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عيسى السليطي للمحاماة
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MODERN LAW



**SHIP INVESTMENTS UNDER QATARI
MARITIME LAW NO. (15) OF 1980
(CHARTER PARTY)**

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SHIP INVESTMENTS UNDER QATARI MARITIME LAW NO. (15) OF 1980 (CHARTER PARTY)

INTRODUCTION

Maritime law is generally defined as “the law governing the legal relations arising from the use of the oceans and seas” and in this sense is a comprehensive definition under which all relations arising from the use of oceans and seas are grouped, thus including General Maritime Law and Maritime Commercial Law, which is the set of rules governing special relations arising from the exploitation of vessels in maritime trade by way of chartering for the transport of persons or goods and the associated rules for maritime accidents and insurance.

Several international conventions relating to the carriage of goods by sea have been concluded, including the United Nations Convention on the Carriage of Goods by Sea (Hamburg Convention of 1978), which established a uniform legal regime governing the rights and obligations of shippers, carriers, and consignees under a contract of carriage of goods by sea.

As well as the United Nations Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea (New York, 2008), also known as the Rotterdam Rules, that with, inter alia, the Hamburg Rules establishes a uniform and modern legal regime governing the rights and obligations of shippers, carriers, and consignees under a contract for door-to-door carriage that includes an international sea leg.

The Rotterdam Rules provide a legal framework that takes into account the many technological and commercial developments that have occurred in maritime transport since the adoption of those earlier conventions, including the growth of containerization, the desire for door-to-door carriage under a single contract, and the development of electronic transport documents. The Convention provides shippers and carriers with a binding and balanced universal regime to support the operation of maritime contracts of carriage that may involve other modes of transport.

In accordance with such conventions and in line with the international rules for the carriage of goods by sea, the State of Qatar issued a modern maritime law in conformity with international rules, thus making the State of Qatar at the forefront of states that paid attention to maritime trade and recognized its importance through the issuance of Law No. (15) of 1980 promulgating the Maritime Law and its amendments. Below, we will look at the types and sections of maritime navigation. And since the vessel is an integral part of maritime commercial transport, we will dive deeper into one of the topics of maritime law, which is charter-party, a method of commercial vessel exploitation.

TYPES OF MARITIME NAVIGATION

In terms of importance, maritime navigation is divided into main navigation and auxiliary navigation. In terms of voyage distance, it is divided into high seas navigation and territorial sea navigation. And in terms of purpose, it is divided into commercial navigation, fishing navigation, and picnic navigation.

Sections of Maritime navigation in terms of importance:

- A.** Main navigation under which all types of maritime navigation fall according to their purpose, thus it is navigation carried out by ships to transport people and goods, or for fishing or picnics.
- B.** Auxiliary navigation is carried out by vessels intended for maritime pilotage or towing operations and does not achieve any of the main purposes of navigation such as transportation, fishing, or picnics.

Sections of Maritime navigation in terms of voyage distance:

High seas navigation and territorial sea navigation:

High seas navigation is the most important type of maritime navigation and the most exposed to maritime hazards. Therefore, captains, engineers, and crew operating such vessels must have special qualifications in excess of the qualifications required for coastal navigation as it is carried out near the shores and not exposed to maritime hazards such as high seas navigation. Traditionally, high seas navigation has been defined as navigation in all waters seaward of the territorial sea baseline between the ports of different states, regardless of

distance.

Coastal navigation is carried out between the ports of one state, such as navigation from Hamad Port to Ruwais Port or from Doha Port to the Container Management and Navigation Station. It can be either minor coastal navigation when both ports are located on the same sea or major coastal navigation both ports are located on different seas. States usually reserve the right for their national vessels to carry out coastal navigation to encourage them and to avoid competition from foreign vessels.

Sections of Maritime navigation in terms of purpose:

- A.** Commercial Navigation: Navigation for profit from the transport of passengers and goods. It is the most important type of maritime navigation and maritime legislation was originally established to regulate such navigation.
- B.** Fishing Navigation: Navigation is carried out by vessels for fishing at seas and is subject to the provisions of maritime law because they are exposed to sea hazards. It has evolved to include fishing, freezing, cleaning, and sometimes canning fish on the deck which falls within the scope of industrial and commercial business.
- C.** Picnic Navigation: Navigation is carried out by vessels for the purpose of picnicking at sea and such vessels are called (Yachts).

Below, we will look in more detail at charter-party as a method of commercial vessel exploitation.

VESSEL EXPLOITATION (CHARTER-PARTY)

There are four methods to exploit a commercial vessel:

1. Private transport where the owner uses it in the carriage of owned goods as with major oil companies, however, this method is not widely used.
2. Lease of the unequipped vessel where the owner leases the vessel to lessees without equipping it with supplies, necessary items, or sailors
3. Lease of the equipped vessel where the owner leases to lessees in a good condition for navigation. There are several legal forms of this type of lease depending on the period whether by voyage or time.
4. The owner uses the vessel to transport different goods of several different shippers, be it a regular or casual shipping line.

Articles Nos. 114 to 142 of the Qatari Maritime Law regulate the various methods of vessel exploitation, whether equipped or unequipped. Vessel exploitation in the carriage of goods by sea is carried out in two ways, whether by concluding contracts of carriage by the sea with the carrier to deliver the goods safely to their intended destination in consideration of freight or by charter-parties, under which the owner agrees to hire a ship to the charterer for the carriage of goods. This type of contract may be for an equipped vessel for a certain period of time or number of voyages, or for an unequipped vessel. Due to the economic importance of this type of contract, the Qatari maritime legislator dedicated a special section to it, in addition to the general rules governing leases. Now, we are going to present the various types of charter-parties.



FIRST: LEASE OF UNEQUIPPED VESSEL

Articles Nos. 114 to 118 of the Qatari Maritime Law regulate the lease of unequipped vessels and below are the obligations of the owner and charterer.

Article No. 114 stipulates that "The lease of the unequipped Vessel is a contract between the owner and the charterer where the owner agrees to lease the Vessel to the charterers without equipping it with supplies, necessary items, or sailors. Such contract must be in writing and shall be subject to the provisions of the lease contract provided for in the Law and the subsequent provisions".

And pursuant to Article No. 115, the owner shall undertake to deliver the Vessel in good condition for navigation as well as the documents relating thereto to the charterer, including the Certificate of Registration, Certificate of Seaworthiness, and Periodic Inspection Certificates. The owner shall be obliged to repair any depreciation resulting from the normal use of the Vessel.

The owner shall respect the terms of the contract. In this type of contract, the vessel is delivered unequipped with supplies or crew.

The charterer shall have all kinds of powers vested in the owner. He shall be entitled to use and manage the vessel navigationally and commercially, determine the vessel route, and provide it with supplies, crew, and captain, all of whom shall be the charterer's employees. And pursuant to Article No. 115, the charterer shall be liable for the damage resulting from delivery of the Vessel when it was not valid for navigation unless he proved that this has resulted from a concealed defect that cannot be discovered by normal inspection.

Pursuant to Article No. 116, the charterer shall use the Vessel for the purpose agreed upon according to its technical characteristic stated

in the navigation license. The charterer may not sublease the Vessel unless licensed to do so as per the contract. The charterer shall undertake to return the Vessel to the port where received and in the same condition when received, taking into consideration the depreciation resulting from normal use. In case of delay in returning the Vessel for a reason attributed to the charterer, he shall be obliged to pay twice the freight for the delay period.

Pursuant to Article No. 117, the Vessel lease contract may not be renewed after the expiry of its specified period. While as per Article No. 118, the rights resulting from the lease contract of the unequipped Vessel shall expire after one year from the date of its return to the owner or from the date of its removal from the record of Vessels in the case of the Vessel perishing.



SECOND: LEASE OF EQUIPPED VESSEL

Articles Nos. 119 to 142 of the Qatari Maritime Law No. 15 of 1980 regulate all aspects of the lease of equipped vessels.

Definition of Lease of Equipped Vessel

Article No. 119 states that "The lease of the equipped Vessel is a contract by which the owner shall be entitled to charter/lease the Vessel or part thereof to be used for making one or several voyages as requested by the charterer during the agreed contractual period subject to the terms and conditions therein or as stipulated by custom. Where the whole Vessel is leased, the rooms and places allocated for the captain and the sailors shall be excluded from the lease."

From the above article, it is clear that the owner shall deliver the vessel equipped with its crew and navigational equipment to the charterer.

Equipped Vessel Contract (Charter-party) and its types:

Article No. 120 states that "The lease of an equipped Vessel shall be drawn on a document referred thereto as the (Charterparty), which is a contract between the owner on one part and the charterer on another part. The Charterparty shall include the following details: names and nationalities of the parties as well as the name of the Vessel, its nationality, cargo, the extent of the leased part, the name of the captain, the type, amount, and specifications of shipment, the place and period agreed upon for loading and unloading, the freight amount and method of calculation thereof, the term of the contract, and the number of agreed voyages."

In view of the above, there are two types of charter-party which are as follows:



FIRST: TIME CHARTERPARTY

A contract whereby commercial administration of the vessel is transferred to the charterer while the owner retains the navigational administration by providing the caption. However, both parties may agree to transfer the navigational and commercial administration to the charterer and in that case, he shall be responsible for damages to the vessel or to others during the charter-party.

SECOND: VOYAGE CHARTERPARTY

A contract whereby the owner provides a fully furnished and manned ship to the charterer for one or several voyages. The charterer shall have no authority over the vessel and navigational and commercial administration are not transferred to him.

The owner shall be obliged to place the Vessel at the disposal of the charterer at the time and place agreed upon. Failure to do so entitles the charterer to revoke the charter-party by written notice, and the charterer shall be entitled to demand compensation without any explanation.

Pursuant to Article No. 127, the charterer may not sublease the Vessel or waive the rights granted by the charter-party except where he has a license to. The original charterer shall continue to be responsible to the owner for the obligations stipulated by the charter-party.

The charterer shall be responsible for the damage caused to the Vessel or the cargo if the damage is caused by his act or by the act of persons affiliated or acting on behalf of the

charterer or if caused by a defect in his cargo.

Pursuant to Article No. 124, the charterer may not make any voyages that may expose the Vessel or the crew to any unexpected danger that may occur after the charter-party.

Before the commencement of the journey, the owner shall act with due diligence to ensure the seaworthiness of the Vessel and shall equip it with the necessary materials, supplies, and sailors, and shall prepare parts of the Vessel designated for preservation and transportation of the goods. The owner shall be responsible for any damage that may result due to unseaworthiness of the Vessel except where it is proved that the damage was not due to the owner's failure to perform his obligations or as a result of a latent defect that could not be discovered by normal inspection, and the charterer shall prove so.

Pursuant to Article No. 125, where the Vessel is leased for a specific period, the charterer shall supply the vessel with fuel, oil, and grease and shall be liable for the payment of the port and pilotage fees, in addition to the payment of wages for the extra-hours of work performed by the sailors upon his request.

Pursuant to Article No. 126, the owner may not load the Vessel or the chartered part thereof with goods other than the charterer's without the charterer's permission.

Many international navigation conferences on international maritime trade have been organized to develop model charter-parties to be used in drafting charter-parties, such as the Conference of the Council of Baltic and White Sea States - the Conference of the Assassination of Ship Agents and Brokers - United States of America. For example, there are Baltime - Gencon - Russwood, which are general charter-parties. In addition, there are also specialized charter-parties such as Norgrain for the carriage of cereals, Sovcoal for the carriage of coal, and Shell Time for the carriage of oil.

LOADING AND UNLOADING PERIOD

Article No. 121 of the Maritime Law addressed the period of loading and unloading goods, stipulating that:

"Where the two parties disagree on a specific period for loading or unloading the goods, they should refer to the custom provisions. In case the loading or unloading did not take place during the original period specified in the agreement or custom, an additional period not exceeding the original period shall be granted. The owner shall be entitled to compensation in accordance with the law or to compensation on a daily basis as provided for in the agreement or custom. In case the loading and unloading did not take place within the extended period granted, a second additional period not exceeding the first one shall be granted, and the owner shall be entitled to a compensation of 1.5 the previous compensation for granting addition periods, without prejudice to the other entitled compensation. The daily entitled compensation for the additional period shall be considered as one of the freight supplements and shall be subject to its provisions."

Usually, the charterer places the goods next to the vessel and lifts them to the vessel's rail, and the owner receives, stows, and organizes them in the holds. However, sometimes this is done differently such as in the Gencon charterparty, where the charterer brings and places the goods in a way that enables the ship's cranes to lift them and provides the necessary labourers, when the vessel liability is limited to unloading.

The agreement owner and the charterer shall regulate who bears the expenses and risks of loading and unloading, as nothing prevents any of the parties from bearing the expenses thereof. The liability for damages arising from loading and unloading operations is borne by



the party undertaking such operations.

The charter-parties determine the number of days to carry out the loading and unloading operations that shall be carried out during such period. Otherwise, the prevailing custom provisions shall be followed in this regard according to the type of goods to be loaded or unloaded. By custom, the period is determined by the number of 24-hour consecutive days. The day starts at 12:00 AM and ends at 12:00 AM. It is not required that the work be done throughout the 24 hours a day. Vacations and holidays are excluded from the period of loading and unloading. There are several other terms to determine the period, such as the days allowed by the weather. Days may not be determined in the charter-party, and parties may agree to use a daily loading rate estimated in units of weight, measurement, or quantity.

Maritime Law states an additional period not exceeding the original period may be granted by giving the owner compensation determined in the contract or custom provisions, and a second additional period not exceeding the first one shall be granted by giving the owner compensation of 1.5 the previous compensation.

START LOADING AND UNLOADING PERIOD

Article No. 122 states that "The original period for loading and unloading shall commence from the day following the captain's notice to concerned parties that the Vessel is ready to load or unload the goods. The period shall be calculated per day and the parts of the day shall be calculated on an hourly basis. If the loading took place before the expiry of the determined period, the remaining days may not be added to the unloading period unless otherwise agreed. Parties may agree on granting the charterer a bonus for completing the loading or unloading before the expiry of the determined period. Official vacations or holidays shall not be included in the original period unless they were spent in loading or unloading goods. The period shall cease to count in case of a force majeure. Where an additional period has been granted, holidays shall continue to count irrespective of the occurrence of a force majeure. However, a ruling may be issued to decrease the compensation for the first additional period in case of the continued occurrence of the force majeure."

The period of loading and unloading shall commence when the goods have been placed at the disposal of the consignee and the captain has taken all the necessary legal procedures imposed by customs and port authorities. To avoid this, the period of loading and unloading is determined at the moment when the captain gives the notice of readiness to load or unload the goods. It should be noted that there are two types of charter-parties, namely the port charter-party, which considers the ship to have arrived as soon as entering the port; and the berth charter-party, which determines the location of the berth, as this is important in determining the start date of the period of loading and unloading.

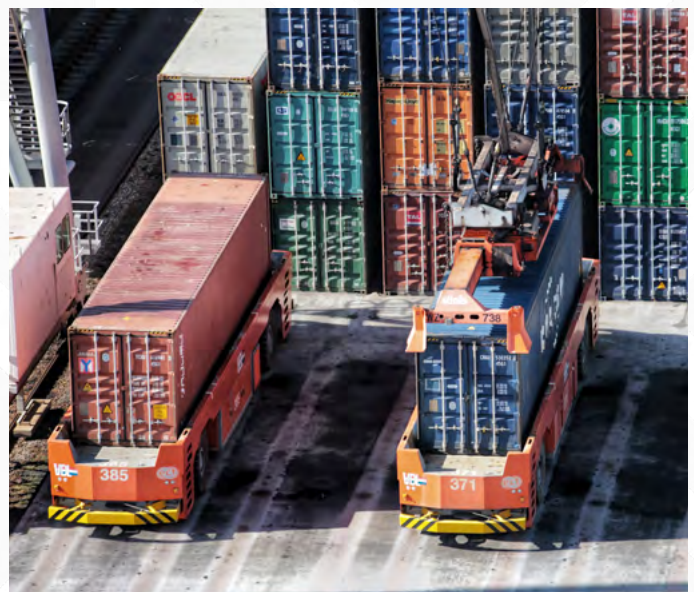
Article No. 122 stated that the charterer may be

granted a bonus for completing the loading or unloading before the expiry of the determined period. Such bonus is money paid by the owner to the charterer as a reward for having completed loading or unloading before the expiry of the determined date enabling the owner to benefit from the vessel faster.

It also states that the original period for loading or unloading shall cease to count in case of a force majeure.

Pursuant to Article No. 123, the captain shall be entitled to unload the goods at the expense and responsibility of the charterer when the unloading period expires.

Article No. 139 states that "If the charterer fails to load the goods on the agreed upon date, the owner is entitled to revoke the contract with written notice. If the date agreed upon for loading expires before the expiry of the original period as by the custom, the date shall be extended until the end of this period and the owner shall be entitled to demand damages automatically without cause unless the charterer proves his failure was due to a force majeure"



VESSEL FREIGHT RATE

Under the time charter-party, the charterer shall have ongoing liability to pay the freight and charter-parties include certain and specific conditions for ceasing the payment of freight that result in relieving the charterer of his ongoing liability to pay the freight. Therefore, most time charter-parties include clear conditions for ceasing the payment of freight provided that the accident causing the delay is covered within the terms of the charter-party.

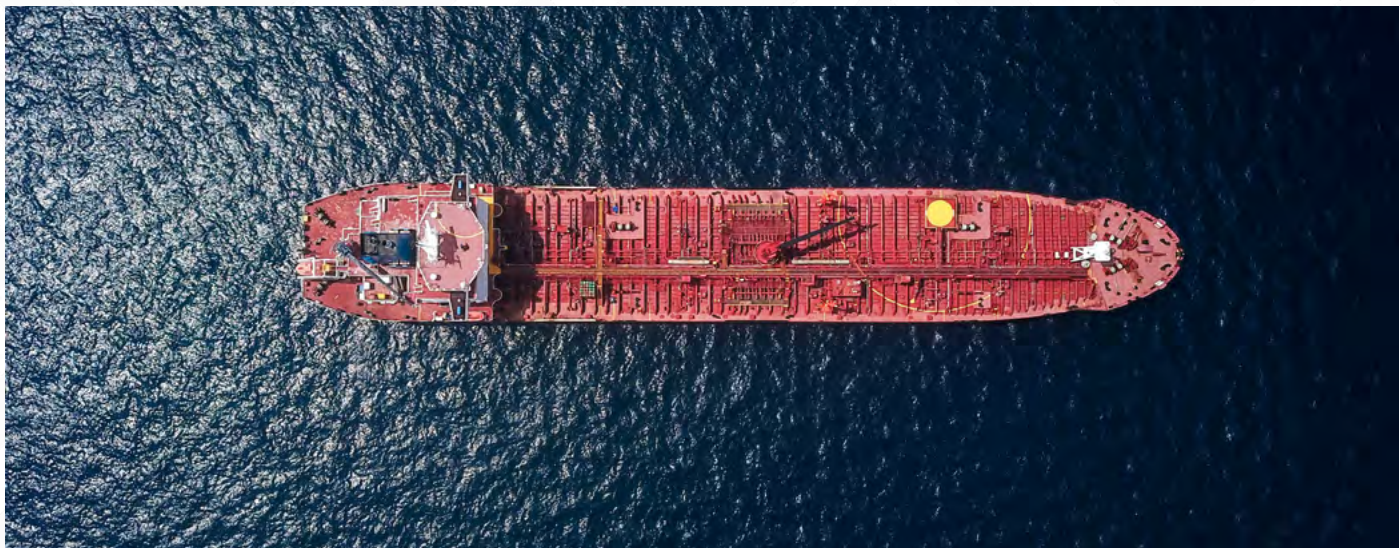
The chartered shall pay the agreed freight, which is determined according to the prevailing custom and taking into account the type of cargo and the contract term. Article No. 129 states that "Unless the contract provides that freight shall be paid in all cases, the vessel freight shall only be payable if the shipped goods are delivered to the consignee or put at his disposal at the arrival port."

Therefore, the law requires the charterer to pay the full freight for the whole period during which the vessel is at his disposal even if even when it is stopped due to navigation accidents. Article No. 129 states that "However, the freight shall be payable in case the non-delivery of the

goods is due to a mistake of the charterer; in case the goods perish as a result of a defect in the goods, the delicate nature of the goods or where the captain is forced to sell goods during the voyage because of a default or damage; and in case the captain orders for the goods to be destroyed if they pose a danger to the Vessel or due to their dangerous nature and the owner was not aware of such danger upon loading. Likewise, the fare is due to animals that perished during the journey for a reason not attributed to the act of the carrier. Where a force majeure occurs after the Vessel is chartered for departure and return journey that prevents the Vessel from arriving at the designated port, the owner shall only be entitled to the departure freight rate unless otherwise provided. In all cases, the freight fully or partially paid unduly in advance shall be refundable."

Article No. 30 addressed the situation of a chartered vessel temporarily stopped during the voyage due to a reason not attributable to the owner or captain and what to do with the freight, as follows:

"The charter-party shall remain in force without



an increase in the freight or compensation if the vessel is temporarily stopped during the voyage due to a reason not attributable to owner or captain. In this case, the charterer may demand his goods to be unloaded at his expense and may thereafter re-load them at his own expense and shall be liable to freight the rent in full. The charterer may at any time request the delivery of the goods before the vessel's arrival to the designated place, as long as the lessee pays the full freight."

Also, Article No. 130 addressed time charterparty and stated that "Where the Vessel is chartered for specific period, the charterer shall be obliged to pay the full freight for the whole period when the Vessel is at his disposal even when it is stopped due to navigation accidents. Nevertheless, the freight shall not be paid if the Vessel perishes or is stopped due to a force majeure or due to a fault by the owner. If the parties lost track of the Vessel and then proved that it has perished, freight shall still be payable until the date of losing track thereof, plus half the freight for the rest of the agreed period."

Article No. 132 states that when the freight is not paid to the owner after notice is served on the charterer, the owner shall have the right to recover the chartered Vessel. Nevertheless, the owner shall be obliged to transport the shipped goods to the port of arrival in consideration of the equivalent freight without prejudice to his right for claiming damage.

Article No. 133 states that if the charterer fails to ship all the goods as agreed upon, he shall be obliged to pay the full freight in addition to all the expenses incurred by the Vessel while shipping the goods.

While Article No. 133 states that the charterer shall not be exempted from paying the freight if he abandons the goods because they are damaged, or their value or quantity has decreased during the journey.

RIGHT OF RETENTION

Time charterparties include a clause for retaining goods by the owner to recover the freight or any amounts due to him under the charter-party. In this regard, Article No. 140 states that "The disponent owner shall have the right to retain the cargo at the arrival port until it gets its freight unless a guarantee, to be estimated by a competent court, was presented thereto. The court may order the selling of part of the cargo equivalent to the value of the freight by auction at a price estimated by the judge. The judge may also order publication and advertisements of the cargo selling in the newspapers if it was necessary".

All types of charter-parties entitle the owner to retain even the sub-freight charges. Such right is granted in the event that the freight is due to the charterer and not to the owner.

CONCESSION RIGHT

The disponent owner shall have a concession right over the goods laden onboard the vessel to recover the freight unless a third party acting in good faith has acquired right in rem thereover. Article No. 141 states that "The owner shall have a concession right over the goods laden onboard the vessel. Such concession rights shall be for the purpose of securing payment for the freight and ancillary sums and the said priority right shall continue for a period of 15 days after the delivery of the goods unless a third party acting in good faith has acquired the right in rem thereover, and the concession right shall remain in force even though the said goods become mixed with others of the same type".

ADMINISTRATION OF VESSEL

1. Navigational Administration: includes technical aspects such as maintenance of machines, vessel hardware, and hull (hull) and includes refueling and supplying the vessel, and includes the command and operation of the vessel.

2. Commercial Administration: varies according to whether the vessel is equipped or unequipped and the consequent powers of both the owner and the charterer in terms of issuing instructions to the captain in terms of the commercial administration of the vessel therefore we are going to define the commercial administration of the vessel as follows:

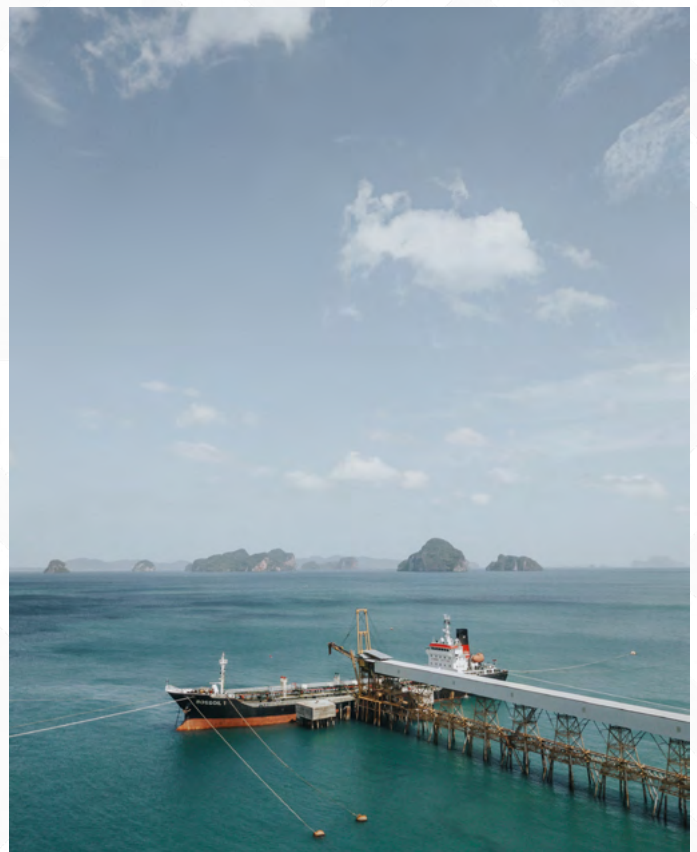
The administration related to the commercial operations of the vessel. Such administration varies according to the vessel and the conditions of its charter. For example, the commercial administration of vessels designated for the carriage of goods includes the conclusion of lease contracts, whether sub-lease contracts or carriage contracts (bill of lading), the operations of receiving and delivering goods, handling, maintaining, and stocking operations.

Accordingly, the owner in time charter-parties retain the commercial administration of the chartered vessel. However, they may agree to assign the commercial administration to the charterer. In such case, the charterer shall be responsible for the safety of the shipped goods or for any problems that may be as a result of any acts committed by the captain, as per the provisions of Article No. 135.

In case the Vessel fails to arrive at the designated port, the captain shall direct it to the nearest port. Article No. 136 states that "Where the Vessel fails to arrive at the designated port where the goods are supposed to be delivered, the owner shall direct it to the nearest port to that designated one and shall be responsible

for bearing all the expenses of transporting the goods to the arrival port. If the failure to arrive at the designated port is due to a force majeure, the charterer shall pay such expenses. The charterer shall bear the expenses incurred where he has exercised his right to choose the arrival port after the beginning of the voyage and the Vessel fails to arrive at the chosen port due to its high exposure to danger."

From the above article, the steering right can be either retained by the owner or granted to the charterer as per the provisions of the charter-party. However, if the Vessel fails to arrive at the designated port and is directed to the nearest arrival port due to a force majeure, the charterer shall pay the expenses of transporting the goods to the nearest arrival port even if the owner is the one who has the steering right.



SALE OF THE VESSEL

The charter-party shall remain in force, even if the owner of the vessel sells it. Nevertheless, they may demand the revocation of the existing charter-party if he can prove that he did have knowledge of the existence of such charter-party at the time of purchase and show proof that the continuance thereof shall cause damage to him. Article No. 136 states that "The sale of the Vessel shall not automatically revoke the charterparty that was entered into by the seller before the sale of the Vessel. However, the buyer of the Vessel may demand the revocation of the existing charter-party if he can prove that he did have knowledge of the existence of such charter-party at the time of purchase and show proof that the continuance thereof shall cause damage to him."

REDELIVERY OF VESSEL

Charter-parties usually include special provisions for the redelivery of the vessel after the expiration of the charter-party term. It may provide that the freight shall continue to be payable until the hour and day of its delivery, or that the vessel shall be redelivered in the same condition in which it was received. Ship due to normal use. In any case, the obligation of the charterer is to return the vessel in the same condition in which he received it, except for the depreciation resulting from normal use.

Several questions arise in the event that the vessel is delivered after the time specified for its delivery by the charter-party. How to determine the freight for such period? Is it determined according to what was agreed upon when concluding the charter-party until the date of the actual delivery, or is it paid according to the delivery date specified in the charter-party, or



TIME-BARRING

the prevailing market price at the time of delivery if it is higher than what is specified in the charter-party. In all cases, it is not permissible to reduce the freight if the vessel is delivered before the date agreed upon by the charter-party.

Article No. 138 resolves this, as it stipulates: "Where the Vessel is chartered for a specific period, the charterer shall redeliver the Vessel to the port where it was handed over to him, upon the expiration of the charter-party. If the charter-party term has expired during the voyage, the term shall be extended up to the end of the voyage and the owner shall be entitled to the freight as provided for in the charter-party for the extension period. The freight shall not be decreased if the vessel is redelivered before the date agreed upon in the charter-party."

As per the Law, the time-barring of all claims arising out of equipped vessel charter-parties is one year starting from the date of delivery of the goods or from the date on which they shall be delivered. As for other obligations, it shall start from the end date of the voyage(s) or from the end date of the charter-party. Article No. 142 stipulates "All claims arising out of equipped vessel charter-parties shall become time-barred after the expiry of one year. Such period regarding the delivery of goods, the responsibility for the damage or perishing and delay of the arrival of the shipment shall commence on the contractual date of delivery or the agreed date of delivery between the parties. For all the other obligations, the period shall commence on the date of the end of the journey if the Vessel was leased for one journey or from the date of end of each journey where the Vessel was leased for several journeys or from the date of expiry of the lease agreement if the Vessel was leased for a specific period. Where the Vessel is leased for a specific period, the period shall commence from the end of the last journey if this journey was extended according to Article 136 herein. Where the journey did not start or if it started but not ended, the period shall commence from the date of the accident that rendered the execution or the continuation of the execution of the lease agreement impossible. In the case where the Vessel is assumed to be perished, the period shall commence from the date the Vessel was stricken from the ship's log. Where the refund of what was paid without legal right, the period shall commence from the date of the arising of the right to refund."



BILL OF LADING AND CHARTERPARTY

Here we will briefly discuss the relationship between bills of lading and charterparties, and accordingly we will explain the definition of the bill of lading.

The bill of lading is a tool for proving the shipment of the goods. It is considered as proof of the maritime carriage contract in the event of voyage charterparty. It also represents the shipped goods and takes its place during the sea voyage, that is, it represents the constructive existence of the goods.

Bill of lading is issued by the owner to acknowledge receipt of cargo for shipment and its quantity, serves as a proof at the port of arrival to deliver the goods to the consignee. If issued for a voyage charterparty, the charterparty does not include all the usual conditions and data in the bill of lading used in liner carriage contracts. In this case, the conditions of the bill of lading refer to the charterparty. Therefore, the issuance of the bill of lading in this case does not prejudice the original contract, which is the charterparty. The Baltic and International Maritime Council (BIMCO) introduced a model for voyage charterparty bills of lading called "Congenbill". It is common knowledge that charterparty bills of lading include five conditions:

1. Referral to the terms of the original charterparty, and statement that the carrier shall not be held liable for loss or damage to the shipment before loading or after unloading.
2. Paramount clause (Rules of the Hague Treaty for the Unification of Certain Rules of Law relating to Bills of Lading) (application of the Hague Rules).
3. Settlement of joint losses in accordance with the York-Antwerp Rules provided that the place of settlement shall be London, which states that the consignment contributions to the loss are to



be paid to the carrier even if it is the result of the fault or negligence of the captain, pilot or crew.

4. Jason clause relating to joint losses and salvage equivalents.
5. Conditions related to collision accidents and determination of the party liable for paying compensation.

However, this model does not prevent the owner from using the ordinary bills of lading that are used in regular lines, but this entails a conflict between the charter-party and the bill of lading, although the terms of the charter-party shall prevail.

There are two cases that must be distinguished:

First Case: Charterer is the holder of the bill of lading

In this case, charter-party is the contract of carriage which states the charterer's rights, whereas the bill of lading is only a receipt proving the loading of goods.

Second Case: Third-party holder of the bill of lading

The only linkage between third-party holder of the bill of lading and the carrier is the contract of carriage of goods, which in this case is the bill of lading. Accordingly, he shall benefit from all the forms of protection stipulated in the Brussels Convention on Bills of Lading, and the charter-party shall have no effect on the bill of lading

and its terms.

We should also distinguish between the issuers of bills of lading.

If the bill of lading is issued by the provider, then in the event of deficiency or damage, the third-party holder of the bill of lading shall file a liability claim against the provider based on the bill of lading.

If the bill of lading is issued by the charterer, then the charterer shall serve as the carrier for third-party holder of the bill of lading and shall be liable for delivering it at the port of arrival. Therefore, in the event of a deficiency or damage, the consignee may sue the charterer in accordance with the general rules stipulated in the Brussels Convention.



CONCLUSION

In this article, we have taken a dive into some of the many aspects covered by Law No. 15/1980 promulgating the Maritime Law, the main pillar in maritime trade. We have addressed charter-parties in accordance with the Qatari law with reference to the regulating international conventions. We hope that this article will shed light on this important sector,

which is an important pillar of the economy and the movement of trade. With its advanced infrastructure, modern ports, ambitious plans, and state-of-the-art transport fleet, the State of Qatar enjoy many advantages and great potential in maritime transport, thus we were compelled to shed the light on the legal aspect of this field.



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