


You are viewing premium content from Croner-i.



# The Contract for the International Carriage of Goods by Road (CMR): In-depth

 Printable version (/export/print/638379)

## Summary

A standard contract of carriage for goods moving internationally by road has been established by a United Nations Convention. It was formulated by the United Nations Economic Commission for Europe (UNECE) and made in Geneva on 19 May 1956.

This contract is known as CMR, being derived from the French title *convention relative au contrat de transport international de marchandises par route*.

The convention standardises the terms for the contract of carriage, the carriers' liability and the form of documentation to be used.

The convention entered into force in the UK on 19 October 1967 and was given the force of law by the Carriage of Goods by Road Act 1965.

## Employers' Duties

Employers should:

- understand their responsibilities and liabilities under CMR
- ensure their employees understand the use of the CMR consignment note
- instruct drivers when a consignment is subject to CMR.

## Employees' Duties

Employees should:

- know how to deal with a CMR consignment note when taking over/handing over goods
- understand the conditions that would indicate a journey under CMR.

# In Practice

## The Reason for CMR

Prior to the introduction of CMR, several different versions of the conditions of carriage for goods on an international journey would have been operative, depending on the mode of transport at any particular time. For example, a consignment travelling from London to Hannover in Germany would have been under English law as far as Dover, under international maritime law while crossing the Channel, under French law while transiting France and finally under German law.

CMR provides a single set of conditions of carriage for the complete movement, irrespective of the mode of transport or the current legal jurisdiction.

## Contracting Parties

The UK and, with the exception of Malta, all EU Member States are party to the CMR convention individually. The application of the Convention is therefore not affected by the UK leaving the EU.

The other contracting parties are:

- Albania
- Armenia
- Azerbaijan
- Belarus
- Bosnia and Herzegovina
- Georgia
- Iran
- Jordan
- Kazakhstan
- Kyrgyzstan
- Lebanon
- FYR Macedonia
- Moldova
- Mongolia
- Montenegro
- Morocco
- Norway

- Russian Federation
- Serbia
- Switzerland
- Syrian Arab Republic
- Tajikistan
- Tunisia
- Turkey
- Turkmenistan
- Ukraine
- Uzbekistan.

The UK signature to the convention incorporates Northern Ireland and the UK legislation has been extended by order in council to encompass Gibraltar, Guernsey and the Isle of Man. Jersey has not been included but case law has since determined that for the application of this convention, a contracting country's dependencies should be regarded as part of that country.

## Scope of the Convention

The convention terms are mandatory for every contract for the carriage of goods in vehicles by road for hire or reward when the place of taking over of the goods and the place designated for delivery, as specified in the contract, are situated in two different countries of which at least one is a contracting country – irrespective of the place of residence and the nationality of the parties. It does not concern own account operations.

The convention also applies where carriage coming within its scope is carried out by states or by governmental institutions or organisations.

This convention does not apply to:

- carriage performed under the terms of any international postal convention
- funeral consignments
- furniture removals.

The contracting parties agree not to vary any of the provisions of this convention by special agreements between two or more of them, except to make it inapplicable to their frontier traffic. Contracts for traffic moving between the UK and the Republic of Ireland can be established outside of CMR terms by virtue of this condition.

## Grounded Loads

For the purpose of the convention "vehicles" means motor vehicles, articulated vehicles, trailers and semi-trailers as defined in Article 4 of the Convention on Road Traffic dated 19 September 1949 and is also effective where the vehicle containing the goods is carried for part of the journey by sea, rail, inland waterway, or by air.

ISO containers, however, are classed as “goods” and they and their contents remain within scope of the convention only as long as they remain “on wheels”, for example, while crossing the Channel on a ro-ro ferry or the Eurotunnel Truck Shuttle. However, if the container is unloaded from the road vehicle and carried separately on another mode of transport, then CMR will not apply to the movement in accordance with Article 2 of the convention.

## Unwitting CMR

A further issue for operators and their drivers to be aware of is that they may be involved in a movement under CMR even though they never leave their home country. This situation would arise, for example, when a trailer is moved from a loading point in the UK to a ferry port and then left for unaccompanied movement on the ferry and subsequent onward transport by a second transport operator. This is still an international journey and CMR applies even though the drivers and their tractor units remain in their home country.

It is important that drivers and operators are alive to this possibility as the formalities relating to CMR must be observed.

## CMR Consignment Note

The contract of carriage for an international journey is provided by the CMR consignment note, which should be completed for all goods carried but it must be borne in mind that the contract remains in force even though a consignor might fail to make it out.

Arising from the convention, a consignment note in standard format was designed by the International Road Transport Union (IRU). It is in four parts and colour-coded as follows.

Table 1: Colour-coding and Disposal of CMR Consignment Note

Copy	Disposal	Colour
First copy (sender’s copy)	Retained by sender	Red
Second copy (consignee’s copy)	Accompanies the goods	Blue
Third copy (carrier’s copy)	Accompanies the goods	Green
Fourth copy (carrier’s file copy)	Retained by carrier	Black

The consignment note must contain the usual details that would be expected of any goods consignment note, eg:

- sender’s and consignee’s addresses
- a full account of the number of packages
- descriptions of the goods.

In addition, there are several optional items, two of which have particular importance. These are the following.

1. A declaration of the value of the goods and the amount representing special interest in delivery. That is the owner may agree to pay the carrier an agreed surcharge if the value of the goods is greater than that covered by the compensation limits. The liability of the carrier would then be increased to the limits agreed and not be fixed under the terms of the CMR convention.
2. The agreed time limit within which the carriage is to be carried out. The carrier will be liable for delay if the goods are not delivered within the agreed time limit. If no time limit has been agreed, delivery must take place within a "reasonable" time (see [Carrier's Liabilities](#) (/topics/contract-international-carriage-goods-road-cmr/indepth#WKID-201710301938000701-84645413)).

Consignment notes are produced for their members by Logistics UK, formerly the Freight Transport Association, and the Road Haulage Association. Contact details will be found in [Further Information](#) (/topics/contract-international-carriage-goods-road-cmr/indepth#WKID-201710271722080318-44130701).

The IRU produced a new model consignment note in 2007, and while the original 1976 version remains valid, it recommends using the later format as the redesign addresses a number of issues which have arisen over the years.

See the [Factsheet: Completion of Consignment Note Guidelines](#)

(/topics/contract-international-carriage-goods-road-cmr/employer-factsheet-completion-consignment-note#WKID-201710271734460997-37789274)

for details on how to complete the CMR consignment note.

## Successive Carriers

International transport movements frequently involve the use of more than one carrier. The convention lays down conditions regarding such movements in order to establish liability in the event of loss or damage. The main points include:

- if a movement is carried out under one contract, each successive carrier will be responsible for the whole movement
- a carrier, taking over a load, should give the previous carrier a signed and dated receipt and insert his name and address in Box 7 of the CMR consignment note
- any reservations about the goods such as condition of packing or inability to examine the goods should also be entered on the consignment note in Box 7.

If it can be established which carrier was responsible for loss or damage to the goods then he will be liable to pay compensation. When the loss or damage was caused by two or more carriers, each must pay an amount in proportion to their share of the carriage charges.

If it cannot be ascertained which carrier is responsible for the loss or damage, all the hauliers must share the compensation payment. They must pay an amount in proportion to their share of the carriage charges. Should one of the carriers become insolvent, the other carriers must pay any outstanding compensation, again in proportion to their share of the carriage charges.

No carrier against whom the claim is made under these last two items can dispute the validity of the claim made against him by another carrier, provided that the amount of compensation was set by a judicial authority.

# Responsibilities and Liabilities of Parties

The convention sets out the responsibilities and liabilities of the sender and the carrier in a series of Articles. These are summarised below.

## Sender's responsibilities

The sender of the goods has certain responsibilities to the carrier with regard to the CMR consignment note and other documentation. The main responsibilities include:

- completing the consignment note, although he may ask the carrier to do this for him
- providing all other relevant documents and customs information and formalities
- providing details of any dangerous goods to be delivered, including the exact nature of the hazard, and any precautions that should be taken
- packaging and labelling of the goods.

## Sender's liabilities

The sender will be liable if inaccurate or inadequate entries are made in the consignment note or other documentation and the carrier will be able to claim against him for all expenses incurred because of the errors. The sender remains liable even if he requests an agent or the carrier to complete the CMR consignment note.

If details of dangerous goods are not indicated on the consignment note and the carrier is unaware of the danger, he may, on recognition of such dangers, unload, destroy or render harmless the goods at any time or place. The carrier would be able to claim expenses from the sender for loss or damage incurred.

The sender is also liable for damages and expenses due to defective packaging of the goods.

## Sender's right of disposal

The sender may instruct the carrier to stop the goods in transit, change the place of delivery or deliver to someone other than the person named in the consignment note, up to the point when the consignment note is handed to the consignee. From that point on the carrier obeys the instructions of the consignee who may require delivery to be made to a third party.

## Carrier's responsibilities

Like the sender, the carrier is also deemed responsible for all acts or omissions of his agents and servants and of anyone else whose services he uses, so long as they are acting within the scope of their employment.

When the carrier receives the goods, he should check the accuracy of details in the consignment note, ie number and contents of the packages, marks, etc, the apparent condition of the goods and their packaging. If the carrier is unable to check the accuracy of the consignment note or the condition of the goods, a note should be made under "Reservations". If the carrier does not enter any reservations, it will be regarded that he has accepted the goods in full and in good condition.

If for any reason, it becomes impossible to carry out the contract in accordance with the consignment note, the carrier should ask the sender or consignee for instructions, depending upon who has the right of disposal. If these instructions are not provided, within a reasonable time, the carrier is entitled to sell the goods. If the carrier does not pay due regard to these responsibilities, he will be held liable for damages.

## Carrier's liabilities

Under CMR, the carrier by road remains liable for total or partial loss of the goods, or for any damages caused to them, from the time the goods are collected until the time of delivery even when the loss, damage or delay occurs during the portion of the journey by some other mode. However, if it can be proved that the loss, damage or delay was not caused by some act or omission of the carrier by road and that it could only have happened during the carriage by another mode (eg, the ship sinks), then the liability will be determined not under CMR but as if the contract had been between the sender and the carrier by the other mode.

Other circumstances in which the carrier would not be liable include:

- fault or neglect of the sender
- incorrect instructions given by the sender
- inherent vice of the goods, ie the goods have an existing defect
- defective packaging/markings
- poor handling by the sender, consignee or agents.

These are most important exclusions. It must be emphasised that the onus is on the carrier to prove that the loss or damage was due to one of the above reasons. If the carrier uses vehicles in poor condition that break down or are prevented from moving by a DVSA officer, he will be liable for any delay causing the goods not to be delivered within the agreed time limit, or if no time limit has been agreed, within a reasonable time.

It is presumed that the goods are lost, and the owner is entitled to compensation from the carrier, if they are not delivered within 30 days of the expiry date of the agreed time limit for delivery or, when there is no time limit, 60 days from the date when the carrier collected them.

## Claims and Actions

The convention states that the carrier is liable to pay compensation for the total or partial loss or damage to the goods carried. When damage to the goods occurs, the consignee must lodge a written claim against the carrier immediately, if damage is apparent at the time of delivery, or within seven days, if damage is not immediately apparent.

Damages are also payable for delays in delivery providing the claim is made in writing within 21 days of the goods being delivered.

Any claims arising out of the carriage must be tabled within one year of the carriage being undertaken but where claims against the carrier allege willful misconduct this is extended to three years.

Claims for compensation are limited, unless a special interest agreement is declared (see [CMR Consignment Note](#)

(/topics/contract-international-carriage-goods-road-cmr/indepth#WKID-201710271804390598-32834939)),

to a value of 8.33 “special drawing rights” (SDR) per kg (see below).

## Insurance Cover

Goods in transit insurance cover specifically associated with the CMR contract is important, although it will normally attract a higher premium. It is not mandatory under the convention but an international road haulier would be unwise to ignore the risks and legal liabilities for payment of compensation in the event of loss of or damage to goods in transit and forego adequate insurance cover.

The SDR is an international reserve asset, the value of which is based on a basket of five major currencies – the US dollar, the euro, the Chinese renminbi (RMB), the Japanese yen, and the British pound sterling. The value in terms of the US dollar is calculated daily by the International Monetary Fund (IMF) and published on the IMF’s website ([https://www.imf.org/external/np/fin/data/rms\\_sdrv.aspx](https://www.imf.org/external/np/fin/data/rms_sdrv.aspx)). Actual liabilities can vary from day to day depending on the strength of the various currencies against the dollar on the international money markets and it is essential to seek adequate sterling insurance cover against fluctuations.

On 17 December 2020, the SDR had a sterling value of £1.07. This figure at current rates represents a 1000kg load value of: £1.07 x 8.33 units of SDR x 1000kg = £8931 per tonne. This figure is considerably above the normal goods in transit insurance value for loads in UK domestic transport, which is approximately £1300 per tonne (the present Road Haulage Association standard). The SDR exchange rates may be found in the financial press and through the internet on currency conversion websites.

## List of Relevant Legislation

- Carriage of Goods by Road Act 1965

## Further Information

## Publications

- *Convention on the Contract for the International Carriage of Goods by Road (CMR)*, [treaties.un.org](https://treaties.un.org/doc/Treaties/1961/07/19610702%2001-56%20AM/Ch_XI_B_11.pdf) ([https://treaties.un.org/doc/Treaties/1961/07/19610702%2001-56%20AM/Ch\\_XI\\_B\\_11.pdf](https://treaties.un.org/doc/Treaties/1961/07/19610702%2001-56%20AM/Ch_XI_B_11.pdf)).

## Organisations

- **International Road Transport Union (IRU)**  
<http://www.iru.org> (<http://www.iru.org>).

The IRU represents the road transport industry world-wide (including operators of trucks and HGVs of all fleet sizes) through its national associations. The IRU aims to improve the safety record and environmental performance of road transport. The IRU is the international guarantor of the TIR carnet system under which trucks, sealed by customs on departure, can cross several borders without further checks until they reach their destinations.

- **Road Haulage Association (RHA)**



<https://www.rha.uk.net/> (<https://www.rha.uk.net/>)

The Road Haulage Association (RHA) is a UK trade association dedicated solely to the needs of UK road transport operators. It is the voice of the road haulage profession, a champion of its interests and a respected partner to the broader logistics community.

- **Logistics UK**

<https://logistics.org.uk> (<https://logistics.org.uk>)

Logistics UK is the new name for the Freight Transport Association (FTA), one of the biggest business groups in the UK, representing the entire industry, with members from the road, rail, sea and air industries, as well as the buyers of freight services such as retailers and manufacturers. As Logistics UK, the organization continues to provide critical service, support and advice to members.

Last reviewed 7 January 2021

## The Contract for the International Carriage of Goods by Road (CMR)

[Summary \(/topics/contract-international-carriage-goods-road-cmr/summary\)](/topics/contract-international-carriage-goods-road-cmr/summary)

[Quick Facts \(/topics/contract-international-carriage-goods-road-cmr/quickfacts\)](/topics/contract-international-carriage-goods-road-cmr/quickfacts)

[What's New \(/whats-new/5144\)](/whats-new/5144)

› In-depth

Factsheets

[\(/topics/contract-international-carriage-goods-road-cmr/employer-factsheet-completion-consignment-note\)](/topics/contract-international-carriage-goods-road-cmr/employer-factsheet-completion-consignment-note)

## This page covers

› Summary

Employers' Duties

Employees' Duties

In Practice

The Reason for CMR

Contracting Parties

Scope of the Convention

CMR Consignment Note

Responsibilities and Liabilities of Parties

Claims and Actions

Insurance Cover

List of Relevant Legislation

Further Information

## Publications

## Features

➤ Cabotage – what next? (/feature-articles/cabotage-what-next)

Croner-i Limited  
240 Blackfriars Road  
London  
SE1 8NW  
United Kingdom

Copyright © 2022 Croner-i Ltd

[Terms and Conditions](https://www.croneri.co.uk/terms-conditions) (https://www.croneri.co.uk/terms-conditions)

[Disclaimer](https://www.croneri.co.uk/disclaimer) (https://www.croneri.co.uk/disclaimer)

[Privacy Policy](https://www.croneri.co.uk/privacy-policy) (https://www.croneri.co.uk/privacy-policy).

[Legal Info](https://www.croneri.co.uk/legal-info) (https://www.croneri.co.uk/legal-info).

[GDPR](https://www.croneri.co.uk/gdpr-update) (https://www.croneri.co.uk/gdpr-update).

[Returns](https://www.croneri.co.uk/returns) (https://www.croneri.co.uk/returns).

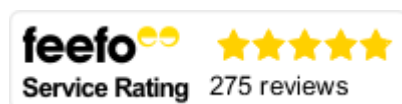
### Need any help?

📞 Get in touch: 0800 231 5199

### Follow us



(https://www.facebook.com/croneri) (https://twitter.com/croneri) (https://www.linkedin.com/company/croneri) (https://www.youtube.com/channel/UC1828037QzEVaN5IaIHYYK0C15WyQ)



(https://www.feefo.com/reviews/croner-i)