

The background of the book cover is a blue-toned photograph of a harbor scene. In the foreground, a large ship's crane is visible, extending from the left side towards the center. In the background, there are mountains and other ships in the water. The entire cover has a blue color scheme.

SHIPPING AND LOGISTICS LAW

Principles and Practice in
Hong Kong

FELIX W H CHAN
JIMMY J M NG
SIK KWAN TAI

Second Edition

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in Hong Kong**

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SHIPPING AND LOGISTICS LAW

Preface to the Second Edition

Strategically located on the South China Sea with a deep, sheltered harbour, Hong Kong is among the top ten largest maritime centres in the world. For many years, Hong Kong has continued to be one of the world's major logistics hubs and international cargo handling centres. It is a most significant gateway connecting Mainland China with the rest of the world.

The international competitiveness of Hong Kong will increasingly depend on its transport and logistics. By sea, road, rail, or air, we depend heavily on transport to link individuals, businesses and cities. The maintenance of Hong Kong as a free port and global logistics centre is a crucial characteristic of its economic vitality. Rapidly expanding international trade with Mainland China and Hong Kong has generated significant changes to the shipping and logistics law in both jurisdictions. Therefore, it is essential that everyone involved in international trade with Hong Kong (and Mainland China via Hong Kong) understand the backbone of the legal issues which affect every aspect of the business.

We intend to provide a general introduction to the basic principles of shipping and logistics law in Hong Kong. This book contains many practical examples and illustrations from case law. Extracts of the relevant legislation and sample shipping documents are annexed in this book for reference.

In this second edition, we have reformatted some of the materials. The book has been reoriented to concentrate on the parts of the legal framework which are most directly relevant to the logistics and maritime industry of Hong Kong. This new edition takes account of a number of new cases, new

international conventions (such as the Rotterdam Rules) and significant changes introduced by legislative amendments since the last edition.

The book is intended primarily for students and teachers of transport studies and business logistics management. However, we trust that it will also provide useful guidance to shipowners, carriers, shipping agents, traders, insurers, bankers, logistics managers, arbitrators, mediators and lawyers who need to acquire a clear understanding of the key principles in a practical context.

The division of labour associated with each of the chapters in this book is as follows: Chapters 4, 6.1, 6.2, 6.4, 11, 12, 13 (Felix Chan); Chapters 1, 6.3, 7.1, 7.2, 7.3, 7.4, 7.5, 7.6, 7.7, 7.8, 7.9, 7.10, 7.11, 10.1, 10.2, 10.3, 10.4, 10.5, 10.6, 10.7, 10.8, 10.9 (Jimmy Ng); and Chapters 2, 3, 5, 7, 8, 9 (S K Tai). The contribution of Mr Bobby Wong to the previous edition of this publication is acknowledged with gratitude.

This book has its origins in our lecture notes used in teaching. We are grateful to our students for their interest and enthusiasm. We also want to thank Hong Kong University Press for their efficient editorial work. Considering all of this help, any errors and shortcomings that remain must be ours.

Felix W H Chan

Jimmy J M Ng

Sik Kwan Tai

January 2015

Preface to the First Edition

The international competitiveness of Hong Kong will increasingly depend on its transport and logistics. By sea, air, road or rail, we rely on transport to connect individuals, businesses and cities. The maintenance of Hong Kong as a free port and international logistics hub is a crucial characteristic of its economic vitality. Rapidly expanding international trade with mainland China and Hong Kong has generated significant changes to the shipping and logistics law in both jurisdictions. Therefore, it is essential that everyone involved in international trade with Hong Kong and mainland China via Hong Kong understands the backbone of the legal issues which affect every aspect of the business.

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The division of labour associated with each of the chapters in this book is as follows: Chapters 1, 2, 5, 7, 8, 9 and 19 (Felix W H Chan); Chapters 6, 14, 15, 16, 17 and 18 (Jimmy J M Ng); and Chapters 3, 4, 9, 10, 11, 12 and 13 (Bobby K Y Wong).

We are extremely grateful to Ms Mary Thomson, Partner of Koo and Partners in association with Paul Hastings Janofsky & Walker, and the anonymous reader for their comments on draft chapters. The errors and omissions that remain despite their help are our own responsibilities. In addition, we are grateful to our students for their interest and enthusiasm in shipping and logistics law. Finally, we would like to record our heartfelt thanks to the Department of Shipping and Transport Logistics of the Hong Kong Polytechnic University and the Department of Professional Legal Education of the University of Hong Kong for their support and encouragement.

The law is stated as known to us on 2 January 2002.

Felix W H Chan

Jimmy J M Ng

Bobby K Y Wong

January 2002

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