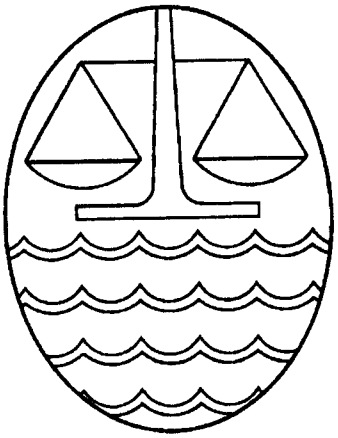
Division for Ocean Affairs and the Law of the Sea
Office of Legal Affairs

Law *of the* Sea



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IF ANY MATERIAL CONTAINED IN THE BULLETIN IS REPRODUCED IN PART OR IN WHOLE, DUE ACKNOWLEDGEMENT SHOULD BE GIVEN

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I. UNITED NATIONS CONVENTION ON THE LAW OF THE SEA

Status of the United Nations Convention on the Law of the Sea, of the Agreement relating to the implementation of Part XI of the Convention and of the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks

1. Table recapitulating the status of the Convention and of the related Agreements, as at 31 March 2000

State or entity *Italicized text* indicates non-members of the United Nations; Shaded row indicates land-locked States	United Nations Convention on the Law of the Sea (in force as from 16 November 1994)		Agreement relating to the implementation of Part XI of the Convention (in force as from 28 July 1996)		Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks (not yet in force)	
	Signature (🗋 - declaration)	Ratification; formal confirmation(fc); accession(a); succession(s); (🗋 - declaration)	Signature	Ratification; formal confirmation(fc); accession(a); definitive signature(ds); participation(p); 1/ simplified procedure (sp); 2/	Signature (🗋 - declaration or statement)	Ratification; accession(a) 3/ (🗋 - declaration)
TOTALS	158 (🗋35)	132 (🗋48)	79	96	59 (🗋5)	26 (🗋6)
Afghanistan	✎					
Albania						
Algeria	🗋	🗋11 June 1996	✎	11 June 1996 (p)		
Andorra						
Angola	🗋	5 December 1990				
Antigua and Barbuda	✎	2 February 1989				
Argentina	🗋	🗋1 December 1995	✎	1 December 1995	✎	
Armenia						
Australia	✎	5 October 1994	✎	5 October 1994	✎	23 December 1999
Austria	✎	🗋14 July 1995	✎	14 July 1995	✎	

1/ States bound by the Agreement by having ratified, acceded or succeeded to the Convention under article 4, paragraph 1, of the Agreement.

2/ States bound by the Agreement under the simplified procedure set out in article 5 of the Agreement.

3/ In accordance with its article 40, the Agreement shall enter into force 30 days after the date of deposit of the thirtieth instrument of ratification or accession.

State or entity *Italicized text* indicates non-members of the United Nations; Shaded row indicates land-locked States	**United Nations Convention on the Law of the Sea** (in force as from 16 November 1994)		**Agreement relating to the implementation of Part XI of the Convention** (in force as from 28 July 1996)		**Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks** (not yet in force)	
	Signature ✎ (🗋 - declaration)	Ratification; formal confirmation(fc); accession(a); succession(s); (🗋 - declaration)	Signature ✎	Ratification; formal confirmation(fc); accession(a); definitive signature(ds); participation(p); 1/ simplified procedure (sp); 2/	Signature ✎ (🗋 - declaration or statement)	Ratification; accession(a) 3/ (🗋 - declaration)
Azerbaijan						
Bahamas	✎	29 July 1983	✎	28 July 1995		16 January 1997(a)
Bahrain	✎	30 May 1985				
Bangladesh	✎				✎	
Barbados	✎	12 October 1993	✎	28 July 1995 (sp)		
Belarus	🗋					
Belgium	🗋	🗋13 November 1998	✎	13 November 1998	✎	
Belize	✎	13 August 1983		21 October 1994 (ds)	✎	
Benin	✎	16 October 1997		16 October 1997 (p)		
Bhutan	✎					
Bolivia	🗋	28 April 1995		28 April 1995 (p)		
Bosnia and Herzegovina		12 January 1994 (s)				
Botswana	✎	2 May 1990				
Brazil	🗋	🗋22 December 1988	✎		✎	8 March 2000
Brunei Darussalam	✎	5 November 1996		5 November 1996 (p)		
Bulgaria	✎	15 May 1996		15 May 1996 (a)		
Burkina Faso	✎		✎		✎	
Burundi	✎					
Cambodia	✎					
Cameroon	✎	19 November 1985	✎			
Canada	✎		✎		✎	🗋3 August 1999
Cape Verde	🗋	🗋10 August 1987	✎			
Central African Republic	✎					
Chad	✎					

State or entity *Italicized text* indicates non-members of the United Nations; Shaded row indicates land-locked States	**United Nations Convention on the Law of the Sea** (in force as from 16 November 1994)		**Agreement relating to the implementation of Part XI of the Convention** (in force as from 28 July 1996)		**Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks** (not yet in force)	
	Signature ✎ (🗋 - declaration)	Ratification; formal confirmation(fc); accession(a); succession(s); (🗋 - declaration)	Signature ✎	Ratification; formal confirmation(fc); accession(a); definitive signature(ds); participation(p); 1/ simplified procedure (sp); 2/	Signature ✎ (🗋 - declaration or statement)	Ratification; accession(a) 3/ (🗋 - declaration)
Chile	🗋	🗋25 August 1997		25 August 1997 (a)		
China	✎	🗋7 June 1996	✎	7 June 1996 (p)	🗋	
Colombia	✎					
Comoros	✎	21 June 1994				
Congo	✎					
Cook Islands	✎	15 February 1995		15 February 1995 (a)		1 April 1999 (a)
Costa Rica	🗋	21 September 1992				
Côte d'Ivoire	✎	26 March 1984	✎	28 July 1995 (sp)	✎	
Croatia		🗋5 April 1995 (s)		5 April 1995 (p)		
Cuba	🗋	🗋15 August 1984				
Cyprus	✎	12 December 1988	✎	27 July 1995		
Czech Republic	✎	🗋21 June 1996	✎	21 June 1996		
Democratic People's Republic of Korea	✎					
Democratic Republic of the Congo	✎	17 February 1989				
Denmark	✎		✎		✎	
Djibouti	✎	8 October 1991				
Dominica	✎	24 October 1991				
Dominican Republic	✎					
Ecuador					✎	
Egypt	✎	🗋26 August 1983	✎			
El Salvador	✎					
Equatorial Guinea	✎	21 July 1997		21 July 1997 (p)		

State or entity *Italicized text* indicates non-members of the United Nations; Shaded row indicates land-locked States	United Nations Convention on the Law of the Sea (in force as from 16 November 1994)		Agreement relating to the implementation of Part XI of the Convention (in force as from 28 July 1996)		Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks (not yet in force)	
	Signature (🗋 - declaration)	Ratification; formal confirmation(fc); accession(a); succession(s); (🗋 - declaration)	Signature	Ratification; formal confirmation(fc); accession(a); definitive signature(ds); participation(p); 1/ simplified procedure (sp); 2/	Signature (🗋 - declaration or statement)	Ratification; accession(a) 3/ (🗋 - declaration)
Eritrea						
Estonia						
Ethiopia	✎					
European Community	🗋	🗋1 April 1998 (fc)	✎	1 April 1998(fc)	🗋	
Fiji	✎	10 December 1982	✎	28 July 1995	✎	12 December 1996
Finland	🗋	🗋21 June 1996	✎	21 June 1996	✎	
France	🗋	🗋11 April 1996	✎	11 April 1996	🗋	
Gabon	✎	11 March 1998	✎	11 March 1998 (p)	✎	
Gambia	✎	22 May 1984				
Georgia		21 March 1996 (a)		21 March 1996 (p)		
Germany		🗋14 October 1994 (a)	✎	14 October 1994	✎	
Ghana	✎	7 June 1983				
Greece	🗋	🗋21 July 1995	✎	21 July 1995	✎	
Grenada	✎	25 April 1991	✎	28 July 1995 (sp)		
Guatemala	✎	🗋11 February 1997		11 February 1997 (p)		
Guinea	🗋	6 September 1985	✎	28 July 1995 (sp)		
Guinea-Bissau	✎	🗋25 August 1986			✎	
Guyana	✎	16 November 1993				
Haiti	✎	31 July 1996		31 July 1996 (p)		
Holy See						
Honduras	✎	5 October 1993				
Hungary	✎					
Iceland	✎	🗋21 June 1985	✎	28 July 1995 (sp)	✎	14 February 1997
India	✎	🗋29 June 1995	✎	29 June 1995		

State or entity *Italicized text* indicates non-members of the United Nations; Shaded row indicates land-locked States	United Nations Convention on the Law of the Sea (in force as from 16 November 1994)		Agreement relating to the implementation of Part XI of the Convention (in force as from 28 July 1996)		Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks (not yet in force)	
	Signature (D - declaration)	Ratification; formal confirmation(fc); accession(a); succession(s); (D - declaration)	Signature	Ratification; formal confirmation(fc); accession(a); definitive signature(ds); participation(p); 1/ simplified procedure (sp); 2/	Signature (D - declaration or statement)	Ratification; accession(a) 3/ (D - declaration)
Indonesia		3 February 1986				
Iran (Islamic Republic of)	D					17 April 1998(a)
Iraq	D	30 July 1985				
Ireland		D21 June 1996		21 June 1996		
Israel						
Italy	D	D13 January 1995		13 January 1995		
Jamaica		21 March 1983		28 July 1995 (sp)		
Japan		20 June 1996		20 June 1996		
Jordan		27 November 1995 (a)		27 November 1995 (p)		
Kazakhstan						
Kenya		2 March 1989		29 July 1994 (ds)		
Kiribati						
Kuwait		D2 May 1986				
Kyrgyzstan						
Lao People's Democratic Republic		5 June 1998		5 June 1998 (p)		
Latvia						
Lebanon		5 January 1995		5 January 1995 (p)		
Lesotho						
Liberia						
Libyan Arab Jamahiriya						
Liechtenstein						
Lithuania						
Luxembourg	D					

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Madagascar	✎					
Malawi	✎					
Malaysia	✎	🗋14 October 1996	✎	14 October 1996 (p)		
Maldives	✎		✎		✎	30 December 1998
Mali	🗋	16 July 1985				
Malta	✎	🗋20 May 1993	✎	26 June 1996		
Marshall Islands		9 August 1991 (a)			✎	
Mauritania	✎	17 July 1996	✎	17 July 1996 (p)	✎	
Mauritius	✎	4 November 1994		4 November 1994 (p)		🗋25 March 1997(a)
Mexico	✎	18 March 1983				
Micronesia (Federated States of)		29 April 1991 (a)	✎	6 September 1995	✎	23 May 1997
Monaco	✎	20 March 1996	✎	20 March 1996 (p)		9 June 1999(a)
Mongolia	✎	13 August 1996	✎	13 August 1996 (p)		
Morocco	✎		✎		✎	
Mozambique	✎	13 March 1997		13 March 1997 (a)		
Myanmar	✎	21 May 1996		21 May 1996 (a)		
Namibia	✎	18 April 1983	✎	28 July 1995 (sp)	✎	8 April 1998
Nauru	✎	23 January 1996		23 January 1996 (p)		10 January 1997(a)
Nepal	✎	2 November 1998		2 November 1998 (p)		
Netherlands	✎	🗋28 June 1996	✎	28 June 1996	🗋	
New Zealand	✎	19 July 1996	✎	19 July 1996	✎	
Nicaragua	🗋					
Niger	✎					

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Nigeria	✎	14 August 1986	✎	28 July 1995 (sp)		
Niue	✎				✎	
Norway	✎	🗋24 June 1996		24 June 1996 (a)	✎	🗋30 December 1996
Oman	🗋	🗋17 August 1989		26 February 1997 (a)		
Pakistan	✎	🗋26 February 1997	✎	26 February 1997 (p)	✎	
Palau		30 September 1996 (a)		30 September 1996 (p)		
Panama	✎	🗋1 July 1996		1 July 1996 (p)		
Papua New Guinea	✎	14 January 1997		14 January 1997 (p)	✎	4 June 1999
Paraguay	✎	26 September 1986	✎	10 July 1995		
Peru						
Philippines	🗋	🗋8 May 1984	✎	23 July 1997	✎	
Poland	✎	13 November 1998	✎	13 November 1998		
Portugal	✎	🗋3 November 1997	✎	3 November 1997	✎	
Qatar	🗋					
Republic of Korea	✎	29 January 1996	✎	29 January 1996	✎	
Republic of Moldova						
Romania	🗋	🗋17 December 1996		17 December 1996 (a)		
Russian Federation	🗋	🗋12 March 1997		12 March 1997 (a)	✎	🗋4 August 1997
Rwanda	✎					
Saint Kitts and Nevis	✎	7 January 1993				
Saint Lucia	✎	27 March 1985			✎	9 August 1996
Saint Vincent and the Grenadines	✎	1 October 1993				
Samoa	✎	14 August 1995	✎	14 August 1995 (p)	✎	25 October 1996

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San Marino						
Sao Tome and Principe	🗋	3 November 1987				
Saudi Arabia	✎	🗋24 April 1996		24 April 1996 (p)		
Senegal	✎	25 October 1984	✎	25 July 1995	✎	30 January 1997
Seychelles	✎	16 September 1991	✎	15 December 1994	✎	20 March 1998
Sierra Leone	✎	12 December 1994		12 December 1994 (p)		
Singapore	✎	17 November 1994		17 November 1994 (p)		
Slovakia	✎	8 May 1996	✎	8 May 1996		
Slovenia		🗋16 June 1995 (s)	✎	16 June 1995		
Solomon Islands	✎	23 June 1997		23 June 1997 (p)		13 February 1997(a)
Somalia	✎	24 July 1989				
South Africa	🗋	🗋23 December 1997	✎	23 December 1997		
Spain	🗋	🗋15 January 1997	✎	15 January 1997	✎	
Sri Lanka	✎	19 July 1994	✎	28 July 1995 (sp)	✎	24 October 1996
Sudan	🗋	23 January 1985	✎			
Suriname	✎	9 July 1998		9 July 1998 (p)		
Swaziland	✎		✎			
Sweden	🗋	🗋25 June 1996	✎	25 June 1996	✎	
Switzerland	✎		✎			
Syrian Arab Republic						
Tajikistan						
Thailand	✎					
The former Yugoslav Republic of Macedonia		19 August 1994 (s)		19 August 1994 (p)		

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	Signature (🗋 - declaration)	Ratification; formal confirmation(fc); accession(a); succession(s); (🗋 - declaration)	Signature	Ratification; formal confirmation(fc); accession(a); definitive signature(ds); participation(p); 1/ simplified procedure (sp); 2/	Signature (🗋 - declaration or statement)	Ratification; accession(a) 3/ (🗋 - declaration)
Togo		16 April 1985		28 July 1995 (sp)		
Tonga		2 August 1995 (a)		2 August 1995 (p)		31 July 1996
Trinidad and Tobago		25 April 1986		28 July 1995 (sp)		
Tunisia		🗋24 April 1985				
Turkey						
Turkmenistan						
Tuvalu						
Uganda		9 November 1990		28 July 1995 (sp)		
Ukraine	🗋	🗋26 July 1999		26 July 1999		
United Arab Emirates						
United Kingdom		🗋25 July 1997 (a)		25 July 1997		
United Republic of Tanzania		🗋30 September 1985		25 June 1998		
United States of America						🗋21 August 1996
Uruguay	🗋	🗋10 December 1992			🗋	🗋10 September 1999
Uzbekistan						
Vanuatu		10 August 1999		10 August 1999(p)		
Venezuela						
Viet Nam		🗋25 July 1994				
Yemen	🗋	🗋21 July 1987				
Yugoslavia		🗋5 May 1986		28 July 1995 (sp)		
Zambia		7 March 1983		28 July 1995 (sp)		
Zimbabwe		24 February 1993		28 July 1995 (sp)		

State or entity *Italicized text* indicates non-members of the United Nations; Shaded row indicates land-locked States	United Nations Convention on the Law of the Sea (in force as from 16 November 1994)		Agreement relating to the implementation of Part XI of the Convention (in force as from 28 July 1996)		Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks (not yet in force)	
	Signature✍ (🗋 - declaration)	Ratification; formal confirmation(fc); accession(a); succession(s); (🗋 - declaration)	Signature✍	Ratification; formal confirmation(fc); accession(a); definitive signature(ds); participation(p); 1/ simplified procedure (sp); 2/	Signature ✍ (🗋 - declaration or statement)	Ratification; accession(a) 3/ (🗋 - declaration)
TOTALS	158 (🗋35)	132 (🗋48)	79	96	59 (🗋5)	26 (🗋6)

2. Chronological lists of ratifications of, and accessions and successions to the Convention and the related Agreements, as at 31 March 2000

(a) The Convention

1. Fiji (10 December 1982)
2. Zambia (7 March 1983)
3. Mexico (18 March 1983)
4. Jamaica (21 March 1983)
5. Namibia (18 April 1983)
6. Ghana (7 June 1983)
7. Bahamas (29 July 1983)
8. Belize (13 August 1983)
9. Egypt (26 August 1983)
10. Côte d'Ivoire (26 March 1984)
11. Philippines (8 May 1984)
12. Nambia (22 May 1984)
13. Cuba (15 August 1984)
14. Senegal (25 October 1984)
15. Sudan (23 January 1985)
16. Saint Lucia (27 March 1985)
17. Togo (16 April 1985)
18. Tunisia (24 April 1985)
19. Bahrain (30 May 1985)
20. Iceland (21 June 1985)
21. Mali (16 July 1985)
22. Iraq (30 July 1985)
23. Guinea (6 September 1985)
24. United Republic of Tanzania (30 September 1985)
25. Cameroon (19 November 1985)
26. Indonesia (3 February 1986)
27. Trinidad and Tobago (25 April 1986)
28. Kuwait (2 May 1986)
29. Yugoslavia (5 May 1986)
30. Nigeria (14 August 1986)
31. Guinea-Bissau (25 August 1986)
32. Paraguay (26 September 1986)
33. Yemen (21 July 1987)
34. Cape Verde (10 August 1987)
35. Sao Tome and Principe (3 November 1987)
36. Cyprus (12 December 1988)
37. Brazil (22 December 1988)
38. Antigua and Barbuda (2 February 1989)
39. Democratic Republic of the Congo (17 February 1989)
40. Kenya (2 March 1989)
41. Somalia (24 July 1989)
42. Oman (17 August 1989)
43. Botswana (2 May 1990)
44. Uganda (9 November 1990)
45. Angola (5 December 1990)
46. Grenada (25 April 1991)
47. Micronesia (Federated States of) (29 April 1991)
48. Marshall Islands (9 August 1991)
49. Seychelles (16 September 1991)
50. Djibouti (8 October 1991)
51. Dominica (24 October 1991)
52. Costa Rica (21 September 1992)
53. Uruguay (10 December 1992)
54. Saint Kitts and Nevis (7 January 1993)
55. Zimbabwe (24 February 1993)
56. Malta (20 May 1993)
57. Saint Vincent and the Grenadines (1 October 1993)
58. Honduras (5 October 1993)
59. Barbados (12 October 1993)
60. Guyana (16 November 1993)
61. Bosnia and Herzegovina (12 January 1994)
62. Comoros, (21 June 1994)
63. Sri Lanka (19 July 1994)
64. Viet Nam (25 July 1994)
65. The former Yugoslav Republic of Macedonia (19 August 1994)
66. Australia (5 October 1994)
67. Germany (14 October 1994)
68. Mauritius (4 November 1994)
69. Singapore (17 November 1994)
70. Sierra Leone (12 December 1994)
71. Lebanon (5 January 1995)
72. Italy (13 January 1995)
73. Cook Islands (15 February 1995)
74. Croatia (5 April 1995)
75. Bolivia (28 April 1995)
76. Slovenia (16 June 1995)
77. India (29 June 1995)
78. Austria (14 July 1995)
79. Greece (21 July 1995)
80. Tonga (2 August 1995)
81. Samoa (14 August 1995)
82. Jordan (27 November 1995)
83. Argentina (1 December 1995)
84. Nauru (23 January 1996)
85. Republic of Korea (29 January 1996)
86. Monaco (20 March 1996)
87. Georgia (21 March 1996)
88. France (11 April 1996)
89. Saudi Arabia (24 April 1996)

90. Slovakia (8 May 1996)
91. Bulgaria (15 May 1996)
92. Myanmar (21 May 1996)
93. China (7 June 1996)
94. Algeria (11 June 1996)
95. Japan (20 June 1996)
96. Czech Republic (21 June 1996)
97. Finland (21 June 1996)
98. Ireland (21 June 1996)
99. Norway (24 June 1996)
100. Sweden (25 June 1996)
101. Netherlands (28 June 1996)
102. Panama (1 July 1996)
103. Mauritania (17 July 1996)
104. New Zealand (19 July 1996)
105. Haiti (31 July 1996)
106. Mongolia (13 August 1996)
107. Palau (30 September 1996)
108. Malaysia (14 October 1996)
109. Brunei Darussalam (5 November 1996)
110. Romania (17 December 1996)
111. Papua New Guinea (14 January 1997)
112. Spain (15 January 1997)
113. Guatemala (11 February 1997)
114. Pakistan (26 February 1997)
115. Russian Federation (12 March 1997)
116. Mozambique (13 March 1997)
117. Solomon Islands (23 June 1997)
118. Equatorial Guinea (21 July 1997)
119. United Kingdom of Great Britain and Northern Ireland (25 July 1997)
120. Chile (25 August 1997)
121. Benin (16 October 1997)
122. Portugal (3 November 1997)
123. South Africa (23 December 1997)
124. Gabon (11 March 1998)
125. European Community (1 April 1998)
126. Lao People's Democratic Republic (5 June 1998)
127. Suriname (9 July 1998)
128. Nepal (2 November 1998)
129. Belgium (13 November 1998)
130. Poland (13 November 1998)
131. Ukraine (26 July 1999)
132. Vanuatu (10 August 1999)

(b) Agreement relating to the implementation of Part XI of the Convention

1. Kenya (29 July 1994)
2. The former Yugoslav Republic of Macedonia (19 August 1994)
3. Australia (5 October 1994)
4. Germany (14 October 1994)
5. Belize (21 October 1994)
6. Mauritius (4 November 1994)
7. Singapore (17 November 1994)
8. Sierra Leone (12 December 1994)
9. Seychelles (15 December 1994)
10. Lebanon (5 January 1995)
11. Italy (13 January 1995)
12. Cook Islands (15 February 1995)
13. Croatia (5 April 1995)
14. Bolivia (28 April 1995)
15. Slovenia (16 June 1995)
16. India (29 June 1995)
17. Paraguay (10 July 1995)
18. Austria (14 July 1995)
19. Greece (21 July 1995)
20. Senegal (25 July 1995)
21. Cyprus (27 July 1995)
22. Bahamas (28 July 1995)
23. Barbados (28 July 1995)
24. Côte d'Ivoire (28 July 1995)
25. Fiji (28 July 1995)
26. Grenada (28 July 1995)
27. Guinea (28 July 1995)
28. Iceland (28 July 1995)
29. Jamaica (28 July 1995)
30. Namibia (28 July 1995)
31. Nigeria (28 July 1995)
32. Sri Lanka (28 July 1995)
33. Togo (28 July 1995)
34. Trinidad and Tobago (28 July 1995)
35. Uganda (28 July 1995)
36. Yugoslavia (28 July 1995)
37. Zambia (28 July 1995)
38. Zimbabwe (28 July 1995)
39. Tonga (2 August 1995)
40. Samoa (14 August 1995)
41. Micronesia (Federated States of) (6 September 1995)
42. Jordan (27 November 1995)
43. Argentina (1 December 1995)
44. Nauru (23 January 1996)
45. Republic of Korea (29 January 1996)
46. Monaco (20 March 1996)
47. Georgia (21 March 1996)
48. France (11 April 1996)
49. Saudi Arabia (24 April 1996)
50. Slovakia (8 May 1996)
51. Bulgaria (15 May 1996)
52. Myanmar (21 May 1996)
53. China (7 June 1996)
54. Algeria (11 June 1996)

55. Japan (20 June 1996)
56. Czech Republic (21 June 1996)
57. Finland (21 June 1996)
58. Ireland (21 June 1996)
59. Norway (24 June 1996)
60. Sweden (25 June 1996)
61. Malta (26 June 1996)
62. Netherlands (28 June 1996)
63. Panama (1 July 1996)
64. Mauritania (17 July 1996)
65. New Zealand (19 July 1996)
66. Haiti (31 July 1996)
67. Mongolia (13 August 1996)
68. Palau (30 September 1996)
69. Malaysia (14 October 1996)
70. Brunei Darussalam (5 November 1996)
71. Romania (17 December 1996)
72. Papua New Guinea (14 January 1997)
73. Spain (15 January 1997)
74. Guatemala (11 February 1997)
75. Oman (26 February 1997)
76. Pakistan (26 February 1997)
77. Russian Federation (12 March 1997)
78. Mozambique (13 March 1997)
79. Solomon Islands (23 June 1997)
80. Equatorial Guinea (21 July 1997)
81. Philippines (23 July 1997)
82. United Kingdom of Great Britain and Northern Ireland (25 July 1997)
83. Chile (25 August 1997)
84. Benin (16 October 1997)
85. Portugal (3 November 1997)
86. South Africa (23 December 1997)
87. Gabon (11 March 1998)
88. European Community (1 April 1998)
89. Lao People's Democratic Republic (5 June 1998)
90. United Republic of Tanzania (25 June 1998)
91. Suriname (9 July 1998)
92. Nepal (2 November 1998)
93. Belgium (13 November 1998)
94. Poland (13 November 1998)
95. Ukraine (26 July 1999)
96. Vanuatu (10 August 1999)

(c) Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks

1. Tonga (31 July 1996)
2. Saint Lucia (9 August 1996)
3. United States of America (21 August 1996)
4. Sri Lanka (24 October 1996)
5. Samoa (25 October 1996)
6. Fiji (12 December 1996)
7. Norway (30 December 1996)
8. Nauru (10 January 1997)
9. Bahamas (16 January 1997)
10. Senegal (30 January 1997)
11. Solomon Islands (13 February 1997)
12. Iceland (14 February 1997)
13. Mauritius (25 March 1997)
14. Micronesia (Federated States of) (23 May 1997)
15. Russian Federation (4 August 1997)
16. Seychelles (20 March 1998)
17. Namibia (8 April 1998)
18. Iran (Islamic Republic of) (17 April 1998)
19. Maldives (30 December 1998)
20. Cook Islands (1 April 1999)
21. Papua New Guinea (4 June 1999)
22. Monaco (9 June 1999)
23. Canada (3 August 1999)
24. Uruguay (10 September 1999)
25. Australia (23 December 1999)
26. Brazil (8 March 2000)

3. Declaration under article 287 of the United Nations Convention on the Law of the Sea [4/]

Croatia

[Original: English]

In implementation of article 287 of the United Nations Convention on the Law of the Sea, the Government of the Republic of Croatia has the honour to declare that, for the settlement of disputes concerning the application or Interpretation of the Convention and of the Agreement adopted on 28 July 1994 relating to the Implementation of Part XI, it chooses, in order of preference, the following means:

1. The International Tribunal for the Law of the Sea established in accordance with Annex VI;

2. The International Court of Justice.

4/ The declaration was received on 4 November 1999.

II. LEGAL INFORMATION RELEVANT TO THE UNITED NATIONS CONVENTION ON THE LAW OF THE SEA

A. United Nations General Assembly resolutions of interest

1. General Assembly resolution 54/31 of 24 November 1999: Oceans and the law of the sea

The General Assembly,

Recalling its resolutions 49/28 of 6 December 1994, 52/26 of 26 November 1997 and 53/32 of 24 November 1998 and other relevant resolutions adopted subsequent to the entry into force of the United Nations Convention on the Law of the Sea[1] ("the Convention") on 16 November 1994,

Recalling also its resolution 2749 (XXV) of 17 December 1970, and considering that the Convention, together with the Agreement relating to the implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982[2] ("the Agreement"), provides the regime to be applied to the Area and its resources as defined in the Convention,

Emphasizing the universal character of the Convention and its fundamental importance for the maintenance and strengthening of international peace and security, as well as for the sustainable use and development of the seas and oceans and their resources,

Conscious that the problems of ocean space are closely interrelated and need to be considered as a whole,

Noting with satisfaction the increase in the number of States parties to the Convention and the Agreement,

Recognizing the impact on States of the entry into force of the Convention and the Agreement and the increasing need, particularly of developing States, for advice and assistance in their implementation in order to benefit thereunder,

Noting that developing countries, in particular small island developing States, may need assistance in the preparation and publication of charts under articles 16, 22, 47, 75 and 84 and annex II to the Convention,

Taking note with concern of the financial situation of the International Seabed Authority ("the Authority") and of the International Tribunal for the Law of the Sea ("the Tribunal"),

Conscious of the need to promote and facilitate international cooperation at the subregional, regional and global levels in order to ensure the orderly and sustainable development of the uses and resources of the seas and oceans,

Conscious also of the importance of education and training in the field of ocean affairs and the law of the sea,

Reaffirming the strategic importance of the Convention as a framework for national, regional and global action in the marine sector, as recognized also by the United Nations Conference on Environment and Development in chapter 17 of Agenda 21,[3]

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[1] *Official Records of the Third United Nations Conference on the Law of the Sea*, vol. XVII (United Nations publication, Sales No. E.84.V.3), document A/CONF.62/122.

[2] Resolution 48/263, annex.

[3] *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992* (United Nations

Welcoming the review by the Commission on Sustainable Development on oceans and seas and the adoption of the recommendations made by the Commission through the Economic and Social Council,[4]

Taking note of the major challenges as well as the areas of particular concern facing the international community, as formulated in the recommendations on oceans and seas made by the Commission on Sustainable Development through the Economic and Social Council,[5]

Expressing its concern in this context at the continuing threat posed to the sea by the dumping of nuclear waste and other toxic substances,

Recognizing the positive benefits for the marine environment that can be achieved through cooperative work within the regional seas programme of the United Nations Environment Programme,

Expressing its concern at the increasing threat to shipping from piracy and armed robbery at sea and its appreciation and support for the ongoing work of the International Maritime Organization in this area,

Reaffirming the importance of enhancing the safety of navigation as well as the necessity for cooperation in this regard,

Emphasizing the importance of the protection of the underwater cultural heritage, and recalling in this context the provisions of article 303 of the Convention,

Expressing its appreciation once again to the Secretary-General for his efforts in support of the Convention and in its effective implementation, including providing assistance in the functioning of the institutions created by the Convention,

Noting the responsibilities of the Secretary-General under the Convention and related resolutions of the General Assembly, in particular resolutions 49/28 and 52/26, and emphasizing the importance of the performance of such responsibilities for the effective and consistent implementation of the Convention,

Taking note of the report of the Secretary-General,[6] and reaffirming the importance of the annual consideration and review by the General Assembly of the overall developments pertaining to the implementation of the Convention, as well as of other developments relating to the law of the sea and ocean affairs,

1. *Calls upon* all States that have not done so, in order to achieve the goal of universal participation, to become parties to the Convention and the Agreement;

2. *Reaffirms* the unified character of the Convention;

3. *Calls upon* States to harmonize as a matter of priority their national legislation with the provisions of the Convention, to ensure the consistent application of those provisions and to ensure also that any declarations or statements that they have made or make when signing, ratifying or acceding are in conformity with the Convention and to withdraw any of their declarations or statements that are not in conformity;

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publication, Sales No. E.93.I.8 and corrigenda), vol. I: *Resolutions adopted by the Conference*, resolution 1, annex II.

[4]See *Official Records of the Economic and Social Council, 1999, Supplement No.9* (E/1999/29), chap. I.C, decision 7/1.

[5]Ibid., paras. 3-36.

[6]A/54/429 and Corr.1.

4. *Encourages* States parties to the Convention to deposit with the Secretary-General charts and lists of geographical coordinates, as provided for in the Convention;

5. *Urges* the international community to assist, as appropriate, developing countries, including small island developing States, in the preparation and publication of charts under articles 16, 22, 47, 75 and 84 and annex II to the Convention;

6. *Requests* the Secretary-General to convene the tenth Meeting of States Parties to the Convention in New York from 22 to 26 May 2000;

7. *Notes with satisfaction* the continued contribution of the Tribunal to the peaceful settlement of disputes in accordance with Part XV of the Convention, and underlines its important role and authority concerning the interpretation or application of the Convention and the Agreement;

8. *Encourages* States parties to the Convention to consider making a written declaration choosing from the means set out in article 287 for the settlement of disputes concerning the interpretation or application of the Convention and the Agreement, and invites States to note the provisions of annexes V, VI, VII and VIII to the Convention concerning, respectively, conciliation, the Tribunal, arbitration and special arbitration;

9. *Requests* the Secretary-General to circulate lists of conciliators and arbitrators drawn up and maintained in accordance with annexes V and VII to the Convention and to update these lists accordingly;

10. *Notes* the current work of the Authority, and emphasizes the importance of the commitment of its members to work expeditiously towards the adoption during 2000 of the regulations on prospecting and exploration for polymetallic nodules;

11. *Notes with appreciation* the adoption of the Headquarters Agreement between the Government of Jamaica and the Authority;[7]

12. *Calls upon* States that have not done so to consider ratifying or acceding to the Agreement on the Privileges and Immunities of the Tribunal[8] and to the Protocol on the Privileges and Immunities of the Authority;[9]

13. *Appeals* to all States parties to the Convention to pay their assessed contributions to the Authority and to the Tribunal, respectively, in full and on time in order to ensure that they are able to carry out their functions as provided for in the Convention, and appeals also to the States which are former provisional members of the Authority to pay any outstanding contributions;

14. *Notes* the progress in the work of the Commission on the Limits of the Continental Shelf ("the Commission"), including the adoption of the scientific and technical guidelines and annexes thereto[10] aimed at facilitating the preparation of submissions regarding the outer limits of the continental shelf in accordance with article 76 and annex II to the Convention, and the adoption of an action plan on training,[11] taking into account, in particular, the needs of developing States;

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[7]ISBA/3/A/L.3, annex.

[8]SPLOS/25.

[9]ISBA/4/A/8, annex.

[10]CLCS/11 and Add.1 and Add.1/Corr.1.

[11]See CLCS/19.

15. *Welcomes* the decision of the Commission to convene an open meeting during its seventh session, aimed at familiarizing States with the necessity to implement the provisions of article 76 and annex II to the Convention relating to the establishment of the outer limits of the continental shelf beyond 200 nautical miles, and encourages States to attend the meeting;

16. *Approves* the convening by the Secretary-General of the seventh session of the Commission in New York from 1 to 5 May 2000 and, if necessary, an eighth session from 28 August to 1 September 2000;

17. *Urges* States to take all practicable steps to prevent the pollution of the sea by dumping of radioactive materials and industrial wastes, in accordance with the relevant provisions of the 1972 Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter[12] and its amendments;

18. *Calls upon* States to become parties to and to implement the 1996 Protocol to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter;[13]

19. *Encourages* States to continue to support the regional seas programme, which has achieved success in a number of geographic areas, and to work within the United Nations Environment Programme to enhance cooperation in the protection of the marine environment;

20. *Calls upon* States to cooperate fully with the International Maritime Organization to combat piracy and armed robbery against ships, including by submitting reports on incidents to that organization;

21. *Also calls upon* States to implement the International Maritime Organization guidelines on preventing attacks of piracy and armed robbery and to cooperate with the International Maritime Organization Correspondence Group, established to draw up standard guidelines for Governments in investigating attacks against ships and prosecuting offenders, and with other initiatives of the organization in this area;

22. *Urges* all States, in particular coastal States in affected regions, to take all necessary and appropriate measures to prevent and combat incidents of piracy and armed robbery at sea, including through regional cooperation, and to investigate or cooperate in the investigation of such incidents wherever they occur and bring the alleged perpetrators to justice, in accordance with international law;

23. *Urges* States to become parties to the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation and its Protocol,[14] and to ensure its effective implementation;

24. *Expresses its appreciation* to the Secretary-General for the annual comprehensive report on oceans and the law of the sea[6] prepared by the Division for Ocean Affairs and the Law of the Sea of the Office of Legal Affairs of the Secretariat, as well as for the other activities of the Division, in accordance with the provisions of the Convention and the mandate set forth in resolutions 49/28 and 52/26;

25. *Requests* the Secretary-General to ensure that the institutional capacity of the Organization adequately responds to the needs of States, the newly established institutions under the Convention and other competent international organizations by providing timely advice, information, including the information in his report, and assistance, taking into account the special needs of developing countries;

26. *Also requests* the Secretary-General to continue to carry out the responsibilities entrusted to him in

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[12]United Nations, *Treaty Series*, vol. 1046, No. 15749.

[13]IMO/LC.2/Circ.380.

[14]International Maritime Organization publication, Sales No. 462.88.12E.

the Convention and related resolutions of the General Assembly, including those mentioned in paragraph 11 of resolution 52/26, and to ensure that the performance of such activities is not adversely affected by savings as may be realized under the approved budget for the Organization;

27. *Reaffirms* the importance of ensuring the uniform and consistent application of the Convention and a coordinated approach to its overall implementation, and of strengthening technical cooperation and financial assistance for this purpose, stresses once again the continuing importance of the efforts of the Secretary-General to these ends, and reiterates its invitation to the competent international organizations and other international bodies to support these objectives;

28. *Invites* Member States and others in a position to do so to contribute to the further development of the Hamilton Shirley Amerasinghe Memorial Fellowship Programme on the Law of the Sea established by the General Assembly in resolution 35/116 of 10 December 1980;

29. *Also invites* Member States to support the training activities under the TRAIN-SEA-COAST programme of the Division for Ocean Affairs and the Law of the Sea;

30. *Notes* the continued work of the United Nations Educational, Scientific and Cultural Organization towards a convention for the implementation of the provisions of the Convention, relating to the protection of the underwater cultural heritage, and re-emphasizes the importance of ensuring that the instrument to be elaborated is in full conformity with the relevant provisions of the Convention;

31. *Requests* the Secretary-General to bring the present resolution to the attention of the Director-General of the United Nations Educational, Scientific and Cultural Organization;

32. *Reaffirms* its decision to undertake an annual review and evaluation of the implementation of the Convention and other developments relating to ocean affairs and the law of the sea, taking into account resolution 54/33 of 24 November 1999;

33. *Requests* the Secretary-General to report to the General Assembly at its fifty-fifth session on the implementation of the present resolution, including other developments and issues relating to ocean affairs and the law of the sea, in connection with his annual comprehensive report on oceans and the law of the sea, and to provide the report in accordance with the modalities set out in resolution 54/33;

34. *Decides* to include in the provisional agenda of its fifty-fifth session the item entitled "Oceans and the law of the sea".

62nd plenary meeting
24 November 1999

2. General Assembly resolution 54/32 of 24 November 1999: Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks

The General Assembly,

Recalling the relevant provisions of the United Nations Convention on the Law of the Sea,[1] including Part VII, section 2,

Recognizing that the Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks[2] ("the Agreement") sets forth the rights and obligations of States in authorizing the use of vessels flying their flags for fishing on the high seas,

Noting that while twenty-four States or entities have ratified or acceded to the Agreement, the Agreement has not yet entered into force,

Conscious of the need to promote and facilitate international cooperation, especially at the regional and subregional levels, in order to ensure the sustainable development and use of the living marine resources of the world's oceans and seas, consistent with the present resolution,

Noting that the stock situation for some species of straddling fish stocks and highly migratory fish stocks is of great concern owing to the fact that those stocks have not been subject to adequate regulatory measures,

Recognizing the importance of actions States and other entities should take in order to share responsibly in the use of high seas fishery resources, including straddling fish stocks and highly migratory fish stocks, as outlined in Parts III and IV of the Agreement,

Recognizing also the duty provided in the Agreement and reiterated as a principle in the Code of Conduct for Responsible Fisheries of the Food and Agriculture Organization of the United Nations[3] for flag States to exercise effective control over fishing vessels flying their flag and vessels flying their flag which provide support to such vessels, and to ensure that the activities of such vessels do not undermine the effectiveness of conservation and management measures taken in accordance with international law and adopted at the national, subregional, regional or global levels,

Recognizing further that a number of regional fishing organizations and arrangements with competence to establish conservation and management measures regarding straddling fish stocks and/or highly migratory fish stocks are already taking significant conservation measures to promote the recovery and long-term sustainable use of fish stocks worldwide, and that in order for those efforts to succeed it is important that all States and entities, including those which are not members of these organizations or party to these arrangements, cooperate and observe these conservation and management measures,

Taking note of the obligation of States and other entities and regional and subregional fishery management organizations and arrangements to take measures to prevent or eliminate overfishing, and encouraging all States to participate in the work of the Food and Agriculture Organization of the United Nations on the subject,

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[1] *Official Records of the Third United Nations Conference on the Law of the Sea*, vol. XVII (United Nations publication, Sales No. E.84.V.3), document A/CONF.62/122.

[2] *International Fisheries Instruments* (United Nations publication, Sales No. E.98.V.11), sect. I; see also A/CONF.164/37.

[3] Ibid., sect. III.

Noting that some regional fisheries organizations and arrangements, including those mentioned in the report of the Secretary-General,[4,5] have recently taken measures to ensure that fishing vessels flying the flags of non-members of those organizations or non-parties to those arrangements do not undermine the regionally adopted conservation and management measures,

Recognizing that the Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas[6] builds upon the legal framework established by the United Nations Convention on the Law of the Sea, and also recognizing the importance of that Agreement and noting that it also has not yet entered into force,

Taking note with concern that straddling fish stocks and highly migratory fish stocks in some parts of the world have been subject to heavy and little-regulated fishing efforts, and that some stocks continue to be overfished, mainly as a result of unauthorized fishing,

Concerned that illegal, unregulated and unreported fishing, including that noted in the report of the Secretary-General,[7] threatens serious depletion of populations of certain fish species, and in that regard urging States and entities to collaborate in efforts to address these types of fishing activities,

Noting the importance of the wide application of the precautionary approach to the conservation, management and exploitation of straddling fish stocks and highly migratory fish stocks, in accordance with the Agreement,

Reaffirming the importance it attaches to compliance with its resolution 46/215 of 20 December 1991, in particular those provisions calling for full implementation of a global moratorium on all large-scale pelagic drift-net fishing on the high seas of the world's oceans and seas, including enclosed seas and semi-enclosed seas,

Reaffirming also its resolution 49/116 of 19 December 1994 on unauthorized fishing in zones of national jurisdiction and its impact on the living marine resources of the world's oceans and seas, as well as its resolution 52/28 of 26 November 1997 and other relevant resolutions,

1. *Welcomes* the report of the Secretary-General[8] on recent developments and current status of the Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks;[4]

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[4] A/54/461.

[5] The organizations and arrangements mentioned are: International Commission for the Conservation of Atlantic Tunas, Indian Ocean Tuna Commission, Commission on Biological Resources of the Caspian Sea, General Fisheries Commission for the Mediterranean, Commission for the Conservation of Antarctic Marine Living Resources, North-East Atlantic Fisheries Commission, South Pacific Forum Fisheries Agency, Multilateral High-level Conference on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific, Western Central Atlantic Fishery Commission, Northwest Atlantic Fisheries Organization, Asia-Pacific Fishery Commission, Fishery Committee for Eastern Central Atlantic and South-East Atlantic Fisheries Organization.

[6] *International Fisheries Instruments* (United Nations publication, Sales No. E.98.V.11), sect. II.

[7] Particularly in the Convention area for the Commission for the Conservation of Antarctic Marine Living Resources; see A/54/429, paras. 249-257 and 300-304.

[8] A/54/461.

2. *Calls upon* all States and other entities referred to in article 1, paragraph 2 (*b*), of the Agreement that have not done so to ratify or accede to it and to consider applying it provisionally;

3. *Emphasizes* the importance of the early entry into force and effective implementation of the Agreement;

4. *Reaffirms* the importance it attaches to compliance with its resolutions 46/215, 49/116, 49/118 of 19 December 1994 and 52/28, and urges States and other entities to enforce such measures fully;

5. *Calls upon* all States and other entities referred to in article X, paragraph 1, of the Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas[6] that have not done so to accept that instrument;

6. *Calls upon* all States to ensure that their vessels comply with the conservation and management measures in accordance with the Agreement that have been adopted by subregional and regional fisheries management organizations and arrangements;

7. *Calls upon* States not to permit vessels flying their flag to engage in fishing on the high seas without having effective control over their activities and to take specific measures to control fishing operations by vessels flying their flag;

8. *Calls upon* the International Maritime Organization, in cooperation with the Food and Agriculture Organization of the United Nations, regional fisheries management organizations and arrangements and other relevant international organizations, and in consultation with States and entities, to define the concept of the genuine link between the fishing vessel and the State in order to assist in the implementation of the Agreement;

9. *Urges* all States to participate in the efforts of the Food and Agriculture Organization of the United Nations to develop an international plan of action to address illegal, unregulated and unreported fishing, in particular the Meeting of Experts and Technical Consultation in the Food and Agriculture Organization of the United Nations scheduled for 2000, and in all efforts to coordinate all the work of the Food and Agriculture Organization of the United Nations with other international organizations, including the International Maritime Organization;

10. *Encourages* all States and entities concerned to work with flag States and the Food and Agriculture Organization of the United Nations in developing and implementing measures to combat or curb illegal, unregulated and unreported fishing;

11. *Calls upon* States to provide assistance to developing States as outlined in the Agreement, and notes the importance of participation by representatives of developing States in forums in which fisheries issues are discussed;

12. *Encourages* States and other entities to integrate in an appropriate manner the requirements for the protection of the environment, notably those resulting from multilateral environmental agreements, in the management of straddling fish stocks and highly migratory fish stocks;

13. *Requests* the Secretary-General to bring the present resolution to the attention of all members of the international community, relevant intergovernmental organizations, the organizations and bodies of the United Nations system, regional and subregional fisheries management organizations or arrangements and relevant non-governmental organizations, and invites them to provide the Secretary-General with information relevant to the implementation of the present resolution;

14. *Also requests* the Secretary-General to submit to the General Assembly at its fifty-sixth session a report on further developments relating to the implementation of the present resolution;

15. *Decides* to include in the provisional agenda of its fifty-sixth session, under the item entitled "Oceans and the law of the sea", the sub-item entitled "Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks".

62nd plenary meeting
24 November 1999

3. General Assembly resolution 54/33 of 24 November 1999: Results of the review by the Commission on Sustainable Development of the sectoral theme of "Oceans and seas": international coordination and cooperation

The General Assembly,

Recalling its resolutions 49/28 of 6 December 1994 on the Law of the Sea and 53/32 of 24 November 1998 on oceans and the law of the sea,

Mindful of the importance of the oceans and seas for the earth's ecosystem and for providing the vital resources for food security and for sustaining economic prosperity and the well-being of present and future generations,

Convinced that all aspects of oceans and seas are closely interrelated and need to be considered as a whole,

Recalling that the United Nations Convention on the Law of the Sea[1] sets out the legal framework within which all activities in the oceans and seas must be carried out, and with which these activities should be consistent, as recognized also by the United Nations Conference on Environment and Development in chapter 17 of Agenda 21,[2]

Recognizing the importance of maintaining the integrity of the Convention,

Convinced of the importance of the annual consideration and review of ocean affairs and the law of the sea by the General Assembly, as the global institution having the competence to undertake such a review,

Convinced also of the need, building on existing arrangements, for an integrated approach to all legal, economic, social, environmental and other relevant aspects of oceans and seas and the need to improve coordination and cooperation at both the intergovernmental and inter-agency levels,

Bearing in mind the necessity of strengthening existing structures and mandates within the United Nations system and the need to avoid duplication or overlapping of debates that take place in other forums,

Recognizing the important role that international organizations have in relation to ocean affairs and in promoting sustainable development of the oceans and seas and their resources,

Recognizing also the significant contribution that major groups, as identified in Agenda 21, can make to this goal,

Welcoming the review of the sectoral theme of "Oceans and seas" by the Commission on Sustainable

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[1] *Official Records of the Third United Nations Conference on the Law of the Sea*, vol. XVII (United Nations publication, Sales No. E.84.V.3), document A/CONF.62/122.

[2] *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992*, (United Nations publication, Sales No. E.93.I.8 and corrigenda), vol. I, *Resolutions adopted by the Conference*, resolution 1, annex II.

Development, in particular those aspects related to international coordination and cooperation,

1. *Endorses* the recommendations made by the Commission on Sustainable Development through the Economic and Social Council under the sectoral theme of "Oceans and seas" regarding international coordination and cooperation;[3]

2. *Decides*, consistent with the legal framework provided by the United Nations Convention on the Law of the Sea and the goals of chapter 17 of Agenda 21,[1] to establish an open-ended informal consultative process in order to facilitate the annual review by the General Assembly, in an effective and constructive manner, of developments in ocean affairs by considering the Secretary-General's report on oceans and the law of the sea and by suggesting particular issues to be considered by it, with an emphasis on identifying areas where coordination and cooperation at the intergovernmental and inter-agency levels should be enhanced;

3. *Also decides* that the meetings within the framework of the consultative process will be organized as follows:

(*a*) The meetings will be open to all States Members of the United Nations, States members of the specialized agencies, all parties to the Convention, entities that have received a standing invitation to participate as observers in the work of the General Assembly pursuant to its relevant resolutions,[4] and intergovernmental organizations with competence in ocean affairs;

(*b*) The meetings will take place for one week each year; in 2000 they will be held from 30 May to 2 June;

(*c*) The meetings will deliberate on the Secretary-General's report on oceans and the law of the sea, with due account given to any particular resolution or decision of the General Assembly, any relevant special reports of the Secretary-General and any relevant recommendations of the Commission on Sustainable Development;

(*d*) The meetings should, in identifying areas where coordination and cooperation are to be enhanced, bear in mind the differing characteristics and needs of the different regions of the world, and should not pursue legal or juridical coordination among the different legal instruments;

(*e*) The meetings will be coordinated by two co-chairpersons, who will be appointed by the President of the General Assembly in consultation with Member States and taking into account the need for representation from developed and developing countries;

(*f*) The co-chairpersons will elaborate, in consultation with delegations, a format for the discussions that best facilitates the work of the consultative process, in accordance with the rules of procedure and practices of the General Assembly;

(*g*) In accordance with the rules of procedure and practices of the General Assembly, the format of this informal consultative process should ensure the opportunity to receive input from representatives of the major groups as identified in Agenda 21, in particular through the organization of discussion panels;

(*h*) The meetings may propose elements for the consideration of the General Assembly, including, as appropriate, in relation to Assembly resolutions under the agenda item entitled "Oceans and the law of the sea";

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[3] See *Official Records of the Economic and Social Council, 1999, Supplement No. 9* (E/1999/29), chap. I, sect. C, decision 7/1, paras. 37-45.

[4] Resolutions 253 (III), 477 (V), 2011 (XX), 3208 (XXIX), 3237 (XXIX), 3369 (XXX), 31/3, 33/18, 35/2, 35/3, 36/4, 42/10, 43/6, 44/6, 45/6, 46/8, 47/4, 48/2, 48/3, 48/4, 48/5, 48/237, 48/265, 49/1, 49/2, 50/2, 51/1, 51/6, 51/204, 52/6, 53/5, 53/6, 54/5 and 54/10.

4. *Further decides* to review the effectiveness and utility of the consultative process at its fifty-seventh session;

5. *Highlights* the importance of the participation of developing countries, including least developed countries and small island developing States, in the consultative process, and encourages States and international organizations to support efforts in this regard;

6. *Requests* the Secretary-General to provide the consultative process with the necessary facilities for the performance of its work and to arrange for support to be provided by the Division for Ocean Affairs and the Law of the Sea of the Office of Legal Affairs of the Secretariat, in cooperation with other relevant parts of the Secretariat, including the Division for Sustainable Development of the Department of Economic and Social Affairs, as appropriate;

7. *Also requests* the Secretary-General, working in cooperation with the heads of relevant organizations of the United Nations, to include in his annual comprehensive report to the General Assembly on oceans and the law of the sea, suggestions on initiatives that could be undertaken to improve coordination and cooperation and achieve better integration on ocean affairs, and requests the Secretary-General to make the report available at least six weeks in advance of the meeting of the consultative process;

8. *Further requests* the Secretary-General, working through appropriate United Nations bodies and in cooperation with the heads of relevant organizations, funds or programmes of the United Nations, to undertake measures aimed at:

(*a*) Ensuring more effective collaboration and coordination between relevant parts of the Secretariat and the United Nations system as a whole on ocean affairs and the law of the sea;

(*b*) Improving the effectiveness, transparency and responsiveness of the Subcommittee on Oceans and Coastal Areas of the Administrative Committee on Coordination;

and to include information on progress in this regard in his next report on oceans and the law of the sea;

9. *Notes* the importance of coordination and cooperation at the national level in order to promote an integrated approach on ocean affairs so as, *inter alia*, to facilitate the effective participation of States in the consultative process and other international forums;

10. *Requests* the Secretary-General to bring the present resolution to the attention of heads of intergovernmental organizations, the specialized agencies and funds and programmes of the United Nations engaged in activities relating to ocean affairs and the law of the sea, and the Subcommittee on Oceans and Coastal Areas of the Administrative Committee on Coordination, and underlines the importance of their participation in the consultative process and of their input to the report of the Secretary-General on oceans and the law of the sea;

11. *Invites* Member States, as part of their participation in relevant competent bodies of intergovernmental organizations engaged in activities relating to ocean affairs and the law of the sea, to encourage their participation in the consultative process and their contribution to the report of the Secretary-General on oceans and the law of the sea.

62nd plenary meeting
24 November 1999

B. National legislation

1. Croatia

THE MARITIME CODE [1]

PART ONE
GENERAL PROVISIONS

Article 1

By the provisions of this Law shall be regulated: the maritime and submarine areas of the Republic of Croatia, the safety of navigation on the internal waters and the territorial sea of the Republic of Croatia; the regime of the maritime demesne; the basic material and legal relations concerning waterborne craft; contractual and other obligatory relations concerning ships; procedures concerning the registration of waterborne craft; limitations of ship operator's liability; enforcement proceedings and injunction and security measures on ships.

Unless otherwise provided by this Law its provisions shall apply to waterborne craft situated or navigating on the internal waters and territorial sea of the Republic of Croatia.

Article 2

The provisions of this Law concerning ships shall apply also to boats only if expressly so provided by this Law.

Article 3

The provisions of this Law shall apply to warships only if expressly so provided by this Law.

Article 4

To maritime law relations not governed by this Law, other regulations made on the strength of law, or by other laws, customs shall also be applied.

Article 5

Unless otherwise provided by this Law, the particular expressions employed in this Law have the meaning set out below:

(1) "maritime navigation" applies to navigation carried out on the sea and on the rivers of the Adriatic river system up to the limit navigable from the side of the sea;

(2) "ship", with the exception of the warship, is any waterborne craft intended for seagoing navigation, exceeding 12 m in length and a gross tonnage of 15 tons, or authorized to carry more than 12 passengers;

(3) "Croatian warship" covers any waterborne craft, including submarines, which is under the command of a member of the armed forces of the Republic of Croatia, and whose crew members belong to the armed forces or are subjected to military discipline, and is obliged to display distinctive Croatian nationally signals whenever it is necessary to identify the ship's character;

(4) "foreign warship" is any waterborne craft of foreign allegiance (nationality), belongs to the navy, carries external distinctive signs of a naval waterborne craft and its nationality allegiance, is under the command of a military person, and has a military crew;

(5) "passenger ship" is a ship authorized to carry more than 12 passengers;

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1 Translation provided by the Government of Croatia.

(6) "cargo ship" is a ship that is not a passenger ship, whose length is 12 metres or more, and gross tonnage 15 (tons) or more;

(7) "technical waterborne craft" is a ship intended to carry out technical operations (dredger, floating crane, floating dock, rigs for the research and exploitation of the subsoil, and the like);

(8) "floating facility" is a contrivance permanently made fast or moored on the water or fixed on the bottom and which is not capable of navigating (e.g. restaurants, landing stages, workshops, warehouses, pontoon bridges, pontoon marinas, offshore fixed drilling rigs, etc.);

(9) "boat" is a waterborne craft intended for seaborne navigation that is not a ship;

(10) "tug" or "pusher" is a ship intended for towing or pushing other waterborne craft;

(11) "nuclear ship" is a ship equipped with nuclear propelling machinery;

(12) "fishing vessel" is a ship intended and equipped for catching fish or other living beings in the sea or on the seabed;

(13) "foreign fishing vessel" is a ship of foreign nationality/allegiance and intended and equipped for catching fish or other living beings in the sea or on the bottom of the sea;

(14) "yacht" is a ship or boat in non-commercial activities serving for pleasure, sports or recreation;

(15) "foreign yacht" is a ship or boat of foreign nationality/allegiance in non-economic activities serving for pleasure, sports or recreation, and considered as such also according to the regulations of the state in question;

(16) "ship in public service" is a waterborne craft whose owner or operator is the Government or its body, and which is not a warship and serves exclusively for non-commercial purposes;

(17) "foreign public ship" is a waterborne craft owned or used by a foreign State and which is not a warship, and serves exclusively for non-economic purposes of the State in question;

(18) "foreign merchant ship" is a ship of foreign nationality and is used for economic purposes, as well as any foreign ship not included under points 13, 14 and 16;

(19) "oil tanker" is a ship intended/designed in the first place for the carriage of liquid bulk oil;

(20) "chemical tanker" is a ship for the carriage of dangerous chemicals and noxious substances in bulk;

(21) "liquefied gas carrier" is a ship intended/designed for the carriage of liquefied gases in bulk;

(22) "scientific research ship" is a ship or other waterborne craft equipped for scientific research (work) or other exploration or exploitation of the seabed or its subsoil;

(23) "ship under construction" covers the building of the ship from the moment of laying the keel or a similar proceeding in shipbuilding up to the moment of its registration in the register of ships;

(24) "existing ship" is a ship that is not under construction;

(25) "naval formation of foreign warships" covers a number of foreign warships sailing together under the command of one commander;

(26) "ship operator" is a physical or legal person who, in the capacity of ship's possessor, undertakes a maritime venture, on the presumption that, until it is proved otherwise, the ship operator is the person entered in the register of ships as owner of the ship;

(27) "passenger" is any person on board the ship or boat, with the exception of children less than one year old, and persons employed on shipboard in any capacity;

(28) "public transportation" is the transport of persons and things available to anybody on equal terms and performed on the basis of the contract of carriage;

(29) "international voyage" is a scheduled voyage by ship or boat from any Croatian port to a foreign port or vice versa;

(30) "oil" applies to any persistent carbon mineral oil such as crude petroleum and all its derivatives, as well as sludge and residual oils regardless of whether carried as cargo or as supplies of fuel and lubricant;

(31) "port" is a water area and with water directly connected land area with built-up and non built-up wharf structures, breakwaters, equipment, installations and other facilities intended/designed for berthing, mooring and sheltering seagoing ships, loading and discharge of things, embarkation and disembarkation of things and passengers, warehousing and other cargo handling operations, production, refinement and processing of goods, and other economic activities in connection with these activities concerning matters of business, traffic or technology;

(32) "port open to international traffic" is a port free for the admission of waterborne craft of all flags;

(33) "anchorage" is a part of the sea or port prepared and marked for the purpose of shiphandling and anchoring;

(34) "mean low-water line" is the arithmetic mean of all low waters in the course of a month or a year;

(35) "mean high-water line" is the arithmetic mean of all high waters in the course of a month or a year;
(36) "special drawing rights" is an accounting unit as defined by the International Monetary Fund;
(37) "Ministry" applies to the ministry competent for maritime affairs;
(38) "Minister" applies to the minister in the ministry having competence in matters of maritime affairs.

PART TWO
MARITIME AND SUBMARINE SPACES OF THE REPUBLIC OF CROATIA

Chapter I
GENERAL PROVISION

Article 6

The sovereignty of the Republic of Croatia on the sea extends across the internal waters and the territorial sea of the Republic of Croatia, the air space above them and the seabed and subsoil of these maritime spaces.

In its economic zone and on the continental shelf the Republic of Croatia shall implement its vested rights and jurisdiction in order to explore, exploit, protect, preserve and promote its natural marine resources, including the resources on the seabed and in the subsoil and deal with other economic activities.

The Republic of Croatia shall protect the sea from pollution, guard and advance the marine environment.

Chapter II
INTERNAL WATERS

Article 7

The internal waters of the Republic of Croatia include:

(1) harbours and bays on the seashore of the land and islands;

(2) parts of the sea between the low-water line on the seashore on land and the straight baseline for the measurement of the width of the territorial sea referred to in article 16, paragraph 2, points (2) and (3), of this Law.

The bays referred to in point (1) of paragraph 1 of this article is a clearly defined indentation into land whose sea surface is equal to or larger than the surface of the semicircle the length of the diameter of which equals the length of the straight line closing the entrance to the bay.

The sea surface of the bay is measured from the low-water mark around the shore of the bay and the straight line closing the entrance to the bay.

The ports open to international traffic in the Republic of Croatia are: Umag, Novigrad, Poreč, Rovinj, Pula, Raša, Rijeka, Mali Lošinj, Senj, Maslenica, Zadar, Šibenik, Primošten, Split, Korčula, Ploče, Metković and Dubrovnik.

The Government of the Republic of Croatia may designate also other ports open to international traffic.

Article 8

A foreign merchant ship is allowed to proceed along the international sea waters of the Republic of Croatia in order to enter a port open to international traffic or the port in which the shipyard in which the ship is going to be repaired is situated, to leave such port, and to sail between the ports open to international traffic, by the shortest customary route.

The Minister may order another manner of navigation for foreign merchant ships on the internal waters if this is required by the interests of the country's defence or the safety of navigation.

Article 9

Coastal trade, i.e. the carriage of things and passengers from one Croatian port to another, shall be carried out exclusively by ships of the Croatian flag.

The transport of persons by a foreign yacht if this transport is carried out free of charge is not considered coastal trade in the sense of paragraph 1 of this article.

Notwithstanding the provision of paragraph 1 of this article, the Ministry may permit:

(1) a foreign ship to transport empty containers in their exploitation between ports of the Republic of Croatia on condition of reciprocity;

(2) a foreign ship to transport persons and things between ports of the Republic of Croatia if economic interests demand it.

Article 10

The foreign warship, foreign public ship, foreign fishing vessel, and foreign research ship may enter the Croatian internal waters in order to make a port open to international traffic or a port in which the shipyard in which the ship is to be repaired is situated, if preliminary permission to do so is obtained:

(1) for the foreign warship from the Ministry of Defence;

(2) for the foreign public ship and research ship - ships from paragraph (1) of this article - from the Ministry with the preliminary consent of the Ministry of Internal Affairs;

(3) for the foreign fishing ship- from the Ministry.

Entering the internal waters of the Republic of Croatia and the stay in a Croatian port shall not be permitted to a foreign nuclear warship, a foreign warship carrying nuclear weapons, and a foreign warship whose stay endangers the security of the Republic of Croatia.

Article 11

In the ports of the Republic of Croatia not more than three foreign warships of the same nationality shall stay at the same time.

No stay of a foreign warship in a port of the Republic of Croatia shall continue for more than 10 days.

Notwithstanding the provisions of paragraphs 1 and 2 of this article, the Government of the Republic of Croatia may grant the visit of foreign warships if the interests of the State demand it, regardless of the conditions prescribed by these provisions.

During the visit in the internal waters of the Republic of Croatia the foreign warship shall have only the crew of the warship on board.

Article 12

Foreign yachts and boats intended for pleasure, sports and recreation may sail and stay in the internal waters and in the territorial sea of the Republic of Croatia, except in the forbidden zones mentioned in article 16 and article 30 of this Law, on condition that they make by the shortest route for the nearest port open to international traffic immediately upon entering the internal waters of the Republic of Croatia and report their arrival to the harbourmaster's office or harbourmaster's branch office.

Detailed regulations concerning the navigation and stay of foreign yachts and foreign boats intended for pleasure, sports and recreation in the international sea waters of the Republic of Croatia shall be prescribed by the Minister.

Article 13

Domestic and foreign physical and juridical persons may engage in exploration, research, photographing and surveying of the sea, seabed or subsoil of the internal waters of the Republic of Croatia only with the approval of the Ministry.

The conditions on the basis of which the approval in paragraph 1 of this article is given shall be determined by the Minister.

Domestic and foreign physical and legal persons may engage in archaeological exploration of cultural monuments on the seabed and or subsoil of the internal waters of the Republic of Croatia only with the approval of

the Ministry of Culture and Education, and the Ministry of Public Works and Environmental protection for any exploration in the specially protected parts of the nature reserve.

The approval referred to in paragraph 3 of this article shall be issued on the basis of the conditions prescribed by the Minister of Culture and Education, or the Minster of Public Works and Environmental Protection with the consent of the Minister.

The Ministry of Maritime Affairs, Traffic and Communications shall be informed of the approval referred to in paragraphs 1 and 3 of this article.

The decision of the Ministry as referred to in paragraphs 1 and 3 of this article granting or refusing to grant approval shall not be appealable, but an administrative lawsuit may be instituted

Article 14

Repairs, reconditioning of equipment and machinery, painting, cleaning and the like (hereafter "repairs") of foreign warships shall be carried out in the shipyards of the Republic of Croatia after obtaining the approval of the Ministry of Defence.

The approval for the repairs of a foreign warship shall be given to the shipyard for a period indispensable for the repairs to be carried out, but not for more than 16 months. Exceptionally the Government of the Republic of Croatia may, if the interests of the Republic of Croatia demand it, approve of a longer period of time for the repairs.

The decision of the Ministry of Defence granting or refusing to grant the approval shall not be appealed against, but an administrative procedure may be instituted.

Article 15

The foreign warship under repairs shall have only one third of the crew with personal arms and one adequate unit of fire of the usual peacetime composition.

The foreign warship whose repairs have been approved shall immediately after entering the Croatian port discharge the fuel and lubricants, ammunition and other lethal weapons to a place ordered by the commandant in authority at the port in which the repairs are to be carried out.

During the time of repairs the crew of the foreign warship may stay and move in the place in which the repairs of the ship are carried out. At the request of the commander of the foreign warship the Ministry of the Interior may permit the crew members of the ship to move also outside the place in which the shipyard is situated.

In case of the workers taking part in the repair works on the foreign warship and the persons on board ex officio on behalf of the Republic of Croatia, the regulations of the Republic of Croatia shall apply.

The regulations of the foregoing paragraph shall apply to the foreign public ship under repairs.

Article 16

The Minister of Defence may, with the consent of the Minister, prescribe prohibited zones in the internal waters of the Republic of Croatia.

Foreign seaborne craft shall not sail over the prohibited zones in the internal waters.

Notwithstanding the provision of paragraph 2 of this article, the Ministry of Defence may approve the navigation of foreign waterborne craft, without discrimination, over the prohibited zones in the internal waters.

The ruling of the Ministry granting or refusing to grant the approval referred to in paragraph 3 of this article shall not be appealed against, but an administrative lawsuit may be instituted.

The provision concerning the prohibited zones in the internal waters shall be brought forward by the Minister of Defence at the proposal of the Minister.

The provision concerning the prohibited zone in the internal waters shall be announced in the "Notice to Mariners".

Article 17

The foreign waterborne craft that due to force majeure or distress at sea has been compelled to take refuge in the international sea waters of the Republic of Croatia shall without delay inform of the circumstance the nearest harbour harbourmaster's office or harbourmaster's branch office.

Article 18

The Minister, in keeping with the regional plan, shall prescribe conditions for the erection and maintenance of installations and appliances on the sea and made secure to the seabed for the breeding of sea animals.

The commercial breeding of fishes and other sea animals referred to in paragraph 1 of this article shall be regulated by a special law.

Chapter III
THE TERRITORIAL SEA

Article 19

The territorial sea of the Republic of Croatia is the sea belt 12 nautical miles wide, reckoning from the baseline in the direction towards the economic belt.

The baseline is formed by:

(1) the line of the mean low waters along the shores of the land and the islands;

(2) the straight lines closing the entrances to the ports or bays;

(3) the straight lines connecting these points on the shore of the land and on the shore of the islands;

(a) Cape Zarubaća - south-eastern cape of the Island of Mrkan - southern cape of the Island of St. Andrija - Cape Gruj (Island of Mljet);

(b) Cape Korizmeni (Island of Mljet) - Island of Glavat - Cape Struga (Island of Lastovo) - Cape Veljeg mora (Island of Lastovo) - south-western cape of the Island of Kopište, Cape Velo dance (Island of Korčula) - Cape Proizd - south-western cape of the Island of Vodnjak - Cape Rat (Island of Drvenik mali) - rock Mulo - rock Blitvenica - Island of Purara - Island of Balun - Island of Mrtovac - Island of Garmenjak veli - point on the Island of Dugi otok with co-ordinates 43°53'12" north latitude and 15°10'00" east longitude;

(c) Cape Veli rat (Island of Dugi otok) - Rock Masarine - Cape Margarina (Island of Susak) - Albanež shallows - Island of Grunj - rock of Sv. Ivan na pučini - Mramori shallows - Island of Altiež - Cape Kastanjija.

The baselines are marked on the seachart "Jadransko more" (the Adriatic Sea), published by the State Hydrographic Institute ("Državni hidrografski zavod").

In determining the straight baseline of the territorial sea, part of the seashore will be considered also the most projecting permanent port buildings forming part of the port system.

Article 20

The outer limit of the territorial sea is the line any point of which is 12 nautical miles distant from the nearest point on the baseline.

Article 21

Any foreign waterborne craft has the right of innocent passage through the territorial sea of the Republic of Croatia.

Article 22

By innocent passage of a waterborne craft is understood navigation on the territorial sea of the Republic of Croatia without entering any of the country's ports open to international traffic, or navigation with the purpose of entering such port, or a port where the shipyard in which the waterborne craft will be repaired is situated, or in order to leave it for the economic zone, on condition that the peace, order or safety of the Republic of Croatia are not disturbed.

The foreign waterborne craft shall accomplish the innocent passage by the shortest usual route, without interruption and delay.

Stopping and anchoring of a foreign waterborne craft using the right of innocent passage is permitted only if caused by events ascribed to regular navigation or *force majeure* or distress at sea, or in order to offer assistance to people, waterborne craft or aircraft in danger or trouble.

Article 23

The Ministry of Foreign Affairs of the Republic of Croatia shall be informed through diplomatic channels by the State to which the warship belongs about the intention of innocent passage of the foreign warship through the territorial sea of the Republic of Croatia not later than 24 hours before the ship's entering the territorial sea of the Republic of Croatia.

Article 24

Innocent passage shall not be considered the passage of a foreign waterborne craft through the territorial sea of the Republic of Croatia if the ship engages in one of these activities:

(1) threatens with force or uses force against the sovereignty, territorial integrity and by the Constitution of the Republic of Croatia established legal system, or in any manner violates the principles of international law;

(2) exercises or practices training with weapons;

(3) any collecting of information or data to the prejudice of the defence or security of the Republic of Croatia;

(4) any propaganda activity aimed at affecting the defence or security of the Republic of Croatia;

(5) the launching, landing or taking on board of any aircraft;

(6) launching, landing or taking on board of any military device;

(7) loading or unloading of any commodity, currency or persons contrary to the customs, taxation or health regulations or regulations concerning the entry and stay of foreigners in Croatia;

(8) any act of deliberate or serious pollution of the marine environment;

(9) any fishing or catching of other marine animals;

(10) the carrying out of any research, examination or survey activities;

(11) any activity with a view of unauthorized interference with any communications system or any other system or installation of the Republic of Croatia;

(12) any other activity not having a direct bearing on the passage.

Article 25

The Minister may within the internal waters and in the territorial sea of the Republic of Croatia fix and prescribe compulsory sea lanes or traffic separation schemes with the safety of navigation in mind for all or for some kinds of waterborne craft.

The navigable routes and traffic separation schemes referred to in paragraph 1 of this article shall be fixed in the specially protected parts of the nature reserve with the approval of the Institute for the Protection of Nature of the Ministry of Public Works and Environmental Protection.

The sea lanes and traffic separation schemes referred to in paragraph 1 of this article shall be indicated in the seachart "Jadransko more" (The Adriatic Sea) and announced in due time in the "Notice to Mariners".

Article 26

The foreign fishing ship on passage through the territorial sea of the Republic of Croatia shall not engage in fishing or catching other sea animals in the sea or on the seabed.

The foreign fishing ship shall sail in the territorial sea of the Republic of Croatia at a speed of not less than six knots, without stopping or anchoring except if absolutely necessary in consequence of force majeure or distress at sea, and carry visible signals of a fishing vessel.

The provisions of paragraphs 1 and 2 of this article shall not refer to a foreign fishing ship having a permit for fishing in the territorial sea of the Republic of Croatia while the ship is in the territory where fishing is permitted.

Article 27

More than three foreign warships of the same nationality shall not be passing through the territorial sea of the Republic of Croatia at the same time.

Article 28

Warships, tankers, nuclear-powered ships, and ships carrying dangerous chemicals or noxious materials, while sailing on the internal waters and during the innocent passage through the territorial sea of the Republic of Croatia shall sail following the prescribed lanes for these ships, observe the traffic separation schemes in the areas where these traffic lanes or systems of separated traffic are prescribed, and satisfy any other prescribed conditions regarding the safety of navigation and prevention of polluting the marine environment.

Article 29

A foreign submarine and any other underwater vehicles shall during the time of passage through the territorial sea of the Republic of Croatia navigate on the surface and fly the flag its State.

Article 30

The Minister may, as an absolutely necessary safety measure, and the Minister of Defence for the purpose of artillery drill, define particular zones in the territorial sea of the Republic of Croatia in which the passage of foreign waterborne craft shall be temporarily suspended.

The decision of defining the zone mentioned in paragraph 1 of this article with the boundaries of the zone and other necessary data shall be gazetted in due time in the "Notice to Mariners".

Article 31

If the foreign warship, or the foreign public ship, does not observe the regulations on innocent passage mentioned in articles 22 to 25 and 27 to 30 of this Law or the generally accepted international rules concerning the prevention of collisions at sea, and if the ship does not answer the challenge to observe these rules, the Croatian police, war or other authorized ship, or aircraft or organ shall ask that ship to leave the territorial sea of the Republic of Croatia at once.

Article 32

National and foreign physical and legal persons may engage in scientific research, exploration, photographing and surveying of the sea, seabed and marine subsoil in the territorial sea of the Republic of Croatia only with the permission and under constant supervision of the Ministry, and on conditions prescribed by the Minister.

During the research, exploration or survey work mentioned in paragraph 1 of this article, at least one expert from a Croatian scientific institution appointed by the Ministry has to be on board the foreign scientific research ship.

The provisions of article 13 of this Law shall apply to activities referred to in paragraph 1 of this article.

Chapter IV
THE ECONOMIC ZONE [2]

Article 33

The exclusive economic zone of the Republic of Croatia comprises the marine spaces from the outer limit of the territorial sea in the direction of the open sea up to its outer limit permitted by general international law.

Article 34

In its economic zone the Republic of Croatia shall implement its sovereign rights with the purpose of:
(a) Exploring and exploiting, conserving and managing the animal and mineral resources;
(b) Generating power using the sea, sea currents and winds.

Article 35

The authorized organs of the Republic of Croatia have the right and duty to undertake any necessary measure in order to implement their sovereign rights of exploring, exploiting, conserving and managing the animal maritime resources in the exclusive economic zone of the Republic of Croatia, including the examination, inspection, capture of foreign ships and court proceedings. The state of the ship's flag shall be immediately informed through diplomatic channels of the capture or seizure of the foreign ship and of the penalties adjudged.

Article 36

In the exclusive economic zone the Republic of Croatia has the exclusive right to build, permit and control the building, work and use of the artificial islands, installations and appliances at sea, on the seabed and in the marine subsoil.

The consent for the building, work and use of artificial islands, installations and structures referred to in paragraph 1 of this article shall be given by the Ministry.

Article 37

The legal or physical person granted permission to construct an artificial island, installation or structure referred to in article 36 of this Law, shall:

(a) Not less than 30 days before the beginning of the work, through the harbourmaster's office announce the data concerning the place, manner of construction and the dimensions, size, depth and appearance of the marine facility;

(b) Install permanent signalling means at the site where the construction work is to begin, and then also on the marine facility itself;

(c) Remove any marine facility that is no longer in use or is abandoned, without causing damage to the fisheries, protection and conservation of the marine environment or any other legitimate use of the sea.

Article 38

At the suggestion of the contractor engaged in the exploration and exploitation of the resources of the economic zone of the Republic of Croatia the Minister may, when necessary, establish around the artificial islands, installations and appliances mentioned in article 36 of the Law safety zones up to 500 metres wide measured from each and every point of the outer edge of the marine facility, and prohibit navigation in these zones.

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2 Note by the editor: Article 1042 of the Maritime Code (to be published in Bulletin 43) stipulates: "The Parliament of the Republic of Croatia shall decide on the declaration of the economic zone of the Republic of Croatia. The provisions of articles 33 up to article 42 of this Law shall apply when the Parliament of the Republic of Croatia has made the decision mentioned in paragraph 1 of this article."

The establishment of the safety zone, its width and regime of navigation in it shall be announced in due time in the "Notice to Mariners".

Article 39

The artificial islands, installations and structures, as well as the safety zones around them shall not be established in locations where interference may be caused with the recognized international navigable routes.

Article 40

The Republic of Croatia shall apply its Customs, fiscal, health, immigration and penal regulations, as well as regulations concerning foreigners, on any artificial island, installation and appliance in the economic zone of the Republic of Croatia.

Article 41

Foreign physical and legal persons may engage in scientific research in the economic zone of the Republic of Croatia with the approval of the Ministry if the exploration is carried out for peaceful purposes and is a contribution to the scientific understanding of the marine environment.

The conditions on the basis of which the approval mentioned in paragraph 1 of this article is given shall be prescribed by the Minister.

The exploitation and exploration with a view to exploiting the natural resources in the economic zone shall be done with the approval given according to special provisions.

Article 42

During the navigation in the economic zone of the Republic of Croatia the waterborne craft shall observe the generally accepted international rules and standards and the Croatian regulations concerning the prevention of the pollution of the sea from ships and pollution caused by the dumping of waste.

During the overflight of the economic zone of the Republic of Croatia the aircraft shall observe the generally accepted international rules and the Croatian regulations on the control of pollution of the sea from the air or by air.

Detailed regulations concerning the control of the pollution of the marine environment in the economic zone shall be laid down by the Minister with the consent of the Minister of Building Construction and Environmental Protection.

Chapter V
THE CONTINENTAL SHELF

Article 43

The continental shelf of the Republic of Croatia comprises the seabed and subsoil of the submarine areas outside the extreme limit of the territorial sea of the Republic of Croatia in the direction of the open sea up to the boundary lines of the continental shelf of neighbouring countries.

The boundaries of the continental shelf of the Republic of Croatia and the Republic of Italy were laid down by the 1968 Agreement between Italy and the former Socialist Federal Republic of Yugoslavia.

Until the agreement concerning the fixing of boundaries of the continental shelf with Montenegro, or with the Federal Republic of Yugoslavia (Serbia and Montenegro) is reached, the Republic of Croatia shall for the time being enjoy the sovereign rights in that zone up to the median line proceeding to the outer limit of the territorial sea in starting from the entrance of the Boka Kotorska Bay in the direction of the open sea.

Article 44

The Republic of Croatia shall exercise its sovereign rights over the continental shelf with the purpose of its exploration and exploitation of the natural resources of the zone.

Under "natural resources" mentioned in paragraph 1, of this article are understood the mineral and other inanimate resources of the seabed and its subsoil and the marine animals which, at the harvesting stage, are either immobile on or under the seabed, or are unable to move except in constant physical contact with the seabed or the subsoil.

Article 45

In order to implement the rights mentioned in article 44, paragraph 1, of this Law the navigation, fishing, protection of living resources of the sea, as well as the basic oceanographic or other scientific explorations of public character, shall not be unduly prevented.

The provisions of article 41 of this law shall be applied in case of the explorations in the continental shelf mentioned in paragraph 1 of this article.

Article 46

The exploitation of the natural resources of the continental shelf of the Republic of Croatia and the erection, start-up and maintenance of the necessary installations and equipment for the exploration and engagement in the exploitation activities may be carried out observing the conditions prescribed by law and the regulations made on the basis of law.

Articles 36 to 40 of this Law shall be applied to the installations and equipment mentioned in paragraph 1 of this article.

The Ministry shall approve and supervise the laying and maintenance of submarine cables and pipelines in the continental shelf of the Republic of Croatia that enter into the area of the Croatian territorial sea, and the approval for the direction of laying submarine pipelines that are laid in the continental shelf of the territorial sea of the Republic of Croatia and do not enter the area of the territorial sea of the Republic of Croatia shall be given by the Republic of Croatia.

The ruling of the Ministry granting or refusing to grant the approval referred to in paragraph 3 of this article shall not be appealed against, but an administrative lawsuit may be instituted.

The conditions on the basis of which the approval referred to in paragraph 3 of this article is granted shall be laid down by the Minister.

Chapter VI
THE RIGHT OF HOT PURSUIT

Article 47

Hot pursuit of a foreign ship shall be undertaken if the competent authority has a founded suspicion that the foreign ship, or boat or waterborne craft working as a team and using the ship pursued as a mother ship have violated this Law or any other regulations of the Republic of Croatia or generally accepted rules of international law.

Hot pursuit of a foreign ship shall begin only if the suspected ship, its boat or waterborne craft working in concord with the suspected ship is within the internal waters, in the territorial sea, in the exclusive economic zone or above the epicontinental shelf of the Republic of Croatia and if it does not come to a halt on the visible or audible call to stop sent from a distance permitting the call to be seen or heard.

The hot pursuit of a foreign ship can be continued in the open sea, the exclusive economic zone or in the contiguous zone of the foreign country if the pursuit has not been interrupted, until the ship has entered the territorial sea of its own or of a third State.

The hot pursuit can be undertaken by police boats, warships or military aircraft or other ships or aircraft authorized for the purpose. In the exclusive economic zone or over the continental shelf, hot pursuit shall begin only in case if violation of the regulations applicable in these zones has been committed.

If the pursued ship has during the hot pursuit been arrested, the pursuer shall surrender it to the harbourmaster's office competent for the port in which the ship was found. If the ship had only been passing through the Croatian territorial waters or the territorial sea, it shall be surrendered to the nearest harbourmaster's office. If the harbourmaster's office to which the ship has been surrendered is not competent to institute proceedings against the ship, it shall advise the body competent to institute the proceedings and act in conformity with its instructions.

The provisions mentioned in this article do not refer to foreign warships and public ships enjoying immunity.

PART THREE
MARITIME DEMESNE

Chapter I
BASIC PROVISIONS

Article 48

The maritime demesne is the public estate of interest to the Republic of Croatia, is under its special protection, and shall be used and/or exploited under the conditions and in the manner prescribed by law.

Article 49

The maritime demesne includes the internal waters and the territorial sea, its seabed and subsoil, as well as parts of the dry land that are by their nature intended for public maritime use or are declared as such.

In respect of paragraph 1 of this article the following shall be considered as maritime demesne: the seashore, ports and harbours, breakwaters, embankments, dams, sandbars, rocks, reefs, mouths of rivers flowing into the sea, sea canals, and animate and inanimate natural resources (fishes, minerals, etc.) in the sea and in the marine subsoil. (cf. Narodne Novine, i.e. Official Gazette of the Republic of Croatia, No. 74/95)

Article 50

The seashore extends from the mean low-water line and comprises the land belt limited by the line reached by the highest waves during a storm, as well as that part of the dry land the nature and purpose of which is intended for the exploitation of the sea for seaborne traffic and long shore fishery, as well as for other purposes in connection with the exploitation of the sea, the area at least six metres wide measured from the line horizontally extending from the mean high-water line.

The mean high-water line shall be determined by the State Hydrometeorological Office.

In case the seashore defined in terms of paragraph 1 of this article comprises areas of dry land of unequal width, as maritime demesne shall be considered the land area of wider extent.

By exception, at the suggestion of the body of the local self-government unit through the mediation of the county assembly the Minister may decide for a larger part of dry land than that determined in paragraph 1 of this article to be considered as seashore if this part according to its nature or purpose serves or may serve for public use, or a narrower part of the dry land if this is required by the existing conditions on the seashore (retaining walls, walls of cultural and religious buildings, and the like).

The seashore includes also the part of dry land created by leveling of the ground.

In case of doubt whether a certain estate constitutes maritime demesne, the decision shall be reached by the Minister, who shall also decide the limit of such maritime demesne.

Article 51

There is no property in the maritime demesne or other proprietary rights on any basis.

Anybody is free to use and/or to be benefited by the maritime demesne according to its nature and purpose in conformity with the provisions of this Law.

Special use and/or economic use of a part of the maritime demesne can be approved to physical and legal persons (concession) provided that such use is not in contradiction with the interests of the Republic of Croatia.

Special use of the maritime demesne is any use that is not general use or economic exploitation of the marine demesne.

Article 52

The part of the maritime demesne intended for the requirements of defence, improvement of the river courses, streams connected with the sea and other infrastructure facilities of interest to the Republic of Croatia may be excluded from public use by the decision of the Government of the Republic of Croatia.

Article 53

Special use and/or exploitation of the maritime demesne in violation of the special regulations concerning the protection of the environment shall be considered adverse to the interest of the Republic of Croatia.

Article 54

By letting out the maritime demesne for special use and/or exploitation to persons referred to in article 51, paragraph 3, of this Law other persons may be partly or entirely excluded from the use and/or exploitation of the maritime demesne.

The exclusion referred to in paragraph 1 of this article shall not be applied in case of *force majeure* or distress at sea while these are in force.

Article 55

The maritime demesne records are kept according to the real property registry regulations.

Article 56

The maritime demesne shall be managed, maintained and protected by the Republic of Croatia directly and/or through the mediation of the county prefectures.

The administrative and inspection supervision regarding the implementation of the regulations concerning the maritime demesne shall be the responsibility of the Ministry, if not otherwise provided by this Law.

The inspector supervises the application of the decision and concession agreement and informs the body granting the concession (hereinafter referred to as "lessor")1/ thereof.

Article 57

The funds for the maintenance, management and advancement of the maritime demesne are:

(1) Concession royalties for the use and/or exploitation of the maritime demesne outside the port area;

(2) Fees for the use of the maritime demesne paid by boat owners registered in the boat record book;

(3) Half the amount of compensation for the damage or destruction of the marine flora and fauna caused by the pollution of the sea;

(4) Amounts of the fines for maritime offences;

(5) The amount of part of the monetary compensation from the sale of petrol;

(6) Amounts of the monetary consideration paid for the safety of navigation paid by foreign yachts and boats intended for recreation and sports;

(7) Funds from other sources.

The means referred to in paragraph 1 of this article shall be used exclusively for the:

(1) Maintenance, management, protection and advancement of the maritime demesne;

(2) Maintenance and repairs of minor ports;

(3) Erection and maintenance of the appliances for the safety of navigation in minor ports;

(4) Coverage of the costs of the elimination of danger and detrimental consequences due to pollution;

(5) Purchase of appliances and equipment of the service for the prevention of the pollution of the sea;

(6) Designing of research and professional projects intended for the preservation of the marine environment and natural resources of the sea;

(7) Coverage of actual costs arising from the life-saving activities at sea;

(8) Purchase of life-saving appliances and salvage equipment.

The funds referred to in paragraph 1 points (5) and (6), of this article are State revenue and are ceded to the harbourmaster's offices and shall be used exclusively for the purposes referred to in paragraph 2, points 7 and 8, of this article.

The funds referred to in paragraph 1 points (2), (3), (4) and (7), of this article are county prefecture revenue, and shall be used by the county assembly on whose territory the funds have been realized exclusively for the purposes referred to in paragraph 2 of this article, except for the purposes provided for in points 7 and 8 of this article.

The concession royalty referred to in article 62 paragraph 1, of this Law is Government revenue and shall be ceded in its entirety to the county assembly on whose territory it has been realized exclusively for the purposes referred to in paragraph 2, and paragraphs 7 and 8 of this article.

The concession royalty referred to in article 62, paragraph 2, of this Law is State revenue, and shall be deposited to the special account and used exclusively for the purposes referred to in paragraph 2 of this article, if not otherwise provided for the requirements of the country's restoration.

Article 58

The owners of boats registered in the boat record book shall pay a fee for the use of the maritime demesne at the place where their boats are registered in the boat record book.

The fee referred to in paragraph 1 of this article shall not be paid for boats of government bodies.

The fee, the amount of which is determined by the Minister, shall be paid for the current year not later than the end of February.

Chapter II
CONCESSIONS

Article 59

Physical and legal persons may be given permission for special use and/or economic exploitation of the maritime demesne (concession).

Concession rights on the maritime demesne shall be granted in a way and under conditions laid down in this Law.

The concession gives the concessionaire the right to use and/or exploit the maritime demesne to the extent and on the conditions laid down in the act of concession.

The concession shall not be transferred to a second person without the express agreement of the lessor.

The winner at the public sale of installations erected by concession on the maritime demesne shall not use and/or exploit them without express agreement of the lessor.

If the concessionaire dies, or the legal person ceases to exist, his heirs, or the successors of the legal person take his place, but the validity of the concession agreement ceases if the heirs, or legal successors do not ask the lessor to confirm the concession agreement within six months from the day of death of the concessionaire or cessation of existence of the legal person. If the lessor does not confirm the concession agreement, the regulations valid for the revocation of the concession shall be applied.

Article 60

The act of concession covers the area of the maritime demesne let out for use and/or exploitation, the mode, conditions and time of use and/or exploitation of the maritime demesne, royalty to be paid for the concession, authorization of the lessor, the rights and obligations of the concessionaire including the obligation of maintaining and protecting the maritime demesne.

On the basis of the act of concession the lessor and the concessionaire enter into a concession agreement.

Article 61

The concession for a period of up to four years, if it does not include the construction of solid facilities that are difficult to remove, shall be granted on demand.

The concession for a period of up to four years, if it includes the construction of solid facilities that are difficult to remove, as well as concessions for a period exceeding four years, shall be granted on the basis of public offer invitation.

in case of a number of licensing requests, preference shall be given to the applicant offering greater security for a more profitable and appropriate use and/or exploitation of the maritime demesne, and who proposes the use and/or exploitation that is of more significant interest in the estimate of the lessor.

Article 62

As a transferred transaction of the Government Administration, the act of concession referred to in article 61, paragraph 1, of this Law shall be made by the competent county assembly on the basis of the opinion of the communal and/or municipal authority, and the act of concession referred to in article 61, paragraph 2, of this Law shall be made by the county assembly by consent of the Ministry.

The concession for a period of 12 years or more, but not more than 33 years, shall be granted by the Government of the Republic of Croatia.

The concession for a period of more than 33 years shall be granted by the Parliament of the Republic of Croatia.

The preliminaries to making the act of concession as well as the draft of the contract referred to in article 60 of this Law shall be the responsibility of the County Office for Maritime Affairs.

In case of disagreement between the County and the Ministry as regards the granting of the concession, the case shall be decided by the Government of the Republic of Croatia.

Article 63

The granting of the concession shall be founded on the findings and the opinion of the body of experts so as to:

(a) make the concession respond to all special regulations and the economic character of the maritime demesne,

(b) coordinate the concession with the economic strategy and policy of the economic development of the Republic of Croatia and the County,

(c) prevent the planned activity from reducing, hindering or rendering impossible the use and/or exploitation of this, or of the neighbouring parts of the maritime demesne in concordance with their specified purpose.

The body of experts for the appraisal of the proposed concession granted by the county assembly by consent of the Ministry and granted by the Government of the Republic of Croatia, shall be composed of adequate experts (planning specialist, nature conservancy specialist, specialist for the relevant planned activity and seaborne traffic) and appointed by the Minister in conjunction with the Minister of Building Construction and Environmental Protection.

The body of experts for the appraisal of the concession granted by the county assembly shall be appointed by the county governor.

Article 64

For each concession granted on the maritime demesne an annual royalty fixed by the act of decision shall be paid.

The amount of the royalty shall be founded on the economic justification of the expected profitability and/or the use of the maritime demesne, the estimated degree of peril to the nature, human environment and health, and the protection of the interest and safety of the Republic of Croatia.

The royalty shall not be paid for concessions granted to bodies of the government administration, bodies of local self-government and government, physical or legal persons engaging in charity or other purposes in the interest of the Republic of Croatia.

Article 65

The concessionaire may, by consent of the lessor, establish a hypothec on the facilities that he has built on the maritime demesne, under conditions referred to in the concession agreement.

Article 66

All concession s on the maritime demesne shall be granted on the basis of the vested rights that the Republic of Croatia has to it.

The concessionaire shall see to it that third parties with whom he enters into legal relations relevant to the concession obtained do not use and/or exploit the maritime demesne in violation of the conditions under which the concession has been granted to him.

The concessionaire shall not make demands upon the Republic of Croatia for compensation if his right of the special use and/or exploitation of the maritime demesne has been limited by the earlier rights of third parties or a change in the demesne caused by natural phenomena. In this case the annual royalty may be reduced in proportion.

Article 67

The lessor may revoke the concession entirely or partly at any time if the interest of the Republic of Croatia calls for it, a fact that shall be established by the Parliament of the Republic of Croatia.

If the concessionaire has in view of the concession constructed a building or made other investments on the maritime demesne in conformity with the act of and agreement of concession, he has, in case of the revocation of the concession, the right to claim damages in proportion with the time for which he has been deprived of availing himself of his rights under the concession.

If the concession has been revoked in part only the concessionaire has the right to renounce it in its entirety. Notice of the renunciation shall be given to the lessor within 30 days from the day he was served the notice by the lessor of the concession being revoked in part only.

Article 68

The provisions of articles 66 and 67 of this Law shall be applied also in case the concessionaire is not in a position to make use of the concession in its entirety or in part only in consequence of the building construction or other works carried out in the interest of the Republic of Croatia.

Article 69

The concession may be revoked:

(a) If the concessionaire does not finish building within the scheduled time the installation for which the concession has been granted,

(b) If the concessionaire contravenes the provisions of this Law regulating the maritime demesne or the by-laws brought in with the implementation of the regulations of the Law or the terms and conditions of the concession in mind,

(c) If the concessionaire does not make use of the concession or exploits it for purposes not granted to him by the concession agreement, or goes beyond the bounds defined in the concession,

(d) If the concessionaire without approval does on the maritime demesne delineated in the concession agreement work that is not envisaged in the concession or is in contradiction with the approved project,

(e) If the concessionaire is in default of the payment of the royalty for the concession,

(f) If the concessionaire fails to maintain or neglects the regular maintenance and protection of the maritime demesne in the sense of the concession decision.

In case of the occurrences referred to in the foregoing paragraph the concessionaire shall be asked to give within a determined time his reaction to the stated reasons for the intended cancellation of his concession.

Article 70

The concession shall terminate:

(a) With the expiration of the period of time for which it has been granted,

(b) With the concessionaire's renunciation after the expiration of the time determined in the act of concession,

(c) With the death of the concessionaire, or the cessation of the legal person if the heirs or legal successors fail to ask in due time for the confirmation of the concession,

(d) With the withdrawal of the concession on the part of the lessor.

The decision concerning the termination of the concession shall be made by the lessor.

Article 71

When the concession terminates under the provisions of article 69 or article 70, paragraphs (a) and (b), of this Law, the concessionaire shall not be entitled to indemnification.

If the concessionaire has set up a building of some kind on the maritime demesne on the conceptual basis of the concession decision, he has the right to retain the new acquisitions and erections he has built if this is possible by the nature of things and without causing major damage to the maritime demesne. If this is not possible, the new acquisitions shall be considered constituent elements of the maritime demesne, but the lessor shall have the option of asking the concessionaire to remove them as a whole or in part at the expense of the former and restore the maritime demesne to its previous condition.

If the concessionaire does not comply with the request of the lessor to place the maritime demesne within the determined time at free disposal of the lessor, or fails to remove the new acquisitions and erections, the decision shall be carried out ex officio at the concessionaire's expense.

Article 72

The negotiation of any problems and the settling of any disputes in connection with the granting, implementation, revocation, withdrawal or alteration of the act of concession relating to the maritime demesne is within the competence of the Ministry.

The ruling of the Ministry shall not be appealed against, but an administrative lawsuit is possible to be instituted.

Chapter III
LAW AND ORDER IN THE MARITIME DEMESNE

Article 73

The competent body of the government administration shall before issuing the approval for the construction of the facility in the maritime demesne obtain the consent of the competent harbourmaster's office.

The construction referred to in paragraph 1 of this article shall be considered also the extension of the dry land by leveling it into the sea.

Article 74

The deposition of materials on the seashore or into the sea (from excavations, demolished buildings, waste matter etc.) shall be permitted only when approved by the administrative body competent for building construction matters.

The administrative body referred to in paragraph 1 of this article shall before making the decision obtain the consent of the body competent for environmental protection matters, water resources management and the competent harbourmaster's office.

Article 75

Solid, liquid or gaseous matters polluting the maritime demesne shall not be thrown, deposited or let flow into the sea or onto the seashore.

The materials that may not be deposited or let flow into the sea, depending on their origin, shall be prescribed by the competent ministers by special regulations with the approval of the Minister.

Any person noticing that the maritime public property has been polluted shall inform of the fact the nearest harbourmaster's office or its branch, or the nearest competent county office.

Article 76

In the maritime demesne it is prohibited to engage in works that could endanger the lives and health of people, do damage to waterborne craft and other installations or pollute the maritime demesne.

Article 77

The waterborne craft may empty waste oil bunkers, sludge deposits and other refuse only in places in the port or outside of it where there are installations for the reception of such materials.

If the harbourmaster's office ascertains that the non-emptying of bunkers referred to in paragraph 1 of this article may cause the pollution of the sea during the ensuing voyage, the shipmaster of the waterborne craft shall be ordered to empty these bunkers before leaving port.

If in the case referred to in paragraph 2 of this article the waterborne craft does not empty the bunkers of waste oils, sludge deposits and other refuse, the harbourmaster's office may prohibit the waterborne craft to leave port.

Article 78

In the case of pollution of the sea, the harbourmaster's office is authorized to prohibit the waterborne craft to leave port, or order the detention of the waterborne craft that has caused pollution in the sea waters of the Republic of Croatia until the waterborne craft has defrayed the expenses of the removal of the noxious materials from the maritime demesne and other damage caused by the pollution, or has deposited sufficient security for the coverage of the damage.

Article 79

When the notification of maritime demesne pollution has been received by the harbourmaster's office, they shall inspect the site at once, establish the condition and cause of the pollution and, if possible, the amount of the damage caused.

The damage caused has to be established if possible in the presence of the one to whom the pollution is imputed, and if necessary also in the presence of experts and witnesses. A report shall be drawn up of the inspection.

The harbourmaster's office shall inform the competent body of the county of the pollution of the sea in order to proceed with adequate measures for the removal of the noxious materials from the maritime demesne.

Article 80

The physical or legal person using the equipment, installation and plant for the acceptance, storage and processing of oils in the maritime demesne shall, while unloading, transhipment or loading these goods undertake measures for the efficient prevention of leakage or discharge of these oils, or prevent the spreading of the discharged oil over the maritime demesne.

The pipelines and pipe connections of the ships with land installations have to undergo regular quarterly surveys by a committee of experts appointed by the harbourmaster's office.

One member of the committee referred to in paragraph 2 of this article shall be the representative of the legal or physical person referred to in paragraph 1 of this article.

PART FOUR
SAFETY OF NAVIGATION

Chapter I
GENERAL PROVISIONS

Article 81

The safety of navigation enacted by this Law refers to:

(1) The basic conditions that shall be conformable to: the navigable waterways in the internal waters and in the territorial sea of the Republic of Croatia, ports, waterborne craft of the Croatian flag as well as those sailing in the internal waters and in the territorial sea of the Republic of Croatia, floating facilities, the crew on waterborne craft, navigation and pilotage on the sea, and

(2) The control over the compliance with this part of the Law.

Article 82

The physical or legal person engaging in the public seaborne transport business, commercial company (hereinafter referred to as "company") or body managing a port and company attending to the maintenance of navigable waterways and beacon age shall:

(1) Organize the supervision of works relating to the safety of navigation,

(2) Provide for the permanent supervision of the safety of navigation,

(3) Keep track of the required data of importance for the safety of navigation.

Article 83

The Ministry shall investigate any accident in which a ship of the Croatian flag gets involved, as well as a ship of foreign nationality having an accident in the internal waters or territorial sea of the Republic of Croatia if the accident has resulted in the death or serious injuries of a Croatian citizen, major loss of or damage to property, or pollution of the maritime environment.

Chapter II
NAVIGABLE WATERWAYS

Article 84

The navigable waterway in the internal waters and in the territorial sea of the Republic of Croatia is the marine belt of sufficient depth and width for the safe navigation of a waterborne craft and, as circumstances require, also marked.

The facilities providing for the safety of navigation on the navigable waterways on the internal waters and on the territorial sea of the Republic of Croatia are: lighthouses, coasting lights, buoys and other navigation marks, signal stations and radio stations, optical, audible, electrical, electronic, radar and other aids for safe navigation.

For the use, or exploitation of the facilities providing for the safety of navigation on the navigable waterways a compensation fee shall be charged.

Article 85

The navigable waterways of the Republic of Croatia shall be looked after, their navigability maintained, provided with facilities for the safety of navigation and their good working order secured. Any change on the navigable waterways and of the facilities providing for the safety of navigation which are essential for the safety of navigation shall be announced in the regular way in the Notices to Mariners ("Oglasima za pomorce").

Article 86

The work to be done in satisfying the requirements referred to in articles 84 and 85 of this Law shall be the responsibility of the company "Plovput".

Article 87

For the installation of the lights and marks signaling the obstructions on the navigable waterway as well as for the exploration and exploitation of industrial and other mineral raw materials, or for the construction of installations on the waterway, the harbourmaster's office shall determine the position and distinction of the lights, or marks, as well as the measures to be taken for the safe navigation, after considering the obtained opinion obtained from the company "Plovput".

Article 88

The investor or owner of the facilities or means presenting permanent or temporary obstructions on the waterway (bridges, cables, sunken wrecks and the like) shall within the period of time determined by the competent harbourmaster's office, install and maintain lights and signals marking these obstructions.

If the person referred to in paragraph 1 of this article fails to install the required light or other signal, or if the installed light or other signal is not maintained in good working order, the company taking care of the maintenance and beacon age of the waterway shall at the request of the competent harbourmaster's office and at the expense of that person install the required light or other signal, or restore into working condition the defective light or other signal.

Article 89

The coastal radio stations shall carry on radio-communication service intended for the protection of human life and safety of navigation on the sea.

In rendering radio service, in accordance with the provisions on radio-communication referred to in paragraph 1 of this article, the coastal radio stations shall secure continuous watch and other necessary services.

The waterborne craft that are obliged to carry a radio station shall organize a round-the-clock watch while under way in compliance with the radio regulations.

Chapter III
PORTS

Article 90

The ports shall comply with the prescribed conditions of the safety of navigation.

Other questions in connection with ports that are not regulated with by Law shall be laid down in a special law.

Article 91

Ports may be those open to public traffic or those intended for special purposes if it has been previously established that the prescribed conditions for the safety of navigation in ports are complied with.

The ports open to public traffic or those for special purposes shall be instituted by a special legal provision, and the conditions of the safety of navigation in the ports open to public traffic or those for special purposes shall be determined by the Government of the Republic of Croatia.

Article 92

The managing body of the port shall maintain the port so as to secure safe navigation.

Article 93

The managing body of the port open to public traffic shall on terms of equality make it possible for any physical and legal person to use the wharfage, waterfronts, moles and other facilities in the port according to their purpose and within the capacity of the available facilities, if not otherwise provided by this Law or by another law.

As regards the exploitation of a port open to international traffic and the payment of port dues the foreign waterborne craft are equal to the Croatian ones, on terms of reciprocity.

Article 94

The foreign waterborne craft shall on arrival in the port lodge with the competent harbourmaster's office a general statement, health statement and extract from crew list and passenger list.

When leaving port the foreign waterborne craft shall hand in the extract from the crew list and the passenger list for those persons only that had been embarked or disembarked while the waterborne craft was in the port.

The foreign waterborne craft arriving from a Croatian port shall not lodge in the next Croatian port extracts from the crew list and passenger list for those persons that are not embarked or disembarked in that port.

Article 95

The foreign nuclear ship intending to call at a Croatian port open to international seaborne trade shall apply for permission to enter the port and in due time submit a certified copy of the documents concerning the safety of the nuclear plant to the Ministry for assessment of the ship's likelihood to cause nuclear damage.

The Ministry shall grant the ship referred to in paragraph 1 of this article approval to enter the Croatian port if it has ascertained that the ship presents no danger of causing nuclear damage and if the ship, at the Ministry's request, offers adequate security up to the amount referred to in article 857 of this Law.

Before the foreign nuclear ship that has been granted approval referred to in paragraph 2 of this article has entered port, the competent harbourmaster's office shall give an order to the authorized company to verify, in the most suitable place, the validity of the nuclear ship's safety certificate and to make a survey to ascertain whether the ship presents any danger of causing nuclear damage. The harbourmaster's office may, if necessary, carry out repeated inspections during the ship's stay in the port.

Article 96

A foreign ship carrying more than 2,000 tons of oil, and not in possession of an insurance certificate or other financial security given for the proprietary liability for the damage caused by oil pollution referred to in article 846 of this Law shall not enter a port or leave a port of the Republic of Croatia or load or unload oil in these ports.

The provision of paragraph 1 of this article refers also to a ship carrying more than 2,000 tons of oil owned by a foreign State and not covered by insurance or other financial guarantee if it has not a confirmation of the State in which it is registered that the ship is the property of that State and that its liability is covered within the limits stated in article 842 of this Law.

Article 97

If in a port or other parts of the internal waters and the territorial sea a fire breaks out or another accident endangering the safety of human life or waterborne craft occurs, the competent harbourmaster's office shall order the nearest or any other ship to proceed without delay to the site of the fire or accident to the rescue of the endangered human lives.

Chapter IV
NAVIGATION AND PILOTAGE

Article 98

In navigation the prescribed rules of navigation shall be applied, as well as the prescribed signals and marks that have to satisfy the requirements of safe and orderly navigation.

Article 99

Damaged, stranded or sunken waterborne craft obstructing or endangering the safety of navigation or presenting a dangerous likelihood of pollution shall by the order of the competent harbourmaster's office be removed from the navigable waterway.

Objects or materials that may obstruct or endanger the safety of navigation shall not be dumped into the navigable waterway.

Article 100

A waterborne craft coming from abroad shall not communicate with other ships, bodies, organizations and persons on the shore before being granted free pratique from the competent harbourmaster's office.

The foreign waterborne craft shall fly its country's flag while in the territorial sea or internal waters of the Republic of Croatia.

Article 101

A laid-up foreign waterborne craft may stay within the internal waters of the Republic of Croatia on conditions established by the Minister.

2. Pilotage

Article 102

Pilotage is the guidance of a waterborne craft by a competent person (pilot), and expert advice given to the captain of the waterborne craft for safe navigation in ports, straits and other areas of internal waters and the territorial sea of the Republic of Croatia.

Pilotage may be port pilotage and coastal pilotage.

Port pilotage is the piloting of a waterborne craft within the area of a port up to a certain limit, and coastal pilotage in a part of the internal waters and the territorial sea up to the limit of port pilotage.

Article 103

Piloting in the internal waters and in the territorial sea of the Republic of Croatia shall not be conducted by foreign legal persons without special approval of the Ministry. The approval shall be granted only if the pilotage cannot or does not want to be conducted by a native legal person.

The ruling of the Ministry granting or refusing to grant the approval referred to in paragraph 1 of this article shall not be appealed against, but an administrative lawsuit may be instituted.

Article 104

Compulsory pilotage, its limits, time and place of the pilot's boarding and leaving shall be established, for port pilotage, by the harbourmaster's office, and for coastal pilotage by the Minister.

To compulsory pilotage shall not be subject:

(a) Croatian warships, Croatian public ships, ships employed in the maintenance of navigable waterways and facilities serving for the safety of navigation on these waterways, Croatian passenger ships and ferryboats plying a regular service,

(b) Ships whose gross tonnage is under 500 tons.

As an exception to the provisions referred to in paragraph 2 point (b), of this article the harbourmaster's office may for particular types of ships whose gross tonnage is under 500 tons prescribe compulsory port pilotage.

Pilotage shall be conducted exclusively by a company having the Ministry's approval for this activity.

The conditions on the basis of which the approval for conducting the pilotage service is issued shall be established by the Minister.

Article 105

Non compulsory pilotage terminates when called off by the piloted waterborne craft, or when entering the area of compulsory pilotage and the pilot is not authorized to conduct this pilotage.

Article 106

Pilotage shall be available to any waterborne craft on equal terms.

As regards the use of piloting services and the payment of the remuneration for these services the foreign waterborne craft shall receive the same treatment as the Croatian waterborne craft, on term of reciprocity.

The amount of the remuneration for pilotage services shall be established by the Minister in a special provision.

Article 107

The pilotage of a waterborne craft, regardless of whether compulsory of non compulsory, does not relieve the shipmaster of the duty to conduct the navigation and manoeuvre the waterborne craft and of the responsibility ensuing therefrom.

The operator of the waterborne craft using the pilot's services is responsible for the pilot's actions and failures in the same way as for the actions and failures of a crew member of his own ship.

Article 108

The indemnification of the damage caused by the pilot to the operator of the waterborne craft using pilotage services is the responsibility of the company employing the pilot at the moment when the damage was caused, up to the amount of the basic compensation at the rate for pilotage service rendered multiplied by the factor 300 if it has been proved that the blame for the damage lies with the pilot.

A contract limiting the liability of the company conducting compulsory pilotage, concluded contrary to the provision of paragraph 1 of this article before the damage to the ship operator has been caused shall have no legal effect.

The contract limiting the liability of a company responsible for compensating the damage caused by non-compulsory pilotage, concluded before the damage has been caused, for an amount that is less than the amount referred to in paragraph 1 of this article, shall have no legal effect.

Article 109

If the law does not exclude the possibility of claiming damages directly from the pilot by whom the damage has been caused, the provision of article 108, paragraph 1, of this Law shall be applicable also to the pilot, except when the damage has been caused by the pilot intentionally.

The pilot's responsibility, together with the responsibility of the company employing the pilot, or together with the responsibility of any other legal person in whose employ the pilot may be, shall not exceed the limit of responsibility referred to in article 108 of this Law, unless it can be proved that the damage has been caused by the pilot intentionally.

Chapter V
THE SHIP

Article 110

The ship is seaworthy within defined limits of navigation and for a specific purpose:

(1) if it satisfies adequate conditions prescribed by law and the technical rules of the Croatian Register of Shipping (hereafter: technical rules) regarding:

(a) Protection of human life at sea,
(b) Safety at work and of the accommodation of crew and other persons employed on shipboard,
(c) Accommodation of passengers on shipboard,
(d) Protection of the ship,
(e) Protection of the cargo on shipboard,
(f) Protection of the environment from pollution coming from the ship,

(2) If it has the prescribed number of qualified crew members,

(3) If the accommodation and number of passengers on shipboard is in compliance with:

- The provisions and terms stated in the ship's papers, books and approved technical documents of the ship,
- The rules regulating the conditions for the carriage of passengers,

(4) If the cargo on board has been loaded, stowed, distributed and adequately secured in compliance with:

- The provisions and terms stated in the ship's papers, books and approved technical documents of the ship,
- The rules regulating the conditions of the carriage of cargo.

Article 111

The seaworthiness of the ship in compliance with the provisions of article 110, point 1, of this Law shall be confirmed by technical supervision. The technical supervision shall be effected by the Croatian Register of Shipping (hereafter: Register) in compliance with the technical rules.

The seaworthiness of a ship according to the provisions of article 110 points (2), (3) and (4), of this Law shall be established by inspection, regular examination of the documents, and in instances prescribed by law, if necessary, by surveying the ship or parts of it.

The Register shall effect the survey of the ship's seaworthiness on their own initiative in instances prescribed by the provisions or their rules, or at the request of the inspectors or other interested persons.

Article 112

The technical inspection of the ship in compliance with the technical rules comprises:
(1) Approval of the technical documents on the basis of which the ship is being built or reconstructed,
(2) Approval of the type of machinery, installations and equipment to be built into the ship,
(3) Supervision of the construction or reconstruction of the ship,
(4) Supervision of the construction of the machinery, installations and equipment to be built into the ship,
(5) Survey of existing ships,
(6) Establishment of the aptness of the organization of the ships' operators with regard to the safety of work and the protection of the environment during the exploitation of the ships.

Article 113

The surveys of existing ships may be: initial, regular and occasional.

Article 114

The initial survey is the obligatory survey to which the existing ship is liable before the beginning of the ship's exploitation on the occasion of:
(1) The registration in the register of ships,
(2) An alteration of the ship's assigned purpose, limits of navigation or of other properties of the ship to which the provisions of the technical rules apply.

Article 115

The regular surveys are the obligatory surveys to which the existing ship is liable at intervals prescribed by the technical rules.

Article 116

The occasional survey is the obligatory survey to which the existing ship is liable:
- When it has suffered an accident (damage) or when defects have been observed that may influence the ship's seaworthiness,
- When the ship has been repaired or parts of it have been refurbished,
- When regular surveys have been delayed in compliance with the provisions of the technical rules,
- When the ship has been laid up for more than one year,
- When the ship's assigned purpose or area of navigation has been provisionally altered,
- When so demanded for a certain ship by the Register, in addition to the regular surveys.

Article 117

The survey of the ship to ascertain its fitness to make a trial trip is an obligatory survey to which a ship is liable before going on a trial trip.
The scope of the survey shall be such as to make it possible to ascertain without any doubt that the ship satisfies the special conditions prescribed for the performance of the trial trip.
The provisions of paragraphs 1 and 2 of this article shall be applied to any ship flying during the trial run the flag of the Republic of Croatia, or the flag of another State if the trial trip is made within the internal waters and territorial sea of the Republic of Croatia.

Article 118

The scope and method of making the initial survey and survey in order to ascertain the seaworthiness necessary to make the trial trip, as well as the kind, frequency, scope, method of making them and the possibility of delaying the regular surveys shall be re prescribed by technical rules.

Article 119

The ship's condition and that of its equipment shall be maintained so as to retain the ship's seaworthiness in every respect without running any risk of the ship, persons on board, cargo and maritime surroundings being endangered.

Article 120

When the supervision of the construction or reconstruction of the ship, or any survey of the ship have been completed, no alterations or reconstruction of any kind of the ship's construction, machinery plant, equipment or other parts to which the requirements of the technical rules apply shall be made without the previous approval of the Register.

Article 121

The Register may exempt any ship of the new type, a ship not on a regular international service, or a ship plying in protected areas, and to which the provisions of international treaties apply, from the compliance with these provisions in instances and on the terms referred to in these treaties, if it has been ascertained that the ship is seaworthy under the condition of exemption.

The Register may exempt from the compliance with the provisions of the technical rules in instances and on the terms provided in these rules a ship to which the provisions of international treaties do not apply if it has been ascertained that the ship is seaworthy under the conditions of exemption.

Article 122

The Register may find a cargo ship seaworthy for the occasional carriage of passengers within the limits of the internal waters and the territorial sea of the Republic of Croatia if they ascertain that the ship is fit for the carriage of passengers under special conditions.

Article 123

The measurement of the ship shall be made to determine the tonnage of the ship.

Article 124

The tonnage measurement of ships shall be made by the Register in compliance with the technical rules.

Article 125

Under the provisions of this Law subject to tonnage measurement shall be:

(1) any ship being registered with the Croatian Register of Shipping,

(2) a foreign ship subject in a Croatian port to the payment of a remuneration the amount of which depends on the ship's tonnage if measured according to rules whose provisions are in essence different from the provisions of the technical rules.

Article 126

The tonnage measurement of a ship under the provisions of this Law shall be made before its registration with the Register of Shipping.

Article 127

Renewed tonnage measurement of a Croatian ship is made:

(1) If after the tonnage measurement alterations have occurred in the distribution, design, capacity, use of space, number of passengers the ship is permitted to carry, assigned freeboard or permitted draft of the ship, causing an alteration of the ship's tonnage,

(2) If there is suspicion about the correctness of the tonnage measurement already made,

(3) If the inland navigation ship is being registered in the register book of seagoing ships.

In the case of renewed tonnage measurement, in compliance with the provisions referred to in paragraph 1 of this article, the register shall decide, depending on the reconstruction made, whether the renewed tonnage measurement has to be carried out in its entirety or in part only.

Article 128

The ship's papers that the ships are obliged to have serve as proof of the identity, seaworthiness and other properties of the ship.

In the ship's books that the ships are obliged to keep shall be entered data concerning the more important occurrences and work done on board.

Article 129

The ship's papers and books prescribed by this Law shall be written in the Croatian language.

The ship's papers and books issued on the basis of international treaties shall contain also a translation into the English language if this is required by the provisions of these treaties.

Article 130

The ship's papers and books prescribed by this Law shall be on board and always available for inspection.

Article 131

To a ship registered in the register book of seagoing merchant ships, register book of seagoing fishing ships, and register book of seagoing public ships a certificate of registration shall be issued.

The certificate of registration is proof of the Croatian national character of the ship, with a note that the ship has the right and obligation to fly the colors of the Republic of Croatia, the ship's assigned purpose and area of navigation.

The certificate of registration contains all the entries from the insert of the main ship register book in which the ship is registered.

In case of non-conformity of the contents of the certificate of registration with the contents of the ship register book regarding the registered rights, the rule in force shall be the entry in the ship register book.

The certificate of registration shall be issued by the harbourmaster's office that has entered the ship into the register book.

Article 132

The harbourmaster's office that has issued the certificate of registration shall, ex officio, enter into the ship's certificate of registration the entries from article 131 of this Law.

When the ship's name, port of registry, tonnage, system of propulsion, distinctive signal, assigned purpose or area of navigation have been changed, the certificate of registration has also to be altered.

Article 133

The provisional navigational certificate shall be issued to a ship procured in a foreign country that has not yet obtained a certificate of registration, or to a ship that is abroad and whose certificate of registration has been lost.

A ship that has not yet been registered with the Croatian Register of Shipping shall with the provisional navigational certificate obtain Croatian national character and the right and obligation of flying the colors of the Republic of Croatia.

The provisional navigational certificate has a validity of up to one year from its issuance, but its validity may terminate even earlier, and that is at the moment of the ship's entry into the first Croatian port.

The provisional navigational certificate shall be issued by the diplomatic or consular representative of the Republic of Croatia.

Article 134

In addition to the documents referred to in articles 131 to 133 of this Law, the ships registered with the Croatian Registry of Shipping shall have:

(a) Documents and books prescribed by the international conventions concerning the ship in question,

(b) Documents and books prescribed by the Minister or by the Registry, serving as proof of the ship's seaworthiness or of its other properties, or documents and books relating to the major occurrences on board, if these documents are not comprised in point (a) of this article.

Article 135

The Minister shall prescribe the form of the documents and books issued on the basis of his rules if this is not prescribed by the international treaty.

The form of the documents and books issued by the Registry shall be prescribed by the Registry if this has not been prescribed by the international treaty.

The forms of the documents and books issued by the Register shall be gazetted in the special edition of the Register.

The expiry dates of validity, possibility of the renewal of validity, conditions under which particular documents are invalidated are details to be provided for by the provisions brought in by the Minister, or by the technical rules of the Register.

Chapter VI
FLOATING FACILITY

1. Establishing the Suitability for Use of the Floating Facility

Article 136

The floating facility shall be suitable for use in a specifically approved location and for a defined purpose on condition that:

(1) It complies with the adequate provisions of the technical rules of the Register as regards:

(a) The protection of human lives at sea,

(b) The safety at work and during the accommodation of the crew and other persons employed on the facility,

(c) The accommodation of other persons on the facility,

(d) The protection of the facility,

(e) The protection of the cargo on the facility,

(f) The protection of the environment from the pollution caused by the facility,

(2) It has the required number of qualified crew members and other persons employed on the facility,
(3) The accommodation and number of other persons are in compliance with:
- The provisions and conditions stated in the documents, books and approved technical documents of the facility,
- The regulations concerning the conditions of the stay of other persons on the facility,
(4) The cargo on the facility is loaded, stowed and secured correctly and in compliance with:
- The provisions and terms stated in the documents, books and approved technical documents of the facility,
- The regulations concerning the conditions of stowing the cargo,
(5) The facility is securely moored, anchored or lying on the seabed in a suitable location.

Article 137

As regards the establishment of the suitability for use, technical supervision and survey of floating facilities the provisions of articles 110 to 122 of this Law relating to the ship shall be adequately applied.

2. Tonnage Measurement of the Floating Facility

Article 138

As regards the tonnage measurement of floating facility the provisions of articles 123 to 127 of this Law relating to the ship shall be adequately applied.

3. Documents and Books of The Floating Facility

Article 139

The floating facility shall have books, certificates and documents evidencing its specific characteristics in compliance with the regulations.

Article 140

To the documents and books of floating facilities the provisions of article 131 to 135 of this Law shall be adequately applied.

Article 141

The owner of the floating facility shall have the approval for the location of the berth, or anchorage of the facility, as well as of its position on the seabed (location).

The provisions referred to in paragraph 1 of this article shall be issued by the harbourmaster's office after previously obtaining expert opinions of the bodies of the communal administration competent for urban planning, communal and sanitary services.

Article 142

The floating facilities shall be registered with the harbourmaster's office in the record book for floating facilities in its territory.

The application for the registration of the floating facility in the above record book shall be submitted within 15 days from the date of the completed initial survey.

Chapter VII
THE BOAT

1. Establishing the Seaworthiness of the Boat

Article 143

The boat shall be suitable for navigation and a defined purpose if its seaworthiness with regard to its design, navigability, propulsion and other installations and equipment has been established.

The manner of establishing the seaworthiness of the boat shall be prescribed by the Minister.

Article 144

The establishment of the seaworthiness of the boat shall be made by survey.

The survey of the boat may be initial, regular and occasional.

The survey of the boat shall be made by the harbourmaster's office, and exceptionally, when it is a question of reconstruction and change of the purpose for which the existing boats have been built, the survey may be made by the Register.

The initial survey shall not be made to check the design, navigability, propulsion unit, installations and equipment of the boat having a document attesting the building of the boat issued by the Register, or of a boat built in a foreign country if it has a document of an authorized technical organization in that country.

Article 145

The seaworthiness certificate of the boat issued by a foreign State shall be recognized on terms of reciprocity.

If a boat that has not been registered in the territory of the Republic of Croatia belongs to a foreign citizen who is not a resident of the Republic of Croatia and the boat has not a certificate of seaworthiness, the competent body shall ban the boat from navigation until its seaworthiness has been established by the boat's survey.

The provision of paragraph 2 of this article shall be applied also to boats whose condition is in evident discordance with their actual certificate of seaworthiness.

After the boat's survey in compliance with the provision referred to in paragraph 2 of this article, the boat shall be issued a certificate of competence.

2. Tonnage Measurement of Boats

Article 146

The tonnage of the boat has to be measured. The tonnage measurement of boats has to be made in compliance with the technical rules of the Register.

If the boat's tonnage has been altered by repairs or reconstruction, the tonnage measurement of the boat shall be renewed.

The tonnage measurement of boats shall be made by the harbourmaster's office.

Chapter VIII
THE SHIP'S CREW
1. General Provisions

Article 147

The ship's consists of the persons embarked to do work on board and who are on the crew list.

Article 148

To do the work by which safe navigation is ensured the ship shall have an adequate number of crew members with proper qualifications.

Article 149

The crew member of a ship of the Croatian mercantile marine engaged in work safeguarding navigation shall be a person of adequate age and of an adequate vocational experience and adequately certified to perform the work on board for which this occupational skill is required, and an apprentice training for obtaining a certificate.

The occupational ranks of the crew members in the Croatian mercantile marine shall be acquired through an adequate examination for a particular competency.

In addition to obtaining a certificate on the particular competency referred to in paragraph 2 of this article the crew members can also obtain special certificates.

The special certificates referred to in paragraph 3 of this article shall be obtained by passing an adequate examination.

A certificate of competency for work on shipboard shall be obtained only by a person physically and mentally fit to do work on shipboard, and not addicted to drugs or spirits, which shall be established by medical examination and periodical check-ups.

Article 150

The crew member shall do the work on board in compliance with his duties prescribed by law and the rules of navigation in such a way as not to endanger the safety of the traffic or damage the ship or the cargo on it, the safety of the passengers on board or other members of the crew and the environment from pollution with dangerous chemicals and noxious materials (oil, liquid fuel waste and their mixtures, waste water and other waste matter, as well as radioactive materials and their waste) from the ship.

Article 151

The watchkeeping crew member shall not relinquish the place and space of his assigned watch without the permission of the officer on duty.

The watch officer shall not relinquish his place in the watch while on duty without the permission of the master/commander.

Article 152

In areas of dense traffic, under conditions of limited visibility and in any other dangerous navigational situation, when automatic steerage is used, the officer on duty and the helmsman shall have direct possibility of taking over the steering of the ship.

The change-over from automatic to hand steering and vice versa shall be carried out by the watch officer on duty on the bridge personally.

Article 153

As a member of the ship's crew shall sign on only a person in possession of a seaman's discharge book or permit to sign on.

The seaman's discharge book is a document showing the crew member's competency, health status, capacity in which the crew member has signed on and the time of his service on board.

The seaman's discharge book and permit to sign on are the identity papers of the person to whom they has been issued.

The seaman's discharge book shall be provided with the visa for the voyage abroad, issued by the competent harbourmaster's office, serve also as a passport, and authorize the person to be a crew member of a ship

plying in the foreign trade and to go abroad in order to sign on or to return to the Republic of Croatia after signing off a ship in a foreign country.

Article 154

If the crew member is discharged from the ship during his employment on board or after its termination outside his port of shipment, the ship operator shall provide for his return to the port of shipment; if the ship operator fails to do this, the return journey to the port of shipment shall be secured by the diplomatic or consular mission of the Republic of Croatia at the expense of the operator of the ship from which the crew member was discharged.

Article 155

The costs of the crew member's return journey shall be at the expense of the ship operator.

The ship operator shall have the right of retention of the payment of any expenses of the crew member's return journey who has left the ship without approval so that the blame for the termination of employment lies with him, or if he has left the ship in consequence of a self-inflicted injury or illness caused intentionally or through gross neglect.

The expenses of the return journey of a crew member of the ship shall include the expenses for lodging, food and transportation of the crew member from the moment of his discharge from the ship to the moment of his return to the port of shipment or to his residence.

Article 156

The return journey shall be considered provided for also if the crew member has been secured adequate employment in a ship bound for his port of shipment.

In the case referred to in paragraph 1 of this article the crew member shall be entitled to the remuneration for the work done aboard that ship.

Article 157

The provisions of articles 153, 154, 155 and 156 of this Law shall be applied also to foreigners employed as crew members on Croatian ships.

Article 158

In foreign ports the crew member who is the citizen of the Republic of Croatia may, in order to protect his employment entitlements, approach the diplomatic or consular missions of the Republic of Croatia.

Article 159

The crew member shall without delay inform the shipmaster, or the officer on duty:

(1) of any extraordinary event likely to endanger the safety of the ship, passengers, other persons or cargo on board and pollute the environment with oil, dangerous chemicals and noxious materials from the ship,

(2) when, sailing on navigable waterways in the internal waters and the territorial sea of the Republic of Croatia, he finds that particular lighthouses, lights and other aids to navigation are out of order or the marks or beacon age are not in their positions.

The shipmaster shall without delay inform the competent harbourmaster's office on the malfunctions referred to in paragraph 1 point (2), of this article.

In case of danger, shipwreck or other distress the crew members of the ship shall do their best to save the ship, passengers, other persons on board, and cargo, as well as protect the environment until the shipmaster gives the order for the ship to be abandoned.

Article 160

The ship operator shall compensate the crew member for any damage caused to his personal gear on board destroyed or damaged on the occasion of shipwreck or any other distress on board.

In case of shipwreck the crew member in the ship operator's employ is entitled to a compensation for every day of the actual duration of unemployment to the amount of the pay due to him according to the ship's articles, so that the total of the compensation to be paid to him shall not exceed the amount of his two months' pay.

As to the return journey of the crew member of the shipwrecked ship the provisions of articles 154 to 157 of this Law shall apply.

Article 161

Any loss caused by physical injury or death of the crew member shall be the responsibility of the ship operator if he fails to prove that the blame does not lie with him.

The loss referred to in paragraph 1 of this article caused by a dangerous material or through dangerous activity is the responsibility of the ship operator in compliance with the general rules concerning the responsibility for the damage caused by dangerous materials or dangerous activities.

The ship operator shall be held responsible for the loss referred to in paragraph 1 of this article that the crew member has suffered at work or in connection with the work on board due to the non-existence of conditions for safe work if the fails to prove that the crew member has caused the loss intentionally of through gross neglect.

For any legal dispute of the crew member with the ship operator, as well as for disputes of the shipmaster with the ship operator the real competence shall lie with the commercial courts competent for the settlement of maritime disputes.

2. The Shipmaster

Article 162

The crew and all other persons on board the ship shall be under the command of the shipmaster.

The shipmaster shall be a citizen of the Republic of Croatia.

The shipmaster shall be appointed and relieved by the ship operator.

In case of death, prevention from exercising duties, or absence of the shipmaster, his place with all his competency shall be taken by the highest ranking crew member of the deck department who is a citizen of the Republic of Croatia.

The provision of paragraph 2 of this article shall not apply to the yacht of a foreign owner registered with the Croatian ship register (article 202 paragraph 1 point (3).

Article 163

The shipmaster shall be responsible for the safety of the ship and the law and order on board and, within the limits prescribed by this Law and other rules, he shall be the representative of public authority on board and represent the ship operator.

If the skipper of the foreign yacht registered with the Croatian ship register is a foreign physical person or a stateless person, the representative of public authority referred to in paragraph 1 of this article shall be the highest ranking deck officer if he is a citizen of the Republic of Croatia or if his residence is in the area of the Republic of Croatia.

Article 164

The shipmaster shall attend to the provision of the ship's supplies, the ship's administration its maintenance, the maintenance and good condition of the hull, machinery, installations and equipment of the ship, safety of the ship's equipment for the embarkation and disembarkation of passengers and the handling of dangerous and other cargoes, to the correct loading, stowage, carriage and unloading of the cargo, the correct embarkation,

accommodation and disembarkation of passengers, and to the performance of any tasks in connection with the process of work.

The shipmaster shall within the prescribed periods of time carry out boat drills and exercises with other life-saving appliances and installations for detecting, preventing and fighting fires.

The shipmaster shall be on board during the time of navigation.

Before the beginning of the voyage the shipmaster shall check the good condition of the ship and the amount of supplies sufficient to make the anticipated voyage possible and make sure that all the prescribed documents and books and crew members are on board, and in case of the transport of passengers - especially establish whether all measures for the safety of passengers have been undertaken.

Article 165

The shipmaster or the deck officer of the watch in charge of navigating the ship shall undertake any measure essential for the safety of the ship and navigation.

The shipmaster shall be in command of the ship in person whenever this is required by the safety of the ship, and especially when the ship is entering a port, channel or river or leaving them, as well as when visibility is limited.

The presence of the pilot on board shall not exonerate the shipmaster from responsibility for the navigation of the ship.

Article 166

In the event of incidents endangering the ship or the persons on board, the shipmaster shall undertake every measure for the rescue of persons and elimination of danger to the ship and things on board, as well as for the protection of the surroundings.

If in the case referred to in paragraph 1 of this article it is necessary to sacrifice the ship or damage the cargo or other things on board, the shipmaster shall sacrifice or damage the cargo, other things or the ship's installations or equipment not essential for navigation, or parts of the ship the sacrifice or damage of which will cause a lower amount of loss to the ship operator and persons interested in the cargo on board the ship.

Article 167

If in the event of danger to the ship every measure taken to save the ship has remained futile, and if the loss of the ship is unavoidable, the shipmaster shall first of all take measures for the rescue of passengers and other persons on board, remove the ship before sinking from the navigable waterway in the internal waters if this is possible and give the abandon ship order.

In the case referred to in paragraph 1 of this article the shipmaster shall take every measure necessary to save the ship's logbook, and if the conditions of the event permit it, also measures to save other ship's books, documents, sea charts of the voyage in question, and cash in the ship's safebox.

The shipmaster shall abandon the ship only when he has, within the bounds of actual feasibility, taken every measure referred to in paragraphs 1 and 2 of this article.

Article 168

In case of an occurrence on board endangering the safety of the ship or of navigation, or in case of an exceptional incident happening to the ship, passengers, other persons, cargo or things on board, or if pollution by oil, dangerous chemicals and noxious materials on the navigable waterway is noticed, the shipmaster shall enter in the ship's logbook a description of the event, or remark on the pollution of the navigable waterway without delay, and not later than within 24 hours.

The shipmaster referred to in paragraph 1 of this article shall submit a report to the harbourmaster's office on the event referred to in that paragraph together with the extract from the ship's logbook immediately after arrival, but not later than within 24 hours.

If the event referred to in paragraph 1 of this article occurred while under way the shipmaster shall submit the report on the event, together with the extract from the ship's logbook, within the period of time referred to in paragraph 1 of this article to the harbourmaster's office at the ship's first port of call, or to the diplomatic or consular mission of the Republic of Croatia if the ship is in a foreign country.

The shipmaster referred to in paragraph 1 of this article shall enter in the ship's logbook the birth and death of any person on board, recording the place, geographical position of the ship and the time of birth or death, and take the last will deposition and this statement record in the ship's logbook, stating the time when the last will deposition was taken.

The shipmaster shall make a written report in due form stating the fact of birth or death and the taking of the last will deposition and submit it to the competent body at the first domestic port of call, and in a foreign country to the nearest diplomatic or consular mission of the Republic of Croatia.

Article 169

The shipmaster shall transmit by telecommunication information on any immediate danger to the safety of navigation he comes across, especially if he notices any change on the navigable waterway referred to in article 159, paragraph 1 point 2), of this Law, if he observes oil pollution, dangerous chemicals and noxious materials, dangerous ice, perilous gale or any other immediate peril to navigation, or a tropical storm, air temperature below the freezing point accompanied by winds of gale force causing heavy accumulation of ice on the deck erections, or a wind of force ten or more on the Beaufort scale for which no gale warning has been received.

The shipmaster shall make a note of the information transmitted referred to in paragraph 1 of this article in the ship's logbook.

Article 170

If the ship meets with an accident or if a defect has been discovered that has an influence upon

(1) The safety of the ship, or the efficiency or integrity of the life-saving devices or other equipment,

(2) The integrity of the ship, or the efficiency or integrity of the equipment for the protection of the environment from pollution by oil, dangerous chemicals and noxious liquid materials, the shipmaster or ship operator shall as soon as practicable inform the Croatian register of ships, which will institute the procedure of ascertaining whether an adequate survey of the ship is required.

If the ship is in the port of another contracting State of the corresponding international convention, the shipmaster or ship operator shall also immediately inform the adequate bodies of maritime administration of the State in the port of the ship's call.

The shipmaster or ship operator shall by the most urgent telecommunications connection inform the maritime administration of the nearest coastal State of the event in connection with the leakage or possible leakage of oil, noxious liquid matter or release of noxious packed materials.

Article 171

In case of the imminent threat of war, the shipmaster shall take every precaution that appears to be essential, especially with the view to saving the ship, passengers, cargo and other property, as well as the ship's documents and books.

If a state of war sets in between the Republic of Croatia and another State, the shipmaster shall take the necessary measures to protect from the enemy the ship, persons, cargo and other property, as well as the ship's documents and books.

If the ship, in case the state of war has set in between other States in which war the Republic of Croatia is a neutral party, is in the port of a belligerent State, or heading for the port of a belligerent State, or has to pass through the internal waters or territorial sea of the belligerent State, the shipmaster shall ask the ship operator for instructions, and if this is not possible instructions from the competent Croatian bodies.

Article 172

The shipmaster, representing the ship operator, is authorized at a place outside the ship operator's home office for and on his behalf to enter into salvage agreements and legal transactions indispensable for the completion of the voyage, and at a place outside the ship operator's home office where there is no authorized representative of the ship operator to enter into maritime navigation contracts, apart from the time charter for the whole ship.

The shipmaster is authorized, in the capacity of the ship operator's representative, to initiate with foreign court and administrative bodies proceedings intended to protect the ship operator's rights and interests in transactions referred to in paragraph 1 of this article and in these proceedings undertake procedural actions.

If the ship operator places restrictions on the legal authorization of the shipmaster, these restrictions shall have no legal effect upon third parties unaware of them or who could not under the circumstances be aware of them.

Article 173

The shipmaster is authorized and obliged to give to all persons on board orders intended to make the ship and its navigation safe, and to maintain law and order on board, and to supervise the enforcement of the orders given.

In order to maintain law and order and safety on board the shipmaster is allowed to keep the necessary firearms on board, while the crewmen are not allowed to have weapons on board.

Article 174

It is within the shipmaster's competence to restrict the freedom of movement on board during the voyage of any person seriously endangering the safety of the ship, of the crew members and other persons, the things on board and the environment by oil pollution, dangerous chemicals or noxious materials.

The freedom of movement shall be restricted only if it is imperative for the safety of the passengers and other persons and things on board or for the protection of the ship or the environment, and shall for a foreign citizen or stateless person last not longer than by the ship's arrival at the first port of call, and for the citizen of the Republic of Croatia not longer than by the arrival of the ship at the first Croatian port.

The measures referred to in paragraphs 1 and 2 of this article shall be recorded with comment in the ship's logbook.

Article 175

It is within the competence of the shipmaster to suspend the crew member who endangers the safety of navigation, and if circumstances require to disembark him and repatriate him (article 154).

Article 176

The shipmaster has the right, in case of need and for its duration, to reduce the ration of food and water for all the persons on board in order to rationalize the use of the existing food and water supplies on board.

The measures referred to in paragraph 1 of this article shall be recorded with comment in the ship's logbook.

Article 177

If in the course of the voyage a crew member, passenger or any person on board commits a criminal offence, the shipmaster shall, according to the circumstances, take measures necessary to prevent or mitigate the occurrence of harmful consequences of the offence and bring the perpetrator to book.

If there is risk of the perpetrator's repeating the offence or of his escaping, the shipmaster shall have the perpetrator's freedom of movement on board restricted or have him arrested, have by the examination of the perpetrator, witnesses, eye-witnesses and injured parties all the circumstances under which the offence has been committed and the resulting consequences, established a protocol on each hearing made, the Articles on which or by

which the offence has been made or on which the traces of the offence made are visible placed in safe custody as material evidence, and other measures taken in order to establish the circumstances under which the criminal offence has been committed.

If the ship is in a foreign country, the shipmaster shall submit a report on the criminal offence committed to the diplomatic or consular mission of the Republic of Croatia in the State whose port the ship has entered. The shipmaster shall deal with the perpetrator of the criminal offence in compliance with the instructions of the diplomatic or consular mission of the Republic of Croatia.

After arrival at the first Croatian port of call the shipmaster shall hand over the perpetrator of the criminal offence to the body of internal affairs in that port with the written report on the criminal offence committed and protocols and Articles referred to in paragraph 2 of this article.

The measures referred to in paragraphs 2 and 4 of this article shall be recorded with comment in the ship's logbook.

Article 178

If any member of the ship's crew arbitrarily abandons the ship in port the shipmaster shall report this abandonment to the harbourmaster's office.

The shipmaster shall make up a protocol and establish what things and documents belonging to the crew member who has arbitrarily abandoned the ship have been left on board. The protocol shall be made up in the presence of two witnesses, and signed by the shipmaster and the witnesses.

The shipmaster shall enter in the ship's logbook a note on the arbitrary abandonment of the ship and on the things of the crew member left on board and of their delivery to the competent Croatian body.

The body in the port receiving the personal things and documents of the crew member who has arbitrarily abandoned the ship shall deliver them to his nearest family or his parents, and if this is not possible to the person appointed by the competent trusteeship body.

Article 179

The crew member shall be considered as arbitrarily abandoning the ship if he has not come back on board by the time of the ship's departure from the port.

If the crew member has been prevented from returning to the ship by the time of the ship's departure from the port he shall be considered as arbitrarily abandoning the ship if he does not report to the body referred to in article 178, paragraph 1, of this Law within three days from the day when the hindrance has been removed.

Chapter IX
INSPECTORAL SUPERVISION

Article 180

Inspectoral supervision of the enforcement of the provisions of this part of the Law shall be carried out by the safety of navigation inspectors of the Ministry and the harbourmasters' offices.

Jobs and duties within the competence of the safety of navigation inspectors include: nautical matters, marine engineering, hydroengineering radio service and protection of the sea from pollution by ships.

Jobs and duties of the safety of navigation inspectors may be carried out also by specialists of the Ministry and of the harbourmaster's office under special authorization given by the Minister.

Article 181

The inspectoral duties relating to the supervision of the enforcement of the provisions of this part of the Law concerning the Safety of Navigation include especially inspection supervision of:

(1) Foreign ships in Croatian ports with regard to the protection of persons on board and the protection of the environment,

(2) Croatian ships and boats with regard to their seaworthiness,

(3) The enforcement of the international regime of ports in conformity with the international obligations of the Republic of Croatia and the supervision of the condition of all the ports with regard to their wharves and other

waterfronts, breakwaters, required depths, equipment, installations and other facilities intended for the anchoring and sheltering of ships, as well as for the embarkation and landing of passengers and things,

(4) The maintenance and marking of the navigable waterways in the territorial sea and the internal waters and facilities for the safety of navigation in these navigable waterways,

(5) The functioning of the radio service catering for the safety of navigation and protection of human life at sea, as well as its installations and equipment and the maintenance of the facilities and work of this service,

(6) The construction of facilities built in the territorial sea and internal waters or on their shores with regard to their influence upon the safety of navigation,

(7) The carriage of persons and things with regard to the protection of human life and property,

(8) The protection of the sea from pollution by ships,

(9) The functioning of the meteorological service on shipboard intended for the safety of navigation.

The provision of point (3) of this article shall not apply to naval ports.

Article 182

In performing the inspectoral supervision of the foreign ship in compliance with article 181, paragraph 1, point (1) of this Law the examination shall be made to verify the validity of the ship's certificates as to their compliance with the provisions of:

(1) The International Convention for the Safety of Life at Sea,

(2) The International Convention on Loadlines,

(3) The International Convention on the Prevention of Marine Pollution from Ships,

(4) The International Convention on the Standards of Training, Issuing Certificates and Watchkeeping of Seamen.

If the State whose flag the ship flies is not under the obligation of the Conventions referred to in the preceding paragraph of this article, the inspector shall examine whether the ship, in regard to its construction, equipment, crew, type, quantity and stowage of cargo, number of passengers and total load, can safely make the intended voyage.

When examining the ship's seaworthiness referred to in the preceding paragraph of this article consideration shall be taken in the first place, but not exclusively, of the contents of the Conventions referred to in the first paragraph of this article.

If the foreign ship has the valid documents as referred to in the first paragraph of this article, the inspectoral supervision shall be limited to the verification of:

(1) Whether the position of the loadline or freeboard corresponds to the data stated in these documents,

(2) Whether the ship is loaded in compliance with the given loadline or freeboard line, and whether the cargo has been correctly trimmed according to the conditions stated in these documents.

In addition to the verification of the documents referred to in paragraph 1 of this article, the examination shall also have to show that the ship loading or unloading cargo has valid documents testifying to the good working order of the ship's cargo-handling installations and that the condition of these installations corresponds to the data stated in these documents.

Article 183

If in making the inspectoral supervision it is found that the foreign ship does not have the valid documents as referred to in article 182, paragraph 1, of this Law, or that the position of the loadline or the freeboard does not correspond to the data stated in these documents, or that the ship is not loaded in conformity with the given loadline or the freeboard line, or that the cargo is not evenly trimmed, the ship shall be prohibited from leaving port until it is rendered fit to proceed on the voyage without endangering the human lives aboard.

If it is found during the inspection supervision that the foreign ship, due to its defects, pollutes the surroundings by oil, dangerous chemicals or noxious materials, or that its slop tanks are full, or installations out of order, the ship shall be prohibited to leave port until the defects in it are eliminated.

If it is found during the inspectoral supervision according to the provision of article 182, paragraph 5, of this Law that the foreign ship does not have valid documents giving proof of the good order and condition of the

ship's cargo handling installations, or if it is found that the condition of these installations does not agree with the data stated in the documents, the loading and unloading of the cargo with the ship's installations shall be prohibited.

If during the inspection supervision the defects referred to in paragraphs 1, 2 and 3 of this article are found, the competent body whose flag the ship flies shall be informed of the established condition through diplomatic or consular bodies and the International Maritime Organization.

The provisions of the foregoing paragraphs of this article shall by analogy be applied also to ships whose States are not bound by the pertinent Conventions.

Article 184

If there is justified reason for doubt that the condition of the foreign ship does not correspond to the data stated in the documents referred to in article 182, paragraphs 1 and 2, of this Law, or that the foreign ship has taken aboard a larger number of passengers than permitted, or that it does not have the minimum number of qualified crew members, and that it is obvious that the ship in this condition or with such a number of passengers and this condition of the crew should not be fit to proceed on the voyage without endangering the human lives aboard, the ship shall be forbidden to leave port until it is in a position to continue on the voyage without endangering the human lives aboard.

Article 185

In carrying out inspectoral supervision of the ship's seaworthiness in compliance with the provisions of article 181, paragraph 1, point (2), of this Law it shall be ascertained:

(1) Whether the ship has the valid prescribed ship's papers and books,

(2) Whether from the date of issuing or certifying the ship's papers issued on the basis of the ship's technical survey any essential changes have taken place making it obvious that the ship's condition is not fit for navigation without endangering the persons and cargo aboard, as well as the surroundings,

(3) Whether the ship satisfies the conditions specified in article 110, points (2), (3) and (4), of this Law,

(4) Whether the prescribed loadline mark or freeboard line is marked on the ship's sides,

(5) Whether the skill of the crew in handling lifeboats and other life-saving appliances and fire-detecting, preventing and extinguishing appliances is adequate.

The inspectoral supervision shall also have to ascertain whether the ship has the valid cargo-gear register, and whether the condition of the cargo-handling installation corresponds to the data given in the cargo-gear register.

Article 186

If defects with regard to the ship's seaworthiness are ascertained by the inspectoral supervision in compliance with article 185, paragraph 1, of this Law, the shipmaster shall be ordered to eliminate within a given time the defects found.

If the defects found have not been eliminated within the given time, or if the defects found are of such nature as to endanger the safety of the ship, persons and cargo aboard and the environment, or if its slop tanks are full, the ship shall be forbidden to continue on the voyage until the referred to defects have been eliminated, and the ship shall be deprived of its seaworthiness documents.

If during the inspectoral supervision it is established that the ship does not have a valid cargo gear register in compliance with the provisions of article 185, paragraph 2, of this Law, or if the condition of these installations is not in compliance with the cargo gear register, the ship shall be forbidden to load, unload or tranship the cargo by means of its own cargo handling installations.

Article 187

If during the inspectoral supervision according to the provisions referred to in article 181, paragraph 1, point (3), of this Law it has been found that in the ports open to international traffic the regime in compliance with the international obligations of the Republic of Croatia has not been observed, or that the condition of the ports is such as to endanger the safety of the waterborne craft, the company or the body exploiting the port shall be ordered to take within a given time adequate measures or to undertake the necessary work to eliminate the defects found.

If the measures and work ordered in compliance with paragraph 1 of this article have not been completed within the time given, the safety of navigation inspector may:

(1) Prohibit the landing of waterborne craft of a given size along part of the wharf or other waterfront which has been found defective until the safe landing of these waterborne craft is made possible,

(2) Prohibit the use of the wharf or other waterfront or part of it, as well as of the anchorage directly endangering the safety of the waterborne craft, persons and things on the occasion of loading, unloading or transhipment, or if there is danger of environmental pollution due to the defective installation,

(3) Prohibit traffic in the port and anchorage during the time the safety of navigation is directly endangered in consequence of the lack of maintenance of the port facilities or the required depths in a serviceable condition.

Article 188

If during the inspectoral supervision according to the provisions referred to in article 181 paragraph 1 point (4), of this Law it is found that the condition of the navigable waterway or of the facility securing the safety of navigation on the waterway is such as to endanger the safety of navigation, the order shall be given:

(1) To the company in charge of maintaining and marking the navigable waterways to mark the obstacle on the waterway provisionally, or to remove it and to install or activ7ate warning signals and lights if they have been removed or are out of order,

(2) For the temporary prohibition of navigation if no measures for safe navigation have been taken.

If during the inspection supervision in conformity with paragraph 1 of this article also other defects in the navigable waterway which may endanger the safety of navigation are found, these findings together with suggestions of the measures to be taken shall be submitted to the Ministry and to the company in charge of maintaining and marking the navigable waterways so that adequate measures can be taken.

Article 189

If during the inspectoral supervision in conformity with the provisions of article 181,paragraph 1, point 5, of this Law it has been found that the maintenance of the radio-stations and the performance of the radio service are not in conformity with the regulations, the order shall be given for the defects found to be remedied within a given period of time, or the work of the radio station to be suspended.

If during the inspectoral supervision referred to in paragraph 1 of this article defects of a kind that may endanger the safety of navigation have been found, a report of the defects found with suggestions for their elimination shall be submitted to the Ministry.

Article 190

If the safety of navigation inspector finds that the building of facilities under construction in the internal waters and the territorial sea, or on their shores, has been carried out in a way endangering the safety of navigation, the contractor shall be given the order for temporary suspension of any further work, and if necessary the removal of the materials endangering the safety of navigation.

Under the facilities endangering the safety of navigation are understood also the facilities for the construction of which no approval has been obtained from the harbourmaster's office.

Article 191

If the safety of navigation inspector finds that a crew member has no certificate of competence for the kind of work for which he is engaged or has no valid seaman's document, he shall order the defects found to be eliminated within a given period of time.

If the crew member referred to in paragraph 1 of this article does not eliminate the defects found, the safety of navigation inspector shall order the shipmaster to sign off that crew member.

If the safety of navigation inspector finds that the crew member, pilot or leader of the boat is tired, sick or in such psychophysical condition as to be unable to perform work in connection with the safety of navigation, he shall order the shipmaster to relieve him from duty.

Article 192

If the safety of navigation inspector finds that the ship has embarked a greater number of persons or loaded a larger amount of cargo than permitted, or that the cargo has been stowed so as to endanger the safety of the ship or the persons on board, he shall order the surplus number of persons to be disembarked, or the amount of cargo exceeding the permitted limit to be discharged, or the cargo to be properly stowed.

If the shipmaster fails to execute the orders referred to in paragraph 1 of this article, the safety of navigation inspector shall prohibit the ship's departure, or forbid its further voyage.

PART FIVE
NATIONALITY, IDENTIFICATION, REGISTRATION AND DEREGISTRATION OF SHIPS

Chapter I
NATIONALITY AND IDENTIFICATION OF SHIPS

Article 193

A ship shall acquire Croatian nationality by its entry into an appropriate register of ships or by the issuance of a temporary certificate of registry.

Article 194

A ship which has acquired Croatian nationality shall have the right and duty to fly the flag of the Republic of Croatia.

The right and duty to fly the flag referred to in paragraph 1 of this article shall not apply to ships without crew.

When outside of the boundaries of the internal waters and the territorial sea of the Republic of Croatia, boats registered in the boat record book on the territory of the Republic of Croatia shall fly the flag of the Republic of Croatia.

Article 195

The flag of the Republic of Croatia is the sign of the Croatian nationality of a ship.

Article 196

The flag of the Republic of Croatia displayed on board a ship shall be identical in form with the flag of the Republic of Croatia, with the ratio of its hoist (width) to its fly (length) being 1:1.5.

Article 197

A ship registered in the Croatian Register of Ships, with the exception of technical waterborne craft and other floating facility, and ships which have been issued a temporary certificate of registry, shall bear a name.

A technical waterborne craft and a floating facility entered into a Croatian register of ships or which have been issued a temporary certificate of registry shall have a distinctive mark, and may, in addition to the mark herein, also bear a name.

Two ships may not have the same name, and two technical waterborne crafts or two floating facilities or two boats may not bear the same mark.

Rulings relative to names and marks of ships shall be issued by the Ministry in charge.

Article 198

A ship shall bear the name of the port of registry.

The port of registry shall be the port located in the area within the seat of the competent Ministry's the harbourmaster's office keeping the register of ships in which the ship is entered (hereinafter referred to as "harbourmaster's office").

Article 199

A ship and a boat carrying a radio equipment must bear a call sign in accordance with the rules of international radio-communications.

Article 200

A boat is granted Croatian nationality by way of its entry into an appropriate boat record book.

Chapter II
REGISTRATION AND DEREGISTRATION OF SHIPS

Article 201

Every ship which is entirely owned by physical or legal persons, citizens of the Republic of Croatia, domiciled or with the place of business in the Republic of Croatia, must be entered into a register of ships.

Article 202

The following ships may be entered in a register of ships:

(1) A ship which is wholly or partially owned by a foreign physical or legal person or a stateless person, or a citizen of the Republic of Croatia domiciled abroad if the operator of such ship is a Croatian physical or legal person, resident or with the place of business in the Republic of Croatia, provided that the ship's owner has agreed to the request of the Croatian ship operator to enter such ship in a register of ships;

(2) A ship which is wholly or partially owned by a foreign physical or legal person provided that the Republic of Croatia exercises control of the administrative, economic, and technical issues concerning the ship, and on condition that such registration is approved by the Ministry;

(3) A yacht which is wholly or partially owned by foreign physical or legal person, or stateless person, or by a citizen of the Republic of Croatia who is not domiciled in the Republic of Croatia, provided that the yacht is predominantly stationed in the area of the sea of the Republic of Croatia.

A ruling whereby the registration of a ship specified in paragraph 1, point 2, of this article is rejected, need not contain a statement as to the reasons for which the registration was rejected.

Article 203

A ship under construction in a Croatian shipyard may, at the request of the shipowner, be entered in a register of ships under construction.

Article 204

Should provisions of article 201 and 202, paragraph 1, point (3), of this Law apply, the owner of a boat may require that the boat or yacht be entered in the register of ships, no matter whether the ship meets or not the requirements referred to in article 5, paragraph 1, point (2), of this Law, whereupon the provisions of this Law relative to ships shall also apply to such a person, insofar as proprietary rights are concerned.

In the event of entering a boat as referred to in article 202, paragraph 1, point (3), of this Law in a register of ships, the owner of a boat shall be bound to authorize a Croatian physical or legal person, domiciled in the Republic of Croatia, to represent him, in his absence from the Republic of Croatia, before competent Croatian authorities.

Article 205

A ship registered in a foreign register of ships may not be registered in a Croatian register of ships.

Article 206

A ship shall be deregistered from a Croatian Register:

1. If she has been or if she is a presumed wreck;
2. If she no longer meets the requirements set forth in articles 201 and 202 of this Law;
3. If she is permanently withdrawn from service;
4. If she is registered in another Croatian register of ships.

It shall be presumed that a seagoing ship has been wrecked if a period of three months has elapsed since receipt of the last news of the ship. In such a case it shall be presumed that the ship has become a wreck as of the date of the receipt of the last news available on such a ship.

The provisions of paragraphs 1 and 2 of this article shall correspondingly apply to deregistration of ships under construction from the register of ships under construction.

Article 207

A ship may not be cancelled from a Croatian register of ships if this deregistration is opposed by a creditor who has a claim for which there is a maritime lien on the ship.

Should a hypothec be established on a ship, the deregistration of such ship from the register of ships shall be subject to the consent of the hypothecary creditor

In the cases referred to in paragraphs 1 and 2 of this article a competent harbourmaster's office may allow deregistration of a ship from the register of ships even without the consent of the hypothecary creditor, or despite the opposition of the hypothecary creditor having a maritime lien on a ship, provided that a sum of money equivalent to the claim of the aforesaid hypothecary creditor be deposited with the court, or if a security is given which the court, after having heard the hypothecary creditor, may find sufficient.

The provisions of this article shall also apply to ships under construction.

The provisions of this article shall however not apply to the deregistration of ships from the registers of ships referred to in article 206, paragraph 1, point 4, herein.

Article 208

The provisions of article 207 herein shall not apply to the transfer of the rights of ownership effected through abandonment in favour of the insurer.

Article 209

Registers of ships are public records.

Anyone has the right to inspect and copy the main register book, the file of documents, the list of ship owners, and the list of ships.

The harbourmaster's office keeping a register of ships is bound, against payment of a specific charge, to issue to a person requesting it a certificate of the state of entries in the register of ships or in the register of ships under construction, and a copy of the documents kept in the file of documents, if the entries in the register refer to such documents.

The certificates and copies of documents referred to in paragraph 3 of this article shall have the probative force of public documents.

Whoever, proceeding in good faith in legal intercourse, relies on data entered in a register of ships shall not bear any legal consequences arising therefrom.

Article 210

Seagoing ships may be registered in the following registers of ships:
- Register of merchant ships;
- Register of fishing ships;
- Register of ships used in public service.

For ships under construction there is a register of ships under construction.

Article 211

Registers of ships (hereinafter referred to as "registers of ships") and register of ships under construction (hereinafter referred to as "registers of ships under construction") consist of a main register book and the file of documents.

Article 212

The main book of a register of ships and of a register of ships under construction consists of inserts.

Such inserts consist of folio A, folio B, and folio C.

Exceptionally, an insert of the main book of a register of ships in public service may consist of folios A and B only.

Every ship must be registered in a separate insert.

Article 213

In folio A of the main book of inserts of a register of ships and a register of ships under construction there shall be entered data on the identity of ships or ships under construction and their basic technical characteristics.

Article 214

In folio B of the main book of a register of ships and a register of ships under construction there shall be entered the firm or the name and place of business of the legal person, or the name and domicile of the physical person, who is the owner of the ship, including any personal restrictions on the owner regarding the free disposition of the ship or the ship under construction.

In folio B referred to in paragraph 1 of this article there shall also be entered: the firm, or the name and place of business of the ship operator if the ship is wholly or partially owned by a foreign legal or physical person, provided that the entry of the ship is made in accordance with article 202, paragraph 1, point 1, of this Law. In other cases such data about the ship operator may be entered for the purpose of recording the existence of a ship operator who is not the owner of the ship.

In folio B of a register of ships under construction the firm or name and place of business, or personal name and domicile of the ship operator and the contractor (shipowner), may also be entered for record keeping purposes.

Article 215

In folio C of the insert of the main book of the register of ships there shall be entered the real rights with which the ship or part thereof is encumbered, and the rights acquired on the basis of these rights, charter by demise, time charter for the whole ship, the right of pre-emption, and any other restrictions on the rights to dispose of the ship, which are imposed on the owner of the ship so charged, bans on encumbrances and alienation, and all notices for which it is not explicitly specified that they must be entered in another folio of the insert.

Data referred to in paragraph 1 of this article relative to ships under construction shall be entered in folio C of the insert of the main book of the register of ships under construction.

Chapter III
REGISTRATION AND DEREGISTRATION OF BOATS

Article 216

A boat shall be registered in the boat record book kept by the harbourmaster's office, or its branch office, having jurisdiction over the domicile or the place of business of the physical or legal person owning the boat.

In exception to paragraph 1 of this article a boat may be registered in the boat record book with a harbourmaster's office, or its branch office, having jurisdiction over the area where the boat is permanently or temporarily staying or sailing.

Article 217

Entry in the boat record book shall be made of a boat which is wholly owned by a physical or legal person having domicile or place of business in the Republic of Croatia.

Entry in the boat record book shall be made of a boat which is wholly or partially owned by a foreign physical or legal person, a person having no citizenship, or by a citizen of the Republic of Croatia having no domicile in the Republic of Croatia, if the boat predominantly stays in the seas of the Republic of Croatia.

Article 218

A boat already registered in a foreign boat record book may not be registered in the Croatian boat record book.

Article 219

The boat record book is a public book, and an abstract from a boat record book shall have the legal force of a public document.

Article 220

A boat entered in a boat record book shall bear a mark and may also bear a name.

Article 221

A boat shall be deregistered from the boat record book:

(1) If it becomes a wreck or is presumed wreck or if it has been destroyed,
(2) If it no more meets the requirements of article 216 of this Law,
(3) If it is permanently withdrawn from navigation,
(4) If it becomes an appurtenance of a ship or another floating facility or is shortened, by means of conversion, to a length of less than three metres,
(5) If it is entered in another Croatian boat record book.

A boat shall be deemed a wreck if a period of three months has elapsed since the receipt of the last notice on the boat. In such a case the boat shall be deemed a wreck as of the date following the day when the last notice of it was received.

Within 15 days of the date of the occurrence of the circumstances referred to in paragraph 1 of this article, the owner of the boat shall request the harbourmaster's office that the boat be deregistered from the boat record book.

Article 222

The provisions of the present chapter of this Law shall not apply to the following:
(1) Boats which are the appurtenance of a ship or another floating facility,
(2) Sport rowing boats

(3) Boats up to three metres in length.

The provisions of paragraph 1, point 3, of this article shall not apply to boats of special design and propulsion enabling the boat to slide above the water surface (speed-boats, etc.) nor to boats used for the performance of economic operations.

PART SIX
PROPRIETARY RIGHTS

Chapter I
RIGHT OF OWNERSHIP

Article 223

Ships and ships under construction are movables.

Article 224

Ships and ships under construction may be subject to proprietary rights and in particular to the right of ownership, hypothec and maritime liens.

Ships, ships under construction, and yachts may be in co-ownership.

Unless otherwise agreed by the co-owners, co-ownership shall be divided into equal indivisible parts.

General regulations on proprietary rights shall correspondingly apply to the proprietary rights relating to ships and not governed by the Code herein.

Article 225

The provisions of articles 226 to 233, 206, 207, and 208 shall apply to the acquisition, transfer, restriction and cessation of the rights referred to in article 224 of this Law.

Article 226

Ships, ships under construction, or yachts of Croatian nationality may be owned by a domestic of foreign physical or legal person

A ship or yacht owned by a foreign physical or legal person may be of Croatian nationality under the conditions specified in article 202 of this Law.

Article 227

The right of ownership over a ship under construction shall include things built into such ship under construction.

Unless otherwise entered in the register of ships under construction, the right of ownership over a ship under construction shall also include things found in the precincts of the shipyard but which have not been built into the ship under construction, if according to their construction they are exclusively intended for being built into that particular ship or its appurtenances, or if the are distinctly identified or set aside as intended to be incorporated in that ship.

Article 228

When the right of ownership or any other proprietary right on a ship is acquired on the basis of a legal transaction, such transaction shall be effective only if it is made in writing.

A legal transaction not made in writing shall not have any legal effect.

Article 229

The right of ownership and other proprietary rights on a ship may be acquired, transferred, limited or cancelled only by an appropriate entry into the register of ships.

No entry into the register of ships is required for the establishment of a maritime lien and legal effects caused to third parties arising from such a right.

The legal effect of an entry into the register of ships of the rights referred to in paragraph 1 of this article with respect to other entries shall depend on the ranking such entries have according to article 280 of this Law.

Article 230

The provisions of article 228, paragraph 1, of this law shall not relate to the following cases:

(1 Transfer of the right of ownership over a ship to the insurer through the acceptance of an insurer's statement of abandonment or through payment of compensation from insurance in accordance with article 722, paragraph 3, of this Law;

(2) Acquisition of the right referred to in article 228 of this Law through inheritance, maturity, or public judicial sale;

(3) Acquisition and cessation of the right referred to in article 228 of this Law on sunken ships, if such rights were acquired or ceased owing to a failure to raise the ship within the time limit specified in article 807, paragraph 2, of this Law.

(4) Ships declared booty or war prize at sea.

Article 231

The provisions of articles 228, 229, and 230 of this Law shall also apply to ships under construction that are being built in Croatian shipyards from the moment of their registration in the register of ships under construction, as well as to boats which have been entered into the register of ships at their owners' request.

Article 232

Appurtenances of a ship shall be deemed to be all things which by their purpose lastingly serve for its use even when they are temporarily separated from it.

Appurtenances of a ship shall also include all things listed in the ship's inventory.

Article 233

The transfer or alienation of a ship shall also include its appurtenances.

The transfer or alienation of a ship shall not include those parts of appurtenances in respect of which a notice was entered in the register of ships, with the consent of the owner of the ship, to the effect that they are part of another physical or legal entity.

Chapter II
HYPOTHECS AND MARITIME LIENS ON SHIPS

1. Hypothec on Ships

Article 234

A hypothec on a ship is a right entitling the creditor to satisfy his claim from the price of the ship obtained through a judicial sale.

In exception to paragraph 1 of this article, when a hypothec on a ship is executed abroad, by exercising the proceedings provided in a foreign legislation whereby judicial sale is not admitted, the creditor shall be entitled to settle his claims form the sum of the purchase price obtained for the ship at the public auction.

A contract on the hypothec on a ship may also contain the provision entitling the creditor to satisfy his due and unpaid claim by exploiting the ship if the debt is not duly paid.

A hypothec on a ship shall not be terminated by a change of the owner of the ship, unless otherwise specified by this Law.

Article 235

A hypothec on a ship may arise from a contract (contractual hypothec) or a court's decision (court hypothec).

Article 236

A sub-hypothec in favour of third persons may be established by a contract under conditions as referred to in article 234 of this Law.

In the cases referred to in paragraph 1 of this article a hypothecary debtor may pay his debt to a hypothecary creditor only if so allowed by the hypothecary sub-creditor, or if he deposits the sum due with the court. If the debtor fails thus to proceed, the hypothec on the ship shall remain in force for the claim of the hypothecary sub-creditor.

A hypothecary creditor may enter a contract as referred to in article 234, paragraph 3, of this Law after drawing up a contract on the mortgage on a ship only upon written consent of the hypothecary sub-creditor.

A contract contrary to the provision in paragraph 3 of this article shall be null and void.

Article 237

A hypothec on a ship shall also extend to the ship's appurtenances, except in the case when a note has been made in the register of ships to the effect that, with respect of article 233, paragraph 2, of this Law, the appurtenance is part of ownership of another physical or legal person.

Article 238

A hypothec on a ship shall also extend to the following accessories of the ship:

(1) Claims for damages for still unrepaired material damage suffered by the ship;

(2) Claims arising from general average if they relate to still unrepaired material damage to the ship.

Article 239

A hypothec on a ship shall, unless otherwise stipulated, not extend to freight, passage money, towage remuneration and hire, nor to salvage rewards.

A hypothec shall not extend to exploitation and use of the ship, unless otherwise stipulated.

Article 240

A hypothec on a ship shall, unless otherwise stipulated, also extend to indemnity from the ship's insurance due to the owner of the ship.

A hypothec on indemnity from the ship's insurance shall be extinguished if the insurer pays the indemnity before the hypothecary creditor has notified him of the existence of the hypothec on the ship.

If the insurer has been notified of the hypothec on insurance indemnity, he shall not pay this to the insured party without the consent of the hypothecary creditor.

Article 241

A hypothec in favour of the principal shall also apply to the costs of entry of the hypothec and of legal and enforcement proceedings.

Three years arrears in interest charges due to the creditor on the basis of a contract or law shall have the same rank as the principal.

Article 242

When a ship sustains such damage or its condition is such that the hypothec does not provide sufficient security to settle the claims, the hypothecary creditor (pledgee) may demand settlement of the claims even before they fail due if the debtor has not offered him some other security for the difference created by this decrease in security.

Article 243

A ship encumbered with a hypothec may be permanently withdrawn from service only with the prior consent of the hypothecary creditors (pledges).

If there is no consent from the hypothecary creditors as provided for in paragraph 1 of this article, the hypothecary debtor (pledgor) has the right to demand from the court that the ship be sold at public auction.

Article 244

The provisions of this Law pertaining to hypothec on ships shall also apply to hypothecs on ships under construction which is entered in the register of ships under construction.

Article 245

A hypothec on a ship shall cease:

(1) If the hypothec is cancelled from the register;

(2) If the ship is sold in enforcement of bankruptcy proceedings;

(3) If the ship is declared as booty or war prize at sea.

If in the case referred to in paragraph 1, point 3, of this article the ship is released, the hypothec shall be re-established.

Article 246

The rights and their ranks acquired by entry of a hypothec shall not be extinguished by the ship's deregistration from the register of ships because the ship being wrecked or presumed wrecked, or because she has been permanently withdrawn from service (cf. article 206, paragraph 1, points 1 and 3).

Article 247

A hypothec may for one and the same claim be entered undividedly on two or more ships or ships under construction, or on two or more claims arising from a hypothec (joint hypothec).

In the case referred to in paragraph 1 of this article the creditor shall be entitled to demand settlement of the entire claim from each individual ship encumbered with the hypothec.

Article 248

A hypothec on a ship may be entered in the national or foreign currency.

The hypothecary creditor shall have the right freely to dispose of the resources in the currency obtained by the judicial sale of the ship, or through the court sale of the ship or at public auction by virtue of article 234, paragraph 2, of this law.

Article 249

A hypothec entered in a foreign register on a ship that has acquired Croatian nationality, which is stated in the document on the deregistration of the ship from the foreign register, shall be recorded in a Croatian register of ships as a pre-emption entry of the hypothec on the ship, which right shall have the rank according to the moment decisive for determining its ranking in the foreign register.

The hypothecary creditor in whose favour such pre-emption entry has been made shall be bound to justify such pre-emption entry within 60 days from the date he was served the notice of the entry.

2. Maritime Liens on Ships

Article 250

The following shall give rise to maritime liens:

(1) Law costs incurred in the common interest of all creditors in enforcement or security proceedings instituted in order to preserve the ship or to procure its sale, and the costs of watching and surveillance from the time of the entry of the ship into the last port; port and light dues (i.e. dues for navigation security services); pilotage dues; claims arising from contributions for social insurance; claims of the competent authorities for ordered and effected raising or removal of a wreck;

(2) Claims arising out of the pays (wages and other sums) due to the master, officers and other members of the ship's complement;

(3) Claims arising from awards for salvage at sea and contribution of the ship in general average;

(4) Claims arising from indemnities for collisions or other accidents of navigation, as well as for damages caused to port works and structures, docks and navigable waterways; claims arising from indemnities for personal injury to passengers or crew; claims arising from indemnities for loss of or damage to cargo or baggage;

(5) Claims resulting from contracts entered into or acts done by the master, outside the ship operator's head office, while acting within the scope of his statutory authority, for the purpose of the actual needs of the preservation of the ship or the continuation of the voyage, irrespective of whether the master is or is not at the same time the owner or co-owner of the ship.

Maritime liens on a ship for the principal shall also apply to interest charges.

Article 251

Maritime liens on a seagoing ship shall also extend to its appurtenances.

Article 252

Maritime liens on a ship shall also extend to freight or passage money and towage remuneration, and also to the claims due for the award for the salvage rendered in the part of the voyage during which the claim secured by the maritime lien arose.

Article 253

Provisions pertaining to maritime liens on a ship shall not relate to claims arising out of indemnity for nuclear damage.

Article 254

Maritime liens shall not be extinguished by a change of the owner of the ship, unless otherwise specified by this Law.

Article 255

Maritime liens shall not relate to the ship owner's claims arising out of insurance contracts.

Article 256

For the purposes of the provisions of this Law pertaining to maritime liens (articles 250 to 264), freight or passage money of a ship shall be considered to be the freight or passage money owed to the ship operator by the charterer or by passengers.

Maritime liens on ships in favour of the persons referred to in article 250, paragraph 1, point 2, of this Law, which are owed for all voyages made during the same period of employment on the same ship, shall be charged to freight or passage money and towage remuneration referred to in article 252 of this Law.

Maritime liens for the claims referred to in article 250, paragraph 1, points 3 and 5, of this Law and for claims arising out of collisions or other accident of navigation and indemnity for damage caused to works forming part of harbours, docks, and navigable waterways as referred to in article 250, paragraph 1, point 4, of this Law, shall only extend to those claims that arise out of the salvage awards and which have occurred after such claims had arisen.

Article 257

Claims secured by maritime liens relating to one and the same voyage of a seagoing ship shall be settled in the order mentioned in article 250, paragraph 1, of this Law, and the claims referred to in article 250, paragraph 1, point 2, of this Law shall have the same rank as claims arising out of the last voyage.

If the claims referred to in individual points of article 250, paragraph 1, of this Law cannot be fully settled, they shall be settled in proportion to their amounts. With respect to the claims referred to in article 250, paragraph 1, points 3 and 5, of this law, any subsequent claims shall, with respect to each of these points, have priority over the previous claims.

Claims arising from one and the same occurrence shall be deemed to have come into existence at the same time.

Article 258

Claims secured by a maritime lien and attaching to the last voyage of a seagoing ship shall have priority over those attaching to previous voyages.

Maritime liens in favour of the persons referred to in article 250, paragraph 1, point 2, of this Law which arise out of one and the same contract of engagement extending over several voyages shall all rank with claims attaching to the last voyage.

Article 259

A maritime lien attaching to freight or passage money and towage remuneration may be carried into effect as long as the freight or passage money or towage remuneration are owed or until their amount is still with the master or agent of the ship.

A maritime lien attaching to claims arising out of a salvage reward may be carried into effect as long as the claim in question is owed or as long as the amount paid for this claim is still with the person holding the said amount on behalf and for the account of the debtor.

Article 260

Maritime liens on a ship shall cease to exist:

(1) With the extinguishment of the claim secured by the maritime lien;

(2) After the expiration of one year, and in cases of maritime liens as referred to in article 250, paragraph 1, point 5, of this Law, after the expiration of six months;

(3) With the sale of the ship in enforcement or bankruptcy proceedings;

(4) By the constitution of a limitation fund for claims secured by the maritime liens and subject to limitation of liability.

Maritime liens on a ship shall cease to exist if the ship is declared a maritime seizure, or if the ship becomes booty or war prize at sea. If the ship is released, the maritime liens which according to paragraph 1, point 2, of this article did not cease to exist before the ship was captured shall be re-established.

Article 261

The term referred to in article 260, paragraph 1, point 2, of this Law shall be counted:

- For maritime liens securing claims arising from remuneration for assistance and salvage - as from the date the salvage operations were terminated;
- For maritime liens securing indemnities for collisions or other accident of navigation and indemnities for personal injury - from the date the damage was caused;
- From maritime liens securing indemnities for loss of or damage to cargo or baggage - from the date on which the cargo or baggage was handed over or should have been handed over;
- For maritime liens securing indemnities for repairs, provisions, and other claims as referred to in article 250, paragraph, point 5, of this Law - from the date the claim came into existence.
- In all other cases - from the date on which the claim became due.

The term specified in article 260, paragraph 1, point 2, of this Law shall cease to run by the institution of a lawsuit for the settlement of claims secured by maritime liens. This term shall cease to run by the institution of a lawsuit only if the ship has been arrested or if a notice of the lawsuit instituted has been entered in the register of ships in which the ship is registered.

When a judgment passed in the lawsuit which was the subject matter of the notice has become final, the maritime lien shall cease to exist within 60 days from the date the judgment becomes enforceable, if within this term the creditor has not demanded that the ship be sold, or if the court, at his request, has not arrested the ship. The creditor shall have the right within this term to demand from the court that his maritime lien on the ship be entered in the register of ships with the rank according to the moment the notice of the lawsuit for the realization of the maritime lien was entered in the register of ships.

Article 262

The provisions of this Law pertaining to maritime liens on ships shall also apply when a ship is exploited by a person who is not the owner of the ship, unless the ship has been taken away from the owner of the ship by an unlawful act, and if the creditor who has a lien on the claim fails to act in good faith.

Article 263

The cessation of a maritime lien on a ship shall not cease the claim secured by this lien.

The assignment of a claim secured by a maritime lien shall also result in the transfer of the maritime lien on the ship.

Article 264

Maritime liens on a ship shall not cease to exist by the ship being deregistered from the register of ships.

Article 265

The provisions of articles 250 to 264 of this Law shall not apply to ships entered in the register of ships in public service.

Article 266

The provisions of this Law pertaining to maritime liens on ships shall also apply to boats, yachts, and ships under construction when afloat.

Chapter III
PROCEDURE FOR REGISTRATION IN REGISTERS OF SHIPS

1. Common Provisions

Article 267

The provisions of this Law pertaining to the procedure of registration of ships in the registers of ships shall also apply to ships under construction, unless otherwise specified by this Law.

Article 268

Entries in registers of ships shall be made on the basis of rulings rendered by the competent harbourmaster's office.

A ruling on an entry in folio A of the insert of the main book of register of ships shall be rendered by the harbourmaster's office keeping the register in which the ship is entered.

A ruling on the first registration of a ship, rulings on entries in folio B and folio C of the insert of the main book of a register of ships, and rulings on the deregistration of a ship shall be rendered by the harbourmaster's office keeping the register of ships.

A ruling on the transfer of the registration of a ship from one Croatian register of ships to another Croatian register of ships shall be rendered by the harbourmaster's office keeping the register of ships where the ship is to be entered.

The registration procedure referred to in paragraph 2 of this article shall be carried out in accordance with the provisions of the General Administrative Procedure Act.

Article 269

Only the following may be entered in a register of ships: proprietary rights, charter by demise, time-charter for the whole ship, and the right of pre-emption.

Article 270

An entry in a register of ships shall contain the text of the ruling on the entry.

If because of the state of entries in the register of ships the ruling on an entry may not be carried into effect, the entry may only be carried into effect on the basis of a new ruling by which the previous ruling is corrected or altered.

Article 271

By virtue of this Law entries shall include:

(1) First registration in a register of ships - by which a ship which until then was not registered in a Croatian register of ships is registered in such a register.

(2) Entry in folio A - by which particulars on the identification of the ship and its technical characteristics are entered in folio A of the insert of the main book of the register of ships;

(3) Inscription - by which registration, transfer, restriction or cessation of rights is effected without any special justification (unconditional entry of rights and unconditional erasure);

(4) Pre-emption entry - by which registration, transfer, restriction or cessation of rights are effected subject to subsequent justification (conditional entry of rights or conditional erasure);

(5) Notice - by which personal relations important for the disposal of property or other facts are recorded, the notice of which is under law a condition for specific legal effects;

(6) Transfer of a ship's registration - by which a ship is transferred from one Croatian register of ships to another Croatian register of ships.

(7) Deregistration of a ship - by which the ship is deregistered from a Croatian register of ships.

Article 272

The right of ownership and other proprietary rights on a ship may be registered on the ship as a whole or a part thereof determined in proportion to the whole, but not for individual constituent parts of the ship.

A hypothec may not be registered on a part of a ship, in proportion to the whole, if the right of the ownership of the ship has been registered in favour of one person, nor on any portion of that part of a ship for which a co-owner has been entered in the register of ships.

Entry of the transfer of a claim secured by a hypothec on the ship and the acquisition of a sub-hypothecary right shall be allowed in respect of the entire claim and a part thereof determined proportionally or numerically.

Article 273

Certain things which are appurtenances of a ship may, with the consent of the owner of the ship, be recorded in the register of ships as forming part of the assets of another physical or legal person.

Article 274

The entry of a hypothec on the ship shall contain at least:

(1) The monetary sum of the claim secured by the hypothec;

(2) The amount of interest charges if they must be paid together with the claim;

(3) The firm or the name and place of business or the personal name and domicile of the hypothecary creditor (pledgee);

Article 275

If a hypothec is established to secure claims that might arise from a credit granted, from the guarantees taken over, or from damage indemnities, the highest sum which the credit or liability may reach must be stated in the document on the basis of which the entries are being made.

Article 276

Entries shall only be allowed against persons in whose favour, at the time of the submission of the proposal for the entry in the register of ships, the right of ownership or the right for which the entry is being made is registered or is being simultaneously registered in the register of ships.

Article 277

If several persons have successively have acquired the right to register some rights on a ship or on the rights registered on a ship, and they have not registered these rights, the last person who has acquired such a right may, provided that he proves who his predecessors are, demand that this right be registered directly in his favour.

If a claim secured by a hypothec entered in the register of ships has been transferred to some person, and the claim has in the meantime been settled, the debtor may, if he proves the transfer, demand that the entry be erased without prior transfer being effected.

Article 278

If a creditor who has the right to request entry of a hypothec on a ship, or a sub-hypothecary right on a registered hypothec of his debtor, has not requested such entry, the guarantor may also request the entry of these rights in favour of the creditor.

Any co-owner may for himself and on behalf of other co-owners request entry of their joint rights which cannot be divided in proportion to the whole.

Article 279

Entries in a register of ships on the basis of a ruling on inheritance or legacy shall be made on the basis of a final ruling of the competent probate court.

2. Ranking

Article 280

Decisive for the rank of an entry shall be the moment when the proposal for the entry reaches the harbour master's office keeping the register of ships in which the entry is to be made.

Entries effected on the basis of proposals which arrived at the same time shall have the same rank, unless otherwise specified by some other law.

Article 281

The ranking of the rights registered on a ship may be changed by an inscription or a pre-emption entry of the assignment of the rank. Such a change shall require consent from the holder of the rights who assigns his rank and whose right moves back and from the holder of the right which moves forward into his place. If the right which moves back is a hypothecary right, consent from the owner of the ship shall also be required; if the right which moves back is encumbered with a right of a third person, consent from such a person shall also be required. Such a change shall not affect the extent and ranks of other registered rights.

Article 282

The right which moves forward shall acquire without any restrictions the rank of the right which moves back, if these rights were entered in the register of ships immediately one after another, or have been accorded priority by all those whose rights are registered between them.

Article 283

If the assignment of rank is effected between rights which where not entered immediately one after another, without consent from those whose rights were registered between them, the right which moves forward shall acquire the rank of the right which moves back only to the extent and content of this right.

If the right which moves back is conditional or subject to a specific time limit, the right which moves forward in enforcement proceedings conducted before the occurrence of this condition or the expiration of this time limit, may be settled only to the amount which falls to this right according to its previous rank.

If a buyer at public auction must take over a right which moves back according to its previous rank without it being counted in the purchase price, in dividing the purchase price the right which moves forward shall be taken into account according to its original rank.

Article 284

The right which moves backward shall also in its previous place have priority over the right which moves forward, unless otherwise stipulated between the hypothecary creditors replacing the ranking of their hypothecs.

Article 285

If by the assignment of rank a number of rights take the rank of another right and the assignment is simultaneously inscribed, the right which had priority in the ranking prior to the assignment shall also have priority in its new place, unless otherwise stipulated between the hypothecary creditors replacing the ranking of their hypothecs.

Article 286

Subsequent changes concerning the existence or extent of the right which through the assignment of rank moves back shall not affect the rank of the right which moves forward, unless otherwise stipulated between the hypothecary creditors replacing the ranking of their hypothecs/mortgages.

3. Applications and Proposals

Article 287

A ruling on the registration of a ship in a register of ships shall be rendered on the basis of an application or proposal of the authorized party or at the request of the competent authority, unless otherwise specified in this Law.

Applications and proposals or requests as referred to in paragraph 1 of this article shall be submitted to the harbour master's office keeping the register of ships in which the ship is registered or should be registered.

Article 288

Applications and proposals for the registration of a ship in a register of ships shall be submitted in a sufficient number of copies to the harbourmaster's office keeping the register of ship, notably: for that harbour master's office and for those parties to whom the ruling on the registration of the ship must be submitted.

If an application or proposal has not been submitted in a sufficient number of copies, the harbourmaster's office referred to in paragraph 1 of this article shall summon the submitter to do so within a specified time limit. If the submitter fails to proceed accordingly, this authority shall order the application to be copied at the expense of the submitter.

Article 289

If an application is subject to a time limit, set by the provisions of this Law pertaining to the procedure for registration in a register or ships, the petition shall be deemed to have been submitted within this time limit only if before the expiration of the time limit it has reached the competent harbour master's office keeping the register of ships.

The time limits set in the provisions of this Law pertaining to the procedure for entries in a register of ships, with the exception of the time limits for the justification of a pre-emption entry (articles 346 and 348) and the time limit for the submission of original documents (article 310) or translations (article 311), may not be extended.

No restoration into the previous condition shall be allowed arising from failure to abide by the time limits set by this Law in the procedure for entry in a register of ships.

Article 290

An application for a first registration of a ship whose registration in a register of ships in obligatory (article 201) for entry of changes which are recorded in folio A of the insert of the main book of the register of ships, or for entry of changes on account of which a ship is being deregistered from the register of ships, shall be submitted in writing.

For other entries a proposal shall be submitted in writing.

Article 291

An application or proposal for registering a ship in a register of ships shall state the authority to which the application or proposal is to be addressed, the personal name and domicile or the name and place of business of the submitter of the application or proposal and of those persons to whom the ruling on the entry must be communicated, and the name or call sign of the ship to be registered.

In the proposal or application it shall be specified with precision what must be entered in the register.

A proposal for an inscription shall tacitly also contain a proposal for a pre-emption entry, unless the proposer of the pre-emption entry has explicitly excluded this.

Several entries may be requested on the basis of one document by one proposal, and also the entry of one and the same right in several inserts, or the entry of several rights in one insert.

Article 292

An application for the registration of a ship in a register of ships shall contain all particulars which are to be entered in a register of ships. The application shall be accompanied by documents proving the particulars being entered in the register of ships.

Article 293

A proposal submitted by the legal representative of a person for entry of the acquisition, transfer, restriction or cessation of rights registered on ships must be accompanied by the approval of the competent guardianship agency where such approval is necessary.

Article 294

Entries in folio A of the insert of the main book of a register of ships, inscriptions and pre-emption entries shall be allowed only on the basis of documents drawn up in the form prescribed for their validity.

Titles or personal names of persons who are making part in the legal transaction cited in the document on the basis of which an entry is to be made shall be precisely specified. Such a document shall also specify the place where it was drawn up and the date when it was drawn up.

Documents on the acquisition, transfer, restriction and cessation of the rights referred to in article 228 of this Law shall also specify valid legal grounds.

Documents on the basis of which an entry is being made in a register of ships shall not have any visible defects that impair their authenticity; if they consist of several folios, they shall be sewn together so that no other folio can be inserted.

Article 295

Documents on the basis of which entries are made in folio B and folio C of the insert of the main book of a register of ships shall be submitted in the original, whereas other documents may be enclosed in a certified copy as well.

Of each document referred to in paragraph 1 of this article an uncertified copy or a photocopy shall be enclosed for the file of documents. The registrar of shipping shall confirm that this copy or photocopy is identical with the original.

If the original of a document is filed among official documents or is kept under custody of the harbourmaster's office keeping the register of ships, or if it was enclosed in a proposal or application already submitted, it shall be sufficient to submit a copy or a photocopy in two exemplars, stating where the original is kept.

If the original of a document cannot be immediately submitted because it is kept by another authority or a court, this must be stated in the proposal or application and a copy or photocopy provided with a certification by an administrative body or a court proving that the copy of photocopy is identical with the original must be enclosed, and also an uncertified copy or photocopy of the document.

Article 296

Documents in a foreign language must be accompanied by a certified translation into the Croatian language.

4. Effectuation of Registration

(a) Common Provisions

Article 297

Provisions of the Civil Procedure Act shall correspondingly apply to administrative proceedings for registration in the register of ships conducted by a harbourmaster's office keeping the register of ships, unless otherwise specified by this Law.

Article 298

Parties to proceedings for registration in a register of ships shall be persons who request the registration and all other persons whose rights are registered in the register of ships.

Article 299

An agreement reached by the parties on court jurisdiction shall not have any legal effect.

Article 300

In the proceedings for registration in a register of ships the harbourmaster's office keeping the register of ships shall make decisions in the form of a ruling.

Article 301

Parties to and other participants in proceedings for registration in a register of ships may be heard orally or submit written statements. When several persons are to be heard, they may also be heard individually in the absence of the others.

Article 302

Minutes shall be kept of oral statements made in the course of the proceedings for registration in a register of ships.

If statements or communications of minor importance are involved, only an official note may be made in the files instead of minutes.

Article 303

In proceedings for registration in a register of ships each party shall bear his own expenses.

Article 304

In deciding on an application or proposal, decisive for the harbourmaster's office keeping the register of ships shall be the moment when the application or proposal was received by such an authority.

Article 305

The harbourmaster's office keeping the register of ships shall record an application or proposal for registration in the register of ships in the daybook of the register of ships, noting in it the date, hour and minute when the application or proposal reached it. This harbourmaster's office shall record in the insert of the register of ships in which the ship is being registered, if the insert has already been opened, that the application or proposal for registration has been submitted, putting down in pencil the number under which the application or proposal has been recorded in the file registry.

If no insert has yet been opened, as soon as an application or proposal for a first registration in the register of ships arrives, an insert shall be opened in which shall be put down in pencil the number under which the petition was filed in the daybook of the register of ships, the name or mark of the ship and the numbers of all subsequent applications or proposals which arrive before the registration in the register of ships has been effected or before the ruling rejecting the entry of the ship has become final.

No insert for a first registration of a ship in the register of ships shall be opened if the application or proposal is completely unintelligible or vague.

Article 306

When a proposal requesting an inscription, a pre-emption entry or a notice on a ship already registered in a register of ships has reached it, the harbourmaster's office keeping the register of ships shall decide whether or not according to the state of entries in the register of ships in which this ship is registered there are any impediments to the effectuation of the registration requested.

Article 307

A proposal for the transfer of the registration of a ship to a register of ships kept by another harbourmaster's office shall be submitted to the harbour master's office with which the ship has been registered.

Such a proposal must be accompanied by documents proving that preconditions exist for the transfer of the ship's registration referred to in paragraph 1 of this article.

When the harbourmaster's office in whose register of ships the ship is registered receives the application or proposal for the transfer of the ship's registration, it shall make a notice of the request for such transfer in the register of ships in which the ship is registered. After rendering a ruling on the registration of the ship in the new register of ships with all data from the register of ships, a ruling thereon shall be submitted to the harbourmaster's office to whose register of ships the entry is being transferred. The harbourmaster's office from whose register of ships the ship is being deregistered shall carry out the entry of cancellation of the ship from the register of ships and shall send to the harbourmaster's office in whose register of ships the ship is to be registered the file of documents relating to the ship which has been deregistered from its register.

If a proposal is submitted for the transfer of a ship from one register to another, which is kept by the same harbourmaster's office, this harbour master's office shall proceed in accordance with the provisions of paragraph 3 of this article.

Article 308

On the basis of the proposal or application and its enclosures the harbourmaster's office keeping the register of ships shall allow the ship to be registered in the register of ships:

(1) When from the register of ships it cannot be seen that in respect of the ship or rights thereon there is any impediment to the registration requested, or in case of an application or proposal for a first registration of a ship in the register of ships, if the requirements referred to in articles 201 and 202 of this Law have been met;

(2) When there is not any well-founded doubt that the proposer is authorized to submit the proposal and that the participants to whose rights the registration relates have the capacity of disposing of these rights;

(3) When according to the content of the documents submitted the request is well-founded;

(4) When the documents have the form required for an inscription, pre-emption entry or notice.

When registration in a register of ships is allowed by a harbour master's office other than the harbourmaster's office referred to in article 268 of this Law, the harbourmaster's office referred to in article 268 of this Law shall confine itself to deciding whether or not the registration is permissible from the point of view of the state of register, while other requirements for the entry shall be decided by the harbourmaster's office allowing the registration.

Article 309

Except in the cases referred to in articles 330, 350 and 374 of this Law, the harbourmaster's office keeping a register of ships shall in respect of every application or proposal decide on the case itself without hearing the parties, and, as a rule, without rendering a prior decision (articles 310, 311, 393 and 394). In its ruling the harbourmaster's office shall explicitly state whether the proposal has been approved or rejected.

If the proposal is only partly approved, the registration shall be ordered only fur that part which has been approved, and the part which has not been approved shall be rejected.

If the proposal is wholly or partially rejected, the ruling shall give the reasons for the rejection of the proposal.

Article 310

The harbourmaster's office shall render a ruling on registration in the register of ships on the basis of original documents.

If from the application or proposal and copies of the documents enclosed it follows that the request might be complied with if an original document had been submitted, the harbourmaster's office shall, in order to preserve the rank of the right involved, order a notice of the application or proposal to be made in the register of ships with the note "until the original arrives".

At the same time, the harbourmaster's office keeping the register of ships shall set the proposer a reasonable time limit within which he must submit the original document, unless the body with which it is deposited is ex officio bound to send it. If such body or a court subsequently sends the original document, or if the document is submitted within the time limit set, the proposal shall be decided with the case itself.

It the original document is not submitted within the fixed or extended time limit, the proposal shall be rejected and an order shall be made ex officio that the notice be erased.

In exception to the provision of paragraph 1 of this Law the harbourmaster's office keeping the register of ships may, after being granted justifiable reasons, allow entry into the register of ships on the basis of the certificate of deregistration of a ship from a foreign register of ships sent by a facsimile message, provided also that a time limit is determined for the submission of the original document.

If it follows from the proposal and enclosed documents that the request could not have been complied with even if the original document had been enclosed, the harbourmaster's office shall reject the proposal.

The provisions of this article shall correspondingly apply to applications for the first registration of a ship or a ship under construction.

Article 311

If an application or proposal does not enclose a translation of a document written in a foreign language and from the petition it does not follow that the request should be rejected, in order to preserve the rank for the right involved, the harbourmaster's office keeping the register of ships shall order a notice of the application or proposal to be made in the register with the note "until the translation arrives". The harbourmaster's office keeping the register of ships shall at the same time fix for the proposer a reasonable time limit within which he must submit the translation. If the translation is submitted within the fixed or extended time limit, the proposal shall be decided together with the case itself, failing which the application or proposal shall be rejected and the erasure of the notice shall be ordered ex officio.

Article 312

The harbourmaster's office keeping the register of ships may not allow that something more than, or something else than, a party has requested be entered in the register of ships although according to the documents submitted the party would be authorized to request more or something else.

If only a pre-emption entry is proposed, no inscription may be ordered, even if there are preconditions for such inscription.

Article 313

If it follows from the documents that a person who has acquired a right entitling him to inscription has been given permission for inscription, but that at the same time restrictions have been imposed upon him in connection with the disposal of the acquired right, or that obligations have been imposed upon him in respect of which an inscription has at the same time been contracted in favour of specific beneficiaries, the entry requested shall not be allowed unless an inscription or - depending on the kind of the document involved - at least a pre-emption entry of the contracted restriction or obligations in simultaneously proposed. A proposal for the simultaneous entry of mutual rights and obligations may be submitted by any party.

Article 314

A ruling permitting an entry in the register of ships shall contain:

(1) The designation of the insert in which the entry must be made and the name of the ship to which the entry relates;

(2) The name and place of business or the name and domicile of the person in whose favour the entry will be made, the ship or the right on the ship on which the entry will be made, the designation of the documents on the basis of which the entry is allowed, the kind of the entry that will be made and the essential content of the right being entered, all this in words which have to be entered in the register of ships.

If the content of the right which is being entered cannot be expressed briefly, reference may be made to exactly designated passages in the documents on the basis of which the entry is ordered, with the same effect as if these passages were entered in the main book. A ruling ordering registration of a ship in a register of ships must also contain all data that must be entered in folio A, in the words in which these data were stated in the previous ruling of the harbourmaster's office keeping the register of ships.

Article 315

When the ruling on registration in a register of ships has been rendered by a harbourmaster's office keeping the register of ships other than the harbourmaster's office having jurisdiction according to the provision of article 268 of this Law, the former shall send its ruling to the harbourmaster's office keeping the register of ships in which the ship is registered for the purpose of conducting proceedings according to articles 305 and 306 of this Law.

This harbourmaster's office shall proceed according to the provisions of article 306, paragraph 2, and article 308, paragraph 2, of this Law and shall render either a ruling ordering the enforcement of the registration, or a ruling rejecting the enforcement of the allowed registration, and shall send its ruling to the harbourmaster's office which rendered the ruling permitting the registration and also to the harbour master's office keeping the register of ships in which the ship is registered, with all relevant documents, for the purpose of enforcement of the registration and for the purpose of sending the ruling to the persons indicated in the ruling.

Article 316

If the harbourmaster's office referred to in article 268 of this Law rejects the proposal for an inscription or a pre-emption entry, or for a first registration of a ship in a register of ships, or if it rejects the proposal for entering a notice of rank, or if it rejects the enforcement of a permitted registration (article 315), the harbourmaster's office shall order by a ruling the entry of a notice of rejection of these requests. The harbourmaster's office shall proceed in the same way, even in the event of the rejection of the proposal for allowing sale for the purpose of settling a claim for which no right of pledge was inscribed.

The notice shall not be entered:

(1) If from the proposal and its enclosures it cannot be determined which ship or right whose entry is being requested is involved, or if the ship or the right has not been registered in the register of ships indicated, or if no insert for registration has been opened in connection with the application or proposal for a first registration;

(2) If the right of ownership or some other right on the ship has not been entered in favour of the person against whom according to the content of the document the inscription or pre-emption entry may be effected.

The inscription of the pre-emption entry shall be indicated in the ruling.

Article 317

If any of the proposals referred to in article 316 of this Law is rejected by a harbourmaster's office other than the harbourmaster's office mentioned in article 268 of this Law, this harbourmaster's office shall ex-officio request the harbourmaster's office referred to in article 268 of this Law to order entry of a notice of rejection of the proposal.

Article 318

When the harbourmaster's office referred to in article 268 of this Law is satisfied that the ruling rejecting the entry referred to in articles 316 and 317 of this Law has become final because no appeal has been lodged, it shall ex-officio render a ruling ordering the erasure of the notice of rejection of the entry and shall notify the parties thereof.

Article 319

The harbourmaster's office keeping the register of ships shall submit the ruling on the entry, together with all documents enclosed in the application or proposal for the entry, to the persons indicated in the ruling, for the purpose of executing the entry and for proceeding in accordance with articles 329 and 332 of this Law

Article 320

The ruling on the entry shall be carried into effect by the harbourmaster's office keeping the register in which the ship is registered; where a first registration is involved - by the harbourmaster's office keeping the register in which the ship is to be registered.

Article 321

Each entry, except entries in folio A concerning technical data, shall contain:

(1) The date of receipt of the proposal and the number of the daybook of the register of ships;

(2) The title of the document underlying the entry, the place where the document was drawn up and the date on which it was drawn up;

(3) The name of the harbourmaster's office and the number and date of its ruling which allowed the entry;

(4) The kind of entry (article 271) and the essential content of the right or facts which are to be entered;

(5) The name and place of business or the name and domicile of the person in whose favour the entry is being made.

If the harbourmaster's office simultaneously receives several proposals relating to the same ship, at each entry made in connection with these proposals a notice shall be made of the numbers of other proposals with the indication that they arrived simultaneously.

Article 322

When the harbourmaster's office keeping the register of ships renders a ruling ordering the registration of a ship in the register of ships, a simultaneous registration of the ship is to be made in folio A and folio B of the

register of ships. After making the registration, this harbourmaster's office shall proceed in accordance with the provisions of articles 329 and 332 of this Law.

When the harbourmaster's office referred to in paragraph 1 of this article renders a ruling rejecting the application for registration of the ship in the register of ships and orders entry of a notice of rejection of the request, it shall enter the notice in folio A of the insert opened in conformity with article 305, paragraph 2, of this Law.

Article 323

A ruling rejecting an application or proposal for the registration of a ship in the register of ships shall be noted in folio A of the insert opened in connection with the application or proposal submitted.

The notice referred to in paragraph 1 of this article shall not be entered if no new insert has been opened in connection with the application or proposal (article 305, paragraph (3).

Article 324

In each ruling it shall be indicated to whom the ruling must be delivered and to whom the harbourmaster's office must deliver individual documents (article 332, paragraph (2).

Article 325

Rulings on proposals and applications for registration in the register of ships shall be delivered to the submitter of the application or proposal and to the person on whose ownership of the ship a right is acquired, or whose rights are being transferred, restricted, encumbered or abolished, and to the person against whom the entry of a notice in the register of ships has been made.

A ruling permitting an entry being wholly or partially erased shall also be delivered to all persons in whose favour there exist further inscriptions or pre-emption entries on the right entered.

A ruling on an inscription or pre-emption entry by means of which a hypothecary right or assignment of the right is registered on the registered rights of third persons, shall also be delivered to the owner of the ship.

A ruling permitting an entry at the proposal of a proxy against the party who issued the power of attorney shall be delivered to the party in person, if the power of attorney does not conform to the provision of article 335, paragraph 2, of this Law.

Article 326

The delivery referred to in article 325 of this Law shall be effected in accordance with the provisions of the Civil Procedure Act pertaining to delivery to parties in person.

If the originals of the enclosed documents (article 332) are to be returned to the party, such originals shall be returned to the party who enclosed them, unless otherwise specified by the party.

Article 327

The validity of an entry may not be contested because the delivery was not properly made or not made at all.

A person who on the basis of an entry claims any right for himself, or any exemption from an obligation, shall not be required to prove that the delivery has been effected.

Article 328

The harbourmaster's office which deregistered a ship from the register of ships shall issue to the party, at his request, a certificate of deregistration. The certificate of deregistration shall cite the reasons for the deregistration and the ruling on the basis of which the deregistration was carried out.

Article 329

The harbourmaster's office keeping the register of ships shall affix to the original of the document on the basis of which an entry was made a certificate of the entry made.

The certificate referred to in paragraph 1 of this article shall cite the ruling whereby the entry was ordered and the insert in which the entry was made.

If an entry was made on the basis of several mutually interconnected documents, the certificate shall be affixed to the document from which the right to entry directly derives (articles 277 and 278).

Article 330

Nothing may be erased from the register, nor may anything be added or changed in any way.

All entries in a register of ships shall be made in ink.

If at the registration a mistake was made and was already noted at the time of the registration, it shall be corrected without an order from the competent harbourmaster's office. A mistake made at the registration shall be crossed out in such a way that it remains legible.

A mistake noted after the registration was made may only be corrected by order of the competent authority referred to in article 268 of this Law, which shall, should the mistake have any legal consequences, hear the participants. The institution of such a procedure shall be noted in the folio in which the erroneous registration was made. The effect of such a notice shall be that subsequent entries shall not prevent the correction of the mistake. When the ruling on the correction of the mistake becomes final, the notice shall be erased ex officio.

Corrections of erroneous entries shall bear a date, the signature of the registrar of shipping and the seal of the harbourmaster's office keeping such registers of ships.

Article 331

A ruling on the deregistration of a ship from the register of ships and a notice of the rejection of a request for deregistering the ship from the register of ships shall be entered in folio A of the register of ships.

After the ruling on the deregistration of the ship from the register of ships becomes final, the harbourmaster's office keeping the register of ships shall across each page of the insert of the main book of the register of ships draw in red ink two crossed lines and a horizontal line on each page under all entries, without crossing individual entries.

The harbourmaster's office referred to in paragraph 2 of this article shall proceed in accordance with the provisions of this paragraph after the ruling on the rejection of a proposal or application for a first registration of a ship in the register of ships (article 316, paragraph 1) becomes final.

Article 332

After making the registration, the harbourmaster's office keeping the register of ships shall return to the party the originals of the documents or certified copies of the documents if the application or proposal enclosed uncertified copies of these documents. Otherwise, the originals of the documents and their certified copies shall be kept in the file of documents, and the above harbourmaster's office shall notify the party that within a specific time limit he may take these documents if he submits their certified copies. The harbourmaster's office may also itself make such copies against collection of prescribed dues.

If the harbourmaster's office referred to in paragraph 1 of this article makes an entry on the basis of a court ruling, it shall handle the documents as specified in such ruling (article 324).

As regards the copies required for the file of documents, the provision of paragraph 1 of this article shall apply.

(b) Special Provisions

First Registration in the Register of Ships

Article 333

First registration in a register of ships under construction shall be allowed by the harbourmaster's office keeping the register of ships under construction where the ship under construction is to be registered, if the application or proposal for the first registration is accompanied by the following documents:

(1) A document proving the right of ownership of the ship under construction;

(2) A certificate of the shipyard on the technical data which are to be registered in folio A of the register of ships under construction, the place and starting date of construction;

(3) A statement from the owner of the ship under construction regarding the name of the ship under construction, or, if the ship has no name, a statement from the shipyard regarding the mark of the ship under construction.

Article 334

First registration of a ship in a register of ships shall be allowed by the harbourmaster's office keeping the register of ships under construction if the application for the first registration of the ship is accompanied by the following documents:

(1) A document proving the right of ownership of the ship;

(2) An excerpt from the court's register or another document proving that the owner is a Croatian citizen or a Croatian civil legal entity, or that requirements have been met for the registration of the ship in the register of ships;

(3) A ruling on the determination of the name or mark of the ship and of the port of registration for a ship;

(4) Tonnage certificate;

(5) A certificate of the technical specification of the ship for the purpose of its registration in the register of ships, which is issued by the Croatian Register of Shipping;

(6) A document determining the call sign of the ship according to the International Code of Signals, if the ship must have such a signal;

(7) Documents proving other particulars which are to be entered in folio A of the insert of the main book of the register of ships;

(8) A certificate of the authority keeping the foreign register of ships that the ship was deregistered from this register, if the ship is being transferred from the foreign register to a Croatian register of ships.

If the owner of the ship is a foreign national or a foreign legal person, he shall accompany his application by documents proving the right for the ship to be registered in the Croatian register of ships, and by the particulars indicated in the documents referred to in paragraph 1 of this article.

Inscription

Article 335

Unless otherwise specified by this Law or other laws, an inscription (article 271, point (3)) may be permitted only on the basis of public documents or private documents on which the signatures of the persons whose right should be restricted, encumbered or transferred to another person have been certified by an authority competent for the certification of signatures.

On the basis of a private document issued by a proxy an inscription against the constituent may be allowed only if the power of attorney issued by him relates to a specific transaction or to a specific kind of transactions, and if no more than a year has elapsed from the date of the issue of the power of attorney to the date on which the request for the inscription was made.

No certification of the signature on a private document shall be necessary if the document bears the approval of the authority responsible for the safeguard of the rights and interests of the person whose right should be restricted, encumbered, abolished or transferred to another person.

Article 336

A private document on the basis of which an inscription may be allowed shall, in addition to the particulars referred to in article 294 of this Law, also contain:

(1) The exact mark of the ship or the right on the basis of which the inscription is being made;

(2) An explicit statement of the person whose right is being restricted, encumbered, abolished or transferred to another person that he allows the inscription.

The provision of point 2, paragraph 1, of this article shall not apply to documents on the acquisition of the right of ownership of a domestic or foreign ship, if first registration of the ship in a Croatian register of ships is demanded.

Article 337

Public documents on the basis of which an inscription may be permitted are:

(1) Documents on legal transactions issued by the court, within the limits of its jurisdiction, if they contain the particulars prescribed in article 294 of this Law;

(2) Documents issued in a proper form by courts or administrative agencies, within the scope of their jurisdiction, which the law recognizes as being court enforceable documents, or on the basis of which an entry may be made in public records according to separate legal provisions.

Inscriptions on the basis of a decision rendered by a foreign court may be made if such a decision is recognized in special proceedings assigned for the same.

Pre-emption Entry

Article 338

If a document submitted meets general requirements for registration, but does not meet all the special requirements for inscription prescribed in articles 335 to 337 of this Law, the harbourmaster's office keeping a register of ships shall allow a pre-emption entry (article 271, point (4)).

Article 339

A pre-emption entry of a mortgage on a ship shall be allowed only if the claims and the legal grounds of the hypothecary right are made credible.

Article 340

If a ship which was registered in a foreign register of ships is to be registered in a Croatian register of ships, and from the document on the deregistration of the ship from the foreign register of ships it can be seen that the ship is encumbered with a hypothec (article 249), a pre-emption entry of the hypothec shall be made ex officio with the rank it had at the moment which was decisive for establishing the ranking in the foreign register of ships, if at the moment of the registration requirements for the inscription of the hypothec specified by this Law were not met.

Article 341

A pre-emption entry of a charter by demise and a time charter for the whole ship and the right of pre-emption shall be allowed only if the existence of the right and consent for the entry are made credible.

Article 342

A pre-emption entry shall also be allowed on the basis of the following documents:

(1) Court's decisions not yet final which approve or reject a request for the establishment, acquisition, restriction or cessation of the right registered;

(2) Court's decisions permitting a pre-emption entry in security proceedings according to the enforcement procedure rules;

(3) A request by a court, administrative agency or organisation exercising public authority entrusted to it by law, when they are authorised by law ex-officio to order that specific claims be secured by a hypothec on a ship.

Article 343

If the amount of a debt secured by a hypothec on the ship for which, according to the rules of the law of property, there is justified reason that the debt cannot be paid to the creditor, is deposited with the court, a pre-emption entry shall be allowed on the basis of the court's confirmation that the amount has been deposited, notably:

(1) If the amount of the debt has been deposited with the court by the debtor or a person liable for the debt, a pre-emption entry of the erasure of the hypothec shall be allowed;

(2) If the amount of the debt has been deposited with the court by a third person to whom according to the rules of the law of property the creditor must assign his claim, the pre-emption entry of the assignment of the claim secured by a hypothec shall be allowed.

Article 344

By a pre-emption entry registered rights are acquired, transferred, restricted or abolished, provided that the pre-emption entry is subsequently justified, and to the extent to which it is justified.

Article 345

A pre-emption entry may be justified on the basis of:

(1) A document on the basis of which inscription may be allowed provided that it was issued by the person against whom the inscription is registered;

(2) A confirmation that the court decision referred to in article 342, point 1, of this Law has become final and enforceable;

(3) A final decision of the competent authority on the existence of the claim referred to in article 342, point 3, of this Law, for whose security the pre-emption entry was registered;

(4) A final and enforceable court decision in a lawsuit against the person against whom the pre-emption entry was registered.

Article 346

If a pre-emption entry is being justified by the submission of a document valid for inscription (article 345, point 1), such justification should be made within 15 days from the date of service of the ruling on the pre-emption entry.

If a pre-emption entry is being justified on the basis of a final and enforceable court decision (article 345, point (4)), a lawsuit must be instituted within 15 days from the date of service of the ruling on the pre-emption entry.

The term within which the pre-emption entry must be justified shall be indicated in the decision on the pre-emption entry.

The term for justifying the pre-emption entry may be prolonged by the harbourmaster's office keeping the register of ships, at the party's request, if there are justified reasons for this. The proposal shall be submitted to the harbourmaster's office keeping the register of ships.

Article 347

If the pre-emption entry is being justified by the submission of the documents referred to in article 345, points 1 to 3, of this Law, the proposal for the justification of the pre-emption entry shall be submitted to the harbourmaster's office keeping the register of ships.

If the pre-emption entry is being justified by a court decision rendered in a lawsuit (article 345, point (4)), the party seeking the pre-emption entry shall be bound to institute a lawsuit before the court having jurisdiction over the same and to notify thereof the harbourmaster's office keeping the register of ships.

Article 348

The term within which a lawsuit for the justification of the pre-emption entry must be instituted shall be indicated in the decision on the pre-emption entry. The term for instituting the lawsuit may be extended, at the party's proposal, if there are important reasons for this.

Article 349

If at the time of the submission of a proposal for a pre-emption entry a lawsuit concerning the existence of the right whose pre-emption entry is sought is already pending, it shall not be necessary to institute a separate lawsuit to justify the pre-emption entry if, according to the provisions of the Civil Procedure Act, it is still possible to make a request for the justification of the pre-emption entry in the lawsuit pending.

Article 350

If the pre-emption entry is not justified, the person against whom the pre-emption entry was allowed may propose that it be erased.

If from the files it does not follow that a lawsuit for the justification of the pre-emption entry was instituted on time, or that the time limit for the justification had not yet expired on the date when the proposal for the erasure was submitted, the harbourmaster's office keeping a register of ships shall within a short time fix a hearing at which the proposer of the pre-emption entry must prove that the time limit for the justification has not yet expired, or that the lawsuit was instituted on time.

If the harbourmaster's office keeping a register of ships has established that the time limit has expired, or that the lawsuit was not instituted on time, it shall allow the pre-emption entry to be erased.

It shall be considered that a lawsuit for the justification of the pre-emption entry has been instituted on time, even though the time limit for its institution had expired, if it is instituted before the submission of the proposal for the erasure of the pre-emption entry, or at least on the same date when the proposal was submitted.

Article 351

If the plaintiff's request for the justification of the pre-emption entry is approved in the lawsuit seeking justification of the pre-emption entry (articles 346 and 349), the justification of the pre-emption entry shall, at the request of any party, be noted in the register of ships according to the content of the final judgement.

If in the lawsuit referred to in paragraph 1 of this article the request for the justification of the pre-emption entry is finally rejected, the pre-emption entry shall be erased at the proposal of any of the parties.

Article 352

If the pre-emption entry has been erased because no lawsuit for the justification of the pre-emption entry was instituted on time, a new pre-emption entry may be proposed, but it shall have legal effect only as of the moment of the submission of such a new proposal.

The owner of the ship, or the beneficiary of a right registered may request by a lawsuit that the non-existence of the right secured by the pre-emption entry be ascertained. A judgement by which such a request is approved shall at party's request be noted in the register of ships, which shall prevent a new permission for the pre-emption entry.

Article 353

If the pre-emption entry is erased for reasons other than those mentioned in article 352 of this Law, the harbourmaster's office keeping a register of ships shall ex-officio reject any new proposal for the pre-emption entry of the same right on the basis of the same document. If the harbourmaster's office keeping the register of ships fails to do so and the new pre-emption entry is registered, this pre-emption entry shall be erased as soon as the opposite party reports that the pre-emption entry has already been erased.

Article 354

If a pre-emption entry has been made of the right of ownership of the ship, further entries may be allowed not only against the inscribed owner but also against the pre-emptively entered owner of the ship. The legal effect of such entries shall, however, depend on whether the pre-emption entry is justified or not.

If the pre-emption entry is justified, simultaneously with the entry of the justification of the pre-emption entry, all entries against the inscribed owner of the ship made after the moment of submission of the proposal on the basis of which the pre-emption entry of the right of ownership was made, shall be ex-officio erased.

If the pre-emption entry of the right of ownership is erased, all entries made in connection with this pre-emption entry shall also ex officio be erased.

The provisions of this article shall also apply when against a hypothecary creditor a pre-emption entry of the transfer of his claim to another person has been made.

Article 355

If a pre-emption entry of the erasure of some right has been made, further entries in respect of this right (e.g. of a sub-hypothecary right or right of an assignment) may be allowed, but the legal effect of such entries shall depend on whether the pre-emption entry of the erasure will be justified or not.

If the pre-emption entry of the erasure is justified, all entries that have in the meantime been allowed in respect of the erased right shall ex officio be simultaneously erased together with the entry of the justification.

Article 356

If a claim secured by a hypothec on a ship is still encumbered with sub-hypothecary rights at the time when its erasure is requested, the erasure of this claim may be allowed only with a note that the legal effect of the erasure shall in respect of the sub-hypothecary right become effective only when these have been erased.

The moment the erasure of a claim secured by a hypothec on the ship has been inscribed, no further entries on the hypothec may be allowed; and if the erasure of the hypothec has only been pre-emptively entered, further entries on this right may be allowed, but only with the legal effect referred to in article 344 of this Law.

Notice

Article 357

The legal consequence of a notice of personal relations, especially with respect to the restriction of the right to dispose of property, shall be that nobody in whose favour some right has been entered in the register of ships shall be able to claim that such relations were not known to him (e. g. minority, prolongation of parental rights or guardianship, institution of bankruptcy proceedings, etc.).

A notice of personal relations and the erasure of such a notice shall be ordered by the harbourmaster's office keeping a register of ships on the basis of documents proving such relations, at the proposal of the parties, their legal representatives or competent authorities.

Article 358

A notice of other facts, except those mentioned in article 357 of this Law, may only be allowed when such a notice is permitted by law and has the effect determined by law (e. g. ranking, a joint hypothec on a ship, a notice renouncing the claim secured by a hypothec on a ship, a lawsuit for the realisation of a maritime lien, notice of a dispute, etc.).

Article 359

The owner of a ship may request entry of a notice of ranking for intended alienation of the ship or its encumbrance with a hypothec. The legal effect of such a notice is that the ranking of the rights acquired by such alienation or encumbrance is counted from the moment the proposal for entry of the notice was submitted, if the entry of the above rights is requested while the notice is in force (article 361).

A hypothecary creditor may, with the legal effect referred to in paragraph 1 of this article, request entry of a notice of ranking for intended assignment or intended erasure of his claim.

The notices referred to in this article may only be allowed if according to the state of entries in the register of ships inscription was allowed of a right which must be registered or the erasure of the registered right, and if the signature of the proposer on the proposal has been certified by the authority competent for the certification of signatures.

Article 360

A ruling by which a proposal for registration of the notice referred to in article 359 of this Law is approved shall be issued in one copy only. After entering the notice in the register of ships, the authority keeping the register of ships shall on this copy confirm that the notice was made.

Article 361

If a notice of ranking is allowed for intended encumbrance of a ship with a hypothec on the ship, the notice shall cease to be effective after the expiration of one year, and in the other cases referred to in article 359 of this Law - after the expiration of 60 days from the date it was allowed.

The date when such a notice will cease to be effective shall be indicated in the ruling allowing such notice.

Article 362

A proposal for the entry of a right or the entry of erasure with the ranking secured by a notice (article 359) must be submitted within the time limits specified in article 346 of this Law, and the proposal must be accompanied by a copy of the ruling allowing the notice.

The document on the basis of which the right whose rank has been noted is being erased or entered may also be drawn up after the proposal for entry of the notice was submitted.

In the ruling which, at the proposal submitted according to paragraph 1 of this article, an inscription or a pre-emption entry is allowed, the court shall indicate that the allowed entry has the ranking acquired by the notice. The authority which has effected entry of the allowed inscription of pre-emption entry shall confirm on the copy of the ruling by which the notice of ranking is allowed that the entry has been effected.

The entry with ranking secured by a notice shall also be allowed if the ship or claim secured by a hypothec on the ship has been transferred to a third person or has been encumbered after the proposal for the notice of ranking was submitted.

If the owner of a ship or a hypothecary creditor has gone bankrupt before a proposal for registration has been made, the registration shall be allowed only if the document on the legal transaction had already been drawn up before the date on which bankruptcy proceedings were instituted, and if the date of the drawing up of the document is proved by a certification of the authority competent for the certification of signatures. If the document does not

meet these requirements, it shall be appraised, in accordance with bankruptcy rules, whether or not the registration is permissible.

Article 363

If an inscription of the transfer of right of ownership of a ship, or of the alienation or assignment of a ship, or cession or erasure of a claim with the ranking acquired by a notice (article 359, paragraph 1) is allowed, the harbourmaster's office keeping the register of ships shall, at the proposal of the party in whose favour the inscription is registered, order the erasure of the entries which have in respect of this ship or claim been made after the proposal for the notice was submitted. A proposal for the erasure of such entries must be submitted with n 15 days from the date when the inscription with the ranking noted became final.

Article 364

If the proposal for the registration has not been submitted before the expiration of the term after which the effect of the notice is terminated (article 361), or if the amount of the claim in respect of which the notice of ranking was made has by the end of this term not been exhausted, the harbourmaster's office keeping the register of ships shall ex officio order the erasure of the notice of ranking.

Before the expiration of the term referred to in article 361 of this Law erasure of the notice may be allowed only if the proposal for erasure of the notice s accompanied by a copy of the ruling allowing the notice. When it has entered the erasure, the harbourmaster's office keeping the register of ships shall confirm on the copy of this ruling that the erasure has been effected.

Article 365

The harbourmaster's office having jurisdiction according to article 268 of this Law shall, at the request of creditors, allow a notice of the court's cancellation of a claim arising from a hypothec and a notice of the lawsuit arising out of a hypothec, if the person against whom the notice of cancellation has been made, or the hypothec-based lawsuit instituted, is registered as the owner of the ship, and if it is proved that the lawsuit arising out of a hypothec has been instituted.

The notice of a lawsuit for the realization of a hypothec may also he allowed by the court trying the case.

The notice referred to in paragraph 1 of this article shall result in the cancellation or the lawsuit being effective against any subsequent owner of the ship and, especially, in the fact that on the basis of a final judgement passed in the lawsuit relating to the lawsuit noted in the register, or of an in-court settlement reached in this lawsuit, enforcement may be effected on the hypothecated ship directly against any subsequent owner of the ship.

Article 366

The notice of a lawsuit for the realization of a maritime liens shall be erased ex officio if, within 60 days from the date of the enforceability of the judgement passed on the basis of the lawsuit which was the subject matter of the notice, the creditor whose claim is secured by a maritime liens has not requested the sale of the ship or the entry of the hypothec on the ship, or if, at his request, the ship has not been arrested within this term (article 261, paragraph (2).

If it does not follow from the files that within the statutory term the sale of the ship or the entry of the hypothec on the ship has been requested, or that the ship has been arrested, the court shall proceed in accordance with article 350, paragraphs 2 and 3, of this Law.

Article 367

A person who has instituted a lawsuit to contest an inscription which he maintains has infringed his registered rights, and demands restoration to the previous condition in the register, may request the court trying the case or the court having jurisdiction according to article 268 of this Law that a notice of the lawsuit be entered in the register of ships simultaneously with the institution of the lawsuit, or subsequently.

A notice of the lawsuit as referred to in paragraph 1 of this article shall have as a consequence that the judgement passed in this dispute shall also have effect against persons who have acquired registered rights after the moment the proposal for the notice of the lawsuit reached the authority keeping the register of ships.

Article 368

In a lawsuit instituted by an action for the erasure of an inscription against persons who have by the inscription, whose erasure is sought in the lawsuit, directly acquired rights or have been released from encumbrances, or when the lawsuit is based on relations existing directly between the plaintiff and the defendant, the statute of limitation for the plaintiff's claim shall be assessed according to the provisions and rules of the law of property pertaining to the statute of limitations.

Article 369

A person wishing to contest an inscription against third persons, of whose permission he has been duly informed, shall be obliged, within the time limit within which an appeal may be lodged against the permission of such an inscription, to propose to the authority referred to in article 268 of this Law entry of a notice that the inscription is contested, and must at the latest within 60 days from the date of the expiration of the time limit for an appeal institute a lawsuit for the erasure of the inscription against all persons who have through the contested inscription acquired some registered right or have on some registered right secured further inscriptions or pre-emption entries.

After the expiration of the time limit referred to in paragraph 1 of this article an inscription may be contested by a lawsuit for erasure instituted against third persons who had before the notice of the dispute acquired on the registered right further registered rights only if such persons were not in good faith in respect of the validity of the inscription contested.

Article 370

If the plaintiff has not been duly informed of permission for the inscription which he is contesting, the right to institute a lawsuit for its erasure against third persons who have on the registered right acquired further registered rights in good faith, expires within three years, from the moment the proposal for the contested inscription reached the harbourmaster's office keeping the register of ships.

Article 371

If the plaintiff withdraws the lawsuit or if according to the law it is considered that the lawsuit has been withdrawn, or if the lawsuit has been dismissed by a final decision or the plaintiff's claim rejected, or if in the case referred to in article 369 of this Law the lawsuit has not been instituted within the prescribed time limit, the harbourmaster's office keeping the register of ships shall, at the request of the opposite party, order the notice of the dispute to be erased.

If the request for erasing the contested inscription has by a final judgement been wholly or partially complied with, or the parties have reached an in-court settlement in respect of the erasure of the inscription, the harbourmaster's office keeping the register of ships shall, at the request of the party, allow entry of the erasure of the contested inscription according to the content of the judgement or in-court settlement, and shall simultaneously order erasure of the notice of the dispute and of all inscriptions and pre-emption entries for which, in respect of the right erased, a proposal for entry has reached the harbourmaster's office keeping the register of ships after this harbourmaster's office received the proposal for notice of the dispute.

Article 372

A person asserting that the inscription occurred as a result of a criminal offence may, to achieve the legal effects referred to in article 367 of this Law in respect of subsequent entries, request the harbourmaster's office

referred to in article 268 of this Law to allow entry of a notice that the inscription is controversial. Such a person shall be obliged, together with the proposal, to submit a confirmation by the competent authority that criminal proceedings have been instituted.

If the notice of the dispute is proposed for the purpose of being also effective against third persons who have acquired registered rights in good faith before the notice of the dispute, the proposal for the notice must be submitted to the harbourmaster's office referred to in article 268 of this Law within the time limit in which the party is authorized to lodge an appeal against the allowed inscription.

Article 373

If in the criminal proceedings the court decides to have the inscription erased together with registered rights acquired before the notice referred to in article 372 of this Law the harbourmaster's office referred to in article 268 of this Law shall order the erasure of the inscription in accordance with the provisions of article 371, paragraph 2, of this Law, if the party against whom the contested inscription has been made submits, together with the proposal for erasure of the inscription, the decision of the court rendered in respect of these criminal proceedings, with the confirmation that the decision has become final.

If in the criminal proceedings the court has established the criminal responsibility of the accused, or instructs the injured party to bring a civil action in respect of his request for erasure of the inscription, the injured party shall have the right to institute a lawsuit for erasure of the inscription and of the registered rights referred to in paragraph 1 of this article within 60 days from the date the court decision instructing the injured party to bring a civil action has become final.

If in conducting the criminal proceedings the court has not rendered a decision establishing criminal responsibility of the accused and if the authorized person has failed within the time limit referred to in paragraph 2 of this article to institute a lawsuit, the harbourmaster's office referred to in article 268 of this Law shall allow erasure of the notice of the dispute at the proposal of the party having a legal interest in the contested inscription remaining in force.

Article 374

When erasure of the notice of the dispute is demanded because no lawsuit for the erasure has been instituted within the time limits referred to in articles 369 and 372 of this Law, the harbourmaster's office referred to in article 268 of this Law shall proceed in accordance with the provisions of article 350, paragraphs 2 and 3, of this Law.

Article 375

If owner of a ship or a creditor on whose ship and claim respectively some right is registered, institutes a lawsuit demanding that this right be wholly or partially erased because it has fallen under the statute of limitations, the harbourmaster's office referred to in article 268 of this Law shall, at the proposal of the plaintiff, allow entry of the notice of the dispute in the register of ships.

Article 376

If in a lawsuit it is demanded that the court determine that a particular proprietary right has been acquired by time limit, the court referred to in article 268 of this Law shall, at the request of the plaintiff, allow entry of the notice of the dispute in the register of ships.

Article 377

A notice of the dispute in the event of lawsuit for erasure in consequence of its being subject to the statute of limitations (article 375), or in the event of a lawsuit for determining the acquisition of a proprietary right by time limit (article 376), shall not have any effect in respect of third persons who had, relying on the register of ships, acquired certain inscriptions before the proposal for entry of the notice of the dispute reached the harbourmaster's

office keeping the register of ships. If it has been established by a final judgement that the plaintiff has acquired by time limit a particular proprietary right, the right acquired by time limit shall rank before all entries made after the notice of the dispute, and all rights registered after the notice of the dispute which are at variance with it shall be erased at the party's proposal.

The provisions of article 371, paragraph 2, of this Law shall correspondingly apply to the erasure procedure.

Article 378

The court which has effected the sale of a ship shall order, ex officio, that a notice of the ruling on the adjudication of the ship sold be entered in the register of ship.

The notice referred to in paragraph 1 of this article shall have the effect that the rights entered against the present owner of the ship may be acquired by further entries only if the ruling on the adjudication is set aside by a final court decision.

If the ruling on the adjudication is not contested or if its contestation is finally rejected, at the proposal of the interested party all entries made after entry of the notice of this ruling against the present owner of the ship shall be erased, and so shall all further entries made in relation to their rights.

Article 379

Proposals for entry or erasure of notices which are decided by the body referred to in article 268 of this Law shall be submitted to the harbourmaster's office keeping the register of ships, unless otherwise specified.

Registration of a Joint Hypothec on a Ship

Article 380

For joint hypothec (article 247) established by registration in several inserts, one of the inserts shall be designated as the main one and the others as secondary. In the proposal for registration it must be specified which of the inserts is to be designated as the main one and which as secondary; if this is not specified in the proposal, it shall be considered that the insert cited in the proposal for registration in the first place is to be designated as the main one.

If it is requested that an already existing hypothec on the ship be extended for the same claim to other inserts as well, the primarily encumbered insert shall be treated in the same way as the main insert.

In the main insert a reference shall be made by a notice to secondary inserts, and in each secondary insert - to the main one.

Article 381

If in order to secure his claim a creditor requests registration of a hypothec on the ship in a particular insert of the register of ship, he shall be obliged to report the existence of the hypothec on the ship which has for this claim already been registered in another insert in order to make it possible to enter a notice of the joint hypothec.

A creditor who has failed to report the existence of a hypothec on the ship shall be liable for damage caused thereby.

If the notice of the joint hypothec on the ship is not entered, the hypothecary debtor may propose that such notice be made and request the creditor to pay the costs if the notice has not been made through the latter's fault.

If the authority referred to in article 268 of this Law, while allowing an inscription or a pre-emption entry of a hypothec, has established that a hypothec on the ship has already been registered for the same claim in its or some other register of ships, it shall ex officio rule that the insert in which the hypothec has already been registered is the

main insert. The authority referred to in article 268 shall notify thereof the harbourmaster's office keeping the register of ships in which the hypothec is already registered.

Article 382

A proposal for the registration of a joint hypothec in several registers of ships kept by various harbourmaster's offices may be submitted either simultaneously to all the harbourmaster's offices keeping these registers of ships or only to one of these authorities.

If the proposal for the registration of a hypothec is submitted simultaneously to all the harbourmaster's offices in whose registers of ships it must be registered, in the proposal it shall be indicated which insert shall be designated as the main one and which as secondary.

If the proposal for the registration of a hypothec is submitted to one harbourmaster's office only, the proposal shall be submitted to the harbourmaster's office with which the proposer of the registration wishes to keep the main insert, and shall indicate the order in which the proposal must be forwarded to other harbourmaster's offices.

Article 383

If several authorities referred to in article 268 of this Law take part in the primary or a subsequent registration of a joint hypothec, each of them shall independently decide on the proposal for the inscription or pre-emptive entry of the hypothecary right in the register of ships over which it has jurisdiction. Each body shall communicate its ruling thereon also to the body keeping the main insert.

An appeal against the ruling referred to in paragraph 1 of this article shall be lodged with the authority which has rendered this ruling.

If an inscription or a pre-emptive entry registered in a secondary insert is erased on appeal, the harbourmaster's office keeping the main insert shall be notified of the erasure for the purpose of making a notice.

Article 384

The ranking of a joint hypothec shall be determined independently for each insert, decisive for which shall be the moment when the proposal for permitting registration of the joint hypothec reaches the individual harbourmaster's offices in whose registers the hypothec is being registered.

Article 385

All proposals for changing a hypothecary right for claims for which a joint hypothec on the ship has been registered in several inserts shall be submitted to the harbourmaster's office keeping the main insert. Decisions on such proposals shall be rendered according to the state of entries in the main insert.

A proposal submitted to an harbourmaster's office other than the one referred to in paragraph 1 of this article shall be returned to the submitter with the instruction that the proposal must be submitted to the harbourmaster's office keeping the main insert.

Article 386

All changes that must be made on a joint hypothec by transfer, restriction, erasure or in some other way shall be registered in the main insert only.

Registration of changes in the main insert shall have the same legal effect as if it had been made in all the existing or future secondary inserts.

A partial or complete erasure of a joint hypothec relating to all the ships or to all the claims (sub-hypothec) which are the subject-matter of the joint hypothec shall be recorded in all secondary inserts, and the erasure of the joint hypothec relating to a particular ship or a particular claim shall be recorded only in the secondary insert in which this ship and claim respectively are registered.

Article 387

If a hypothecary right on a ship or on a claim secured by a hypothec on the ship registered in the main insert has been erased, all further entries shall also be erased from this insert and transferred to one of the secondary inserts kept by the same harbourmaster's office. If the joint hypothec still exists, this insert shall be treated as the main insert.

If the registers of ships kept by the same harbourmaster's office have no secondary inserts, the harbourmaster's office having jurisdiction over the earlier main insert shall determine, if this has not been determined by the hypothecary creditor, which secondary inserts shall in the future be treated as the main insert, and shall, ex officio, forward to the harbourmaster's office keeping the new main insert certified copies of the existing entries in the main book and certified copies of the documents relating to these entries.

The transformation of a secondary insert into the main insert shall be communicated to the harbourmaster's offices keeping all the secondary inserts and shall, ex officio, be entered in each of the still existing secondary inserts.

Article 388

Proposals which can no longer be ruled on by the previous harbourmaster's office because the joint hypothec has already been erased from its register of ships shall be sent to the harbourmaster's office to which the keeping of the main insert has been transferred, and the parties that have submitted the proposals shall be notified thereof.

The mutual ranking of the proposals referred to in paragraph 1 of this article shall be determined according to the moment at which they reached the authority which kept the earlier main insert.

Article 389

Only one lawsuit shall be needed for the justification of a pre-emption entry by which a joint hypothec for the same claim has been pre-emptively entered with various authorities.

In addition to the court of the hypothecary debtor having general territorial jurisdiction, the harbourmaster's office having jurisdiction according to article 268 of this Law in respect of one of the registers in which the pre-emption entry was allowed, shall also have jurisdiction over the lawsuit for the justification of the pre-emption.

Article 390

Excerpts from inserts which are in respect of a joint hypothec treated as secondary inserts shall refer to the main insert, with a note that changes that have been made in respect of the joint hypothec registered have been entered in the main insert only.

Transfer of Ships from one Register of Ships to another Register of Ships

Article 391

The harbourmaster's office keeping the register of ships shall allow transfer of the registration of a ship from one register of ships to another register of ships on the basis of a document proving that the ship will change the port of registration and that it will be registered in the port located in the area of the harbourmaster's office keeping the register of ships in which the ship is registered.

Deregistration of Ships from Registers of Ships

Article 392

The harbourmaster's office keeping the register of ships shall render a ruling on the deregistration of a ship from its register of ships:

(1) If it has established that the ship has been lost or is presumed lost;

(2) Owing to the alienation of the ship from the ownership of a physical person or a civil legal entity to a foreign person;

(3) On the basis of a statement made by the owner of the ship whereby the consent of the owner to the registration in a Croatian register of ships is revoked, or of a court judgement that the statement of the owner of the ship is legally valid;

(4) On the basis of a statement of the ship owner that he is permanently withdrawing the ship from navigation;

(5) Owing to the cessation of the existence of conditions for registration in the register of ships according to the provisions of article 202, paragraph 1, point 1, of this Law;

(6) On the basis of a ruling of the competent Ministry by which the ship registered in a register on the basis of article 202, paragraph 1, points 1 and 2, is deprived of the right to be registered in a register of ships.

The harbourmaster's office shall notify the respective Ministry on the ruling referred to in paragraph 1 of this article.

Article 393

A ruling on the deregistration of a ship from a register of ships shall, according to article 207 of this Law, determine that the deregistration is not opposed by maritime lienors or that creditors of hypothecary claims have consented to the deregistration, unless the deregistration is to be effected on the basis of the provisions of article 206, paragraph 1, points 1 and 4, of this Law.

Article 394

An application by which creditors having a maritime lien on a ship oppose entry of the deregistration of the ship from the register of ships shall be submitted to the harbourmaster's office keeping the register of ships where the ship has been registered. This harbourmaster's office shall render a decision on the application opposing the entry of the deregistration.

In the case referred to in paragraph 1 of this article deregistration of the ship from the register of ships may be ordered only after the ruling of the harbourmaster's office rejecting such opposition has become final.

Article 395

If a ship which has been deregistered from the register of ships because she has been lost, or is presumed lost, or because she has been permanently withdrawn from navigation, or because she has been captured at sea as booty or prize, is again registered in a register of ships, the harbourmaster's office keeping the register of ships shall render a ruling on the renewal of the registration of the ship with all those data and registered rights from the register with which she was previously registered and which were in force at the time of the deregistration of the ship, and shall notify thereof the owner of the ship, and all other persons in whose favour some right on the ship was registered.

5. Legal Remedies

Article 396

An appeal is admissible against the ruling made by the harbourmaster's office keeping the register of ships on the proposal for the registration of a ship in the register of ships.

In the appeal the parties may present all new facts and propose new evidence if this relates to substantial infringements of the rules of procedure.

The appeal shall be lodged with the authority which has rendered the ruling in first-instance proceedings, in a sufficient number of copies for the second-instance authority and the parties taking part in the proceedings.

Article 397

The time limit for the appeal is 30 days when the ruling was served in the Republic of Croatia, and 60 days when it was served abroad.

Article 398

An untimely, incomplete or inadmissible appeal shall be rejected by the authority keeping the register of ships (i.e. harbourmaster's office).

If the court of first instance has not rejected the appeal, it shall deliver a copy of the appeal to the parties to whom the ruling appealed against has been delivered.

The authority of first instance may neither change nor set aside its ruling.

An appeal lodged directly with the authority of second instance (competent Ministry) shall be forwarded by it to the competent authority of first instance, and it shall be considered that the appeal was lodged on the date when the appeal reached the competent authority of first instance.

Article 399

If an appeal has been lodged against a ruling allowing an inscription or a pre-emptive entry or a first registration of a ship in a register of ships, the competent authority shall order a notice of the appeal to be made in the register of ships.

If the appeal is rejected, the court shall order the erasure of the notice.

The authority shall ex officio order the notice and the erasure of the notice referred to in paragraphs 1 and 2 of this article.

Article 400

If the authority of second instance rejects an appeal against a ruling rejecting a proposal for registration, the authority of first instance shall, ex officio, order the notice of this ruling in the register of ships to be erased, and shall notify the parties thereof.

Article 401

If the authority of second instance alters the ruling of the authority of first instance and accepts one of the proposals referred to in article 316 of this Law which was rejected by the authority of first instance, the allowed registration shall be made in the register of ships. In such a case it shall be deemed that the registration was made at the moment the proposal for registration was submitted.

Article 402

If the authority of second instance alters a ruling of the authority of first instance allowing the erasure of registration, and rejects the proposal for erasure of the registration, the erased inscription or the pre-emption entry shall be re-established.

If the authority of second instance alters a ruling of the authority of first instance accepting any of the proposals referred to in article 316 of this Law and rejects such proposal, the inscription or pre-emption entry shall be erased.

Article 403

A ruling of the authority of second instance ordering registration in the register of ships shall be executed by the authority of first instance.

Article 404

In the course of the registration procedure, administrative proceedings may be instituted against the ruling rendered by the authority of second instance.

PART SEVEN
THE SHIP OPERATOR

1. Liability of the Ship Operator

Article 405

The ship operator of a ship shall be liable for obligations arising from the navigation and the employment of the ship, unless otherwise specified by this Law.

Article 406

The ship operator (that for the purpose of this part of the Law includes the owner of the ship, the charterer and the manager of the seagoing ship) and the salvor, as defined in this article, may limit their liability in conformity with the provisions of this part of the Law.

The salvor is the person that offers services with direct involvement in the operation of salvage or assistance. The operation of salvage and assistance comprises also the acts referred to in article 408, paragraph 1, point (d), of this Law.

If a claim referred to in article 408 of this Law is set out against a person for whose acts, omissions or defaults the ship operator or salvor is liable, the person shall be entitled to avail himself of the limitation of liability in conformity with this part of the Law.

The liability insurer for claims subject to the limitation according to the provisions of this Law, shall be entitled to avail himself of the benefit of this part of the Law to the same amount as the insured person.

Reference to the limitation of liability does not imply a recognition of the liability.

Article 407

The master, other members of the crew and other persons engaged by the ship operator, if they are liable for the claim referred to in article 408 of this Law, may limit their liability according to articles 410 to 416 of this Law.

Article 408

With a restriction to the application of articles 409 and 410 of this Law the following claims are subject to the limitation of liability, regardless of the grounds for liability:

(a) Claims resulting from loss of life or personal injuries, from loss or damage of property (including also damage to harbour facilities, basins, navigable waterways and navigational marks) that have occurred on board or in the direct involvement with the employment of the ship or in the operation of salvage (rendering assistance), and as from additional damages arising from the same;

(b) Claims resulting from any damage to cargo, passengers and their luggage caused by delay in the carriage by sea;

(c) Claims resulting from other damages caused by breach of non-contractual rights arising directly from the employment of the ship or from the operation of salvage and assistance;

(d) Claims set out by other persons, and not by the persons subject to liability, for measures undertaken with the purpose of preventing or reducing damage for which the person being responsible may limit his liability according to this part of Law, and as for additional damages caused by the measures undertaken:

The claims mentioned in paragraph 1 are subject to the limitation of liability even if a legal action has been taken, on contractual or non-contractual basis, on the basis of recourse or guarantee. However, the claims referred to in paragraph 1, point (d), are not subject to the limitation of liability to the extent that they refers to indemnity on the basis of the contract with the person subject to liability.

Article 409

This part shall not apply to:

(a) Claims on account of salvage and assistance or contribution in general average;

(b) Claims resulting from damages prescribed by provisions of chapter V, part IX, f this Law;

(c) Claims subject to an international convention or a national law governing or banning the limitation of liability for nuclear damages;

(d) Claims prescribed by provisions of chapter VI, part IX, of this Law;

(e) Claims of persons in the ship operator's or salvor's service whose assignments are related to the ship employment or to the operation of salvage and assistance, including the claims of their heirs, successors in title or other persons giving grounds for such claims.

Article 410

The ship operator's right to avail himself of the limitation of liability provided in article 408 of this Law shall be forfeited if it is proved that the damages arose as the result of acts or omissions which the ship operator performed willfully or by gross negligence with the knowledge that the damages could probably arise.

The ship operator may not limit his liability for damages resulting in loss of life or personal injury of persons in the service of the ship operator.

Article 411

As an exception to provisions of article 412 of this Law, the limits of liability for claims arising from one and the same occurrence shall be calculated as follows:

(a) For claims resulting from loss of life or personal injury:

(i) 333,000 accounting units of Special Drawing Rights for a ship whose tonnage does not exceed 500 tons

(ii) for a ship whose tonnage exceeds 500 tons the following sum shall be calculated as an addition to the amount given in subparagraph (i):

- 500 accounting units of Special Drawing Rights for each ton of the ship's tonnage from 501 to 3,000 tons
- 333 accounting units of Special Drawing Rights for each ton of the ship s tonnage from 3,001 to 30,000 tons -
- 250 accounting units of Special Drawing Rights for each ton of the ship s tonnage from 30,001 to 70,000 tons,
- 167 accounting units of Special Drawing Rights for each ton of the ship s tonnage exceeding 70,000 tons;

(b) in respect of other claims,

(i) 167,000 accounting units of Special Drawing Rights for a ship whose tonnage does not exceed 500 tons;

(ii) for a ship whose tonnage exceeds 500 tons the following sum shall be calculated as an addition to the amount given in sub-paragraph (i):

-167 accounting units of Special Drawing Rights for each ton of the ship s tonnage from 501 to 30,000 tons
- 125 accounting units of Special Drawing Rights for each ton of the ship s tonnage from 30,001 to 70,000, and

- 83 accounting units of Special Drawing Rights for each ton of the ship s tonnage exceeding 70,000 tons.

When the sum appropriated to the payment of claims referred to in this article and calculated according to paragraph 1, point (a), is insufficient to pay the claims in full, the unpaid balance of such claims shall be paid together with the claims referred to in paragraph 1, point (b), from the sum appropriate to the payment of the said claims.

For a salvor not performing the operation of salvage from the ship or a salvor acting exclusively on board the ship to which or in relation to which salvage services are offered, the limitation of liability shall be calculated to the tonnage of 1,500 tons.

For the purpose of this part of the Law the tonnage of the ship is the gross tonnage ascertained under the rules of tonnage measurement contained in annex I of the International Convention for the Tonnage Measurement of Ships, 1969.

Article 412

For claims resulting from loss of life or personal injuries of a passenger on board and arising from the same occurrence, the limit of the ship operator's liability amounts to 46,666 accounting units of Special Drawing Rights multiplied by the number of passengers the ship is entitled to carry according to the navigational list; but at the maximum of 25 million Special Drawing Rights.

In the spirit of this article, "claims resulting from loss of life or personal injuries of a passenger on board" means any claim set out by a person carried by the ship or on his account:

(a) Under a contract for the carriage of passengers, or

(b) Who by the ship operator's consent accompanies a vehicle or live animals under a contract for the carriage of goods.

Article 413

The sums specified in articles 411 and 412 of this Law are converted into the local currency in conformity with the value of the currency on the date the fund was constituted and payment shall be effected or and adequate guarantee offered.

Article 414

The limits of liability provided in article 411 of this Law shall comprise the aggregate of claims arising from the same occurrence and apply:

(a) To the person or persons mentioned in paragraph 1, article 406 of this Law and to any person for whose acts, omissions or defaults the said person or persons are liable; or

(b) To the owner of the ship offering services of salvage (or assistance) from the ship and to the salvor or salvors acting from the ship and to any person for whose acts, omissions or defaults the said person or persons are liable; or

(c) To the salvor or salvors not acting from the ship or acting exclusively on the ship to which or in relation to which the service of salvage (or assistance) is offered and to any person for whose acts, omissions and defaults he/they are liable.

The limits of liability specified in article 412 of this Law shall comprise the aggregate of claims arising from the same occurrence and apply to the person or persons mentioned in paragraph 1, article 406 of this Law relative to the ship referred to in article 412 of this Law against any person for whose acts, omissions or defaults the said person or persons are liable.

Article 415

The ship operator may be entitled to the limitation of liability even in case the limitation fund has not been constituted according to article 416 of this Law.

If the ship operator is entitled to the limitation of liability and the limitation fund has not been constituted, the provision of article 417 shall be applied accordingly.

Article 416

In a dispute any person being subject to liability may constitute a fund.

The fund shall be constituted to the amount evaluated in conformity with articles 411 and 412 of this Law as applied to claims for which the said person may be liable, increased by interest charges running from the date of the occurrence, giving rise to liability, until the date of the constitution of the limitation fund.

Any fund thus constituted shall be exclusively available for the payment of the claims for which the limitation of liability may be entitled.

The fund may constituted either by depositing a sum or giving a guarantee.

The fund constituted by one of the persons mentioned in paragraph 1, point (a), (b) or (c) or article 414 of this Law, or by his insurer, shall be considered to have been constituted by all the persons mentioned in paragraph 1, point (a), (b) or (c) or article 414, paragraph 2, of this Law.

Article 417

As an exception to the provisions of paragraphs 1, 2 and 3, article 411, and article 412 of this Law, the fund shall be shared among the creditors in proportion to the sum of their recognized claims relative to the fund.

If prior to the distribution of the fund, the person subject to liability, or his insurer, has settled the net claim relative to the fund, the person is subrogated to the amount paid for the benefit of the rights to which the defrayed claimant is entitled according to this part of the Law. Excluding the persons mentioned above, other persons may be entitled to the right of subrogation referred to in paragraph 2 for each sum of indemnity paid, but solely to the amount the subrogation is granted.

If the person subject to liability, or other person, finds that the sum for indemnity should be subsequently paid in whole or in part, but that he could have availed himself of the right of subrogation according to paragraphs 2 and 3 and provided the payment had been effected before the fund was distributed, the court may order that an adequate sum be temporarily set aside to enable the said person to benefit from the fund thereafter.

Article 418

If the limitation fund has been constituted according to article 416 of this Law, not any person having set out a claim relative to the fund may have the right for such a claim in respect of other property of the person entitled to the constituted fund.

Being the limitation fund constituted according to article 416 of this Law, any ship or other property appertaining to the person entitled to the fund and being under detection or seizure on account of a claim coverable from the fund or other offered security shall be released and if the fund has been constituted abroad, a local court may release the property or security provided it is judged that the creditors' interest are adequately safeguarded.

Such a release shall be ordered at any time provided that the limitation fund has been constituted:

(a) In the port of occurrence of the event, or - if it occurred off the port boundaries - in the next (first) intermediate port; or

(b) In the port of discharge for claims resulting from loss of life or personal injuries; or

(c) In port of discharge for claims resulting from damages: or

(d) In the country of detention.

The provisions of paragraphs 1 and 2 shall be applied only if the creditor may set out his claim for the limitation fund with the court that administers that fund and if the claim can be actually settled therefrom.

Article 419

The provisions of articles 406 to 476 of this Law shall also apply to boats, provided that for the application of the provisions a boat is considered a ship of 500 gross tonnage.

This part of the Law shall not apply to: (a) hydrofoils and (b) rigs/platforms employed for researches and the exploitation of natural resources of the sea bed and its subsoil.

Article 420

The provisions of articles 406 to 476 of this Law shall also apply to warships, provided that the capacity of the warship is determined in terms of displacement, one ton mentioned in article 411 of this Law shall equal two tons of displacement.

2. Proceedings for the Limitation of the Ship Operator's Liability

Article 421

Non-litigious proceedings for the limitation of the ship operator's liability shall be conducted by a sole judge of the court having territorial jurisdiction.

Unless otherwise specified by this Law, the provisions of the Civil Procedure Act shall correspondingly apply to the proceedings referred to in paragraph 1 of this article.

If the ship or boat involved in the occurrence, for which proceedings for the limitation of the ship operator's liability are conducted, is registered in the Croatian Register of ships or a in a record of boats, the court in whose area ship is registered or the boat recorded, shall have territorial jurisdiction.

If the ship or boat involved in the occurrence for which proceedings for the limitation of liability of a ship operator of foreign nationality are conducted, the court in whose area the ship was arrested, and if it was not arrested, the court, in whose area assets for the constitution of the limitation fund have been deposited, shall have territorial jurisdiction.

No agreement between the parties on territorial jurisdiction shall be allowed in proceedings for the limitation of the ship operator's liability.

Article 422

Proceedings for the limitation of the ship operator's liability shall be instituted on the proposal of the person who is according to the provisions of this Law entitled to limit his liability.

A proposal for instituting proceedings for the limitation of the ship operator's liability shall, in addition to general data which must be stated in every application, also contain:

(1) A description of the occurrence giving rise to the claim for which the limitation of liability is being proposed;

(2) The ground for and the amount of limited liability;

(3) The way the proposer is ready to constitute the limitation fund (by depositing cash or by giving another adequate security) and in particular to ensure the real value of the fund (by time deposit of resources in a reliable bank etc.)

(4) A list of known creditors with the designation of their place of business or residence;

(5) Information on the kind and the likely amount of the claims of known creditors.

A proposal for instituting proceedings for the limitation of the ship operator's liability must be accompanied by documents proving the tonnage of the ship according to the provisions of article 411, paragraph 4, of this Law.

Article 423

If the court finds that the requirements prescribed by this Law which entitle the proposer to limit his liability have not been met, it shall render a ruling rejecting the request submitted.

If the court finds that the resources of the limitation fund will not be actually available for the benefit of the claimants, it shall reject the request for the constitution of the fund; however, the proceedings pertaining to the limitation of liability shall persist, as though the proposer invoked the limitation of liability without intention of constituting a fund, provided the requirements prescribed by this Law which entitle the proposer to limit his liability have been met.

Article 424

If the court is satisfied that the request made in the proposal for instituting proceedings for the limitations of the ship operator's liability complies with the provisions of this Law pertaining to the requirements for the limitation of liability, it shall render a ruling approving the limitation of liability.

If the court finds that the assets of the proposed limitation fund will be actually available for the benefit of the creditor, it shall render a ruling approving the constitution of the limitation fund.

In the ruling referred to in paragraph 2 of this article the court shall summon the proposer within 15 days to submit to the court proof that he has made available to the court the assets approved for the constitution of the limitation fund, and that he has deposited in advance a specific sum necessary to cover the costs that will be incurred in the course of or in connection with the proceedings.

If the proposer fails to proceed in conformity with the provision of paragraph 3 of this article, the court shall render a ruling setting aside the ruling on the constitution of the limitation fund.

In the ruling the court shall warn the proposer of the consequences of his failure to proceed according to the provision of paragraph 4 of this article.

Article 425

The ruling pertaining to the limitation of the proposer's liability shall be rendered by the court without deferment.

The limitation fund shall be considered to have been constituted on the date when the proposer submits to the court proof that he has proceeded in accordance with the provision of article 424, paragraph 3, of this Law.

A ruling ascertaining that the limitation fund has been constituted shall be rendered by the court within 24 hours from receipt of proof as referred to in paragraph 3 of this article.

The ruling pertaining to the limitation of liability and the constitution of the limitation fund shall be published in the Official Gazette (Narodne novine, Republika Hrvatska), on the court's notice board and, if necessary, also in some other adequate manner.

The ruling shall be delivered to the proposer and to all creditors to whose claims the limitation of liability relates, and whose place of business or residence is known to the court.

Article 426

The ruling pertaining to the limitation of the ship operator's liability or the constitution of the limitation fund shall contain:

(1) The name of the ship operator, port of registration and nationality, or the mark and place of registration of the boat;

(2) The firm or the name and place of business or the personal name and residence and nationality of the proposer;

(3) The occurrence to which the ship operator's limited liability relates;

(4) The amount of liability limitation and the ruling pertaining to the constitution of the limitation fund and date of its constitution;

(5) A summons to the creditors to report to the court the claims which are, according to the provisions of this Law, to be paid from the limitation fund, within a period of 30 days from the date of the publication of the ruling in the Official Gazette, whether or not a final decision on their existence has already been rendered, accompanied by a warning of the consequences of the omission mentioned in article 436 of this Law;

(6) The place and the time of the hearing for the examination of claims.

Article 427

If against a person who on the basis of the provisions of this Law is entitled to limit his liability (articles 406, 407), and to whom the constituted limitation fund relates at the time of the fund's constitution, enforcement proceedings are conducted or proceedings for securing the claims which, according to the provisions of this Law,

are to be settled from the constituted limitation fund, the enforcement court shall, at the request of such a person, stay by a ruling the enforcement proceedings or the security proceedings and set aside all acts committed in these proceedings.

The party at whose request the court has stayed the enforcement proceedings or the security proceedings shall bear his costs of the proceedings stayed, and shall be obliged, at the request of the opposite party, to pay the latter's expenses.

After the constitution of the limitation fund it shall no longer be possible to seek the institution of regular enforcement proceedings or security proceedings for securing claims which, according to the provisions of the Law, are to be settled from the constituted limitation fund.

If the ruling for the limitation of liability has been rendered, but the limitation fund has not been constituted, the court shall entitle by enforcement proceeding or security proceedings the enforcement or security solely to the amount of limitation of liability, provided the person who invokes the limitation of liability submits to the court the ruling for the limitation of liability and the proof of its compliance with this Law.

Article 428

Creditors making claims in a foreign currency shall report their claims in the equivalent amount of local currency - Kunas at the rate of exchange of the National Bank of Croatia on the date of constitution of the limitation fund.

For claims reported in due time (article 426, point (5)) a statutory overdue interest shall run from the date of constitution of the limitation fund and for other claims from the date of their reporting.

Examination of reported claims shall be carried out at the hearing for the examination of claims.

The proposer and all creditors who have reported their claims before the closure of the hearing for the examination of claims shall be entitled to take part in the hearing as parties.

Failure of the parties to appear at the hearing shall not prevent the court from holding the hearing.

At the hearing the court shall invite all present parties to declare themselves concerning the claims reported and concerning the ground for the limitation of the proposer's liability.

Article 429

It shall not be considered that by reporting his claim the creditor has recognized the right of the proposer to pay the reported claim from the constituted limitation fund.

A creditor may not contest the claim of another creditor by maintaining that it cannot be paid from the constituted limitation fund, as the occurrence giving rise to the claim, was caused by the ship operator with the intent to cause damage or by gross negligence with the knowledge that damages would probably arise (article 410).

It shall be considered that the proposer of the constitution of the limitation fund and the creditors recognize that the claim reported exists and that it is recoverable from the constituted limitation fund, unless this is contested in writing and orally at the hearing before the closure of the hearing for the examination of claims.

Article 430

If the creditor contests that his claim is subject to the limitation of the proposer's liability, and the proposer disagrees with such contestation, the court shall by a ruling instruct the creditor within 30 days from the date of service of the ruling to institute a lawsuit against the proposer to determine that the creditor's claim is not recoverable from the limitation fund.

If the creditor fails within the time limit specified in paragraph 1 of this article to comply with the court ruling, or if he withdraws the lawsuit instituted, it shall be considered that he has renounced his contestation that his claim is subject to the limitation of the proposer's liability.

Article 431

If a creditor contests to another creditor the existence or amount of the latter's claim or the right for his claim to be recovered from the limitation fund, the court shall by a ruling instruct the creditor whose claim has been contested within 30 days from the date of service of the ruling to institute against the proposer and all creditors who have contested his claim or the amount of this claim a lawsuit for determining the existence and the amount of his claim or the right for it to be recovered from the limitation fund.

If the creditors contest another creditor's claim determined by a final judgement passed in the lawsuit or other authority against the proposer, the court shall by a ruling instruct the creditor or creditors who contest such claim within 30 day to institute a lawsuit to determine that the claim does not exist.

If the creditors instructed by the court to institute the lawsuit within the term referred to in paragraphs 1 and 2 of this article fail to proceed in accordance with the court ruling, or if they withdraw the lawsuit instituted, it shall be deemed that in the case referred to in paragraph 1 of this article the claim has not been reported, and in the case referred to in paragraph 2 of this article that the claim has not been contested.

Article 432

If the proposer contests the existence or the amount of the creditor's claim, the court shall by a ruling instruct the creditor within 30 days from the date of service of the ruling to institute a lawsuit against the proposer to ascertain the existence and the amount of his claim.

The proposer may not contest the creditor's claim if the existence and the amount of this claim has been ascertained by a final decision in a lawsuit between the proposer and the creditor or in a lawsuit conducted in accordance with the provision of article 431, paragraph 1, of this Law.

If the creditor instructed by the court to institute a lawsuit fails to proceed according to the court's ruling within the term referred to in paragraph 1 of this article, or if he withdraws the lawsuit instituted, it shall be considered that he has not reported his claim.

Article 433

An appeal against the rulings to institute a lawsuit referred to in articles 429, 431 and 432 of this Law shall not stay the enforcement of the rulings.

The lawsuits referred to in articles 429, 431 and 432 of this Law may be instituted only for the claims which were the subject-matter at the hearing for the examination of claims.

The person instructed to institute a lawsuit shall inform the court of the lawsuit referred to in paragraph 2 of this article within three days from the date of its institution.

Final judgements passed in the lawsuits referred to in articles 430, 431 and 432 of this Law shall be legally binding on all parties to the proceedings for the limitation of the ship operator's liability.

Article 434

The disputes referred to in articles 430, 431 and 432 of this Law shall fall exclusively within the territorial jurisdiction of the court in whose area the court which conducts proceedings for the limitation of the ship operator's liability is located.

Article 435

If the proposer makes it credible that some claims should be settled from the limitation fund abroad, the court may, at his proposal, order that the sum which would be necessary for the settlement of his claim be set aside from the fund in proportion to other reported claims and to the limitation fund.

A proposal as referred to in paragraph 1 of this article may be submitted until the holding of the first hearing for the distribution of the constituted limitation fund.

The sum set aside according to the provision of paragraph 1 of this article shall be kept in a separate deposit for ten years from the date the ruling on the final distribution of the constituted limitation fund became final.

The court may even before the expiration of the term referred to in paragraph 3 of this article order that the sum set aside be in whole or in part returned to the general deposit of the limitation fund, if according to the circumstances it can be concluded that other requirements for setting aside the sum have ceased exist (paragraph 1).

After the expiration of the term referred to in paragraph 3 of this article the court shall return the sum set aside to the general deposit of the limitation fund.

Article 436

In order to examine claims reported after the closure of the hearing for the examination of claims, the court shall order a new hearing for the examination of claims.

Creditors whose claims are examined at the new hearings according to the provision of paragraph 1 of this article may not contest the earlier recognized claims.

Creditors may report their claims until the closure of the first hearing for the distribution of the limitation fund.

Claims reported after the closure of the first hearing for the distribution of the limitation fund shall not be examined.

Creditors who report their claims after the expiration of the term referred to in article 426, point 5, of this Law shall be obliged to pay to the proposer and other parties to the proceedings, at their request, the costs of the proceedings caused by the subsequent report. The court may summon creditors to deposit within a specific term a sum that will be necessary to cover these costs.

Article 437

After the proceedings for the examination of the claims reported have been terminated, the court shall determine by a ruling which claims will be recognized and to what amount, taking account of the written statements of the parties also.

Article 438

The distribution of the limitation fund shall be carried out after the ruling rendered in accordance with article 437 of this Law has become final.

The court may, on the proposal of a creditor, also carry out a provisional partial distribution of the limitation fund for the purpose of the preliminary payment of the claims ascertained if the creditor proposing it makes it credible that the lawsuit referred to in articles 430, 431 and 432 of this Law will not be terminated within six months.

The distribution of the fund referred to in paragraph 2 of this article shall include the balance of limitation fund left after from the entire fund assets have been set aside for the possible payment of claims which are still controversial, in the amount in which these claims should be paid should their existence be ascertained in the amount in which they were reported.

The distribution of the assets of the limitation fund set aside according to the provisions of article 435, paragraphs 1, 2 and 3, of this Law shall be carried out after the proceedings for the examination of controversial claims to which the sums set aside relate have been terminated by final decision, account being taken of the distribution already carried out according to the provisions of paragraphs 1, 2 and 3 of this article.

Article 439

In order to carry out the distribution of the limitation fund, the court shall draw up a distribution draft.

After having drawn up the draft for the distribution of the limitation fund, the court shall fix a hearing for discussing the draft, to which it shall summon the proposer and creditors whose claims have been determined and for

which it has been established that they are to be paid from the limitation fund, and also creditors whose claims are controversial.

Together with the summons to appear at the hearing a copy of the distribution draft shall be sent to the parties.

Article 440

If in order to draw up the draft for the distribution of the constituted limitation fund it is necessary to have an expert, and the court does not have such and expert, it may entrust preparations for drawing up the distribution draft to a special expert outside the court.

The provisions of the Civil Procedure Act pertaining to expert witnesses shall also apply to experts referred to in paragraph 1 of this article.

Article 441

The proposer and creditors referred to in article 439 of this Law shall be entitled to take part in hearings as parties.

Absence of the parties from the hearing shall not prevent the court from holding the hearing.

At the hearing the court shall invite the parties to declare themselves concerning the draft for the distribution of the limitation fund and to make their objections to the draft.

The court shall render a decision on the distribution of the constituted limitation fund on the basis of the results of the proceedings also taking into account the written statements of the parties.

Article 442

The court shall be obliged within three days from the date when the ruling on the distribution of the limitation fund against which no legal remedy had been employed became final, or from the date when the appellate court delivered to the court of the first instance a final ruling, to issue an order for the payment of the claims of the creditors to which the ruling on the distribution relates.

Article 443

The reporting of claims in proceedings for the limitation of the ship operator's liability shall with respect to the interruption of the limitation period have the same effect as the institution of a lawsuit in litigious proceedings.

As regards claims that were contested in the proceedings for the examination of claims, it shall be considered that the limitation period was interrupted from the date of the reporting of the claims until the expiration of the time limit for instituting a lawsuit according to the provisions of articles 431 and 432 of this Law, or from the date when the judgement in which it was determined that the creditors' claims were not to be paid from the limitation fund, became final.

The limitation period for claims which on the basis of a ruling on the distribution of the limitation fund are to be paid from the fund begins to run again when the ruling on the distribution becomes final.

Article 444

For creditors whose claims it has not been able to pay even within one month from the date of the issue of the order for payment (article 442), the court shall establish a separate deposit from the assets of the limitation fund, according to the rules on the establishment of court deposits.

The assets of the court deposit shall be placed on time deposit at a bank with an adequate interest rate to a time limit which should correspond to a period of time before the expiration of which, according to the judgement of the court, the conditions for the payment of the creditors' claims cannot be fulfilled.

Article 445

In the procedure for the limitation of the ship operator's liability each party shall bear his costs, unless otherwise specified by this Law.

Article 446

An appeal against rulings rendered in the procedure for the limitation of the ship operator's liability must be lodged within eight days from the service of the rulings.

Article 447

In a proceeding for the limitation of the ship operator's liability the parties and the public prosecutor may, against a court ruling by which the court proceedings have been finally terminated, employ all legal remedies that may be used against judgments rendered in litigious proceedings.

PART EIGHT [2]
CONTRACTS

Chapter I
SHIPBUILDING CONTRACT

Article 448

The shipbuilding contract is an agreement by which the shipbuilder is bound to construct a new ship in accordance with its design and technical documentation within a time limit and the contractor is bound to pay the stipulated price for the constructed ship.

The contract of reconstruction or repair of a ship is an agreement by which the ship repairer is bound to reconstruct or repair the existing ship within a time limit and the purchaser is bound to pay remuneration to the ship repairer for the stipulated conversion or repair of the ship.

Article 449

The provisions of articles 449 and 458 of this Law shall apply accordingly to the contract of reconstruction and repair of a ship, with the exception of dry-docking of the ship, provided dry-docking is effected under separate contract by payment.

If dry-docking is effected under separate contract, dry-docking shall submit to the provisions of the Law governing other maritime contracts (articles 656-660).

Article 450

The shipbuilding contract as well as any modifications of and additions to the same shall be drawn up in writing.

The shipbuilding contract as well as any modification and additions to the same drawn up contrary to the provisions of paragraph 1 of this article shall have no legal effect.

Article 451

Unless otherwise stipulated by the shipbuilding contract, the ship under construction shall be considered to be property of the shipbuilder.

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2 Parts Nine to Eleven of the Code will be published in Law of the Sea Bulletin No. 43.

Article 452

The shipbuilder shall construct the ship according to the shipbuilding contract and the rules of profession and in such a manner so as to enable the ship to obtain the seaworthiness certificates prescribed by this Law and any other certificates required by the shipbuilding contract.

If the ship, after having been constructed, is to be registered in a foreign register of ships, the shipbuilder shall construct the ship according to the shipbuilding contract and the rules of the profession and in such a manner so as to enable the ship to obtain the certificates required by the shipbuilding contract.

Article 453

The contractor shall have the right to supervise the construction of the ship and may appoint one ore more superintendents for this purpose. The contractor shall notify the shipbuilder in writing of the appointment and any substitution of the superintendents.

All expenses connected with the survey of the superintendents shall be borne by the contractor.

The shipbuilder shall facilitate the superintendents in supervising the construction under way.

If the superintendent ascertain that certain works are not being carried out in accordance with the provisions of article 452 of this Law, he shall immediately notify the shipbuilder in writing.

If the shipbuilder does not accept the remarks of the superintendent, the latter shall notify without delay the contractor in writing and request that the proceedings stipulated by the contract for such cases be instituted.

If in the contract there are no provisions as to the proceedings mentioned in paragraph 5 of this article, or should the contracting parties not accept the results of such proceedings, the dispute shall be referred to the court.

The provisions of paragraphs 1 to 5 of this article shall not affect the right and duty of the Croatian Register of Ships to supervise the construction of the ship at the request of the parties and in accordance with the provisions of this Law regarding the ascertainment of the seaworthiness of the ships.

Article 454

When the shipbuilder has ordered or acquired parts or accessories for the ship from persons designated by the contractor, the shipbuilder shall be liable for the workmanship and any defects in the parts and accessories ordered or acquired, unless he can prove that he was unable to discover such defects by exercising due diligence.

Article 455

The shipbuilder shall not be liable for defects in construction if he proves that such defects ensued as the result of his having to follow the instructions of the contractor in spite of having warned him of the possibility of damaging consequences foreseeable by exercising due diligence.

When the material for the construction of the ship is supplied by the contractor, the shipbuilder shall examine it, and should ascertain certain defects, he shall notify the contractor without delay.

If the shipbuilder does not comply with the provisions of paragraph 2 of this article, he shall be liable for damages caused by the defects in the material.

The shipbuilder shall not be liable under the provisions of paragraph 3 of this article if the contractor has requested that such material be used in the construction of the ship in spite of the warning that the material is defective.

If the shipbuilder is not at the same time the designer of the project, he shall be liable for those defects in the construction of the ship carried out in accordance with the project which he could have discovered, by exercising due diligence,.

The shipbuilder shall not be liable under the provisions of paragraph 5 of this article, in spite of the warning, if the contractor has requested that works be carried out in accordance with the project.

Article 456

The shipbuilder and ship repairer have the right to retain the ship being under construction or repair at the shipyard port until payment is effected in accordance with the contract of construction or repair of the ship.

Article 457

The shipbuilder shall at his expense and risk eliminate within an adequate time limit the defects for which he is liable under the provisions of articles 452, 453 and 455 of this Law.

If the defects cannot be eliminated, the contractor may request an adequate reduction in the price.

If the defect which cannot be eliminated is essential, the contractor shall have the right to rescind the contract.

The provisions of paragraphs 1 to 3 of this article shall not affect the right of the contractor to compensation for damages.

The shipbuilder shall not be relieved from the obligations specified in paragraphs 1 to 4 of this articles even if during the construction of the ship the contractor has not objected to the project prepared by the shipbuilder, to the material used, and to the way the works were performed.

Article 458

The shipbuilder shall be liable for latent defects discovered within one year counting from the day of the delivery of the ship to the contractor, provided that the latter has notified the shipbuilder of the defects in the ship as soon as discovered.

Article 459

The shipbuilder's obligations under the provisions of the article 458 of this Law shall be barred by the statute of limitation within one year from the day on which the shipbuilder has been notified of the ship's defects according to the article 458 of this Law.

The terms of the shipbuilding contract stipulated contrary to the provisions of paragraph 1 of this article have no legal effect.

Chapter II
CONTRACTS FOR THE EMPLOYMENT OF SHIPS

1. General Provisions

Article 460

Contracts for the employment of ships are: maritime contracts and charter by demise.

Article 461

Maritime contracts are: contracts of carriage of goods by sea, contracts of the carriage of passengers by sea, contracts of towage or of pushing of ships on sea and contracts relating to other maritime services.

Article 462

Unless otherwise provided by this Law, the provisions governing particular maritime contracts shall also apply in appropriate manner to other maritime contracts.

Article 463

The terms in this chapter of the Law are used in the following sense:

(1) Charterer is the contracting party that engages the ship operator to effect the carriage of goods, passengers, to tow or push ships and perform other maritime services;

(2) Shipper is the charterer or a person appointed by him to deliver goods for carriage to the ship operator under a contract of the carriage of goods;

(3) Consignee is the person entitled to take delivery of the goods from the ship operator;

(4) Beneficiary is a person having specific rights in relation with the ship operator (charterer, shipper, consignee) under a contract for the carriage of goods;

(5) Lay-time is the regular time allowed for the loading or discharging of cargo;

(6) On demurrage is the period of time during which the loading or discharging of the cargo may be continued after expiration of the laytime.

Article 464

The provisions of this chapter of the Law (articles 460 to 687) shall also apply to:

(1) warships,
(2) boats.

As an exemption to point 1, paragraph 1, of this article the following provisions shall not apply to contracts for the employment of warships:

(1) Provisions governing time charters for the whole ship (articles 468, 469, 595 and 597 and provisions of articles 465 and 467 refer to the said contract);

(2) Provisions governing the right of the charterer to conclude a contract of the carriage of goods with a third person (article 470);

(3) Provisions governing the carriage of passengers and luggage (articles 611 to 646), excepting the provisions regulating the liability of the operator for the death of passengers or injury to them (articles 625 and 633, and the provisions of articles 626, 627, 628, 632, 637, 638, 640, 641, 644 and 645 referring to the said liability) as well as the provisions in article 623 of this Law;

(4) Provisions governing the bareboat charterers and/or charter by demise (articles 671 to 685);

(5) The provisions in articles 478 and 590 of this Law.

2. Maritime Contracts

(a) Carriage of Goods

General Provisions on the Carriage of Goods

Article 465

By a contract of the carriage of goods the ship operator is bound to effect a carriage by ship, and the charterer is bound to pay the freight.

Article 466

A contract of the carriage of goods by ship may be concluded for the carriage of goods in the whole ship, a proportional part of the ship, or in a specified space thereof (charter party), or for the carriage of specific goods (contract of transport).

A charter party may be concluded for one or more voyages (voyage charter), or for definite period of time (time charter).

Article 467

A voyage charter for more voyages or a time charter for the whole ship must be drawn up in writing.

Contracts of paragraph 1 of this article which are not drawn up in written forms have no legal effect.

For contracts of carriage of goods not mentioned in paragraph 1 of this article, either party shall have the right to request that the concluded contracts not designated in paragraph 1 of this article be drawn up in writing.

If the party requested to draw up the written form does not comply with this request, the other party may rescind the contract if the enforcement of the said contract has not commenced.

The provisions in paragraph 4 of this article shall not affect the right of the party requesting the written form to claim damages.

Article 468

Under a time charter for a whole ship, the master is bound to follow the instructions of the charterer, provided they are within the limits of the contract and in accordance with the proper use of the ship.

Under a time charter for a whole ship, the ship operator is not liable to the charterer for obligations assumed by the master in compliance with special instructions given by the charterer.

Article 469

Under a time charter for the whole ship, the charterer can order neither a voyage that would expose the ship or crew to perils that could not be foreseen at the time the contract was concluded nor a voyage that cannot be expected to be completed without considerably exceeding the period of time stipulated by contract.

Article 470

The charterer within a charter party may conclude a contract for the carriage of goods with a third person for the ship referred to in the said charter party.

The ship operator shall also be liable to third persons for obligations under a contract concluded in accordance with paragraph 1 of this article, however only to the extent provided by the provisions, whose application cannot be overruled by agreement between the parties and under the usual terms for the said type of carriage.

If the obligations of the ship operator are increased in the cases under paragraph 2 of this article, the charterer shall be liable to the ship operator for the said obligations.

If the third person with whom a contract has been concluded according to paragraph 1 of this article had knowledge of the charter party, the ship operator shall be liable to the said person only to the extent stipulated by the said charter party and established by rules of law whose application cannot be overruled by an agreement between the parties.

Article 471

A charterer who authorizes a third person as a shipper to deliver the cargo for carriage to the ship operator shall be liable to the ship operator for the acts and omissions of the shipper to the extent stipulated by the contract of carriage.

Article 472

The contract of the carriage of goods shall terminate if its performance is permanently made impossible due to force majeure.

If due to force majeure the performance of the contract of the carriage of goods has been made impossible for a long period of time, or if it is uncertain how long the impediment will last, either party may withdraw from the contract.

The party not at fault for the impediment may cancel the contract in the cases specified in paragraph 2 of this article, if the impediment has lasted too long or if it can be expected to last too long.

Either party is also entitled to withdraw from the contract if the safety of the ship, crew or cargo could be imperilled due to force majeure or any other circumstances that cannot be averted or prevented and that could not be foreseen at the time the contract was concluded and could last a long time or indefinitely.

Article 473

If the contract for of carriage of goods has been terminated or cancelled in accordance with article 472 of this Law, the ship operator shall be entitled to reimbursement of the expenses incurred in connection with the discharging; if the contract has been terminated or cancelled for a reason that occurred after the ship left the port of loading, the ship operator shall be entitled to pro-rata freight in proportion to the distance effectively covered.

Excepting the ship operator's right to compensation under paragraph 1 of this article, the contracting parties are not entitled to any other compensation from each other.

Article 474

If the performance of a contract of the carriage of goods is made impossible for only a short period of time, neither contracting party has the right to withdraw from the contract.

Article 475

In a charter party for a whole ship the charterer may withdraw the contract before the loading is completed or before the demurrage has expired if the loading has not been completed by that time, provided he pays one half of the agreed freight, compensation for demurrage and other expenses incurred by the ship operator not covered by the freight.

The provisions of paragraph 1 of this article shall also apply to contracts of carriage for a proportional part of the ship, for a specified space in the ship, or for the carriage of single goods, provided all charterers withdraw the contract.

In cases specified in paragraphs 1 and 2 of this article, the charterer, or charterers may also withdraw the contract after loading has been completed or demurrage has expired even in the course of the voyage, provided they pay the stipulated freight in full, the demurrage and other expenses incurred by the ship operator and not covered by the freight.

When the contract of carriage is concluded for a proportional part of the ship, or a specified part in the ship, or for the carriage of single goods, any charterer may withdraw the contract before loading has commenced, provided that he pays the stipulated freight in full, the demurrage and other expenses incurred by the ship operator not covered by the freight.

Article 476

Any charterer may withdraw a contract in the cases specified in article 475, paragraph 4, of this Law, although loading has commenced, provided that he fulfils the obligations under the said Articles, that the cargo may be discharged without imperilling the safety of the ship or other cargo, that the departure of the ship will neither be unduly delayed by the discharging operations nor will its sailing schedule be altered, that it will cause no damage to the other charterers and there are no other important reasons against discharging.

If the ship operator does not accept the withdrawal of the contract for reasons specified in paragraph 1 of this article, he is bound to inform the charterer immediately about it.

Article 477

When, in cases of cancellation of the contract, a bill of lading has been issued, the charterer may withdraw the contract if he returns all copies of the said bill of lading to the ship operator or furnishes security against any damages that the ship operator might suffer because all copies thereof were not returned to him.

The Vessel

Article 478

The ship operator shall be obliged to carry the cargo in the ship expressly stipulated by the contract or in one that has the stipulated features.

If the parties have not expressly agreed upon a particular ship or the features thereof according to paragraph 1 of this article, the ship operator shall be bound to carry the cargo in a ship whose features are customary for effecting the carriage as stipulated.

Article 479

The ship operator of a sea-going ship shall be bound in due time, before commencing the voyage, to exercise the due diligence of a conscientious ship operator in making the ship seaworthy, in properly equipping, manning and stocking it with the necessary supplies and making it fit to have the cargo loaded, stowed, preserved, carried and discharged in the same condition as when it was received for carriage.

The terms of the contract contrary to the provisions of paragraph 1 of this article have no legal effect.

Article 480

The space in the ship that is usually not used for stowing cargo may be used for this purpose only by express agreement between the contracting parties, provided the said agreement is not contrary to the rules of law.

Article 481

The ship operator may, with the consent of the charterer, substitute the ship specified in the contract by another. If the carriage is effected under a contract of transport, the ship may be substituted without the consent of the charterer.

Article 482

The ship operator shall be liable for the accuracy of the statements about the deadweight capacity of the ship indicated in the charter party if the difference exceeds 5 per cent.

Article 483

If the contract has been concluded for carriage in the whole ship or a specified space of the ship, and if the contracted space has not been entirely used, the ship operator cannot dispose of the remaining space without the consent of the charterer.

Loading the Cargo

Article 484

The ship operator is bound to bring the ship to the agreed port for loading.

Article 485

If, for reasons for which the charterer is not liable, the ship cannot be brought to the stipulated port, the charterer, keeping the objective of the contract in mind, shall have the right to designate the nearest suitable port to which the ship can set to take delivery of the cargo.

Article 486

The loading place at the port shall be secured by the charterer. In liner services the loading place at the port shall be secured by the ship operator.

Article 487

The ship operator shall bring the ship to the loading place designated by the charterer in accordance with article 486 of this Law if this can be done without danger for the ship and if the cargo can be loaded at the said place without putting the ship in danger.

If the loading place does not satisfy the conditions under paragraph 1 of this article, the ship operator shall bring the ship to another place as near as possible, provided he can do so without danger for the ship and the cargo can be loaded at the said place without putting the ship in danger.

Article 488

The ship may take delivery of the cargo at anchorage if so provided by contract or local customs and must do so if loading at anchorage is ordered by the competent port authority.

Article 489

If under a contract the charterer or other person has the right to designate the port loading, but the master does not receive such an order within the agreed or in due time, or if the master receives the order but cannot execute it, he shall act according to his best knowledge, and take into account the interests of the beneficiaries of carriage.

Article 490

If, under the contract, the ship must arrive at the designated port within a fixed time, the ship shall be considered to have arrived when it reaches the port or the anchorage thereof.

Article 491

The master shall notify the shipper in writing that the ship is ready to load (notice of readiness).

The notice of readiness shall be presented to the shipper at the shipper's address during office hours.

If the master does not know the address of the shipper or if the notice of readiness cannot be delivered to his address, the master shall request the charterer for instructions, and the presentation of the notice of readiness shall be considered to have legal effect from the time it would have been delivered had there been no hindrance specified above.

Article 492

A notice of readiness need not be presented for ships in liner service.

Ships in liner service shall commence loading as soon as the ship is ready to load at the designated place.

Article 493

The master may present the notice of readiness if the ship is ready to load and is at the place in the port specified under articles 484, 485, 487 and 488 of this Law, provided he has previously obtained free pratique and the loading permit and has performed all other acts permitting the loading of the cargo on the ship.

The notice of readiness may be presented even if the ship has not been brought to the place designated in paragraph 1 of this article provided this has been prevented for reasons arising from the charterer's responsibility.

Article 494

The ship operator takes over the cargo under tackle.

Article 495

If the cargo is to be loaded by the shipper, the master is bound to instruct him how to stow the cargo in order to avoid its damage due to the fact that the cargo is carried by sea.

On loading the cargo the shipper is bound to follow the master's instructions as to the distribution of the cargo on board and other circumstances regarding the safety of the persons, the ship, its installations and equipment, other cargo on board as well as the prevention of environmental pollution.

Article 496

The cargo cannot be stowed on deck without the express consent of the shipper, unless such cargo is usually stowed on deck.

Article 497

The quantity of the cargo delivered for carriage may be specified by the number of pieces, by weight or by volume.

In case of doubt, the quantity shall be specified by the unit of measurement customarily used at the port of loading.

Article 498

Another cargo may be delivered for carriage instead of the agreed cargo if the term of carriage are not altered thereby at the disadvantage of the ship operator or this would not cause the ship to be delayed or imperil the safety of the ship and the other cargo on board and if at the ship operator's request the charterer furnishes security to cover any claims which might arise from the substitution of the cargo.

If the agreed cargo has already been loaded, the expenses for its discharging and loading the substituted cargo shall be borne by the charterer.

Article 499

The charterer or the shipper shall give the ship operator instructions for handling the cargo if it is not in regular trade traffic and if the master should take special measures when stowing it.

Article 500

In cases involving dangerous cargo, the charterer or the shipper shall inform the ship operator of the nature of the danger and indicate which protective measures should be taken, even if not requested by the ship operator.

If the notice of dangerous cargo which is being carried has been specified neither in the bill of lading nor in the written document evidencing the contract of carriage, the burden of proof that the ship operator had knowledge of the peril encountered by carrying the said cargo lies with the beneficiary of the carriage.

Article 501

The ship operator must not accept for carriage cargo that is not permitted to be imported, carried in transit or exported, or that is being smuggled.

The ship operator shall not accept for carriage cargo that is of dangerous nature, if at the time the contract was concluded he neither had knowledge nor ought to have had knowledge of the dangerous nature of the cargo.

The ship operator shall not accept for carriage cargo if its condition and the condition of its packing may endanger the persons, the ship, the environment or other cargo with which it would or perhaps would come into contact during the voyage.

Article 502

The charterer shall be liable to the ship operator for damages caused to the persons, to the ship, to the cargo or environment as well as for all other damages and expenses resulting from defective packing.

Article 503

The charterer shall be liable to the ship operator, for damages caused to persons, to the ship, to the cargo or environment as well as for all other damages and expenses caused by the natural state or condition of the cargo, if the ship operator neither had knowledge nor ought to have had a knowledge of the nature and condition of the cargo.

Article 504

The provisions of articles 486, 490, 491 and 494 of this Law shall apply unless otherwise provided by the customs of the port.

Time for Loading

Article 505

The ship operator shall take delivery of the cargo for carriage during the working hours of the port. The working hours are determined by the body managing the port in accordance with the Law.

Article 506

Lay-time begins to run at the commencement of the forenoon or afternoon working hours, provided that the notice of readiness has been tendered no later than two hours before expiration of the respective forenoon or afternoon working hours.

The duration of the lay-time shall be calculated in accordance with the customs of the port.

The lay-time shall be calculated in working days or parts thereof, with a working day comprising 24 consecutive hours.

Sundays, national and other holidays when no work is performed in the port, as well as periods of the time when loading operations are prevented due to weather conditions or hindrances on the part of the ship, shall not count as working days.

Article 507

On the expiration of the lay-time, on demurrage time shall commence.

On demurrage time is calculated in running days and parts thereof without interruption.

When it was impossible to work due to hindrances on the part of the ship, such time shall not count as on demurrage time.

Article 508

The ship operator shall be entitled to a special compensation for demurrage.

The rate of demurrage shall be established according to the rate of demurrage of other similar ships laying at the same port at the same time; if this is not possible, the rate of demurrage shall be established according to the rate of demurrage of similar ships laying in the nearest port at the same time.

Demurrage shall be paid daily for the whole day in advance; if the loading is terminated before the end of a day for which demurrage has already been paid, the ship operator shall refund a proportional part thereof.

Article 509

If the demurrage is not paid when due, the ship may sail immediately with the part of the cargo that has already been loaded.

In the case provided in paragraph 1 of this article, the ship operator shall retain the right to the full freight, demurrage and other claims to which he is entitled under the contract.

Article 510

When the ship can sail with part of the cargo loaded because demurrage has not been paid when due (article 510), the ship operator may withdraw the contract and discharge the cargo if the loaded part of the cargo does not furnish sufficient security for the ship operator's claims under the contract of carriage.

In discharging the cargo, the ship operator shall exercise the due diligence of a conscientious ship operator taking into account the circumstances of the case.

If the ship operator withdraws the contract and the cargo is not discharged, he shall retain the right to the full freight, to the compensation for demurrage incurred and discharging expenses not covered by the freight as well as other claims to which he is entitled under the contract.

Article 511

The provisions of this Law relating to lay-time and demurrage shall not apply to carriage by ships in liner service.

When carriage is performed by ships in liner service, the shipper shall deliver the cargo as fast as the ship can take it.

Article 512

A ship in liner service shall not be bound to wait for loading beyond the sailing time indicated in the sailing schedule provided that the ship is not at fault for the delay in loading.

Article 513

The shipper is bound in due time to give the master the customs documents and other documents required for loading, carrying and discharging of the cargo.

If such documents are not furnished by the expiration of lay-time or on demurrage time, and in case of carriage by ships in liner service by the time announced for sailing, the master may discharge the cargo.

In the case provided in paragraph 2 of this article, the ship operator shall retain the right to the full freight, demurrage and extraordinary demurrage or to damages for detention of a ship in liner service and for any other damages.

Article 514

The provisions of article 505, paragraph 1, and of articles 506, 507, 508, 511 and 512 of this Law shall apply unless the customs of the port provide otherwise.

Shipping Documents

Article 515

On completion of the loading, the ship operator shall issue a bill of lading to the shipper at his request.

Article 516

If the cargo has been delivered to the ship operator before loading, the shipper may request that the ship operator issue a receipt for the cargo received or a bill of lading bearing the visible annotation "received for shipment" (received for shipment bill of lading).

A ship operator who has issued a received for shipment bill of lading may, instead of issuing a bill of lading, confirm that the loading had been effected by inserting the remark "loaded" in the received for shipment bill of lading.

Article 517

If the ship operator has issued a received for shipment bill of lading, the shipper shall, on obtaining the bill of lading, return the received for shipment bill of lading to the ship operator.

If a receipt for the cargo has been issued prior to the bill of lading, the shipper shall return the said receipt to the ship operator on receipt of the bill of lading.

Article 518

If the cargo to be carried had to be loaded into different ships, or if it consists of different types of goods or is divided into different lots, both the ship operator and the shipper shall have the right to request that a separate bill of lading be issued for each ship employed, or for each type of goods, or for each lot of cargo.

If the cargo is loaded in bulk, the shipper may request that separate bills of lading be issued for certain quantity of cargo.

Article 519

Agreements between the parties which are contrary to the provisions of article 515 and article 516, paragraph 1, of this Law shall have no legal effect.

Article 520

The bill of lading may be issued to a given person, "to order" or "to the holder".

If in a bill of lading issued "to order", the person to whose order the cargo is to be delivered is not named, the ship operator shall deliver the cargo by order of the shipper.

Article 521

A bill of lading issued to a named person is transferable by cession, a bill of lading issued "to order" by endorsement, and a bill of lading issued "to holder" by delivery.

The provisions of the Law on Bill of Exchange, excepting those provisions regulating the right of recourse, shall apply in appropriate manner to the form and the effects of the endorsement.

Article 522

At the shipper's request the ship operator shall issue several original forms of the bill lading, indicating on each form the total number of original forms issued.

Article 523

Each party may request that several copies of the bill of lading be issued for its use.
It must be indicated on each copy that the said form is a copy.
At the ship operator's request, the shipper shall sign the copy of the bill of lading.

Article 524

The bill of lading contains:

(1) The firm or its style and the main office or the name and domicile of the ship operator issuing the bill of lading,
(2) The name or other particulars on the ship's identity,
(3) The firm or its style and the main office or the name or domicile of the shipper,
(4) The firm or its style and the main office or the name and domicile of the consignee, or the annotation "to order" or "to the holder",
(5) The port of destination, or the time or place the said port will be named,
(6) The quantity of cargo specified in number of pieces, weight or bulk or other measurement depending on the type of cargo,
(7) The type of cargo and marks thereon,
(8) The apparent condition of the cargo or the packing,
(9) The provisions on the freight,
(10) The place and the date the cargo was loaded and the bill of lading issued.
The bill of lading may also contain other statements and terms of carriage.

Article 525

The bill of lading received for shipment shall also contain the data provided in article 524 of this Law, excepting those concerning the identity of the ship and the place and day of loading.
When writing the remark "shipped" on the bill of lading received for shipment, the ship operator shall insert therein the data on the ship identity and the date the cargo was loaded.

Article 526

The bill of lading shall be personally signed by the ship operator or his representative.

Article 527

The bill of lading shall be drawn up by the ship operator on the basis of the data furnished in writing by the shipper.

Article 528

If there is a reasonable ground for doubt that the data furnished by the shipper on the type of cargo or marks thereon, or its quantity in number of pieces, weight, bulk or other unit of measurement are not exact or complete, and if there is no reasonable means of checking the accuracy of the said data during the loading or if the marks on the cargo are not clear or sufficiently durable, the ship operator may insert remarks in the bill of lading specifying his reasons for doing so.

Article 529

The shipper's signature on the bill of lading or on a copy thereof (article 526) does not mean that the shipper agreed to the remarks the ship operator inserted in the bill of lading according to the provisions under article 528 of this Law.

Article 530

When the ship operator has not inserted remarks in the bill of lading according to the provisions under article 528 of this Law, in the relationship between the ship operator and a third lawful and conscientious holder of the bill of lading, it shall be presumed that the ship operator has received the cargo as described in the bill of lading.

When the ship owner inserts remarks in the bill of lading according to the provisions of article 528, it is presumed that he had received the cargo in the same conditions as delivered to the consignee unless the lawful holder of the bill of lading proves the contrary.

Article 531

The written terms of the contract of carriage and the ship operator's general conditions shall be binding for an lawful holder of the bill of lading who is neither the charterer nor the shipper only if the bill of lading expressly refers to the said terms and conditions.

The verbal terms of a contract of carriage not inserted in the bill of lading shall not be binding for an authorized holder of the bill of lading who is neither the charterer nor the shipper even in cases when the said terms are expressly referred to in the bill of lading.

If the bill of lading only generally refers to the terms of the contract of carriage to the ship operator's general conditions, the holder of the bill of lading mentioned in paragraph 1 of this article shall not be bound by the terms of the contract of carriage and the general conditions which are more onerous than those usually applied in that type of carriage.

The Voyage

Article 532

The ship operator shall perform the voyage within the agreed period of time.

If the duration of the voyage has not been stipulated, the ship operator shall perform the voyage within a reasonable period of time.

Article 533

The ship operator shall proceed by the route stipulated by the contract.

If the route of the voyage has not been stipulated by the contract, the ship operator shall follow the usual route.

Article 534

If for any reason the ship is prevented from commencing a voyage or continuing a voyage that has already been commenced and the hindrance is expected to last a considerable period of time, or if it is uncertain how long it may last, the master shall request instructions from the charterer or the person having the right to dispose of the cargo.

If the master is not able to comply with the provisions under paragraph 1 of this article or to carry out the instructions received, he shall, depending on the given circumstances, either tranship the cargo, return it to the port of departure, or act in another way taking into account the interest of the ship operator and the beneficiary of the carriage.

If, in the cases mentioned in paragraphs 1 and 2 of this article, the contract of carriage has terminated either by law or withdrawal, the provisions of this Law regulating the mutual relations of the contracting parties in cases involving the termination of the contract (article 473) shall apply in an adequate way in respect to the rights and obligations of the contracting parties arising from the measures taken by the master.

If the contract has not been terminated or if the charterer's instructions cannot be carried out, the resulting damages shall be borne by the party at fault for the hindrance or the party causing the hindrance. If both parties have caused the hindrance, each party shall bear its own damage. If both parties are at fault for the hindrance, each party shall bear the damage in proportion to its fault.

Article 535

The charterer or the lawful holder of the bill of lading may withdraw the contract after the voyage has commenced under the conditions provided in article 475, paragraph 3, and articles 476 and 477 of this Law.

Article 536

If the ship operator does not carry out an order received from the beneficiary of the carriage when he is bound to do so according to the provisions of this Law, he shall be liable to the beneficiary of the carriage for all damages caused thereby.

The ship operator shall be bound to compensate the consignee for damages as lawful holder of the bill of lading, if he carries out the orders of the charterer although all copies of the bill of lading have not been returned to him.

The extent of the damages under paragraphs 1 and 2 of this article cannot exceed the amount the ship operator would have to pay if he were liable for the total loss of the cargo.

Article 537

The ship operator's obligation to compensate for damages under the provisions of article 536, paragraph 2, of this Law shall not prejudice his right recourse against the beneficiary of the carriage.

Delivery of the Cargo to the Consignee

Article 538

The ship operator shall deliver the cargo to the consignee at the port of destination.

Article 539

The provisions of articles 485 to 489 and articles 491 to 494 of this Law shall apply to the port of destination and to the delivery of the cargo to the consignee.

Article 540

The ship operator shall deliver the cargo to the lawful holder of the bill of lading or in case the said documents have not been issued, to the person authorized by the contract of carriage.

Article 541

When no document of transport has been issued for the cargo, the consignee shall be entitled to request the ship operator to deliver the cargo upon arrival of the ship at the port of destination, provided that he satisfies the obligation that are binding him by the contract.

The ship operator shall carry out the request of the consignee set out in paragraph 1 of this article unless the charterer has stipulated otherwise in his orders for disposing of the cargo which are binding on the ship operator.

Article 542

The lawful holder of the bill of lading shall be entitled to request the ship operator to deliver the cargo as soon as it has arrived at the port of destination, provided he satisfies the conditions set out in the bill of lading.

On taking delivery of the cargo, the lawful holder of the bill of lading shall return the bill of lading to the ship operator.

When the cargo has been delivered at the port of destination to a person holding one or more original forms of the bill of lading, the remaining original forms no longer bind the ship operator.

Article 543

If no document of transport has been issued for the cargo, the consignee shall be entitled to request delivery of the cargo before the ship has arrived at the port of destination, provided he has been authorized in the contract by the charterer to do so.

The lawful holder of the bill of lading shall be entitled to request delivery of the cargo before the ship has arrived at its destination provided that the conditions stated in article 475, paragraph 3, and articles 476 and 477 of this Law are satisfied.

Article 544

The ship operator shall have the right to request the person to whom the cargo has been delivered to issue receipt for the delivered cargo.

Article 545

If the cargo which is covered by one document of transport is delivered in parts, the ship operator may request that the receipt of a part of the cargo be confirmed on the said document of transport or by special receipt.

Article 546

If no document of transport for the cargo being carried has been issued, the charterer shall be entitled to instruct the ship operator to deliver the cargo at the port of destination to another person rather the one indicated in the contract.

The charterer loses the right mentioned in paragraph 1 of this article when the consignee, in accordance with the provisions of this Law, acquires the right to request and does request the ship operator to deliver the cargo.

Article 547

The provisions of articles 505 to 508 and of article 514 of this Law shall also apply to the discharging time.

Article 548

If demurrage is not paid when due, in order to obtain security for the payment of demurrage and other claims based on the contract of carriage, the master may discharge the cargo and take it into custody or entrust it to a public warehouse or other suitable person at the risk and expense of the consignee or other person entitled to dispose of the cargo.

Article 549

If the consignee fails to give written notice of any damage or shortage of the cargo immediately upon its receipt, it shall be presumed that the cargo has been delivered to him as described in the bill of lading, or as received for carriage if no document of transport has been issued unless the consignee proves the contrary.

Article 550

If the damage or shortage is not apparent, the consignee may give notice in writing as set out in article 549 of this Law within three days from the delivery of the cargo.

The notice set out in article 549 of this Law and in paragraph 1 of this article shall be sufficiently specific.

If the consignee gives notice in writing as prescribed in paragraph 1 of this article and article 549 of this Law, it shall be presumed that the objections therein are true unless the ship operator proves the contrary.

Notice need not be given if during the discharging and delivery of the cargo the ship operator and the consignee have jointly acknowledged the existence of damage or shortage in writing.

An agreement between the parties contrary to the provisions of paragraphs 1 to 4 of this article and article 549 of this Law shall have no legal effect if it is detrimental to the beneficiary of the carriage.

The ship operator and the consignee shall, as far as possible, cooperate with each other to establish the condition and quantity of the cargo at delivery.

Article 551

When determining the quantity of shortage in the delivered cargo, the usual waste during carriage shall be taken into account.

If the cargo has been lost, no waste shall be taken into account.

The waste mentioned in paragraph 1 of this article shall be assessed in accordance with the customs of the port of discharge.

Article 552

A damage caused by delay in delivery of the cargo, other than a shortage or damage to the cargo itself, shall be proved by the consignee.

Article 553

If the consignee does not appear, or if he cannot be found, or if he refuses or is unable to take delivery of the cargo, or if several lawful holders of the bill of lading appear before commencement of delivery of the cargo, the ship operator shall request instructions from the shipper or the charterer.

Article 554

If, after having requested the shipper or the charterer for instructions as set forth in article 553 of this Law, the ship operator does not receive the said instructions in due time, or if he is unable to carry out the instructions received, he may act in accordance with the provisions of article 548 of this Law but shall be obliged to inform all the beneficiaries of the carriage that he is aware of the measures he has taken.

When a ship is in liner service or the carriage of goods is being performed under a contract of transport, the ship operator shall immediately inform all the beneficiaries of the carriage that he is aware of any hindrance preventing delivery of the cargo but shall not be bound to wait for instructions; rather he may immediately take the measures prescribed in the provisions of article 548 of this Law.

Article 555

When the ship operator delivers the cargo into the custody of a public warehouse or other person, he shall be liable only for the choice thereof.

Article 556

If the cargo taken or given into custody by the ship operator under the provisions of articles 548 and 554 of this Law is not claimed within 30 days after the day it was taken or given into custody at the port of destination, and if the freight and other claims arising from the contract of carriage have not been paid, the ship operator may sell the cargo or a part thereof if this is necessary in order to cover the claims.

The ship operator may sell the cargo before expiration of the time designated in paragraph 1 of this article if the sale thereof would not bring a sufficient amount to cover the ship operator's claims and the expenses of custody, or if the cargo is damaged or perishable.

The cargo shall be sold by public auction unless it is perishable, damaged or the price of the cargo is quoted on the exchange.

The ship operator shall exercise due diligence when selling perishable or damaged goods.

Article 557

The ship operator shall be bound to deposit the amount obtained from the sale of the cargo under article 556 of this Law at the court having jurisdiction over the place of sale to the account of the person authorized to dispose of the cargo, after having deducted his claim connected with the carriage of the said cargo as well as the custody and sale expenses informing without delay all the beneficiaries of the carriage that he is aware of, about the said deposit.

Article 558

If the carriage is performed by a ship in liner service and if the ship operator, at the fault of the beneficiary of the carriage, is prevented from discharging the cargo at the port of destination before expiration of the time indicated in the sailing schedule for the ship's departure from the said port, the ship operator may discharge the cargo in another nearby port, thereby retaining the right to claim an increased freight and compensation for damages caused thereby.

If the beneficiary of the carriage is not at fault for preventing the discharge at the port of destination, the ship operator shall bear the expenses for the carriage of the cargo to the said port; if the ship operator is at fault for preventing the discharge, he shall also have to compensate for the damages caused by the delay.

Liability of the Operator for Damages
Caused to the Goods and for Delay

Article 559

The ship operator shall be liable for any damage, shortage or loss of the cargo received for carriage from the time of receiving to the delivery, as well as for damages caused by delay in delivery of the cargo.

Article 560

The delivery of the cargo shall be considered delayed if the cargo has not been delivered to the consignee within the time agreed, or if no such time has been agreed, if the cargo has not been delivered to the consignee within a reasonable period of time.

Article 561

The ship operator shall not be liable for any damage, shortage or loss of the cargo or for a delay in delivery of the cargo if he proves that the said damage, shortage, loss or delay was caused by circumstances that could neither be prevented nor avoided by exercising the due diligence of a conscientious ship operator.

Article 562

The ship operator shall be liable for the acts and omissions that the master, other members of the crew or other persons in his employment have performed within the scope of their obligations as if these acts or omissions were his own.

The ship operator of a ship shall not be liable for any damage, shortage or loss of the cargo or for a delay in delivery of the cargo caused by acts or omissions in the navigation or management of the ship performed by the persons mentioned in paragraph 1 of this article.

Article 563

The ship operator of a sea-going ship shall be liable for any damage to cargo on board caused by fire only if it is proved that the fire occurred as a result of his personal act or omission.

Article 564

The ship operator shall not be liable for damage to the cargo caused by the ship unseaworthiness if he proves that the due diligence of a conscientious ship operator has been exercised (article 479).

Article 565

The ship operator of a ship shall not be liable for damage caused to the cargo if he proves that the said damage resulted from:

(1) *Force majeure*, accidents at sea, acts of war, international crimes at sea, civil commotions or riots,

(2) Sanitary restrictions or other measures and acts of government authorities,

(3) Acts or omissions of the shipper or of other persons entitled to the cargo or of the persons in their service,

(4) Strikes or lockouts, or any other hindrances totally or partially preventing the work,

(5) Salvage or attempts to save life or property at sea,

(6) Deviation of the ship due to the causes under point 1 of this paragraph or for other justified reasons,

(7) Normal loss in weight or volume of the cargo, damage or loss arising from inherent vice, latent defects or special nature of the cargo,

(8) Improper packing or marks on the cargo which are illegible or not sufficiently durable,

(9) Latent defects which cannot be discovered by the exercise of due diligence.

In spite of the proof submitted by the ship operator as specified in paragraph 1 of this article, the ship operator shall be liable for damages if the beneficiary of the carriage proves that the said damages were due to the personal fault of the ship operator or the fault of the persons for whose acts and omissions the ship operator is liable, provided that such acts or omissions do not involve the navigation and the management of the ship.

Article 566

If it is not contrary to the existing regulations, the master may, at any time and place, discharge, render harmless or jettison dangerous cargo, provided that the ship operator was not informed of the said danger before loading.

In the cases mentioned in paragraph 1 of this article the ship operator shall retain the right to full freight and shall not be liable for damages.

Article 567

If the ship operator has received dangerous cargo for carriage and is aware of the dangerous nature of the cargo, he may discharge it or render it harmless if human safety or that of the ship, other cargo on board or the environment are imperilled thereby.

If, on the grounds of paragraph 1 of this article, the ship operator discharges the cargo before arriving at the port of destination, he shall be entitled to the freight in proportion to the distance usefully covered. As for other damages resulting from having loaded the dangerous cargo and from the acts of the ship operator, each party shall bear its own damage.

Article 568

The ship operator shall not be liable for any shortage, loss or damage to cargo or for any delay in delivery of the cargo if the shipper has knowingly misstated the nature and value of the cargo.

Article 569

The charterer shall be liable to the ship operator for damages caused by the charterer's or shipper's inaccurate or insufficient particulars as to the quantity and nature of the cargo and the marks thereon.

Article 570

The charterer shall be liable to the ship operator for damages caused by the loading or carriage of goods that are forbidden to be imported, exported or carried in transit or that are being smuggled, if at the time of shipment the ship operator neither had nor ought to have had knowledge of these properties of the cargo.

Article 571

The person who loads goods without the knowledge of the ship operator shall be liable to him for damages caused thereby.

Article 572

The ship operator may, according to his best judgement, discharge at any time and place and jettison any cargo loaded without his knowledge as well as any cargo which has been inaccurately or insufficiently marked, if such cargo imperils human safety or that of the ship, the cargo on board or the environment.

In the cases mentioned in paragraph 1 of this article, the ship operator shall retain the right to full freight and compensation for damages and shall not be liable for the damages caused by his actions.

Article 573

The master may return any cargo that is forbidden to be imported, exported or carried in transit to the port of loading or if the master deems it necessary, discharge the said cargo at any place and, if necessary, jettison it.

If, in the case mentioned in paragraph 1 of this article, the ship operator neither knew nor ought to have known about the properties of the cargo, he shall retain the right to full freight and shall not be liable for the damages caused by such actions.

If the ship operator knew or ought to have known about the properties of the cargo described in paragraph 1 of this article, he shall retain the right to freight in proportion to the distance covered usefully, and the other damages shall be borne by the party suffering the same.

Article 574

If the import, export or transit of goods is prohibited during the ship's voyage, the master may act in accordance with the provisions of paragraph 1 of article 573 of this Law in respect of such cargo.

In the case mentioned in paragraph 1 of this article, the ship operator shall retain the right to the full freight and the compensation for damages and shall not be liable for damages caused by such actions.

Article 575

The ship operator shall not be liable to compensate for damages resulting from any shortage, loss or damage to the cargo nor for a delay in delivery of the cargo in an amount exceeding 666,67 accounting units of Special Drawing Rights per each package or unit of the damaged, short-delivered or lost cargo or cargo delivered with delay, or exceeding an amount of 2 accounting units of Special Drawing Rights per kilo of the gross weight of the damaged, short-delivered or lost cargo, applying thereby the higher value.

The unit of cargo according to the paragraph 1 of this article is each package or piece and in case of bulk cargo each metric ton or cubic metre or other unit of measurement which has been taken as a basis for the stipulation of the freight. If the freight for bulk cargo has not been agreed on the basis of a unit of measurement, the unit which is usually applicable on the basis for the usual manner of the stipulation of the freight in the loading port shall be considered a unit of measurement.

When the cargo is carried in containers, on pallets or by similar devices, in accordance with paragraph 1 of this article a unit of cargo shall be:

(1) The package or unit of cargo indicated in the bill of lading - if the said package or unit of cargo is in a container, on a pallet, or on similar device;

(2) The container, pallet or other similar device by which the cargo is carried if the package or unit of cargo is not indicated in the bill of lading.

Article 576

The charterer or shipper may increase the limit of the ship operator's liability specified in article 575 of this Law by agreement with the ship operator stating therein the increased value of the goods per unit of the cargo.

If a document of transport has been issued, the agreement of the parties in respect to an increase in the ship operator's liability which is not indicated in the said document of transport shall have no legal effect in favour of a consignee who is neither the charterer nor the shipper.

Article 577

Unless the ship operator proves the contrary, it shall be presumed that the value of the cargo is the value that the parties have agreed upon according to article 576 of this Law.

Article 578

The ship operator shall not be entitled to the benefit of the limitations of liability provided in articles 575 and 576 of this Law if it is proved that he himself caused the damage recklessly or with the intent that the damages could probably arise.

Article 579

The ship operator shall be liable for the value of any lost goods or a part thereof and for the depreciation in the value of any damaged goods.

If the goods have been delivered with delay, the ship operator shall also be liable for damages due to the delay.

As an exception to the provisions of paragraphs 1 and 2 of this article, a ship operator who according to article 578 of this Law cannot limit his liability shall be liable for all the damages caused by any loss, shortage or damage to the goods or by a delay in the delivery thereof.

Article 580

The extent of damages for the loss of goods shall be established according to the market value of other goods of the same quantity and property at the port of destination on the day of the ship's arrival at that port, or in case of non-arrival on the day it should have arrived.

If the extent of damages for the loss of goods cannot be established as prescribed by paragraph 1 of this article, it shall be assessed according to the market value of the goods in the port of loading on the day of the ship's departure increased by the expenses of carriage.

The extent of the damages for damaged goods shall be the difference between the market value of the goods if undamaged and their market value in the damaged condition.

If the extent of damages for the goods lost or damaged cannot be established according to the provisions of paragraphs 1 and 2 of this article, it shall be established by the court.

The expenses saved due to the non-arrival of the goods at destination or their arrival in a damaged condition shall be deducted from the amount to be paid by the ship operator as a compensation for the shortage, loss or damage to the goods.

Article 581

The provisions of articles 575, 579 and 580 of this Law shall also apply when the master, other members of the ship's crew or any other persons in the ship operator's service are liable under the general rules of law for damages caused by shortage, loss or damage, provided it is proved that the said damages were caused during or in connection with their work, or while performing their services or in connection therewith.

The persons mentioned in paragraph 1 of this article shall not be entitled to the benefit of the limitation of liability if it is proved that they have caused the damage intentionally or by gross negligence with the knowledge that damages could probably arise.

Article 582

The total amount of compensation for damage due by the ship operator and the persons mentioned in article 581, paragraph 1, of this Law shall not exceed the amount specified in article 575 of this Law.

The provisions of paragraph 1 of this article shall not affect the provisions of article 581, paragraph 2, of this Law.

Article 583

The persons mentioned in article 581, paragraph 1, of this Law shall be liable up to the amount specified in article 575 of this law even if the ship operator has increased the limit of his liability under article 576 of this Law.

Article 584

The provisions of this Law pertaining to the liability of the ship operator cannot be altered by contract to the detriment of the beneficiary of the carriage.

As an exception to the provisions of paragraph 1 of this article, the provisions of this Law regulating the ship operator's liability may be altered by contract in favour of the ship operator in case of:

(1) Damage to, shortage of, or loss of the cargo occurring prior to loading or after discharging,

(2) Damages due to delay.

The provisions of this Law governing the liability of the ship operator may also be altered by contract in favour of the ship operator in the case of:

(1) The carriage of live animals,

(2) The carriage of cargo on deck with the written consent of the shipper.

Article 585

The terms of a contract contrary to article 584 of this Law shall have no legal effect.

Article 586

The provisions of this Law governing the liability of the ship operator shall apply to all contractual or non-contractual claims brought on grounds whatsoever against the ship operator for any damage to, shortage or loss of the cargo.

Article 587

The provisions of this Law governing the liability of the ship operator shall not affect the provisions of this Law on the general average.

Freight

Article 588

The amount of freight shall be fixed by contract.

If the amount of freight is not fixed by contract, it shall be established according to the average rate of freight stipulated by contract for an equivalent type of cargo at the time of loading of the said cargo at the port of loading.

Article 589

If the quantity of cargo loaded exceeds the stipulated quantity the freight shall be increased proportionally.

If instead of the stipulated cargo another cargo is loaded for which the rate of freight is higher, the freight for the cargo actually loaded shall be paid.

If the quantity loaded is less than the stipulated quantity, or if no cargo is loaded, the freight shall be paid for the whole quantity of cargo as stipulated by contract.

If the quantity of the cargo loaded is less than the stipulated quantity and the rate of freight for the cargo actually loaded is higher than the agreed freight, the whole agreed freight shall be paid plus the difference between the agreed freight and the higher freight for the cargo actually loaded.

The provisions of paragraph 3 of this article shall not affect the provisions of article 475 of this Law.

Article 590

If only part of the cargo stipulated by a charter party has been loaded but the ship operator disposes of the unused space, the agreed freight shall be proportionally reduced.

If the ship operator has disposed of the unused space contrary to an express order of the charterer, the ship operator shall be liable to the charterer for damages.

Article 591

The freight stipulated by a voyage charter shall remain unaltered regardless of the duration of the voyage unless the agreed freight is payable per unit of time.

If, at the request of the charterer or in the interest of the beneficiary of the carriage, the voyage is prolonged beyond the stipulated destination, the freight shall be proportionally increased.

Article 592

If under a voyage charter the freight is payable per unit of time and the time from which the payment of freight is to commence has not been established, the time shall begin to run on the day the notice of readiness was

presented, i.e. at noon, if the notice was presented before noon; and at midnight, if the notice was presented in the afternoon.

If by order of the shipper the loading commenced before the time indicated in paragraph 1 of this article or if the ship sailed without the cargo, the freight shall be payable from the time the loading began or from the time the ship sailed.

The time for which the freight is payable shall terminate with the discharging of the cargo; if the ship has arrived without cargo, the time shall terminate when the ship has anchored or moored in the port where the voyage terminates, in which case the last day of the voyage shall count as a whole day.

Article 593

If under a voyage charter freight is payable per unit of time and if the performance of the contract is hindered during the voyage on the part of the ship operator without any fault of the charterer or shipper, the freight shall not be paid for the time of duration of the said hindrance.

Article 594

The freight agreed under a time charter shall be paid in advance by the charterer in equal monthly instalments, hereunder the ship operator shall be entitled to the freight only for the time he performed the contract.

Under a time charter the freight shall be paid for the time the employment of the ship was hindered only if the said hindrance is on the part of the charterer or arose due to the enforcement of his order.

The ship operator may also withdraw the contract if the freight has not been paid when due.

Article 595

Under a time charter for the whole ship the charterer shall in addition to paying the freight also supply fuel, lubricants and water for the ship's main engines and other machines on board at his own expenses and shall pay the port charges and other navigation dues.

Article 596

Under a time charter the payment of freight shall commence at the same time as under a voyage charter according to which freight is payable per unit of time (article 592).

A double freight shall be paid for the time after expiration of the time stipulated by the time charter when the ship continues to sail at the account of the charterer without fault of the ship operator.

Article 597

A salvage reward earned by a ship while under a time charter for carriage in the whole ship shall be divided equally between the ship operator and the charterer after deducting the expenses for salvage and the part due to the crew.

Article 598

The freight for the cargo loaded without the consent of the ship operator and any cargo that has been inaccurately or insufficiently marked shall be payable on the basis of the maximum freight rate applied in similar cases for the same type of cargo loaded for carriage on the same, or approximately the same route, provided the freight fixed in the said way is higher than the agreed freight.

Article 599

The freight shall be payable only for the cargo which has been carried and placed at the disposal of the consignee at the port of destination.

Apart from the cases mentioned in articles 475, 476, 509, 510, 566, 572, 573 and 574 of this Law and as an exception to the provisions of paragraph 1 of this article, the freight shall also be payable for the cargo not carried and not placed at the disposal of the consignee if the non-arrival of the cargo at the destination has been caused by the charterer or the shipper, by the persons entitled to dispose of the cargo or a person for whom they are responsible, or if the cargo has not arrived at the port of destination for a reason on the part of the cargo without any fault of the ship operator.

As an exception to paragraph 2 of this article, the ship operator shall, apart from the cases mentioned in articles 473, 567, 573 and 600 of this Law, be entitled to the freight for the cargo carried only a part of the voyage in proportion to the distance covered usefully, unless the ship operator is responsible for the interruption of the voyage.

Article 600

In case of shipwreck or other accident in navigation as well as the seizure or arrest of the ship or cargo as a result of acts of war, international crimes at sea, civil commotions or riots, the ship operator shall be entitled to freight for the cargo saved in proportion to the distance covered effectively.

Article 601

If no document of transport has been issued, the consignee shall pay the freight and other claims in connection with the carriage of the cargo as soon as he takes delivery thereof unless otherwise stipulated by the charterer and ship operator.

Article 602

If delivery of the cargo is performed under a bill of lading, the consignee shall pay only the claims mentioned in the bill of lading or those which arose after the issuance thereof.

Article 603

If the consignee does not fulfil the obligations under articles 601 to 603 of this Law, the ship operator shall have the right to retain and sell the cargo according to the provisions of articles 555 to 557 of this Law.

The ship operator shall also have the rights specified in paragraph 1 of this article when he is delivering the cargo to a person who is not the consignee.

Article 604

A ship operator who has delivered the cargo to the consignee shall not be entitled to request the charterer for any amount which he failed to collect from the consignee as prescribed by the provisions in article 603 of this Law.

If by selling the cargo the ship operator succeeds in recovering his claims only in part, he shall be entitled to request the charterer for payment of the unsettled part of his claims under the conditions provided in paragraph 1 of this article.

The provision of paragraph 1 of this article shall not apply if the ship operator proves that he was unable to act in accordance with the provisions of article 603 of this Law even by exercising due diligence.

Maritime Liens on the Goods loaded on a Vessel

Article 605

The maritime liens on the goods loaded on a ship exist:

(1) For court expenses incurred in the common interest of all creditors due to proceedings of enforcement or security instituted in order to preserve or sell the goods, furthermore for the expenses of custody and supervision of such goods incurred after the ship's arrival at the last port;

(2) For claims involving a salvage reward or general average contributions pertaining to the goods;

(3) For claims arising from the contract of carriage, including expenses for warehousing the loaded goods.

The maritime liens covering the capital claims also exist for interest.

Article 606

The maritime liens on loaded goods do not cease by change of the owner of the goods unless otherwise provided in this Law.

Article 607

The ranking of claims covered by maritime liens on loaded goods is determined in accordance with paragraph 1 of article 605 of this law.

If the claims mentioned in article 605, paragraph 1, points (1) and (3), of this Law cannot be settled in full, such claims shall be settled in proportion to their amounts.

If the claims mentioned in article 605, paragraph 1, point (2), cannot be settled in full, claims of the later date shall have priority over the earlier claims.

Claims which have arisen from one and the same event shall be presumed to have risen at the same time.

Article 608

The fact that the ship operator has exercised his rights of retention according to article 603 of this Law shall not affect the order of priority of claims which are covered by maritime liens.

Article 609

Claims secured by a lien on the loaded cargo shall not be extinguished by extinguishment of the of the said lien.

When ceding claims covered by maritime liens, the maritime lien on the goods themselves shall also be transferred.

Article 610

Maritime liens on loaded goods shall cease to exist:

(1) With the extinguishment of the claim secured by the maritime lien,

(2) With the sale of the goods in enforcement or bankruptcy proceedings,

(3) If the creditor does not request the competent court to issue temporary measures within 15 days from the day the goods were discharged,

(4) If the discharged goods are lawfully transferred before expiration of the period under point (3) of this article, to third persons who keep them not on behalf of the debtor,

(5) By declaring the goods a booty or prize at sea.

(b) Carriage of Passengers and Luggage

Article 611

When applying the provisions of this chapter of the Law on the carriage of the passengers or their luggage, the terms used herein shall have the following meanings:

(1) Operator is the person concluding or on whose behalf a contract for carriage is concluded regardless whether he actually performs the carriage or it is performed by an actual ship operator;

(2) Actual operator is a person other than the ship operator who is either the owner of the ship, the charterer, or a person employing the ship actually performing the carriage completely or in part;

(3) Passenger is a person who under a contract of carriage is carried by a ship or accompanies a vehicle or live animals carried under a contract of carriage of goods;

(4) Luggage comprises all goods carried under a contract of carriage, including vehicles, excepting:

(a) Goods and vehicles carried under a bareboat charter or a charter by demise, under a bill of lading or under a contract primarily concern the carriage of goods; and

(b) Live animals,

(5) Hand luggage is the luggage which a passenger has in his cabin or watches or supervises, including the luggage inside or on a vehicle;

(6) Damages due to delay are the material damages caused by the non-delivery of the luggage within a reasonable period of time counting from the day of arrival of the ship that carried or should have carried the luggage, excluding any delays caused by lockout, strikes or similar events.

Article 612

Under a contract of carriage of passengers, the ship operator is under obligation to the charterer to carry one or more passengers, while the charterer undertakes to pay the fare.

Article 613

The amount of the fare is established by contract.

Article 614

The ship operator shall issue a ticket to the passenger at his request.
The ticket may be made out to the name of a person or to the holder.

Article 615

Unless the contrary is proved, it shall be presumed that the terms shown on the ticket correspond to those stipulated by the contract.

If there is no ticket or if it is inappropriate or has been lost, this shall not affect the existence, validity and contents of the contract of carriage.

Article 616

Objections to the terms shown on a ticket made out to a holder may be placed only when the ticket is issued.

Article 617

A ticket made out to the name of a person cannot be transferred to another person without the consent of the ship operator.

Without the consent of the ship operator a ticket made out to the holder cannot be transferred to another person after the passenger has started the voyage.

Article 618

A passenger embarking without a ticket that should have been procured before the embarkation shall be bound to report to the master or other authorized member of the crew immediately.

For valid reasons the master may disembark any passenger not in possession of a ticket (paragraph 1 of this article).

A person not in possession of a ticket shall pay the fare from the port where he embarked to the port where he shall disembark; if he has failed to report in due time to the master or other authorized member of the ship's crew, he shall pay a double fare for the distance covered.

The port where the passenger embarked shall be deemed to be the port of departure of the ship if it cannot be proved that the passenger embarked at another port.

Article 619

In the case of voyages limited to the internal waters of the Republic of Croatia, a passenger may withdraw the contract if the ship does not commence the voyage within one hour after the time stated in the contract or in the ship's timetable, or within 12 hours in the case of voyages beyond the said limits.

In the cases provided in paragraph 1 of this article, the passenger shall have the right to reimbursement of the fare.

If the commencement of the voyage has been delayed recklessly or with the intent of the ship operator or persons in his service, the ship operator shall be bound to compensate the passengers for damages.

Article 620

The fare shall not be reimbursed if the passenger does not embark by the time the ship sails or if he does not complete the voyage.

Article 621

In the case of voyages limited to the internal waters of the Republic of Croatia the ship operator shall reimburse the fare to a passenger if he has a ticket made out to his name and cancels it six hours before commencement of the voyage, or three days before the commencement of the voyage in the case of voyages beyond the said limits.

In the case of cancellation according to paragraph 1 of this article, the ship operator may retain a maximum of 10 per cent of the amount of fare.

Article 622

If the ticket has been made out to a bearer, the ship operator shall reimburse the fare to the passenger if he cancels the ticket at least one hour before commencement of the voyage if not otherwise specified in the ticket.

In case of cancellation of the voyage according to paragraph 1 of this article, the ship operator may retain a maximum of 10 per cent of the amount of the fare.

Article 623

If a voyage limited to the internal waters of the Republic of Croatia is interrupted for more than 12 hours after commencement for reasons not caused by the passenger or in case of a voyage beyond the said limits which is interrupted for more than three days, the passenger shall have the right:

(1) To request the ship operator to carry him and his luggage to his destination by the ship operator's own means of transportation or by other adequate means;

(2) To request the ship operator to return him and his luggage to the port of departure within a reasonable period of time and to reimburse him for the fare;

(3) To withdraw the contract and request the ship operator to reimburse him for the fare.

If the voyage has been interrupted recklessly or with the intent of the ship operator, or persons in his service, the ship operator shall be bound to compensate the passenger for damages.

Article 624

When a passenger requests reimbursement of the fare (article 623, paragraph 1, points (2) and (3) or compensation for damages (article 623, paragraph (2)) he shall present to the ship operator his request in writing within three days after termination of the voyage if the voyage to be performed was limited to the internal waters of the Republic of Croatia, or within seven days counting from the day of termination of the voyage if the voyage was to be performed beyond the said limits or shall bring an action in court within the same period of time.

If the passenger requests to be returned to the place of departure or to continue the voyage (article 623, paragraph 1, points (1) and (2)) he shall present the ship operator his request in writing 24 hours after expiration of the time specified in article 623 paragraph 1, of this Law.

A passenger who does not comply with the provisions of paragraphs 1 and 2 of this article shall forfeit the right to claim compensation for damages and reimbursement of the fare, or request the ship operator to continue the voyage or return him to the port of departure.

Article 625

The provisions of this Law governing the ship operator's liability for the death or personal injuries sustained by a passenger shall also apply if the carriage is performed free of charge.

Article 626

The ship operator shall be liable for damages arising from the death or personal injures sustained by a passenger or from the shortage, loss or damage to luggage if the event causing the said damages occurred during the voyage, moreover for damages caused by any delay in delivering the luggage to the passenger if the said damages or delay were caused at the fault of the ship operator or persons in his service.

The person claiming compensation for damages according to paragraph 1 of this article shall have to prove that the event causing the damages occurred during the voyage and moreover the amount of the damages.

Article 627

The ship operator shall be liable for the damages mentioned in article 626 of the Law caused by the fault of a person in his service who was performing the duties within the scope of his employment.

Article 628

Unless the contrary is proved, the ship operator shall be presumed to be at fault if the death or personal injury suffered by the passenger, or the shortage, loss or damage to hand luggage, or any delay in its delivering to the passenger has been directly or indirectly caused by shipwreck, collision, running aground, explosion, fire or by defect of the ship.

Unless the contrary is proved the ship operator shall be presumed to be at fault to the shortage, loss or damage to other luggage, or any delay in the delivery of such luggage to the passenger regardless of the nature of the event causing the said damage.

Article 629

The ship operator shall be liable to the passenger according to article 628, paragraph 2, of this Law for damages arising from shortage, or damage to valuables (money, securities, gold, silver, jewels, precious stones, objects of art) or from any delay in delivery of the same to the passenger only if the ship operator had taken the said valuables into custody.

The ship operator shall issue a written receipt for goods received in custody according to paragraph 1 of this article.

Article 630

At the passenger's request the ship operator shall issue a written receipt for luggage he has taken into custody.

The luggage receipt shall indicate the type of luggage and their number of pieces.

Unless the contrary is proved, the particulars in the luggage receipt shall be presumed to be correct.

Article 631

If upon termination of the voyage the luggage has not been claimed or removed from the ship, the ship operator shall keep it in his custody or give it into the custody of an adequate custodian at the risk and expense of the passenger.

Article 632

If the ship operator proves that the personal injuries or death of a passenger, the shortage, loss or damage to his luggage, or the delay in delivering the luggage to the same has been partly or exclusively caused at the fault of the said passenger or by an action of his which cannot be considered normal, the court shall mitigate the ship operator's liability or relieve him therefrom.

Article 633

The liability of the ship operator for the personal injuries or death of a passenger shall be limited in all cases to 46,666 accounting units of Special Drawing Rights per passenger and voyage.

If the compensation for damages is granted as an annuity the capital payment cannot exceed the amount specified in paragraph 1 of this article.

The amount specified in paragraph 1 of this article shall apply to the settlement of the claims of all creditors based on the events caused in the course of a single voyage.

Article 634

The liability of the ship operator for damages caused to luggage due to its shortage, loss or damage, or to any delay in its delivery to the passenger shall be limited in all cases to:

(1) 833 accounting units of Special Drawing Rights per passenger and voyage for hand luggage,

(2) 3,333 accounting units of Special Drawing Rights per vehicle and voyage for vehicles, including luggage carried in or on a vehicle,

(3) 1,200 accounting units of Special Drawing Rights per passenger and voyage for other luggage except the luggage mentioned in paragraph 1, points 1 and 2 of this article.

The provisions of paragraph 1, point 3, of this article shall also apply to the ship operator's liability for damages caused to valuables (article 629).

Article 635

The ship operator and the passenger may agree that the ship operator shall be liable according to the provisions of article 634 of this Law only after deducting a franchise of no more than 117 accounting units of Special Drawing Rights in the case of damages to a vehicle and no more than 13 accounting units of Special Drawing Rights per passenger in the case of damages caused to any delay in its delivery to the passenger.

The amount of franchise shall be deducted from the amount of compensation due to the passenger.

The provisions of this article shall not apply to valuables.

Article 636

The ship operator's right to avail himself of the benefit of limitation of liability provided in articles 633, 634 and 635 of this Law shall be forfeited if it is proved that the damages arose as the result of acts or omissions which the ship operator performed intentionally or recklessly with the knowledge that damages could probably arise.

Article 637

The amount to which the ship operator's liability is limited as prescribed by articles 633, 634 and 635 of this Law may be increased by express agreement in writing between the ship operator and the passenger.

Article 638

In addition to the amount which the ship operator is bound to pay the passenger according to the provisions of articles 633, 634, 635 and 637 of this Law, the interest and costs of the proceedings recognized by the court in an action for damages due to the personal injury or death of the passenger, a shortage, loss or damage to his luggage or delay in delivery of the same to the passenger shall be paid in full.

Article 639

If an action has been brought against persons in the service of the ship operator or the actual ship operator for damages prescribed by the provisions of this Law in respect to the carriage of passengers and their luggage, such persons shall be entitled to the benefit of the exemption or limitation of liability to which the ship operator is entitled according to the provisions of this Law, provided that the said persons have acted within the scope of their duties on board.

The persons in service of the ship operator or the actual ship operator mentioned in paragraph 1 of this article shall forfeit their right to the benefit of the limitation of liability provided by articles 633, 634 and 635 of this Law if it is proved that the damages were caused by acts or omissions of the said persons performed with the intent to cause the damages or recklessly with the knowledge that damages would probably arise.

The limit of liability agreed by the ship operator and the passenger as prescribed by the provisions of article 637 of this Law shall not apply to the persons mentioned in paragraph 1 of this article.

Article 640

The carriage of passengers and hand luggage comprises the time the passenger is on board, the time of embarking and disembarking and the time the passengers are carried from shore to ship and vice-versa, provided that

the charges for such secondary carriages are included in the price of the ticket or if the ship employed for such carriages is supplied by the ship operator. The time spent by the passenger at the port terminal or any other part of the port shall not be considered as part of the carriage of passengers.

In addition to the time indicated in paragraph 1 of this article, the carriage of hand luggage also comprises the period of time commencing the moment the ship operator takes the luggage into custody either ashore or on board and terminates the moment he returns the same to the passenger.

Article 641

When there is a ground for applying the limitation of liability according to the provisions of articles 633, 634, 635 and 637 of this Law, the said limits of liability shall apply to the total amount of compensation which can be awarded within the scope of all contractual and non-contractual actions brought on the grounds of liability for the personal injury or death of a passenger, for the shortage, loss or damage to luggage or for any delay in delivery of the same to the passenger.

If the carriage has been performed by an actual ship operator, the total amount of compensation recoverable from the ship operator or the actual ship operator and from the persons in their service who were acting within the scope of their official duties cannot exceed the highest amount of compensation which may be claimed either from the ship operator or the actual ship operator; however none of the person mentioned shall be liable beyond the limits applicable to the same.

In all cases where persons in the service of the ship operator or the actual ship operator are entitled under the provisions of article 639 of this Law to the benefit of the limitation of liability as provided in articles 633, 634 and 635 of this Law the total amount of compensation recoverable from the ship operator or eventually from the actual ship operator and from the persons in their service cannot exceed the said limitation.

Article 642

The passenger shall be bound to submit his objection to the ship operator or his authorized representative in writing:

(1) When the luggage shows apparent damage,

(a) In the case of hand luggage - before or at the moment the luggage is discharged,

(b) In case of other luggage - before or at the moment of its delivery,

(2) When the damage to the luggage is not apparent or the luggage has been lost - 15 days from the day of discharging or delivery or from the day on which the luggage should have been delivered.

Should the passenger not comply with the provisions of paragraph 1 of this article, it shall be presumed that he has taken delivery of the luggage in good order unless the contrary is proved.

A written notice shall not be necessary if the condition of the luggage has been ascertained in the presence of both parties at the moment of delivery.

Article 643

If the luggage is not delivered to the passenger within 30 days after the termination of the voyage, the passenger may declare that he considers the luggage to be lost.

When submitting the declaration in accordance with paragraph 1 of this article, the passenger shall be entitled to request the ship operator to inform him of the recovery of the luggage if it should be traced within one year from the day the compensation for the lost luggage was paid.

Within 30 days after receiving the information that the luggage has been traced, the passenger may request delivery of the luggage at a place of his designation against payment of the expenses of carriage.

A passenger who has taken delivery of the recovered luggage shall refund the amount received as compensation for the loss of the luggage, deducting thereby the freight which had been refunded to him, but retaining the right to compensation for damages resulting from the late delivery of the luggage.

Should the passenger not make the request provided in paragraphs 2 and 3 of this article, the ship operator may freely dispose of the luggage.

Article 644

Any term of contract stipulated before the occurrence of the event causing the personal injury or death of a passenger or the shortage, loss or damage to his luggage or a delay in delivery of the luggage to the passenger shall be null and void if the said term purports the release of the ship operator for his liability to the passenger, the establishment of a limit of liability lower than the amount prescribed by this Law, excepting the amount of limitation under article 635 of this Law, or the transfer of the burden of proof from the ship operator to another person.

Article 645

The provisions of articles 626, 627, 628, 629 and 632 of this Law shall apply to all contractual and non-contractual claims brought against the ship operator on any grounds whatsoever for damages caused by the personal injury or death of a passenger, the shortage, loss or damage to or by a delay in delivery of the same to the passenger.

Article 646

The ship operator shall be entitled to retain and sell the luggage delivered to him for carriage and the valuables he received in custody in order to satisfy the claims in connection with the carriage of a passenger and luggage and the custody of valuables.

(c) Towing and Pushing

Article 647

Under a contract of towage the ship operator of a tug undertakes to tow or push another ship or object with his own ship to a designated place or for a specified period of time or for the performance of a particular operation, and the ship operator of the towed or pushed ship undertakes to remunerate the towage.

The amount of towage remuneration shall be stipulated by contract.

Article 648

The towage shall be under command of the master of the towed ship, unless otherwise agreed.

Article 649

According to this Law:

(1) The towage commences:
- when at the tow-master's order, the tug is brought in such a position that it may perform the towage, or when at the tow-master's order, the tug receives or delivers the towing line or when it starts pushing the tow or performing any other manoeuvre necessary for the towage, whichever comes first,

(2) The towage ends:
- when the tow-master's final order to release the tow line has been performed or when the pushing or any other manoeuvre necessary for towage has terminated, whichever comes last.

Article 650

When a tug tows an unmanned waterborne craft, the tug operator shall take the usual measures so as to maintain the seaworthiness of the towed craft in the same condition as when received for towing.

The tug operator shall be responsible for the cargo on the towed craft only if the ship operator has expressly agreed to such an obligation.

The tug operator may undertake to perform the carriage of cargo by towing it with his own ship or with another ship. In case of doubt, it shall be presumed that a contract of towage has been concluded.

A tug operator who, in accordance with the provisions of paragraphs 2 and 3 of this article, is responsible for the cargo shall be liable for damage to the cargo under the provisions of this Law relating to the ship operator's liability for the carriage of goods.

Article 651

The compensation for damages caused by collision of towed or pushed ship s or by their collision with third ships shall be governed by the provisions of this Law regulating the compensation due to the collision of ships.

Article 652

If the towed ship is imperiled owing to circumstances for which the tug operator is not liable under the contract of towage and if the tug participates in salvage services, the tug operator shall be entitled to a salvage reward if the salvage is performed successfully.

The tug operator shall not be entitled to a salvage reward if stipulated by contract that any salvage reward is included in the towage remuneration.

If stipulated by contract that towage remuneration shall be due only if the towage is performed successfully, the tug operator shall be nevertheless entitled to the remuneration in the event of unsuccessful towage if he proves that the ship operator of the towed ship was at fault for the unsuccessful towage.

If it has not been stipulated that the towage remuneration be due only in case of successfully performed towage, the tug operator shall not be entitled to the remuneration if the ship operator of the towed ship proves that the ship operator of the tug was at fault for the unsuccessful towage.

Article 653

The provisions of this Law on general average shall also apply to relations involving the tug and the tow.

Article 654

Ships of foreign flag shall not perform a towage commencing and ending in Croatian ports or internal waters and within the territorial waters of the Republic of Croatia (coastwise towing) without the consent of the competent minister.

Article 655

The provisions of article 647,paragraph 2, and articles 650 and 654 of this Law shall also apply to pushing operations.

(d) Other Maritime Contracts

Article 656

The provisions of articles 657 to 660 of this Law shall apply to contracts concluded by a contractor who engages a service other than the carriage of passengers, luggage, goods or towage and a ship operator who performs the services by ship, while the contractor undertakes to pay remuneration. The contracts under paragraph 1 of this article may also be time charters.

Article 657

Unless otherwise agreed, the ship operator shall be liable for the seaworthiness of the ship in accordance with the provisions of article 479 of this Law.

Article 658

Unless otherwise stipulated by the parties, the ship operator shall be liable for the acts and omissions of the persons who perform the contract in his service as if they were his own acts and omissions.

The provisions of paragraph 1 of this article shall not affect the provisions of article 657 of this Law.

The ship operator and the persons in his service shall be liable for the death and personal injuries sustained by persons in the service of the contractor in accordance with the provisions of this Law governing liability for the death or personal injury of members of the crew, provided their presence on board fall within the scope of performing the contract.

Article 659

The provisions of article 469 of this Law shall also apply to the contracts mentioned in article 656 of this Law.

Article 660

The provisions of this Law regulating the freight for the carriage of goods shall also apply in the appropriate manner to the contracts under article 656 of this Law.

(e) Carriage by Several Carriers

Article 661

The contract of carriage of goods, passengers and luggage by sea may provide that the ship operator performs the carriage partly by his own ship and partly by the ships of other ship operators (through carriage).

A ship operator who has received cargo under a contract of through carriage of goods shall issue a bill of lading for the whole contracted voyage (through bill of lading).

A ship operator who has undertaken the through carriage of passengers shall issue the passenger a ticket covering the whole contracted voyage (through ticket).

A ship operator who has received luggage for carriage from a passenger under a direct contract for the carriage of passengers shall issue a luggage receipt for the whole contracted voyage (through luggage receipt).

Each subsequent ship operator enters into a contract of through carriage of goods or luggage if he takes over the cargo or the luggage and the document of direct transport.

Each subsequent ship operator enters into a contract of through carriage of passengers if he accepts a passenger with a through ticket.

Article 662

The ship operator who concluded the contract of through carriage, the ship operator who issued the through document of transport, the ship operator who delivered the cargo to the consignee and the ship operator who performed the carriage when the event occurred which gave rise to claim for damages due to shortage, loss or damage to the cargo, shall be jointly and severally liable to the person entitled to the said claim.

For damages caused by delay in the carriage of goods, the ship operator who concluded the contract of carriage and the ship operator who delivered the goods to the consignee shall be liable to the beneficiary of the carriage.

The provisions of paragraphs 1 and 2 of this article shall also apply in respect to the through carriage of luggage.

Article 663

The ship operator who has settled a claim in accordance with the provisions of article 662 of this Law shall have the right of recourse against the ship operator who performed the carriage when the event occurred giving rise to the claim.

If the ship operator who performed the carriage when the event mentioned in paragraph 1 of this article occurred cannot be identified, the amount of the settled claim shall be borne by the ship operators having taken part in the through carriage in proportion to their respective portion of the stipulated freight with the exception of those ship operators who prove that the event did not occur during the part of the voyage which they performed.

If the ship operator who settled the claim is not at fault for being unable to assert his right of recourse against the ship operator who carried the goods when the event occurred, the amount of the settled claim shall be borne by all ship operators who took part in the through carriage in proportion to their respective portion of the stipulated freight.

Article 664

If, upon receipt of the cargo, the carrier taking part in a through carriage did not insert remarks in the through document of transport in accordance with provisions of article 528 of this Law, he shall have to prove to the other ship operators taking part in the said carriage that he delivered the cargo to the subsequent carrier or to the consignee in the same condition as when he had received it from the previous ship operator or the shipper.

If the ship operator taking part in the through carriage has inserted remarks in the through document of transport according to article 528 of this Law, the other ship operators shall have to prove that they have received the cargo from the shipper or from the previous ship operator in the same condition as that described in the document of transport.

Article 665

The ship operator who has concluded a contract of through carriage of passengers shall be liable for the whole contracted voyage.

Each subsequent ship operator taking part in the performance of a through carriage of passengers shall be liable to a passenger only for damages caused on the part of the voyage he has performed.

The ship operator on whose part of the voyage the shortage, loss or damage to hand luggage has occurred shall be liable for the same damages. The passenger shall be bound to present the written objection prescribed by the provisions of article 642, paragraph 1, of this Law to the ship operator on whose part of the voyage the damages have occurred at the latest when the passenger disembarks from the ship of the said ship operator.

The ship operator is specified in paragraphs 1 and 2 of this article shall be jointly and severally liable for the personal injury or death of a passenger.

Article 666

If the ship operator who has concluded a contract of through carriage of passengers has settled the claim of a passenger, for which another ship operator is also liable according to the provisions of article 665, paragraph 2, of this Law, he shall have right of recourse against the said ship operator.

Article 667

Any special agreement under which the ship operator accepts obligations not prescribed by this Law or waives the rights to which is entitled according to this Law shall have legal effect against the actual carrier only if the latter has given express consent hereto in writing.

Article 668

The ship operator who has entrusted the whole or a part of the carriage to another actual ship operator shall be liable for the whole voyage.

The provisions of this Law in respect to the through carriage of passengers (articles 665 and 666) shall apply to the actual ship operator to whom the carriage has been entrusted as prescribed in the provisions of paragraph 1 of this article.

Article 669

Under a contract of carriage of goods and passengers it may be agreed that the ship operator who has concluded a contract of carriage shall also engage the services of other ship operators or carriers.

If the ship operator binds himself according to paragraph 1 of this article, he shall be bound to exercise the due diligence of a conscientious ship operator when engaging an appropriate ship operator or carrier and shall be liable to the passenger or the charterer for his choice thereof.

Article 670

If, in accordance with article 669 of this Law, the carriage must be performed by land and air, the provisions of this Law shall apply only to the part of the carriage performed by ship.

3. Charter by Demise

Article 671

Under a charter by demise as prescribed by this Law, the lessor gives the lessee, against payment of hire, a ship to perform navigation activities.

Article 672

The charter by demise shall be drawn up in writing. A charter by demise not drawn up in writing shall have no legal effect.

Article 673

The lessor shall deliver the ship to the lessee in such condition that it may be employed as stipulated or is customary.

Unless otherwise agreed, the ships shall be delivered without the crew.

Article 674

The operating costs of the ships shall be borne by the lessee.

The lessee shall be bound to maintain the ship in order for the duration of the charter and on expiration of the charter shall return it in the same condition as when he has taken delivery thereof and at the same place.

The lessee shall not be liable for the ordinary wear and tear of the ship.

The lessee shall bear neither the expenses for the repairs necessary to remove latent defects of the ship which existed at the time of its delivery for usage nor damages caused by the loss of the ship due to force majeure.

Article 675

The lessor shall be liable for damages caused by defects rendering the ship unfit or impairing its fitness for the stipulated or customary employment if such defects existed at the time of its delivery to the lessee unless the lessor proves that the said defects could not have been discovered by exercising the due diligence of a conscientious ship operator.

Article 676

If the ship is under charter by demise the crew shall carry out the orders of the lessee provided the same is so stipulated by the charter.

The lessee shall have the right to change the crew.

Article 677

In case of doubt whether a charter by demise or a time charter has been concluded, it shall be deemed that a time charter has been concluded.

Article 678

The hire shall be paid monthly in advance counting from the day the hire starts to run.

The lessor shall not be entitled to hire for any period of the time the lessee was prevented from using the ship at the fault of the lessor or as a result of a latent defect in the ship which existed at the time of its delivery to the lessee.

Article 679

If the lessee does not pay the hire when due, the lessor may immediately claim the payment of hire stipulated for the entire duration of the charter or withdraw it.

The provisions of paragraph 1 of this article shall not affect the lessor's right to claim damages.

Article 680

A charter by demise may be concluded for a definite or indefinite period of time, for one ore more voyages.

Article 681

A charter by demise concluded for a definite period of time may be extended by written agreement only.

A charter by demise concluded for an indefinite period of time may be withdrawn by written notice given at least three months in advance.

Article 682

The charter by demise is terminated by the loss of the ship or if it becomes permanently unfit for employment and if force majeure prevents employment of the ship during the time of charter by demise.

If the ship repairs which are borne by the lessor last too long or are expected to last too long, the lessee may withdraw from the charter.

Article 683

If the lessee does not redeliver the ship to the owner on the expiration of the charter by demise, he shall pay a compensation for the overtime in the amount of double the hire.

If the delay in redelivery of the ship is due to the fault of the lessee, he shall also be liable to the owner for any damages exceeding the amount specified in paragraph 1 of this article.

Article 684

The lessee shall be entitled to any salvage award earned by the ship while under a charter by demise.

Article 685

The lessee may sub-charter the ship only with the written consent of the owner.

4. Period of Limitation

Article 686

Claims arising from a contract of employment of ship s, excepting claims in connection with a contract of carriage of passengers and luggage shall be time barred under a one-year period.

Claims arising from a contract of carriage of passengers and luggage shall be barred under a two- years period.

After a claim has arisen the parties may agree in writing to extend the period of limitation specified in paragraph 1 of this article.

Unless drawn up in writing an agreement under paragraph 1 of this article shall have no legal effect.

The statute of limitation shall start to run:

1. under contracts of carriage of goods:
   - in case of damages due to shortage, loss or damage to the cargo from the day the cargo has been delivered or should have been delivered at destination;
   - in cases of damages due to delay - from the day the cargo has been delivered;
   - in case of non-fulfilment of other contractual obligations from the day the obligation should have been fulfilled.
2. under contracts of carriage of passengers:
   - in case of personal injury - from the day the passenger disembarked;
   - in case of the death of a passenger during the voyage - from the day the ship arrived or should have arrived at the port where the passenger intended to disembark;
   - in case of the death of a passenger during the voyage - from the day the ship arrived or should have arrived at the port where the passenger intended to disembark;
   - in case of personal injury of a passenger during the voyage which caused the death of the said passenger after disembarkation - from the day the passenger died; however, if action for damages resulting from the death or personal injury of a passenger is not brought within three years from his disembarkation, the right to claim damages shall be forfeited.

3. Under contracts of carriage of luggage:
   - for luggage delivered for carriage - from the day the luggage was delivered or should have been delivered at the port where the passenger disembarked or should have disembarked;
   - for hand luggage - from the day the passenger disembarked or in the case of the death of the passenger during the voyage - from the day the ship arrived or should have arrived at the port where the passenger intended to disembark.
4. Under contracts of towage or pushing - from the day the towage or pushing ended, excepting claims for towage remuneration for which the time limit starts to run from the day the towage remuneration was due;
5. Under contracts of charter by demise - from the day the contract has been terminated, excepting claims for hire for which the time limit starts to run from the day the hire was due;
6. For recourses claims - from the day the act on which the right of recourse is based was performed.

Chapter III
CONTRACTS OF MARITIME AGENCIES

Article 687

By a contract of maritime agency, the maritime agent undertakes to perform maritime agency services and services of assistance, mediation and representation, for and on behalf of the principal, on the basis of a general or special authorization, whereas the principal undertakes to reimburse the maritime agent for the expenses and pay to him a remuneration.

Article 688

Maritime agency services are services relating in particular to the navigation, ships and their employment with special regard to: the assistance and clearance of ships, mediation in concluding contracts of employment of ships, their sales and purchase, building and ship repair, insurance of ships and cargoes, safeguard of the ships interests, supply and manning of ships, care for crews and passengers.

Article 689

Under a maritime agency agreement based on a general authorisation the maritime agent undertakes, for and on behalf of the principal, to perform all services or all services of a specific type in the field of his activity.

A maritime agency agreement based on a general authorisation must be drawn in writing.

An agreement that is not drawn up in writing shall have no legal effects. In case of doubt as to the limits of the general authorisation it shall be deemed that it refers to the clearance activities.

If a maritime agent deals exclusively with mediation or with the stipulation of contracts of employment of ships, in case of doubt as to the limits of the general authorisation, it shall be deemed that it refers to the mediation for stipulating such agreements, excepting bare boat charters, charters by demise and time charter for a whole ship.

Article 690

If the principal limits the authorisation of the maritime agent regarding the usual services of a maritime agent, such limitation shall have no legal effect in respect of third persons who had no knowledge of the said limitation nor under the existing circumstances ought to have had knowledge of the same.

Article 691

The maritime agent is obliged and authorised within the limits of the given authorisation to perform services which are necessary or customary in order to fulfil any received orders with the due diligence of a good businessman.

Article 692

The maritime agent may sign a contract of employment of a ship for and on behalf of both contracting parties on the basis of an express authorisation of the contracting parties.

Article 693

If the maritime agent does expressly declare that he is acting in the capacity of a maritime agent, it shall be deemed, in respect of the person in good faith, that the maritime agent is acting in his own name.

Article 694

The maritime agent shall be entitled to an advance for the expenses and to a remuneration.

If the expenses and the remuneration are not paid to the agent, the agent has the right of retention of the principal s property.

Article 695

The maritime agent is entitled to the reimbursement of the expenses and to a remuneration for the mediation and stipulation of contracts by the mere fact that the contract has been concluded.

Article 696

The ministry herewith brings the rules on the conditions required to perform the activity of maritime agents.

Chapter IV
CONTRACT OF MARINE INSURANCE

1. General Provisions

Article 697

The provisions of this chapter shall apply to:

(1) Insurance of hull and machinery, ship's equipment, its outfit and stores as well as other goods being on board or carried by the ship;

(2) Insurance of freight, passage money, insurance charges, supplies expenses, general average expenditure, salvage money, expected profits, commission, crew wages, lien and other rights and other economic gains that exist or may be reasonably expected from the maritime venture and/or carriage of goods by sea and can be quantified in terms of money.

(3) Insurance against liability losses caused to third parties in course of ship's employment and items specified in No. 1 of this paragraph being possessed by either natural or legal persons.

The provisions of this chapter shall alsobe applied to insurance of new buildings and things necessary for the building, to container insurance, to insurance of research and seabed platforms, to insurance of goods carried before or after by other means of conveyance and to insurance of goods warehoused, stocked or deposited elsewhere before, during or after such transportation and also to other similar insurance if concluded in accordance with policies or terms customary for marine insurance, if the object of reinsurance is any of the insurance contracts mentioned in this article.

In so far as applicable, the provisions of this chapter shall be also applicable to reinsurance if it makes part of this contract of insurance.

The provisions of this chapter shall be also applied to insurance of boats.

As meant in this chapter, third parties are considered to be persons other than parties to the contract of marine insurance.

Article 698

The insured can only be such a person that has or may deem to have a justifiable interest to avoid the risk occurrence.

The insured may claim to be indemnified for the loss covered by the insurance only if he had an interest in the subject matter insured at the time or after the insured event occurred or if he acquired such interest afterwards.

Article 699

The contracting party may stipulate a contract of insurance for his own account, for the account of a particular third party or for an undefined party ("to whom it may concern").

If it is not evident from the contract of insurance that the insurance has been effected for the account of an undefined party, the insurance shall be deemed to be effected for the account of the contracting party or for an ascertained third party.

When contracting the insurance the insurer shall not be liable to disclose whether he is concluding the insurance for his own account or for the account of a third party.

A person who has concluded the contract of insurance explicitly on behalf and for the account of a principal shall not be deemed a contracting party.

Article 700

An insurance concluded for the account of an uncertain party without his instructions is valid if the third party (the insured) subsequently agrees to it.

In accordance with paragraph 1 of this article, the contracted insurance may be approved may be given even after the occurrence of the loss covered by the insurance.

The submission of an indemnity claim shall be deemed to be an approval of the third party to the insurance concluded.

Article 701

An insurance for the account of an uncertain party shall be deemed to be concluded for the account of the person having some interest in the subject-matter insured at the time when the insured event occurs or being entitled to claim an indemnity for the loss according to article 698, paragraph 2, of this Law.

An insurance concluded for the account of an uncertain party shall be valid if a party having an interest in the subject matter insured at the time when the insured event occurs or who is entitled to claim an indemnity for the loss under article 698, paragraph 2, of this Law, holds or comes into possession of the policy and agrees to the terms of the insurance already contracted.

Article 702

If the contracting party or his agent, when effecting insurance, fails to disclose all the circumstances which he knows or ought to know and which are of some importance for evaluating the extent of the risk, or if he discloses them incorrectly, the insurer shall be entitled to require from the contracting party to pay additionally the difference between the premium corresponding to the actual risk value and the one formerly paid.

In an insurance for the account of a certain third party it shall be assumed that all the circumstances that were known to the insured, and which he could communicate in time to the contracting party, ought to have been known to the contracting party.

The provisions of this article, paragraph 1, shall not be applied to circumstances which are notorious, which were known or were reasonably presumed to be known to the insurer.

The insurer shall forfeit his right set out in paragraph 1 of this article if he fails to require an additional premium to be paid by the contracting party within three months from the termination of the insurance or, if the event insured against happens, not later than the final payment of the indemnity.

Article 703

If the contracting party or his agent when contracting the insurance wilfully or through gross negligence fails to disclose to the insurer all the circumstances which he knows or ought to have known and which had substantial influence to the conclusion and terms of the insurance, or if he discloses them incorrectly, the insurer shall be entitled to claim the insurance so concluded unless he has asked the contracting party to pay additionally the difference in premium according to article 702 of this Law.

If, under the insurance so concluded, the insurer has paid a claim for indemnity to an insured of bad faith he is entitled to require from the insured to return to him the amount which he has paid.

The provisions of article 702, paragraphs 2 and 3, of this law shall also apply in appropriate manner to the circumstances set out in paragraph 1 of this article.

The insurer shall be entitled to collect and to hold the premium notwithstanding that the contract of insurance has been avoided in accordance with the provisions of this article.

Article 704

The insurer shall be bound to issue a dully signed insurance policy to the contracting party upon his request.

Where on the demand of the contracting party an insurance policy is issued in two or more original copies, on each of the copies it shall be stated in how many originals the policy has been issued.

The policy shall contain all the provisions of the contract of insurance relative to the obligation of the insurer to pay an indemnity for any loss.

Where the policy is issued and delivered to the contracting party the insurer is not bound to fulfil his obligation under the insurance before the policy is presented to him or if the insured shows reasonable balance of probability that the policy has been lost or destroyed, before he receives adequate assurance from the insured.

The insurer shall be discharged from his obligation under the insurance if he pays to the holder of policy in good faith, or where the policy has been issued in several original copies, to the bearer of one original copy who shows reasonable balance of probability that he is entitled to the indemnity thereunder.

Article 705

The insured may transfer his rights under the insurance prior to the occurrence of a loss, but only to a person who can be an insured in accordance with article 698, paragraph 1, of this Law.

Where a policy is issued, the right under the insurance may be transferred by endorsement on the policy or in any other appropriate manner.

The insurer is entitled to raise the same defences under the insurance against the transferee as he would have been able to enforce against the original insured.

Notwithstanding the provisions of paragraph 3 of this article, the insurer shall not be entitled to raise against a transferee of good faith defences contesting the contents of the policy which has been issued by him except in the case of patent error of which the transferee should have been aware.

The assignment of rights in the subject-matter insured does not also transfer the rights under the insurance unless there is an express or tacit agreement between the insured and the assignee to that effect.

The insured shall not be liable to transfer his rights under the insurance according to paragraph 1 of this article if the possibility of such transfer be expressly excluded in the contract of insurance.

Article 706

The subject matter insured must be specified in the contract of insurance and in the policy if issued in a number which enables its identification.

Where the subject-matter insured is insufficiently or incorrectly specified so that it cannot be established even indirectly whether it was exposed to the perils insured against and suffered loss, the insurer shall not be bound to indemnify for the loss which has occurred.

Article 707

The value of the subject-matter insured stipulated in the contract of insurance or in the policy of insurance (agreed value) is conclusive between the insurer and the insured.

The insurer is entitled to contest the agreed value only in the case of fraud or of a patent error.

Article 708

Unless otherwise expressly provided, the value of the subject- matter insured is its real value at the commencement of the insurance.

The real value of the subject-matter insured shall be considered its commercial value at the commencement of the insurance.

The real value of the subject-matter insured need not to be designated in the contract of policy of insurance.

Article 709

Unless otherwise provided by this Law or the contract, the insurer shall be bound to pay the indemnity for the loss covered by the insurance only up to the amount stated in the contract of insurance for which the insurance has been concluded (hereinafter called "the amount insured").

Unless otherwise expressly provided the amount insured shall not be deemed at the same time the agreed value of the subject matter insured.

Article 710

Should the amount insured exceed the agreed or real value of the subject-matter insured, only the agreed or real value, as the case may be, shall be taken into account in the settlement of the claim.

Article 711

Should the amount insured be less than the agreed or real value of the subject- matter insured, the insurer shall be liable to pay the indemnity for the loss only in such proportion as the amount insured bears to the agreed or real value, as the case may be.

Article 712

Where the subject matter is insured against the same risks, for the same period of time and for the benefit of the same insured with two or more insurers, and the amounts insured in the aggregate are in excess of the agreed or real value of that subject matter, the insured may elect whether to claim in full or in part and from which insurers, provided that the aggregate of the indemnities received do not exceed the amount of the loss which may be covered by the insurance.

An insurer who has paid the indemnity for the loss upon the request of the insured in accordance with paragraph 1 of this article shall be entitled to a contribution from other insurers in proportion to their liabilities under the contract of insurance.

Notwithstanding the provisions of paragraph 2 of this article an insurer who, according to the provisions of the contract of insurance or of the law applicable thereto, is not bound in cases of double insurance to pay an indemnity for a proportional part of the loss paid by the other insurer, shall not be entitled to a contribution from these insurers for losses for which he has paid the indemnity directly to the insured.

Unless otherwise provided, an insurer is entitled to the full premium for the insurance in the circumstances mentioned in paragraph 1 of this article, whether they occurred unintentionally or intentionally

When submitting a claim to one insurer, the insured shall inform him of all other contracts by which the same subject matter is insured for his benefit against the same risks and for the same period of time

Article 713

Unless otherwise provided the contracting party shall pay the premium to the insurer immediately upon the conclusion of the contract of insurance.

The insurer is not bound to deliver the issued policy to the contracting party until the premium has been paid.

When settling the claim the insurer is entitled to deduct from the indemnity the amount of any premium which is still due to him.

Unless otherwise provided, non payment of the premium in due time shall not discharge the insurer from his liability under the contract of insurance nor shall entitle him to rescind the contract of insurance.

Where the contract of insurance is concluded subject to a condition that the insurance premium be determined afterwards, the premium shall be fixed in an adequate amount in proportion to the gravity of the risk.

The contracting party shall pay the premium to the insurer for the insurance even when the subject-matter insured has ceased to be exposed to the risks insured against before the conclusion of the contract of insurance, provided that the insured had no knowledge of that fact when concluding the contract of insurance.

Article 714

The insurer shall be bound to return the premium already paid to the contracting party if the subject-matter insured has not been exposed to risks insured against or if the contract of insurance has been cancelled without fault on the part of the contracting party or the insured.

Where the policy of insurance is issued the insurer shall return the premium to the authorized holder of the policy.

When returning the premium, the insurer is entitled to withhold the part of the premium in the customary ore stipulated amount to cover his expenses in connection with the insurance.

Article 715

In a voyage insurance, if by reason of the action of the insured or with his consent there has been a substantial alteration of the insured voyage (change of voyage, deviation, unjustifiable delay and so on), the insurer shall not be bound to pay the indemnity for any loss which may occur after such alteration.

The provisions of paragraph 1 of this article shall also apply when the loss occurs after the ship regains the route set.

The provisions of paragraph 1 of this article shall not be applied to the alteration of insured voyage made in the interest of the insurer or for the purpose of saving property and life at sea or in inland waters or if rendering medical assistance or if the alteration did not substantially affect the occurrence or extent of the loss.

Article 716

In a time insurance, the insurance commences at zero-zero hours of the first day and terminates at 24 hours of the last day provided in the contract of insurance

The time referred to in paragraph 1 of this article is calculated according to the official local time of the place where the policy has been issued, or if there is no policy, according to official local time at the place where the contract of insurance has been concluded.

Article 717

Unless the contract of insurance otherwise provides, the marine insurance shall cover the risks to which the subject-matter insured is exposed in the course of navigation, i.e. maritime accidents, natural disasters, explosion, fire and robbery.

The contract of insurance may also cover other risks to which the subject-matter insured is exposed during the currency of the insurance, such as theft and non-delivery, handling risks, land transport risks, war and political risks, etc.

Article 718

The alteration of the risk after the conclusion of the contract of insurance from causes beyond the control of the insured shall not affect the validity of the insurance and the liability of the parties

Where by reason of the action of the insured or with his consent, the risk has been substantially increased, the insurer shall not be bound to the indemnity for the loss attributable to such alteration of the risk.

Where by reason of the action of the insured or with his consent the risk is substantially decreased the insurer shall not be liable to refund a proportional part of the premium to the insured or to reduce the premium already agreed.

Article 719

Unless otherwise provided the insurance shall cover the loss caused by risks insured against:

1. Total loss of the subject-matter insured;

2. Partial loss of the subject-matter insured;
3. Salvage expenses and expenses resulting directly from the appearance of the event insured against,
4. General average;
5. Salvage rewards;
6. Expenses of ascertaining and adjusting the loss cover by the insurance.

Unless the contract of insurance otherwise provides, the insurance shall not cover the liability of the insured for the losses caused to third parties.

Article 720

The insurance may cover also losses occurring before the conclusion of the contract of insurance, provided that at the time when the contract was concluded the contracting party and the insured did not know and ought not to know that the insured event had happened, or at the time the contract was concluded both parties to the contract knew that the insured event had happened, but they had no knowledge of the extent of the loss.

Article 721

The insurance shall not cover the losses arising directly or indirectly from the wilful misconduct of the insured.

Unless the contract of insurance otherwise provides, the insurance shall also exclude the losses arising directly or indirectly from:

1. Gross negligence of the insured;
2. Wilful misconduct or gross negligence of persons for whose conduct the insured is responsible by law;
3. The presence of war and political risks.

The provisions of paragraph 2 of this article shall not be applied to losses arising from the wilful misconduct or gross negligence of the ship's crew, nor to losses arising from acts or omissions of an insured - the ship's master or other member of the ship's crew or of a pilot in navigation and ship handling.

Article 722

A total loss of a subject-matter insured shall be deemed according to this Law when the entire subject-matter insured has sunk without the possibility of being re-floated, or destroyed or missing, or the insured has been permanently deprived thereof, and also when it has sustained such a damage as it cannot be repaired and by reason of it has ceased to be a thing of the particular kind insured.

In case of total loss of the subject-matter insured the indemnity shall be paid in full amount of its real value or, where the value has been agreed upon, the amount of the agreed value, but not exceeding the amount insured.

By payment of the indemnity in accordance with paragraph 2 of this article all rights of the insured in the subject-matter insured shall be transferred to the insurer if he does not renounce his claim. If the subject-matter was underinsured, the rights to it shall be transferred to the insured in accordance with paragraph 3 of this article only in such proportion as the amount insured bears to the agreed or real value of the subject-matter insured, as the case may be.

Article 723

Where the insured decides to claim the indemnity under paragraphs 1 and 2, he shall submit a justify claim in writing to the insurer for payment of the indemnity.

The insured is entitled to claim the indemnity as for a total loss according to article 722 of this Law where total loss of the subject-matter insured is unavoidable or where the cost of salvage and necessary repairs exceed the agreed or real value of the subject matter insured, as the case may be.

The insured may claim to be indemnified for total loss if he is unable to dispose with or to use fully the insured subject-matter due to the risk insured for a period of consecutive 12 months.

The insured forfeits his right under paragraphs 1 and 2 of this article if he does not submit a claim within two months from the date on which he learned of the circumstances upon which his right is based or in case set out in paragraph 2 immediately after the period quoted has expired..

The insured's claim according to the provisions of paragraph 3 of this article must be unconditional and must relate to the entire subject matter insured.

Where the insurer accepts the insured's claim submitted in accordance with paragraph 3 of this article or where he does not contest it within one month from the date on which he has received it, the indemnity for the loss shall be paid in accordance with article 722, paragraphs 2, 3 and 4 of this Law.

If the insurer contests a claim submitted in accordance with paragraph 4 of this article and a dispute arises between the insurer and the insured, the court will judge whether the requirements of paragraph 1 of this article have been fulfilled in the circumstance which existed on the date on which the insured submitted the claim in accordance with paragraph 2 of this article.

Article 724

The ship shall be deemed lost if three months have elapsed from its last report. In that case the day of total loss of the ship shall be considered to have occurred on the day she was last heard of.

Where other expenses are insured together with the ship in accordance with article 739, paragraph 2, of the Law, the expenses insured which have been saved by the insured because of the loss of the ship shall be deducted from the indemnification for the total loss.

Article 725

In the event of damage to or loss of an integral part of the subject matter insured, the indemnity for the loss shall be necessary cost of repairing and restoring the subject matter insured to its former condition, but not exceeding the amount insured.

Where the subject matter is underinsured the cost of repairing according to paragraph 1 of this article is recoverable in such proportion as the amount insured bears to its agreed or real value, as the case may be.

Where the subject matter insured cannot be repaired and/or restored to its former condition and also in the case of a loss of a part of the subject matter insured (partial-loss) The indemnity for the loss shall be the percentage of the depreciation of the subject matter insured applied to the amount insured.

Where the subject matter is over-insured the percentage of the depreciation according to paragraph 3 of this article shall be applied to its agreed or real value, as the case may be.

Article 726

In case of general average arising in connection with the perils insured against, the indemnity shall be paid for losses of and damages to the subject matter insured and expenses incurred by the insured in connection with the subject-matter which are allowed in a valid general average adjustment and also for contributions to general average which are fixed for the subject matter insured in such adjustment.

When ascertaining the amount of the indemnity provided in paragraph 1 of this article, the provisions of articles 725 and 728 of this Law shall be applied in appropriate manner irrespective of the value of the subject-matter insured in the valid general average adjustment.

By payment of the indemnity for losses, damages and expenses according to paragraph 1 of this article the right of the insured to receive the contribution to general average is transferred to the insurer, but only up to the amount of the indemnity paid together with the corresponding amount of interest and commission approved in the valid general average adjustment.

Article 727

The indemnity shall be paid for salvage awards for saving the subject-matter insured from perils covered by the insurance which the insured is bound to pay and also for the costs of proceedings in assessing the award.

Where the subject matter is under-insured the provisions of article 711 of this Law shall be applied to the indemnity provided in paragraph 1 of this article irrespective of the value which served as the basis for the assessment of the amount of the salvage award.

Article 728

Expenses incurred by the insured in order to avert a loss from imminent danger or to reduce a loss which has already occurred (salvage expenses) are recoverable from the insurance if incurred reasonably or by an agreement with the insurer and provided that the loss is covered by the insurance.

The expenses mentioned in paragraph 1 of this article shall be recovered from the insurance irrespective of success, even when the expenses, together with the indemnity for the loss exceed the amount insured, but the indemnity for the losses shall not exceed the amount insured.

Expenses incurred by the insured arising directly from the occurrence of the event insured against shall be recoverable from insurance only up to the amount insured.

Where the subject matter is underinsured, salvage expenses and expenses arising directly from the occurrence of the event insured against shall be recovered in such proportion as the amount insured bears to the agreed or real value of the subject matter, as the case may be.

As an exception to paragraph 4 of this article, salvage expenses incurred at the demand of the insurer in spite of reasonable opposition of the insured shall be recoverable in full notwithstanding the provision relating to underinsurance.

Article 729

Expenses incurred by the insured that are necessary for the ascertainment and settlement of losses covered by the insurance shall be recoverable from the insurance in full even in case of under-insurance.

Article 730

The insurer shall be bound to indemnify for successive losses which occur during the currency of the same insurance even where the aggregate amount of the indemnities for the losses covered by the insurance exceeds the amount insured.

Where, during the currency of the same insurance, a partial loss or damage is followed by a total loss of the subject-matter insured, the insurer shall be bound, in addition to the indemnity for the total loss, to indemnify only for the expenses covered by the insurance which were incurred by the insured in connection with the partial loss or damage.

Article 731

Where specifically stipulated conditions which were essential to the decision whether or not to accept the risk are not fulfilled, the insurer is entitled to demand the annulment of the contract of insurance.

Where specifically stipulated conditions which were of importance only as to the gravity of the risk or the extent of the loss are not fulfilled, the insurer is entitled to deduct from the indemnity such proportion as is attributable to the non-fulfilment of these conditions.

Article 732

During the currency of the insurance the insured shall take care of the subject-matter insured with the diligence of a prudent businessman and do nothing that would prejudice any right to recover from a third party responsibility for the loss.

In the event of the operation of a peril insured against, the insured shall:

1. Take all reasonable measures necessary to avert or minimize the loss, in agreement with the insurer, if possible,

2. Advise the insurer or his authorized representative of the loss as soon as he learns thereof,

3. Secure any right to recover in respect of the loss from a third party responsible for it.

Should the insured wilfully or through gross negligence fail to take care during the currency of the insurance of the subject-matter insured or to perform the duty provided by paragraph 2, point 1, of this article, the insurer is not obliged to pay the indemnity for the loss resulting therefrom.

Where the insured wilfully or trough gross negligence has prejudiced during the currency of the insurance any right to recover from a third party responsible for the loss, or fails to perform the duties provided by paragraph 2, points (2) and (3), of this article, the insurer is entitled to deduct from the indemnity a sum corresponding to the amount of the loss he has suffered thereby.

Article 733

When submitting the claim, the insured shall when required by the insurer, provide such information, documents and other evidence available to him as are necessary to establish the nature, cause and extent of the loss and any other circumstances whereby his right to the indemnity can be ascertained or at least presumed.

Where the insured wilfully or through gross negligence fails to ascertain the loss in time in the stipulated manner or, where there is no stipulation, in the customary manner, the insurer shall pay the indemnity for the loss only if the insured submits conclusive proofs of the nature, cause and extent of the loss and also of circumstances essential for ascertaining that the loss is covered by the insurance.

Article 734

The insured shall pay the indemnity within one month after the insured has submitted to him the claim in accordance with article 733 of this Law with all information and documents as are necessary to establish the obligation of the insured under the contract of insurance.

Article 735

Where in a contract of insurance concluded with several insurers their respective shares are designated, each insurer shall pay the indemnity for the loss only in proportion to his share.

Article 736

By payment of the indemnity all rights of the insured against third parties in respect of the loss for which the indemnity has been paid shall be transferred to the insurer, but only up to the amount paid.

Where the subject matter is under-insured, the rights of the insured under paragraph 1 of this article shall be transferred to the insurer only in such proportion as the sum insured bears to the agreed or real value of the subject-matter, as the case may be.

It is the duty of the insured to give the insurer on his demand every assistance to effect any rights against third parties and to provide him with a certificate on cession of his rights duly filled in and signed.

Article 737

Claims under a contract of insurance fall under of a five years statute of limitation.

The period of limitation provided in paragraph 1 of this article shall start to run:

1. For indemnity claims for contribution to general average and for salvage awards - from the date on which the contribution or award payable by the insured has been assessed;

2. For indemnity claims for losses caused to third parties - from the date on which the insured has received the claims from the third party;

3. For other claims - from the first day after the end of the calendar year during which the claim has arisen.

Article 738

The provisions of article 698, article 705, paragraph 1, article 712, paragraph 5 and article 721, paragraph 1, of this Law shall not be modified even by express stipulation in the contract of insurance.

2. Ship Insurance

Article 739

Ship insurance covers the hull, machinery, installations and outfit, ordinary stores of fuel, lubricants and other material, provisions of food and drink necessary for the crew.

Extraordinary stores of fuel, lubricants and other material, provisions of food and drink which are not necessary for the ordinary need of the crew and also outfitting expenses and insurance changes are covered by an insurance on ship only if expressly stipulated.

Article 740

A voyage insurance attaches at the commencement of the cargo loading in the port of departure named in the contract of insurance and continues until the completion of discharge in the port of destination named in that contract but not more than 21 days after the arrival of the ship in that port.

Where before the completion of discharge of cargo according to paragraph 1 of this article the loading of cargo for a new voyage commences in the port of destination the insurance terminates upon the commencement of loading of the new cargo.

Where no loading of cargo takes place in the port of departure, the insurance commences when the ship raises the anchor or unberths in that port for the departure on the insured voyage.

Where no discharge of cargo takes place in the port of destination the insurance terminates when the ship drops anchor or moors in that port.

When the voyage is interrupted before the port of destination the insurance terminates at the place where the voyage was interrupted, but the provisions of paragraphs 1, 2 and 4 of this article continue to apply in appropriate manner.

The ship remains insured while urgent repairs of damage covered by the insurance are effected without unjustified delay at an intermediate port immediately after the termination of the insured voyage, provided that the ship cannot be employed in commercial or other purposes at the same time.

Article 741

Where the time insurance terminates while the ship is on a voyage, the insurance shall be extended until she arrives at the first port of destination provided that the insured has not waived such extension before the expiration of the insurance.

In respect of the termination of the insurance in the first port of destination the provisions of article 740 of this Law continue to be applied in appropriate manner.

The insurance shall be extended during urgent repairs of damage covered by the insurance which began during the currency or immediately after the expiration of the insurance and are effected without unjustified delay, if the ship cannot be employed for commercial purposes at the same time.

When the insurance is extended in accordance with paragraph 1 of this article the insurer is entitled to an additional premium in proportion to the period for which the insurance has been extended.

Article 742

Losses resulting directly or indirectly from the defect or unseaworthiness of the ship shall be excluded from the insurance on ship if the insured knows of them or could have learnt of them by exercising the diligence of a prudent ship operator and could have prevented the consequence thereof.

The provisions of paragraph 1 of this article shall not apply to losses arising from the defect or unseaworthiness of the ship of which the insurer has been advised or has knowledge of when concluding the contract of insurance.

Unseaworthiness of the ship, according to this article, means its general seaworthiness, as well as unseaworthiness for a particular voyage and carriage by the ship arising from technical defects, its insufficient equipment, inadequate crew, overloading or irregular loading of cargo, embarkation of passengers in excess of permitted number or by other reasons.

Losses sustained outside the limits of navigation according to the insurance contract arising from direct or indirect risk shall be excluded from the time insurance contract.

Article 743

Where the damaged ship is repaired, or parts of the hull, machinery, installations, outfit or stores which have been lost are replaced, the indemnity is paid for the loss in the amount of the actual cost necessary for repairing the ship or replacing parts, but not for any loss resulting from the depreciation of the ship notwithstanding the repairs effected and parts replaced.

Where by reason of the repairs of the ship or the replacement of parts the actual value of the ship is considerably increased, the enhancement in value arising therefrom shall be deducted from the indemnity.

When the damaged ship is not repaired or lost parts are not replaced during the currency of the insurance or immediately thereafter, and the insured claims an indemnity for the loss before repairs or replacements are carried out, the indemnity shall be paid for the loss in the percentage of depreciation in the value of the ship applied to the amount insured, but not exceeding the estimated cost of repairing the ship or replacing the parts.

3. Goods Insurance

Article 744

Within the same agreed value or, where the value has not been agreed, within the same amount insured, the charges of insurance, freight, customs duty and other expenses relating to the carriage and delivery of the goods as well as expected profit, may be insured in addition to the value of the goods at the place of departure and it is not necessary to mention expressly in the contract such expenses or expected profit which are covered by the same contract of insurance.

Article 745

A voyage insurance on goods shall be attached at the commencement of loading on the first means of conveyance at the place named in the contract of insurance for the purpose of performing the voyage and it shall continue until the goods are discharged from the last means of conveyance at the destination named in the contract of insurance.

If a voyage is interrupted at any place on its route the insurance shall be terminated at the moment of discharging the goods from the last means of conveyance in that place.

The provisions of this article do not affect the provisions of article 715 of this Law regarding the deviation from the insured voyage.

Article 746

Unless otherwise provided, losses resulting from the vice of nature of the goods shall be excluded from the insurance.

The provisions of paragraph 1 of this article shall also apply to a loss occurring in consequence of delay of the means of conveyance caused by perils insured against.

Article 747

In case of total loss of goods, the indemnity shall be paid for the value of the goods at the place of departure, together with the value of any other interests covered by the same agreed value or by the same amount insured, in accordance with article 744 of this Law.

Where because of the total loss of goods or for other reasons the insured has saved some expenses which were insured together with the value of the goods at the place of departure, such expenses saved shall be deducted from the indemnity for the total loss.

Article 748

In an insurance on goods the percentage of depreciation according to article 725, paragraph 3, of this Law is ascertained by comparing the value of the goods in sound and damaged condition at the place where the insured voyage terminates.

Where damaged goods are sold before arrival at a destination by agreement with the insurer in order to avoid a greater loss, the indemnity shall be paid for the difference between the net proceeds of the sale and the amount insured or, if the goods are overinsured, for the difference between the net proceeds of the sale and the agreed or real value of the good, as the case may be.

Article 749

Where by reason of occurrence of the event insured against, the goods are discharged from the ship before their destination, the indemnity shall be paid in accordance with article 728, paragraph 3, of this Law for the expenses for discharging the goods and also for the storage and extra cost of forwarding the goods to destination which are to be borne by the insured.

Article 750

In addition to the cases mentioned in article 723, paragraph 1, of this Law, the insured is entitled to claim the indemnity as for a total loss of the insured goods in accordance with the provisions of article 722 of this Law, as follows:

1. Where by the operation of perils insured against the ship becomes unseaworthy during the voyage and the goods cannot be forwarded to their destination within six months, or where the expenses borne by the insured to forward the goods would exceed the agreed or real value of the insured interests, as the case may be;

2. Where by reason of the damage the goods have lost four fifths of their value and cannot be repaired and /or restored to their former condition;

3. Where the necessary cost of salvage, reconditioning and forwarding the damaged goods to their destination which would have been incurred by the insured exceeds the agreed or real value of the insured interests, as the case may be.

Article 751

Where a number of successive shipments are insured under one contract only in general terms (general contract of insurance) The contracting party shall declare all such shipments to the insurer upon forwarding them together with all information necessary for the final ascertainment of the obligations of the parties in accordance with the general contract of insurance.

Where in general contract of insurance the scope of cover given or the value for which particular shipments are insured are not fixed, the contracting party shall declare his requirements in that respect to the insurer if possible before the commencement of the voyage.

Where the contracting party fails to perform his duty under paragraph 2 of this article for some shipments before the loss occurs or, if there is no loss, before the termination of the insured voyage, these shipments shall be considered to be insured against the risks mentioned in article 717, paragraph 1, if this law for their real value in

accordance with article 708 of this Law, in addition to the amount of freight borne by the insured and insurance charges.

Where the contracting party willfully or through gross negligence fails to perform his duty under paragraph 1 of this article the insurer is entitled to rescind the general contract of insurance and to decline to pay the indemnity for losses occurred to the undeclared shipments.

The insurer is entitled to the premium of insurance for undeclared shipments even if they were exposed for only a short time to the risks covered by the general contract of insurance, notwithstanding that the contract has been rescinded in accordance with paragraph 4 of this article.

The insurer shall deliver the policy on demand of the contracting party in accordance with article 704 of this Law for each shipment declared.

4. Freight Insurance

Article 752

Unless otherwise provided, a freight insurance shall cover the gross amount of freight.

Article 753

In case of total loss of freight resulting from the total loss of goods for which the freight has been or is due to be paid, the indemnity for the loss shall be paid in accordance with article 722, paragraph 2, of this Law, but the rights of the insured on goods shall not be transferred to the insurer of freight.

Article 754

Where the freight which has been or is due to be paid for particular goods is insured, the indemnity for loss caused by perils insured against shall be ascertained, if it cannot be done otherwise, in the same proportion as the indemnity for the loss sustained by the goods to which the freight relates.

Article 755

Unless otherwise provided by the Law, the provisions relating to insurance on freight for the carriage of particular goods, and the provisions relating to insurance on ship shall apply to insurance on other freight.

5. Insurance against Liability

Article 756

In a liability insurance for losses caused to third parties the indemnity shall be paid for such amounts as the insured is bound to pay to third parties in connection with his liabilities covered by the insurance and also for expenses necessary for the ascertainment of his obligation.

Third parties, as is the case in paragraph 1 of this article, may claim an indemnity directly from the insurer for the damage and/or loss sustained in an event for which the insured is liable, but only up to the amount insured.

The indemnity shall also be paid for the cost of measures taken on demand of the insurer and his representatives or in the agreement with them to contest unjustified or excessive claims by third parties., and also for the cost of reasonable measures taken by the insured for the same purpose without the agreement of the insurer or his representatives where such agreement could not be obtained in time.

Where the contract of insurance provides the amount for which liabilities are insured, the indemnity shall be paid only up to the amount insured in accordance with paragraph 1 of this article.

Article 757

Where the liability of the ship operator is covered under the same contract under which the ship is insured, the indemnity for the losses in accordance with article 748 of this Law shall be paid independently of the amount of the indemnity for other losses covered by the insurance on ship.

Where the contract does not provide a separate amount for the insurance against ship operator's liability, his liability shall be considered to be insured to the same amount as the ship.

Article 758

In case of collision between the ship belonging to the same insured, the provisions relating to the insurance against ship operator's liability shall apply as if the ship belonged to different persons.

The provisions of paragraph 1 of this article shall also apply in appropriate manner when the insured ship has caused loss or damage to other assets or property belonging to the same insured.

6. Various Insurance

Article 759

In case of total loss of expected profit resulting from the total loss of goods, the loss shall be recoverable in accordance with article 722, paragraph 2, of this Law but the rights of the insured on goods shall not be transferred to the insurer of expected profit.

The provisions relating to insurance on goods shall apply in an appropriate manner to insurance on expected profit connected with the carriage of goods.

Article 760

The charges of insurance can be insured by inclusion in the agreed value or, where the value has not been agreed, by inclusion in the amount insured for the subject matter of the insurance for which such charges have been or are due to be paid, and it is not necessary to mention the cost thereof expressly in the contract of insurance.

2. Gabon

Decree No. 002066/PR/MHCUCDM of 4 December 1992

[Original: French]

Regulatory provisions for determining the baselines for measuring the breadth of the territorial sea of the Gabonese Republic. [3]

Article 1. The breadth of the territorial sea, which is established at 12 nautical miles or 22.224 kilometres, shall be measured from the straight baselines and the normal baselines.

Article 2. In the maritime zone extending between Cocobeach and Cap Lopez, the territorial sea shall be measured from the straight baselines connecting the following points:

		Latitude	Longitude
A.	Cocobeach (Point Astro)	1° 00' 02" N	9° 34' 58" E
B.	Mbanie	0° 48' 39" N	9° 22' 50" E
C.	Cap Esterias (Pointe Megombie)	0° 35' 19" N	9° 19' 01" E
D.	Pointe Ngombie	0° 18' 35" N	9° 18' 19" E
E.	Cap Lopez	0° 37' 54" S	8° 42' 13" E

Article 3. In the maritime zone extending between Cap Lopez and the Gabon-Congo frontier, the territorial sea shall be measured from the low-water line along the coast, as marked on large-scale charts officially recognized by Gabon.

Article 4. The ellipsoid and point of origin used to determine the geographical coordinates shall be:

The Clarke 1880 ellipsoid at the following points of origin in UTM zones 32 and 33:

Latitude: 0° 42' 53" 3 S Longitude: 0° 09' 49" 4 E

Article 5. The maritime boundary of Gabon, established from the baselines thus determined, shall be subject to the full jurisdiction that flows from Gabon's rights of national sovereignty, as set out in the relevant provisions of Act No. 9/84 of 9 July 1984 creating an exclusive economic zone of 200 nautical miles.

Article 6. The present decree, which shall supersede all previous provisions to the contrary, shall be registered and published under the accelerated procedure and communicated to all parties who are required to be informed.

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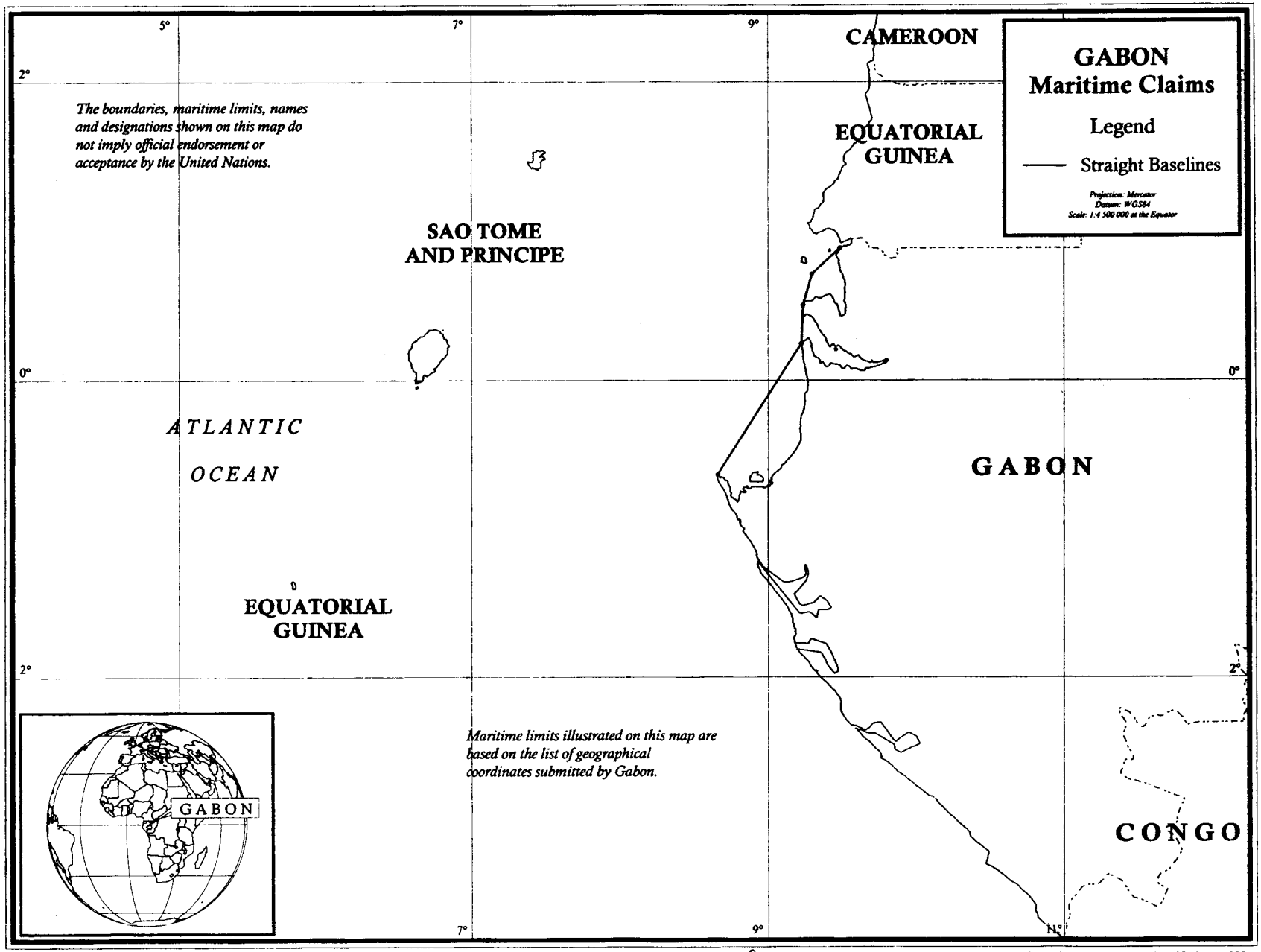
3 Transmitted by the Government of Gabon in a letter of 23 September 1999 addressed to the Secretary-General of the United Nations. In transmitting the Decree, the Government of Gabon has communicated the following: "This notification is given without prejudice to any bilateral arrangements that may be concluded by Gabon pursuant to the provisions of article 15 of the 1982 United Nations Convention on the Law of the Sea."



Map index: GAB-DEP-1

C. Treaties

1. Agreement between the Kingdom of the Netherlands and the Kingdom of Belgium relating to the delimitation of the continental shelf [4]

The Kingdom of the Netherlands and The Kingdom of Belgium,

Desiring in the framework of good-neighbourly relations to achieve a solution acceptable to both Contracting Parties concerning the lateral delimitation of the continental shelf,

Have agreed as follows:

Article 1

1. The boundary between the continental shelf of the Kingdom of Belgium and the continental shelf of the Kingdom of the Netherlands is formed by the great circle joining the following points expressed in terms of their coordinates in the sequence given below:

Point 5: 51°33'06" N; 03°04'53" E

Point 6: 51°52'34,012" N; 02°32'21.599" E

2. The positions of the points in this article are defined by latitude and longitude on European Datum (1st Adjustment, 1950).

3. The dividing line defined in paragraph 1 has been drawn by way of illustration on the chart annexed to this Agreement. [5]

Article 2

In the event that one of the Contracting Parties decides to create an exclusive economic zone, the coordinates given in article 1 shall be used for the lateral delimitation of such a zone.

Article 3

This Agreement shall enter into force on the first day of the second month following the date on which the Contracting Parties notify each other in writing of the completion of the procedures required by their domestic legislation for the entry into force of this Agreement.

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4 Tractatenblad van het Koninkrijk der Nederlanden, Jaargang 1997 Nr. 14.

5 For technical reasons, the chart is not reproduced. See illustrative map, page 174.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement.

DONE at Brussels on 18 December 1996 in duplicate in the French and Dutch languages, both texts being equally authoritative.

FOR THE KINGDOM OF THE NETHERLANDS:

[Signed]

H. A. F. M. O. VAN MIERLO
Minister for Foreign Affairs

FOR THE KINGDOM OF BELGIUM:

[Signed]

E. DERYCKE
Minister for Foreign Affairs

2. Agreement between the Kingdom of the Netherlands and the Kingdom of Belgium relating to the delimitation of the territorial sea [6]

The Kingdom of the Netherlands

and

The Kingdom of Belgium

Desiring to establish the lateral boundary of the territorial sea between the Kingdom of Belgium and the Kingdom of the Netherlands,

Have agreed as follows:

Article 1

1. The boundary between the territorial sea of the Kingdom of Belgium and the territorial sea of the Kingdom of the Netherlands is formed by the great circles joining the following points, expressed in terms of their coordinates, in the sequence given below:

Point 1: 51°22'25" N; 03°21'52.5" E

Point 2: 51°22'46" N; 03°21'14" E

Point 3: 51°27'00" N; 03°17'47" E

Point 4: 51°29'05" N; 03°12'44" E

Point 5: 51°33'06" N; 03°04'53" E

2. The positions of the points in this article are defined by latitude and longitude on European Datum (1st Adjustment, 1950).

3. The dividing line defined in paragraph 1 has been drawn by way of illustration on the chart annexed to this Agreement.[7]

Article 2

The boundary formed by the points listed in article 1 is based on the principle of equidistance from a maximal baseline, namely the low-water mark along the coast. The extension out to sea of the port of Zeebrugge in Belgium and the "Rassen" shallows off the coast of the Netherlands have been taken into account.

Article 3

This Agreement shall enter into force on the first day of the second month following the date on which the Contracting Parties notify each other in writing of the completion of the procedures required by their domestic legislation for the entry into force of this Agreement.

---

6 Tractatenblad van het Koninkrijk der Nederlanden, Jaargang 1997 Nr. 14.

7 For technical reasons, the chart is not reproduced. See illustrative map, page 174.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement.

DONE at Brussels on 18 December 1996 in duplicate in the French and Dutch languages, both texts being equally authoritative.

FOR THE KINGDOM OF THE NETHERLANDS:

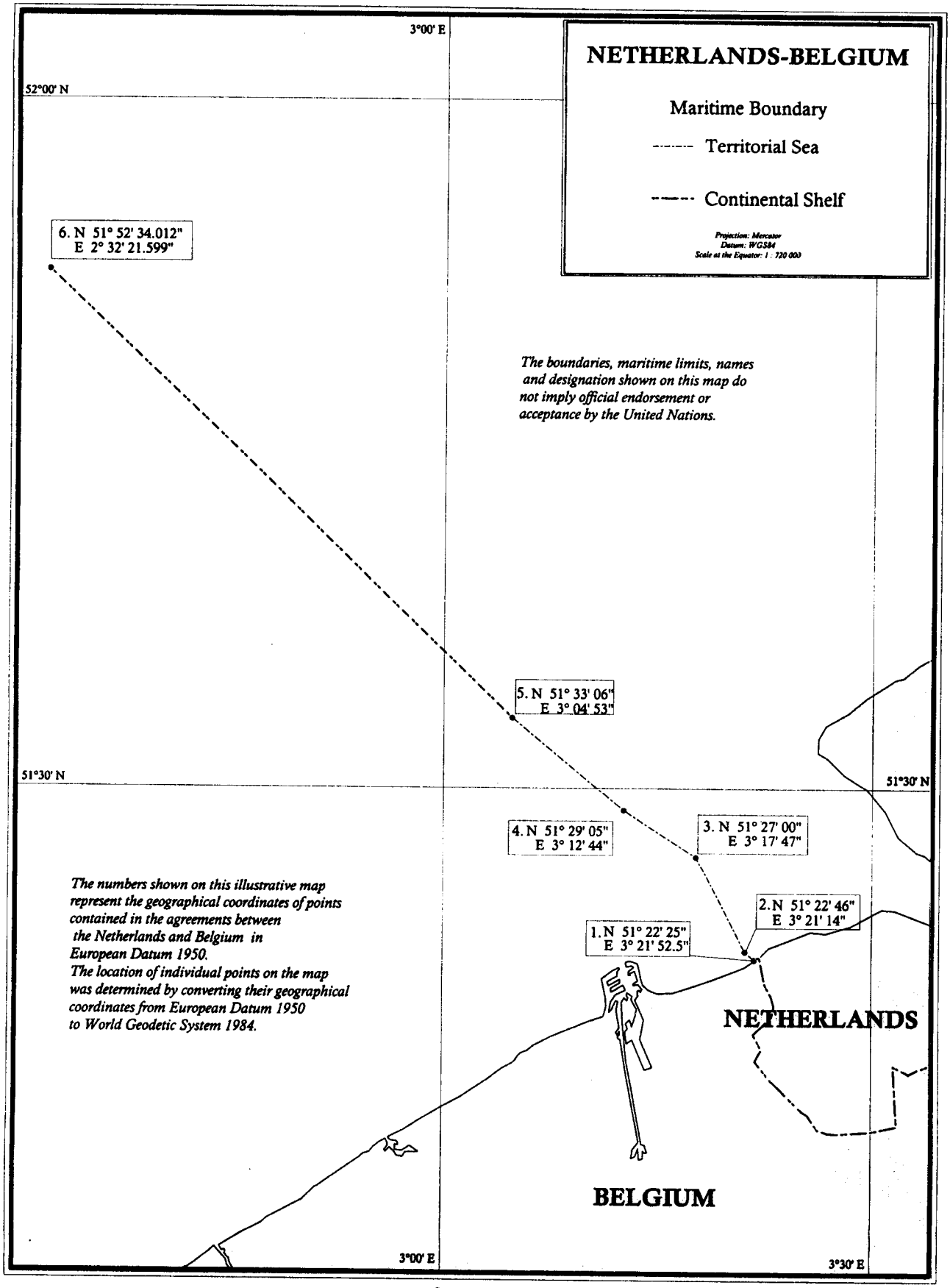
[Signed]

H. A. F. M. O. VAN MIERLO
Minister for Foreign Affairs

FOR THE KINGDOM OF BELGIUM:

[Signed]

E. DERYCKE
Minister for Foreign Affairs



3. Exchange of Notes constituting an Agreement between the Government of Australia and the United Nations Transitional Administration in East Timor concerning the continued operation of the Treaty between Australia and the Republic of Indonesia on the Zone of Cooperation in an Area between the Indonesian Province of East Timor and Northern Australia of 11 December 1989, 10 February 2000

Note verbale dated 10 February 2000 from the United Nations Transitional Administration in East Timor, Dili, to the Australian Mission in East Timor, Dili

I

The United Nations Transitional Administration in East Timor (UNTAET) presents its compliments to the Australian Mission in East Timor and has the honour to refer to the fact that, pursuant to United Nations Security Council resolution 1272 (1999) of 25 October 1999, and in accordance with paragraph 35 of the Report of the Secretary-General (S/1999/1024), the United Nations will conclude such international agreements with States and international organizations as may be necessary for the carrying out of the functions of UNTAET in East Timor.

An agreement between UNTAET, acting on behalf of East Timor, and Australia, providing practical arrangements for the continuity of the terms of the Treaty between Australia and the Republic of Indonesia on the Zone of Cooperation in an Area between the Indonesian Province of East Timor and Northern Australia (the "Timor Gap Treaty")[8] in the transitional period, will benefit the people of East Timor and will assist UNTAET in carrying out its functions entrusted to it under Security Council resolution 1272 (1999). The conclusion of this agreement, however, is without prejudice to the position of the future government of an independent East Timor with regard to the Treaty.

UNTAET therefore has the honour to advise the Australian Mission in East Timor that all rights and obligations under the Timor Gap Treaty previously exercised by Indonesia are assumed by UNTAET, acting on behalf of East Timor, until the date of independence of East Timor. UNTAET, acting on behalf of East Timor, and Australia may enter into subsidiary arrangements or agreements relating to the continued operation of the terms of the Treaty. In agreeing to continue the arrangements under the terms of the Treaty, the United Nations does not thereby recognize the validity of the "integration" of East Timor into Indonesia.

If the understanding of Australia is in accordance with the foregoing advice, UNTAET has the honour to propose that this note and Australia's confirmatory note in reply shall constitute an agreement between UNTAET, acting on behalf of East Timor, and Australia which shall be applied as of 25 October 1999.

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8 Entered into force on 9 February 1991. United Nations Treaty registration No. 28462 (6 November 1991). *United Nations Treaty Series*, vol. 1654 (to be published). Also appears in *Australian Treaty Series* 1991, No 9.

Note verbale dated 10 February 2000 from the Australian Mission in East Timor, Dili, to the United Nations Transitional Administration in East Timor, Dili

II

The Australian Mission in East Timor presents its compliments to the United Nations Transitional Administration in East Timor (UNTAET) and has the honour to refer to UNTAET's note to the Mission dated 10 February 2000 which reads as follows:

[*See Note I*]

The Australian Mission has the honour to advise that the foregoing proposal is acceptable to the Government of Australia and to agree that the UNTAET note and this reply shall constitute an Agreement between the Government of Australia and UNTAET which shall be applied as of 25 October 1999.

Memorandum of Understanding between the United Nations Transitional Administration in East Timor (UNTAET), acting on behalf of East Timor, and the Government of Australia on arrangements relating to the Timor Gap Treaty

1. General

This Memorandum is concluded pursuant to the Agreement between UNTAET and the Government of Australia on the Timor Gap Treaty (the "Treaty") contained in the exchange of notes between UNTAET and the Australian Mission in East Timor dated 10 February 2000. UNTAET and the Government of Australia confirm that UNTAET will exercise its rights and obligations under the Treaty in close consultation and cooperation with representatives of the East Timorese people.

2. Continued applicability of the legal regime of the Treaty

(a) In accordance with UNTAET regulation 1999/1, the laws applied in East Timor prior to 25 October 1999, to the extent necessary to give effect to the Treaty, will continue to apply.

(b) All rules, regulations, directions, decisions, guidelines, procedures, approvals, authorizations and other determinations made by either the Ministerial Council for the Zone of Cooperation ("the Ministerial Council") or the Joint Authority for Area A of the Timor Gap Zone of Cooperation ("the Joint Authority") before 25 October 1999 will continue to apply.

(c) All existing Production Sharing Contracts under the Treaty will continue to apply.

(d) UNTAET and the Government of Australia recognize that it will be important to facilitate, as a matter of priority, training and employment opportunities for East Timorese nationals and permanent residents.

3. Ministerial Council

UNTAET will designate its representative on the Ministerial Council as soon as possible.

4. The Joint Authority

(a) UNTAET will nominate for appointment by the Ministerial Council a person as Executive Director in the head office of the Joint Authority as soon as possible. Pending the appointment of the Executive Director by the Ministerial Council, in order to ensure the continued efficient operation of the Joint Authority, UNTAET will appoint an acting Executive Director.

(b) UNTAET will nominate persons for appointment as Technical Director or Finance Director, and as Senior Technical Officer, on the Joint Authority as soon as possible.

(c) The head office of the Joint Authority will be established in East Timor as soon as possible, having regard to ensuring the continued efficient operation of the Joint Authority. Pending the establishment of the head office of the Joint Authority in East Timor, both of its offices will be consolidated in Darwin on a temporary basis.

(d) The registered address for the interim head office of the Joint Authority will be NT House, 8th Floor, 22 Mitchell Street, Darwin, Australia, until the head office has been established in East Timor.

(e) The Joint Authority will pay East Timor's share of the proceeds collected from the production sharing arrangements under the Treaty, from 25 October 1999, into a bank account to be advised by UNTAET.

(f) The Joint Authority will close its bank accounts in Jakarta and consolidate all of its funds into its existing bank accounts in Darwin.

(g) UNTAET will advise contractors of details of a bank account into which all taxes payable to UNTAET pursuant to petroleum operations under the Treaty will be deposited.

5. Amendments

Amendments to this Memorandum may be made at any time by an arrangement in writing between UNTAET and the Government of Australia.

6. Duration

This Memorandum shall be applied as of 25 October 1999. It will continue in effect for the duration of the transitional period.

SIGNED at Dili, in triplicate, this tenth day of February 2000.

[Signed]

SERGIO VIEIRA DE MELLO
Transitional Administrator
for UNTAET,
acting on behalf of East Timor

[Signed]

JAMES BATLEY
Australian Representative
Head of the Australian Mission in East Timor,
for the Government of Australia

III. OTHER INFORMATION

Corrigenda to Bulletins Nos. 39 and 41 of 1999

Corrigendum to Bulletin No.39 (1999)

Page 23, article 1 (1), line 5, should read:

Point K: Latitude N 08° 46' 54".7754, Longitude E 102° 12' 11".6542

Corrigendum to Bulletin No.41 (1999)

Page 21, footnote 2, should read:

Transmitted by the Government of Nauru on 20 August 1997.
