



LA Marine logistics bulletin

June 2009

News



LA Marine have been joined by Siobhan Creely. Siobhan joined Lester Aldridge in 2004 and qualified as a Solicitor after completing her training contract with the firm.

Her focus is the commercial shipping market, advising on areas such as Defendant personal injury claims and charterparty and bill of lading issues for a wide range of local and international clients. Siobhan has a background in general commercial litigation and property law.

LA Marine will be joining the Marine Industry Regatta in July.

Contact

Kildare House
3 Dorset Rise
London
EC4Y 8EN

Alley House
Carlton Crescent
Southampton
SO15 2EU

023 8082 7416
www.LA-marine.co.uk
www.lesteraldridge.com

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The Rotterdam Rules - How much difference will they make?

The United Nations adopted the convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea in December 2008. The Convention is due to be signed in Rotterdam in September of this year and has become known as the Rotterdam Rules. A quick glance at the shipping trade press will indicate that there is a heated battle going on between various factions over the ratification issue. The Rules are intended to replace the Hague/Hague Visby and Hamburg Regimes. The major differences between the Rotterdam and Hague Visby Rules are as follows:

1. The Hague Visby Rules are principally intended to govern port to port shipments. The new Rules go wider than that and appear to cover the period of carriage from door to door. The carrier shall be responsible for the goods from "receipt" until "delivery" not from "loading" to "discharge".
2. The liability compensation levels have been raised. At the moment the Hague Visby Rules limits carriers liability to 2 special drawing rights (SDR's) per kilo or 666 SDR's per package whichever is the higher. Under the convention, the carrier's liability is limited to 3 SDR's per kilo or 875 SDR's per package.
3. The list of defences currently set out in Article IV of the Hague Visby Rules has been reduced. The defence which relieves the carrier from "liability for any act, neglect or default of the

master, mariner, pilot or the servants of the carrier in the navigation or in the management of the ship" has been removed. Under the Rotterdam Rules the defence states that "when a "casualty" is due to a navigation error, the nautical fault defence will no longer be available to the carrier".

4. The time limit for commencing legal proceedings in relation to claims has been increased from 1 to 2 years.
5. Under the Hague Visby Rules the carrier has an obligation to exercise due diligence to make the ship seaworthy before and at the beginning of the voyage. Under the Rotterdam Rules this is extended to make and keep the ship seaworthy before and at the beginning as well as during the voyage.

However the "furore" between the different shipping interests/organisations has been caused by the ability of a carrier to contract out of most of the essential liability regime contained in the new Rules in the case of "volume contracts". It is not entirely clear what a volume contract is. However some commentators have suggested it might apply to as little as 3 shipments a year.

Carriers will not be allowed to contract out of certain obligations such as the ability to keep the ship seaworthy. We have to wait to see whether the convention is ratified or indeed whether thereafter it enters English law.