



Air Freight Cargo Claims for Damage and Delay

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Moving cargo from one part of the world to the other has always been a challenge, but isolated pockets of Covid-19, manufacturing shortages and demand outstripping supply in the logistics arena has caused a perfect storm, which has thrown up considerable challenges for shipper, freight forwarder, carrier and receiver alike.

The freight paid for moving cargo by sea has remained fairly consistent for many years. Sea carriers are used to dealing with issues surrounding the weather and problems caused by getting in and out of various ports, but the severe congestion that has hit many ports worldwide has put that logistics chain under considerable pressure. Temporary port closures to deal with covid outbreaks, problems with the movement and positioning of cargo containers and an erratic supply chain have all had their part to play in increased freight rates for moving cargo by sea.

Whilst air freight has always been carried by commercial operators, the impact of Covid-19 resulted in many more operators offering more air freight capacity, as opposed to carrying passengers. As the air freight market for passengers grows wider and more companies take up an air freight offering, the air cargo market now finds itself in a similar position to the sea carriers, with demand outstripping supply which is having a knock-on effect on air rates. The volatility in the market caused by competing demands between people and cargo, and an increased demand in goods is resulting in more delays in the supply chain.

It is often the case that the small print in a bill of lading or an airway bill gets overlooked when things are going smoothly. When problems occur, whether they be delay or damage many shippers are presented with a range of options as to how they handle a claim. If cargo insurance is in place the insurers might be the first in line to receive details of a claim, if there is no cargo insurance, the freight forwarder or airline is likely to be approached directly.

Whichever route is taken, the importance of adhering to various time limits for the notification of claims should never be overlooked.

The vast majority of air freight claims are governed by the Montreal Convention for the Unification of Certain Rules for International Carriage by Air, made in 1999 - commonly known as the Montreal Convention. About 90 countries have signed up for the treaty which applies to the carriage of passengers as well as air freight.

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The treaty contains a number of clauses, which requires customers with complaints against an airline to be very proactive. The time period for notifying the airline of a claim for damage with the airline is 14 days of receiving the goods, the time limit for notifying airlines of claims for delays is 21 days. Legal proceedings need to be issued within two years of either event, or from the date, the goods should have arrived.

The convention also includes a right for the air carrier to limit liability unless the shipper has declared a higher value before shipment.

Air freight claims require those presenting them to abide by these time limits, failing which they may find themselves without recourse.

For any questions or concerns, please contact our specialist shipping and logistics lawyers by emailing online.enquiries@la-law.com





