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Freedom of Contract and the UNCITRAL Convention

The UNCITRAL Convention will probably not “run” as long as the Agatha Christie play “The Mousetrap”, which was still bringing in audiences in its third decade. One issue that will take much reflection and analysis is the introduction of Freedom of Contract into a mandatory Convention. Read [an edited version](#) of a valuable contribution that appeared in the form of a submission by the Canadian International Freight Forwarders Association to Transport Canada, and a provocative analysis of potential practices in the CIFFA E-Bulletin.

And be sure to read the commentary by Steve Block that follows.

Warehouseer’s Liability

The Forwarderlaw Editor for the West Coast of the United States has hit the nail on the head with his summary of the trade-off between a service provider’s liability for loss or damage and lower charges for the service. In his recent commentary entitled “Warehouseman Liability: It May Be Limited, but the Details Must Be Clear” he states:

“Put simply, shouldering risk costs money (whether or not loss actually comes into play), and those costs - in one form or another - have to be passed along to consumers.”

The challenge to the warehouseman (or warehouseer to use politically correct language) is to see that the integrity of the warehouse receipt (the industry’s equivalent of the bill of lading) or standard trading conditions is maintained, and does not lose to sloppy procedures or drafting.

In this case, the warehouseman used the term “standard warehousing procedures” in a letter, probably to dodge detailed contract drafting, and found out that the court considered the term ambiguous and unenforceable in a motion to dismiss the claim without a trial. The warehouseman may ultimately succeed after a trial. Still, considering the amount at stake, its lack of success in getting the case thrown out of court at an early stage and the costs of litigation, the warehouseman regrets not having more rigorous contractual procedures.

[Follow this link.](#)

UNCITRAL Convention and Sealed Containers

Forwarderlaw has commented on many cases where cargo interests have attempted to hold carriers for cargo missing from a sealed container tendered to the carrier by a shipper. On many occasions, the cargo interests succeeded, but on other occasions did not!

[Read further commentary](#) on the Daewoo Case, and how the UNCITRAL Convention, if ratified, will impose new obligations on ocean carriers! Read the third commentary on this case. Changes to commercial practices may be necessary.

To review previous commentaries use the search terms "Sealed Container" and follow the links for the first six results.

Use of the FCR in the Coffee and Cocoa Trades

Vlad Cioarec, a trade consultant who is a regular contributor to Forwarderlaw, has looked at the practices of vendors/purchasers in these trades. His commentary on the preferred contracting terms, and how these can be married with transport documents will be very useful to international traders. [Read on!](#)

New Regime for Air Carriers under Chinese Law

The Forwarderlaw Member for China, George Wang, and his colleague Perry Cai comment on the new regime for air transport of domestic passengers and cargo. This regime substantially increases the liability limits in the case of loss or damage or personal injury. Still there is a large gap between liability standards in domestic as against international air transport. Follow [this link](#) for this useful summary.

General

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