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Compulsory Ethiopian Standard

First Edition

Multimodal Transport Operator Requirement

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Multimodal Transport Operators Service - Requirement

FOR PUBLIC COMMENT

Foreword

This Ethiopian Standard has been prepared under the direction of Technical Committee for Management system (TC 5) and published by the Institute of Ethiopian Standards (IES). Draft of the standard has been presented by Ministry of Transport and logistics and Ethiopian Maritime Authority. Acknowledgment has been made for the organization for its concern to contribute to the effort of national standardization.

Multimodal Transport operators Service Requirement

1. Scope

This standard specifies requirements for multimodal transport operator's service operation including standards operating procedures (SOP).

It applies to all contracts of multimodal transport operation

A (MTO) acts as a single, centralized principal responsible for managing and executing the entire end-to-end movement of cargo using at least two different modes of transport (such as road, rail, ocean, or air), Single contract, International states, one single liable operator licensing, working procedure and liability.

Commented [M1]: See This scope and make it part of

- (a) The place for the taking in charge of the goods by the multimodal transport operator as provided for in the multimodal transport contract is located in a Contracting State, or
- (b) The place for delivery of the goods by the multimodal transport operator as provided for in the multimodal transport contract is located in a Contracting State.

2. Normative Reference

- ✓ Regulation, proclamation
- ✓ International Multimodal transport convention,
- ✓ UNCTA
- ✓

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3. Terms and Definitions

For the purposes of this document, the following terms and definitions are applied:

3.1.

International multi modal transport

Means the carriage of goods by at least two different modes of transport on the basis of a multimodal transport contract from a place in one country at which the goods are taken in charge by the multi modal transport operator to a place designated for delivery situated in a different country. The operations of pick-up and delivery of goods carried out in the performance of a unimodal transport contract, as defined in such contract, shall not be considered as international multi modal transport.

3.2.

Multimodal transport operator (MTO)

means any person who on his own behalf or through another person acting on his behalf concludes a multimodal transport contract and who acts as a principal, not as an agent or on behalf of the consignor or of the carriers participating in the multi modal transport operations, and who assumes responsibility for the performance of the contract.

3.3. Multimodal transport contract" means a contract whereby a multi modal transport operator undertake, against payment of freight, to perform or to procure the performance of international multimodal transport.

3.4. Multimodal transport document A document which evidences a multi modal transport contract, the taking in charge of the goods by the multimodal transport operator, and an undertaking by him to deliver the goods in accordance with the terms of that contract.

3.5. Consignor Any person by whom or in whose name or on whose behalf a multimodal transport contract has been concluded with the multimodal transport operator, or any person by whom or in whose name or on whose behalf the goods are actually delivered to the multimodal transport operator in relation to the multi modal transport contract. .

3.6. Consignee the person entitled to take delivery of the goods.

3.7. Goods include any container, pallet or similar article of transport or packaging, if supplied by the consignor.

3.8. International convention an international agreement concluded among States in written form and governed by international law.

3.9. Mandatory national law

Any statutory law concerning carriage of goods the provisions of which cannot be departed from by contractual stipulation to the detriment of the consignor.

3.10. FOB

stands for (Free On Board) and is a term in international commercial process where the buyer nominates the carrier in the purchase and sale agreement; and the seller completes the required formality and load the cargo on the nominated vessel;

3.11. Carrier

Means a company that has been certified and licensed for multimodal transport operations under the Multimodal transport Directive No. 802/2021 for cargoes imported on FOB term.

3.12. Writing

Means inter alia, telegram or telex.

3.13. Endorsement

means the signing by the consignee or endorsee after adding a direction on a negotiable multimodal transport document to pass the property in the goods mentioned in such document to a specified person;

3.14. Special Drawing Rights

Means an equivalent currency of a state regarding the limit of liability of the carrier per package or kilogram. This shall be circulated and paid in accordance with the method of valuation applied by the International Monetary Fund.

3.15. EMA

Means Ethiopian Maritime Authority

3.16. Minister: means Transport and logistics minister

3.17. License :- means the multimodal Transport operator permission to do under the directive number 802/2021 and the revised directive number 1140/2026

3.18.

4. General requirements

4.1. The operator shall have fulfilled the Ethiopian national legal requirements.

4.2. The multimodal transport operator shall fulfill the procedure specified in this standard.

4.3. The operator shall comply any international convention or applicable national law relating to the regulation and control of transport operations.

Note :

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This standard shall not affect the right of each State to regulate and control at the national level multimodal transport operations and multimodal transport operators, including the right to take measures relating to consultations, especially before the introduction of new technologies and services, between multi-modal transport operators, shippers, shippers' organizations and appropriate national authorities on terms and conditions of service; licensing of multi modal transport operators; participation in transport; and all other steps in the national economic and commercial interest.

- 4.4. The operator shall have establishment objectives and organizational structure.
- 4.5. The operator shall have compatible and interoperable ICT infrastructure and fulfill national safety and security requirements.
- 4.6. The operator shall have availability of adequate office equipment for the number of people employed and activities carried out
- 4.7. The operator shall have qualified employees to carry out multimodal transport job properly as per the national regulation of the country authority.
- 4.8. The operator shall have a minimum paid-up capital of as per the amount set by the authorized national Authority.
- 4.9. The operator shall maintain insurance coverage, either directly or through contracted companies, to cover claims arising from loss, damage, delay, or other liabilities under the multimodal transport contract.
- 4.10. The multimodal operator shall provide a customs bond in accordance with customs authority requirements to cover applicable taxes and duties in the event that goods are lost or stolen during transit to their final destination.
- 4.11.

5. Specific Requirements

5.1. Criteria for Business License

- 5.1.1. The head office of the multimodal transport operator shall be located in Ethiopia
- 5.1.2. Submit the company or joint venture establishment document, administrative manual and investment license, Standard operating procedures (SOPs).
- 5.1.3. First of all they fulfill the competence of certificate and then for the business license

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5.2. Service

5.2.1. End-to-End Operational Workflow

Executing a multimodal shipment requires precise chronological alignment between shippers, carriers, port terminals, and customs.

5.2.2. Booking & Contract Issuance: Phase 1: Pre-Shipment.

Receive the shipper's booking request. Verify cargo dimensions, weight, and hazardous materials status. Issue the Multimodal Bill of Lading (MBL), assuming single-point liability from origin to final destination.

5.2.3. First-Mile Pick-up & Pre-Carriage: Phase 2: Origin Logistics.

Dispatch an empty container to the shipper's warehouse via road or rail. Oversee cargo loading, verify container structural integrity, and apply high-security ISO 17712 bolt seals. Record seal numbers on the commercial invoice and packing list.

5.2.4. Origin Terminal Handling & Customs: Phase 3: Export Clearance.

Receive the container at the origin port, dry port, or inland container depot (ICD). File export customs declarations, clear transit documentation, and execute the physical exchange of cargo custody with the primary long-haul carrier.

5.2.5. Main-Leg Long-Haul Transport: Phase 4: Transit.

Monitor the primary transit leg (typically sea or rail). Provide daily electronic tracking updates, manage transshipment hubs, and pre-alert the destination port/terminal operators with essential manifest data to minimize terminal dwell times.

5.2.6. On-Carriage & Final-Mile Delivery: Phase 5: Delivery.

Transfer the container to the final transport mode (road or rail) after destination customs clearance. Deliver to the consignee's designated offloading site. Secure a signed Delivery Order (DO) and clean Proof of Delivery (POD) noting any seal or cargo anomalies.

5.3. Key Performance Indicators (KPIs) & Quality Metrics

To maintain efficiency across the supply chain, operations should be benchmarked against standardized, quantifiable quality infrastructure metrics:

Functional Area	Performance Indicator (KPI)	Industry Target / Benchmark
Terminal Operations	Cargo Dwell Time (Inland Container Depots/Ports)	Less than 48 Hours
Documentation	E-Documentation & Manifest Accuracy Rate	Greater than 99.5%
Reliability	On-Time Performance (Transit Schedule Adherence)	Greater than 95%
Interchange Efficiency	Equipment Turnaround Time (Gate-in to Gate-out)	Less than 60 Minutes
Safety & Security	Cargo Loss/Damage Claims Ratio	Less than 0.2%

5.4. Documentation Control & Information Architecture

Multimodal transport shall relies entirely on data sharing. Because a single operator handles the entire journey, paperwork errors at an inland dry port can stall a container weeks later at a maritime terminal.

5.5. Essential Documentation Toolkit shall include the following

5.5.1. The Multimodal Bill of Lading (MBL): The single most critical document. Unlike a standard port-to-port bill, it covers the entire journey under the liability of a single Multimodal Transport Operator (MTO).

5.5.2. Interchange Delivery Note (EIR - Equipment Interchange Receipt): Generated every single time a container switches hands (e.g., from a rail car to a flatbed truck). It documents the physical condition of the box and verifies the security seal is intact.

5.5.3. Customs Transit Declarations (T1 / Carnet / National Transit Bonds): Crucial for landlocked transit or movements crossing regional trade corridors before final clearance.

5.6. Risk Management, Liability & Cargo Integrity

When handling cargo transitions between varying environments—such as a hot rail terminal to a maritime port—maintaining container integrity is paramount.

5.7. Critical Risk Management Protocols shall include the following

5.7.1. The Network Liability Principle: Under standard international frameworks (like the UNCTAD/ICC Rules), liability is determined by where the damage occurred. If the damage location is unknown, the MTO faces stringent default liability limits.

5.7.2. Equipment Inspections (The 7-Point Check): Before loading, drivers and terminal personnel shall inspect: Front wall, Left side, Right side, Floor, Ceiling/Roof, Inside/Outside doors, and the Undercarriage.

5.7.3. Reefer & Cold Chain Integrity: For refrigerated containers, power log transitions from grid power (at terminals) to gensets (on road/rail) shall be executed within a maximum 30-minute window to protect temperature-sensitive cargo.

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5.8. The multimodal operator shall have a minimum of **three years** of experience at least in one of following logistics service: -

- I. Freight forwarding,
- II. Ship agency,
- III. Maritime transport,
- IV. Multimodal transport (air, road, rail and sea) transport,
- V. Port administration, or related logistics services.

5.9. The multimodal operator shall employ at least fifteen (15) trained personnel holding a first degree or a certificate of competency with a minimum of eight (8) years of relevant experience in freight forwarding, customs clearing, port operations management, cross-border transport operations, ship agency services, maritime law, or other international trade and logistics activities. At least three (3) of these personnel, including members of top management, shall be qualified operational managers capable of overseeing and managing key operational functions.

5.10. The multimodal operator shall procure and avail insurance cover for the goods it transports or shall ensure that the ocean carrier sub contracted do have protection and indemnity(P&I) cover and the inland carrier also do have road transport liability cover according to the rules of the transit state. In any case, the multimodal transport operator bears full liability.

5.11. The multimodal transport operator shall maintain information and communication systems to facilitate the timely exchange of information and instructions with local and foreign agents, sea and land transport providers, international seaports, inland dry ports, and other relevant stakeholders.

5.12. The multimodal transport operator shall provide documentary evidence demonstrating that it maintains a foreign currency account in Ethiopia.

5.13. At least 50 percent of the board of directors assigned (the board shall consist of not fewer than three (3) and not more than thirteen (13) members) shall at least hold a bachelor's degree and not less than two (2) years of work experience in areas related to freight forwarding, ship agency, ship operation, port operation, freight transport, banking, insurance, maritime law, customs clearance and in research and development in the sector.

5.14. The multimodal transport operator shall own or lease, for a minimum period of two (2) years, at least one (1) hectare of land developed as a functional terminal. The terminal shall be adequately fenced and secured and shall include a closed warehouse constructed of durable materials such as concrete and concrete blocks.

5.15. The operator shall own or lease one reach stacker or crane, shall own five (5) cross-border trucks each with a minimum loading capacity of 300 quintals??, and shall be capable of leasing additional cross-border trucks for at least one year as necessary.

5.16. The operator shall own 53 wagons each with a minimum loading capacity of 70 tons. to be checked

5.17. The multimodal operator shall submit a legally binding agreement demonstrating that it has an agent to oversee its overseas operations, and it shall also have Two (2) branch offices in Ethiopia.

5.18. The multimodal transport operator shall present its permanent business license to the Authority and get renewed every three years.

5.19. The multimodal transport operator shall have a certificate of competency and permanent business license as per the country regulation for EMA

6. Renewal of business license

- 6.1. The multimodal transport operator shall present its permanent business license to the authority and get it renewed every three years.
- 6.2. For renewal of the business license, the multimodal transport operator ought to complete the renewal application form prepared by the authority and submit along with other relevant documents to the authority two months before the expiry of the license.
- 6.3. The multimodal transport operator shall fulfill all the requirements detailed when applying for renewal of business license.
- 6.4. The operator who failed to renew their business license within the renewal period will be allowed to renew with a penalty if only they apply within a month after expiry of the renewal period.

6.5. Insurance:-

The operator shall provide:-

- I. A guarantee certificate issued for maritime transport, either by itself or through third-party organizations contracted under a separate agreement, for international Protection & Indemnity (P&I) Cover
- II. A renewed insurance cover certificate issued for land transport, either by itself or through third-party organizations contracted under a separate agreement;
- III. A renewed insurance cover certificate issued for rail and air transport, if utilized, either by itself or through third-party organizations contracted under a separate agreement;
- IV. A guarantee certificate issued by the Customs Commission confirming the provision of a customs duty and tax guarantee, in accordance with the payment method and monetary amount determined by the Customs Commission

6.6. Suspension or Cancellation of Business License

- 6.6.1. The business license shall be prohibited or cancelled when the multimodal transport operator acts against the provisions contained in the proclamation and directive of EMA
- 6.6.2. The operator shall receive a warning notice of 3 months before the effective date of suspension or cancellation of business license by the authority.

6.6.3. Notwithstanding provisions contained under **Sub-clause 6.6.1** of this Article, the authority may suspend the business license under any one of the following conditions.

- A. If the multimodal transport operator fails to renew its permanent or temporary license according to **SubArticles (2)** (sub-clause 6.6.2)
- B. If the multimodal transport operator fails to file its tariff with the authority within the appropriate time.
- C. If the annual or sudden inspection proves that the multimodal transport operator failed to fulfill requirements detailed under **Sub-Article(3)** (sub clause 6.6.3)
- D. If it becomes incompetent and fails to comply with this standard and any other agreement it has signed.
- E. In the event the license is suspended, the multimodal transport operator shall only complete any work it has started before the suspension and shall not enter into a new contract.
- F. Suspension of the license shall be lifted and renewal of the license shall be granted if the multimodal transport operator corrects all the remark given by the authority with in the given period and pays penalty fee as decided by the authority.

6.7. Return of business license

A multimodal transport operator who wishes to return his license or whose license is cancelled shall fulfill the following in addition to filling the form prepared by the authority.

- I. A multimodal transport operator who wishes to return its business license shall notify the authority in writing three months in advance.
- II. **A multimodal** transport operator who puts the authority on notice for return of its business license or whose license is cancelled;
 - a) Shall transport and deliver all the goods accepted for transportation within two months.
 - b) Shall not enter into new contracts
- III. Notwithstanding **Sub-Article (2)** of this Article, if the multimodal transport cannot transport and deliver the goods under its custody within two months;
 - a) It shall transfer the goods to another multimodal transport selected by the customer.
 - b) Any payment collected from the customer to whom no service is given shall be returned.
- IV. Shall present a document certifying that it is free from any tax-related and other obligations.
- V. It shall return the multimodal transport operator competency certificate.

6.8. Multimodal Transport Document

- 6.8.1.** The multimodal transport operator shall issue the multimodal transport documents which, at the option of the consignor, shall be in either negotiable or non-negotiable form.
- 6.8.2.** The multimodal transport document shall be signed by the multimodal transport operator or by designated authority.
- 6.8.3.** The signature on a multimodal transport document should be executed through handwriting, printed in facsimile, print, perforation, stamp, symbol, or by any advanced mechanical or electronic means, including digital or biometric authentication, provided such methods are consistent with the laws of the country where the document is issued.

6.9. Negotiable Multimodal Transport Document

- 6.9.1.** If the multimodal transport operator issues the document in negotiable form:
 - a) It shall be made out to order or to bearer;
 - b) If made out to order it shall be transferable by endorsement;
 - c) If made out to bearer it shall be transferable without endorsement;
 - d) If issued in a set of more than one original it shall indicate the number of originals in the set;
 - e) If any copies are issued each copy shall be marked "non-negotiable copy".
- 6.9.2.** Delivery of the goods may be demanded from the multimodal transport operator or a person acting on his behalf only against surrender of the negotiable multi-modal transport document duly endorsed where necessary.
- 6.9.3.** The multimodal transport operator shall be discharged from his obligation to deliver the goods if, where a negotiable multimodal transport document has been issued in a set of more than one original, he or a person acting on his behalf has in good faith delivered the goods against surrender of one of such originals.

6.10. Non-Negotiable Multimodal Transport Document

- 6.10.1.** Where a multimodal transport document is issued in non-negotiable form it shall indicate a named consignee.
- 6.10.2.** The multimodal transport operator shall be discharged from his obligation to deliver the goods if he makes delivery thereof to the consignee named in such non-negotiable multimodal transport document or to such other person as he may be duly instructed, as a rule, in writing.

6.11. Contents of the Multimodal Transport Document

- 6.11.1.** The multi modal transport document shall contain the following particulars:
 - a) The general nature of the goods, the leading marks necessary for identification of the goods, an express statement, if applicable, as to the dangerous character of the goods, the number of packages or pieces, and the gross weight of the goods or their quantity otherwise expressed, all such particulars as furnished by the consignor;
 - b) The apparent condition of the goods;

- c) The name and principal place of business of the multimodal transport operator;
- d) The name of the consignor;
- e) The consignee, if named by the consignor;
- f) The place and date of taking in charge of the goods by the multimodal transport operator;
- g) The place of delivery of the goods;
- h) The date or the period of delivery of the goods at the place of delivery, if expressly agreed upon between the parties;
- i) A statement indicating whether the multimodal transport document is negotiable or non-negotiable;
- j) The place and date of issue of the multimodal transport document;
- k) The signature of the multimodal transport operator or of a person having authority from him;
- l) The freight for each mode of transport, if expressly agreed between the parties, or the freight, including its currency, to the extent payable by the consignee or other indication that freight is payable by him.
- m) The intended journey route, modes of transport and places of transshipment, if known at the time of issuance of the multimodal transport document;
- n) Any other particulars which the parties may agree to insert in the multimodal transport document, if not inconsistent with the law of the country where the multimodal transport document is issued.

6.11.2. If the multimodal transport operator or a person acting on his behalf fails to note on the multimodal transport document the apparent condition of the goods, he is deemed to have noted on the multimodal transport document that the goods were in apparent good condition

6.12. Other Documents

The issue of the multimodal transport document does not preclude the issue, if necessary, of other documents relating to transport or other services involved in international multimodal transport, in accordance with applicable national law. However, the issue of such other documents shall not affect the legal character of the multimodal transport document.

7. Liability of the multimodal transport operator

7.1. The responsibility of the multi modal transport operator for the goods under this standard covers the period from the time he takes the goods in his charge to the time of their delivery.

7.2. the multimodal transport operator is deemed to be in charge of the goods:

a) From the time he has taken over the goods from:

- (i) The consignor or a person acting on his behalf; or
- (ii) An authority or other third party to whom, pursuant to law or regulations applicable at the place of taking in charge, the goods must be handed over for transport;

b) Until the time he has delivered the goods:

- (i) By handing over the goods to the consignee; or
- (ii) In cases where the consignee does not receive the goods from the multimodal transport operator, by placing them at the disposal of the consignee in accordance with the multimodal transport contract or with the law or with the usage of the particular trade applicable at the place of delivery; or
- (iii) By handing over the goods to an authority or other third party to whom, pursuant to law or regulations applicable at the place of delivery, the goods must be handed over.

7.3. The multimodal transport operator shall include his servants or agents or any other person of whose services he makes use for the performance of the multimodal transport contract, and reference to the consignor or consignee shall include their servants or agents.

7.4. liability of the multimodal transport operator for his servants, agents and other persons

7.4.1. the multimodal transport operator shall be liable for the acts and omissions of his servants or agents, when any such servant or agent is acting within the scope of his employment, or of any other person of whose services he makes use for the performance of the multimodal transport contract, when such person is acting in the performance of the contract, as if such acts and omissions were his own.

7.5. Basis of liability

I. The multimodal transport operator shall be liable for loss resulting from loss of or damage to the goods, as well as from delay in delivery, if the occurrence which caused the loss, damage or delay in delivery took place while the goods were in his charge

unless the multimodal transport operator proves that he, his servants or agents or any other person took all measures that could reasonably be required to avoid the occurrence and its consequences.

- II. Delay in delivery occurs when the goods have not been delivered within the time expressly agreed upon or, in the absence of such' agreement, within the time which it would be reasonable to require of a diligent multimodal transport operator, having regard to the circumstances of the case.
- III. If the goods have not been delivered within 90 consecutive days following the date of delivery, the claimant may treat the goods as lost.

7.6. Concurrent causes

If fault or neglect on the part of the multimodal transport operator, his servants or agents or any other person combines with another cause to produce loss, damage or delay in delivery, the multimodal transport operator shall be liable only to the extent that the loss, damage or delay in delivery is attributable to such fault or neglect, provided that the multimodal transport operator proves the part of the loss, damage or delay in delivery not attributable thereto.

7.7. Exemption from liability

The carrier shall however be relieved of liability if the loss, damage or delay was caused by the wrongful act or neglect of the claimant, by the instructions of the claimant given otherwise than as the result of a wrongful act or neglect on the part of the carrier, by inherent vice or then goods or through force majeure.

7.8. Limitation of liability

- I. Where a multimodal Transport operator becomes liable for any loss of, or damage to, any goods, the nature and value where of have not been. declared by the consignor before such consignment have been taken in charge by the multimodal transport operator the liability of the multimodal transport operator to pay compensation shall not exceed special drawing rights 835 per package or other shipping unit, or special drawing rights 2.5 per kilogram of gross weight of the goods lost or damaged, whichever is the higher

II. When the loss of or damage to the goods occurred during one particular stage of the Multimodal transport, in respect of which an applicable law provides a higher limit of liability. The limit of the multimodal transport operator's liability for such loss or damage shall be determined in accordance with the provisions of the relevant law applicable in relation to the mode of transport during which the loss or damage occurred.

III. The liability of the multimodal transport operator for loss resulting from delay in delivery shall be in accordance with the applicable laws.

IV. Unless and otherwise, the aggregate liability of the multimodal transport operator shall not exceed the limit of liability for total loss of the goods as determined by the applicable laws.

7.9. Loss of the right to limit liability

I. The multimodal transport operator is not entitled to the benefit of the limitation of liability provided for in this Convention if it is proved that the loss, damage or delay in delivery resulted from an act or omission of the multimodal transport operator done with the intent to cause such loss, damage or delay or recklessly and with knowledge that such loss, damage or delay would probably result.

II. 2. The limitation of liability under this standard shall not apply if the loss, damage, or delay resulted from the intentional or reckless act or omission of a servant, agent, or other person engaged by the multimodal transport operator, committed with knowledge that such consequences would probably result.

7.10. Guarantee by the consignor

I. The consignor shall be deemed to have guaranty-teed to the multi modal transport operator the accuracy, at the time the goods were taken in charge by the multimodal transport operator, of particulars relating to the general nature of the goods, their marks, number, weight and quantity and, if applicable, to the dangerous character of the goods, as furnished by him for insertion in the multimodal transport document.

II. The consignor shall indemnify the multi modal transport operator against loss resulting from inaccuracies in or inadequacies of the particulars referred to in paragraph 1 of this article. The consignor shall remain liable even if the multi modal

transport document has been transferred by him. The right of the multi modal transport operator to such indemnity shall in no way limit his liability under the multimodal transport contract to any person other than the consignor.

7.11. Liability of the consignor

The consignor shall be liable for loss sustained by the multimodal transport operator if such loss is caused by the fault or neglect of the consignor, or his servants or agents when such servants or agents are acting within the scope of their employment. Any servant or agent of the consignor shall be liable for such loss if the loss is caused by fault or neglect on his part.

7.12. Operation of dangerous goods

- I. The consignor shall mark or label dangerous goods as per their classification.
- II. Where the consignor hands over dangerous goods to the multimodal transport operator or any person acting on his behalf, the consignor shall inform him of the dangerous character of the goods and, if necessary, the precautions to be taken. If the consignor fails to do so and the multimodal transport operator does not otherwise have knowledge of their dangerous character:
 - a. The consignor shall be liable to the multimodal transport operator for all loss resulting from the shipment of such goods; and
 - b. The goods may at any time be unloaded, destroyed or rendered innocuous, as the circumstances may require, without payment of compensation.

7.13. Notice of loss, damage or delay

- I. The consignee shall provide written notice to the multimodal transport operator, specifying the general nature of any loss of or damage to the goods, not later than the first working day following the day on which the goods are handed over to the consignee. In the absence of such notice, the handing over of the goods shall constitute prima facie evidence that the multimodal transport operator has delivered the goods as described in the multimodal transport document.
- II. Where the loss of or damage to the goods is not apparent at the time of delivery, the requirements specified in Sub-clause I shall apply correspondingly unless the consignee provides written notice to the multimodal transport operator, specifying the general nature

of the loss or damage, within seven consecutive days after the day on which the goods are handed over to the consignee.

III. No compensation shall be payable for loss resulting from delay in delivery unless notice has been given in writing to the multimodal transport operator within 60 consecutive days after the day when the goods were delivered by handing over to the consignee or when the consignee has been notified that the goods have been delivered in accordance with paragraph II) or (III) of this sub clause 7.4.10.

IV. The multimodal transport operator **shall provide written notice** to the consignor, specifying the general nature of any loss or damage attributable to the fault or neglect of the consignor, the consignor's servants, or agents, **not later than 90 consecutive days after the occurrence of such loss or damage or after the delivery of the goods in accordance with Sub-clause 7.4.10 (II), whichever is later.** Failure to provide such notice within the specified period **shall constitute prima facie evidence** that the multimodal transport operator has sustained no loss or damage due to the fault or neglect of the consignor, the consignor's servants, or agents.

V. Where any notice period specified in Sub-clause 7.4.10 (II), (III), or (IV) expires on a day that is not a working day at the place of delivery, **the notice period shall be extended to the next working day.**

VI. For the purposes of this sub-clause, any notice given to a person acting on behalf of the multimodal transport operator, including any person whose services are used by the multimodal transport operator at the place of delivery, **shall be deemed to have been given to the multimodal transport operator.** Likewise, any notice given to a person acting on behalf of the consignor **shall be deemed to have been given to the consignor.**

7.14. Limitation of actions

- a. Any action arising from or relating to international multimodal transport under this standard **shall be instituted through judicial or arbitral proceedings within two years.** Failure to commence such proceedings within the specified period **shall render the action time-barred**
- b. However, if notification in writing, stating the nature and main particulars of the claim, has not been given within six months after the day when the goods were delivered or, where the goods have not been delivered, after the day on which they

should have been delivered, the action shall be time-barred at the expiry of this period.

- c. The limitation period shall commence on the day following the date on which the multimodal transport operator delivers the goods or any part thereof. Where the goods are not delivered, the limitation period shall commence on the day following the last date on which the goods should have been delivered..
- d. The person against whom a claim is made **shall be permitted to extend the limitation period at any time before its expiry by issuing a written declaration to the claimant.** Any such extension **shall be capable of being further extended by one or more additional written declarations.**
- e. Subject to the provisions of any other applicable international convention, a recourse action for indemnity by a person held liable under this standard **shall be permitted to be instituted after the expiry of the limitation period specified in the preceding paragraphs,** provided that such action is commenced within the period permitted under the law of the State in which the proceedings are instituted. The period permitted under such law **shall not be less than 90 days,** calculated from the date on which the person instituting the indemnity action has settled the claim or has been served with process in the action brought against that person.

7.15. Jurisdiction

I. In judicial proceedings relating to international multimodal transport under this standard, the plaintiff **shall institute the action in a court that is competent under the law of the State in which the court is located** and whose jurisdiction includes at least one of the following places:

- a) The principal place of business or, in the absence thereof, the habitual residence of the defendant; or
- b) The place where the multi modal transport contract was made, provided that the defendant has there a place of business, branch or agency through which the contract was made; or
- c) The place of taking the goods in charge for international multimodal transport or the place of delivery; or

d) Any other place designated for that purpose in the multimodal transport contract and evidenced in the multimodal transport document.

II. Notwithstanding the preceding provisions of this article, an agreement made by the parties after a claim has arisen, which designates the place where the plaintiff may institute an action, shall be effective.

III. Where an action has been instituted in accordance with the provisions of this article or where judgement in such an action has been delivered, no new action shall be instituted between the same parties on the same grounds unless the judgement in the first action is not enforceable in the country in which the new proceedings are instituted;

IV. For the purposes of this article neither the institution of measures to obtain enforcement of a judgement nor the removal of an action to a different court within the same country shall be considered as the starting of a new action.

7.16. Lien right of the multimodal transport operator on goods and documents

The multimodal transport operator shall have a lien on the goods and any documents relating thereto for all sums payable to the multimodal transport operator under the multimodal transport document, including storage fees, and for the cost of recovering these sums

7.17. Arbitration

7.17.1.1. Subject to the provisions of this, (clause) parties shall provide by agreement evidenced in writing that any dispute that may arise relating to international multi-modal transport under this standard shall be referred to arbitration.

7.17.1.2. Arbitration proceedings relating to international multimodal transport under this standard **shall be instituted, at the option of the claimant, in one of the following places:**

(a) A place in a State within whose territory is situated:

- i. The principal place of business of the defendant or, in the absence thereof, the habitual residence of the defendant; or
- ii. The place where the multimodal transport contract was made, provided that the defendant has there a place of business, branch or agency through which the contract was made; or

iii. The place of taking the goods in charge for international multimodal transport or the place of delivery; or

(b) Any other place designated for that purpose in the arbitration clause or agreement.

7.17.1.3. The arbitrator or arbitration tribunal shall apply the provisions of this standard.

7.17.1.4. The provisions in sub clause 7.4.14.2 and 7.4.14.2 above shall be deemed to be part of every arbitration clause or agreement and any term of such clause or agreement which is inconsistent therewith shall be null and void.

7.17.1.5. Nothing in this clause shall affect the validity of an agreement on arbitration made by the parties after the claim relating to the international multi modal transport has arisen.

7.18. General average

7.18.1.1. Nothing in this standard shall prevent the application of provisions in the multimodal transport contract or national law regarding the adjustment of general average, if and to the extent applicable.

7.18.1.2. With the exception of **article 25**, the provisions of this standard relating to the liability of the multimodal transport operator for loss of or damage to the goods shall also determine whether the consignee may refuse contribution in general average and the liability of the multimodal transport operator to indemnify the consignee in respect of any such contribution made or any salvage paid.

7.19. Obligations of the Multimodal Transport Operator

In addition to complying with all the obligations detailed in this standard, the obligations of the multimodal operator are the following:

7.19.1. The operator Shall appoint an agent or open branch office in every country it intends to render multimodal transport service

7.19.2. The multimodal transport document shall contain the following in addition to the details stated under **clause 6.11** of the standard.

- i. Unique identification of the document
- ii. Name of the shipper
- iii. Name of the consignee as declared by the shipper
- iv. Name and head office of the multimodal transport operator

- v. Place and date of receipt of the goods by the multimodal operator
- vi. Name of vessel and voyage number or flight number
- vii. Place of final delivery
- viii. External condition of the goods
- ix. Cargo condition and description, marks and numbers, if the goods are dangerous, corresponding IMCO and UN number, gross and net weights as declared by the shipper

7.19.3. The multimodal operator shall collect dangerous goods declaration and other relevant documents from the shipper when accepting dangerous goods. These documents shall be sent to the concerned regulatory authorities timely.

7.19.4. The multimodal operator shall implement modern ICT systems that provide cargo owners with user access to track the status of goods under its custody at any time.

7.19.5. The multimodal operator Shall notify the consignee with a copy to the concerned dry port or terminal operator by letter or fax or email or text or other acceptable means of communication:

- i. 48 hours before the arrival of the goods at the final place of delivery if the on carriage takes place by truck
- ii. 12 hours before the arrival of the goods at the final place of delivery if the on carriage takes place by train

7.19.6. The multimodal operator shall compile and maintain records of all correspondences and financial transactions made with customers for up to ten years.

7.19.7. The multimodal operator shall present information related to customers as and when required by the authority.

7.19.8. The multimodal operator shall comply with the rules of the country's foreign trade, and the rules and procedures of transit states.

7.19.9. The multimodal operator shall take care of the goods under its custody. It shall assume full responsibility for loss, damage and delay for the goods under its custody or under the custody of its agent or branch office.

7.20. Obligation of the Shipper:-

7.20.1. The shipper shall be deemed' to have guaranteed to the multimodal transport operator the adequacy and accuracy, at the time the goods were taken in charge by the multimodal transport operator of particulars relating to the general nature of the goods, their marks, number, weight and quantity and, if applicable, to the dangerous character of the goods, as furnished by him for insertion in the multimodal transport document.

7.20.2. The shipper shall indemnify the multimodal transport operator against loss resulting from inaccuracies in or inadequacies of the particulars referred to in sub-clause 1.the shipper shall remain liable even if the multimodal transport document has been transferred by him.

7.20.3. The right of the multimodal transport operator to the indemnity referred to Sub-Clause (1) of this Article shall in no way limit his liability under the multimodal transport contract to any person other than the consignee.

8. Quality, Safety, Risk and Environmental management system

8.1. The multimodal transport operator implements a documented quality management system.

8.2. Cargo handling shall be conducted in a manner that prevents loss, damage, or deterioration.

8.3. The multimodal transport operator shall maintain a formal risk management framework addressing operational, financial, and regulatory risks.

8.4. Appropriate insurance coverage shall be maintained for cargo and liability risks.

Functions of the MTO

1. In accordance with the terms and conditions stated in the multimodal transport contract concluded with the consignee or shipper; utilize at least two modes of transport and deliver goods received at a place of origin in a foreign country to an inland destination or deliver to the consignee or deliver goods received at an inland place of origin to a final place of delivery in a foreign country.
2. Provide consolidation and deconsolidation of goods, warehousing, cargo handling service, terminal and container handling services.

3. Prepare and issue multimodal transport document in accordance with the proclamation.
4. Provide multimodal transport service based on a single rate approved by the authority.
5. Provide current and complete information to cargo owners, authority, and destination places using modern information communication technology; monitor and control shipment flows.
6. Deliver goods in apparent good order and condition as was received from the shipper or his/her agent.
7. Deliver goods at inland custom clearing places or any places designated by the government as multimodal transport destination.
8. Provide customs bond pursuant to customs commission requirement to cover government tax and duties in case the good in transit is lost or stolen.
9. Maintain accounting records in a form that can be audited by legally recognized external auditor in accordance with the financial reporting 847/2014.

Powers and Duties of the concerned authority

Powers and Duties of the Authority

1. Shall compile and prepare information related to cancellation issuance, suspension and of multimodal transport business license and shall make it public.
2. Shall ensure that applicable tariffs of all multimodal transport operators are filed with the authority.
3. With a view to support and facilitate the country's import trade and in consultation with the coastal states, oversees the process and preparation of documents used by the multimodal transport operators are simple and easy.
4. Maintains the confidentiality of the tariff presented and approved by multimodal transport operators and the authority respectively.
5. Prepares service standards, working procedure and code of conduct of a multimodal transport operator, monitors and verifies its implementation.

6. Checks and compares the appropriateness of the tariff presented according to the directive
7. Informs the multimodal operator in writing approval of the tariff in less than one month time.
8. Advises the bank vide official letter to release the money deposited under blocked account according to Sub-Article 3(C) of Article 17 to the multimodal transport operator within 5 working days after expiry of 3 months from the date of issuance of the license.
9. Takes appropriate administrative measure as per Articles 20 when the provisions of this directive and proclamation are violated by the multimodal transport operator.
10. Prepares detailed working procedure to make the implementation of the provisions of the proclamation and this directive possible.

The Powers & Duties of the National Bank

1. In connection with the foreign currency required by the multimodal transport operators, the national bank of Ethiopia shall prepare foreign currency administration and monitoring manual.
2. Shall notify all commercial banks the destination places for goods transported under multimodal transport system upon receipt of designated letter from the authority.
3. Shall notify all commercial banks names of suspended multimodal transport operators upon receipt of letter from the authority.

Power & Duties of the Customs Commission

1. The customs commission shall enable and monitor the multimodal transport operator to transport unaccustomed goods from the seaport to the place of final destination under a customs bond to cover government tax and duties in the event the goods are lost or stolen while in transit.
2. Shall open branch office and render services at place of final delivery designated by the authority upon receipt of designation letter from the authority.
3. Shall prohibit rendering services to suspended operators upon receipt of letter from the authority.

Complaint Handling

Compliant Against Administrative Decision

1. A multimodal transport operator may lodge complaint in writing to the complaint handling body established according the directive against administrative decisions related to non-acceptance of application for license or certificate of competency or cancellation of license or any administrative measure taken by the authority.
2. The authority shall establish a complaint handling body that examines the complaint on administrative decision taken, and present its recommendation to the authority director-general or an officer duly authorized by the director-general. The establishment of complaint handling body shall be announced to the clients.
3. Enforcement of any decision against which a complaint is lodged shall stay until the complaint is processed and a final decision is made. However, the authority director general may order the enforcement of the decision where delay in enforcement may cause irreversible damage to the public interest.
4. Anyone disappointed by the authority's decision may lodge complaint to the ministry.

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