



THE NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE

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NITL APPLAUDS BROAD SUPPORT FOR ROTTERDAM RULES

The National Industrial Transportation League (League) applauds the growing support of countries in signing on to a new international cargo liability convention. Known by its informal title as the "Rotterdam Rules", the new convention has been the subject of years of negotiations within the United Nations (U.N.) working group known as the U.N. Commission on International Trade Law (UNCITRAL). The Rotterdam Rules are named after the port city of Rotterdam Netherlands, the site of last week's signing ceremony.

At the ceremony on September 23, the United States was joined by 15 countries which signed the Rules thereby indicating their formal intent to adopt the provisions of the new convention into their own national law.

Bruce Carlton, president of the League, hailed this historic event by stating, "the support of the signing countries evidences the need to adopt a modern liability regime which effectively reflects today's shipping practices. Clearly this would not have been possible without the input of all industry sectors working together to identify the principles which could be incorporated into an international convention."

Joining the U.S. at the September signing ceremony were Congo; Denmark; France; Gabon; Ghana; Greece; Guinea; Netherlands; Nigeria; Norway; Poland; Senegal; Spain; Switzerland and Toga.

Contrary to erroneous reports of limited support for the new convention, the U.N. said this "opening day" signing is officially UNCITRAL's greatest success in terms of obtaining signatures of countries on the first day of any of its previous so-called "private law" conventions. The new convention will remain open for additional signatories.

The U.N. added that the percentage of world trade covered by the 16 original signatures is 25.76% which is significantly higher than the previous liability convention known at the Hamburg Rules.

Work began on the Rotterdam Rules over 10 years ago when it became evident that earlier liability regimes such as the Hague Rules approved in 1924 and ratified in the U.S. in 1936 as the *Carriage of Goods by Sea Act* (COGSA) as well as those adopted by other countries were no longer adequate to take into account today's shipping practices including containerization, door-to-door transport contracts and the use of electronic documents.

The NITL is an association of companies that conduct industrial and/or commercial shipping throughout the United States and internationally. Founded in 1907, the organization is one of the oldest and largest associations in the country representing some 600 member companies involved with the transport of all kinds of freight in domestic and international commerce.