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THE HAGUE-VISBY RULES: INTERNATIONAL MARITIME LAW FOR CARRIAGE OF GOODS BY SEA

The international carriage of goods by sea involves complex legal frameworks to govern the rights and obligations of parties involved. One such framework is the Hague-Visby Rules, a widely recognized international convention that provides a standard set of rules for the carriage of goods by sea. This article aims to provide an overview of the Hague-Visby Rules, their significance, key provisions, and their impact on the shipping industry.

The Hague-Visby Rules were established as an international convention in 1968, amending the original

Hague Rules of 1924. These rules were developed to bring uniformity and clarity to the rights and liabilities of carriers and shippers in international maritime trade. They are applicable to contracts for the carriage of goods by sea when the port of loading and the port of discharge are located in different countries that have ratified the convention.

Key Provisions are as follows:

➤ **Responsibilities and Obligations:** The Hague-Visby Rules outline the responsibilities and obligations of carriers,

shippers, and other parties involved in the contract of carriage. Carriers are required to exercise due diligence in ensuring the seaworthiness of the vessel and providing a proper and safe means of transportation for the goods.

➤ **Obligation to Issue a Bill of Lading:** The rules establish the requirement for carriers to issue a bill of lading, which serves as evidence of the contract of carriage. The bill of lading includes important details such as the description of the



THOUGHT
for the MONTH

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don't have to remember
anything

MARK TWAIN



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goods, their quantity, and the terms and conditions of carriage.

- **Care of Goods and Packaging:** Carriers are obliged to handle the goods with due care and ensure their proper preservation and packaging throughout the journey. They must take necessary precautions to prevent loss or damage to the goods.
- **Limitation of Liability:** The Hague-Visby Rules establish a regime for the limitation of carriers' liability for loss or damage to the goods. The limitation amount varies depending on the weight or volume of the goods, as specified in the rules. However, carriers can lose the right to limit liability if the loss or damage is caused by their willful misconduct.
- **Exceptions from Liability:** The rules provide a list of specific events

that exempt carriers from liability for loss or damage to the goods. These include inherent defects of the goods, acts of war, acts of public authorities, and certain natural disasters, among others.

The Hague-Visby Rules have had a significant impact on the shipping industry by establishing a balanced legal framework for the carriage of goods by sea. These rules provide clarity and predictability to carriers and shippers, helping to mitigate risks and potential disputes. They also contribute to the harmonization of international trade practices, facilitating the smooth flow of goods across borders.

Nevertheless, the Hague-Visby Rules have faced criticism for their limitations on carriers' liability and the complexity of their provisions. Some argue that the limitation amounts are outdated and

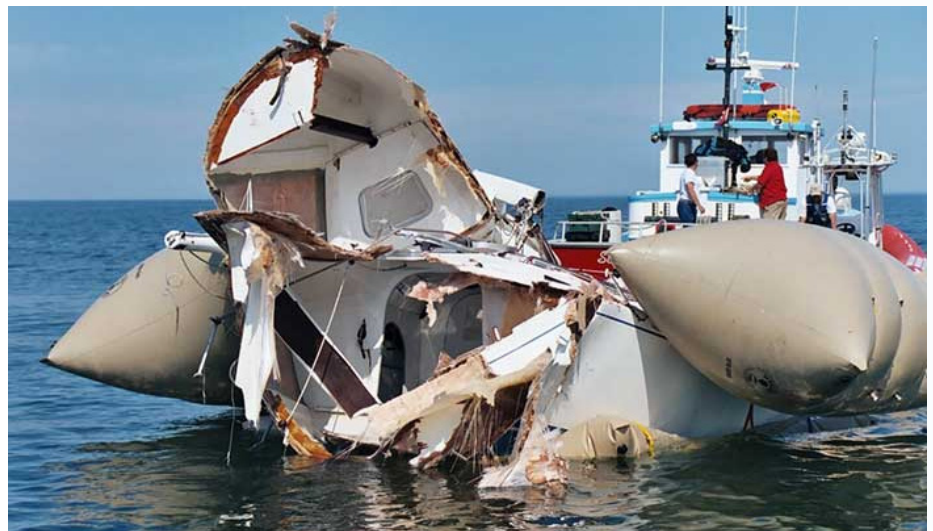
may not adequately cover the value of modern cargo. Additionally, the rules may not fully address the challenges posed by emerging issues in the shipping industry, such as containerized cargo and multimodal transportation.

In conclusion, the Hague-Visby Rules continue to play a crucial role in regulating the carriage of goods by sea. They provide a standardized framework for carriers and shippers, balancing the rights and obligations of both parties. While they have been successful in harmonizing international trade practices, ongoing discussions and potential amendments are necessary to address emerging challenges in the shipping industry. The Hague-Visby Rules serve as an important foundation for maritime commerce and contribute to the facilitation of global trade through clear and established legal principles ■

FAILURE TO ABIDE BY THE 1972 COLREG RULES – 100% COLLISION LIABILITY

In the case, *FMG Hong Kong Shipping Limited v. the Owners of the MSC Apollo* (**FMG Sydney v. MSC Apollo**) [2023] EWHC 328 (**Admlty**), the Admiralty Court handed down the judgment stating that the containership, “**MSC APOLLO**” was responsible for its collision with “**FMG SYDNEY**”, a very large ore carrier, which occurred outside Tianjin, China in 2020. “**FMG SYDNEY**” was leaving the port and “**MSC APOLLO**” was approaching the port when the collision occurred.

In this case, the vessels were at risk of collision 12 minutes before the collision occurred, and FMG SYDNEY was on the starboard side of MSC APOLLO. As a result, the collision regulations required that MSC APOLLO took early and substantial action to keep well clear of FMG SYDNEY. However, MSC APOLLO failed to do this and instead made a number of turns to port and attempted to cross FMG SYDNEY's bow. In doing so, it was in breach of the Collision Regulations. The Court examined the



navigation details of both the vessel and applied the COLREG's Crossing Rule to assess the situation. These Rules apply when the vessels are in the sight of one another and in this case the vessels were in sight of one another.

The Master of MSC APOLLO had ignored what the radar said and his obligations under the Collision Regulations, as well as inappropriately

used the VHF to try and agree on a starboard-to-starboard crossing in conflict with the crossing rules. The Court concluded that MSC APOLLO was solely responsible for the damage caused by the collision.

The Master of MSC APOLLO failed to appreciate or understand how the vessels were approaching each other. He wrongly thought that the vessels were

set to pass the starboard, when they were in fact, set to pass port to port.

The 1972 Convention was designed to update and replace the Collision Regulation of 1960 which was adopted at the same time as the 1960 SOLAS Convention. One of the most important innovations in the 1972 COLREG was the recognition given to the traffic separation scheme. Rule 15 of the 1972 Convention, titled “*Crossing Situation*” reads as “*When two power-driven vessels are crossing so as to involve risk of collision, the vessel which has the other on her starboard side shall keep out of the way and shall, if the circumstances of the case admit, avoid the crossing head of the other vessel*”. Rule 16 of 1972 Convention, titled “*Action by give-way vessel*” reads as “*Every vessel which is directed to keep out of the way of another vessel shall, so far as possible take early and substantial action to keep well clear*”.

MSC APOLLO continued to breach

its obligations under Rule 15 (Crossing situation) and Rule 16 (Action by give-way vessel) while engaging with almost three out of four vessels that were on its starboard bow, which could have resulted in a close-quarter’s situation with these vessels. It failed to take early and substantial action (as required by Rule 8) to avoid a risk of collision with FMG SYDNEY.

While there were only three people on the bridge of FMG SYDNEY (master, third officer and helmsman), they were vigilant enough to identify a developing situation with MSC APOLLO, communicated with each other effectively, and took actions under the prevailing circumstances and conditions, which were in line with COLREGS. On the other hand, although the MSC APOLLO’s bridge was manned by four people (master, chief officer, third officer and helmsman), there was seemingly no effective communication, no challenging of authority or

assessment of the situation, and they continued to navigate without following the provisions of COLREG, which have been formulated and adopted globally to avoid a situation precisely as this one.

The incident highlights the importance of developing key soft skills in the bridge teams, besides the importance of strict adherence to COLREGS at all times. It remains to be seen whether the judgment will be appealed and the grounds on which such an appeal may be granted.

As commented by the experts, while the industry has long supported and stood by the argument that there must be something that each of the two vessels involved in a collision (while both ships are underway) could have done to avoid an incident, and thus share some proportion of blame, this judgment is a prime example of what can be seen as two completely different bridge team practices ■



HOT NEWS

FINCANTIERI AND COMAU UNVEIL FIRST MOBILE ROBOT FOR SHIPYARD WELDING



Fincantieri working in collaboration with Comau, a leader in automation solutions, unveiled the first mobile robotic solution to be used for outdoor welding in the company’s shipyards. Known as MR4Weld (Mobile Robot for Welding), the companies report the mobile robot is designed to improve quality, performance, and employee well-being during labor-intensive welding activities. The companies also renewed their collaboration begun in 2021 intending to expand their efforts toward other innovative applications and skills improvement for the shipbuilding operations.

The collaboration was launched seeking to apply technology,

digitalization, and innovation within cutting-edge, mobile robotic solutions that will increase production speed and worker well-being, by automating traditionally manual processes. According to the companies, the MR4Weld mobile robot is part of a new paradigm in bringing automation beyond the factory floor. The companies have completed the production of prototypes of the system and report it is currently undergoing testing. They intend to use the robot within Fincantieri shipyards to autonomously weld steel structures, reporting it could produce a possible three-fold increase in productivity compared to a manual process

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