

LL4008AV/LL5008AV/LLJ5008AV/LL6008AV/LC5204AV/LCD5204AV Carriage of Goods by Sea

Maritime transport is the backbone of international trade and the global economy, with over 80 per cent of global trade by volume and over 70 per cent of global trade by value carried by sea. In 2019, an estimated 11.07 billion tons of cargo were carried by sea (UNCTAD, 2020). The cargo transported by sea is varied. It 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 (including anything from motor cars to machinery and consumer goods).

This course is concerned with the legal regime that underpins the carriage of cargoes by sea. Depending on the cargo, the seller (the shipper) of goods to an overseas buyer (the consignee) hires a ship or space on a ship. The shipper of manufactured goods and perishable foodstuffs, such as fruit, usually ships such cargo in a container on a vessel operated by a shipping line. In such carriage, the contract of carriage is frequently a bill of lading. This is the subject matter of this course. A shipper of commodity cargoes requires the ship's total carrying capacity and such contracts may be affected by a charterparty. The latter are considered in the **Charterparties** course in Semester II. This course is a *pre-requisite*.

Carriage of Goods by Sea is primarily concerned with the legal relationship between the shipper (often the 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. However, we are also concerned with the common situation where the buyer of raw materials intends to sell parcels of raw materials or agricultural commodities to a sub-buyer or chain of sub-buyers before the ship reaches the discharging port.

The course begins with an introduction to the various types of contracts of carriage. Our primary focus is the bill of lading, but we shall also refer to other documents encountered in practice, such as sea waybills and ship's delivery orders. Our focus is then on the three traditional functions of the bill of lading, as evidence of receipt, best evidence of the contractual terms, and (if in the appropriate form) functions as a document of title to the goods. This part of the course also considers 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 consider non-contractual methods 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, we also need to identify the parties to the contract of carriage. It is imperative to identify the contractual carrier against whom any claims must be brought and to identify which terms of an antecedent charterparty are incorporated into the contract.

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

The final part of the course concerns the application of mandatory international cargo regimes setting out 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 applicable to contracts of carriage (and compulsorily for shipments 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 body of case law.

After 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 ship's 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: INTRODUCTION TO CARRIAGE BY SEA; BILLS OF LADING (1): NATURE; ISSUE; TYPES

SEMINAR 2: BILLS OF LADING (2): OTHER SHIPPING DOCUMENTS (BOOKING NOTES, TALLY CLERK'S RECEIPTS; MATE'S RECEIPTS; SEA WAYBILLS; DELIVERY ORDERS)

SEMINAR 3: BILLS OF LADING (3): RECEIPT (QUANTITY/ WEIGHT/ LEADING MARKS); EVIDENCE OF THE CONTRACT

SEMINAR 4: BILLS OF LADING (4): DOCUMENT OF TITLE ASPECTS

SEMINAR 5: BILLS OF LADING (5): THIRD PARTIES TO THE CONTRACT OF CARRIAGE

SEMINAR 6: BILLS OF LADING (6): DELIVERY; SPENT BILLS OF LADING; EDI; BLOCKCHAIN

SEMINAR 7: TERMS OF THE CONTRACT: WHO IS THE CARRIER?; INCORPORATION OF CHARTERPARTY TERMS

SEMINAR 8: IMPLIED OBLIGATIONS IN CARRIAGE (SEAWORTHINESS; DEVIATION; REASONABLE DESPATCH)

SEMINAR 9: IMPLIED OBLIGATIONS IN CARRIAGE CONTD (SAFE PORTS; DANGEROUS CARGOES); HAGUE & HAGUE-VISBY RULES (1): BACKGROUND; APPLICATION OF THE RULES

SEMINAR 10: HAGUE & HAGUE-VISBY RULES (2): OBLIGATIONS OF THE CARRIER; RIGHTS AND IMMUNITIES OF THE CARRIER

SEMINAR 11: HAGUE & HAGUE-VISBY RULES (3): LIMITATION OF LIABILITY; LIMITATION OF ACTIONS

SEMINAR 12: OTHER CARRIAGE LIABILITY REGIMES: HAMBURG RULES; ROTTERDAM RULES