

### TITLE III

## REGULATION OF MARITIME EMPLOYMENT

#### Art. III. *Definition of a Seaman.*

“Seaman” includes every person (except masters, pilots, and apprentices duly indentured and registered), employed or engaged in any capacity on board any ship.

*Art. 112. Seaman's Articles of Agreement.*

With the exception of a ship of under 5 tons burden, the articles of agreement concluded between a shipowner or his representative and a seaman shall be regulated by the following provisions:

The terms and stipulations of maritime articles of agreement shall be entered in the list of crew. The seaman, after such terms and stipulations have been read out to him, shall accept such terms and stipulations by affixing his signature or his mark. The prescribed authority shall satisfy themselves before the departure of the ship that all seamen having embarked are employed under articles of agreement by examining the entries in the list of crew.

*Art. 113. Particulars in Articles of Agreement.*

The articles of agreement shall contain the following particulars:

- (a) whether they are concluded for a definite or an indefinite period or for a voyage;
- (b) the capacity in which the seaman is to be employed;
- (c) the date upon which the employment is to begin;
- (d) the method of remuneration agreed between the parties;
- (e) the amount of wages or the basis of determination of profits;
- (f) the place at which and the date on which the agreement was concluded.

*Art. 114. Remuneration out of profits or freight.*

- (1) The articles of agreement under which the seaman's remuneration consists in whole or in part of a share in the profits or the freight shall specify the costs and charges to be deducted from the gross profits to make up the net profits.
- (2) Compensation paid to the ship in respect of the breaking, reducing the duration, or the prolongation of the voyage, loss of profits or of freight, will be deemed to form part of the gross profits.
- (3) This provision shall not apply to insurance compensation except where the seaman has contributed to the payment of premiums from the beginning of the voyage.
- (4) Unless otherwise agreed, bounties and other Government subsidies shall not be included in amounts to be distributed.
- (5) Where seamen are remunerated out of profits or freight no compensation shall be paid to them in respect of the postponement, prolongation or reduction in duration of the voyage by reason of force majeure.

*Art. 115. Remuneration by voyage.*

Where seamen are paid by voyage, the voluntary reduction in the duration of the voyage shall not result in any reduction in wages, whatever the cause may be.

*Art. 116. Duties of Seaman.*

A seaman shall embark at the time appointed by the master. He shall obey all orders of his superiors on land and on board as may be prescribed.

*Art. 117. Prohibition against carrying cargo on their own account.*

- (1) No cargo shall be carried on board a ship by the master or a seaman on his own account, except with the permission of the shipowner. In the event of a breach of this provision, the parties in cause shall pay freight at the highest rate stipulated at the place and time of loading, without prejudice to such damage as may be due.
- (2) The master may order the jettison of goods loaded without permission where the goods are of such a nature as to imperil the safety of the ship or to incur fines and expenses.

*Art. 118. Advance on wages.*

Any advance on a seaman's wages shall be entered in the list of crew if made before a voyage and in the ship's book if made during a voyage. The seaman shall sign or affix his mark to acknowledge receipt. No advance shall be made except under the foregoing conditions. The total sum of advances may not exceed one-fifth of the wages earned at the time the advance is requested.

*Art. 119. Home Remittances.*

Home remittances may be made only to the wife, dependent children and parents of a seaman.

*Art. 120. Repayment of Advances.*

- (1) Advances not by way of home remittances, payments on account and bounties on engagement shall only be repaid to the shipowner in the event of a breach of contract by the seaman without prejudice to disciplinary measures and resulting damages.
- (2) Home remittances shall in no case be repaid notwithstanding any agreement to the contrary.

*Art. 121. Attachment of wages*

Seamen's wages and profits may not be attached or assigned except for the reasons and within the limits given below:

- (1) up to one quarter in the case of:
  - (a) a debt to the State or to a provident fund;
  - (b) a debt for supply of provisions, apparel or lodging;
  - (c) a debt due to a shipowner arising from a payment over and above the balance of wages due in respect of a previous voyage, an advance or payment on an account not due, or in respect of damages;
- (2) up to a further amount of one-quarter, for a debt due under a judgment of a competent court on which execution proceedings have been started.

*Art. 122. Medical Examination prior to Employment.*

- (1) No seaman shall be employed unless he has been passed medically fit for service by a medical practitioner appointed by the port authority. No seaman shall be employed who is suffering from an infectious disease.
- (2) An entry that sub-article (1) has been complied with shall be made by the master in the list of crew.
- (3) A master who fails to comply with the provisions of this Article shall be guilty of an offence and shall be liable on conviction to the penalties specified in Art. 819 of the Penal Code.

*Art. 123. Sickness or Injury while in the Ship's Service.*

- (1) Medical treatment shall be afforded to seamen injured in the service of the ship or who become ill during the voyage at the owner's expense:

Provided that where the injury or sickness is due to, or arises out of, indiscipline, misconduct, drunkenness or in the case of congenital disease such as insanity or epilepsy, or in the case of disease of venereal origin, sickness expenses advanced by the shipowner shall be chargeable to the account of the injured or sick man.
- (2) The cost of treatment shall no longer be due after such time as the injury or sickness has become incurable.

*Art. 124. Wages or allowances payable to a sick or injured seaman.*

- (1) A seaman who has become sick or is injured in the ship's service shall be entitled to wages for so long as he remains on board.
- (2) After being landed, he shall be entitled to an allowance equivalent to wages during a period not exceeding four months. Where landing takes place abroad, an amount equivalent to payment of wages for the four months period shall be deposited with the Ethiopian Consul or his representative.
- (3) The right to wages or allowance is personal. It shall terminate upon death, recovery, or the expiry of four months.

- (4) A seaman whose injury or sickness is due to indiscipline or drunkenness or is constitutional or of venereal origin, shall be entitled to food and care for as long as he remains on board, but not to payment of wages or an allowance.
- (5) Where a seaman dies as the result of sickness or injury in the service of the ship, whatever the cause of such sickness or injury, the costs of burial shall be borne by the ship.

**Art. 125. Repatriation.**

- (1) The shipowner shall repatriate seamen landed for any reason. In the event of termination of the articles of agreement by mutual consent, the costs of repatriation shall be borne by the party designated.
- (2) In addition to transportation costs, the right of repatriation shall include accommodation and food.

## **TITLE IV**

### **CONTRACTS RELATING TO THE USE OF THE SHIP**

#### **Chapter 1. Charter by Demise**

**Art. 126. Definition.**

- (1) A charter by demise is a contract whereby one party undertakes to procure to the other party the possession of a ship for a definite period, subject to payment of a rent.
- (2) The contract shall be in writing.
- (3) The contract shall be subject to the Civil Code and the special provisions of this Code.

**Art. 127. Prohibition against sub-charter.**

The charterer may not sub-charter the ship or assign his right under the agreement unless so authorised by the owner.

**Art. 128. Duties of the Owner.**

The owner shall deliver the ship, together with its accessories, in a seaworthy condition and shall furnish the documents necessary for navigation. He shall execute repairs required as a result of force majeure or normal wear and tear resulting from the agreed use of the ship.

**Art. 129. Liability of the Owner.**

The owner shall be liable for damages resulting from unseaworthiness, unless he can show that such unseaworthiness was caused by a latent defect which a prudent owner could not have discovered.

**Art. 130. Duties of the Charterer.**

The charterer shall use the ship in accordance with the specifications given in the certificate of seaworthiness and in accordance with the terms and conditions contained in the charter party.

**Art. 131. Duration of the Charter.**

- (1) Where the charterer retains possession of the ship after the expiry of the terms agreed upon, the charter shall not automatically be renewed unless expressly so agreed by the owner.
- (2) In case of delay caused by the charterer in returning the ship to the owner, the owner may claim an amount of rent double that agreed upon in respect of the period of time exceeding the agreed period.

**Art. 132. Limitation of Rights arising out of the Charter.**

- (1) The rights arising out of a charter by demise shall be barred after one year from the expiry of the charter, or in the case mentioned in the foregoing article, from the date of the return of the ship to the owner.
- (2) In the event of a presumptive loss of the ship, the period of time shall run from the date on which the ship was struck off the Shipping Register.

## **Chapter 2. Contract of Affreightment**

### **Section 1. General Provisions**

**Art. 133. Definitions.**

- (1) A contract of affreightment is a contract whereby the shipowner undertakes, subject to payment of freight, to proceed with a particular ship on one or more voyages (voyage charter) or, during the period agreed upon, on the voyage required by the charter under the terms of the contract or as determined by custom (time charter).
- (2) A contract of carriage is a contract of carriage covered by a bill of lading or any similar document of title insofar as such document relates to the carriage of goods by sea and shall be subject to the special provisions laid down in Section 5 of this Chapter.

**Art. 134. Particulars in the Contract.**

A contract of affreightment shall be in writing. The contract, termed a charter party, shall indicate:

- (a) the name, tonnage and nationality of the ship;
- (b) the name of the master;
- (c) the names and addresses of the shipowner and charterer, and their status;

- (d) the nature and quantity of the cargo so that it may be determined;
- (e) the method of calculation of freight;
- (f) the duration of the contract or a statement of the voyages to be undertaken.

*Art. 135. Sub-charter.*

- (1) The charterer may not grant a sub-charter, nor assign the rights arising out of the contract of affreightment in whole or in part, without the permission of the shipowner.
- (2) In the event of a sub-charter or total or partial assignment of the rights arising out of the contract, the principal charterer shall be liable to the shipowner for obligations undertaken by virtue of the contract of affreightment.

*Art. 136. Goods shipped by the Shipowner in the Chartered Ship.*

The shipowner may not, without the permission of the charterer, ship goods in the chartered ship, or in that part of the ship under charter.

*Art. 137. Placing of the ship at the disposal of the Charterer.*

The shipowner shall place the ship at the disposal of the charterer at the time and place agreed on.

*Art. 138. Duties of the Shipowner.*

The shipowner shall be bound, before and at the beginning of the voyage, to exercise due diligence to:

- (a) make the ship seaworthy;
- (b) properly man, equip and supply the ship;
- (c) make the holds, refrigerating and cool chambers, and all other parts of the ship in which goods are carried, fit and safe for their reception, carriage and preservation.

*Art. 139. Exemption of the Shipowner from Liability.*

- (1) The shipowner shall incur no liability for loss or damage arising out of, or due to, unseaworthiness, unless such loss or damage results from his failure to carry out his duties under Art. 138 or results from a latent defect which a prudent shipowner could not have discovered.
- (2) The burden of proof under this Article shall rest with the shipowner or with any other person pleading the exemption under this Article.

*Art. 140. Liability of the Charterer.*

The charterer shall be liable for damage to the ship or to the goods ship-

ped, due to his own fault or that of his servants or representatives, or due to a concealed defect in the goods.

*Art. 141. Port of Destination.*

- (1) The ship shall proceed to the agreed port. If the ship is unable to reach such port, she shall proceed to the port nearest to the place of destination and the shipowner shall bear the expenses of forwarding the goods.
- (2) These expenses shall be borne by the charterer where the hindrance results from force majeure.
- (3) Where the charterer has reserved the right to designate the port of arrival at a subsequent date, and he designates a port which the ship cannot safely reach, he shall be liable for all the consequences thereof.

*Art. 142. Ship not placed at the disposal of the Charterer as agreed.*

- (1) Where the ship is not placed at the disposal of the charterer at the time and place agreed upon, the charterer may terminate the contract by giving notice in writing to the other party.
- (2) A shipowner shall have the same right when the charterer has not started loading within the agreed period.
- (3) The period of time for loading shall be deemed to expire only after the lay days have run.

*Art. 143. Compensation due to Charterer.*

In the case provided under Art. 142 (1), the charterer shall be entitled to compensation without lodging any formal claim, unless the shipowner can show that the delay is not due to his fault.

*Art. 144. Termination of the Contract of Affreightment.*

- (1) A contract of affreightment shall terminate as of right and without payment of compensation by either party, where before its performance has commenced such performance is prevented by force majeure.
- (2) Where force majeure occurs prior to the departure of the ship but after performance has commenced, the contract shall terminate subject to the payment of compensation, where appropriate.
- (3) Where force majeure temporarily prevents the departure of the ship, the contract shall remain in force, without any increase in the freight or the payment of any compensation. The contract shall terminate as of right where the delay results in the breaking off of the commercial transaction by virtue of which either party or both parties had entered into the contract.



**Art. 145. *Sale of the Ship.***

- (1) The transfer of ownership in the ship shall not result in the termination of a contract of affreightment entered into prior to such transfer by the seller, where the purchaser had notice of such contract.
- (2) The purchaser shall be deemed to have had notice of the said contract where the seller had declared its existence at the time of sale.

**Art. 146. *Limitation of Actions.***

- (1) The rights arising out of a contract of affreightment shall be barred after a period of one year from the date of delivery of the goods, and in the event of total loss from the day when the goods should have been delivered.
- (2) Save as is otherwise provided in sub-article (1), the period of limitation shall run:
  - (a) in the case of time charter, from the date of expiration of the contract or the end of the last voyage, where the voyage is prolonged under the terms of Art. 177;
  - (b) in the case of a voyage charter, from the date of termination of the voyage;
  - (c) where there are several voyages, from the date of termination of each voyage.
- (3) Where a voyage has not commenced or terminated, the period shall run from the date on which the occurrence took place which resulted in impossibility of performance of the contract or continuation of the voyage. In the event of presumptive loss of the ship, the period shall run from the date when the ship was struck off the Shipping Register.
- (4) In the event of recovery of sums paid by mistake, the period shall run from the date of payment, and in respect of actions by way of recourse, from the date of bringing the principal action.

## Section 2. Freight

**Art. 147. *Freight Pro rata.***

Freight shall not be due in respect of goods not delivered to the consignee or not placed at his disposal at the port of destination, except in the event of a stipulation for freight pro rata.

**Art. 148. *Cases where freight is due.***

Freight shall be due:

- (1) where failure to deliver is due to the fault of the charterer;

- (2) where the goods have perished through inherent vice (*vice propre*) ;
- (3) where dangerous, harmful or prohibited goods, the nature of which has not been declared to the shipowner at the time of loading, have been destroyed.

Art. 149. *Perishable Goods.*

- (1) Freight for perishable goods shall be due, even where the goods perish during the voyage due to their nature.
- (2) Freight shall be due for the carriage of animals which die in transit for any cause not resulting from the fault of the carrier.

Art. 150. *Repayment of Advances to Master.*

Where freight is not due, the master shall repay advances made to him on such freight.

Art. 151. *Ship held up during the voyage.*

Where the ship is temporarily held up during the voyage due to a cause not the fault of the shipowner, the agreement shall remain in force and neither damages nor an increase in the freight may be claimed.

Art. 152. *Freight for goods delivered before arrival at Destination.*

Where a charterer wishes to take delivery of goods before arrival at their destination, he shall pay the whole freight.

Art. 153. *Failure to load full and complete cargo.*

Where a charterer fails to load a full and complete cargo, he shall pay the whole freight; he shall pay such expenses as result to the ship therefrom. He shall be entitled to an allowance in respect of any saving to the ship in expenses and in respect of three quarters of the freight of goods loaded by way of replacement.

Art. 154. *Prohibition against discharge from payment of freight by abandonment of goods.*

A charterer may not free himself from payment of freight by abandoning the goods even where, during the voyage, such goods have diminished in value or quantity, or have been damaged.

Art. 155. *Shipowner's Lien.*

- (1) The shipowner shall have a lien on the goods making up the cargo for a period of fifteen days after delivery, where such goods have not passed to third parties.
- (2) This lien shall rank after the liens specified in Articles 97 (2), 249 (2) and 283.

*Art. 156. Shipowner's Right to detain Cargo.*

- (1) Where the freight is not paid, the shipowner may detain the cargo at the port of destination, unless he is given such security as is deemed sufficient by the court having jurisdiction.
- (2) The court may order the sale of the goods, up to the amount of the claim for freight, in accordance with the provisions of the Code of Civil Procedure.

*Art. 157. Goods mixed with other goods of the same nature. Upholding of the Lien.*

The lien securing payment of the freight and its accessories shall be maintained, even where the goods for which freight is claimed are mixed with other goods of the same nature.

### Section 3. Lay Days and Demurrage

*Art. 158. Lay Days.*

- (1) The days fixed for the loading and unloading of the cargo shall be known as lay days.
- (2) The lay days shall be determined by agreement or by custom in the port.

*Art. 159. Demurrage.*

Time running after the lay days shall be known as demurrage; such time may not exceed the time allotted for lay days. During this time, liquidated damages against the charterer may be claimed as of right by the shipowner. The amount of liquidated damages shall be fixed by agreement or by custom in port.

*Art. 160. Damages for Detention.*

Damages for detention shall be due after the expiry of demurrage. During such time, the liquidated damages under Art. 159 shall be increased by one half, in addition to any compensation that may be due to the fault of the charterer.

*Art. 161. Calculation of Lay Days.*

Lay days shall be calculated by day and from hour to hour.

*Art. 162. Time for the beginning of Lay Days.*

- (1) Lay days shall run from the time when the master has given notice that the ship is ready to load and unload.
- (2) They shall be calculated from the time of the resumption of work following the time at which the master gave the aforementioned notice.

*Art 163. Rights of the Master at the Expiry of the Lay Days.*

After the expiry of the lay days, the master shall have the right to unload

the cargo at the risk and cost of the charterer. The master shall take all necessary steps for the preservation of the cargo.

Art. 164. *Averaging lay days.*

Lay days for loading and unloading may not be set off the one against the other unless otherwise agreed.

Art. 165. *Suspension of Running of Lay Days.*

- (1) Lay days shall not run on holidays and other days of rest provided by the custom in port, unless loading or unloading has actually taken place on such days.
- (2) The running of lay days shall be suspended by force majeure.
- (3) The running of time for demurrage and for damages for detention shall not be suspended by force majeure, but the court may reduce the amount due for demurrage where the hindrance is prolonged.

Art. 166. *Bonus for Dispatch.*

- (1) A charterer who releases the ship before the lay days have run shall be entitled to a bonus for dispatch calculated at the same rate as for lay days.
- (2) In calculating such bonus, all the days, shall be taken into account including days suspending the running of lay days.
- (3) The provisions of sub-art. (1) and (2) may be set aside by agreement between the parties.

Art. 167. *Set Off.*

Any set off as between demurrage and a bonus for dispatch in respect of loading or unloading shall be calculated in value and not in time.

Art. 168. *Liens and Limitation.*

The liens and the period of limitation laid down in respect of freight shall apply to demurrage and damages for detention.

Art. 169. *Lien for Demurrage and Damages for Detention which have not been settled.*

There is a lien for demurrage and damages for detention incurred on loading unless expressly excluded in the contract of carriage.

## Section 4. Special Provisions Regarding Time Charters

Art. 170. *Time Charters.*

A time charter relates to the whole or to a determined part of the ship.

Art. 171. *Duties of the Shipowner.*

- (1) The shipowner shall carry out the duties in connection with the operation of the ship.
- (2) He shall commission, maintain and provision the ship, and shall engage, board and pay the crew.

*Art. 172. Duties of the Charterer.*

- (1) The charterer shall carry out the duties in connection with the commercial management of the ship.
- (2) He shall supply fuel, water for the boilers and lubricants. He shall defray cost of crew's overtime worked on his orders, as well as harbour dues, pilotage, towage and other expenses in connection with the commercial operation of the ship.

*Art. 173. Debt for Freight.*

Freight is due by the charterer for the time the ship is at his disposal. In the event of embargo, seizure, condemnation or loss of the ship, the freight is due up to the date thereof.

*Art. 174. Presumptive Loss.*

In the event of presumptive loss, freight is due up to the date of the last news of the ship, and for one half of the time which has elapsed since that date and the date on which the voyage should have been accomplished.

*Art. 175. Delay of the Ship.*

- (1) Freight is due where the ship is delayed for navigational reasons.
- (2) Where the ship is delayed for a consecutive period of more than forty-eight hours as a result of her unseaworthiness or embargo or through the acts of the crew, no freight shall be due for the delay.

*Art. 176. Rights of an Unpaid Shipowner.*

- (1) A shipowner who has not been paid for freight which is due is entitled to take over the ship one full day after delivery of a demand to pay which has not been complied with, in addition to any other damages which may become due.
- (2) In this event he shall carry the cargo to its destination and may detain the cargo on arrival.

*Art. 177. Extension of the Contract by the Charterer.*

- (1) A charterer who is unable to return the ship at the time agreed, the ship being on voyage, shall pay the amount of the freight for the duration of the extension of the contract during the fifteen days following the expiration of the contract, in addition to any other damages which may become due for any period of extension exceeding the first fifteen days.
- (2) Freight shall not be reduced where the ship is returned before the expiry of the agreed period.

*Art. 178. Return of the Ship.*

The ship shall be returned to the shipowner, at the expiry of the charter, at the agreed place.

Art. 179. *Charterer taking over the Commercial and Nautical Operation of the Ship.*

- (1) A ship and crew may be handed over by the shipowner to the charterer for a specified period. The charterer shall take over the commercial and nautical operation of the ship.
- (2) The provisions of Articles 173, 174, 175, 176 (1), 177 and 178 shall apply to any such agreement.

## Section 5. Special Provisions Regarding Contract of Carriage Supported by a Bill of Lading

Art. 180. *Scope.*

- (1) The provisions of this Section shall only apply to contracts of carriage of goods supported by a bill of lading or any other document of a similar nature.
- (2) They shall not apply to charter parties, provided that where there is affreightment by charter party any bill of lading or similar document issued under or pursuant to a charter party shall be subject to these provisions from the moment at which such bill of lading or similar document regulates the relations between a carrier and a holder of the same.
- (3) They shall apply only during the period from the time when the goods are loaded to the time when they are discharged from the ship.
- (4) They shall not apply to the transport of live animals and goods as are being carried on deck under the contract of carriage.
- (5) The term "carrier" includes the owner of the ship or a person managing the ship, or the charterer, who enters into a contract of carriage with a shipper.

Art. 181. *Issue of Bill of Lading.*

The carrier or his representative shall, after receiving the goods, issue to the shipper a bill of lading.

Art. 182. *Particulars in the Bill of Lading.*

The bill of lading shall be dated and signed by the carrier or his representative. It shall contain the following particulars:

- (a) the name and address of the carrier;
- (b) the name and address of the shipper;
- (c) the name and nationality of the ship;
- (d) the place of destination and, where the bill of lading is issued to a named person, the name of the consignee;

- (e) the goods delivered to the carrier;
- (f) the place and date of loading;
- (g) the amount of freight.

**Art. 183. *Shipping Marks.***

- (1) The bill of lading shall show the shipping marks, the number of packages, and objects, or the quantity or weight of the goods, in accordance with the particulars given by the shipper in writing before shipment, and the apparent order and condition of the goods.
- (2) The marks shall be such as to identify the goods and shall be affixed so as to be ordinarily legible until delivery.
- (3) The carrier or his representative may refuse to enter in the bill of lading the particulars given by the shipper concerning the marks of goods, or their quantity, nature or weight, where he has reasonable grounds for suspecting their accuracy or where he has had no reasonable means of checking their accuracy.

**Art. 184. *Inaccurate Statement by Shipper.***

Where a shipper has not accurately described the marks, number, quantity, nature and weight of goods, he shall be liable to the carrier for all loss, damages, and expenses resulting therefrom. An inaccurate statement has effect only against the shipper.

**Art. 185. *Voluntary false statements.***

Where a shipper has intentionally made a false statement regarding the nature, quantity or value of the goods, the carrier shall not be liable for loss of, or damage to, such goods.

**Art. 186. *Receipt before Shipment.***

The receipt delivered to the shipper before the goods are shipped shall be proof of the delivery of the goods to the carrier. After shipment of the goods on board, the receipt shall be exchanged against a bill of lading, which shall be proof of the shipment of the goods.

**Art. 187. *Original of Bill of Lading.***

- (1) The bill of lading shall be drawn up in two originals, of which one shall be delivered to the shipper and the other retained by the carrier.
- (2) The original retained by the carrier shall be signed by the shipper or his representative and shall carry an express notice that it is not transferable.
- (3) The original handed to the shipper shall be signed by the carrier or some other person on the carrier's behalf and confers on a holder in due course the right to procure delivery of the goods and to dispose thereof.

**Art. 188. *Bills of Lading drawn in Several Parts.***

- (1) The original of the bill of lading delivered to the shipper may be drawn in several identical parts, each with a serial number in the text of the instrument. Each part shall show the number of parts in circulation.
- (2) Each part shall confer the same rights. Where title to one part accrues, the others shall be of no value.

**Art. 189. *Forms of Bill of Lading.***

A bill of lading shall be drawn to a named person, to order or to bearer.

**Art. 190. *Circulation of Bills of Lading.***

- (1) A bill of lading to a named person may be assigned, but is not negotiable. The carrier may only deliver the goods to the person named.
- (2) A bill of lading to order is negotiable by endorsement. The goods may only be delivered to the beneficiary under the endorsement.
- (3) A bill of lading to bearer or a bill of lading to order endorsed in blank is negotiable by simple delivery. The carrier shall deliver the goods against surrender or the bill of lading.

**Art. 191. *Prohibition against Negotiation.***

Prohibition against the negotiation of a bill of lading shall be clearly indicated on the bill of lading.

**Art. 192. *Conflict between holders.***

Where a dispute arises between holders of several negotiable parts of a single bill of lading to order, before any delivery of the goods by the carrier, preference shall be given to the holder of the part bearing the earliest endorsement.

**Art. 193. *Delivery of the goods to a holder in good faith.***

After delivery of the goods to a holder in good faith of a negotiable part of a bill of lading, the holder of another part may be preferred against such holder in good faith, even under an earlier endorsement.

**Art. 194. *Conflict between the terms of a Bill of Lading and those of a Charter Party.***

- (1) The terms of a bill of lading may only be preferred against the terms of a charter party where it is shown that the parties have so agreed.
- (2) The terms of a charter party may be set up against a third person holder of a bill of lading where such third party holder knew of the existence of the charter party.



Art. 195. *Delivery Warrants.*

- (1) Any person entitled to dispose of goods by bill of lading may, where so stipulated in the contract of carriage, require the carrier or consignee to hand over delivery warrants on the master or consignee, relating to separate batches of the goods represented by the bill of lading.
- (2) Where the carrier issues such delivery warrants, he shall note the fact on the negotiable original of the bill of lading, together with the particulars of goods specified on the warrants. The warrants shall be signed by the carrier and the claimant. Where the cargo represented by the bill of lading is divided between several delivery warrants, the carrier shall take up the negotiable original of the bill of lading.
- (3) Delivery warrants so issued shall confer the rights mentioned in Art 137 (3). They may be drawn to a named person, to order or to bearer.

Art. 196. *Duties of the Carrier.*

- (1) The carrier shall be bound by the duties set forth in Art. 133.
- (2) He shall properly and carefully load, handle, stow, carry, keep, care for and discharge the goods carried.

Art. 197. *Liability of a Carrier.*

- (1) Neither the carrier nor the ship shall be responsible for loss or damage arising or resulting from :
  - (a) Act, neglect, or default of the master, mariner, pilot, or the servants of the carrier in the navigation or in the management of the ship;
  - (b) Fire, unless caused by the actual fault or privity of the carrier;
  - (c) Perils, dangers, and accidents of the sea or other navigable waters;
  - (d) Act of God;
  - (e) Act of war;
  - (f) Act of public enemies;
  - (g) Arrest or restraint of princes, rulers, or people, or seizure under legal process;
  - (h) Quarantine restrictions;
  - (i) Act or omission of the shipper or owner of the goods, his agent or representative;
  - (j) Strikes or lock-outs or stoppage or restraint of labour from whatever cause, whether partial or general;
  - (k) Riots and civil commotions;
  - (l) Saving or attempting to save life or property at sea;

- (m) Wastage in bulk or weight or any other loss or damage arising from inherent defect, quality, or vice of the goods;
- (n) Insufficiency of packing;
- (o) Insufficiency or inadequacy of marks;
- (p) Latent defects not discoverable by due diligence;
- (q) Any other cause arising without the actual fault or privity of the carrier, or without the fault or neglect of the agents or servants of the carrier, but the burden of proof shall be on the person claiming the benefit of this exception to show that neither the actual fault or privity of the carrier nor the fault or neglect of the agents or servants of the carrier contributed to the loss or damage.

- (2) The shipper shall not be responsible for loss or damage sustained by the carrier or the ship arising or resulting from any cause without the act, fault, or neglect of the shipper, his agents or his servants.

Art. 198. *Global Statutory Limitation of Liability.*

- (1) In respect of loss of or damage to goods, the liability on the carrier shall not exceed one thousand Ethiopian dollars.
- (2) The statutory limitation shall be determined by package, and in respect of goods loaded in bulk, on the basis of the unit normally serving for the calculation of the freight.
- (3) The statutory limitation may not be set up against the shipper where the nature and value of the goods have been declared by the shipper before shipment, and such declaration has been inserted in the bill of lading.

Art. 199. *Goods not declared or misdeclared.*

Where the master finds on board ship goods which have not been declared or which have been misdeclared, the master may, without prejudice to a claim for further damages, unload the goods, at the place of shipment or charge them for freight at the highest rate payable at the same place for goods of the same kind.

Art. 200. *Dangerous Goods.*

- (1) Goods of an inflammable, explosive, or dangerous nature to the shipment whereof the carrier, master or agent of the carrier has not consented, with knowledge of their nature and character, may at any time before discharge be landed at any place or destroyed or rendered innocuous by the carrier, without compensation. The shipper shall be liable for all damages and expenses directly or indirectly arising out of the unloading of the goods.

- (2) If any such goods shipped with such knowledge and consent shall become a danger to the ship or cargo, they may in like manner be landed at any place or destroyed or rendered innocuous by the carrier without liability on the part of the carrier except to general average, if any.

*Art. 201. Notice to be given to the carrier in the event of loss or damage.*

- (1) In the event of loss of, or damage to, the goods, notice in writing shall be given to the carrier or to his agent in the port of unloading prior to, or at the time of, the removal of the goods into the custody of the person entitled to delivery thereof under the contract of carriage. The goods shall be deemed to have been delivered by the carrier as described in the bill of lading when notice in writing has not been given.
- (2) In the event of loss or damage which is not apparent, notice may be given within three days after delivery, holidays being excluded.
- (3) The notice in writing shall not be required where the state of the goods has been determined by joint survey or inspection.

*Art. 202. Termination of Contract of Carriage.*

The provisions of Articles 144 and 145 shall regulate the termination of a contract of carriage of goods under bill of lading.

*Art. 203. Limitation.*

- (1) The rights arising out of a contract of carriage shall be barred after one year from the delivery of the goods and, where the goods have not been delivered, from the day when they should have been delivered.
- (2) In the case of recovery of payment made by mistake, the period shall run from the date of payment and, for proceedings by way of recourse, from the date of the introduction of the main action.

*Art. 204. Through Bill of Lading.*

- (1) A person who issues a through bill of lading shall alone exercise the rights and incur the liabilities arising out of the various stages of transit until the completion of the carriage. He shall be responsible for the acts of the successive carriers whom he has appointed in his place.
- (2) Each carrier so appointed shall only be liable for damage during the time that he was responsible for the goods.

*Art. 205. Nullity of Clauses in a Bill of Lading relieving a Carrier from Liability.*

- (1) Any clause in a bill of lading or any instrument of maritime carriage other than a charter party which directly or indirectly relieves a carrier from the liability imposed on such carrier by common law or the pro-

visions of this Section, or any clause reversing the burden of proof as set forth under the laws in force and the provisions of this Section, shall be null and void.

- (2) A benefit of insurance in favour of the carrier or similar clause shall be deemed to be a clause relieving the carrier from liability.

*Art. 206. Carrier may increase his liability.*

- (1) A carrier may surrender in whole or in part all or any of his rights and immunities, or increase any of his responsibilities and liabilities under this Section provided such surrender or increase shall be embodied in the bill of lading issued to the shipper.
- (2) A carrier or a shipper may insert in a contract stipulations, conditions, reservations or immunities concerning the obligations and liability of the carrier for loss of or damage to goods, or concerning their custody, care and handling prior to shipment and after unloading of the ship on which the goods are carried.

*Art. 207. Special Cases.*

Notwithstanding the provisions of the preceding Articles, in any case where either the special nature of the goods or the exceptional circumstances of the carriage warrant a special agreement, such agreement shall be drawn up by the parties, provided that no negotiable bill of lading is issued.

*Art. 208. Jurisdiction.*

The consignee or the shipper may bring proceedings against the carrier at the port of arrival of the goods where such port is in Ethiopia.

*Art. 209. Arbitration Clause.*

An arbitration clause inserted in a bill of lading may in no event grant to the arbitrators the power to settle a difference by way of composition.

### **Chapter 3. Carriage of Passengers**

*Art. 210. Definitions.*

- (1) In this Chapter, the term "carrier" includes any of the following persons who enters in a contract of carriage, namely the shipowner, the charterer or the operator of the ship.
- (2) The term "contract of carriage" means a contract to carry passengers, and does not include a charter party.

(3) The term "passenger" means only the person carried in a ship under a contract of carriage.

(4) A contract of carriage of passengers shall be in the prescribed form.

*Art. 211. Prohibition against Assignment of Ticket.*

Where the contract ticket shows the name of the passenger, the passenger may only assign his right with the consent of the carrier.

*Art. 212. Cost of Board.*

Unless otherwise agreed, the cost of board for a passenger is included in the price of the passage.

*Art. 213. Passenger embarking without a ticket.*

- (1) Where a passenger embarks without a ticket, he shall forthwith notify the master or the purser.
- (2) Where the passenger fails to comply with this obligation he shall pay twice the price of the passage up to the port to which he is travelling or in which he is disembarked.

*Art. 214. Passage not undertaken, the passenger not being at fault.*

Where a passenger is unable to undertake the passage for reasons beyond his control, the contract shall terminate and the carrier shall be entitled to one quarter of the passage money, excluding the cost of boarding where board is included in the price.

*Art. 215. Passenger failing to Embark.*

Where a passenger fails to embark, he is liable for the full passage money.

*Art. 216. Cancellation of the Contract.*

- (1) The contract is cancelled without any compensation being due by either party where the ship is prevented from sailing for reasons outside the control of the carrier. The carrier shall repay the passage money received to the passenger.
- (2) Where the ship does not sail on the day fixed by the carrier or his representative, the passenger may require the cancellation of the contract, without prejudice to damages.

*Art. 217. Termination of the Contract due to Hostilities.*

The passenger may require the termination of the contract where, after the outbreak of hostilities, the ship is liable to capture and may no longer be considered as free.

**Art. 218. *Termination through cancellation of sailing.***

- (1) The contract shall be cancelled where the carrier cancels the sailing and the voyage cannot be undertaken within a reasonable period on another ship of an equivalent class of the same carrier or of another carrier.
- (2) The cancellation of the contract may be required where the carrier changes the route in a manner prejudicial to the passenger.
- (3) In both events set forth above, the passenger is entitled to damages. Where cancellation of sailing or a change of route takes place for good reason, compensation may not exceed twice the amount of the passage money.

**Art. 219. *Breaking of the Voyage due to Force Majeure.***

- (1) Where a voyage is broken as a result of force majeure, the passage money shall only be due in respect of that part of the journey actually accomplished.
- (2) The full amount shall be due where the carrier, within a reasonable period, and at his own expense, enables the passenger to proceed on his voyage by a ship of an equivalent class, and provides the passenger during the intervening time with boarding and lodging, where included in the price of the passage.

**Art. 220. *Passenger obliged to break the voyage for reasons outside his control***

- (1) Where a passenger is obliged to break his voyage for reasons outside his control, the passage money shall be due in proportion to the journey actually accomplished.
- (2) Where the voyage is broken due to the passenger's own acts, such passenger shall be liable for the cost of the remainder of the journey.

**Art. 221. *Passenger suffering from an infectious disease.***

Where a passenger is suffering from an infectious disease he shall be landed at the first inhabited place where the ship touches.

**Art. 222. *Liability of the Carrier for delay or failure to carry out the contract.***

The carrier shall be liable for any damage caused to the passenger by reason of delay or failure to carry out the contract, unless the carrier can show that such delay or failure was due to circumstances outside his control.

**Art. 223. *Liability in case of death of or injury to Passenger.***

- (1) The carrier shall be liable for the damage arising out of the death of, or bodily injury to, a passenger, where such damage occurred whilst the passenger was on board, from the time of embarkation until disembarkation or during embarkation or disembarkation, unless the carrier can

show that such death or injury was due to circumstances outside his control.

- (2) The liability of the carrier for the death of or personal injury to, a passenger shall in no case exceed Eth. \$40,000.
- (3) Where damages may be awarded in the form of periodical payments, the equivalent capital shall not exceed the same limit.
- (4) Nevertheless, by special contract, the carrier and the passenger may agree to a higher limit of liability.
- (5) The carrier shall not be entitled to the benefit of the limitation of liability if it is proved that the damage resulted from an act or omission of the carrier done with intent to cause damage or recklessly and with knowledge that damage would probably result.

*Art. 224. Carriage of Baggage.*

- (1) The provisions regarding the carriage of goods shall apply to the carriage of baggage where the baggage is taken in custody against a receipt.
- (2) The carrier shall not be liable for loss of or damage to baggage in respect of which no receipt has been given and which remains in the custody of the passenger, unless the passenger can show that such loss or damage was due to the fault of the carrier or his representative.

*Art. 225. Gratuitous Carriage.*

- (1) The provisions of Articles 222, 223 and 224 shall apply to gratuitous carriage.
- (2) In the case of voluntary carriage, the carrier shall only be liable where the person carried can show that the damage arose through the fraud or gross negligence of the carrier or his representative.

*Art. 226. Articles 223 - 225 Always Applicable.*

The provisions of Articles 223 to 225 shall apply notwithstanding any agreement to the contrary.

*Art. 227. Carrier's Lien on Baggage.*

Carriers shall have a lien on the baggage of passengers on board for sums due under the contract of carriage.

*Art. 228. Limitation of Actions.*

- (1) Actions arising out of the contract of carriage of persons and of baggage for which no receipt has been given shall be barred after one year.
- (2) The period of limitation shall run from the day when the act complained of took place, or from the date of conclusion of the contract.

- (3) The provisions of Art. 203 shall apply to actions arising out of a contract of carriage for baggage taken into custody against receipt.