



Independent cargo monitoring data to accelerate the marine cargo claims handling process

Webinar

CALAND ADVOCATEN

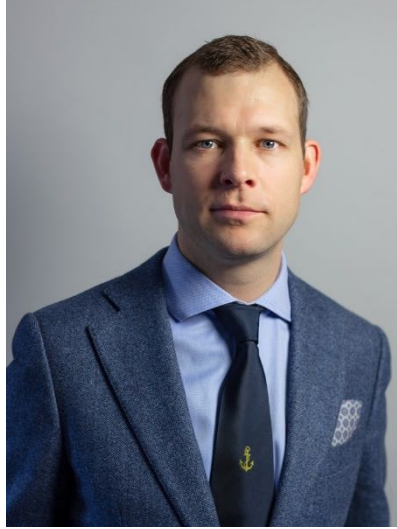
WELCOME



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Content

How are cargo insurance claims handled today? What are the issues shippers are facing?

What are the trends in the industry?

Is the current situation around the Coronavirus affecting the claims handling process?

How can cargo monitoring data help you (shipper) in your cargo claim compensation efforts?

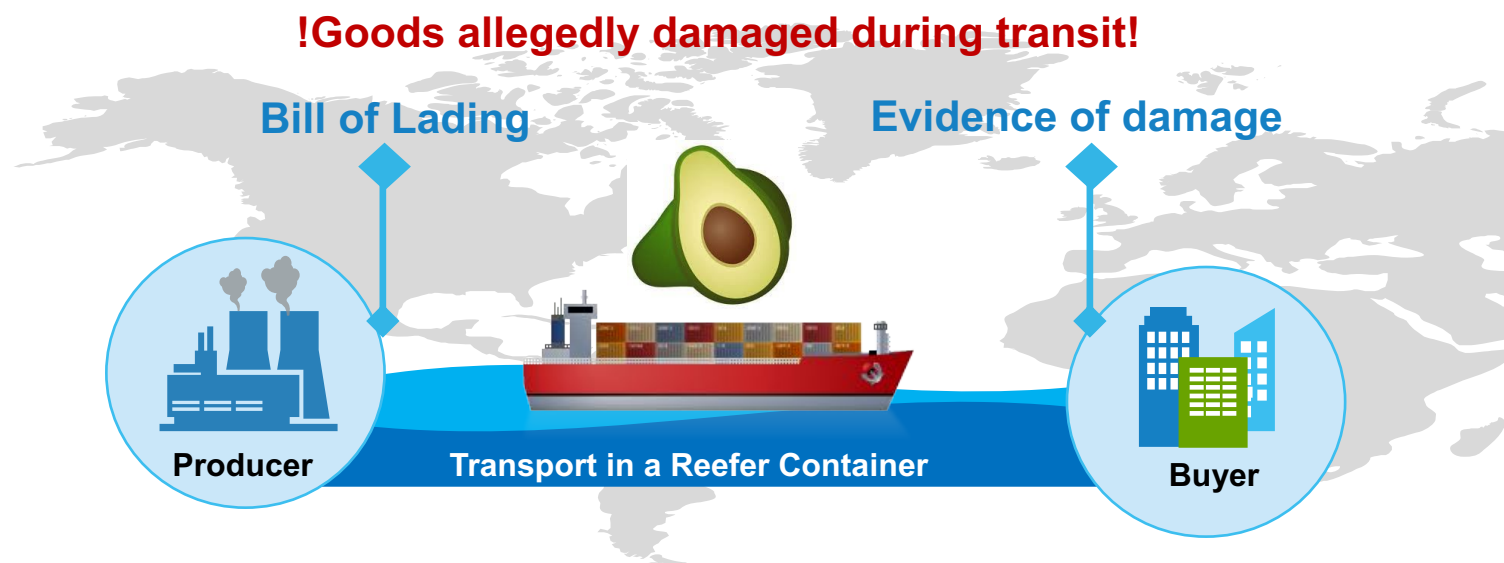
What are the steps, precautions shippers can take to support loss prevention and cargo claims handling efforts?



How are cargo insurance claims handled today? What are the issues shippers are facing?

The “Ping Pong” Game of Liability under the H(V)R

The example of damaged avocados during transit



- 1) What can the shipper do?
- 2) Which are important documents to support the claim?
- 3) *What liability rules apply?*

Bill of lading

(Noun)

a detailed list of a ship's cargo in the form of a receipt given by the master of the ship to the person consigning the goods.

It is a **receipt** that the cargo is loaded on board the vessel

The Bill of Lading is prima evidence of the **terms of the contract of carriage.**

It acts as a negotiable document of title.

The Hague-Visby Rules (HVR)

a set of codified rules to ensure a balanced liability system which both defined the rights and obligations of the parties involved in the carriage of goods by sea

the carrier has the obligation to deliver the goods to their destination in the state in which he received them. The carrier is therefore liable for loss or damage to the goods while the goods are under his control. Cargo interests have to prove that the damage occurred during the voyage.

the carrier is not liable if he can prove that the loss or damage is the result of a circumstance for which he is not liable.

contain a period of one year for cargo interests to initiate a claim against the carrier.

Circumstances when a carrier is not liable?

Article IV sub 2

- (a) Act, neglect, or default of the master, mariner, pilot, or the servants of the carrier in the navigation or in the management of the ship.
- (b) Fire, unless caused by the actual fault or privity of the carrier.
- (c) Perils, dangers and accidents of the sea or other navigable waters.
- (d) Act of God.
- (e) Act of war.
- (f) Act of public enemies.
- (g) Arrest or restraint of princes, rulers or people, or seizure under legal process.
- (h) Quarantine restrictions.
- (i) Act or omission of the shipper or owner of the goods, his agent or representative.
- (j) Strikes or lockouts or stoppage or restraint of labour from whatever cause, whether partial or general.
- (k) Riots and civil commotions.
- (l) Saving or attempting to save life or property at sea.
- (m) Wastage in bulk of weight or any other loss or damage arising from inherent defect, quality or vice of the goods. (n) Insufficiency of packing.
- (o) Insufficiency or inadequacy of marks.
- (p) Latent defects not discoverable by due diligence.
- (q) Any other cause arising without the actual fault or privity of the carrier.



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How to proceed when the goods are lost or damaged?

Some actionable hints and tips

- ✔ Instruct a surveyor
- ✔ Collect evidence
- ✔ Give written notice to the carrier of the loss or damage and hold the carrier liable
- ✔ Time is of the essence due to the short limitation and expiry periods

The amicable settlement phase

After a survey report is produced the amicable settlement phase begins

- 1 A (registered) claim letter is sent to the carrier
- 2 The carrier will usually request a whole list of 'necessary' documents
- 3 The carrier will often not immediately accept liability
- 4 **How do we apply this to our avocado example?**



When the reefer data recorded by smart containers are asked for by the cargo interests the carrier usually refuses to hand them over

The following documents are often being requested:

- a. Copy Bill of Lading
- b. Packing list
- c. Commercial invoice (seller – buyer)
- d. Survey report
- e. Pictures of the cargo
- f. Destruction of the cargo
- g. Salvage sale invoice
- h. Laboratory analysis
- i. Pre loading report
- j. Letter of authority
- k. Subrogation form
- l. Assignment of rights
- m. Harvest certificate
- n. Other invoices
- o. Phytosanitary certificate

Legal measures to obtain data from the carrier

Costly and time-consuming process to obtain evidence from the carrier

- **A pre-judgment order** attaching documents for the purpose of preserving evidence (including digital evidence, such as temperature data from a reefer container). Pursuant to Dutch law the judge will have to assess:
 - whether the petitioner has a legitimate interest;
 - whether the application concerns specific documents and;
 - and whether there is a legal relationship between the parties.
- **request the court to appoint a maritime court surveyor**, which can be an effective fact finding tool and should balance the unequal position from an evidential point of view between parties in maritime matters.



Costs can reach Many Thousands \$\$\$, with the process lasting many years

How can cargo monitoring data help you in your cargo claim compensation efforts? Does it simplify the process?

Independent data to support the claims process

The data can lead to a breakthrough in the amicable phase, but also in legal proceedings

- ✓ Serves as evidence
- ✓ Owned by the shipper and not the carrier
- ✓ Useful in the amicable phase and legal proceedings
- ✓ Can be accessed in real-time
- ✓ Can be used for cargo insurance
- ✓ Supports logistics operations beyond claims management



Temperature, shock and humidity data recorded during the entire journey of the cargo

How can data be obtained today? What are the trends?

Three major areas . Arviem focus on solving the challenge of executing a visible and intelligent global trade by offering cargo monitoring services, which provide real-time end-to-end visibility



Track and Trace solutions



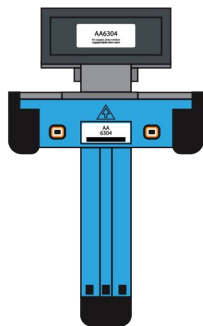
Data Loggers



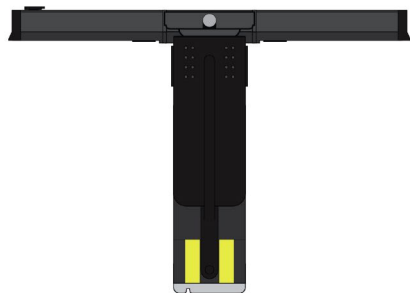
Supply Chain Visibility solutions with real-time cargo monitoring

IOT Smart Devices: Continuous access to reliable data

Our devices have been tested continuously to ensure reliable performance from start to finish.



Dry Sea Container



Reefer Container

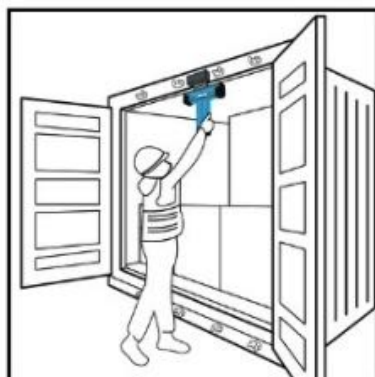


Air Freight / Truck (FTL, LTL)

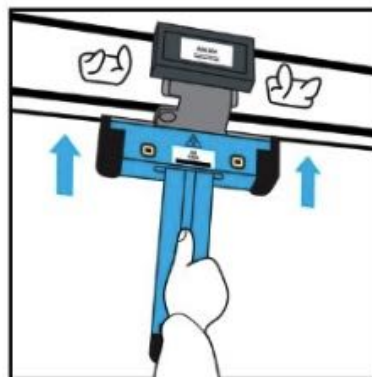
Arviem provides a complete cargo monitoring service, consisting of devices, device logistics is managed by Arviem, and the data is displayed in an easy-to-use analytics platform.

EASY INSTALLATION:

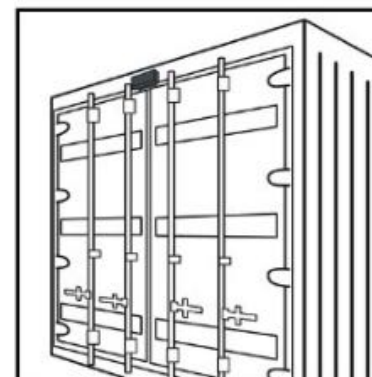
Step
1



Step
2



Step
3



Tracking versus Monitoring *(without device vs. with device)*



Cargo Tracking



Cargo Condition Monitoring

Basic Rationale	Integrate all forwarder data in one system	Use IoT to closely control important cargo
When will my shipment arrive?	Arviem dynamic ETA	Arviem dynamic ETA
How is my cargo?	No information	Precise sensor measurement
Alerts and notifications	In real-time	In real-time
↪ Delay/ETA change	●	●
↪ Unexpected transshipment	●	●
↪ Geozone entry/exit	📄	●
Unfavorable cargo conditions	●	●
↪ Door opening	●	●
↪ Motion	●	●
Control and Analytics		
Manage data via online dashboard	●	●
Integrate data via API	●	●
Filterable shipment list	●	●
Interactive shipment map	●	●
Performance Reports	📄	●



Cargo Tracking



Cargo Condition Monitoring

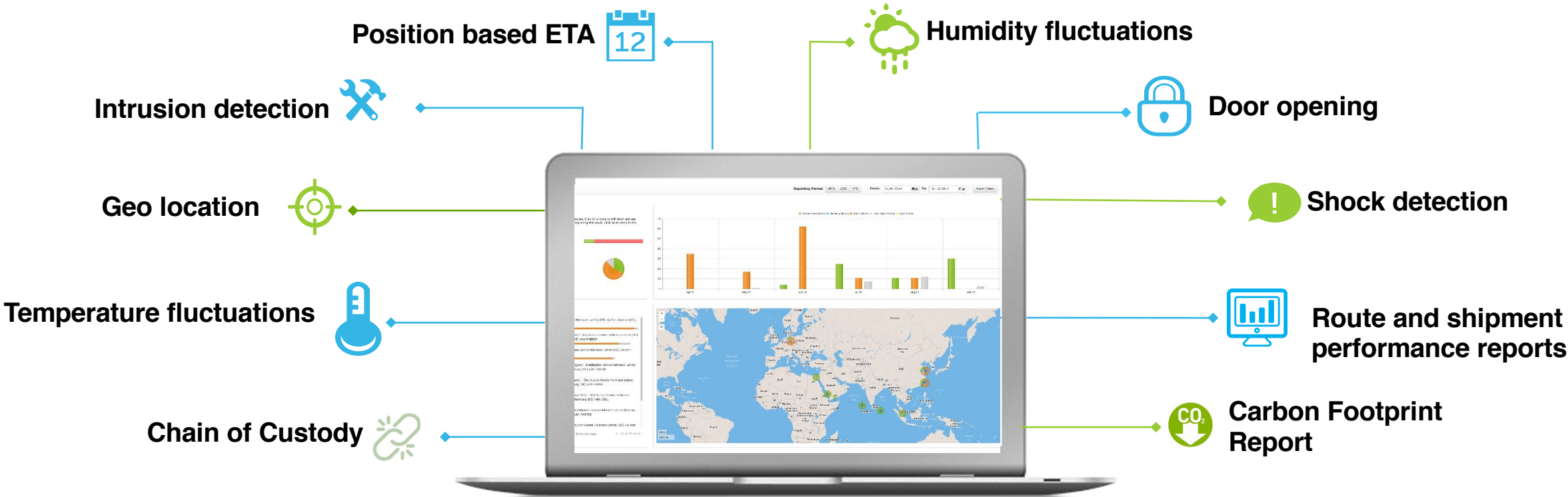
Basic Rationale	Integrate all forwarder data in one system	Use IoT to closely control important cargo
Geo Zones	📄	●
Carbon Footprint Report	📄	●
Tracked object	Based on Big Data	Based on Big Data & IoT sensors
Intermodal dry container	📄	●
Intermodal reefer container	📄	●
Air freight	●	●
Full-truck loads	●	●
Less-than-truck load (pallets)	●	●
Parcel	●	●
Cargo Condition Monitoring	No data	Continuous data stream
↪ Temperature	●	●
Shock	●	●
Humidity	●	●
Intrusion/ Security	●	●



Monitoring: Comprehensive data Collection

Our cloud based, easy to use cargo monitoring and analytics platform provides comprehensive business intelligence for decision makers

Monitor what you need and receive actionable insights and alerts



REVEAL

CONTROL

EMPOWER



Data from IOT without Analytics is just numbers

We offer cargo monitoring as a complete service consisting of 3 components requiring no investments in new assets



What are the steps, precautions shippers can take to support loss prevention and cargo claims handling efforts?

Daan's top 5 actionable recommendations for better claims management for cargo interests

Key takeaways

- ✔ Collect evidence, including the back-side of the Bill of Lading
- ✔ If you are not experienced with handling cargo claims, seek assistance from people who are (e.g. claims handler, transport lawyer and/or surveyor)
- ✔ Determine which law applies, which judge is competent and the limitation and/or expiry periods
- ✔ Identify the carrier!
- ✔ Speed is key

QUESTIONS ?

Stay tuned for our upcoming webinar!

Learning from an XXL-Crisis: How IoT-based risk management can change transportation from a cost center to a value driver

Webinar | 12th of May



Lars ter Veer



Jan Pietruska