

## Late Delivery Claims

*In the marine transportation, the delays may derive from various factors, which might be easily summarized as physical damage/ economic losses due to decrease in market value in relation to late arrival of the cargo, which may have resulted from an unwanted/sudden incident, port congestion, adverse weather conditions, strikes of port employees, custom regulations and administrative requirements of the different countries which may take more time than expected. Problems mostly arise whilst deciding the party that should be bearing the losses which were caused by delay/late arrival of the cargo.*



Beyond doubt, this issue must be considered together with the applicable law and regulations which would be referred to in the terms and conditions of documents of carriage, such as bill of lading. It might commonly be The Hague /Hague-Visby Rules within Europe, COGSA (for American-related carriages), Hamburg rules for some countries, the national law for the others. The Hamburg Rules, which applies the regime of strict liability on the owners'side, should be avoided as possible, as the responsibility of the carrier is extended even to cover the period through the time while the carrier is in charge of the goods at the port of loading, during the carriage and at the port of discharge. (Please see the Article 4)

In terms of establishing the liability of late delivery claims, it should be noted that the carrier is not necessarily responsible for delays, but, the charterers must always be on the target line which would remind us the oftenly referred recent English Commercial Court case, called "The Eternal Bliss [2020] EWHC 2373 (Comm)", which was concerned by Mr Justice Baker. In this case, which the vessel was subject to a voyage charter agreement to carry soybeans from Brazil to China, the vessel arrived the port of discharge however, she had waited at the anchorage for almost a month -31days to be more precise- resulting from lack of ashore storage and also as a result of congestion. Unsurprisingly, after unloading, the cargo was observed to have went bad which caused the owners encountering a cargo claim amounted to USD 1.1million. Yet, after settling this huge claim, the owner went for recourse to the charterers side. In this dispute, it was eventually considered that the charterers were in breach of charterparty as they failed to discharge the cargo within the spesific time period (i.e laytime) set in the agreement and thus the owner must be recovered for its losses which was arised by in this regard.

Once and for all, we kindly remind the shipowners to make sure that the terms and conditions of the valid insurance policy of the vessel should always explicitly cover the so said "Late delivery" claims and/or the "Delays in arrival of cargo" in order to feel standing on the safe side.

Have a nice and timely deliveries!



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