

Learning objectives

Goods have been carried by sea and are sold and bought by various parties in international trade. Unless the seller or the buyer owns and controls the ship that carries the goods, these goods must be entrusted to a carrier who may be a stranger to the contract of sale. Problems have arisen in the past, for example, what is the evidence that the carrier has received the goods? If the goods are damaged or lost during the carriage, who can make a claim against the carrier? When the goods arrive at the agreed destination, how does the carrier know who is the proper person to whom the goods must be delivered?

International rules have been introduced from 1924 which attempt to bring balance into the contractual provisions. These rules have been modified to keep pace with the changes in international trade. They have found their way into legislation passed by many countries or incorporated into contracts.

These and many other problems are dealt with in this course from both legal and commercial perspectives which can help you to avoid potential pitfalls or similar problems in your daily business.

Content & learning

The interactive digital textbook will cover the following topics:

Section 1: Overview of Bills of Lading

A bill of lading is essentially a document, whether written or electronic. As commerce and international trade have changed, bills of lading have evolved from the simple origin as a receipt into a document containing either the contract of carriage or evidence of such a contract and also as a document that gives the holder the right to demand the goods from the carrier. You will be introduced to the common functions and the various types of bills of lading, including electronic bill of lading, in this section.

Section 2: Bills of Lading and Charter Parties

Every contract has a number of parties to it – all those who have come to an agreement. As a result, there are rights which the parties enjoy as well as liabilities which they must meet. By the end of this section, you will understand the nature of these contractual relationships, especially when a bill of lading is transferred to another party. You will also become familiar with some exceptions and be able to understand how third parties are protected or are liable.

Section 3: Switch Bills of Lading

Bill of lading has three traditionally accepted functions – receipt, contract or evidence of contract and document of title. There is also a fourth function – the evidence of facts relating to the contract of sales and the transport of goods under that contract. Some of those facts are obvious however changing those facts can have significant repercussions. This section will provide you with a better understanding of how the shipper's options can influence bill of lading and the practice of switching bills of lading.

Section 4: Bulk Cargo and Bills of Lading

Bulk cargo can be distinguished from break bulk or unit cargo. Bulk cargoes are carried on ships in international trade in dry and liquid form. In this section, we are going to examine dry bulk cargoes and how they relate to bills of lading. By the end of this section, you will be able to differentiate the different nature of the cargoes and be aware of some of the particular challenges presented by the issues related to ascertained or split bills of lading.

Section 5: Letters of Indemnity

Letters of indemnity have been used in international trade and carriage of goods by sea for a long time. They have often helped to ensure the smooth running of business and avoid disputes. However, it is also true that courts are very reluctant to enforce letters of indemnity, especially if there is a hint of fraud. So in reality how much of a legally enforceable guarantee is it? And what does it mean when a letter of indemnity is accepted by a carrier at a load or discharge port? You will understand what the term indemnity means and its status in different contexts by the end of this section.

Section 6: International Rules affecting Rights and Responsibilities under Bills of Lading

In this section, we will look at why International Rules became necessary from 1924 to regulate relationships between carriers and cargo interests. We shall discuss the development of these rules and look at the main elements with some discussion of how they act on international trade and carriage of goods by sea under bills of lading. This will help you to understand the allocation of risks between parties. You will be introduced to the major international rules, which include Hague Rules, Hague-Visby Rules, Hamburg Rules and Rotterdam Rules.

Section 7: Resolving Disputes between the Parties

Transport would be perfect if all the parties to the contracts performed exactly as expected. But realistically, this is not always possible and disputes will arise in different ways. We will explore how these disputes can be dealt with in this section. We will look at how disputes and claims are settled, we will also deal with some legal issues such as maritime liens, arrest of ships and international conventions.

Section 8: International Sales of Goods and Bills of Lading

In this section, we shall discuss another crucial document that is used extensively throughout the maritime industry – letter of credit or bunkers documentary credit. This section outlines various aspects involved with the settlement of payment for the export and imports of goods in international trade.

Assessment and certificates

At the end of the course, there is an online final assessment which will be graded by the system. It allows multiple attempts and pass grade is 50% or higher. Once you passed the assessment, a BIMCO Certificate of Completion will be issued and e-mailed to you.

learning plan

Activity	
Section 1: Overview of bills of lading <ul style="list-style-type: none"> • <i>Reading/Listening: 22 slides</i> • <i>Section test: 12 questions</i> 	
Section 2: Bills of lading and charter parties <ul style="list-style-type: none"> • <i>Reading/Listening: 19 slides</i> Section test: 12 questions	
Section 3: Switch bills of lading <ul style="list-style-type: none"> • <i>Reading/Listening: 11 slides</i> • <i>Section test: 10 questions</i> 	
Section 4: Bulk cargo and bills of lading <ul style="list-style-type: none"> • <i>Reading/Listening: 9 slides</i> • <i>Section test: 10 questions</i> 	
Section 5: Letters of indemnity <ul style="list-style-type: none"> • <i>Reading/Listening: 13 slides</i> • <i>Section test: 10 questions</i> 	
Section 6: International rules affecting rights and responsibilities under bills of lading <ul style="list-style-type: none"> • <i>Reading/Listening: 8 slides</i> • <i>Section test: 12 questions</i> 	
Section 7: Resolving disputes between the parties <ul style="list-style-type: none"> • <i>Reading/Listening: 11 slides</i> • <i>Section test: 6 questions</i> 	
Section 8: International sales of goods and bills of lading <ul style="list-style-type: none"> • <i>Reading/Listening: 11 slides</i> • <i>Section test: 8 questions</i> 	
Final test <ul style="list-style-type: none"> • <i>80 questions</i> 	