

FREIGHT LIABILITY & CARGO INSURANCE

CASE STUDY

Two industrial milling machines weighing a combined **2,850kg** and valued at **\$70,000** are lost during transit.

The carrier's responsibility is proven and the claim is subject to freight liability – but how much can the shipper really hope to get back?

How much can I get?	Freight Liability Rules			Cargo Insurance
	Hague-Visby	Hamburg	Rotterdam	
 Base for calculation*	\$2.80 / kg \$933 / package	\$3.50 / kg \$1169 / package	\$4.20 / kg \$1225 / package	Shipment value
	<i>Whichever is greater.</i>			
 Target reimbursed value*	\$8,000	\$10,000	\$12,000	\$70,000
 Cost of freight reimbursed	✗	✗	✗	✓

* Freight liability is calculated in SDR. Approximate value for SDR 1 = \$1.40