



## **Air Freight Alert: Revision of liability limits under the Montreal Convention 1999**

**As of 28 December 2024, international air liability  
limits are set to increase.**

Effective 28 December 2024, the liability limits for passenger and cargo claims under the Montreal Convention of 1999 ("MC99") will increase, as announced by the [International Civil Aviation Organisation \(ICAO\)](#)

According to the changes, the limit for destruction, loss, damage, or delay of cargo will rise from 22 SDRs to **26** SDRs per kilogram. (see [Article 22, para.](#)

The liability limits are indicated in Special Drawing Rights (SDRs), a unit of account defined by the International Monetary Fund. For indicative purposes, 1 SDR was valued at US\$ 1.33038 on 25 October 2024.

The limits are set to increase in line with the Convention's built-in review mechanism, to adjust for inflation every five years so as to ensure that passenger and cargo compensation remain appropriate over time.

### **Next steps for freight forwarders**

These updates will affect freight forwarders, as they will need to align their documentation and risk management processes when handling air shipments to ensure seamless compliance and account for the increased liability limits.

#### **Freight forwarders are encouraged to:**

1. Take note of the new liability limits;
2. Notify your shippers and other stakeholders;
3. Review and adjust contracts to reflect these new terms;
4. Review your liability insurance arrangements and consult with your insurer to ensure that your cover extends to these new limits.

As informed by IATA, a six-month grace period after December 28, 2024 has been given to air carriers the ability to properly manage their AWB stock. In accordance with Resolution 600b, editorial changes will be made to all affected IATA Resolutions and Recommended Practices to reflect the revised liability limits without further Conference action required. IATA Resolutions 600i and 672, and IATA Recommended Practice 1679 have been updated to reflect the same change.

## About the Montreal Convention 1999

Formally known as the Convention for the Unification of Certain Rules for International Carriage by Air, the Montreal Convention 1999 provides a comprehensive and unified framework for the international carriage of passengers, baggage, and cargo by air. The Convention sets liability limits for airlines, ensuring fair compensation for consumers in cases of cargo and passenger issues. Additionally, it allows for the use of electronic tickets and air waybills ("AWB"), fostering simplified processes and enabling more efficient risk management.

Please find the communication on the ICAO website [here](#).

Stay tuned on FIATA's communication channels to keep up-to-date with regulatory changes and ensure your operations are compliant and efficient!



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