

LL4008AV/LL5008AV/LL6008AV/LC5204AV/LCD5204AV Carriage of Goods by Sea

Maritime transport is the backbone of international trade and the global economy, with around 80 per cent of global trade by volume and over 70 per cent of global trade by value carried by sea and handled by ports worldwide (including Singapore). In 2013, an estimated 9,548 billion tons of cargo was transported by sea (UNCTAD). The cargo transported is extremely varied and includes raw materials (crude oil, gas, coal, and iron ore), agricultural commodities (grain, oilseeds and cake, sugar, and refrigerated foods), industrial materials (rubber, cement, fertilizers, fibres, and chemicals), and manufactured goods (which can include anything from motor cars to machinery and consumer goods).

This course is concerned with the legal regime which sustains the carriage of cargoes by sea. The seller of goods who sells his goods to a foreign buyer will hire a ship or space on a ship, depending on the quantity and type of goods. The seller of commodities usually requires the entire carrying capacity of the ship because of the nature of the cargo. In such a case, the contract of carriage is a charterparty, the subject of detailed consideration in a further course, **Charterparties**, which is offered in Semester II, and for which this course is a pre-requisite.

This course, however, is primarily concerned with the legal relationship between the shipper (or seller of the goods), the carrier (the shipowner), and the receiver/consignee of the goods, where the entire carrying capacity of the ship is not required. We are also concerned, however, with the common situation where the buyer of raw materials wishes to sell parcels of raw materials or agricultural commodities to sub-buyers even before the ship reaches the discharging port.

The course begins with an introduction to the various types of contracts of carriage. Our central focus is the bill of lading but we shall also refer to sea waybills and ship's delivery orders, both of which are encountered in practice. Our focus then shifts to the three traditional functions of the bill of lading, that such documents are evidence of receipt, best evidence of the contractual terms, and (if in the appropriate form) also function as a document of title to the goods. This part of the course also examines the carrier's obligation to deliver and the effect of bills of lading which can no longer give effective title to the goods (so-called spent bills of lading). Finally, we look at non-contractual vehicles for pursuing claims against the carrier, including bailment and tort.

The next section of the course is concerned with identifying the express terms of the contract. In considering this issue we also need to identify the parties to the contract of carriage. It is particularly important to identify the contractual carrier against whom any claims must be brought and to identify which terms, if any, of a charterparty may have been incorporated by the parties into the contract.

Having established the express terms of the contract, we consider those default terms which are always found in contracts of carriage. On the part of the shipowner, these default obligations are that the ship must be seaworthy, must not deviate, and must proceed on her course with reasonable despatch. On the part of the shipper or charterer, these obligations are that the shipper must not ship dangerous cargoes and undertakes to order the ship to ports which are safe.

The final main part of the course is concerned with the application of mandatory international cargo regimes which specify the obligations and immunities of carriers and shippers. The principal cargo convention is the Hague Rules of 1924 or its Protocol of 1968, the Hague-Visby Rules. Either of the Hague Rules or Hague-Visby Rules are invariably applicable to contracts of carriage (and indeed are applicable to shipments of cargo under bills of lading from Singapore).

To conclude the course, we consider two newer international cargo conventions, the Hamburg Rules 1978 (which only apply in a small number of jurisdictions) and the Rotterdam Rules of 2008, which have not yet come into force.

The course requires a willingness to engage with international conventions and domestic statutes, standard form contracts, and a not insignificant body of case law.

After successfully completing this course you should be able to:

1. *Demonstrate an understanding* of the main documents of carriage, including bills of lading, sea waybills, and ships delivery orders.
2. *Describe and explain* the different functions of documents of carriage.
3. *Have an understanding* of the scope of the main terms and implied terms typically found in contracts for the carriage of goods by sea.

4. *Be familiar with* the relationship between different documents of carriage and, particularly, the interface between bills of lading and charterparties.
5. *Develop an awareness and understanding of* the obligations and immunities of the cargo owner and shipowner when the Hague (or Hague-Visby) Rules apply to the contract of carriage.
6. *Have an awareness of the differences* between the existing conventions and other international conventions, including the Hamburg Rules and the Rotterdam Rules.

The expected topics are:

SEMINAR 1: BILLS OF LADING (1): NATURE; ISSUE; TYPES

SEMINAR 2: BILLS OF LADING (2): RECEIPT (QUANTITY/ WEIGHT/ LEADING MARKS)

SEMINAR 3: BILLS OF LADING (3): EVIDENCE OF THE CONTRACT; DOCUMENT OF TITLE ASPECTS

SEMINAR 4: BILLS OF LADING (4): DOCUMENT OF TITLE ASPECTS CONTD; THIRD PARTIES TO THE CONTRACT OF CARRIAGE

SEMINAR 5: BILLS OF LADING (5): DELIVERY; SPENT BILLS OF LADING; EDI

SEMINAR 6: TERMS OF THE CONTRACT: WHO IS THE CARRIER?; INCORPORATION OF CHARTERPARTY TERMS

SEMINAR 7: IMPLIED OBLIGATIONS IN CARRIAGE (SEAWORTHINESS; DEVIATION; REASONABLE DESPATCH)

SEMINAR 8: IMPLIED OBLIGATIONS IN CARRIAGE CONTD (SAFE PORTS; DANGEROUS CARGOES); HAGUE & HAGUE-VISBY RULES (1): BACKGROUND; APPLICATION OF THE RULES

SEMINAR 9: HAGUE & HAGUE-VISBY RULES (2): OBLIGATIONS OF THE CARRIER; RIGHTS AND IMMUNITIES OF THE CARRIER

SEMINAR 10: HAGUE & HAGUE-VISBY RULES (3): LIMITATION OF LIABILITY; LIMITATION OF ACTIONS

SEMINAR 11: OTHER CARRIAGE LIABILITY REGIMES: HAMBURG RULES; ROTTERDAM RULES

SEMINAR 12: TUTORIAL