

Charterparties

Lecture by Trond Solvang

Liner service vs. chartering

- Liner service
 - ships designed for multitude of cargo units (e.g. containers)
 - cargo documents (e.g. bills of lading) evidencing the contract of carriage
 - terminology: carrier/shipper (receiver, consignee)
 - mandatory liability rules based on conventions

Liner service vs. chartering

- Chartering
 - ships designed for bulk cargoes
 - contract for transportation service (chartering) of a specific ship
 - terminology: shipowner/charterer
 - freedom of contract (except for inter-Nordic voyage chartering)

Liner service vs. chartering

- Cargo documents in chartering
 - cargo documents subject to mandatory rules when in the hands of a third party (not charterer); protection of buyers not privy to the charterparty
 - the significance of incorporating charterparty terms into cargo documents

Types of chartering

- Voyage charters
 - voyage from A to B, remuneration based on performed voyage
- Consecutive voyage charters

Types of chartering

- Time charters
 - often worldwide trading
 - remuneration based on time
 - the significance of off-hire
 - the interlink between liner service and time chartering

Types of chartering

- CoAs (volume contracts)
 - mixture of generic performance and voyage chartering
 - each voyage on voyage charter terms

Types of chartering

- Bareboat chartering
 - lease of bare ship
 - remuneration (naturally) based on time

Chains of charterparties

- Why are there chains?
- Terminology in chains of charters
 - disponent/managing owner
 - time chartered owner
 - sub-charterer
- Cargo documents and chains of charters
 - the significance of who is the carrier (ie the issuer of cargo documents)
 - the legal position of intermediate parties not issuing cargo documents; performing carrier/sub-contractors

The charterparty contract

- International standard forms
- Significance of bargaining power; tanker trade/dry cargo trade
- Rider clauses
- Choice of law and construction of contracts