Much of global trade is carried out by the carriage of goods by road. Carrying goods by road may be the mode of transport for the entire consignment or may be part of a multi-modal chain of transport.

The CMR Convention 1956 is a legal framework facilitating and governing the transport of goods by road. The Convention contains provisions regarding jurisdiction, limitation of liability and time bars for claims which intend to give a uniform, global approach to issues arising out of the carriage of goods by road.

The Convention applies where carriage occurs between two or more states where one of which is a signatory of the CMR Convention.

The crucial document for most carriages is the CMR Consignment Note. This document is prima facie evidence
of carriage of the goods by road and contains important information such as the shipper, the consignee, the final discharge point and a description of the goods being carried.

Goods are often carried in a chain of carriers. The individual carrier’s liability starts the moment it takes over the goods and continues until the goods’ safe delivery at their destination where the next successive carrier takes control of the goods.

Upon delivery of the goods at the final destination, it is recommended that the goods are checked and any damage to the goods is notified to the relevant carrier immediately or at the least within 7 days of taking delivery of the goods, failure to do so would jeopardise the claimant’s ability to bring claims for damage / loss under articles 30 and 31 of the Convention.

Jurisdiction and Liability

Article 31 is the pertinent article when considering jurisdiction. Article 31 contains the states where it may be possible to commence actions for a recovery of loss. It is possible for legal proceedings to be brought in a "contracting country designated by agreement", the place where a defendant is resident, or has his principal place of business, or the branch or agency through which the contract of carriage was made. Alternatively, "where the place where the goods were taken over by the carrier or the place designated for delivery is situated". Jurisdiction can be a complicated issue so it is important to assess this in good time ahead of the one year time bar for claims which is imposed under Article 32.

The other point to note is the limitation of liability contained at article 23 of the Convention. This article limits recoveries to limited to 8.33 Special Drawing Rights per kilo gross of the damaged goods. This can have a significant impact on the quantum of any claim and ought to be checked thoroughly.