

# A Japanese Perspective on the Rotterdam Rules

Visiting Professor of Chuo University School of Law OKABE & YAMAGUCHI Senior Partner SHUJI YAMAGUCHI

**OKABE & YAMAGUCHI** 

### Hague, Hague Visby Rules Problems

- Application of the Rules
  Sea Waybill and Surrendered bill of lading
- Dangerous Cargo
  Ship Fires and Explosions, SOLAS
- Electronic Bill of Lading
  New Technology

#### Japanese Law and Rotterdam Rules Solution



### **Application of Rules**

• Hague Rules Art.1 (b)

Hague Rules shall apply to contact of carriage covered by a Bill of Lading

- Not apply to Sea Waybill, Surrendered B/L, other contracts of carriage
- Sea Waybill is now widely used in sea carriage
- Hague, Hague Visby Rules is not sufficient



### **Bill of Lading and Sea Waybill**

- Freight forwarders (Average)
- Bill of Lading 10% Surrendered B/L 25%
- Paper Sea Waybill 15% E-Sea Waybill 50%
- Ocean Carriers
  - Paper Sea Waybill 45% E-Sea Waybill 35% (Max)
- Shorter Time Limit, Lower Limitation of Liability, Wider Exemption





### **Rotterdam Rules and Japanese Law**

- Rotterdam Rules Contract of international Carriage of Goods Wholly or Partly by Sea
- Japanese Carriage of Goods by Sea Act Art.1
  The carriage of goods by ship with a port of loading or port of discharge that is outside Japan

# RRs and JCOGSA shall apply to sea carriage contract including Sea Waybill



### **Dangerous Goods**

• Hague Rules Art.4.6

Goods of an inflammable, explosive or dangerous nature to the shipment whereof the carrier, master or agent of the carrier has not consented with knowledge of their nature and character, may at nay time before discharge be landed at any place or destroyed or rendered innocuous by the carrier without compensation and the shipper of such goods shall be liable for all damage and expense directly or indirectly arising out of or resulting from such shipment.

No article about shipper's duty to inform carrier of the dangerous nature of the goods  $\rightarrow$ SOLAS Chapter7



### **Fire Accidents**





### **Rotterdam Rules Solution**

• Article 32

a) The shipper shall inform the carrier of the dangerous nature or character of the goods in a timely manner before delivery. If the shipper fails to do so,  $\cdot \cdot \cdot$  the shipper is liable to the carrier for loss or damage resulting from such failure to inform.

#### The shipper's duty to inform the dangerous cargo.



### **Japanese Law Solution**

 Commercial Code Art 572, COGSA Art.15 amended in 2019 If the goods to be transported are goods of an inflammable, explosive or otherwise dangerous nature, a shipper delivering them, must notify a carrier of this fact and of the information necessary for their safe transportation, including the product name and nature of the goods.

#### The shipper's duty to inform the dangerous cargo.

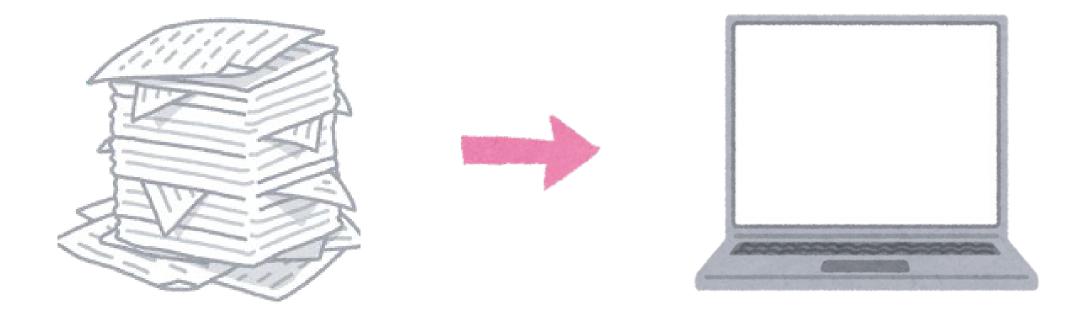


### **Electronic Bill of Lading**

- No provision in Hague, Hague Visby Rules
- Hague, Hague Visby Rules may apply to the contract of carriage of goods by e-B/L?
- The countries where the e-B/L is not recognized



### **Paper to Electronic Records**





### **Rotterdam Rules Solution**

- Article 8 Use and effect of electronic transport records
- Article 9 Procedure for use of negotiable electronic transferrable records
- Article 10 Replacement of negotiable transport document or negotiable electronic transport record

#### **RRs recognize electronic transferrable records(e-B/L)**



### **Japanese Commercial Code**

- Legislative Council of the Ministry of justice drafted the
  - new Commercial Code recognizing "electronic bill of
  - lading records" correspondent to "Model Law of
  - Electronic Transferrable Records"
- The Commercial Code will be amended and e-B/L will be recognized soon



### **Remaining Problems**

- Carrier's Limitation of liability
- Nautical Error Exemption
- Seaworthiness through the whole voyage
- Maritime Performing Party
- Multimodal Transport

#### Necessity of Uniformity Waiting for US, China and EU



## Thank you for your attention

## SHUJI YAMAGUCHI

#### Visiting Professor Chuo University School of Law OKABE & YAMAGUCHI senior partner

