

A BILL

i n t i t u l e d

An Act to amend the Carriage of Goods by Sea Act 1950.

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ENACTED by the Parliament of Malaysia as follows:

Short title and commencement

1. (1) This Act may be cited as the Carriage of Goods by Sea (Amendment) Act 2019.

(2) This Act comes into operation on a date to be appointed by the Minister by notification in the *Gazette*.

Amendment of section 4

2. The Carriage of Goods by Sea Act 1950 [*Act 527*], which is referred to as the “principal Act” in this Act, is amended in section 4—

(a) in the shoulder note, by substituting for the words “bills of lading” the words “sea carriage documents”; and

(b) by substituting for the words “bill of lading, or similar document of title,” the words “sea carriage document”.

Amendment of section 6

3. Section 6 of the principal Act is amended by substituting for the words “bill of lading” wherever appearing the words “sea carriage document”.

New section 6A

4. The principal Act is amended by inserting after section 6 the following section:

“Power to amend Schedule

6A. The Minister may, by order published in the *Gazette*, amend the Schedule to the Act.”.

EXPLANATORY STATEMENT

This Bill seeks to amend the Carriage of Goods by Sea Act 1950 (“Act 527”). Act 527 regulates the carriage of goods by sea in Peninsular Malaysia by adopting the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading (“Hague Rules”) that is incorporated as the First Schedule in Act 527. The main purpose of the amendment of Act 527 is to insert the provision for the implementation of the Protocol to Amend the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading (“Visby Rules”) and Protocol (SDR Protocol) Amending the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading of 25 August 1924 (The Hague Rules), as amended by the Protocol of 23 February 1968 (Visby Rules). The two Protocols are known as the “Visby Rules” and the “SDR Protocol” respectively. Act 527 contains procedures that are no longer in line with the global practice in maritime trade industry. The provisions of the Hague Rules as provided in the First Schedule to Act 527 are inadequate to meet the current conditions and practices of carriage of goods by sea. While Malaysia under Act 527 adopts the Hague Rules, many other countries have adopted the Visby Rules and the SDR Protocol in its maritime trade legislations.

2. *Clause 1* contains the short title and the provision on the commencement of the proposed Act.

3. *Clauses 2 and 3* seek to amend sections 4 and 6 of Act 527 respectively to extend the scope of documents relating to shipping transactions, which currently is limited to bills of lading. In keeping abreast with the development of international maritime industry practices, references will now be made to sea carriage document, which includes bill of lading.

4. *Clause 4* seeks to introduce a new section 6A into Act 527. The proposed new section 6A seeks to empower the Minister to amend the Schedule by way of order published in the *Gazette*. Currently, any amendments to the Schedule is to be made by way of an amendment law tabled in Parliament. The new section 6A will ensure that Act 527 is up to date with the global development in maritime trade practice and provide a conducive environment for Malaysia as a maritime trading hub. The Order made under the new section 6A and the proposed Act will come into operation simultaneously.

FINANCIAL IMPLICATIONS

This Bill will not involve the Government in any extra financial expenditure.

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