

FIATA SECRETARIAT

PRESS RELEASE

FIATA Calls for Dialogue in Response to Shipping Line's Misdeclaration Fines

Zurich, 20 August 2019: FIATA is calling for urgent dialogue with the top carriers, in the wake of recent moves by shipping lines to impose penalties on shippers who misdeclare cargoes. The previous week saw Maersk, Hapag-Lloyd, HMM and OOCL confirm to have adopted a practice of charge fines for misdeclarated cargo reaching up to \$15,000.

According to shipping lines, this comes in an attempt to improve safety and reduce delays whereby up to a quarter of all serious incidents on board containerships are attributable to misdeclared cargo as referenced by the Cargo Incident Notification System initiative.

In a recent interview with <u>Lloyd's List</u>, Acting Director General Mr Stephen Morris stressed that forwarders are fully supportive of the need for safety at sea, and the lives of seafarers and the protection of shipowners' property in vessels should rightly be paramount.

In reference to the fines "It's interesting that they (shipping lines) talk about fines, because I don't think that in the private sector you can fine people. Usually fines relate to regulators and law enforcement agencies." Mr. Morris commented.

Another question on which FIATA is seeking clarity is whether the fines apply solely to the misdeclaration of dangerous goods, or any instance in which goods are misdeclared. Mr Morris highlighted the difference between full container load and less than container load consignments. "If you're stuffing a container with a variety of other people's goods, you don't know the condition of those goods and whether the goods in that container are properly described on the documentation, or whether those goods are compatible in terms of creating a chemical reaction."

FIATA has already been in telephone contact with major carriers, requesting a chance to talk over the matter, Mr Morris maintained. "What we are saying is, let's have some discussion on how we can help you, and we can help our members comply with your (shipping lines) provisions".

For more details on Mr. Morris' interview and FIATA's reply, please reference the Lloyd's article <u>"Freight forwarders hit back on cargo misdeclaration fines".</u>

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About FIATA

FIATA, the International Federation of Freight Forwarders Associations, was founded in Vienna, Austria on May 31st 1926. It is a non-governmental organisation that today represents an industry covering approximately 40,000 forwarding and logistics firms, employing around 10 million people in some 160 countries. FIATA has consultative status with the Economic and Social Council (ECOSOC) of the United Nations (inter alia ECE, ESCAP, ESCWA, etc.), the United Nations Conference on Trade and Development (UNCTAD), and the UN Commission on International Trade Law (UNCITRAL) as well as many other UN related bodies, e.g. the World Bank. It is recognised as representing the freight forwarding industry by many other governmental organisations, governmental authorities, private international organisations in the field of transport and logistics, such as the European Commission (through CLECAT), the International Chamber of Commerce (ICC), the International Air Transport Association (IATA), the International Union of Railways (UIC), the International Road Transport Union (IRU), the World Customs Organization (WCO), the World Trade Organization (WTO), etc.

For further information, please go to: www.fiata.com

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