AN INQUIRY INTO DOCUMENTARY MARITIME TRANSPORTATION

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ABSTRACT

The bill of lading is a very important document for maritime transportation and the global supply chain system. This paper explores the traditional paper bill of lading that caused a serious issue for shippers, consignees, carriers, agents, and international business community when they found there were inaccuracies and discrepancies in the paper bill of lading. Insecurity and fraud are another issue that concerns all involved parties. The linear regression analysis was utilized to demonstrate that there were significant issues as stated. Consequently, this paper proposes a concept of digital bill of lading with a proper implementation of Blockchain technology in order to provide an efficiency, an accuracy, security, and sustainability of global maritime transport and supply chain system. This paper also demonstrates that the future of maritime transportation and supply chain will not only be easier but more cost effective over time. This could be a revolutionization for the maritime industry in the year to come.

Keywords: *Maritime Transportation, Digital Bill of Lading, Blockchain Technology*

1. INTRODUCTION

The bill of lading is a vital document for maritime transportation. It is a legal document used in international sales and trade to facilitate ocean shipment and delivery of merchandise. The documents serve as a receipt for the goods being shipped via ocean vessel, evidence of the contract of carriage, and a document of title. The bill of lading is issued by the carrier or their agent and given to the shipper upon receipt of the goods. The bill of lading contains vital information about the shipment, such as the name of the shipper and consignee, the description and quantity of goods, the mode of transport, the port of origin and destination, and the terms of conditions of the carriage. According to Ziakas, it is a document which evidences a contract for the carriage of goods by sea and the taking over of landing of the goods by the carrier, and by which the carrier under delivers the goods to the consignee named in the document (Ziakas, 2018). The bill of lading also displays if the goods have been prepaid or are to be paid upon delivery. Internationally, transport has assumed an important role in governance of bill of lading.

The common nature of a bill of lading could be that it confirms a receiving of merchandise shipped on board by the carrier, it is legally a document of title for such merchandise, and it evidences the contract of carriage by sea relating to merchandise. Practically, the bill of lading serves several purposes such as providing proof of ownership of the goods, establishing the terms of the contract of carriage, and acting as a document of title that can be traded or transferred to another party. A bill of lading is a critical document in international trade as it provides a means of ensuring that merchandise is delivered to the correct party and that payment will be made for the merchandise. Therefore, bills of lading are legally significant since they affect the legal rights of parties on the bill.

Practically, there are several types of bills of lading such as the straight bill of lading. It is a non-negotiable bill of lading. This type of bill of lading can be endorsed and transferred to a third party. This bill of lading reveals merchandise is consigned to a specified party, and it is not negotiable at the bank for payment. As for open bill of lading, it is a negotiable bill of lading in which the name of the consignee can be amended with the authorized signature, and it can be transferred. The negotiable bill of lading is typically used in trade finance transactions where the document is used for negotiation at the bank. The bill of lading is a vital document in international trade finance for shippers or sellers. All parties must be involved in understanding the significance and implications enforced by the International Chamber of Commerce. All parties must ensure all terms and conditions of the bill of lading be met and properly