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Passing of Property under the Sale of Goods Act in Nigeria: A call for Legislative Action

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Abstract

This paper evaluates the rules relating to the passing of property under the Sale of Goods Act 1893, an English Statute of General Application that is ironically still in use and indeed forms the foundation of commercial transactions in Nigeria till date. It notes that the determination of the exact point at which the transfer of ownership or property in goods occurs is central to, and has implications regarding the rights and obligations of the parties, and that the rules vary with particular reference to specific goods on the one part and unascertained goods on the other. The study reveals that the rules regulating the passing of property, ownership, or risk under International Sale of Goods differ from the ordinary rules that regulate domestic commercial transactions due to the peculiar complexities of transnational commerce which may be designated Free on Board (FOB); Cost, Insurance, and Freight, (CIF); Free Alongside Ship (FAS); Ex-works, etc. The paper concludes that in the absence of illegality, if a contract provides for a specific method, place, or time of passing of property or risk, or both, the courts would normally uphold it even though it differs from the provisions of the Sale of Goods Act or the standard commercial practice. It recommends that the Nigerian Legislature should do the needful by passing an autochthonous Sale of Goods Act in line with International best practices bearing in mind that the English Sale of Goods Act, 1893 that is still in use in Nigeria presently has undergone several amendments in England in response to contemporary commercial realities. It equally recommends that the United Kingdom should urgently consider ratification and immediate domestication of the 1980 Vienna Convention on International Sale of Goods which is one of the most significant developments in relation to the passing of property and risk in International contracts for the sale of goods.

Keywords: Passing of Property, Risk, Specific Goods, Unascertained Goods

DOI URL:https://doi.org/10.36758/ijpcs/v7n1.2020/7

Introduction

The passing of property is at the heart of every sale of goods transaction. This presupposes the transfer of the ownership in the goods from the seller or his agent to the buyer. The transfer in this case has to be both final and unequivocal, without the necessity of any further instrument or formality. The implication is that once property passes, the buyer becomes the owner of the goods in law for all intents and purposes. This is the case irrespective of the location of the good as the seller

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may for one reason or the other retain possession of the goods after property has passed until a future date when actual delivery will take place as agreed by the parties. Thus, the main object of a contract of sale is the transfer of property from the seller to the buyer. At this point, the seller loses and the buyer acquires proprietary rights of action in respect of the goods.¹

Goods in this context are classified into 'specific' and 'unascertained' goods and the rules relating to the passing of property in them vary in line with this classification. While specific goods are those that are agreed upon and identified by the parties at the time of sale with precision, unascertained goods on the other hand are those which are not identified and agreed upon at the time of sale but instead only described generally.

It is extremely important to determine at what point the transfer of ownership or property in the goods occurred as this has implications regarding the rights and obligations of the parties. Where under a contract of sale, the property in the goods is transferred from the seller to the buyer at once, the contract is called 'a sale'.² Where however the transfer of the property in the goods is to take place at a future time or subject to some condition to be fulfilled thereafter, the contract is called 'an agreement to sell'. An agreement to sell becomes a sale when the time elapses or the condition, subject to which the property in the goods is to be transferred is fulfilled.³

It is noteworthy at this stage to reiterate that with particular reference to commercial transactions, the discussions and argument herein will be premised on the English Sale of Goods Act, 1893, a Statute of General Application that has formed the foundation of Nigeria's commercial law till date. While it is not in doubt that quite a number of states have passed legislations in this area of our law, the reality still remains that most of these state laws, just like the federal legislation are tailored in line with the English Sale of Goods Act and the realization that there exists some uncertainties as to their precision and harmony makes resort to this foreign law a safer option. The implication however remains that Nigeria is still relying on this Statute of General Application bequeathed to it 124 years ago by the British. This fact, though as paradoxical as it is startling, remains the reality till date.⁴

Passing of Property – Rules

Passing of property under sale of goods refers to the transfer of ownership. This must at all times be distinguished from possession of the goods which merely refers to the custody of such goods. Where there is a contract for the sale of unascertained goods, no property in the goods is transferred to the buyer unless and until the goods are ascertained. Unascertained goods are those which are not known and settled on, either at the time the contract is made or afterwards. This, according to Atiyah⁵, can include future goods and an unidentified portion of a specified bulk or whole, an example of which is 300 tonnes out of a particular load of 1000 tonnes of flour.

Conversely, where there is a contract for the sale of specific or ascertained goods, property in them passes to the buyer at the time when the parties intend ownership to pass. Thus, the intention of the parties remains the focal point for determining the point of transfer of the property. Specific goods

¹ Nnadi, I., *Commercial Law In Nigeria*, (2nd edition), Peace Publishers Ltd, 2009.

² S.1(3) Sale of Goods Act, 1893.

³ 5.1(4) Sale of goods Act, 1893.

⁴ Ughegbe, I., 'Nigeria: 121 Years Sale of Goods Act – A Case for Reform',

^[2014]https://www.allafrica.com/2014/11/25 accessed, 5th April, 2017.

⁵ Cited in 'Sale of Goods and Agency' [2013], <u>https://www.lawteacher.net/sale-of-goods-and-agency/</u> accessed, 13th April, 2017.

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are goods identified and agreed upon at the time a contract of sale is made. Specific goods might be in a bulk, for instance a contract to sell all the oil in a particular container in a contract of sale of specific goods.

For the purposes of ascertaining the intention of the parties, regard shall be had to the terms of the contract, the conduct of the parties, and the circumstances of the case. But where the intention of the parties as to the time when the property in the goods is to pass to the buyer cannot be ascertained from the contract, the following rules apply:⁶

- Specific goods: when there is an unconditional contract for sale of specific goods in a deliverable state, the property in the goods passes to the buyer at the time the contract is made. Deliverable state in this sense means such a state that the buyer under the contract is bound to take delivery of them. In such situations, the fact that the time of payment of the price or the time of delivery of the goods, or both, is postponed to a future date does not prevent the property in the goods from passing at once.
- Where there is a contract for the sale of specific goods and the seller is bound to do something to the goods for the purpose of putting them into a deliverable state, the property does not pass until such thing is done, and the buyer has noticed thereof. It must be noted in this case that where the act to put the goods into a deliverable state is to be done by the buyer or a third party, this second rule will not apply.
- Where there is a contract for the sale of specific goods in a deliverable state, but the seller is bound to weigh, measure, test, or do some other acts or thing with reference to the goods for the purpose of ascertaining the price, the property does not pass until such act or thing be done, and the buyer has notice thereof.
- Goods sent on 'approval', or on 'sale or return': There are instances in which goods are sent to the buyer on condition that he approves, accepts or rejects some or any of them. In all such instances, the property therein passes to the buyer:
- a) When the buyer signifies his approval or acceptance of any or all of them to the seller.
- b) When he does some act in relation to the goods indicating an adoption of the transaction.

If he does not signify his approval or acceptance to the seller but retains the goods without giving him notice of rejection, then if a time has been fixed for the return of the goods, on expiration of such time, and if no time has been fixed, on the expiration of a reasonable time. What is a reasonable time here is a question of fact.

• Unascertained goods: Where there is a contract for the sale of unascertained or future goods, the property in the goods do not pass to the buyer until the goods are ascertained. Before then, there is merely an agreement to sell. In such an instance, where such goods matching the description and in a deliverable state are unconditionally appropriated to the contract to

the knowledge or by the assent of the buyer, the property in those goods thereupon passes to

the

⁶ Section 18 Sale of Goods Act, 1893.

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him. The assent may be express or implied, and may be given either before or after the appropriation is made.

Ascertainment here presupposes a process by which goods answering the description are specifically identified and set apart for the buyer. The implication then is that ascertainment of the goods and their unconditional appropriation to the contract are two pre-conditions for the transfer of property from the seller to the buyer in cases of unascertained goods. Thus, even though the buyer has paid for the unascertained goods, property is not passed to him until the goods have been separated from the bulk and unconditionally appropriated to the contract.

In the case of *Re Wait*⁷, the buyer paid in advance for 500 tonnes of wheat out of a ship's cargo of 1000 tonnes and received a Bill of Lading in return. The seller then became bankrupt and the goods were not divided from the bulk. Due to this, the buyer lost his money and could not claim any proprietary rights to the unascertained goods. This case clearly demonstrates the unfortunate position of the buyer wherein the rights of the seller's creditors were being protected rather than the buyer, and if there is a lesson to be learned from this case by the buyer it is *caveat emptor*. Thus, the buyers ought to protect themselves via a careful drafting of a contract, insurance, or insistence on performance bonds.

It should be noted that although this position of the law as posited in Rule 5 remains the law in Nigeria, the position has changed in England with the subsequently introduced *Section 20-A* in the English Sale of Goods Act, 1979 which provides that the property in unascertained goods may pass where the price has been paid. In such a case, the buyer obtains an undivided share in the bulk so as to become an owner-in-common of that bulk. In this situation, the buyer's interest in the bulk is a proportional one, relative to that of other interested parties, and the buyer is deemed to consent to deliveries out of the bulk to the other owners-in-common.⁸

This amendment was the result of the decision of the English Court in *The Karlshamns Oliefabriker* $case^9$ where Mustill J held that there is no independent third requirement that the goods should be unconditionally appropriated to the contract where the facts showed that the ship after discharging the goods to other buyers was left with the quantity meant for the Plaintiffs. This reasoning is in consonance with the decision in *Re Stapylton Fletcher*¹⁰ and *Indian Oil Corporation Ltd v Greenstone Shipping Co.*¹¹ where the courts held that the buyers could be the owners-in-common for the unascertained goods depending on the facts of the case.

With particular reference to unconditional appropriation to the contract, the English courts had opportunity to rule on this once again in the case of *Warders (Import And Export) Coy Ltd v W.* Norwood And sons Ltd^{12} where the English court of Queen's Bench held that an unconditional appropriation is deemed to have taken place when the seller delivers the goods to the buyer and the

⁷ (1927)1 Ch 606; See also *Re Goldcorp Exchange Ltd* (1944) UKPC 3.

⁸ Kaul, A., 'Passing of Property in International Sales Contracts – A Conceptual Analysis', PL WebJour., 2003, 13.

⁹⁹ (1982) 1 All ER, 208.

¹⁰ (1994) 1 WLR 1181.

¹¹ (1988) 1 QB 345.

¹² (1968) Q.B. 663.

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buyer with the seller's permission takes the goods away with the risk passing with it. The difficulty therefore arises only where the goods are still in the possession of the seller or his agent.

With a view to solving this problem, the Law Commission in England and Scotland then issued a Joint Report recommending changes in the law and subsequently the passage of the Sale of Goods (Amendment) Act, 1995. This Act, which amends the English Sale of Goods Act of 1979 which had repealed that of 1893 does two things: First, it put into statutory form the doctrine of 'ascertainment by exhaustion'; Second, it enables property in an undivided share forming part of an identified bulk to pass before ascertainment of the goods relating to the specific sales contract. In addition, *Section 2* of the 1995 Act also provides that *Section* 61(1) of the 1979 Act should provide definition of 'bulk'.

Passing of Property under International Sale of Goods Law.

The rules regarding passing of property and by extension and necessary implication risk in international sales contracts are different. The reason for this may not be unconnected with its peculiar nature which may contribute to unfair implications, sometimes forcing buyers to pay for commodities, even if they are damaged or lost. Risk therefore plays a central role in all sales contracts both at international and domestic law levels and as such become the decisive matter that judges and courts consider in the case of loss or damage of the cargo during the transfer stage from the seller to the buyer.

Consequently, the complex nature of international transactions, the large value of the goods involved in most instances, and the fact that the parties to such transactions are usually located in different parts of the globe makes the necessity of different rules as to the time and circumstances surrounding the passing of property, ownership, or risk different from the ordinary rules that regulate domestic commercial transactions. Usually, there is a fairly strong presumption that the seller does not intend to part with the property until he has been paid or given adequate assurance for same.

Parties to international sales contracts therefore often take into account the issue of risk and usually select the exact time that property/risk passes as well as the contractual terms to govern same. Where however they have not agreed on these details, resort is usually had to the framework of the United Nations Convention on contracts for the International Sale of Goods (CISG) provided the contracting parties are both located in contracting states, and if the law of a contracting state's application has been preceded by a private International law.

It must be noted that the English Sale of Goods Act was the first law that included International trade contracts such as Cost, Insurance, and Freight (CIF) and Free on Board (FOB). This probably earned it the description as the father of all other laws relating to the sale of goods. Curiously however, the United Kingdom has till date not ratified the 1980 United Nations Vienna Convention on International Sale of Goods. Sally¹³ has argued that the reason for the failure to ratify the CISG by the UK is because the Convention has an adverse effect on the UK economy.

Despite the failure of the UK to ratify it, the Vienna Convention of 1980 can be considered one of the most significant developments in relation to the passing of property and risk in International contracts for the sale of goods, because of the number of countries who have so far implemented it.

¹³ Moss, S., 'Why the United Kingdom Has Not Ratified the CISG', *Journal of Law and Commerce*, Vol.25, 2005-06, 483-485.

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Indeed, there are currently 78 countries from different regions of the world with different political and economic regimes. They also comprise representatives of all the main legal systems.

Basic Rules on Transfer of Property and Risk

Passing of property means the passing of title and ownership of the goods from the seller to the buyer. Passing of property is independent of passing of possession. Property may pass to the buyer at any time after or at the time of execution of the contract, but the possession in actual sense may never come to the buyer, if according to the contract the goods are transshipped to another destination while on transit. Passing of property in goods therefore forms the crucial stage of a sales transaction where passing of rights and liabilities of the buyer and seller occurs.¹⁴ Since it relates to the notion of risk, the right to sue, the ability to pass a good title, etc., it has to be analyzed on a consequential level.

Passing of risk on the other hand means passing of liability of loss and damage of goods from the seller to the buyer, irrespective of the fact whether the title has yet passed or not. Ordinarily, risk passes with property, *prima facie*. However, this is a general rule which is subject to exceptions, which can be created through an agreement between the parties. In a sales transaction where delivery of the goods is delayed due to the fault of either party, the risk of loss and damage which may occur due to that fault is upon the defaulting party. Parties can also agree upon different points of time for transfer of risk and property.

Under English law, the risk normally passes with the property. This rule complements FOB contracts where property and risk will mostly pass at the same time. However, the situation is different in CIF contracts where the risk generally passes when the goods are handed-over and not when the documents are tendered. As to transfer of property in unascertained goods under English law, the property passes when the goods are identified, unless the buyer acquires a proprietary interest in an undivided share before. In ascertained goods, property passes when the parties intend it to pass. This very general rule received specific application in the individual types of sales contract. In an FOB contract however, the moment that property is transferred is the same as under the general rule contained in may continental laws, and that is upon physical transfer of the goods.

Under documentary sales, as for example in a CIF contract, the property passes when the document proving title to the goods are handed over to the buyer. However, if after such handover the shipped goods are revealed not to comply with the contract description, the property reverts back to the seller. *Article 66* of the Vienna convention of 1980 states that loss of or damage to the goods after the risk has passed does not discharge the buyer from his obligation to pay the price, unless the loss or damage is due to a negligent act or omission of the seller. In most cases however, any costly implications are mitigated by the fact that damage or loss to the goods is often covered by insurance. Risk in this case appears in both the Vienna convention 1980 and the UK SGA to cover incidental physical loss, damage to commodities, deterioration, or even delivery of the goods to the wrong person.

It will then appear that there are three major theories that have been adopted concerning the time of passing of risk. Each of these theories is connected to the transfer of the risk of determined commodities with different events in the sales transaction. These theories are divided into three main

¹⁴ Sabari, C.P., 'The Passing of Property in International Sales Contracts – The case of India, UK, and CISG Law', [2014], Comparative Law eJournal, <u>https://www.papers.passing-of-property</u> accessed, 6th April, 2017.

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elements. Firstly, transfer of risk at the time of concluding the contract of sale; secondly, at the passing of property; and finally, the transfer of risk at the time of delivery of goods.

In the Indian case of *Multanmal Champalal v CP Shah & Co¹⁵* it was held that it is permissible for the contracting parties to enter into an agreement that although property does not pass, the risk passes and they may fix the point in time when it so passes. *Section 25* of the Sale of Goods Act gives the right to the seller to keep the goods at his disposal till the fulfillment of a certain condition. In case such right of disposal of goods is reserved by the seller, the risk passes to the buyer at the time when property would have passed if there had been no reservation of right of disposal of goods. In other words, when the option of reservation of right is exercised, the property does not pass and it remains at the disposal of the seller till the fulfillment of the condition precedent but the risk passes to the buyer ahead of property.

A Free on Board (FOB) contract is a good example where risk and property pass at the time of shipment but if the seller reserves the right of disposal of goods till the payment of full price, the risk passes at the time of shipment but the property only passes when the full price is paid. If the buyer pays the full price before the goods are shipped, then the risk and property pass together at the time of shipment. Similarly, in a Cost Insurance and Freight (CIF) contract, there is a general presumption that the property passes with the delivery and acceptance of goods while the risk passes at the time of shipment of goods. It means that in a CIF contract, risk may pass before property.

Thus, in the English case of *Mitsui & Co Ltd and Another v Flota Mercante Grancolombiana* SA^{16} , cartons of prawns were shipped upon 80 percent payment of price by the buyers. The contract contained FOB terms according to which the risk and property pass at the time of shipment. The seller however reserved the right of disposal of goods till the payment of the remaining 20 percent of the purchase price as a result of which property did not pass with the shipment. At the time of discharge, the prawns were found to be damaged. The buyers brought a legal action against the ship owner for damage to the goods. In an objection by the ship owner, it was contended that the buyers did not have the title to sue as the ownership of goods had not passed to them at the time of damage of the goods.

The Appeal Court held that where goods were damaged on board, only the person owning the goods at the time of the damage could sue the ship owner. Since there was no evidence of fulfillment of the condition precedent which was the payment of the remaining 20 percent of the price, therefore the property was found not to have passed to the buyers. Hence, the claim of the buyers admitted at the trial level was reversed by the Appeal Court.

Thus, the risk and property can pass separately from the seller to the buyer and in cases where the risk passes before the property the buyer becomes liable for loss and damage of the goods even before he becomes the owner. Consequently, if the delivery of the goods is delayed due to the fault of the seller or parties otherwise agree to the transfer of risk subsequent to the transfer of property, the seller remains liable for loss and damage of the goods even after he has lost the ownership.

A C.I.F contract is an agreement to sell goods at an inclusive price covering the cost of goods, insurance, and freight. The seller in a CIF contract fulfills his part of the bargain by tendering to the

¹⁵ AIR, (1970) Mys, 106.

¹⁶ (1988) 1 WLR, 1145.

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buyer proper shipping documents which include the contract of freight, insurance policy and the bill of lading after having shipped or sold afloat goods in accordance with the contract. If he does this, he is not in breach even though the goods have been lost before such tender. In the event of such loss, the buyer must nevertheless pay the price on tender of document, and his remedies, if any, will be against the carrier or the insurer but not against the seller.

The passing of property in CIF contract is of great significance as it carries serious consequences for the parties in cases of insolvency of any party or the loss or destruction of goods where such loss or destruction is not covered by insurance. Property in CIF contract passes to the buyer when the seller transfers the bill of lading and the insurance policy to him thereby giving him the right of action in respect of loss or damage to the goods. The goods are placed at the buyer's risk from, that point onwards.

In case of loss however, this right of action and remedy of the buyer is against the ship owner and the insurers under the insurance contract and not against the seller. This was the position adopted by the Nigerian Court in the case of *Okereke v Arique Nigeria Limited*.¹⁷ Nevertheless, the property in the goods may not pass if the seller reserves the right of disposal.

Additionally, the seller in modern contract is usually not content to rely on his right of lien or stoppage in transit but wishes to reserve a right of disposal. This is so where the seller has taken a bill of lading to his own order or to the order of the bank which has financed the transaction. Thus, in *Ross T. Smyth & Co v T.D Bailey, Son & Co.*¹⁸, Lord Wright observed that in CIF contracts, property would not pass on shipment in cases where the seller reserved a right of disposal, which is to be inferred from retention of the shipping document by the seller or his agent for presentation to obtain payment.

Basically therefore, under an Ex-works contract, the risk will normally pass with delivery of property. Consequently, whatever will happen to the goods afterwards is entirely the buyers business, for the property in the goods and the risk, unless otherwise agreed, pass to him when the goods are delivered to him in accordance with the terms of the particular contract.¹⁹ However, in a Free Alongside Ship (FAS) contract, the property and the risk in the goods pass when the goods are delivered alongside the ship, and the seller is under no obligation to insure them. If he does so, it is entirely for his own benefit.

In *Pyerne v Scindia Navigation Co.* Ltd^{20} , it was held that delivery in the case of F.O.B contracts must be strictly across the ship's rail. Thereafter, the goods are at the buyer's risk, and he is responsible for the freight and any subsequent charges. The implication is that the buyer under an F.O.B contract cannot claim delivery of the goods before shipment

¹⁷ (1981) AC, 585.

¹⁸ (1981) 3 All ER, 60.

 ¹⁹ Nnadi, I., 'The Relevance of International Contract Clauses in Modern International Commercial Transactions: A Critical Assessment', *Journal of Commercial and Contemporary Law*, Vol. 3, 2014, 1-2.
²⁰ (1954) 2 All E.R., 158 at 161.

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Reservation of Right of Disposal

Where there is a contract for the sale of specific goods or where goods are subsequently appropriated to the contract, the seller may, by the terms of the contract or appropriation, reserve the right of disposal of the goods until certain conditions are fulfilled. In such case, notwithstanding the delivery of the goods to the buyer, or to a carrier or other bailee or custodian for the purpose of transmission to the buyer, the property in the goods does not pass to the buyer until the conditions imposed by the seller are fulfilled.

Where goods are shipped, and by the bill of lading the goods are deliverable to the order of the seller or his agent, the seller is *prima facie* deemed to reserve the right of disposal. If however the seller of goods draws on the buyer for the price, and transmits the bill of exchange and bill of lading to the buyer together to secure acceptance or payment of the bill of exchange, the buyer is bound to return the bill of lading if he does not honour the bill of exchange, and if he wrongfully retains the bill of lading, the property in the goods does not pass to him.

Conclusion

If a contract provides for a specific method, place or time of passing of property or risk or both, the courts would normally uphold it even though it differs from the provisions of the Sale of Goods Act or the standard commercial practice, except in cases where the contract is struck by illegality under the general principles of contract law and is void *prima facie*, or causes unnecessary prejudice to either of the contracting parties, or is against public policy.

The reason for this 'hands-off' approval adopted by the courts is that it is for the parties to decide what is most suited to their business needs and interest on a minimum risk-incurring basis. For the seller, the risk is of not getting his payment in return for the goods, while for the buyers, this risk takes the form of the goods getting lost or destroyed even before the buyer actually takes delivery of them in cases where the risk of loss was to be borne by the buyer. But these risks get significantly increased in an international sales transaction where the parties are placed in different countries. It is therefore basically to minimize the risk of non-payment that the seller either puts various clauses in the contract that restrict the passing of property till he has been paid or instructs the buyer beforehand that the financing will take place through documentary credit.

Nobody can deny the invaluable role which International trade plays in the development of nations and their wealth. Anxiety therefore usually sets in where there is no certainty as to the status of ownership and the location of risk. While the seller wants to ensure he gets full value for his goods at the conclusion of the transaction, the buyer is equally anxious to ensure he gets the goods delivered to him safety in exchange for the payment he makes.

While it is relatively easy to achieve this in domestic transactions largely due to the proximity of the actors and the fact that the transactions are usually guided by the same laws, difficulties usually arise with particular reference to International transactions. This is obviously in view of the complexities attendant to the fact that the actors are usually based in different legal systems and social values prevailing in their respective locations thereby leading to uncertainties regarding the applicable law.

Although the essence of the Vienna convention on International sale of goods was to harmonize the *corpus juris* across the globe to achieve uniformity and by extension reduce friction, the failure or refusal of the United Kingdom to ratify this treaty has been a major source of concern to state parties

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since more often than not, they end up transacting with UK citizens or companies. The fact that London has been a major centre for International trade dispute resolution equally has great significance in the light of the UK's non-ratification of the CISG law.

Recommendations

In view of the foregoing, it is therefore recommended that:

- The National Assembly in Nigeria should urgently pass a new and autochthonous Sale of Goods law in line with modern realities taking into cognizance innovative feats such as the current English position regarding the passing of property in unascertained goods where the price has been paid as clearly captured in *Section 20-A* of the current English sale of Goods Act, 1979 and the 1995 amendment thereof. The constant reliance by our legislature on the old version of the English sale of Goods Act, 1893 is not only regrettable, but unfortunate.
- The State Houses of Assembly throughout the Federation should be more proactive in their Legislative functions and in so doing, priority should be given to the obvious need to update the law relating to commercial transactions as this area of our law has suffered unprecedented neglect despite the enormous volume of resources involved in this aspect of our daily activities.
- The UK as a central player in world International trade should urgently ratify and domesticate the Vienna Convention of 1980. This it is believed will enhance the enforcement thereof given the position of the UK in International Commercial Transactions while reducing uncertainties in the area of International trade especially as it affects the passing of property and risk. This by extension will bring about uniformity at the global level in International sales contracts particularly since the Convention allows for details regarding passing of property to be decided by the parties or by their domestic or individual municipal laws.