



Guide to Industry

Applying for shipping line detention fee relief



WESTERN AUSTRALIA PORT OPERATIONS TASK FORCE

Issued December 2015 by WA Port Operations Task Force in conjunction with Fremantle Ports

NOTE: All information in this document is provided as a guide only.

APPLYING FOR DETENTION RELIEF - GENERAL

It is not hard for anyone (importers, freight forwarders, etc.) to get caught out with containers that cannot be returned in time prior to detention charges coming into effect.

All those involved in the sea freight supply chain need to be extra vigilant in ensuring timely container returns. Through very careful monitoring and planning of container returns, extra charges and disputes can be avoided.

Information in this document includes:

- The steps the sea freight supply chain can take to avoid demurrage charges before they are incurred
- The number of days each line currently provides as detention free
- Each line's policy concerning the days around Christmas and New Year 2015-16.

Process to avoid detention charges:

- The operator notes the shipping line associated with the freight movement.
- They should review the agreement they have with that line with regard to detention-free days (in particular, the time at which that detention-free period starts and ends) and calculate when the empty container must be returned to the nominated empty container park.
- As part of forward planning, the operator should also consider all possible factors that may influence their ability to unload a container (such as seasonal demands or holiday shut-down periods) and, where possible, make their request for extension prior to the container being shipped from the load port.
- The operator should utilise software (calendar systems, freight management software, etc.) to provide alerts, with sufficient notice, of the expiry of the detention-free period.

Many freight forwarders/brokers offer such value added services.

Every effort must be made to return the container prior to the end of the detention-free period. If the operator, for whatever reason, is unable to return the container within the given free period, the operator must provide advice to the shipping line concerned **prior** to the detention-free period, via phone or email. This should be a minimum of one day prior to the expiry of the detention-free period. Please check the detention period negotiated with the line concerned. The line will provide information as to the appropriate contact person/department for such relief/extension requests. Some lines will not negotiate detention charges once an invoice has been issued.

Note: It is in the interest of freight forwarders, importers and their suppliers that when negotiating freight rates with shipping lines, they endeavour to arrange the maximum detention free period possible.

It is not uncommon to negotiate an extension of the documented free time by several days, depending on volume and frequency. Operators are encouraged to discuss this matter with a number of lines (and, if applicable, their freight forwarders) and consider this as a factor in their final choice of carrier.

Experience shows that each year a large number of importers have faced unnecessary costs through oversight. Invariably disputes then occur over these charges and much effort is expended in resolving these issues.

In the end, the importer controls the timing of container unloads, is contracted with the shipping line and is therefore responsible for any resulting detention costs that may arise.

Some lines are proactively working with industry to keep the greatest degree of flexibility in these important areas of avoidable container freight cost. Industry is encouraged to make informed decisions about the choice of line based on this information.

SHIPPING LINE	STANDARD DETENTION FREE PERIODS - GENERAL CARGO IMPORT¹	CHRISTMAS 2015/NEW YEAR 2016 DETENTION FREE POLICY
ANL	7 days from 1 st day of container availability to return to the designated empty container park	The current company detention policy will continue over this period but customers who have issues should liaise with the office prior to cargo arrival
APL	10 days from first working day of availability to the day of empty return to depot	Contact customer service
Hamburg Süd	8 days from the first calendar day following the date of discharge, including weekends but excluding National Public Holidays.	Christmas Day, Boxing Day and New Year's day are automatically not counted as they are National Public Holidays. Any additional free time extensions will be considered on a case-by-case basis when requested in writing prior to the last free day.
Hanjin	10 days free from date of discharge	Current free time policy will remain but will consider exceptions on a case by case basis. Please note that Hanjin Australia has no authority to waive any detention charges once the invoice has been issued.
Hapag Lloyd	10 days from the day of container discharge until the day of empty return to the depot	The period from December 25th to December 28th and the 31st December to January 3rd (inclusive) will be granted as additional free time for import and export container hire to assist customers
"K" Line	10 free days from and including first official day of availability to the day of empty return to depot	Any free time extensions are considered on a case-by-case basis with any application for extension to be received (in writing) prior to the last free day

¹Please note that the above information has been obtained from shipping line correspondence but is still subject to each line's discretion. The periods are the standard detention-free periods for General Cargo (not refrigerated) as published by the lines concerned, and are a guide only. Extra days can be negotiated with lines.

SHIPPING LINE	STANDARD DETENTION FREE PERIODS - GENERAL CARGO IMPORT²	CHRISTMAS 2015/NEW YEAR 2016 DETENTION FREE POLICY
Maersk	7 days counted from the day after vessel departure to the day of empty return to the designated facility	Detention calculation paused on the public holidays, including 25th, 26th and 28th of December 2015 and the 1st January.
MOL	10 free calendar days from date of availability at terminal to the day of empty return to depot	Contact customer service
MSC	8 days for GP/HC containers calculated from the day of discharge date of the container to the day of empty return to depot	All requests will be considered on a case by case basis
NYK	10 free days calculated one working day after all the containers on the vessel have been discharged (at 23.59 hours). Detention charges are applicable after the free days period	Detention free days are provided on public holidays over the Christmas/New Year period
OOCL	10 free days (excluding public holidays) from 1st day of availability at the Terminal to empty return to the nominated depot	All requests for free time extensions will be considered on a case by case basis and must be received in writing prior to the last free day
PIL	10 free calendar days calculated from the first day of availability at the terminal	Any free time extensions are considered on a case-by-case basis with any application to be received (in writing from the named consignee on b/lading) prior to the last free day

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Further Information:

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