JURNAL AKTA
Volume 11 No. 3, September 2024
SINTA 2 by Nationally Accredited Journal,
Decree No. 164/E/KPT/2021

The Use of Bill of Leading in the Transportation of Ships according to the Contract & Indonesian Law Perspective

Syarifur Ridho[1)] & Muhammad Arifin[2)]
[1)] Universitas Muhammadiyah Sumatera Utara, E-mail: syaifur955ridho@gmail.com
[2)] Universitas Muhammadiyah Sumatera Utara, E-mail: Muhammadarifin@umsu.ac.id

Abstract. *In transportation, the most important type of document is the bill of lading. It is called the most important document because, if there is a problem with the goods shipped or exported, the B/L has not been sent by the carrier, then the owner of the goods cannot make a claim to the carrier. Bill of lading or known as bill of lading is regulated in Article 506 of KUHD. This research uses a normative juridical research method with an analytical descriptive approach. Bill of Lading in sea transportation based on Indonesian law serves as proof of ownership of goods, and also as evidence of a transportation contract. Various documents that exist and are required in international trade transactions are grouped into the following categories: Preliminary documents, Main documents, Other important documents (additional documents). The Bill of Lading document is a document as one of the requirements for drawing up a Letter of Credit. The opening of a Letter of Credit is basically a contract and the agreed conditions regarding the withdrawal of a Letter of Credit must be fulfilled, such as the Bill of Lading document.*

Keywords: *Bill; Contract; Law; Transportation.*

1. INTRODUCTION

Essentially, everyone has various interests or needs in life. But in practice, humans cannot fulfill everything alone. This is the essence of the relationship between humans with one another as coined by Aristotle as social beings or zoon politicon. This relationship has lasted throughout the history of humans on this earth and this relationship has developed over time to become more complex. As we know that the development of barter as a means of meeting needs became a trade transaction in ancient times to *online* trading today.

Ultimately, no matter how complex human relationships are, they are based on the basic theory of need fulfillment as described above. Human relations, especially trade relations, are one example of dynamic human relations that have developed rapidly over the past few centuries.

Sea areas play a very significant role in the distribution of areas on earth. This fact also seems to apply to Indonesia, which in fact has a sea area of 2/3 of the total area of its territory, so there is no doubt that Indonesia is dubbed an "archipelago" country,

because it has approximately 17,499 islands in it. It is known that the total area of Indonesia is 7.81 million km², which is divided into land area of 2.01 million km², sea area of 3.25 million km² and Exclusive Economic Zone of 2.55 million km².[1] In addition, in terms of its geographical position, Indonesia is located between the Asian Continent and the Australian Continent as well as the Indian Ocean and the Pacific Ocean, thus making Indonesia in a strategic position. Based on Indonesia's geographical factors, a mode of transportation is needed that can support the mobility of people and goods. Reflecting on the geographical characteristics of Indonesia, transportation facilities, especially transportation by sea, are needed. Transportation at sea in Indonesia is useful as an effective networking mode to connect one island to another. This is also in line with the concept of an archipelagic state as stipulated in UNCLOS 1982, which has seen the sea not as a separator, but as a unifier between the land areas of Indonesia.[2] Transportation is an important activity that can sustain economic growth and development, through transportation activities that people and goods can be carried or delivered from a place of origin to a destination according to their purpose and designation. In general, transportation activities are carried out in order to deliver people and goods safely and aim to increase the use value of an item. It is said to aim to deliver safely, because the essence of transportation itself aims to deliver people (passengers) and goods to the place they want to go so that they can have use value. Increasing the use value in the sense that the value of a person or an item will be higher at the destination because it can be useful for human interests and the implementation of development. This is because one of the supporting factors that determine the value of a person or an item also depends on the location where the person and/or item is located. One form of transportation that can be utilized in the trade of goods is transportation by sea.[3]

In its implementation, transportation or transportation activities are defined by HMN, Purwosutjipto as an activity of moving goods or people from one place to another with the intention of increasing usability and value. However, one of the things that cannot be separated from trade is the process of transporting goods from seller to buyer and one of the oldest but vital methods of transportation for trade is the transportation of goods by ship.[4] The advantages of transportation by ship are as follows:

1. Lower transportation costs (economical) and;

2. The carrying capacity of ocean-going vessels is much greater than that of other methods of transportation.

The Republic of Indonesia is mostly composed of sea, the existence of sea transportation facilities is very important, not only for economic activities, but also to maintain the integrity of the country's territorial sovereignty. The existence of sea

[1] Junef Muhar, *Law Enforcement in the Framework of Spatial Planning to Realize Sustainable Development*, De Jure Journal of Legal Research, Volume IV, 2018, p. 373. 373.
[2] Hidayat, Safril, and Ridwan. 2017. '*Maritime Axis Policy And Indonesian National Security: Challenges And Hope Maritime Axis Policy And Indonesian National Security*: Challenges And Hope', Journal of Defense & State Defense, 2017, p. 107.
[3] Susetyorini, *'Indonesian Maritime Policy in the Perspective of Unclos 1982', Legal Issues,* 2019, p. 164-177.
[4] Purwosutjipto, *Basic Understanding of Indonesian Commercial Law 3, Shipping Law,* Djambatan, Jakarta, 1991, p. 2.

transportation is very important not only in moving people and goods from one place to another, but also for the benefit of state sovereignty as a maritime country. In this regard, the regulation of transportation issues in Indonesia is regulated in the Code of Commerce (KUHD) and other laws and regulations.[5]

The purpose of transportation is to arrive at the destination safely and increase the use value for passengers or goods being transported. Arriving at the destination is the process of moving from one place to its destination without obstacles and congestion, in accordance with the planned time. "Safely" means that the passenger is in good health, does not experience hazards that result in injury, illness or death. If the goods being transported are goods, safety means that the goods being transported do not suffer damage, loss, shortage, or destruction. Increasing use value means that the value of human resources and goods at the destination becomes higher for human interests and the implementation of development.

Sea transportation has objects in the form of people or goods. What needs to be observed is that the KUHD distinguishes the regulation of the transportation of goods and the transportation of people. The background of the differentiation of the object of transportation according to FDC Sudjatmiko is that, the legal relationship between the *carrier* on the one hand with the shipper and *consignee* on the other with regard to the responsibility for the cargo or goods transported.[6]

Regarding sea transportation, what cannot be forgotten is the issue of transportation documents, in the implementation of operations to deliver and receive cargo or goods, also known as transportation service sales operations, various types of documents are needed according to the needs of these operations. During its journey from the port of loading to the port of unloading until the cargo is handed over to the recipient, the cargo is protected by shipping documents, as follows:

1. Sales *invoice* (*invoice*);
2. Consignment or *bill of lading*;
3. *Marine insurance* policy;
4. *Export clearance*;
5. Certificate of orign and quality

The carrier requires a lot of paperwork to determine whether the goods to be shipped meet the requirements to be transported to the destination by the shipper and/or owner of the goods. On the one hand, the carrier has the responsibility to transport the goods safely to the destination.

Therefore, before the goods are transported to the ship, it is necessary to know the type of goods being transported so that there are no problems when the goods arrive at

[5] Santoso Sembiring*, Law of Sea Transportation* (Bandung: Nuansa Aulia, 2019), p. 1.
[6] *Ibid.*

their destination. As A.Moerijono argues that, rejection of goods is the most vulnerable problem faced by exporters. Exporters in developing countries often do not know exactly what actions are most appropriate in the event of rejection of goods. Inspection and rejection of goods is a series of activities in the sense that the occurrence of rejection is the result of the appearance of inspection of documents or goods. Documents sent by transportation, known as transport documents, are documents that show evidence of the shipment of goods from the exporter to the *importer*.[7] In transportation, the most important type of document is the *bill of lading*. It is called the most important document because, if there is a problem with the goods shipped or exported, the B/L has not been sent by the carrier, then the owner of the goods cannot submit a claim to the carrier. Bill of lading or known as bill of lading is regulated in Article 506 of the KUHD that, "A bill of lading is a dated letter, in which the carrier explains that he has received the goods to be transported to a certain destination and delivers them there to a certain person, as well as explaining under what conditions the goods will be delivered."

Apart from being one of the sea transportation documents, the bill of lading also functions as a securities. It is said to be a securities because Article 506 second paragraph states that "*A bill* of lading may be issued in the name (*op naam*), to the *bearer* (*aan tonder/to bearer),* and to the substitute (*aan order/to order*)". With its ease of alienation, it can be said that the bill of lading is a securities where the characteristic of a securities is that it is easy to alienate.

The core document in transportation by ship is generally the contract of carriage agreement or "*Carter-Party*" between the shipper and the carrier. But in order to support and expedite the process of shipping goods, in addition to the *charter-party,* other documents are also used to support the process of shipping goods running smoothly. Other documents in addition to the contract of carriage are called *Shipping Documents* which have functions for:

1. Protecting mutant ships.

2. Declare Title.

3. Contract of Carriage

In this paper, the author would like to discuss one of the sea transportation documents, namely the *Bill of Lading* (B/L) document or what is known as Konosemen*. The* use of *Bill of Lading* documents is very important in transportation by ship. The first form of the Bill of *Lading* document was created with the aim of providing certainty among traders who carry out shipments of goods. At that time, the *prototype* form of the *Bill of Lading* document was still a letter containing only a statement and the number of goods. The *prototype* still does not have the power as a document that has the power of ownership of the goods recorded and also as a document that can be traded and transferred ownership. The advantage of a *bill of lading* compared to an ordinary receipt is that it can be traded and transferred easily and the document has the property of the goods recorded in it. The strength of the Bill of Lading as a *Shipping Document is* also very great, even the provisions and prerequisites in the Bill of Lading

[7] *Ibid.*

can be more specific than the contract of carriage.

2. RESEARCH METHODS

This research uses normative legal research methods, namely those where the study is based on legal materials from the literature (literature study). In this study the authors used a problem approach by means of statutory and conceptual approaches. The statutory approach is an approach where a statutory regulation is well examined and the legislation is also related to the existing problems in this case the discussion of the *bill of lading.* While the conceptual approach is an approach that in legal science exists and develops from the thoughts and doctrines of legal scholars related to the problems in this study.

The sources of legal materials used by the authors in this research are primary legal materials and secondary legal materials sourced from research and literature, in the form of primary materials, namely laws and regulations relevant to research issues and secondary legal materials in this study, namely legal materials obtained from *library research,* namely by reading law books, legal journals, other sources related to the topic of the problem in thisstudy.

The technique of collecting legal materials by recording primary legal materials and secondary legal materials and by reading books, laws and regulations and other literature that have to do with the problems discussed by the author in this study.

3. RESULTS AND DISCUSSION

Referring to Indonesian and international legal regulations, the author puts forward juridical reasons in writing this final project. Article 90 of the KUHD stipulates that a transportation document is an agreement between the shipper or expeditor and the carrier or skipper. The transportation document is declared binding not only when the transportation document has been signed by the shipper or expeditor, but also when the carrier / skipper has received the transportation goods along with the transportation document / letter. As stipulated in article 506 of the KUHD, Konosemen is a dated deed in which the carrier states that he has received certain goods at a certain address, then delivers the goods to a certain person (recipient), along with the conditions for the delivery of the goods.

In the *Uniform Customs* and *Practise for Documentary Credit* (UCP) No. 500 of 1993 Article 32, the *Bill of Lading* or Konosemen is divided into two types, namely when viewed in terms of physical goods:

1) *Foul B/L / Dirty R/L* or *Unclean B/L*

The type of B/L that contains notes about damage to goods or defects in goods, as contained in article 32 paragraph b, the bank will reject this type of B/L unless there is a statement / guarantee from the owner of the goods or the *shipper* to provide a guarantee notto make claims.

2) *Clean B/L* or clean *B/L*

Type of B/L that does not contain a record of the physical state of the goods that have been transported by the shipping company that issued the B/L

In practice, if the contents of the transportation contract and the bill of lading are different, the bill of lading will be *used on* the basis that both parties to the transportation contract have agreed and changed the provisions contained in the bill of lading, because the bill of lading is made after the making of the transportation contract. So from here we can see that the strength of the bill of lading binds both the shipper and the carrier. In this condition, sometimes one of the parties, either the shipper or a third party such as the consignee, will ask the carrier to send the goods to the place *he wants* with the aim of reducing the decline in the value of the goods and/or reducing the costs that must be incurred for the payment of technical fees and crew fees while the ship is delayed. This reason is very reasonable considering the costs incurred or to be incurred are also not small. However, in the process the desired delivery will usually be different from what is desired as stated in the *charter-party* or in the bill of lading.

This can be influenced by many factors such as the situation at sea during the trip, the state of political and economic stability in the intermediate port, the state of sea security during the trip, the state of *overmacht* and other circumstances that can affect the process of transporting goods. So that in carrying out the party demanding delivery to another place will use a letter called a letter of *indemnity* or *Letter of Indemnity* as mentioned in the juridical reasons. This letter known as a Letter of *Indemnity* is a written letter sent to the carrier with the contents stating to eliminate and take responsibility from the carrier for the issuance of a 'clean' bill of lading for shipments, where in fact the shipment or goods sent do not match those stated in the bill of lading. The use of *Letter of Indemnity* allows the carrier to transport the goods to the place desired by the *Letter of Indemnity* issuer with the assurance that its actions will be covered by the *Letter of Indemnity* issuer. However, in reality, the existence of a *Letter of Indemnity* does not change the provisions of the *charter-party* and Konosemen between the carrier and the shipper, so that the shipper can still sue the carrier for his actions and the carrier cannot argue on the basis of receiving the *Letter of Indemnity* because the Letter of *Indemnity is* not binding on the shipper and the carrier. The carrier can only hold the Letter of *Indemnity* issuer liable for the loss resulting from the claim. The use of *Letter of Indemnity* in the field of sea transportation has actually been criticized by legal experts and legal institutions that handle sea transportation cases on an international scale, one of which is the United Kingdom as a pioneer country that developed the field of sea transportation for several centuries. The UK has criticized the use of *Letters* of *Indemnity* since 1928 where in the case of *United Baltic Corp.* v. *Dundee Perth & London S* jurist Wright J said that the use of a 'clean' *bill of lading* when the goods are actually in a damaged condition or different from the terms of the agreed *bill* of *lading* is very irresponsible. This can cause problems between the parties and for the party who does it will also receive new problems themselves.

As a case example, the *Bill of Lading* as a transportation agreement is related to the implementation of the carrier's liability when there is a loss of sea transportation. The results of his research reveal: the function of the *Bill of Lading* as a transportation agreement that has been agreed upon by the carrier and the shipper is not used as a reference in the implementation of the responsibilities of the parties. In the fire

incident of KM. Sinar Jombang fire, the carrier and shipper override the terms and conditions of transportation contained in the *Bill of Lading*. The prevailing custom in domestic container transportation considers that all events, obstacles, hindrances and costs that occur during the shipping process, from the time of receipt at the CY of the loading port to the time of delivery at the CY of the unloading port, are the responsibility of the carrier. This custom becomes a form of legitimacy for the settlement of the sea transportation compensation process by the carrier to the shipper for sea transportation losses suffered by the shipper.

Another case can be seen in an incident that was heard at the *Anwerp Tribunal* in 1925. In that case there was an agreement that the Master would make a note in the *Bill of Lading*, because *packing* was not done because the *shipper* later agreed to bear the cost of the *claim* (finally the carrier or shipping company paid the *claim* filed by the *consignee in* the amount of € 11,500). Because the *shipper* ultimately refused or reneged on its promise, the matter went to court. The court here held that the master had signed a clean B/L which did not correspond to the actual state of the cargo. The captain and his agent conspired to make a false B/L, the captain or his agent was not justified in following the *shipper's* demand to provide a clean B/L on the condition of obtaining a *Letter of Indemnity,* because the warranty provided by the *shipper* was considered *illegal*. For this reason, the Court held that the carrier (ship) had no legal power to sue the *shipper*. This means that the *Letter of Indemnity* cannot protect against such claims and has no legal force against third parties.

A bill of lading is a dated document in which the carrier certifies that it has received certain goods, to take them to the destination indicated and deliver them to the person designated along with the terms of delivery, as explained by Frank Stevens in the book *The Bill of Lading: Holder Rights and Liabilities* (p. 7), which reads as follows:

The bill of lading is a dated document in which the carrier declares that he has received certain goods, to carry them to an indicated place of destination and to deliver them there to an indicated person, as well as the terms under which the delivery will take place.

In line with the above definition, the meaning of *bill of lading* or known as *bill* of *lading*

can be found in Article 506 of the Commercial Code ("KUHD") as follows:

"A bill of lading is a dated letter in which it is stated by the carrier that he has received certain goods, with the intention of transporting them to the place designated, and delivering them there to the person designated, as well as the terms on which the delivery is to be made."

In practice, a *bill of lading is* issued to indirectly prove the existence of a transportation agreement, in the event that the agreement is made orally or is not set out in a written agreement.[8] Transportation agreements can take the form of passenger tickets or cargo documents, such as bills of *lading* or *manifests*, as abstracted from sea

[8] Frank Stevens. *The Bill of Lading: Holder Rights and Liabilities*. Bosa Roca, United States: Taylor & Francis, 2017, p. 1

transportation. The recognition of the *bill of lading* as an agreement can be seen in the Supreme Court Decision Number 716/K/Pdt/1984 which establishes the following legal rules:

A carrier's liability for damage to goods arising during transportation is limited to the amount agreed in the Bill of Lading/Contract. In the Bill of Lading/Contract, which is the transportation agreement that must be fulfilled by the respondent of cassation and the appellant of cassation, namely in clause 24, it is stated, that the carrier is liable in accordance with the invoice/L.*C., if at the time of loading the price of the goods is stated in writing to the carrier and the price is stated in the Bill of Lading; since no price of the goods is stated in the Bill of Lading/Contract, the provisions of "maximum liability" apply to damage to goods.*

The contents of the *bill of lading* contain:

a. The parties involved in the transportation agreement, namely the party sending the goods (*shipper*), *consignee*, and the party transporting the goods (*carrierr)*;

b. Origin and destination of the shipment; and

c. A description of the items contained in the shipment along with any relevant tracking or purchase order information, such as an order reference number.

The bill of lading functions as:

a. Receipt for cargo;

b. Evidence of the existence of a transportation agreement and may be the transportation agreement document itself; and

c. Guarantees the holder an exclusive right to claim the delivery of the cargo. The holder of the *bill of lading*, in this case the consignee, can claim the delivered goods. This aims to protect the parties from the delivery of the wrong shipment to the wrong party.

In principle, the *bill of lading* serves to guarantee the holder an exclusive right to claim the delivery of the cargo, whereby with the *bill of lading*, the holder can claim the delivered goods at the location of receipt. Thus, in our opinion, if it has been specified in the terms of delivery that the required document is a bill *of lading*, then the importer cannot claim the goods without a *bill of lading*.

However, please note that in general, payment for imported goods is made through a bank intermediary with a *letter of credit*. In fact, in Indonesia itself, payment of goods for certain exports must use the *letter of credit* payment method.[9]

[9] Article 2 paragraph (1) *Regulation of the Minister of Trade No 94 . 94/2018 on Provisions Use of Letters of Credit* for the Export of Goods Certain ("Permendag 94/2018")

Letter of Credit ("L/C") is a credit or credit notice issued by a foreign exchange bank (*opening bank/ issuing bank*) based on the request of the importer as its customer and addressed to the exporter as *beneficiary* through its correspondent bank (*advising* bank) abroad.[10]

L/C provides benefits to both exporters and importers, one of which is that exporters are guaranteed to receive payment if they are able to show shipping documents that match those stated in the L/C. Later, the bank will check the completeness of the documents recorded in the L/C and will pay the invoice value.

Thus, in the event that the exporter disappears and does not provide a *bill of lading* or other evidence that can be used by the importer to claim the shipped goods, which results in the importer being unable to receive the shipped goods as required in the L/C, then the exporter cannot receive payment.

In addition, Huala Adolf explains, in the event that an individual feels that his or her rights in the field of trade (ed: international) are impaired or harmed, what he or she can do is to seek the assistance of his or her country to bring a claim against the country that harmed him or her before international judicial bodies. Such mechanisms can be found, for example, in the GATT/WTO and the International Court of Justice (p. 69).

In transportation, the most important type of document is the bill of lading. It is called the most important document because, if there is a problem with the goods shipped or exported, the B/L has not been sent by the carrier, then the owner of the goods cannot submit a claim to the carrier. Bill of lading or known as bill of lading is regulated in Article 506 of the KUHD that, "A bill of lading is a dated letter, in which the carrier explains that he has received the goods to be transported to a certain destination and delivers them there to a certain person, as well as explaining under what conditions the goods will be delivered."

Apart from being one of the sea transportation documents, the bill of lading also functions as a securities. It is said to be a securities because Article 506 second paragraph states that "*A bill* of lading may be issued in the name (*op naam*), to the *bearer* (*aan tonder/to bearer),* and to the substitute (*aan order/to order*)". With its ease of alienation, it can be said that the bill of lading is a securities where the characteristic of a securities is that it is easy to alienate.

The core document in transportation by ship is generally the contract of carriage agreement or "*Carter-Party*" between the shipper and the carrier. But in order to support and expedite the process of shipping goods, in addition to the *charter-party,* other documents are also used to support the process of shipping goods running smoothly. Other documents in addition to the contract of carriage are called *Shipping Documents* which have functions for:

1. Protecting the ship's cargo

This document serves to protect the cargo from the time it is prepared to be loaded

[10] Article 1 point 2 of MOT 94/2018.

onto a vessel at its port of loading, until it is handed over to its owner or those entitled to the receipt of goods at the port.

2. Declare Property Rights

This document serves to declare title to the goods transported by the ship as well as other rights arising as a result of transportation.

3. Contract of Carriage

The contract of agreement is that the goods or cargo will be loaded on board the ship to its destination.

Shipping Document which is also an agreement according to Article 1313 of the Civil Code, an agreement is an act by which one or more people bind themselves to one or more people. An agreement has conditions that must be met as specified in Article 1320 of the Civil Code, namely:

1) Agreement of those who bind themselves

In an agreement there must be an agreement between the parties, namely the conformity of the statement of will between the two parties without coercion and others, with the enactment of an agreement to enter into an agreement, it means that both parties must have freedom of will, the parties are not under pressure which results in a defect in the realization of the will.

2) Capacity to enter into an agreement

Capable of acting, namely the ability or ability of both parties to perform legal acts. People who are capable or authorized are adults (21 years old or married). Meanwhile, people who are not authorized to perform legal acts according to Article 1330 of the Civil Code include: a) minors; people in pardon; female people (wives)

3) A certain thing

An agreement must have a specific object, at least it can be determined that the specific object can be in the form of objects that now exist and or will later exist, such as the number, type, and shape. In this regard, the object of the agreement must fulfill several provisions, namely:

a) The goods are tradable goods.

b) Goods used for public purposes such as public roads, public ports, public buildings, and the like cannot be the object of an agreement.

c) The type can be determined.

d) Upcoming items.

4) A lawful cause

In an agreement, a lawful cause is required, meaning that there are legal causes that form the basis of the agreement that are not prohibited by regulations, security and public order and so on.

In addition to these requirements, the parties to an agreement must pay attention to the general principles of making agreements, namely the principle of freedom of contract, the principle of freedom of consensuality, and the principle of freedom of personnel.[11]

The opinions of experts regarding agreements are as follows, according to R. Subekti, an agreement is a legal event in which one person promises to another person or in which the two people promise each other to carry out a matter.[12] According to R Wirjono PR, an agreement is a legal relationship regarding property between two parties in which one party promises to do something or not to do a promise while the other party demands its implementation.[13]

Agreement (*verbintenis*) implies a legal relationship of wealth / property law that gives one party the right to obtain a performance and at the same time obliges the other party to fulfill the performance.[14]

In the Big Indonesian Dictionary, an agreement is "a written or oral agreement made by two or more parties, each of whom promises to obey what is stated in the agreement".

An agreement is considered valid if it fulfills the four conditions mentioned in Article 1320. The terms of agreement and the condition of capacity are referred to as subjective conditions while the condition of a certain thing and the condition of a lawful cause are referred to as objective conditions.

Contracts or agreements are legal relationships between one legal subject and another legal subject in the field of property, where one legal subject is entitled to an achievement and so is the other legal subject obliged to carry out its performance in accordance with whathas been agreed upon.[15]

The elements of the above definition of a contract are as follows:[16]

1) The existence of a legal relationship. A legal relationship is a relationship that gives rise to legal consequences, and legal consequences are the emergence of rights and obligations.

---

[11] Gunawan Widjaja, Ahmad Yani, *Fiduciary Guarantee,* (Jakarta: Raja Grafindo Persada, 2011, p. 18.
[12] R Subekti*, Law of Treaties*, Jakarta: PT Intermasa, 2015, p. 1.
[13] Wirjono Prodjodikoro, Principles of Agreement Law, Bandung: PT Sumur, 1981, p. 9.
[14] M Yahya Harahap, Aspects of treaty law, (Bandung: Alumni, 1982), p.25
[15] Salim H.S, *Contract Law Theories and Contract Drafting Techniques*, (Jakarta: Sinar Grafika, 2010), p.27.
[16] *Ibid.*

2) There is a legal subject, which is the supporter of rights and obligations.

3) There is performance, which consists of doing something, doing something, and not doing something.

4) In the area of wealth.

From the definition of contract or agreement, it can be seen that the two parties conduct legal relations in the field of property. From this relationship there is an agreement in the field of property, such as an agreement to grant credit, debt, rent and so on made by them, or because it is determined by the applicable laws and regulations. Thus, an engagement or agreement is a legal relationship between two or more people (parties) in the field of property, which creates an obligation on one of the parties to the legal relationship.[17]

Article 1233 of the Civil Code states that "Every obligation is born either by agreement or by law". It is emphasized that every civil obligation can occur because it is desired by the parties involved in the agreement which is deliberately made by them, or because it is determined by the applicable laws and regulations. Thus, it means that an engagement or agreement is a legal relationship between two or more people (parties) in the field of property, which gives birth to an obligation on one of the parties to the legal relationship.

In the implementation of an agreement or contract, it has the consequence that all assets of a person or body recognized as a legal entity will be put at stake and used as collateral for every engagement or contract of the individual and / or legal entity, as explained in Article 1131 of the Civil Code.[18]

An important legal principle relating to the validity of contracts or agreements is freedom of contract. This means that the parties are free to make any contract, both those that have been regulated and those that have not been regulated, and are free to determine the contents of the contract themselves. However, this freedom is not absolute because there are restrictions, which must not conflict with the law, public order, and decency.[19]

The applicability of the principle of freedom of contract is guaranteed by Article 1338 paragraph (1) of the Civil Code, which stipulates that "Every agreement made legally shall apply as a law to those who make it". So all agreements or the entire contents of the agreement, provided that the making of the agreement meets the requirements, apply to the makers, there is like legislation. The parties are free to make any agreement and put anything in the contents of a contract.

The legal provisions in the Civil Code are only complementary, which will only apply to the parties if the parties do not regulate it themselves in the contents of the contract,

[17] Kartini Muljadi and Gunawan Widjaja, Op.Cit, p.18.
[18] Gunawan Widjaja and Kartini Muljadi, Obligations Born of Law, (Jakarta: PT. RajaGrafindo Persada, 2003), p.4
[19] Sanusi Bintang and Dahlan, Principles of Economic and Business Law, (Bandung: PT. Citra Aditya Bakti, 2000), p.16.

except for provisions that are compelling in nature which must be obeyed. Therefore, it is stated that the agreement law in the Civil Code is open, meaning that it gives freedom to the parties to use or not use it. If the parties do not regulate it themselves in the contract, it is considered to have chosen the rules in the Civil Code.

Indeed, the law of contract or agreement is the result of an agreement between two parties, so that the implementation is equally happy and can enjoy what has been done by both parties. Therefore, the creditor and debtor must both walk in accordance with the established legal corridors.

Civil law always regulates the legal relationship between the two parties. So that the agreement made is in accordance with its needs, and can always be used as a guideline in accordance with applicable laws.

4. CONCLUSION

The Bill of Lading in export-import activities under Indonesian law serves as proof of ownership of a good, and also as evidence of a transportation contract. The various documents that exist and are required in international trade transactions are grouped into the following categories: Preliminary documents, Main documents, Other important documents (additional documents). The Bill of Lading document is a document as one of the requirements for drawing a Letter of Credit. The opening of a Letter of Credit is basically a contract and the agreed conditions regarding the withdrawal of a Letter of Credit must be fulfilled, such as the Bill of Lading document. Bill of Lading, has 6 functions, namely as follows: Receipt of delivery of goods, contract of delivery of goods, proof of ownership of goods, protection of goods transported, receipt (proof of payment) of mine money, and proof of opponent. The procedures for applying Bill of Lading documents in export-import activities include: granting power of attorney, issuing shipping instructions to shipping agents, sending delivery orders from shipping agents, sending stuffing reports to shipping agents, sending Draff Bill of Lading (B/L) from shipping agents, issuing Bill of Lading (B/L) from shipping agents and issuing House Bill of Lading (B/L) to exporters.

5. REFERENCES

Frank Stevens. *The Bill of Lading: Holder Rights and Liabilities*. Bosa Roca, United States: Taylor & Francis, 2017.

Gunawan Widjaja and Kartini Muljadi, Bonds Born of Law, (Jakarta: PT. RajaGrafindo Persada, 2003).

Gunawan Widjaja, Ahmad Yani, *Fiduciary Guarantee,* (Jakarta: Raja Grafindo Persada, 2011.

Hidayat, Safril, and Ridwan. 2017. '*Maritime Axis Policy And Indonesian National Security: Challenges And Hope Maritime Axis Policy And Indonesian National Security*: Challenges And Hope', Journal of Defense & State Defense, 2017.

Junef Muhar, *Law Enforcement in the Framework of Spatial Planning to Realize Sustainable Development*, De Jure Journal of Legal Research, Volume IV, 2018.

Kitab Undang-Undang Hukum Dagang (KUHD). Law Number 10 Year 1995 on Customs.

Law No. 17/2006 on the Amendment to Law No. 10/1995 on Customs.

Law Number 11 Year 1995 on Excise.

Law Number 39 Year 2007 on the Amendment to Law Number 11 Year 1995 on Excise.

Law Number 7 Year 2014 on Trade.
M Yahya Harahap, Aspects of treaty law, (Bandung: Alumni, 1982).
Purwosutjipto, *Basic Understanding of Indonesian Trade Law 3, Shipping Law,* Djambatan, Jakarta, 1991.
R Subekti*, Law of Agreement*, Jakarta: PT Intermasa, 2015.
Regulation of the Minister of Trade No. 94/2018 on Provisions for the Use of Letter of Creditfor Export of Certain Goods ("MOT 94/2018")
Salim H.S, *Contract Law Theories and Contract Drafting Techniques*, (Jakarta: Sinar Grafika, 2010).
Santoso Sembiring*, Law of Sea Transportation* (Bandung: Nuansa Aulia, 2019).
Sanusi Bintang and Dahlan, Principles of Economic and Business Law, (Bandung: PT. Citra Aditya Bakti, 2000).
Susetyorini, *'Indonesian Maritime Policy in the Perspective of Unclos 1982', Legal Issues,* 2019. Wirjono Prodjodikoro, Principles of Agreement Law, Bandung: PT Sumur, 1981.
Uniform Customs and Practise for Documentary Credit (UCPDC) No 500 of 1993. Supreme Court Decision Number 716/K/Pdt/1984.