



## Key differences between Cargo Insurance and Carrier Liability

	Carrier Liability	Cargo Insurance
Coverage Scope	<b>Limited to specific situations</b> , such as damage due to the carrier's negligence or fault, and is usually subject to certain exclusions.	Typically offers <b>comprehensive protection</b> , covering a wide range of risks, including those caused by accidents, natural disasters, theft, and improper handling.
Liability Limits	<b>Predefined limits.</b> Carrier may only compensate up to a certain amount.	It can cover the <b>full value of the goods</b> , providing protection against potential losses beyond the carrier's liability limits.
Who Pays for It?	Typically <b>included in the cost of shipping.</b>	An additional cost that must be <b>purchased separately</b> and usually based on the value of the goods.
Exclusions and Limitations	<b>Several exclusions</b> , including damage caused by certain natural events or the inherent characteristics of the goods being shipped.	<b>Tailored to cover the liability exclusions</b> , providing a more robust safety net for shippers and freight forwarders.