

INDEPENDENT STATE OF PAPUA NEW GUINEA.

CHAPTER NO. 261.

Sea-carriage of Goods.

GENERAL ANNOTATION.

ADMINISTRATION.

As at 13 February 1976 (the date of gazettal of the most comprehensive allocation of responsibilities to Ministers and Departments at about the effective date), the administration of this Chapter was not specifically vested in any Minister. It seems, therefore, that, under Constitution, Section 148(2), it came within the responsibility of the Prime Minister.

The Chapter does not refer to "the Minister", "the Departmental Head" or "the Department".

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CHAPTER NO. 261.

Sea-carriage of Goods Act.

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THE INDEPENDENT STATE OF PAPUA NEW GUINEA.

CHAPTER NO. 261.

Sea-carriage of Goods Act.

Being an Act relating to the sea-carriage of goods.

1. Interpretation.

In this Act, unless the contrary intention appears—
“the Rules” means the Rules in the Schedule.

2. Application of rules.

Subject to this Act, the Rules have effect in relation to and in connexion with the carriage of goods by sea in ships carrying goods from any port or place in the country to any other port or place whether inside or outside the country.

3. Absolute warranty of seaworthiness not implied.

There is not implied in any contract for the carriage of goods by sea to which this Act applies any absolute undertaking by the carrier of the goods to provide a seaworthy ship.

4. Bills of lading.

Every bill of lading or similar document of title issued in the country that contains or is evidence of any contract to which the Rules apply shall contain an express statement that it is to have effect subject to the provisions of the Rules as applied by this Act.

5. Received-for-shipment bills of lading.

A bill of lading issued in accordance with Article III.(3) of the Rules shall for all purposes be deemed to be a valid bill of lading with the like effect, and capable of negotiation in all respects and with the like consequences, as if it were a shipped bill of lading.

6. Bulk cargoes.

Where, under the custom of any trade—

(a) the weight of any bulk cargo inserted in the bill of lading is a weight ascertained or accepted by a third party other than the carrier or the shipper; and

(b) the fact that the weight is so ascertained or accepted is stated in the bill of lading,

then, notwithstanding anything in the Rules—

(c) the bill of lading shall not be deemed to be prima facie evidence against the carrier of the receipt of goods of the weight inserted in the bill of lading; and

(d) the accuracy of the weight at the time of shipment shall not be deemed to have been guaranteed by the shipper.

7. Construction and jurisdiction.

(1) All parties to any bill of lading or document relating to the carriage of goods from any place in the country to any place outside the country shall be deemed to have intended to contract according to the laws in force at the place of shipment, and any stipulation or

agreement to the contrary, or purporting to oust or lessen the jurisdiction of the courts of Papua New Guinea in respect of the bill of lading or document, is illegal, null and void, and of no effect.

(2) Any stipulation or agreement, whether made in the country or elsewhere, purporting to oust or lessen the jurisdiction of the courts of Papua New Guinea in respect of any bill of lading or document relating to the carriage of goods from any place outside the country to any place in the country is illegal, null and void, and of no effect.

8. Saving.

This Act does not affect the operation of any law limiting the liability of the owners of sea-going vessels.

SCHEDULE.

Sec. 2.

RULES RELATING TO BILLS OF LADING.

ARTICLE 1.

Definitions.

In these Rules, unless the contrary intention appears—

"carriage of goods" covers the period from the time when the goods are loaded on to the time when they are discharged from the ship;

"carrier" includes the owner or the charterer who enters into a contract of carriage with a shipper;

"contract of carriage" applies only to contracts of carriage covered by a bill of lading or any similar document of title, in so far as the document relates to the carriage of goods by sea, including any bill of lading or any similar document issued under or pursuant to a charter-party from the moment at which the bill of lading or similar document of title regulates the relations between a carrier and a holder of the same;

"goods" includes goods, wares, merchandise and articles of every kind, except live animals and cargo which by the contract of carriage is stated as being carried on deck and is so carried;

"ship" means any vessel used for the carriage of goods by sea.

ARTICLE II.

Risks.

Subject to Article VI., under every contract of carriage of goods by sea the carrier, in relation to the loading, handling, stowage, carriage, custody, care and discharge of such goods, is subject to the responsibilities and liabilities, and entitled to the rights and immunities, set forth in these Rules.

ARTICLE III.

Responsibilities and Liabilities.

1. The carrier is bound, before and at the beginning of the voyage, to exercise due diligence to—
 - (a) make the ship seaworthy; and
 - (b) properly man, equip and supply the ship; and
 - (c) make the holds, refrigerating and cool chambers, and all other parts of the ship in which goods are carried, fit and safe for their reception, carriage and preservation.

2. Subject to Article IV., the carrier must load, handle, stow, carry, keep, care for and discharge the goods carried properly and carefully.

3. After receiving the goods into his charge, the carrier, or the master or agent of the carrier, on demand of the shipper, shall issue to the shipper a bill of lading showing among other things—

- (a) the leading marks necessary for identification of the goods as they are furnished in writing by the shipper before the loading of the goods starts, provided the marks are stamped or otherwise shown clearly on the goods if uncovered, or on the cases or coverings in which the goods are contained, in such a manner as should ordinarily remain legible until the end of the voyage; and
- (b) either the number of packages or pieces, or the quantity or weight, as the case may be, as furnished in writing by the shipper; and
- (c) the apparent order and condition of the goods,

but no carrier, master or agent of a carrier is bound to state or show in the bill of lading any marks, number, quantity or weight which he has reasonable ground for suspecting not accurately to represent the goods actually received, or which he has had no reasonable means of checking.

4. A bill of lading referred to in Paragraph 3 is prima facie evidence of the receipt by the carrier of the goods as described in the bill in accordance with Paragraph 3(a), (b) and (c).

5. The shipper shall be deemed to have guaranteed to the carrier the accuracy at the time of shipment of the marks, number, quantity and weight, as furnished by him, and the shipper shall indemnify the carrier against all loss, damages and expenses arising or resulting from inaccuracies in the particulars. The right of the carrier to the indemnity in no way limits his responsibility and liability under the contract of carriage to any person other than the shipper.

6. Unless notice of loss or damage and of the general nature of the loss or damage is given in writing to the carrier or his agent at the port of discharge before or at the time of the removal of the goods into the custody of the person entitled to delivery under the contract of carriage, or, if the loss or damage be not apparent, within three days, the removal is prima facie evidence of the delivery by the carrier of the goods as described in the bill of lading.

The notice in writing need not be given if the state of the goods has at the time of their receipt been the subject of joint survey or inspection.

In any event the carrier and the ship are discharged from all liability in respect of loss or damage unless suit is brought within one year after delivery of the goods or the date when the goods should have been delivered.

In the case of any actual or apprehended loss or damage, the carrier and the receiver shall give all reasonable facilities to each other for inspecting and tallying the goods.

7. After the goods are loaded, the bill of lading to be issued by the carrier, master or agent of the carrier to the shipper shall, if the shipper so demands, be a "shipped" bill of lading, but if the shipper has previously taken up any document of title to the goods, he shall surrender it as against the issue of the "shipped" bill of lading. At the option of the carrier the document of title may be noted at the port of shipment by the carrier, master or agent with the name or names of the ship or ships on which the goods have been shipped and the date or dates of shipment, and when so noted shall for the purpose of this Article be deemed to constitute a "shipped" bill of lading.

8. Any clause, covenant or agreement in a contract of carriage relieving the carrier or the ship from liability for loss or damage to or in connexion with goods arising from negligence, fault or failure in the duties and obligations provided in this Article, or lessening that liability otherwise than as provided in these Rules, is null and void and of no effect.

A benefit of insurance or similar clause shall be deemed to be a clause relieving the carrier from liability.

ARTICLE IV.

Rights and Immunities.

1. Neither the carrier nor the ship is liable for loss or damage arising or resulting from unseaworthiness unless caused by want of due diligence on the part of the carrier—

- (a) to make the ship seaworthy; and
- (b) to secure that the ship is properly manned, equipped and supplied; and
- (c) to make the holds, refrigerating and cool chambers and all other parts of the ship in which goods are carried fit and safe for their reception, carriage and preservation,

in accordance with the provisions of Article III.(1).

If loss or damage has resulted from unseaworthiness, the burden of proving the exercise of due diligence is on the carrier or other person claiming exemption under this paragraph.

2. Neither the carrier nor the ship is responsible for loss or damage arising or resulting from—

- (a) any act, neglect or default of the master, mariner, pilot or the servants of the carrier in the navigation or in the management of the ship; or
- (b) fire, unless caused by the actual fault or privity of the carrier; or
- (c) perils, dangers and accidents of the sea or other navigable waters; or
- (d) an act of God; or
- (e) an act of war; or
- (f) an act of public enemies; or
- (g) arrest or restraint of princes, rulers or people, or seizure under legal process; or
- (h) quarantine restrictions; or
- (i) any act or omission of the shipper or owner of the goods, or his agent or representative; or
- (j) strikes or lock-outs or stoppage or restraint of labour from whatever cause, whether partial or general; or
- (k) riots and civil commotions; or
- (l) saving or attempting to save life or property at sea; or
- (m) wastage in bulk or weight or any other loss or damage arising from inherent defect, quality or vice of the goods; or
- (n) insufficiency of packing; or
- (o) insufficiency or inadequacy of marks; or
- (p) latent defects not discoverable by due diligence; or
- (q) any other cause arising without the actual fault or privity of the carrier, or without the fault or neglect of the agents or servants of the carrier, but the burden of proof is on the person claiming the benefit of this exception to show that neither the actual fault or privity of the carrier nor the fault or neglect of the agents or servants of the carrier contributed to the loss or damage.

3. The shipper is not responsible for loss or damage sustained by the carrier or the ship arising or resulting from any cause without the act, fault or neglect of the shipper, his agents or his servants.

4. Any deviation in saving or attempting to save life or property at sea, or any other reasonable deviation, shall not be deemed to be an infringement or breach of these Rules or of the contract of carriage, and the carrier is not liable for any loss or damage resulting from it.

5. Neither the carrier nor the ship is in any event liable for any loss or damage to or in connexion with goods in an amount exceeding one hundred pounds¹ per package or unit, or the equivalent of that sum in other currency, unless the nature and value of the goods have been declared by the shipper before shipment and inserted in the bill of lading.

¹ In view of Article IX., this expression was not altered editorially.

This declaration, if embodied in the bill of lading, is prima facie evidence, but shall not be binding or conclusive on the carrier.

By agreement between the carrier, master or agent of the carrier and the shipper a maximum amount other than that mentioned in this paragraph may be fixed, but that maximum shall not be less than the figure above-named.

Neither the carrier nor the ship is responsible in any event for loss or damage to or in connexion with goods if the nature or value of the goods has been knowingly mis-stated by the shipper in the bill of lading.

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

If any such goods shipped with that knowledge and consent become a danger to the ship or cargo, they may in like manner be landed at any place or destroyed or rendered innocuous by the carrier without liability on the part of the carrier except to general average, if any.

ARTICLE V.

Surrender of Rights and Immunities, and Increase of Responsibilities and Liabilities.

A carrier is at liberty to surrender in whole or in part all or any of his rights and immunities, or to increase any of his responsibilities and liabilities, under the Rules contained in any of these Articles, but the surrender or increase must be embodied in the bill of lading issued to the shipper.

These Rules are not applicable to charter-parties, but if bills of lading are issued in the case of a ship under a charter-party they shall comply with the terms of these Rules. Nothing in these Rules prevents the insertion in a bill of lading of any lawful provision regarding general average.

ARTICLE VI.

Special Conditions.

1. Notwithstanding the preceding Articles but subject to Paragraph 2, a carrier, master or agent of the carrier, or a shipper, may, in regard to any particular goods, enter into any agreement in any terms as to the responsibility and liability of the carrier for the goods, and as to the rights and immunities of the carrier in respect of the goods, or his obligation as to seaworthiness, so far as this stipulation is not contrary to public policy, or the care or diligence of his servants or agents in regard to the loading, handling, stowage, carriage, custody, care and discharge of the goods carried by sea, provided that in this case no bill of lading has been or shall be issued and that the terms agreed shall be embodied in a receipt which shall be a non-negotiable document and shall be marked as such.

Any agreement so entered into shall have full legal effect.

2. This Article does not apply to ordinary commercial shipments made in the ordinary course of trade, but only to other shipments where the character or condition of the property to be carried, or the circumstances, terms and conditions under which the carriage is to be performed, are such as reasonably to justify a special agreement.

ARTICLE VII.

Limitations on the Application of the Rules.

These Rules do not prevent a carrier or a shipper from entering into any agreement, stipulation, condition, reservation or exemption as to the responsibility and liability of the carrier or the ship for the loss or damage to or in connexion with the custody and care and handling of goods prior to the loading on and subsequent to the discharge from the ship on which the goods are carried by sea.

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ARTICLE VIII.

Limitation of Liability.

These Rules do not affect the rights and obligations of the carrier under any law relating to the limitation of the liability of owners of sea-going-vessels.

ARTICLE IX.

The monetary units mentioned in these Rules are to be taken to be gold value.

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APPENDIX.

SOURCE OF THE SEA-CARRIAGE OF GOODS ACT.

Part A.—Previous Legislation.

Sea-Carriage of Goods Act 1951 (No. 50 of 1951).

Part B.—Cross References.

Section, etc., in Revised Edition.	Previous References ¹ .	Section, etc., in Revised Edition.	Previous References ¹ .
1	4 (in part)	6	8
2	4 (in part)	7	9
3	5	8	10
4	6	Schedule	Second Schedule
5	7		

¹ Unless otherwise indicated, references are to the Act set out in Part A.

