

TIME CHARTERS

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The Maritime legislator deals with the time charter in the Articles from 172 to 178 of the commercial maritime law. He states the meaning of the contract and its data, identifies to whom is held the navigational control and the commercial control of the ship, and sets the effects of the contract.

What is the time charter?

The time charter is a contract that obligates the Owner to put at the disposal of the Charterer a navigable manned ship for a limited time against the freight, in order to use it in his interest, according to the conditions stipulated in the contract or stated in the law.

In this form of charters the Owner keeps the ship's navigational control, to be performed through his shipmaster and mariners , whom he has appointed and still have been his subordinates (Art. 174/1). But the ship's commercial control has to be transferred to the Charterer, who uses it on his own to transport goods and passengers according to what has been agreed upon in the contract (Art. 174/2).

Article 172 notes the data the contract has to mention. They are: name of the Owner, name of the Charterer, addresses of both, name of the ship. Its nationality, tonnage and other specifications necessary for appointing it, amount of freight and the method used to estimate it and the time of the charter.

What are the effects of the time charter?

The time charter imposes obligations upon both the Owner and the Charterer as follows:

1. The Owner's Obligations:

The Owner is obliged to set the ship at the disposal of the Charterer at the time and place they agreed upon. The ship should be navigable and equipped with what is necessary to implement the operations stipulated in the contracting charter, the Owner, also is obliged to keep the ship on its state along the period of the contract (Art. 173).

2- The Charterer's Obligations:

Articles from 174 to 178 of the commercial maritime law have enumerated the Charterer's obligations as follows:

a. The Charterer has to bear the costs of the ship's commercial control.

In order to fulfill this obligation, the shipmaster has to obey the regulations of the Charterer concerning this control (Art. 174/2).

b. The Charterer has to pay the full freight for the period through which the ship is set at his disposal, even though it is stopped because of some navigational accidents (Art. 175).

Article 177 identifies the penalty due on the Charterer if he abstains from paying the freight. Article 176 identifies the cases wherein the full freight is not due.

c. The Charterer has, also, to use the ship in the specific purpose stipulated in the contract. When the contract terminates, he is obliged to deliver the ship to the Owner at the port it was placed at his disposal, unless they had agreed upon otherwise (Art. 178/1). The nature time for its delivery is the time at which the contract terminates. Yet, the legislator states the custom, when the contract comes to an end, while the ship is still in its course. He decides that the contract is extended by the force of law unto the end of the trip against the freight depicted in the contract for the excess days (Art. 178/2).

This article provides for a general overview only and must not be relied upon as constituting advice in any specific case. Advice should always be sought before taking steps in proceedings- For Further information pls. Contact Mr. U. Soliman