

Assignment: A – International Trade Law

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Part A

ANSWER 1:

CIF agreements are critical in international transactions, establishing obligations between buyers and sellers for international or waterway shipments¹. Administered by the Carriage of Goods by Sea Act 1992 (COGSA 1992)². These agreements come with specific rights and liabilities outlined in sections 13, 14, and 15A.³⁴

Section 2(1) of COGSA 1992 clarifies that possessing rights under the regulation has specific liabilities⁵. Buyers need to secure Section 2(1) for entitlement to contract liabilities.⁶ Section 3(1) of the above act COGSA 1992 mandates buyers and their lawyers to be liable for the agreement, linking liability to the carriers request for commodities.⁷

In the case at hand, Sophie and Samantha's CIF agreement creates binding obligations. COGSA 1992 specifically outlined the responsibilities between the carrier and the shipper in a CIF agreement⁸. The creation of BOL under Samantha's company's name carries substantial legal weight, serving as convincing indication of the contract of sale among the carrier and the buyer, as per section 14 of COGSA 1992.⁹ Section 15A further supports Samantha's position, enabling her to take legal action against Sophie for breaching the contract¹⁰¹¹, supported by observed discrepancy in delivered commodities.

¹ Bridge, M. G. "Documents and cif contracts." *Amicus Curiae* 3 (1998): 4.

² A. D. Tettenborn, *Bills of Lading: Law and Contracts*, 2nd ed. London: Informa Law, (2016)

³ Woodward, Katherine A. "The Liberty to Deviate: Yang Machine Tool Co. v. Sealand Service, Inc." *Tul. Mar. LJ* 20 (1995): 201.

⁴ Craighill Jr, Edward A. "Sales of Goods on CIF Terms." *Va. L. Rev.* 6 (1919): 229.

⁵ Chianale, Angelo. "The CISG as a Model Law: A Comparative Law Approach." *Sing. J. Legal Stud.* (2016): 29.

⁶ Todd, P, *Cases and Materials on International Trade Law*, Sweet & Maxwell (2003)

⁷ Carriage of Goods by Sea Act 1992, s 3 Retrieved from: <https://www.legislation.gov.uk/ukpga/1992/50/contents>

⁸ Tighilt, Fodil. "What constitutes a package or unit for the purpose of determining the package limitation in Carriage of Goods by Sea [COGSA]?" (2006).

⁹ Carriage of Goods by Sea Act 1992, s 14 Retrieved from: <https://www.legislation.gov.uk/ukpga/1992/50/contents>

¹⁰ Carriage of Goods by Sea Act 1992, s 15 Retrieved from: <https://www.legislation.gov.uk/ukpga/1992/50/contents>

¹¹ Tham, Chee Ho. "Discharge of a Contract Where Both Parties Are in Breach." *Singapore Academy of Law Journal* 22, no. 2 (2010): 729-741

Referencing authorities such as the *Aegean Sea* (1998) reinforces Samantha's case,¹² emphasizing that delivered commodities should be in the same condition during loading¹³. This aligns with the buyer's entitlement and serves as a safeguard against breaches of contract.

ANSWER 2:

The BOL plays a vital role in a CIF agreement, serving as crucial proof of the contract between the seller and the buyer.¹⁴ Although not constituting the entire agreement, it stands as substantial evidence of the terms and conditions governing the shipment. In the case of *Ardennes V Ardennes*, 1951, underscores the BOL's significance, acknowledging its role as proof in the carriage of goods contract, even subject to oral agreements.

By integrating this legal principle to our case study, it is evident that the container's inadequate packing led to the destruction of Miriam's diaries. Miriam, as the buyer, has a legitimate claim against Best Carriers for the inadequate shipping of goods. Section 1 of the COGSA 1992, provides Miriam with the legal entitlement to hold the best carriers accountable for the proper handling and transport of the goods. This section establishes the carrier's duty to properly care for and carry the goods, ensuring they arrive at the destination in the agreed-upon condition.¹⁵

The conclusive nature of the BOL's term, as established in *Leduc V Ward*, highlights Miriam's position. The court asserted that BOL terms are conclusive, barring evidence to contradict them.¹⁶ Miriam, relying on the BOL as evidence, has a strong legal basis to bring a damage claim against carriers for the losses incurred.

ANSWER 3:

In analysing David's legal position as a buyer under the sale of Goods Act 1979, it is imperative to consider the clear legal provisions that afford him the right to reject substandard books. Section 35 of the Sale of Good Act 1979 serves as the foundational authority, providing unambiguous proof of David's contractual entitlement to reject goods that substantially deviate from the agreed title, "Political Leadership: How to Succeed in Hard Times". David's rights to reject book under the Act, is not unlimited and must be based on objective criteria. To avoid

¹² Adewale, Olajide Peter. "Preliminary Voyage in a Voyage Charter." PhD diss., UNIVERSITY OF LAGOS, (2016).

¹³ Akcaalan, Reyhan, Emine Gozde Ozbayram, Aydın Kaleli, Ayca Oguz Cam, Latife Koker, and Meric Albay. "Does environmental DNA reflect the actual phytoplankton diversity in the aquatic environment? Case study of marine mucilage in the Sea of Marmara." *Environmental Science and Pollution Research* (2023): 1-11.

¹⁴ Gilmore, G. J., and Black, C. L. "The Law of Admiralty." Thomson West, (1975).

¹⁵ Carriage of Goods by Sea Act 1992, s 1 Retrieved from: <https://www.legislation.gov.uk/ukpga/1992/50/contents>

¹⁶ *Leduc v Ward* (1893) A.C. 351 Retrieved from: <https://vlex.co.uk/vid/leduc-company-v-ward-806809813>

arbitrary decisions influenced by subjective preferences or market shifts, David must demonstrate a substantial deviation from the contract title. This requires a meticulous inspection of each book, comparing it with the agreed-upon title. The authority supporting David's claim lies in section 35 of the Act, providing buyers with the clear rights and obligations. If books significantly deviate from the agreed title, David has the right to reject those specify books, upholding the integrity of the contractual agreements. Moreover, the act provided remedies, such as a potential refund or replacement, aligning with agreement provision and legal standards. This dual protection and remedy framework empowers David to address breaches of contract, ensuring a legally justified outcome.¹⁷¹⁸

ANSWER 4:

Samantha is now facing a predicament where she questions the quality of items provided by Sophie. As per the Sales of Goods Act 1994, Section 14(2b), consumers possess the authority to reject defective products upon delivery.¹⁹ Due to this clause, Samantha has the authorization to decline the goods if they are discovered to be defective or unacceptable. *Kwei Tek Tek Chao V. British Traders (1954)*, underlines the purchaser's privilege to decline products in view of their state when exchanged, as per the depictions portrayed amid that time, they hold this privilege as a consequence of their position described in the dealings.²⁰ Thus, Samantha can rightfully exercise her right to refuse the commodities if they do not meet the agreed-upon condition or specifications.

It is crucial to differentiate between Samantha's privileges to deny goods versus her right to decline contract documents. These rights differ significantly. The condition of the commodities influences whether they are accepted, while other factors, like contractual terms or document irregularities, could prompt rejection of the agreement papers. In this scenario, the BOL serves as a crucial element. The BOL functions as proof of the agreement between the shipper and the purchaser, accurately portraying the merchandise's true state and price without any deceptive content. Both sides are given a thorough grasp of the agreement²¹.

Therefore, Samantha can reject the commodities if they are found to be defective or unsatisfactory, as granted by the Sales of Goods Act 1994. The BOL is crucial in this situation,

¹⁷ Sale of Goods Act 1979, c. 54, s. 35. Retrieved from: <https://legislation.gov.uk/ukpga/1979/54>

¹⁸ Okeya, Isaac Olaitan, David Funso Dare, and Abiodun Thomas Ogundele. "Critical Analysis of the "Implied Term" of a Contract Set Out in Sale of Goods Act 1979, (1995).

¹⁹ Sales of Goods Act 1994, c. 35, s. 14(2b) Retrieved from: <https://www.legislation.gov.uk/ukpga/1979/54>

²⁰ *Kwei Tek Tek Chao V. British Traders (1954)* 2 QB 459 Retrieved from: <https://www.lawteacher.net/free-law-essays/company-law/sales-of-goods.php>

²¹ Sales of Goods Act 1994, c. 35, s. 14(2b) Retrieved from: <https://www.legislation.gov.uk/ukpga/1979/54>

offering exact details about the commodity's state and value. Samantha ought to take swift action by notifying Sophie about her intent to reject the products upon discovering imperfections. Through this action, she can safeguard her interests as a consumer and pursue compensation for flawed items acquired. In conclusion, Samantha's right to reject defective good is firmly established under section 14(2b) of the Sales of Goods Act 1994. The role of the BOL is crucial in ensuring transparency and accurate representation of the goods, facilitating Samantha's ability to make informed decisions about rejecting substandard products.

PART B

INTRODUCTION

Covenants for the sale of items are represented by the Sale of Goods Act of 1979, a section of regulation that fills in as an administrative structure for the business.²²As per the law, sales are arrangements, where one party deliberately transmits property (ownership) of particular properties to alternative party in return for money. The regulation has set out various legitimate guidelines that fulfil the necessities of maximum agreements for the sale of supplies. The Sale of Products Act consumes numerous sections that are considered to be "default provisions." Except it prohibited by express circumstances in the convention, these necessities shall relate to and administrate all treaties for the sale of products. For the protection of consumer rights and commercial contracts, the UK Parliament approved the Sale of Goods Act in 1979. The paper investigates how the Act reins the connection among the parties in an external exchange matter to English law.

STRUCTURE OF SGA 1979

The structure of the SGA 1979, outlined in an introductory paragraph, seven sections, and four schedules, forms the frameworks for managing buyer-seller interactions in international sales. The contracts covered by the Act are laid out in detail in Section 1. In Section II, the Act discusses the proper structure of a contract. The consequences of the contract are laid out in Section III. Section IV lays out the responsibilities and protections each party enjoys. Section V looks at the options available to an unpaid vendor. Section VI covers the rights and duties that accompany the breaking of an agreement. Part VII contains supplemental material, and the

²² Ulph, Janet. "Markets and responsibilities: Forgeries and the sale of goods act 1979." (2011).

schedules detail the changes to the law that apply to specific contracts and any repeals or savings provisions.²³

ESSENTIAL PRINCIPLE

One essential principle of the SGA 1979, found in section 13, significantly impacts on the calibre and agreement of items in international sales. It stipulates that products must conform to accurately represented, acceptable quality, and suitable for their purpose. This section, with its emphasis on accurate representation and adherence to buyer seller interactions.

Furthermore, it stresses the need to provide customers with items that correspond to their expectations based on previous sales representations. Labelling a device as a printer implies it will only handle printing tasks and not act as a scanner, which is against regulations. This provision safeguards customers by guaranteeing goods that meet their expectations, thereby strengthening customer faith in commercial interactions. The Sale of Goods Act's requirements contribute to fairness and transparency in the commercial transaction. The system guarantees that buyers obtain items matching their expected features by holding sellers liable for their item descriptions' accuracy. Legal recourse is provided by the Act, allowing customers to pursue compensation if they acquire items that do not comply with advertised specifications. By regulating the interactions between parties, boosting confidence in business dealings, and safeguarding consumer interests, Section 13 assumes an indispensable role. This section plays a pivotal part when handling sales subject to the Sales of Goods Act.²⁴

A client can return a thing and look for reimbursement under the Code if it is broken. Assuming the debate is indicted in somewhere around a half year, the obligation to prove any claims falls on the client to show that the item is imperfect.²⁵ Following half year, the onus moves to the vendor to exhibit that the thing was not damaged. The Act additionally arranges the buyer's and the vendor's commitments in the event of an illegitimate agreement infringement and response for the non-blameworthy party. Beside protecting buyer privileges, the original 1979 Act additionally guaranteed the legitimacy of business contracts. Which isolates it from the Exhibit of 1893 is its twofold nature.²⁶

²³ Sale of Goods Act 1979, c. 54, s. 35. Retrieved from: <https://legislation.gov.uk/ukpga/1979/54>

²⁴ Sale of Goods Act 1979, c. 54, s. 35. Retrieved from: <https://legislation.gov.uk/ukpga/1979/54>

²⁵ MacQueen, Hector Lewis. "Rights and Duties of the Seller and the Buyer." *SBPRMOL STATI Z DISKUSNICH FOR O REKODIFIKACI OBCANSKEHO PRAVA*, L. Tichy et. al., ed., Prague (2009).

²⁶ Sale of Goods Act 1979, c. 54, s. 35. Retrieved from: <https://legislation.gov.uk/ukpga/1979/54>

INTERNATIONAL APPLICATION

Worldwide contract parties, together with international communications, frequently significance the ruling of Wales and England (we will term it "English law"), overseeing guideline of the agreement.²⁷ English law is employed in commercial communications internationally, since it's exceedingly chosen for people that even are not from UK.²⁸ Considering this division shows that it discourses how the Sales Act of 79' is related to world-wide business. Grounded on international law, the SGA is associated to all settlements to sell all classifications of cargos for revenue determinations. Items are broadly designated to incorporate "all personal things other than things in money and action." Focus to the situations specified that the SGA effect international contracts that are administered by English LAW.²⁹

The contract Code was one method for dealing with the seller and buyer's connection. The Code was achieved to offer more security to purchasers and consumers. In any case, under the steady gaze of legal regulation was presented, precedent-based regulation was the essential regulation for cross-line exchanges. At the point when the Act of 1979' was sent off, buyers and sellers could associate in exchange with specific confirmations regarding the eminence and standard of products supplied.³⁰

CHALLENGES

While section 13 establishes ethical standards, its interpretation poses challenges, particularly regarding the scope of descriptive words. One of the primary challenges associated with section 13 lies in its interpretation, Court have grappled with determining whether all descriptive words fall under the purview of section 13, leading to inconsistent standards and potential disputes. Uncertainty in section 13 influence buyer- seller behaviour during negotiations, making it challenging to anticipate obligations and rights. Scholarly vies on section 13 vary, contributing to the challenges. Clearer standards and contextual approaches are debated in academic discourse is essential for shaping practical implications.³¹

²⁷ Schlechtriem, Peter, and Petra Butler. *UN Law on international sales: The UN Convention on the international sale of goods*. Springer Science & Business Media, 2008.

²⁸ Beveridge, Barbara J. "Legal English—How it developed and why it is not appropriate for international commercial contracts." *The Development of Legal Language*. Rovaniemi: Finland. Retrieved from <http://www.tradulex.com/articles/Beveridge.Pdf> (2000).

²⁹ Cuniberti, Gilles. "The international market for contracts: the most attractive contract laws." *Nw. J. Int'l L. & Bus.* 34 (2013): 455.

³⁰ Sale of Goods Act 1979, c. 54, s. 35. Retrieved from: <https://legislation.gov.uk/ukpga/1979/54>

³¹ Sale of Goods Act 1979, c. 54, s. 35. Retrieved from: <https://legislation.gov.uk/ukpga/1979/54>

GOOD FAITH CONCEPT

The SGA introduces the concept of good faith, fostering trust between buyers and seller. This concept in the Act enhances ethical behaviour between parties. The section 13 explores how good faith, coupled with legal recourse provision, empowers buyers to seek remedies if products do not meet specified standards. Analysing the interplay between good faith, legal obligations, and consumer rights shed lights on the dynamics of buyer- seller relationship.³²

CONCLUSION

In conclusion, the labelling of products and the surety of their features to the original description, the product's quality, suitability for intended use, and sample product handling is governing by the SGA 197. The Act provides a legal basis for buyers to file suit against sellers if products fail to meet specified standards. Its international applicability, broad descriptions, and connection to agreements for the sale of various commodities underscore its impact on global transactions under English Law. The Act serves as a comprehensive legal framework, ensuring fairness and adherence to standards in international business dealings.

³² Sale of Goods Act 1979, c. 54, s. 35. Retrieved from: <https://legislation.gov.uk/ukpga/1979/54>

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