor with a more comprehensive package of information through a single portal.

Finally, without detracting from the interests of the chemical industry, services are to be extended to other transportation sectors. This particular recommendation immediately relates to the development of the CDI-M Dry Bulk Ship Inspection Report.

DRY BULK COVERAGE

CDI-Marine is to proceed with the development of the Dry Bulk Ship Inspection Report (SIR) as an extension of the established chemical and LPG ship scheme.

Although the development of a dry bulk carrier safety and quality assessment system was approved in 2004, failure to acquire sufficient finance resulted in the project being shelved. However, at the time the Executive Board gave clear instruction that the development must not be forgotten and should be periodically reviewed. Finance has now been secured and consent given for the development of a Dry Bulk SIR scheme to commence.

The Dry Bulk SIR will cover ships utilised to transport those dry bulk cargoes shipped on behalf of chemical companies, e.g. phosphates, sulphur, salt and soda ash. Some, although not all, of these cargoes pose particular hazards when shipped in bulk.

In 2006 the IT Committee will start their work on development of the new ISIS database to accommodate the 6th Edition and the Dry Bulk extension. The target date for the launch will coincide with the introduction of the new Integrated Ship Inspection System (ISIS) database in the second quarter of 2007.



CDI is to embark on a ship inspection report scheme covering vessels carrying dry bulk cargoes on behalf of chemical companies

CDI-NEWS

UPGRADE OF ISIS Triple3

The 2005 upgrade to the means of accessing and analysing the Integrated Ship Inspection System (ISIS) database using the Triple3 software features small changes in response to the 2004 User Survey and User Meeting. The changes are as follows:

1. New ISISweb "Report Purchased" summary function for charterers.
2. New ISISweb "Inspection Initiation" facility for shipowners.
3. New ISISweb rapid ship search facility for SIR and VPQ.
4. Ship type and date of inspection columns added to Active Reports list.
5. "Operations at the Time of Inspection" column added to Active Reports list.

The main purpose of the ISIS database is to retrieve and analyse ship inspection reports, including inspector observations and shipowner comments for risk assessment. ISIS also contains information of a general nature, including listings of all participating companies and organisations, shipowners, inspectors, other users and the important ISIS Message Board.

INSPECTIONS - GAS-FREE IN BALLAST

In the 2005 upgrade to ISIS Triple3, the "Active Report" list has been modified to identify "operations at the time of inspection" to prospective charterers. CDI acknowledges the necessity for shipowners to occasionally undertake inspections whilst ships are gas-free in ballast. CDI will continue to maintain this possibility in the inspection procedures.

However, shipowners should be aware that the acceptability of these particular inspection reports may be very limited. Shipowners with inspection reports completed on ships gas-free in ballast are therefore strongly recommended to have the ships re-inspected when engaged in cargo operations.

NEW CDI MEMBERS

Elton Passaro, Braskem SA

Maria Ines Fuhr, Companhia Petroquimica Do Sul (Copesul)

Andy C Davis, INVISTA Textiles (UK) Ltd

Sandy Borthwick, Infineum Ltd

Carrie Wayne, Rohm and Haas Company

Beat Schaeren, Ciba Spezialitatenchemie AG

NEW CDI ASSOCIATE MEMBERS

Christian Irgens, Norwegian Hull Club

Jill Halford, Standard P&I Club

Harald Fotland, Gard AS

EXECUTIVE BOARD MEETINGS

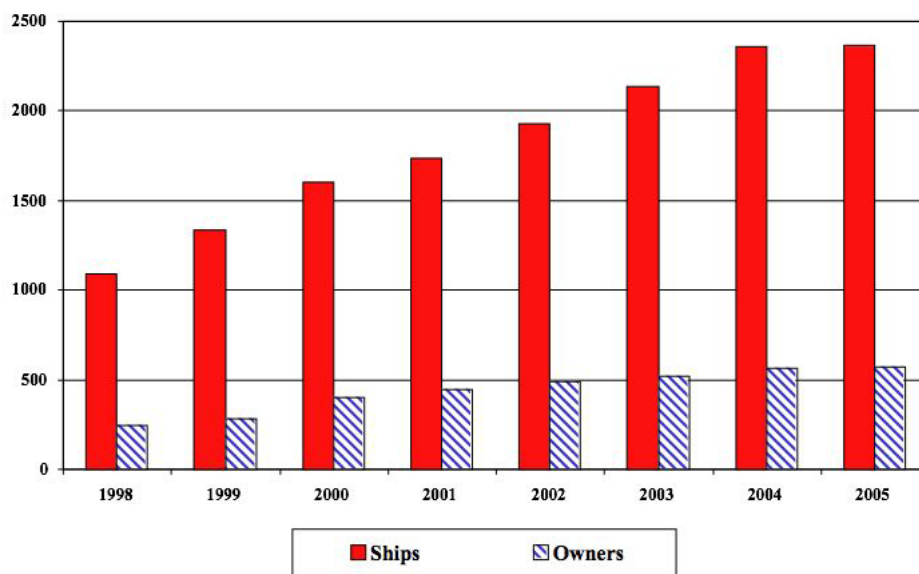
CDI-mpc
May 22, 2006
Houston

CDI-M
May 23, 2006
Houston

CDI-T,
November 22, 2005
Barcelona

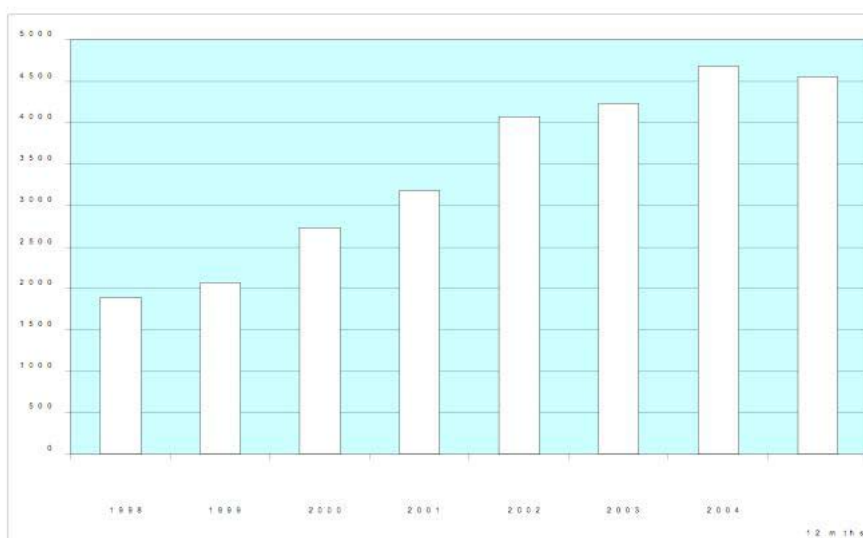
CDI-Marine

Ships and Owners Registered with CDI



CDI-M report accesses per year and over past 12 months

Accesses per Year and Past 12 months



CDI-Marine

NEW TECHNICAL MANAGER

Terry Frith took over from Peter Derbyshire as Technical Manager of CDI-M on March 22, 2005. Prior to his new appointment Terry had managed the development of the CDI-mpc scheme since January 2002. Despite being “containerised” for the past three years, Terry is no stranger to the movement of bulk chemicals by sea. He has over 21 years’ experience serving as a master on chemical tankers.



Terry Frith makes the transition from packed to bulk cargoes

CDI would like to take this opportunity to express its special thanks to Peter Derbyshire, who held the position of CDI-M Technical Manager for the previous five years. Peter gave exceptional commitment and an outstanding performance in achieving and maintaining the objectives of CDI. Peter retains his CDI accreditation and all at CDI wish him continued success in his career.

CDI-M INSPECTOR ACCREDITATION COURSES AND SEMINARS

The next CDI-M Accreditation Training Course will take place during the week of February 20-25, 2006. The possibility of a further 2006 course, in June, is being considered. Warsash Maritime provides the requisite CDI-M Inspector Accreditation Training and Examination services.

The remaining CDI-M Inspector Seminars, i.e. the annual refresher courses, scheduled for 2005 are as follows:

Manchester	Stanneylands Hotel	November 29
Rotterdam	Hilton Hotel	December 1
Singapore	Holiday Inn Atrium	December 5
Houston	South Shore Harbour Resort	December 12

ROMANIA ROAD SHOW

At the invitation of the Romanian government, a joint CDI-M and CDI-T Road Show was held in Constanza on February 22, 2005. The successful event was attended by 75 people, including everyone from transport ministers, harbour masters and port state control officers to shipowners, terminal operators and representatives from Constanza University. The day concluded with a visit to one of the local bulk liquid storage terminals and the digital recording of the presentations was later circulated to other interested parties within Romania.

SIR 6th EDITION PROSPECTS

The Technical Committee of CDI-M commenced work on preparing the new 6th Edition of the Ship Inspection Report (SIR) on October 6, 2005. This extensive revision will take into consideration the outcome of the Strategic Review carried out by the Board of Directors and instruction from the Executive Board (see Page 1).

The latest revision of the International Safety Guide on Oil Tankers and Terminals (ISGOTT) and the findings of the Inter Industry Work Group into explosions on chemical and product tankers will also feature in the 6th Edition. The work will be completed in 2006 and the new edition will be launched, together with the next version of the ISIS database, in the second quarter of 2007.

FROM Q88 TO ISIS

Shipowners who subscribe to the Q88 program, which embraces all the oil major and other industry questionnaires that they may require, now have the facility to import their vessel particular (VPQ.vpi) files directly from Q88 into the ISIS database.

DOW AWARD

In August 2005 the CDI Foundation was the joint recipient of a Dow Chemicals Responsible Care award for successful Supply Chain/Logistics global projects. The prestigious award gives recognition to all CDI schemes in helping the company to reduce their incident rate by 90 per cent during the 10-year period from 1995 to 2005. Today, the Dow transportation incident rate for hazardous products stands at less than three incidents for every 1 million movements.

NEW TERMINAL COMPANY MEMBERS

Garolla Srl
Interchem Hellas SA
La Petrolifera Italo Rumena (PIR) SpA
Kinder Morgan Liquids Terminals LLC

ACC AND CDI SIGN MEMORANDUM OF AGREEMENT

The American Chemistry Council (ACC) has entered into a Memorandum of Agreement (MOA) with CDI which will provide ACC Responsible Care partner companies in the terminals sector with the option of using the CDI-Terminals (CDI-T) inspection system to meet their Responsible Care certification requirements. The MOA, which was signed on May 23, 2005, effectively extends the use of CDI-T, already a global system, to North America. It is anticipated that the use of one standard audit system worldwide will lead to not only better management of health, safety, environmental and security performance but also lower audit costs and improved efficiencies in the terminal assessment process.

Wubbe Prins, global supply chain environment, health and safety leader for Dow Chemical, a major user of CDI schemes, spoke at the signing ceremony. "Dow is very pleased with this agreement on terminals between ACC and CDI," he said. "We encourage similar agreements for marine and packed cargo operations in the US. By using the CDI organisation and applying the CDI protocols for the assessment and selection of our marine, terminal and packed cargo logistics service providers, we are helping to reduce logistics incidents and take safety performance to a higher level, not only for Dow but for the entire industry. Dow has seen the number of transportation incidents for all of our modes globally decrease by 70 per cent - largely due to this effort," Prins added.

Under the terms of the MOA CDI and ACC will maintain a joint audit instrument that meets the requirements of both CDI-T and the ACC Responsible Care programme. This arrangement allows Responsible Care partner companies the option of using the joint audit instrument to meet their certification audit requirements under both initiatives. The MOA is the culmination of 18 months' work by CDI and ACC. The agreement lasts for three years and is subject to renewal. ACC staff have already trained CDI-T inspectors in Responsible Care and are witnessing CDI-T inspections in North American for Responsible Care partner companies during the autumn of 2005.



At the MOA signing with ACC, from left to right, Niek Verbree of Vopak, Harry Brown of Dow and Jacques Nahmias of TEP SA

NEW MANAGEMENT QUESTIONNAIRE

The 3rd edition (RCMS) of the CDI-T Management Questionnaire became available on June 1, 2005; the new document contains an additional Chapter 16 of RCMS questions. For non-US terminals, the Chapter 16 questions can be answered as not applicable. There are no changes to the other chapters and questions.

TERMINAL INSPECTION REPORTS VALID FOR THREE YEARS

The frequency of the US Responsible Care Management System (RCMS) audit is 36 months. To harmonise the CDI-T and American Industry Council (ACC) requirements, the Executive Board agreed to extend the CDI-T period of validity from 24 to 36 months. The validity period of a CDI-T report, both new and existing, has increased to 36 months. Please note that the three and six-month extension options have been withdrawn and can no longer be applied.

INITIAL 14 DAYS OF EXCLUSIVE ACCESS

A new report status has been introduced in order to give the terminal manager exclusive access to the report for 14 days. A report will have the status "NEW" for the first 14 days after the report has been entered to the database. During this period the report will only be accessible to the terminal manager, CDI and PharoX. After 14 days the report will be automatically activated and available to chemical company members.

NEW 4th EDITION

The Technical Committee will commence their work on updating the CDI-T safety and quality assessment system in the first quarter of 2006 with the objective of launching the new 4th Edition documents and database in the third quarter of 2006. The launch will be preceded by inspector seminars which will probably take place in Rotterdam, Houston, Sao Paulo and Singapore.

CDI-mpc

SHIPPING LINE PROTOCOL

The Technical Committee met on September 6, 2005 to review the revision of the Shipping Company Protocol. The objective of the revision is to allow the protocol to be applied to a shipping line, i.e. a company operating ships whose technical management is the responsibility of a ship manager. The revised protocol was accepted and recommended for approval by the Executive Board at their meeting on November 7, 2005.

AT HOME IN ITCO VILLAGE IN MUNICH

CDI was an appreciative resident of the Tank Container Village established by the International Tank Container Organisation (ITCO) at the large Munich Logistics Exhibition on May 31-June 3, 2005. A significant number of chemical companies visited the Tank Container Village which ITCO established as a well-prepared and well supported zone within the overall exhibition in order to promote the professional and public image of its members and the benefits of using intermodal tank containers.

Throughout the development of CDI-mpc, the phrase "Industries Working Together" has been used. It is now extremely encouraging to see the ITCO membership demonstrating business and social responsibility through participation in the scheme. CDI remains committed in its association with ITCO.



The CDI stand within the ITCO Tank Village at Munich

US FIRST FOR UTT

The Houston premises of United Transport Tankcontainers (UTT) is the first site of a tank container operator to be audited under the CDI-mpc scheme in the US. UTT already has five of its sites in Europe audited to the scheme and plans are in hand to have its facilities in China similarly assessed.



UTT swap body tank containers in their distinctive livery

NEW, COMBINED T&A COMMITTEE

With the development of the CDI-mpc scheme almost complete, it has been realised that there is now an opportunity to improve the efficiency of the working committees. To remove duplication and repetition, the CDI-mpc Technical and Accreditation Committees will be combined into a new joint Technical and Accreditation (T&A) Committee.

The new T&A Committee will be nominated for approval by the CDI Executive Board on November 7, 2005.

CASPER SHIPPING IN CDI-mpc FIRST

Casper Shipping Ltd of Middlesbrough in the UK has become the first shipping agency and freight forwarding company to successfully complete a CDI-mpc quality audit. Details of the audit and its findings have been posted onto the CDI website and are available to any vessel owner or operator who wishes to view them.

Commenting on his findings, the CDI's independent auditor, Paul Raymond, said: "Casper's existing ISO quality system is mature, robust and well controlled and implemented. There is a full awareness of all health and safety requirements and of the impact of the business on the environment, where it is taking specific actions to control and reduce any impact where possible. With the successful completion of this audit, Casper Shipping is thus setting the standard in a sector of the industry that can only benefit from participation in this important scheme."

Casper Shipping's managing director Michael Shakesheff added, "We are naturally delighted to be the first shipping agent in the world to receive external acknowledgement of the quality of our processes and procedures under this new auditing scheme. This achievement will clearly help to reassure our customers that we are operating at the same level of professionalism that is being applied by our principals in the operation of their vessels."



From left to right, Michael Shakesheff, managing director of Casper Shipping, Martin Whittle, CDI general manager, and Colin McNeill, Casper Shipping quality manager

ENCOMPASSING ACC LOGISTICS COMPANIES

Following the example of cooperation between CDI and the American Chemistry Council (ACC) with the CDI-T scheme, a further project is now underway which will conclude with the CDI-mpc audit becoming a verification audit option for logistics companies in the US who are ACC Responsible Care partners.

The project is primarily aimed at freight forwarders and freight stations. However, the cooperation could also be extended to encompass tank container operators. Now in the second stage of development, the project is moving rapidly and is expected to be complete in the second quarter 2006.

PAUL GOOCH RETIRES

In tandem with his retirement from Dow Chemicals, Paul Gooch has stepped down as Chairman of the CDI-mpc scheme. Paul has steered the scheme throughout its development phase and early years of implementation; he is also a former Chairman of the CDI Foundation. At a recent informal meeting of the CDI Board of Directors the opportunity was taken to make a presentation to Paul and to thank him for his sterling work on behalf of the Institute over many years.



Paul Gooch (second left), with his CDI memento, is shown with colleagues (left to right) Frank Otten, Rene van Laeken, Phil Browitt and Martin Whittle



CDI

- Chemical company members of CDI -

Agility	DSM	Norfalco
Akzo Nobel	DuPont	NOVA Chemicals
Arkema	Ecofuel SpA	Orica
Aughinish Aluminium	Erg Med SpA	Perstorp Oxo AB
Australian Vinyl	ExxonMobil	Petrobras
BASF	Fertil	PMI Comercio
Borealis	Fortum Shipping	Polimeri Europa Srl
BP Chemicals Ltd	Grande Paroisse	Qatar Vinyl Company
Braskem SA	Holborn Europa	Rhodia
Cargill	Huntsman Corporation	Rohm and Haas
Celanese	Hydro Polymers	SABIC
Centrotrade	INEOS Phenol	Shell Chemicals
ChevronTexaco	Infineum	Shin-Etsu PVC BV
Ciba	INVISTA	Sinochem International
Spezialitatenchemie AG	Kemira GrowHow Oy	Solvay SA
Cognis Deutschland	Koch Industries Inc	Statoil
ConocoPhillips	Kuwait Petroleum	Sterling Chemicals
Copesul	Lyondell	Sunoco
degussa.	Methanex	TOTAL Petrochemicals
Dow Europe SA	Mitsui	Yara Belgium SA



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