

Vietnamese firm blows whistle on claims of knowingly dangerous export practices
The director of OFCO Group has accused shipping giant CMA CGM of actively concealing potential health risks from an improperly cooled seafood shipment

By [Neil Ramsden](#) | June 20, 2024 10:29 BST



Hai Phong port in northern Vietnam.

Vietnamese seafood inspection and consulting firm OFCO Group has accused global shipping companies CMA CGM and Bollore Logistics of various dishonest practices, including concealing the potential health risks to consumers from an improperly stored seafood shipment.

In a case that has lasted just over a year without being resolved, Jean-Charles Diener, OFCO's director, has tried to get CMA CGM -- which bought Bollore in February 2024 for €4.85 billion -- to take responsibility and refund OFCO and the shipment owner for an error in temperature maintenance that was the freight firm's fault, he told *Undercurrent News*.

Further, he does not believe this incident -- which occurred in April 2023 -- is an isolated event, claiming that he has several other customers who have received shipments they believe were not stored at the correct temperatures while with CMA CGM but who were confident enough to sell the shipments on to the market rather than get into arguments with the shipping giant.

These customers were not willing to speak to *Undercurrent* about this, as they face far worse trouble for admitting to selling seafood that carries these potential health risks.

It should be noted that none of *Undercurrent's* sources could confirm any issues with shipments in or out of Vietnam. Diener has decided to go public with his claims alone, confident that he has all the email correspondence with the shipping firms to prove them.

"In the intricate network of international seafood commerce, trust and dependability are of utmost importance," he told *Undercurrent* in a prepared statement. "Both buyers and sellers rely on the honesty of shipping lines and forwarders to ensure their products reach their destinations in prime condition. However, a recent incident involving two industry giants, CMA CGM and Bollore, raises alarming questions about business ethics and public health safety."

The CMA CGM Group makes the safety of customers' refrigerated cargo a priority, it told *Undercurrent* in a response to the allegations, speaking on behalf of both it and Bollore.

"We closely monitor temperatures and atmospheric conditions to protect perishable foodstuffs and immediately and systematically inform customers of any anomaly. The group categorically denies false allegations claiming said refrigerated container's power was deliberately shut down at our request, and that any temperature anomaly was concealed from the customer. We noticed a temperature issue and immediately informed our customer, as per our usual process."

"We are taking this situation very seriously and are conducting thorough investigations in close collaboration with partners involved. This matter being currently pending before French courts, we cannot make further comments and we reserve our rights to disclose the full background of the case before the court."

The incident

On April 22, 2023, a Vietnam-based seafood business delivered a seafood container to CMA CGM in Ho Chi Minh City. OFCO has the documents to show it was in perfect condition and that CMA CGM accepted it without reserve, Diener said. OFCO is acting on behalf of the beneficiary, who retains ownership of the raw materials sent to Vietnam for reprocessing, and is committed to maintaining confidentiality regarding the identities of both the Vietnamese processor and the goods' owner.

Two days later, CMA CGM shipped the container to another Vietnamese port, Vung Tau, where issues were found and OFCO stepped in to prevent the container's export.

"For a month, CMA CGM and Bollore categorically refused to provide the container's temperature data logger, which is essential in such situations to understand what transpired during those two days," Diener wrote to *Undercurrent*. They then insisted the only data they could send was a "small, illegible graph," he claimed.

When it eventually received the proper data logger, OFCO found that during the 15-hour trip barge trip from Ho Chi Minh to Vung Tau, "the electricity was switched off most of the time."

"We observe a clear pattern in the way the electricity is switched on and off, which seems to prove that the system is automated. During the trip, electricity is only switched on for exactly 14 minutes every exactly two hours."

23/04/23 09:00 BATTERY ON 23/04/23 09:30 POWER ON 23/04/23 09:30 UNIT ON 23/04/23 09:39 POWER OFF 23/04/23 12:00 -22.0C -7.9C -1.2C -7.9C -0.8C 31.0C *** Non Control 23/04/23 12:24 POWER ON 23/04/23 12:24 UNIT ON 23/04/23 12:38 POWER OFF 23/04/23 13:00 -22.0C -10.8C -5.1C -10.8C -5.0C 30.0C *** Electric Power Shut Off 23/04/23 13:00 BATTERY ON 23/04/23 15:00 -22.0C -7.6C -1.3C -7.7C -1.1C 28.0C *** Non Control 23/04/23 15:25 POWER ON 23/04/23 15:25 UNIT ON CONTAINER No. SZLU9679256 Page: 39 DATE TIME SP DSS DRS SS RS AMBS SHu(%) Hu(%) MODE/ALARM/EVENTCODE 23/04/23 15:39 POWER OFF 23/04/23 16:00 -22.0C -10.9C -5.4C -11.0C -5.3C 29.0C *** Electric Power Shut Off 23/04/23 16:00 BATTERY ON 23/04/23 18:00 -22.0C -7.4C -1.0C -7.4C -1.0C 27.0C *** Non Control 23/04/23 18:25 POWER ON 23/04/23 18:25 UNIT ON 23/04/23 18:39 POWER OFF 23/04/23 19:00 -22.0C -10.8C -5.1C -10.8C -5.1C 29.0C *** Electric Power Shut Off 23/04/23 19:00 BATTERY ON 23/04/23 21:00 -22.0C -7.2C -1.0C -7.1C -0.9C 27.0C *** Non Control 23/04/23 21:25 POWER ON 23/04/23 21:25 UNIT ON 23/04/23 21:39 POWER OFF 23/04/23 22:00 -22.0C -8.1C -2.9C -8.1C -2.7C 27.0C *** Non Control 23/04/23 22:30 POWER ON 23/04/23 22:30 UNIT ON 23/04/23 22:52 POWER OFF									
Container on barge Travelling from the ICD Phuc Long to Gemalink From 15:00 on 23/04/23 to 05:17 on 23/04/24 Around 15H Power mostly OFF on the barge Temperature rises Cyclic engine <u>shutdown</u> during the 15-hour barge trip where the electricity is switched off most of the time. We observe a clear pattern in the way the electricity is switched on and off, which seems to prove that the system is automated. During the trip, electricity is only switched on for exactly 14 minutes every exactly 2 hours.									

Part of the data log sent by Bollore to OFCO on May 23, 2023, showing the log while the container was being transported by barge under the responsibility of CMA CGM. Credit: OFCO

"During this month [before the temperature data logger was made available], CMA CGM and Bollore repeatedly attempted to shift the blame for the temperature discrepancy onto the producer, pressuring them into shipping the goods despite the potential health risks, which they actively tried to conceal from the producer and other parties involved," OFCO alleges.

Part of this pressure came via the sheer number of emails sent by Bollore to the seafood producer -- 17 in the first four days after an issue was detected alone, OFCO said.

"They minimized the potential risk created on the goods, downplaying the severity of the situation. The exchange of emails reveals a pattern of manipulation, threats, evidence concealment, and even attempts at bribery -- by waiving fees at the port -- to force the producer to agree to ship the consignment and to block the producer's attempts to retrieve the consignment from CMA CGM, which was necessary to evaluate the damages created by the temperature discrepancy on the goods."

Diener acknowledged that "bribery" could be a term that's "open to interpretation," but that he considered it applicable with CMA CGM trying to apply financial pressures first to allowing the container to ship, and then later to trying to charge OFCO heightened fees to release the container.

OFCO also claims CMA CGM had the data logger a month before sharing it and spent that time trying to pressure the seafood producer and other parties involved into shipping the goods "despite what they already knew for sure would have put consumer safety at risk."

The logger itself shows that CMA CGM extracted the data for the first time on April 25, 2023, at around 10.00 am Vietnamese time, Diener explained.

OFCO worked to arrange the unloading of the container with all involved parties -- including the shipping firms -- present. All agreed that the entire shipment had suffered from temperature variation and that the further away from the center of the container, the more significant it became. OFCO claims this proves that the goods suffered from temperature variation inside the container and after the loading.

One year after the initial survey of the container, CMA CGM and Bollore have yet to issue any refunds to OFCO. Negotiations persist, with attempts to undervalue the compensation owed to the owner of the goods, valued at over \$500,000, claimed Diener.

"Although Bollore advised destroying the goods shortly after the survey, they failed to facilitate this process. Currently, they are also reneging on their initial commitment to cover the storage fees in Vietnam, despite having been obligated to do so from the start," he added.

The shippers imposed a "cancellation fee" and upfront payment for electricity, demurrage fees, and other port-related charges, though they offered to waive these costs if the producer signed off on exporting the goods, OFCO said.

When the producer instead pulled its container out of the port, CMA CGM asked for payment first, and -- OFCO claims -- double the correct amount, only lowering that when this was pointed out.

--



Neil Ramsden
Editor, EMEA

- T: +44 7765484622
- E: nr@undercurrentnews.com
- W: www.undercurrentnews.com

