

SHIPPING LAW

FOURTH EDITION



SIMON BAUGHEN

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Fourth Edition

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PREFACE TO THE FOURTH EDITION

The publication of this fourth edition coincides with the conclusion of UNCITRAL's Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea. This is likely to be the most significant development in maritime carriage law for almost a century. The new Convention, which will be known as 'The Rotterdam Rules', was adopted by the Legal Committee of the General Assembly on 14 November 2008 and will be open for signing from September 2009. The project is ambitious in that it is not confined to the familiar territory of the sea carrier's liability for cargo. It also tackles important associated issues that have, hitherto, been left exclusively to national law, such as: the cargo owner's title to sue and its liability under negotiable transport documents, such as bills of lading, are referred to in the Convention; the obligations of the consignee in respect of delivery of the cargo; and the cargo owner's right of control over the cargo during the voyage, particularly its right to vary the discharge port. The Convention has been drafted so as to allow electronic documentation to be covered in the same way as conventional paper documentation. It also covers multimodal carriage involving sea carriage, which raises difficult issues of how the new Convention will interact with existing carriage conventions such as the CMR. The Convention also contains optional chapters on jurisdiction and arbitration. Whether the new Convention avoids the fate of the Hamburg Rules remains to be seen.

There have been several other important developments in the field of international maritime conventions. Firstly, the 2001 Bunker Oil Pollution Convention came into force on 21 November 2008. Secondly, the 2003 Protocol to the Fund came into force on 3 March 2005, which establishes a supplementary fund with an overall limit of 750 million SDRs for each incident for pollution damage in the territory of the state parties to the Protocol. Thirdly, the IMO's 2007 Nairobi International Convention on the Removal of Wrecks was adopted on 22 May 2007. This aims to provide a set of uniform international rules to ensure the prompt and effective removal of wrecks located beyond the territorial sea, with state parties being given the option of applying certain provisions to their territories, including their territorial seas. Fourthly, work is continuing at the IMO to draw up a Protocol to the 1996 HNS Convention to resolve issues that have so far prevented its coming into force.

Since the third edition, there have been several important developments emanating from decisions of the European Court of Justice. In *Owusu v Jackson*, Case C-281/02 [2005] 2 WLR 942, it held that a court on which jurisdiction is conferred by Art 2 of the Regulation is precluded from declining that jurisdiction on the ground that the court of a non-Member State is a more appropriate forum, even if the jurisdiction of no other Member State is in issue. In *Turner v Grovit*, Case-C-159/02 [2004] IL Pr411, it held that national courts are precluded from granting anti-suit injunctions, which prevent defendants from bringing claims before the courts of other Member States. The courts are now waiting on a reference to the European Court of Justice to determine whether the same applies as regards anti-suit injunctions that prevent parties from bringing proceedings in the courts of another Member State, on the ground that such proceedings were in breach of an arbitration agreement. The House of Lords in *West Tankers Inc v RAS Riunione Adriatica di Sicurtà SpA (The Front Comor)* [2007] UKHL 4, [2007] 1 Lloyd's Rep 391, submitted its views that such orders are consistent with the Regulation. However, the opinion of Advocate General Kokott on 4 September

2008 was to the effect that a court of a Member State could not grant an injunction in such circumstances. On 10 February 2009 the European Court of Justice gave its decision in accordance with the Advocate General's opinion, a decision which may reduce the attractiveness of London as a seat of arbitration. Another important decision is that in *Commune de Mesquer v Total France SA and Total International Ltd*, Case C-188/07 [2008] 3 CMLR 16, where the Grand Chamber of the European Court of Justice held that a public law liability may arise under EC legislation, on the produce of waste under Directive 75/442, that exceeds the amount of compensation payable under the CLC and the Fund.

There have also been important developments in the English courts. The House of Lords has upheld the Court of Appeal's decision, in *The Rafaela S* [2005] UKHL 11, [2005] 2 AC 423, that a straight bill of lading is a bill of lading for the purposes of the Hague and Hague-Visby Rules and that the carrier must deliver against surrender of the document. In *The Jordan II* [2004] UKHL 49, [2005] 1 Lloyd's Rep 57, their Lordships also upheld the Court of Appeal's decision as to the validity of 'fio st' clauses under the Hague-Visby Rules. Most recently, their Lordships had to consider the way in which damages should be awarded in respect of a late redelivery, in *The Achilles* [2008] UKHL 48, [2008] 2 Lloyd's Rep 275. Their Lordships departed from the decisions of the lower courts to return to the general market assumption that the measure of damages for such a breach should be the difference between the market and the contractual rate for the period of overshoot. The decision has important implications for how damages for breach of contract are to be assessed. Unfortunately, although the decision was unanimous, its *ratio* is elusive as their Lordships adopted a variety of approaches. The issue of damages was also considered by the Court of Appeal in *The Vicky 1* [2008] EWCA Civ 101, [2008] 2 Lloyd's Rep 45, where the Court of Appeal held that 'ballast/laden' method of assessment was not the exclusive means of assessing loss of employment following a collision. On the facts, the Registrar had correctly adopted an alternative method based on 'time equalisation'. Another important Court of Appeal decision was that in *The CMA Djakarta* [2004] EWCA Civ 114, [2004] 1 Lloyd's Rep 460, where it was held that time charterers could not limit their liability under Art 2(1)(a) of the 1976 Convention on Limitation of Liability for Maritime Claims in respect of the shipowners' claims against them for an indemnity in respect of their liability in general average and for salvage costs.

Finally, it should be noted that, on 1 October 2008, the 47th Update to the Civil Procedure Rules came into effect, resulting in various numbering changes. The most important are those relating to service of proceedings. Service without the leave of the court is now covered by CPR 6.33, while service with the leave of the court falls under CPR 6.36, 6.37, and para 3.1 of Practice Direction B to Part 6.

Simon Baughen
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ABBREVIATIONS

Bolero	Bills of Lading in Europe
cif	cost, insurance, freight
CLC	International Convention on Civil Liability for Oil Pollution Damage 1969
CMI	Comité Maritime International
CMR	UN Convention Relative au Contrat de Transport International de Marchandises par Route
COGSA	Carriage of Goods by Sea Act
COTIF	Convention Internationale sur le Transport de Marchandises par Chemin de Fer
CPR	Civil Procedure Rules
EDI	electronic document interchange
F, D & D	freight, defence and demurrage
fob	free on board
ICA	Inter-Club Agreement
ICC	International Chamber of Commerce
IMO	International Maritime Organisation
LOF	Lloyd's Open Form
LSSA	Lloyd's Standard Salvation and Arbitration clauses
mta	multimodal transport operator
NOR	notice of readiness
NVOC	non-vehicle-owning carrier
NYPE	New York Produce Exchange
OBO	oil, bulk, ore carriers
OLSA	Ocean Liner Service Agreement

P&I	protection and indemnity
SCOPIC	Special Compensation P&I Clause
SDR	Special Drawing Rights
STOPIA	Small Tanker Oil Pollution Indemnification Agreement
TEU	twenty foot or equivalent units
TOPIA	Tanker Oil Pollution Indemnification Agreement
UNCITRAL	United Nations Commission on International Trade Law
UNCTAD	United Nations Commission on Trade and Development
wccon	whether customs cleared or not
wibon	whether in berth or not
wifpon	whether in free pratique or not
wipon	whether in port or not

GLOSSARY

Actual authority. The authority that an agent actually has, either expressly or impliedly, so as to bind its principal.

Apparent authority. The authority that an agent appears to have to third parties, which will bind its principal in the absence of actual authority.

Approach voyage. The preliminary voyage made from the vessel's discharging port under a previous charterparty to the loading port or berth under a voyage charter.

Arrest. Judicial detention of a vessel pending provision of security for a maritime claim. The procedure is also used to serve *in rem* proceedings on a vessel.

Arrived ship. A ship that has arrived at the geographical position from which notice of readiness can be given under a voyage charter.

Attornment. The acknowledgment by a bailee in actual possession of goods of a transfer of constructive possession from the bailor to a third party.

Bail bond. Formal security provided to secure a vessel's release from arrest. Security may also be provided by the provision of a letter of undertaking from the shipowner's P&I Club.

Bailment. Obligations in respect of goods that arise out of the transfer of possession in them from a bailor to a bailee, such as a carrier or warehouseman. The bailee will be strictly liable for loss or damage to the goods that occurs while they are in its custody unless it can prove that it took reasonable care of them.

Bareboat charter. *See* Demise charterparty.

Berth charterparty. A voyage charter where the vessel becomes 'arrived' on reaching the loading or discharging berth.

Bill of lading. A receipt issued by or on behalf of the shipowner in respect of goods loaded on board its ship. As well as being a receipt, the bill of lading may also act as a contract and a document of title. In issuing a bill of lading, the shipowner undertakes to the consignor to deliver the goods only on presentation of an original bill of lading relating to those goods. This undertaking is transferable to subsequent holders of the bill of lading without any further involvement of the shipowner. The use of the words 'to order' or 'to assigns' indicates the transferability of this undertaking, which is what gives the document its character as a document of title.

- *Bearer bill of lading.* A bill of lading that does not identify a consignee, but is merely marked 'to order'. When a bearer bill is transferred to a third party, constructive possession can be transferred without the need for indorsement of the bill.
- *Charterer's bill of lading.* A bill of lading issued by a charterer rather than a shipowner. Any implied or statutory contract that arises under this document will be with the charterer, rather than the shipowner.
- *Charterparty bill of lading.* A bill of lading that incorporates the terms of a charterparty.
- *Claused bill of lading.* A bill of lading that contains adverse remarks as to the apparent order and condition of the goods to which it refers, or a bill of lading

that contains qualifications as to the weight or quantity of the goods loaded thereunder.

- *Clean bill of lading*. A bill of lading that notes the loading of goods in apparent good order and condition.
- *Combined transport bill of lading*. A bill of lading issued for carriage that will involve more than one mode of transport, for example, road and sea carriage.
- *Freight forwarder's bill of lading*. A bill of lading whereby the contractual carrier will be a freight forwarder, notwithstanding that this party will play no physical role in the actual carriage of the goods.
- *Freight prepaid bill of lading*. A bill of lading marked in this manner will generally prevent the carrier from claiming freight from the bill of lading holder or from exercising a lien over its cargo.
- *Liner bill of lading*. A bill of lading under which the carrier is responsible for loading, stowing and discharging the cargo.
- *Ocean bill of lading*. A bill of lading under which the carrier's responsibilities for the cargo start with its loading and end with its discharge.
- *Order bill of lading*. A bill of lading that names a consignee, for example, 'to X or order'. The bill of lading must be indorsed by the consignee, by signing the reverse of the bill, when it transfers the document to a third party.
- *Received for shipment bill of lading*. A bill of lading that records receipt of the goods by the carrier at a time prior to that at which they are loaded onto the carrying vessel.
- *Shipowner's bill of lading*. A bill of lading under which the shipowner is the contractual carrier.
- *Shipped bill of lading*. A bill of lading that records receipt of the goods by the carrier at the time that they are loaded onto the carrying vessel.
- *Spent bill of lading*. A bill of lading that can no longer be used to transfer constructive possession in the goods that it represents, for example, where the person entitled to possession of those goods receives the bill of lading after it has actually taken delivery of the goods.
- *Straight bill of lading*. A bill of lading that names a consignee, but is not a document of title due to the absence of words such as 'to order'. Such a document is very similar to a waybill, save that delivery still has to be made against production of an original bill of lading.
- *Through bill of lading*. A bill of lading that is issued when the carriage will involve trans-shipment. Depending on the terms of the bill, the initial carrier may continue to be liable after trans-shipment.

Breach of warranty of authority. An agent's liability to a third party in respect of losses suffered by that party as a result of the agent's not having the authority that it claimed to bind its principal.

Brussels Convention 1968. An international convention regulating jurisdiction and enforcement of judgments in the courts of EC Member States, which has been incorporated into the law of the UK.

Bunkers. Fuel oil and diesel oil used in the running of a vessel.

Carrier. The party contractually liable under a bill of lading for the carriage of the goods referred to therein.

Carrying voyage. The voyage, under a voyage charterparty, that starts with the completion of loading and ends when the vessel becomes an 'arrived ship' at the port or berth of discharge.

Cesser clause. A clause in a voyage charterparty under which the charterer's liability ceases at some stage before completion of discharge, for example, on completion of loading.

Charterparty. A contract for the carriage of goods for a particular voyage (voyage charter), or a contract for the use of the vessel for a set period of time (time charter), or a contract that is a hybrid of these two forms (trip charter). If the charterer provides its own crew, the charter is a bareboat or demise charter.

CIF (cost, insurance, freight) contract. A sale contract under which the seller arranges and pays for the carriage of the goods and their insurance whilst in transit. The seller will assign its insurance policy to the buyer and this will form one of the documents, along with the bill of lading, against which it will receive payment of the purchase price.

CLC Convention. An international convention regarding civil liability for maritime oil pollution. There are two versions: the 1969 and the 1992 Conventions. The UK applies the latter.

CMI. The Comité Maritime International is a private organisation of national maritime law associations, which was established in 1897 in Antwerp as a committee of the International Law Association. It has been responsible for the adoption of a great number of international maritime conventions, such as the Hague Rules and the 1952 Collision and Arrest Conventions. It has also drafted various sets of rules for voluntary adoption, such as the York Antwerp Rules on General Average and the 1990 Uniform Rules for Waybills and for Electronic Documentation.

CMR. An international convention regulating international contracts for the carriage of goods by road.

Common carrier. The status of a shipowner who carries goods in the absence of any express contract. A shipowner who deviates will be demoted to this status.

Consignee. The person named in the bill of lading, or waybill, as the person to whom delivery of the goods loaded thereunder is to be made.

Consignor. The person entitled to possession of goods at the time that they are loaded onto a ship. The bill of lading should be issued to this party even if another party has made the contract of carriage with the shipowner, for example, an FOB buyer.

Constructive possession. The right to take delivery of goods at the discharge port from a carrier who is currently in actual possession of them.

Conversion. The tort of wrongful interference with possessory rights in chattels. A carrier will be liable in conversion if it delivers goods to a party who does not have possessory title to them.

Deadfreight. Compensation due from a charterer for failing to load the minimum quantity of cargo specified in the charter. The shortfall in cargo loaded will give rise to a liability assessed at the freight rate.

Delivery order. An instruction by the bill of lading holder to the shipowner as to

delivery of bulk cargo to a third party who has bought part of the cargo referred to in the bill of lading. Where the shipowner or its agent 'attorns', by agreeing to follow the instructions, the delivery order is a 'ship's delivery order'. Otherwise, it is a 'merchant's delivery order'.

Demise charterparty. A charterparty under which the charterer appoints its own crew. Where there is a demise charter, cargo claims must generally be made against the demise charterer, rather than the shipowner. There are specific statutory provisions to permit the arrest of vessels on demise charter in respect of maritime claims against the demise charterer.

Demise clause. A clause that identifies the contractual carrier under a bill of lading.

Demurrage. A liquidated damages clause in a voyage charterparty for all time used in loading or discharging cargo from the vessel after the expiry of laytime.

Despatch. Compensation payable to a charterer under a voyage charterparty in the event that loading or discharge finishes before the expiry of laytime, usually assessed at half the demurrage rate.

Detention. Liability of a charterer in respect of delays occurring prior to the commencement of laytime, for example, for failure to nominate a load port within a reasonable time.

Deviation. Failure of a carrying vessel to keep to the usual, direct geographical route between the ports of loading and discharge.

Disponent owner. A charterer who subcharterers the vessel. Under the subcharterparty, the charterer will assume the rights and obligations of a shipowner, as regards the subcharterer.

Documentary credit. *See* Letter of credit.

Document of title. A document by which the holder acquires constructive possession in the goods to which it refers.

Endorsement. *See* Indorsement.

Fob (free on board) contract. A sale contract under which the buyer is responsible for paying for and arranging the carriage of the goods and the seller is obliged to get the goods to the quayside so as to enable them to be loaded onto the vessel nominated by the buyer.

Forum non conveniens. A ground for staying proceedings on the basis that another forum is the appropriate forum in which to bring those proceedings.

Free in/free out. A clause that allocates responsibility for loading and discharge to the charterer or bill of lading holder.

Freezing order. An order of the court preventing the defendant from removing some or all of its assets from the jurisdiction (formerly known as a 'Mareva injunction').

Freight. Payment made under a voyage charter for use of the vessel, either by way of a lump sum or calculated by reference to the quantity of cargo loaded. Depending on the terms of the charter, it may either be paid in advance, on completion of loading, or on 'right and true delivery' at the port of discharge.

Freight forwarder. A party acting as agent for shippers for the purpose of arranging

carriage of goods for them. Sometimes, this party will contract with a shipper to carry the goods, as principal, and not merely to arrange carriage.

General average. A mode of apportioning extraordinary sacrifices and expenditure that are incurred on a voyage for the benefit of all concerned, among the shipowner, the cargo owners and the charterers according to the value of their interests in the voyage.

Hague, Hague-Visby Rules, Hamburg Rules. Mandatory codes governing the contractual terms applicable to bill of lading contracts. The UK currently applies the Hague-Visby Rules, which have the 'force of law' under the Carriage of Goods by Sea Act 1971.

Himalaya clause. A clause that extends to independent contractors, servants and agents of the carrier the benefits of exceptions and limitations available to a carrier under a bill of lading.

Hire. Daily rate of payment under a time charter by the charterer for the use of the vessel. Usually paid in advance in monthly or semi-monthly instalments.

HNS Convention 1996. An international convention, which is not yet in force, regulating civil liability for pollution arising out of the sea carriage of hazardous and noxious substances.

Hull and machinery cover. Insurance cover taken out by shipowners to cover loss or damage sustained by their vessels.

Identity of carrier clause. *See* Demise clause.

IMO. The International Maritime Organization (until 1982, the Inter-governmental Maritime Consultative Organization) is a specialised agency of the United Nations that has been responsible for the preparation and implementation of many important international conventions on maritime conventions, such as the 1974 Safety of Life at Sea Convention (SOLAS), and the CLC and Fund Conventions, and subsequent Protocols that deal with compensation for loss or damage due to oil pollution at sea.

Implied contract. A contract that is inferred from the conduct of the carrier and the consignor on loading or the carrier and the receiver on discharge.

Indemnity. A promise, express or implied, by one party to pay costs incurred by another party as a consequence of acting on its instructions. Examples include: the time charterer's obligation to indemnify the shipowner in respect of losses sustained as a consequence of following its orders as to the employment of the vessel; the receiver's indemnity to the shipowner as to the losses that it may incur in agreeing to deliver without presentation of an original bill of lading; and the shipper's indemnity to the shipowner in respect of losses that it may sustain by reason of issuing a 'clean' bill of lading for damaged cargo. The latter indemnity is generally unenforceable.

Indorsement. The transfer of an 'order' bill by the consignee to a third party. Physical delivery is insufficient to effect a transfer of constructive possession. The consignee must also 'indorse' the bill of lading by signing it, usually on the reverse. The third party is known as the 'indorsee' (or endorsee).

In personam. Legal proceedings that are brought against an individual, for example, the registered owner of a ship. Where the defendant is based outside the jurisdiction

of the English High Court, leave of the court must generally be obtained to serve proceedings.

In rem. Legal proceedings that are brought against the ship itself, with service generally being effected by the arrest procedure. After proceedings are served, the action taken on many of the characteristics of an *in personam* action against the registered owner, or demise charterer, of the vessel.

Laytime. The contractual time allowed to a voyage charterer within which the vessel is to be loaded and discharged.

Letter of credit. The financing of an international sale contract whereby payment is made to the seller by a bank on presentation of various documents, the most important of which will be the bill of lading. The seller will be paid either by its own bank (the correspondent bank) or by the buyer's bank (the issuing bank).

Liberty clause. A clause authorising the carrier to deviate in specified circumstances.

Lien. Either a right to retain possession of cargo to secure outstanding claims due to the carrier (a lien on cargo) or the right of the carrier to intercept subfreights due to the charterer from its subcharterer (a lien on subfreights). *See, also*, Maritime lien and Statutory lien.

Limitation. A mechanism for capping the carrier's overall responsibility for certain maritime claims. 'Package limitation' does this by fixing a maximum amount per package for which the carrier can be liable. The Hague, Hague-Visby and Hamburg Rules all contain different package limitation provisions. 'Tonnage limitation' fixes the overall maximum liability of the carrier for all maritime claims arising out of a single incident, by reference to a sum related to the tonnage of the vessel. There are two international tonnage limitation conventions, the 1957 and the 1976 Conventions, the provisions of which vary substantially. The UK is a signatory to the 1976 Convention.

Lis alibi pendens. A ground for staying proceedings on the basis that the same or related proceedings have already been commenced in a court in another jurisdiction.

LOF (Lloyd's Open Form). A standard form of salvage contract that is in widespread use. Key features are the agreement that disputes be arbitrated and the admission that the salvaged vessel/cargo was in a position of danger. The most recent version is LOF 2000.

Mareva injunction. *See* Freezing order.

Maritime lien. A maritime claim, recognised at common law as justifying arrest of a vessel and one that remains valid despite changes in ownership of the vessel that gave rise to the claim.

Master. The captain of a vessel.

Multimodal transport. Carriage that involves more than one mode of transport, for example, road and air.

Notice of readiness (NOR). The notice that the master must give to the charterer's agents when the vessel becomes an 'arrived ship' under a voyage charterparty.

Off-hire. A provision in a time charter for the suspension of hire.

OLSA. *See* Volume Contract.

Ostensible authority. *See* Apparent authority.

P&I Clubs. Shipowners' mutual insurance associations to cover shipowners' liabilities for breaches of contracts of carriage, for torts committed by shipowners (for example, collisions) and for pollution liability. They are of great practical importance in shipping law. They also offer F, D & D (freight, defence and demurrage) cover, to indemnify members in respect of legal costs involved in connection with disputes under charterparties.

Port charterparty. A voyage charterparty where the vessel becomes an 'arrived ship' on reaching the usual waiting anchorage within the legal and commercial limits of the port of loading or discharge.

Quantum meruit. A reasonable sum awarded for services generating an implied right to remuneration.

Quasi-deviation. Unauthorised stowage of cargo on deck.

Receiver. The party taking delivery of goods on discharge, usually on presenting the bill of lading to the vessel's captain (or master).

Res judicata. A ground for dismissing proceedings on the basis that a foreign judgment has been given in respect of the same proceedings.

Risk. The time at which the seller's responsibility for delivery of the goods crystallises. Under cif and fob contracts, risk will pass on the loading of the goods on to the vessel. However, property in those goods will usually pass later when payment is made against production of the shipping documents.

Salvage. Compensation awarded for the successful rescue of ships or cargo in danger at sea. The law of salvage is now governed by the Salvage Convention 1989, which has been incorporated into the law of the UK.

Shipper. Generally, the person who makes the initial contract of carriage with the carrier. However, it may also be used to refer to the consignor. This person may not always have made the initial contract of carriage, as is the case with most fob contracts.

Sister ship arrest. Arrest procedure available against a ship the registered owner of which would also be the person liable *in personam* in respect of a statutory lien in respect of another ship.

Statutory lien. A maritime claim justifying arrest of a vessel and which ceases to be valid if ownership of the vessel that gave rise to the claim is transferred to a third party before a writ is issued. These claims are derived from the 1952 Arrest Convention and are listed in s 20(2) of the Supreme Court Act 1981.

Stevedore. A docker.

Sub-bailment on terms. The doctrine that entitles a sub-bailee to rely on the terms of its sub-bailment when sued in bailment.

Supercession. The termination of the shipper's original contract of carriage and its replacement with another contract of carriage with another party, for example, where the shipper's initial contract with a time charterer is replaced by a contract with the shipowner on the issue of a shipowner's bill of lading.

Tackle to tackle. The period between the start of loading and the completion of

discharge for which a carrier is responsible for the cargo under an ocean bill of lading; also known as the 'alongside' rule.

Time bar. The time set by statute or by contract for commencement of suit, failing which the claim will be barred. The most important statutory timebar is the 12-month time bar contained in the Hague-Visby Rules in relation to claims against carriers under bills of lading. A two-year time bar applies to salvage and collision claims.

Trip charter. A voyage charter that uses the format of a time charter.

UCP 500. A set of standard contractual terms regulating letters of credit. It has no statutory effect, but is in widespread use.

UNCITRAL. The United Nations Commission on International Trade Law was established in 1966, with the aim of harmonising and unifying international trade law. It was responsible for the 1978 Hamburg Rules and the 1991 Convention of the Liability of Operators of Transport Terminals in International Trade. It is currently drafting an instrument on carriage of goods.

Volume contract. A contract of carriage that provides for the carriage of a specified quantity of goods in a series of shipments during an agreed period of time. Also known as an Ocean Liner Service Agreement (OLSA).

War risks cover. Additional hull and machinery cover that is taken out to maintain this cover when the vessel enters areas that are excluded from cover by virtue of war risks associated with trading in those areas.

Waybill. A non-negotiable receipt under which delivery is made to the named consignee upon proof being provided of their identity. Unlike a 'straight' bill of lading, the consignee named in a waybill need not present any document to obtain delivery.

Withdrawal. The option given to a shipowner to terminate a time charter in the event that an instalment of hire is not paid in full or is not paid promptly.

York Antwerp Rules. A set of rules regulating general average. They have no statutory force, but are widely used. The most recent version was published in 2004, although earlier versions, such as the 1974 and 1994 versions, may still be used.

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