

BAREBOAT CHARTER - PARTY in the Egyptian maritime commercial law No. 8 / 1990

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The maritime commercial law organizes the Bareboat charter-party in the Articles from 161 to 167. It set out to define the contract, its effects, and the obsolescence of the rights that emerge out of it.

What is the Bareboat charter - party? What is its Legal Nature?

The Bareboat charter - party is a contract upon which the ship owner is obliged to put the leased ship against fess at the disposal of the Charterer for a limited time without equipping it with provisions or shipmen or after equipping it with incomplete equipment (Art, 161).

This contract is considered a lease of movable property subject to:

the provisions the contracting parties agree upon, the provisions of the maritime commercial law, the provisions of the law of commerce as the contract is an act of commerce for both parties, and at last to the rules provided by the civil law concerning the lease of movables.

What are the Effects of the contract?

The Bareboat charter - party lays obligations upon both its parties:

1. The Owner's obligations

The charter contract lays on the owner of an unequipped ship the following obligations:

a. The owner has to put the leased ship at the Charterer's disposal at the time and place they agreed on in the contract. The ship should be navigable to be used in the purpose and period they agreed upon, to serve the needs of the Charterer (Art. 162/1).

b. The owner is obliged also to repair what ever damages may occur to the ship, repair the damaged parts if the damage results from the normal consumption in the purpose agreed upon or from an inherent defect in the ship, or even from an irresistible force. If this break down interrupts the utilization of the ship for a period of more than twenty four hours, the fees for the excess period wherein the ship is still in failure are not due (Art. 162/2).

2- The Charterer's Obligations

The Bareboat charter-party Lays on the Charterer the following obligations:

a. The Charterer is obliged to care for the ship and use it in the specific purposes agreed upon , according to the technical characteristics of the ship listed in its navigation license (Art. 163/2).

b. The Charterer is obliged to repair the damages that occur to the ship or replace the defective parts, its sets and machinery (Art. 163/2). If the damage results from an irresistible force, inherent in the ship or from the normal utilization in the purposes agreed upon, the Charterer, as we have mentioned before, will be responsible for the repair (Art. 162/2).

- c. As the ship's navigational management falls to the Charterer, he is, therefore, obliged to assign the shipmen, he has to sign shipping articles with them, pay for them and perform the other obligations of the employer to his employees. He has also to pay for the ship insurance for its utilization (Art. 164).
- d. The Charterer is obliged to pay the fees agreed upon, against which the legislator decides two guarantees: the right of commitment and the right of privilege.
- e. The Charterer is obliged to give back the ship at the end of the contract in the state he has received it, taking in the consideration the consumption for the normal usage. The delivery of the ship should take place at the port he received it ,unless they agreed on otherwise (Art. 165/1). He has also to give back the provisions he delivered the ship with in the same state that he had received them on board the ship. If these articles are consumptive through utilization he has to deliver the like (Art. 165/2).
If the Charterer delays the delivery of the ship on his own, he has to pay as a geographic compensation for example, what equals the fees of the first fifteen days, and equals double the fees for the days of delay that exceed that, unless the owner proves that the damage exceeds this amount (Art. 165/3).
- f. At last , the Charterer is obliged to give the owner guarantee in case of another one takes him to action for reasons concerning the ship investment (Art. 166).

When will the lawsuits concerning the contract become obsolete?

The lawsuits concerning the Bareboat charter-party, whether be they presented by the owner against the Charterer or the contrary, fall by obsolescence by the end of two years from the date of the Charterer's giving back the ship to the owner , or from the date the ship is deleted from the ships register in case of its wreck .

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