



SHIP OWNERS

## Agapi Terzi: Greek Code of Private Maritime Law – A new chapter

For many decades Greece has been at the top of the list of ship owning countries.

With 20% of the world's commercial fleet controlled by Greek companies and more than a thousand offices established in Greece, offering ship management, ship brokerage, insurance, legal and finance services.

This maritime dominance provoked the enactment, in 1958, of the Greek Code of Private Maritime Law (3816/1958) which aimed to address the needs of all shipping activities within the Greek jurisdiction.

Sixty-five years later, a new chapter begins for the Greek (maritime) jurisdiction and the Greek shipping industry, as the new Code of Maritime Private Law came into effect on 1 May 2023.

The main purpose of the new Code is to align the national law with international conventions already in force and offer better protection to seafarers by providing a more concrete framework supporting their working life. These changes will inevitably boost legal certainty, enhance transparency, and will better regulate modern forms of shipping operations.

### Significant changes

In an effort to ensure that domestic law guarantees the protection and rights enumerated in the various international conventions, there are significant changes that are being implemented, some of which are particularly relevant to the scope of the Club's P&I and Legal Costs Cover.

In particular:

- The definition for ships and 'static' crafts (depending on whether the vessel is motile or stationary) has now been introduced.
- The use of electronic shipping documents (B/L, other cargo documents and charterparties) is permitted.
- Damages for wrongful arrests are now available (provisions now include the detention of a ship as provisional order in anticipation of a judgment for conservative seizure).
- Maritime Liens:
  - Allows for auction off cargo under lien.
  - Allows for recovery from statutory liens over ship's bunkers.
  - Provides that debts arising from charterparties take priority.
- Limitation of liability:

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- Introduction of a single set of limitation procedural rules to apply for all international conventions in force in Greece.
  - Club Letters of Undertaking are acceptable when constituting a limitation fund in addition to cash deposits and bank guarantees.
  - The right of limitation is available for all claims, charges, fines, dues apart from pollution fines.
  - Euribor rate plus 4% interest to apply on the limitation fund amount until it is constituted in the national currency.
  - A two-month time bar in challenging the right to limit.
  - Introduction of limits of liability for ships below 300 GT at SDR1,000,000 for loss of life/personal injury, and SDR500,000 for other claims.
  - General Average is now in line with York Antwerp Rules 2016.
  - Owners are permitted to claim directly from sub-charterers the freight due under the head charterparty.
  - Owners are not to be held liable for stevedore damage if there is a statutory obligation to use a specific stevedoring company.
  - Jurisdiction clauses where the carrier's liability is significantly limited compared to the Hague-Visby Rules will be ineffective.
  - Time bar extensions are allowed, without prejudice to the provisions of international conventions.

## **Enhanced Transparency**

Finally, in order to enhance transparency and regulate modern forms of shipping activities, some of the key provisions of the new Code touch upon operational aspects such as:

- The Digitalization of the Ship Registry – hard copies and handwritten entries are replaced by electronic records, whereas records to be accessed and certificates to be issued by digital systems.
- Provisions for simple and preferred ship mortgage.
- Introduction of definitions for ship operations.
- Definitions for administration and marine agency.
- Update of chartering provisions.

The general perception among the Greek maritime law practitioners is that the amendments to the Code of Private Maritime law are a step in the right direction, as the older regulations were considered as incomplete and in part outdated.

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