

VOYAGE CHARTER-PARTIES

in the Egyptian maritime commercial law No. 8/ 1990

By Mr. / Usama Soliman
Advocate before Supreme Court

The Commercial maritime law deals with the voyage charter parties in the Articles from 179 to 195. It 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. It includes the following details:

What is the contract of the voyage charter party?

The voyage charter party is a contract wherein the Owner (who equips the ship) pledges to set the ship fully equipped and in a navigable state at the disposal of the Charterer for a certain trip or trips against the freight the Charterer pledges to pay.

In this form of charters the Owner keeps both the navigational control and the commercial control of the ship (Art. 181).

Article 179 notes the data the contract of the voyage charter party comprises.

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, sort of cargo, amount and specifications thereof, place of charge , time agreed upon, freight and method of its calculation , and data of the trips agreed upon .

What are the effects of the voyage charter party?

The voyage charter party imposes obligations upon both the Owner and the Charterer:

1. The Owner's obligations :

The Owner is obliged to set the ship agreed upon at the disposal at the time and place they agreed upon in the contract. The ship should be navigable and equipped with what is necessary to implement the trip or trips stipulated in the contract. The Owner, also, is obliged to keep the ship on its state along the period of the trip on trips and carrying out all what is necessary for implementing them (Art. 180).

The Owner, also, is obliged to perform the trip agreed upon at the fixed time in the contract. If the contract does not fix the time, it will be performed at the time the ship is accustomed to perform between the port of departure and the port of delivery.

At last, the Owner is obliged to stow the loaded goods, as he possesses both the technical control and the commercial one of the ship. He has also to preserve the goods along the trip concerned up to their delivery to the consignee.

2. The Charterer's Obligations:

The voyage charter party imposes two obligations upon the Charterer as follows:

a. The obligation of charging and discharging the Goods:

The Charterer is obliged to charge and discharge the goods at the time agreed upon in the contract. If the contract is void of texts about the periods, they are identified according to the conventional custom in the port of charge or discharge. If there is no custom in the port the case is referred to the public Maritime custom (Art. 182).

The established practice shows that the period of discharge is calculated separately from the period of charge. Therefore, Article 184/1 decides that if charge is completed before the end of the fixed period, the spare of days is not added to recompensate the demurrage days of discharge, unless they agreed on otherwise. But, the diligent Charterer may be gifted an award, for his diligence in performing either loading or unloading before the fixed time, upon an agreement (Art. 184/2).

But, what is the solution if the loading or unloading is not completed in the limited time either in the contract or in the custom?

The answer to this question may exist in Article 183 that states that: if charge or discharge is not performed at the original period stated in the contract or the custom, an additional period of grace that does not exceed the original period is to be provided, for which the owner is worth a daily recompensation identified in the contract or the custom. If loading or unloading is not performed through that additional period another additional period of grace, that does not exceed the first one, may be provided and the Owner is worthy of a daily recompensation equals the daily recompensation of the first additional period plus half the value, without violating the right for other recompensations. The daily recompensation due for the other additional periods of grace is to be appended to the freight and its provisions apply to it.

If the second additional period of grace passes without performing the loading, the shipmaster has to depart the port however the state of loading may be, as he cannot delay the departure of the ship anymore. The shipmaster, after the pass of the discharge period, has to unload the shipment of goods on the account and the responsibility of Charterer, the shipmaster has to take the arrangements that preserve the goods after discharge them, through depositing them to the customs authority or to a trusty (Art. 185). If the Charterer does not load all the goods agreed upon, he will be obliged to pay the whole freight (Art. 186).

b. The obligation of paying the freight:

The Charterer is obliged to pay the freight, as a fundamental obligation against the Owner's obligation of setting the ship at the Charterer's disposal.

The relation between the payment of the freight and the performance of the trip or trips agreed upon a question about the effects of the wholly or partial abstention from performing the intended trip or trips. The commercial Maritime law answers this question through many Articles, each of which treats a different case of abstention from implementing the contract (Articles from 188 to 194).

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