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A Critical Examination of Chapter 15 of the Rotterdam Rules: Analysis of the Reasons Why This Chapter Has Not Yet Been Opted For Application by Any Declaration of State

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Abstract: The Rotterdam Rules, the latest international regulation in the maritime shipping industry, were adopted following discussions and compromises in 2008. According to Article 78 of the Convention, only Contracting States that proclaim their intention to be bound by the provisions of Chapter 15, which deals with arbitration issues, will be obligated to follow them. However, no country has yet made such a declaration. Therefore, this article aims to ascertain the underlying factors. To commence, the article reviews the drafting process of the chapter and finds that the State Parties reached a consensus through a compromise, which has led to a conservative attitude towards the provisions of the chapter. Subsequently, the article assesses the innovative provisions of this chapter and determines that the implementation of some of these provisions may not only increase the costs and complicate the process of dispute settlement, but also create uncertainty. Finally, this article examines the legislative technique employed in this chapter and finds that the opt-in approach results in a lack of uniformity within the Convention, while the overuse of cross-references makes it difficult to grasp the true meaning of the chapter. These factors have collectively impeded the adoption of Chapter 15 of the Convention.

Keywords: Rotterdam Rules; Arbitration; Compromise; Statutory Arbitration Venues; Electronic Transport Records; Arbitration Agreement; Opt-In Application; Cross-Referencing

1. Introduction

Arbitration is a preferred method for resolving international maritime disputes. The rationale behind the preference for arbitration in international maritime disputes is multifaceted. Firstly, the parties may be reluctant to have their disputes investigated in the public domain, particularly if they involve commercial secrets. Secondly, arbitration is a relatively inexpensive process, and the absence of bureaucratic red tape makes it an attractive option. Thirdly, the parties involved may have concerns about the impartiality of a court affiliated with the country of the opposing party. [1]International maritime conventions, such as the *United Nations Convention on the Carriage of Goods by Sea, 1978* (hereinafter referred to as *Hamburg Rules*), have addressed the subject of international maritime arbitration. Article 22 of the *Hamburg Rules* stipulates several aspects related to arbitration, including the arbitration agreement, statutory arbitration venues, arbitration rules, and other pertinent matters in six paragraphs.

The latest international regulation in the maritime shipping sector, the *United Nations Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea* (hereinafter referred to as "the *Rotterdam Rules"* or 'the Convention'), was adopted by the United Nations General Assembly in 2008. Chapter 15 of the Convention, which contains Articles 75 to 78, addresses arbitration issues.

According to Article 78 of the Convention, only contracting States that proclaim, under Article 91, their intention to be bound by the provisions of Chapter 15 will be obligated to follow them. Article 91(1) permits such declarations at any time, marking a significant innovation compared to previous international maritime conventions. However, adopted in 2008, the Convention has yet to take effect, and not one signatory country has declared that Chapter 15 applies to it, suggesting that the drafters' original intentions have not been realized and it needs to be analyzed.

For the exact purpose of explaining the reasons why Chapter 15 of the Convention has not yet been opted for application by any declaration of

State, this article firstly reviews the controversial drafting process of Chapter 15 as a whole, in order to clarify the background and process of drafting of this Chapter and to clarify the attitude of drafting States with regard to this chapter. Secondly, it evaluates the innovative provisions of this chapter in relation to the statutory arbitration venues and arbitration agreements in electronic transport records, volume contracts as well as non-liner transportation, identifies some of the differences between this Convention and the previous conventions on the carriage of goods by sea in the field of arbitration and analyses the problems that may be encountered in practice with the corresponding provisions. Finally, it analyses the legislative technique and the method of applying this chapter. This article analyses the difficulties associated with the implementation of this chapter, both in terms of textual content and legislative technique, and clarifies the reasons why it has not yet been opted for application by any declaration of any State to provide scholarly references.

2. The 'Controversial' Drafting Process of Chapter 15

In 1996, during its twenty-ninth session, the United Nations Commission on International Trade Law (UNCITRAL) considered a proposal to examine current practices and laws in the field of international maritime carriage of goods. The objective of the proposal was to assess the need to develop uniform rules where none existed and improve the uniformity of various laws beyond their current scope. [2] Consequently, UNCITRAL began drafting the *Rotterdam Rules* guided by the goal of harmonising international maritime shipping regulations.

One important principle that was established throughout the development of the Convention is the principle of creating a broad compromising foundation, the chapter of arbitration serves as a prime example of this principle. [3] On the issue of arbitration, the central question was how maritime arbitration rules could balance the principle of freedom of arbitration with the mandatory nature of maritime regulations.[4] Some nations contended that the principle of freedom of arbitration, firmly established by instruments like the *UNCITRAL Model Law on International Commercial Arbitration* (hereinafter referred to as the *UNCITRAL Model Law*) and the 1958 *Convention on the Recognition and Enforcement of Foreign Arbitral Awards* (hereinafter referred to as the *New York Convention*), should not necessitate the inclusion of arbitration-related provisions in this Convention. Others, embracing the approach of the *Hamburg Rules*, argued that it was advantageous to include detailed arbitration provisions in this Convention. Meanwhile, for the purpose of upholding the compulsory regulations of the Convention without undermining the international arbitration framework, some believed that it should only incorporate basic provisions on arbitration, specifically to prevent parties from bypassing jurisdiction rules by directly opting for arbitration. [5] Although Chapter 15 of the Convention was ultimately adopted, the conclusion process reflects a compromise among various national interests.

Article 75 addresses issues regarding arbitration agreements, including the formation of these agreements, statutory arbitration venues, and the conditions under which arbitration venues designated in volume contracts are binding on the parties and third parties involved in these agreements. Additionally, according to Article 75(5), Paragraphs 1 to 4 of the same Article are deemed to be an integral component of any arbitration clause or agreement. During the ninth session of UNCITRAL's Working Group III (Transport Law) (hereinafter referred to as the 'Working Group'), representatives made proposals for the arbitration-related provisions. Preliminary discussions on the chapter's content had started by the fourteenth session, presenting two options: Option A, which allowed parties to choose from several specified locations to initiate arbitration, and Option B, which limited arbitration initiation to the location stipulated in the contract. Further discussions in the fifteenth session failed to reach a consensus.[6] In the sixteenth session, participants reviewed earlier discussions on arbitration, some ventured that the well-established principle of freedom of arbitration meant that the Convention could exclude such a chapter; Conversely, others cautioned that arbitration should not enable parties to circumvent jurisdiction provisions.[7] Due to these divergent opinions, the Dutch delegation proposed a compromise that maintained the status quo of arbitration usage within the maritime industry by imposing minimal regulations for the liner sector while

permitting freedom of arbitration in the non-liner sector.[8] This proposal was revised and finalised during the session, forming part of the compromise on jurisdiction and arbitration. The Working Group made linguistic adjustments to this article in the eighteenth, twentieth, and twenty-first sessions without significant alterations.

Article 76 in the Convention delineates the arbitration agreements for non-liner transportation. Paragraph 1 addresses the enforceability of such agreements in non-liner transportation contracts, while Paragraph 2 defines the conditions under which arbitration agreements in transport documents or electronic transport records are governed by, or exempt from, this chapter. During the drafting of this Article at the 14th session of the Working Group, it was noted that Article 77 drafts, which require the inclusion of arbitration agreements in transport documents or electronic records, may need to be harmonised with the overall arbitration standards regarding inclusion by reference; Furthermore, it was proposed that the conditions under which arbitration clauses or agreements are considered valid by reference should be explicitly defined.[9] During the sixteenth session of the Working Group, a compromise was reached to maintain the current arbitration practices in maritime transport. This was achieved by establishing minimal regulations for the liner industry, while also introducing provisions that enable the freedom of arbitration in the non-liner sector. [10] The eighteenth session introduced a new draft text that preserved the traditional practice of resorting to arbitration in non-liner transportation and charter party contracts. This draft ensured that cases of incorporation by reference were included, and it imposed restrictions on the conditions under which bills of lading issued under a charter party may contain arbitration clauses. [11] During its twentieth session, the Working Group proposed a new draft and recommended further consultation regarding its implementation. After clarification, the forty-first session of UNCITRAL approved the substantive content of the draft.

Article 78 of the Convention was initially drafted during the eighteenth session of the Working Group. Drafters offered two options: one stated that the provisions of this chapter would only be applicable to a contracting state if a declaration under Article XXX was made, and the other allowed a contracting state to make reservations about this chapter under Article XX.[12] Despite some delegations reaffirming their opposition to including any articles related to arbitration in the convention draft, it was noted that the options to 'reserve' or 'opt-in apply' could mitigate concerns.[13] This approach was discussed during the twentieth session and finalised in the twenty-first session, allowing declarations of "opt-in application" to be made at any time.[14] The forty-first session of UNCITRAL endorsed the substantive content of this draft article, adopting the 'opt-in application' declaration system for the arbitration-related chapters.

Minimal changes were made to Article 77 during the drafting process and will not be further elaborated here.

From the detailed account of the drafting process for Chapter 15 of the Convention, it is evident that drafters navigated a path through various adjustments. Nonetheless, under the guiding principle of unifying international maritime carriage rules, the countries ultimately reached a consensus. Article 78 represents an additional compromise following the agreements reached on the complete chapter in Articles 75 and 76.

It is important to note that compromise has two distinct effects. On the one hand, it could result in the formation of a consensus among opposing states and the completion of the drafting of the Convention's content. On the other hand, however, it also implies that a considerable number of states parties will be unable to realise their own intentions, but will only be second best to the idea of a uniform rule, and that such states may therefore be conservative in their approach to the application of chapter 15 of the Convention in practice.

3. Innovative Provisions in Chapter 15 of the Rotterdam Rules

Chapter 15 of the Convention introduces innovative provisions concerning arbitration in maritime transportation, building upon the general principles of arbitration. This reflects the attentiveness and responsiveness of rules to emerging issues in maritime transportation and stimulates discussion among practitioners and academics worldwide. This chapter systematically addresses arbitration matters related to international shipping, offering innovations in areas like statutory arbitration

venues, and arbitration agreements in electronic transport records, volume contracts and non-liner transportation.

3.1 Innovative Provisions Concerning Statutory Arbitration Venues

First, the Convention's stipulations on statutory arbitration venues diverge from the general principle of freedom of arbitration. In accordance with this principle, parties are free to select the arbitration venue, the arbitrating institution and the rules applicable to arbitration. However, to prevent carriers from using arbitration as a tactic to bypass Article 66 of the Convention, which governs litigation jurisdiction, and to better safeguard the interests of cargo parties, Article 75 of the Convention designates statutory arbitration venues. This provision has ignited widespread debate regarding its efficacy and potential conflict with traditional arbitration principles. For instance, during the drafting process, The United Kingdom, France and Nigeria supported the principle of freedom of arbitration; [15] the United States proposed a compromise that recognised the validity of arbitration agreements or clauses and granted the right to the claimant to initiate arbitration at the agreed location while also preserving the claimant's right to file a lawsuit in a court closely related to the commercial transaction as specified by the rules;[16] the Greek delegation supported the freedom of arbitration but ultimately concurred with the Convention's compromise.[17] The Chinese delegation argued that defining jurisdiction and arbitration within the Convention would benefit international harmonisation of these issues and definitively settle disputes relating to the effectiveness of jurisdiction and arbitration clauses in bills of lading. After the Convention was adopted, the academic community engaged in extensive discussions. Some scholars asserted that even if the arbitration agreement does not mention the statutory arbitration venues, if the parties were aware of it while entering into the agreement and did not object, it should be regarded as accepted and, therefore, incorporated into the arbitration agreement and not violating the principle of contractual freedom in arbitration.[18] Conversely, other scholars believed that, in practice, the provision for statutory arbitration venues might encounter challenges if the arbitration institution's rules did not permit arbitration at the statutory venue or due to issues related to the transfer or consolidation of arbitration proceedings, changes to the arbitration venue and the recognition and enforcement of arbitration awards.[19] Based on the above-mentioned concerns of different countries during the drafting process, as well as the various academic opinions of scholars after the adoption of the Convention, it can be seen that on the issue of the statutory arbitration venues, although the Convention has achieved innovation, it may not be optimistic in practice. Therefore, it is crucial to closely monitor the implementation of the Convention if it comes into force.

Second, the Convention builds upon and extends the arbitration provisions found in the *Hamburg Rules*. Both this Convention and the *Hamburg Rules* permit the parties to consent to resolve disputes through arbitration and share similar approaches in selecting arbitration venues, specifying both agreed-upon and statutory locations. However, they differ in terms of who is permitted to initiate arbitration and the options available for statutory arbitration venues. Compared to the *Hamburg Rules*, the Convention offer a narrower scope of eligible parties who can initiate arbitration but a wider array of statutory arbitration venues. Regarding the initiation of arbitration, the *Hamburg Rules* use the term 'claimant', whereas the *Rotterdam Rules* restrict the initiator status to 'non-carriers'. This scope is narrower than that provided by the *Hamburg Rules*. The Convention permit non-carriers to initiate arbitration against carriers at both agreed and statutory venues but do not specify where carriers may initiate arbitration. Some scholars think that where an arbitration agreement exists, carriers are restricted to initiating arbitration only at the agreed venue, a stipulation that could significantly disadvantage carriers. [20] It may not true. The objective of the arbitration chapter in the Convention is to safeguard against the improper use of arbitration, but not to prescribe a use that is essentially absent or to promote the adoption of arbitration in a circumstance where it has rarely been utilised thus far. [21] In the context of the liner trade, choice of court agreements are a prevalent practice. A significant number of nations believed that regulating jurisdiction is necessary in order to guarantee that cargo claimant are able to pursue their claims in an accessible and appropriate forum of their choosing during the

process of negotiating the Rotterdam Rules. It is because, in the majority of cases within the liner trade, the commercial parties involved do not possess equal bargaining power. [22] So chapter 14 of this Convention stipulates the jurisdiction issue. However, arbitration clauses are rarely utilized in the liner trade but are commonly seen in non-liner trades governed by charter parties, given that Charter parties are typically employed when commercial parties have relatively comparable bargaining power. [23] It is therefore necessary to regulate arbitration in this Convention in order to prevent it becoming a means of circumventing the constraints of the new jurisdiction rules in liner trade. Concerning the designation of statutory arbitration venues, the *Hamburg Rules* include the defendant's principal place of business or residence, the location where the contract was established and the ports of loading or discharge. In contrast, the *Rotterdam Rules* designate the domicile of the carrier, the place of receipt agreed in the contract of carriage, the place of delivery agreed in the contract of carriage, or the port where the goods are initially loaded on a ship or the port where the goods are finally discharged from a ship. This variation stems partly from the differing scopes of carrier liability under the two sets of rules: the *Hamburg Rules* use a port-to-port framework, whereas the Convention applies a door-to-door approach.

Since ratifying the Convention, not one signatory country has opted to apply the arbitration chapter, suggesting that despite the adoption of Chapter 15, its practical application might not fully achieve the drafters' intended effects. One of the reasons is that such provisions may increase the costs of dispute settlement and complicate the dispute settlement process which decrease the commercial certainty. The establishment of commercial certainty is crucial in transport contracts. Therefore, it is imperative to have a clear and straightforward criterion to determine the enforceability of jurisdiction or arbitration clauses. This will prevent unnecessary expenditure on disputes regarding the appropriate forum for resolution, allowing the focus to remain on the substantive issues of the dispute. [24] Nevertheless, in a specific instance, despite the adoption of the Rotterdam Rules by all relevant jurisdictions, the question of which arbitral fora are permitted remains unclear. This will promote conflicts regarding jurisdiction, which are costly diversions from addressing the merits of the claim. [25]

3.2 Other Innovative Aspects

Beyond statutory arbitration venues, Chapter 15 of the *Rotterdam Rules* introduces regulations governing arbitration agreements in electronic transport records, volume contracts and non-liner transportation, marking further innovations in the Convention's approach to arbitration.

First, the provisions in Chapter 15 concerning arbitration agreements in electronic transport records represent a new regulation adapted to technological advancements. This is one of the key features that distinguishes the Convention from the *International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading, 1924* (*Hague Rules*), the *Protocol to Amend the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading* (*Visby Rules*) and the *Hamburg Rules*. Limited by the technological context of their eras, these three sets of rules did not address electronic transport records. In contrast, the *Rotterdam Rules* systematically address electronic transport records in three articles of Chapter 3 and integrate multiple provisions related to electronic transport records throughout other chapters, including Chapter 15, demonstrating a response to technological advancements.

Second, the Convention introduces innovative provisions pertaining to the validity of arbitration agreements in volume contracts. Articles 75(3) and 75(4) of the Convention stipulate the requirements for arbitration agreements in volume contracts to be legally binding on the parties and third parties, respectively. This guidance is crucial for drafting arbitration agreements in volume contracts. Nevertheless, as specified in Subparagraph 4 in Article 75(4), for the arbitration venue designated in the volume contract to be legally binding on a person who is not a party to this volume contract, one of the requirements is that the applicable law allows that person to be bound by it. The term 'applicable law' remains ambiguous and has been retained despite disputes among stakeholders; nonetheless, should cases involving this clause arise, they might pose challenges in rendering precise judgements.

Lastly, Article 76 addresses arbitration

agreements in non-liner transportation. The second paragraph of this Article specifies the circumstances in which the arbitration agreement included in a transport document or an electronic transport record is and is not subject to the regulations outlined in this chapter. Pursuant to this paragraph, the conditions under which the mentioned arbitration agreement is not subject to this chapter are transport document or electronic transport record identifies the parties and the date of the contract to which this Convention is not applicable and incorporates by specific reference the clause in the relevant contract that includes the provisions of the arbitration agreement. On this issue, the Supreme People's Court of China, in 'Answers to Practical Issues of Adjudication of Foreign-related Commercial and Maritime Cases', notes, unless explicitly stated in the incorporated clauses, arbitration clauses, jurisdiction clauses and applicable law clauses from a charter party contract incorporated into a bill of lading do not bind a non-chartering bill of lading holder. This indicates that Chinese judicial practice adopts a strict interpretation, recognising the effectiveness of arbitration arrangements in bills of lading that explicitly state the parties, dates and specific references from the charter party contract. Therefore, this provision in the Convention aligns closely with Chinese judicial practice. [26] Nevertheless, the question of whether this provision can be fulfilled and applied in other countries remains open, contingent on the provisions of different countries. Consequently, there is still some uncertainty about its fulfilment in practice.

It can be observed that, despite the *Rotterdam Rules* having achieved a certain degree of innovation in the arbitration chapter in accordance with the characteristics of the industry's development, the implementation of these rules may not meet expectations of unifying international maritime arbitration rules completely. Firstly, it increases the costs of dispute settlement and complicates the dispute settlement process. Secondly, the need to rely on the provisions of the domestic laws of different countries creates uncertainty in practice. This therefore explains why countries hold a cautious attitude towards this issue and no arbitrary State has declared its choice to apply this chapter.

4. Analysis of Legislative Techniques in Chapter 15 of the Rotterdam Rules

Article 78 of the Convention adopts a declaratory approach that allows nations to opt into applying Chapter 15. In addition, this article also extensively employs the legislative technique of referencing other provisions. The use of such methods carries both benefits and potential risks, warranting careful consideration.

4.1 Opt-In Application

In accordance with Article 78 of the Convention, only Contracting States that proclaim their intention to be bound by the provisions of this chapter will be obligated to follow the terms of this chapter. As the *Rotterdam Rules* introduced several new systems that may affect the Convention's acceptability, the drafters employed technical manipulation to minimise potential reservations about joining the Convention, thus enhancing its acceptability. [27] Article 78 exemplifies such a manipulation. While this provision achieves innovative design and enhances the contracting states' acceptance of the *Rotterdam Rules*, it also increases both the complexity and instability of the Convention's application.

The provision for an opt-in application in Article 78 displays innovative legislative design. To allow for selective applicability of certain clauses in international conventions, drafters generally employ a legislative technique called 'declaratory reservation'. For instance, the *Hague Rules* and *Visby Rules* permit contracting states to make reservations according to specific provisions. To maintain the uniformity of the *Rotterdam Rules*, Article 90, which is like Article 29 of the *Hamburg Rules* which states that 'no reservations may be made to this convention' to exclude any option for a declaratory choice of application, stipulates that no reservation is permitted to the Rotterdam Rules. However, unlike the *Hamburg Rules*, addressing concerns or divergent opinions among contracting states of Chapter 15, the legislators of the *Rotterdam Rules* opted for a selective application method. This approach ensures the Convention's overall uniformity while providing freedom not to apply Chapter 15 to the states, reflecting the drafters' efforts to balance uniformity with flexibility, showcasing unique legislative acumen, and setting a precedent for future conventions.

These provisions can enhance national acceptance of these rules. Given the reservations expressed by some countries regarding Chapter

15, Article 78 provides liberty to contracting states to decide whether to apply this chapter, thus helping to alleviate concerns about arbitration issues upon joining the Convention and enhancing its acceptability. Moreover, the Convention imposes minimal restrictions on the timing of declarations concerning Chapter 15, allowing for a more flexible timeframe for such declarations. According to Article 91, declarations that are allowed under Articles 74 and 78 can be made at any moment. In contrast, the declarations that are allowed under Article 92(1) and Article 93(2) do not enjoy such a high degree of freedom. This liberal approach to arbitration clauses grants greater flexibility to contracting states in making declarations related to arbitration and jurisdiction under this Convention.

However, it is crucial to recognise that the provision for an opt-in application also complicates and destabilises the Convention's application. This poses an issue because it exacerbates variety, which contradicts one of the main aims of establishing a new convention: to promote international harmonisation.[28] The *Rotterdam Rules* will deviate from the objective of worldwide uniformity, as certain contracting parties will choose to make the declaration in Article 74 and Article 78 but some will not.[29] Furthermore, even for just one country, a contracting state can declare its choice to apply Chapter 15 at any time and can similarly withdraw such a declaration, potentially destabilising arbitration proceedings. For instance, if a contracting state initially declares its application of Chapter 15 but later withdraws that declaration, and if a dispute arises post-withdrawal where the parties had previously consented to settle disputes utilizing arbitration under that country's law, it may become unclear whether Chapter 15 still applies. One party might argue that Chapter 15 was applicable in that country when the contract was signed and thus should govern the parties' dispute based on the original contract intent; the opposing party might argue that the withdrawal means that 'the law of that country' no longer includes Chapter 15 at the time of the dispute. Different arbitration institutions may issue divergent decisions based on their varied legal reasoning, characteristics, or order, thereby increasing the complexity of applying this rule. The inclusion of the opt-in provision in the *Rotterdam Rules* undermines the consistency of law, leading to increased ambiguity and ultimately discouraging international trade. [30]

4.2 Prominent Feature of Cross-Referencing Articles

The Convention is sometimes criticized for its technical nature, both in general terms and concerning the arbitration chapter, as it can prove challenging for practitioners to comprehend. [31] The legislative technique of cross-referencing is an example. In terms of the structure of provisions, Article 78, along with its related Chapter 15 and Article 91, prominently features cross-referencing of other articles.

Within Article 75, three of the five paragraphs employ a referencing method: Paragraph 2 aligns with the provisions of Article 66, Subparagraph 1 by specifying four locations for statutory arbitration venues; Subparagraph 1 of Paragraph 4 directly references Subparagraph 1 of Paragraph 2 of the same article; and Paragraph 5 comprehensively refers back to Paragraphs 1 through 4. Additionally, Article 76 references Articles 6 and 7; Article 77 refers to Chapters 14 and 15; and Article 78 cross-references both Chapter 15 and Article 91. Thus, both Article 78 and the entirety of Chapter 15 and Article 91 associated with it clearly exhibit mutual article cross-referencing.

The use of article cross-referencing is a common legislative technique offering advantages such as concise expression and clear applicability of provisions. However, it also has some disadvantages. Typically, a correct understanding requires an integrated analysis with other provisions of the Convention, which can somewhat impede comprehension and application. [32] Furthermore, its excessive use can complicate the application of the rules, ultimately hindering their implementation, because understanding the provisions can be challenging when certain articles are viewed in isolation, often leading to incomplete interpretations or misconceptions. The provisions in the Chapter 15 of the Convention is an example. The language of chapter 15 in the Convention is not concise enough, and the interwoven articles make it challenging to discern their true intent, potentially influencing the decisions of some countries to join. [33]

5. Conclusions

Although the Rotterdam Rules were originally developed to unify international maritime

regulations and underwent extensive discussions, they have not yet achieved practical effectiveness, and no country has made any declaration to apply Chapter 15 of the Convention. The reason why the chapter has not been applied by an arbitrary state is more attributable to the nature of the chapter itself. During the drafting process, the States parties, while agreeing on the content of the chapter, reached a consensus through a compromise among States. This has led to a conservative attitude towards the provisions of the chapter among that category of States. Furthermore, it is important to note that some of the innovative provisions in this chapter may not be favourable, as their implementation may not only increase the costs of dispute settlement and complicate the process of dispute settlement, but also create uncertainty as their implementation is dependent on the provisions of the domestic laws of different states. Additionally, the legislative technique used in this chapter creates a certain impediment to the application of this chapter for the following two reasons: Firstly, the opt-in approach stipulated in Article 78 reduces the uniformity of the Convention; Secondly, the overuse of cross-references makes it difficult to grasp the true meaning of the chapter. The aforementioned factors have resulted in the fact that no State has yet made an opt-in declaration with regard to Chapter 15 of the Rotterdam Rules.

As the latest regulations in the international maritime domain, the Rotterdam Rules hold a great deal of significance for unifying international maritime regulations, but a remarkable gap remains between their theoretical importance and practical application, necessitating further research to be conducted by judges, practitioners, and scholars.

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