

Research on the Legal Status of the Consignee under Contracts for the Carriage of Goods

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Abstract: The consignee under a contract for the carriage of goods is not a party to the contract but is the ultimate holder of the benefits arising from the carriage. Its legal status is highly contested in both legal doctrine and judicial practice. Three principal views have emerged in the literature: the theory that treats the consignee as a contracting party, the theory that regards the consignee as a purely benefiting third party, and the theory that positions the consignee as a recipient of rights. These competing approaches readily give rise to divergent judicial outcomes. In light of Article 522 of the Civil Code, the consignee should be characterized as an independent beneficiary under a genuine third-party-benefit contract, bearing both rights and obligations. The current legal framework governing consignees suffers from several structural deficiencies: blurred characterization of legal status, fragmented regulation of rights, imbalance in the allocation of rights and obligations, difficulties in the enforcement and protection of rights, and a regulatory gap with respect to new business models. These shortcomings hamper the law's ability to respond to practical demands arising from e-commerce logistics, multimodal transport, and related developments. Accordingly, legislation should clarify the legal position of the consignee, refine and systematize the rules governing its rights and obligations, and rely on judicial interpretations to harmonize adjudicative standards, balance the interests of the three parties, and maintain order in the freight market.

Keywords—*Contract for the Carriage of Goods; Consignee; Genuine Third-Party-Benefit Contract; The Civil Code of the People's Republic of China; Remedies for Right*

I. INTRODUCTION

At present, as the ultimate addressee of delivery in freight relationships, the legal status of the consignee is subject to marked divergence in both theory and practice. Although the consignor and the carrier conclude the contract, its substantive purpose lies in the delivery of the goods to the consignee. This feature of "enjoying the benefit without being a contracting party" has left the consignee's legal position in a prolonged state of uncertainty. Around this issue, three distinct lines of argument have developed in the literature: the view that classifies the consignee as a contracting party, the view that regards the consignee as a purely benefiting third party, and the view that conceptualizes the consignee as a recipient of rights. Each theory is supported by its own internal logic of reasoning; however, in judicial practice, they produce divergent outcomes in similar cases, depending on which theory an individual judge adopts. At the same time, the emergence of new business models such as e-commerce logistics, cold-chain transport, and multimodal transport has made the separation of the terminal consignee from the consignor a routine phenomenon. New types of dispute, including unattended pickup and the handling of abandoned goods, lack clear regulatory guidance. Nevertheless, the chapter on contracts of carriage in the current

Civil Code contains only a handful of provisions referring to consignees, and the tension between limited legal supply and pressing practical needs has become increasingly acute.

Drawing on contract law theory, this article undertakes a systematic examination and analysis of these issues. In terms of legal subject status, although the consignee is not a contracting party, it is the ultimate holder of the benefits of carriage. The consignee's right to demand delivery and its right to claim compensation for loss of or damage to the goods are acquired directly under statutory provisions and do not depend on authorization by the consignor. This rights structure reflects the independent legal position of the third party in a genuine third-party-benefit contract. Anchored in the theoretical framework of genuine third-party-benefit contracts, this article systematically analyzes the consignee's qualification as a legal subject and the content of its rights, explores doctrinal divergences and practical dilemmas, and seeks to provide theoretical support and normative pathways for improving the institutional design of the consignee's legal status.

II. THEORETICAL ANALYSIS AND CHARACTERIZATION OF THE CONSIGNEE'S LEGAL STATUS

Within the legal relationship of a contract for the carriage of goods, the consignee constitutes a pivotal-party distinct from the shipper and the carrier. Nevertheless, as a non-original contracting party, its subjective identity, source of rights and scope of liability have long given rise to theoretical controversies. Three dominant doctrines have emerged in academic circles concerning the consignee's legal status. By systematically reviewing, comparing and evaluating these three doctrines, this paper characterises the consignee as the beneficiary under a genuine third-party-beneficiary contract, in light of the rules governing contracts for performance to a third party laid down in the Civil Code of the People's Republic of China.

A. Review of the Three Dominant Doctrines

1) The Doctrine of Contracting Party

This doctrine posits that, notwithstanding its absence from the conclusion of the contract, the consignee may supersede the shipper as a contracting party through the negotiation of the bill of lading, thereby acquiring full rights and obligations. While this doctrine accounts for the origin of the consignee's right to claim liability directly, it suffers from notable flaws: deeming the consignee a contracting party by force, in the absence of its declaration of contractual intent, violates the fundamental jurisprudential principle of privity of contract.

2) The Doctrine of Pure Beneficiary-Third-Party

Under this doctrine, the consignee is defined as a gratuitous third-party beneficiary vested exclusively with rights and

exempted from corresponding obligations. Though it adheres strictly to privity of contract, it diverges substantially from commercial practice. If the consignee bore no obligations, it could arbitrarily refuse or delay taking delivery, resulting in the detention of goods. Such an outcome contravenes the principle of fairness in commercial transactions and fails to explain judicial practice whereby consignees are held liable for losses occasioned by late acceptance of delivery.

3) The Doctrine of Right-holder for Acceptance of Delivery

This doctrine advocates that the consignee is vested merely with the entitlement to take delivery of goods, without an independent contractual claim-right or standing to pursue remedies for breach of contract. Whilst reconciling tensions between jurisprudence and practice, this approach unduly curtails the consignee's rights and leaves it without effective recourse, which is incompatible with the commercial nature of modern contracts for the carriage of goods.

B. Evaluation of the Three Doctrines

This paper submits that a shared deficiency of the three doctrines lies in their treatment of the consignee's rights and obligations as mutually exclusive. The doctrine of contracting party infringes privity of contract; the doctrine of pure beneficiary-third-party produces an imbalance between rights and obligations; and the doctrine of right-holder for acceptance of delivery excessively diminishes the consignee's status and deprives it of remedial avenues. In reality, the consignee is required both to co-operate in taking and inspecting delivery for the completion of the transaction and to possess an independent right of action to guard against breach by the carrier. These two dimensions are by no means antithetical. Article 522 of the Civil Code furnishes the normative foundation for the consignee's dual attribute of bearing both rights and obligations, rendering reliance on a single traditional doctrine unnecessary.

C. Characterisation Adopted in this Paper: Party to a Genuine Third-party-beneficiary Contract

1) Normative Basis

Article 522 of the Civil Code provides that, where a contract stipulates performance to a third party and such third party does not decline the benefit, the third party enjoys an independent right to demand performance from the obligor and to claim damages for breach of contract. In a contract for the carriage of goods, the very purpose for which the shipper and the carrier conclude the contract is to confer the benefit of delivery-acceptance upon the consignee. This satisfies the constitutive elements of a third-party-beneficiary contract.

2) Dual Attribute

As an independent beneficiary under a genuine third-party-beneficiary contract, the consignee exhibits a dual attribute of rights and obligations. First, it possesses an independent right to pursue remedies and may claim compensation for breach of contract directly from the carrier, remedying the lack of remedial capacity under the doctrine of right-holder for acceptance of delivery. Second, it is subject to statutory subsidiary obligations, including taking delivery in a timely manner, conducting reasonable inspection of goods, and paying freight payable on arrival. Where loss is caused by its unjustified refusal or delayed acceptance of delivery, the consignee shall be liable for compensation, filling the

regulatory lacuna under the doctrine of pure beneficiary-third-party that omits binding obligations. Third, its identity is characterised by both independence and concomitance: its rights stem from contractual stipulations and may not exceed the scope of the original contract; defences available to the carrier against the shipper may likewise be asserted against the consignee, consistent with the extended rules of privity of contract.

Characterising the consignee as an independent party to a third-party-beneficiary contract achieves tripartite coherence among jurisprudence, statutory provisions and judicial practice. Theoretically, it upholds privity of contract; normatively, it aligns with the new provisions of the Civil Code; and practically, it balances the interests of the three parties. This provides the theoretical underpinning for subsequent research on the consignee's system of rights, boundaries of obligations and assumption of liability.

III. EXISTING DILEMMAS CONCERNING THE LEGAL STATUS OF THE CONSIGNEE UNDER THE CONTRACT FOR CARRIAGE OF GOODS

Based on the foregoing analysis of fundamental legal principles and Article 522 of the Civil Code of the People's Republic of China, although the genuine third-party interest system has laid the foundation for the consignee's claim right, its supporting rules remain fragmented and lack dedicated legislative provisions. As a result, the overall system is characterized by "existing but ambiguous rules, recognized yet independent status, conferred yet unenforceable rights". This chapter summarizes core problems from five dimensions.

A. Ambiguity in Legal Status: Lack of Unified Standards in Academic Theories and Judicial Practice

Scholars have not reached a consensus on the consignee's subject-matter status, with three theories prevailing concurrently. The Contracting-Party Theory holds that the consignee becomes a contractual party upon taking delivery of goods, yet it cannot justify the consignor's right to modify or rescind the contract prior to shipment. The Pure-Beneficiary-Third-Party Theory, rooted in the jurisprudence of contracts for the benefit of a third party, fails to account for statutory obligations imposed on consignees under Articles 830 and 831 of the Civil Code, such as timely taking delivery, inspection and bearing demurrage expenses. The Right-Holder-for-Acceptance Theory limits the consignee solely to the capacity to accept performance. Since the Carriage of Goods Chapter does not explicitly vest claim rights in the consignee, courts lack specific statutory basis, giving rise to frequent conflicting judgments. Paragraph 2 of Article 522 of the Civil Code qualifies the consignee as a genuine third-party beneficiary, yet it only confirms the existence of litigation standing without resolving the fundamental issue of legal status.

B. Fragmented Normative Regime of Rights: Ambiguous Boundaries for Right Exercise

Current statutory provisions governing consignees are scattered and piecemeal. Rules on the right to take delivery are sketchy, failing to clarify the time of acquisition, exercise time limits and consequences for delayed collection. The priority of claimants for cargo damage remains undefined; statutes draw no distinction between the consignor's and consignee's indemnification entitlements. Some courts adhere strictly to

privity of contract and recognize only the consignor's standing, while others break through privity and uphold the consignee's independent claim, leading to inconsistent adjudication. Procedural rights including the right to know transportation information, inspect documents and raise verification objections are absent, leaving substantive rights unprotected by procedural safeguards. Varying scope of rights derived from competing theories renders it difficult for transaction parties to anticipate the scope of legal protection.

C. Imbalanced Allocation of Rights and Obligations: Confused Criteria for Obligation Attribution

Severe imbalance exists between rights and obligations. Uncertainty persists regarding who bears freight payment obligations. Carriers frequently pursue freight and demurrage charges against consignees, who raise the defense of non-privity of contract, resulting in contradictory rulings in analogous cases. Standards for inspection obligations are vague. The "reasonable time limit" stipulated in Article 831 of the Civil Code lacks quantitative benchmarks and fails to distinguish between apparent and latent defects. Courier enterprises often reject compensation for internal damage on the ground of "package opened", shifting the burden of proof onto consignees. The point of risk transfer is not specified. Article 830 contains no provisions governing risk allocation during the gap period between cargo arrival and acceptance. No standardized rules cover scenarios such as parcel lockers and station pickup. Although Articles 87 and 88 of the Maritime Code establish sophisticated rules for risk transfer based on delivery modes, which offer reference for general carriage of goods, such provisions are absent from general statutes. Obligation classification fluctuates amid academic divergences, and theoretical disputes translate into conflicting judicial decisions.

D. Deficient Judicial Remedy Mechanism: High Costs and Evidentiary Burdens for Rights Protection

Three layers of defects undermine remedies. Standing to sue fluctuates due to doctrinal disagreements, directly determining case admissibility and case outcomes. Allocation of the burden of proof is unfair. Cargo damage occurs while goods are under the carrier's control, yet consignees lack access to core evidence and are routinely subject to the "he who asserts shall prove" rule. Surveys show nearly 70% of users cannot physically inspect goods due to parcel-locker and station pickup restrictions, and many abandon claims after suffering losses, rendering rights merely "paper rights". Survey data indicates that 69.23% of respondents "seldom inspect goods" or "never inspect goods", which reveals a disconnect between statutory inspection duties and real-world practice. Consignees fail to satisfy evidentiary requirements and thus encounter obstacles to remedy. Concurrent liabilities are poorly handled. Claims for breach of contract are constrained by privity of contract, while tort claims face dual hurdles of proof and liability-limit defenses. Article 28 of the Interim Regulations on Express Delivery only refers to civil laws in general terms for compensation for uninsured parcels without detailed standards, further exacerbating inconsistent judgments.

E. Gaps in Rules for New-Type Transport Scenarios, Leaving Disputes in New Business Forms Without Legal Basis

The current system, designed based on traditional offline freight transport, is ill-suited to accommodate new business forms such as e-commerce logistics and cold-chain transport.

In remote e-commerce transactions, the consignor, the actual shipper, and the end consignee are separated, making the traditional "consignor-carrier" binary structure inadequate to cover the rights and obligations of multiple parties. Although Article 26 of the Interim Regulations on Express Delivery establishes the "right to inspect in person upon delivery", it does not clarify the independent legal status of the consignee, nor does it provide convenient relief mechanisms, leaving a large number of small-amount disputes in a stalemate over rights protection. For special goods such as cold-chain, fresh, and time-definite express shipments, there are no quantitative standards for depreciation losses or concealed cargo damage, leaving excessive discretion to the courts. Disputes frequently arising from unclaimed cargo or abandoned goods—especially in land transport and multimodal transport scenarios—lack unified rules, and the relevant provisions of the newly revised Maritime Code cannot be directly applied, further exacerbating adjudicatory uncertainty.

China's consignee system in cargo transport contracts suffers from five systemic deficiencies: theoretical inconsistency, fragmented legislative provisions, asymmetrical allocation of rights and obligations, defects in judicial remedies, and gaps in rules for new business forms. These give rise to problems such as inconsistent judgments in similar cases and instability of subjects' rights, which need to be remedied through legislative refinement, judicial unification, and rule improvement.

IV. RECOMMENDATIONS FOR IMPROVING THE LEGAL STATUS SYSTEM OF THE CONSIGNEE IN CARGO TRANSPORT CONTRACTS

In response to the five systemic deficiencies identified above—ambiguous legal characterization of the consignee, fragmented rights provisions, unbalanced allocation of rights and obligations, impeded judicial remedies, and gaps in rules for new transport scenarios—the improvement recommendations primarily focus on: clarifying the consignee's legal positioning at the legislative level to resolve conflicts among academic theories; constructing a systematic framework of rights provisions and refining the boundaries for exercising the consignee's rights; and implementing equivalence of rights and obligations by scientifically delimiting the consignee's duties and liability boundaries. The aim is to systematize the consignee's legal status and rights/obligations, standardize adjudicatory criteria, eliminate the negative spillover of academic disagreements into judicial decisions, balance the interests of the consignor, carrier, and consignee, and maintain orderly trading in the cargo transport market.

First, legislation should clearly affirm the third-party-beneficiary nature of freight transport contracts and establish the normative positioning of the consignee as a third-party beneficiary contract party. It should clarify the applicable relationship between the general rules on third-party beneficiary contracts under the Civil Code and the special rules for freight transport contracts. It should be expressly provided that the freight transport contract chapter, as special law, prevails over the general rules on third-party beneficiary contracts in the Contract Part, and that the general provisions on third-party beneficiary contracts may be invoked only when the freight transport contract provisions contain no explicit rules. The legislative interpretation should provide guidance on choosing among the three traditional doctrinal theories.

Second, refine the complete rules for the right to take delivery.

In future amendments to the Civil Code, provisions should be added in the freight transport contract section to clarify that the point at which the right to take delivery accrues is when the goods arrive at the destination; to regulate the priority order and scope of authority among subjects entitled to claim for cargo loss; and to add supporting procedural rights for the consignee in future legislation. The law should expressly grant the consignee the right to be informed of transport information, the right to inspect and copy waybills and shipping documents, and the right to verify and object to cargo conditions. It should also clarify the rules for determining liability for expenses such as freight, demurrage, and storage charges. In principle, the primary payment obligation (freight) under the transport contract binds the contracting parties, i.e., the consignor and the carrier, and the consignee does not bear the original obligation to pay freight. Exceptions include cases where the waybill explicitly stipulates that the consignee shall pay freight-on-delivery, or where the consignee actually ratifies and assumes the debt—only then does the consignee become liable for payment. Regarding storage and detention charges arising from delayed cargo pickup, a distinction should be made based on the nature of the obligation: timely pickup is an obligation improprie (not a true duty) of the consignee; if the consignee's delay in pickup results in expanded losses, the carrier may claim against the consignee, but this right is a statutory claim, not derived from the original terms of the transport contract. At the same time, the carrier should retain the option to pursue the consignor jointly, but only one recovery may be realized—dual recovery is prohibited—thereby resolving the adjudicatory chaos in judicial practice where payer identification is completely contradictory. Detailed operational standards for inspection and acceptance obligations should be refined, with legislation specifying a reasonable period for cargo inspection and optimizing the rules for allocating transport risks.

Third, future efforts should unify judicial application and optimize consignees' rights protection procedures through the issuance of judicial interpretations and guiding cases. The Supreme People's Court may issue a special judicial interpretation on freight transport contracts under the Civil Code's Book on Contracts, clarifying that any statutory consignee has plaintiff standing to bring an action for breach of contract in respect of its own actual losses, without requiring the shipper's authorization as a precondition to suit. At the same time, the allocation of the burden of proof in cargo damage cases should be adjusted, and the judicial application of concurrent claims for breach of contract and tort liability should be standardized. A framework of rights and obligations for multiple parties in e-commerce logistics should be constructed to break the traditional subject framework in the face of the separation, under e-commerce transactions, among the shipper, the actual consignor, and the end-user consignee. Judicial guidance documents should distinguish among different subject identities: the e-commerce platform merchant, as shipper, concludes the transport contract with the carrier; the end-user online consumer, as consignee, directly enjoys the statutory rights to take delivery and claim compensation for cargo damage; and it should be made clear that the actual consignor is only an auxiliary performing party and does not directly enjoy the rights or bear the obligations under the transport contract. For models such as e-commerce return transport and bulk consignment on behalf of others, the respective rights and obligations of each party should be separately defined, filling the legal vacuum created by the

separation of multiple parties. In addition, future judicial guidelines for the carriage of special categories of goods should be issued. For cold-chain goods, fresh goods, time-definite express shipments, and fragile items, reference standards for quantifying losses should be established, covering depreciation losses, losses from delay in time-definite delivery, and latent cargo damage. For time-definite express shipments, the types of losses that may be claimed in the event of delayed delivery within the agreed time limit on the waybill should be clarified. For cold-chain goods, temperature control records should be designated as important evidentiary materials to be produced by the carrier. This will reduce arbitrary judicial discretion and enhance the predictability of judgments in special cargo damage cases. Uniform rules should also be established for the handling of failure to take delivery, abandoned goods, and bulk stranded goods in road transport and multimodal transport.

This article focuses on the legal status of the consignee in the contract of carriage of goods, systematically analyzes the structural deficiencies existing in the current legislative and judicial frameworks, and accordingly proposes improvement solutions. The study points out that although the consignee is a party with a material interest in the contract of carriage, its legal status has long remained ambiguous, and the allocation of its rights and obligations lacks systematic coherence, resulting in inconsistent adjudicatory standards in judicial practice and unstable expectations for the parties involved. Specifically, the consignee faces five major institutional obstacles: its legal status oscillates among competing doctrinal theories—namely, that of a party to the contract, a pure third-party beneficiary, and a holder of the right of acceptance—without clear legislative basis; its rights are prescribed in a fragmentary manner, lacking clear timing, scope, and procedures for exercising core rights such as the right to take delivery and the right to claim compensation for cargo damage; there is an imbalance in the allocation of rights and obligations, as the consignee may be improperly subjected to contractual liability for breach or bear excessively severe legal consequences for the violation of its non-genuine obligations; the judicial remedy mechanism is ineffective, with the consignee's plaintiff standing frequently challenged and the allocation of the burden of proof exacerbating its difficulties in seeking redress; and at the same time, existing rules are unable to accommodate the needs of new business models such as e-commerce logistics, cold-chain transport, multimodal transport, and failure to take delivery, leaving legal gaps.

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