

# MARINE TRANSIT INSURANCE AT A GLANCE

## What is Marine Transit Insurance?

If your business takes you across the seas, you can be exposed to risks from mother nature, misadventure and even piracy.

Such risks can prevent your commercial vessel, cargo or truck from reaching its destination, or cause costly damage during the voyage.

Marine Insurance refers a range of insurance products which help protect your business from loss or damage to vessels and cargo. It can cover the door to door delivery of goods worldwide, by sea, road, rail and air – including their storage on the way.

## Who should consider it?

Marine transit insurance is important for businesses involved in shipping or receiving goods, operating watercraft commercially, repairing vessels, running a marina and more.

Marine insurance can provide valuable cover on both land and sea for:

### *Freight forwarders*

- Importers and exporters
- Marina owners
- Mining companies

### *Primary producers*

- Removalists
- Tourism operators
- Wholesalers

In FY2017, the value of Australian exports of goods and services was A\$373.2 billion. That represented an increase of A\$53.7 billion on the previous year's outcome.

Australian Trade Commission, Australia's Export Performance in FY2017

## Did you know?

99%

99% of Australian exports use sea transport

(Department of Infrastructure, Regional Development and Cities, Maritime, 2018)

1597M

1597 million tonnes of cargo is moved across Australian wharves in 2015–16.

(Department of Infrastructure, Regional Development and Cities, Statistical report, Australian sea freight 2015-2016, 2018)

\$218.9B

The value of Australia's exports by sea was \$218.9 billion in 2015–16.

(Department of Infrastructure, Regional Development and Cities, Statistical report, Australian sea freight 2015-2016, 2018)

## What can it cover?

There are different types of marine-related insurance policies – the type you choose will vary based on your specific needs. Depending on the type of policy you choose, marine insurance policies can cover:

TYPE OF COVER	POTENTIAL BENEFITS
 Accidental Damage	Physical damage that occurs as a result of an unexpected and non-deliberate external action.
 Insured Events	Only the events nominated by the Insurer. These are commonly known as fire, collision and/or overturning covers, although there are normally more events offered than these.
 Collision	Damage caused due to the collision of the carrying vehicle, vessel, train, aeroplane. It may be a collision between two conveyances or it might involve the conveyance hitting another object such as a bridge, wall, tree etc
 Dropping during Loading and Unloading	Dropping during loading or unloading if this is not an excluded event specified under a Specified Risks policy
 Fire, Explosion, Lightning	While fire is a common event covered by all transit policies, cover for explosion and lightning may or may not be granted
 Impact of Goods with External Objects other than the Conveying Vehicle or Road	Full impact cover can be provided, including goods falling from and within the vehicle
 Malicious Damage	Malicious acts, vandalism and sabotage by third parties

## What usually isn't covered?

Exclusions, the excess you need to pay and limits of liability can vary greatly depending on your insurer. Policies generally won't include cover for:

- Consequential Loss/Loss of Market
- War
- Delay

## Important note

This information is provided to assist you in understanding the terms, implications and common considerations in marine transit insurance. It does not constitute advice, and is not complete, so please discuss the full details with your Steadfast insurance broker.

## CASE STUDY

Kerri runs a small business that exports organic cheeses from Australia to Asia. It's a new business, so she works very hard to provide quality products and build her client base.

Recently, a shipment of her cheeses that were going to a new client was left on the dock unrefrigerated - and the cheeses were spoilt. Not only did Kerri lose valuable product, but she also missed out on the repeat business of the new client.

Thankfully, Kerri had marine transit insurance, which covered her products from the time they left her business until they were in her client's possession. While her insurance didn't help her keep the new client, at least the insurance reimbursed Kerri for the cost of the cheeses that were spoilt.

## Find out more

Every business is different – which means you need an insurance solution that is tailored for you.  
**For more information, contact us today.**



**HWA Insurance Brokers**  
ABN 15 098 158 975 | AFSL 243534  
P 03 9559 3333  
E [info@hwainsurance.com.au](mailto:info@hwainsurance.com.au)  
[www.hwainsurance.com.au](http://www.hwainsurance.com.au)

