

NEWS



BERRY & DONALDSON
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GLOBAL FREIGHT LOGISTICS
Established 1963



THE COST OF STORAGE AND LATE DELIVERIES

21 January 2014

All too often importers have to pay for some storage charge for goods that have not been received by them within a certain time frame. This “free time” is a period that is granted by the shipping lines in which shippers can extract their cargo, deliver them to their destination and return the container before charges are enforced.

Storage or detention charges are levied by ports authorities to defray their expenses in holding cargo whilst the clearing and or delivery process is completed beyond the prescribed free period. The ports authorities pass these charges onto the shipping line who will in turn invoice the shipper (or the cargo owner).

For instance, if there is a delay or a stop in the clearing process (due to problems with documentation or Customs not granting clearance) the shipping line will retain the goods until they are cleared. This is a “late clearance charge”.

Storage fees are also charged by shipping lines for goods that have been cleared but not collected for delivery.

If there is a delay in the delivery process and the container (owned or under the auspices of the shipping line) is not returned within a certain time frame, a “late turn in” is levied to the cargo owner. This is commonly known as “demurrage”.