



UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW: NEGOTIABLE CARGO DOCUMENTS

Working Group VI of the United Nations Commission on International Trade Law (UNCITRAL) is developing a convention on negotiable cargo documents (NCDs). As a *new negotiable document of title*, an NCD would perform similar functions as a maritime bill of lading but for the carriage of goods **by any mode of transport, whether in a multimodal or unimodal context**.

The need for a new convention arose because transport documents issued by rail, road and air carriers are typically non-negotiable, preventing them from performing similar functions as maritime bills of lading, which are widely used as a negotiable document of title. The new convention seeks to address this gap by creating a negotiable document of title, both in paper and electronic forms, for use across all modes of transport or combination thereof.

By providing legal recognition to NCDs, the convention would eliminate uncertainties regarding their use, including the legal effect of NCDs as well as the rights, obligations and liability of the NCD holder. It would also ensure that NCDs are recognized across borders by States parties to the convention. This in turn will encourage: (a) the acceptance of NCDs by banks and other financial institutions as a credit enhancement tool, thereby increasing liquidity for businesses - especially MSMEs - and accelerating trade flows; and (b) the sale of goods in transit, particularly relevant for commodity trade.

In the absence of any international convention on multimodal transport currently in force, this convention would promote the development of door-to-door transportation by enabling the use of a single NCD. While both paper and electronic NCD would simplify the documentation process and enhance operational efficiency, the electronic NCD would also support digital transformation of global trade.

It is expected that UNCITRAL will approve the new convention in July 2025 and the United Nations General Assembly will adopt it in late 2025.

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UNCITRAL Working
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