

## **USER GUIDE FOR THE IRU GENERAL CONDITIONS FOR THE INTERNATIONAL CARRIAGE OF GOODS BY ROAD AND RELATED OUTLINE AGREEMENTS**

The IRU General Conditions for the International Carriage of Goods by Road and Related Outline Agreements were developed by the IRU in order to complement the provisions of the CMR Convention by the means of contractual arrangements and to strengthen the international road carriers' situation in their contractual relations.

Therefore, in order to facilitate the use of the IRU General Conditions for the International Carriage of Goods by Road and related Outline Agreements, the IRU Commission on Legal Affairs (CAJ), in cooperation with the IRU Secretariat, has drawn up this User Guide.

Transport undertakings will thus have an educational tool highlighting the benefits of adopting these General Conditions and related Outline Agreements in their everyday work so as to better protect their legal, economic and financial interests on the one hand, and on the other hand, to highlight to their clients the company's specificities and services.

### **I. PURPOSE OF THE IRU GENERAL CONDITIONS OF CARRIAGE AND RELATED OUTLINE AGREEMENTS**

Contrary to other economic activities, international carriage of goods by road distinguishes itself through several specific features:

- Contracts for the international carriage of goods by road, as any transport contracts, are essentially of a consensual nature, i.e. they may be concluded by an oral consent between carriers and their clients and not necessarily in writing.
- In order to promote the development of international carriage of goods by road, the CMR Convention and Additional Protocols have served to unify the laws applicable to contracts for the international carriage of goods by road by setting certain mandatory rules governing the obligations of parties to the contract, the form and content of international consignment notes, the establishment of facts and terms for claims in case of incident, carriers' liability terms and liability ceilings, etc.
- However, in the field of contracts of carriage of goods by road, contractual freedom in the relationship between the road carrier and its clients still carries a specific importance in the framework of the CMR Convention, of which almost all of the provisions are imperative. Indeed, the CMR Convention is far from settling all aspects of contracts of carriage of goods by road and, for issues outside its scope – such as e.g. loading and unloading procedures, price setting or definition of ancillary or additional services to the contract, etc. – refers back to applicable national law.
- National legislations governing contracts of carriage by road also stipulate some provisions, while leaving the parties some contractual leeway to define certain aspects of their contracts which are not explicitly settled by the CMR Convention as long as they conform to applicable national law.



## II. CONTRIBUTION OF THE IRU GENERAL CONDITIONS OF CARRIAGE

The purpose of the IRU General Conditions for the International Carriage of Goods by Road, of those including Logistic Services, as well as of their related Outline Agreements, is therefore to provide international road carriers with a flexible, bespoke reference framework which they may use to overcome what the CMR lacks by proposing innovative solutions in the fields not mandatorily settled by the CMR or contract law.

Thus the IRU General Conditions aim at providing international road carriers with **useful tips in defining their transport offers**, in particular by:

- **Providing contractual transparency** between the parties to a contract of carriage and eliminating as many sources of inaccuracy and unpredictability as possible;
- **Establishing an estimate giving a clear list of agreed services** to be paid for, including 2 hours of idle time for loading and unloading;
- **Protecting carriers' economic and financial interests**, in particular by foreseeing passing on road taxes and charges through appropriate invoicing to the client and by including a provision taking into account fuel cost alterations;
- **Protecting carriers' standing** by introducing a provision specifying that the sender is liable for any consequences resulting from the handing over to the carrier of goods which prove falsified or counterfeit;
- **Entitling carriers to additional payment through supplementary invoicing** for performing any services not initially agreed;
- **Clearly distinguishing services ancillary** to the contract of carriage, which form an integral part of the latter and are therefore subject to the CMR and legislation governing contracts of carriage, from **additional services** – in particular logistic services – subject to general contract law.

Just as quality assurance procedures aim to implement management and control tools to ensure that output is permanently consistent with the quality criteria set by the company, the IRU General Conditions of Carriage and related Outline Agreements aim to provide companies performing international carriage of goods by road with a general framework enabling them to define, on a legal contractual basis, the nature, quality and extent of the standard services which they offer their clients.

It is with this in mind that, under the aegis of the IRU Commission on Legal Affairs (CAJ), the IRU General Conditions for the International Carriage of Goods by Road, IRU General Conditions for the International Carriage of Goods by Road and Logistic Services, as well as their related Outline Agreements were revised and are now freely available on the IRU website under the “Legal Services” heading ([http://www.iru.org/en\\_legal\\_contracts](http://www.iru.org/en_legal_contracts)).

Additionally, carriers may obtain a translation of these IRU documents into their language from their National Associations which may publish on their website the translation into their national languages of the IRU General Conditions for the International Carriage of Goods by Road and Related Outline Agreements.

## III. STRUCTURE OF THE IRU GENERAL CONDITIONS OF CARRIAGE AND RELATED OUTLINE AGREEMENTS

For the sake of clarity and simplification and for educational purposes, the IRU General Conditions for the International Carriage of Goods by Road, those including Logistic Services, as well as their related Outline Agreements, were structured to enable readers and users of these documents to easily locate relevant information based on the timeline of the contract for international carriage of goods by road, i.e.:



- The scope of application of the General Conditions, including when using an electronic consignment note;
- Preliminary steps before carriage, including insurance issues;
- Takeover or refusal to take over, packaging and pallets;
- Rules governing carriage during performance, including the specific case of dangerous goods;
- Payment terms and carriers' payment security rights;
- General legal provisions (cancellation, entering reservations, governing law and jurisdiction in case of dispute);
- Sample estimate to be used in contractual relationships with the client.

#### **IV. HOW SHOULD ONE USE THE IRU GENERAL CONDITIONS OF CARRIAGE AND RELATED OUTLINE AGREEMENTS?**

Bearing in mind that for an international road haulage company, General Conditions of Carriage, including those which integrate Logistic Services, represent the definition of the standard minimum offer from the carrier to the client, the IRU General Conditions of Carriage should therefore be widely used by road carriers.

##### **For companies which have not defined their own General Conditions of Carriage:**

The IRU General Conditions of Carriage, including those integrating Logistic Services, offer such companies several benefits:

- Using the IRU General Conditions as a model will obviously enable the company to strengthen its legal stance vis-à-vis its clients, by simply referring to it in their commercial documents, estimates, invoices, CMR Consignment Notes, letter heads, etc., by indicating for example:  
  
The "IRU General Conditions for the International Carriage of Goods by Road, revised on 3 November 2011" ([http://www.iru.org/cms-filesystem-action?file=en\\_services\\_pdf/GenCond.E.pdf](http://www.iru.org/cms-filesystem-action?file=en_services_pdf/GenCond.E.pdf)) and/or the "IRU General Conditions for the International Carriage of Goods by Road and Logistic Services, revised on 3 November 2011" ([http://www.iru.org/cms-filesystem-action?file=en\\_services\\_pdf/GenCond\\_int.E.pdf](http://www.iru.org/cms-filesystem-action?file=en_services_pdf/GenCond_int.E.pdf)) apply to "All contract of international carriage of goods by road" and/or "All contract of international carriage of goods by road and logistic services" underwritten by the company.
- The company may also print the main provisions of the IRU General Conditions on the back of its invoices and CMR Consignment Notes, in order to ensure clients are in possession of the appropriate information.
- Defining General Conditions of Carriage will structure the company's business activities. Indeed, the General Conditions thus adjusted by the company will constitute the basic standard offer to be used by the sales force in negotiations with the clients so as to further define, where applicable, specific terms departing from these General Conditions for a specific client or specific operation.
- Defining General Conditions of Carriage will represent a known reference, listing company standard practice and terms, which will be useful not only to the sales force, but also for technical staff, drivers, accountants and finance officers, etc.
- Defining General Conditions of Carriage will serve to highlight the company's specific expertise – a major element to be taken into account and enhanced in the framework of the company's marketing strategy.



**For companies which have already defined their own General Conditions of Carriage:**

Companies which already have General Conditions of Carriage may replace them with the IRU General Conditions for direct reference, and only keep in addition the clauses that relate to specific activities of the company (special transports, geographical coverage, etc.).

In this respect, the IRU General Conditions of Carriage, including those integrating Logistic Services, will become a general application and will, when need be, complemented by a few provisions not covered by the IRU General Conditions, as they relate to specific company activity fields.

Whatever the company's choice, adjusting its General Conditions based on the IRU model will provide identical benefits to those indicated in the item above.

Moreover, adopting or modernising the company's General Conditions of Carriage based on the IRU documents may be the basis for workshops or training sessions for the company's staff concerned.

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