



Misuse of Intermediate Bulk Containers (IBCs)



INCIDENT

Department of Labour HSNO enforcement officers and chemical suppliers report that Intermediate Bulk Containers (IBCs) are being used as permanently installed chemical storage containers.

This practice is illegal under workplace health and safety, international transport and chemical management legislation.

CIRCUMSTANCES

IBCs are specifically designed to safely transport chemicals, and under the Hazardous Substances and New Organisms (HSNO) Act 1996 are defined as “transportable containers”. They are subject to a two-and-a-half year inspection to confirm their functional condition. A comprehensive technical inspection including drop testing, leading to re-certification, is required every five years. This regime helps ensure that the IBC remains fit for transportation and transient storage, but not for any other application.

Under the HSNO Act, an IBC connected to machinery or other storage vessels for the purpose of discharging its content is classified as a “transient item”, which is not normally located at a “specific place”. When the IBC remains permanently in place, is regularly refilled, and used to continuously supply product to a manufacturing process, the IBC, together with the connecting pipework and fittings, becomes a “stationary container system” (New Zealand [Gazette 35](#), Schedule 8, Part 2).

A permanently installed IBC, refilled in situ and not subject to any controls, e.g. secondary containment or inspections, is not HSNO-compliant and is therefore illegal. As such, it poses a significant workplace hazard.

The Health and Safety in Employment (HSE) Act 1992 requires employers to “take all practicable steps” to identify, eliminate, isolate and minimise workplace hazards. The misuse of an IBC as a Stationary Container System fails to satisfy this requirement.

Suppliers cannot deliver to IBCs known to be non-compliant. Both the supplier and the customer risk prosecution, facing a maximum fine of \$500,000 or up to three months imprisonment. Additional penalties of up to \$50,000 per day can apply until remedial action is complete.

DEPARTMENT OF LABOUR ADVICE

It is the Department’s advice that users of IBCs ensure that they meet their regulatory compliance obligations to maintain a safe workplace, particularly the HSNO requirement for the appropriate and safe use of these containers. The Department can provide information about using IBCs in the workplace.

- The Environmental Risk Management Authority (ERMA) New Zealand has information about the controls required for IBCs under the HSNO Act. Visit www.ermanz.govt.nz or phone 0800 376 234.
- The manufacturer or supplier of any hazardous substance or equipment (e.g. IBCs) using hazardous substances must provide safety data sheets for each hazardous substance used in a workplace. These sheets should include HSNO approval numbers for the hazardous substances. These approval numbers can be used to get information about the required safety controls for the substances from the ERMA website.

WHICH INDUSTRIES/SECTORS OR MATTERS WILL THIS INFORMATION BE RELEVANT TO?

Hazardous substance manufacturers, importers, suppliers, users, wholesalers, transporters

Note: This material has been prepared using the best information available to the Department of Labour at the time of publication. Information may change over time and it may be necessary for you to obtain an update. This material is also only intended to provide general advice and does not constitute legal advice. You should make your own judgement about action you may need to take to ensure you have complied with your workplace health and safety obligations under the law.

