LAW OF GEORGIA
MARITIME CODE OF GEORGIA

Chapter I – General Provisions

Article 1
The Maritime Code of Georgia ('the Code') regulates relations with maritime navigation. 'Maritime navigation' means the use of ships for carrying passengers, cargo, luggage, and post; for fishing and other offshore harvesting operations; for exploring and extracting minerals for towage and rescue operations, and for other economic, scientific and cultural purposes.

Article 2
The Code applies to ship traffic on the seas, rivers, lakes, reservoirs and other waterways, unless there exists another special law or international agreement of Georgia.

Article 3
The Code does not apply to warships, except for special cases; however, these special cases must not allow the arrest, detention or seizure of these ships and cargo. The rules of the Code are applied to naval transportation only in connection with the matters that are not regulated by special legislation governing such transportation.

Article 4
The rules of the Code apply to maritime carriage carried out in direct multimodal or direct water transportation in cases directly referred to in the Code. This Code also applies to matters not addressed by special legislation regulating such carriage.

Article 5
Carriage and towing operations between seaports of Georgia are performed by ships flying the national flag of Georgia. Foreign ships may perform operations between seaports of Georgia in compliance with the international agreements of Georgia.
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 6
Transportation and towing operations between Georgian and foreign ports may be performed by ships flying the flag of any State.

Article 7
1. 'Maritime navigation' under Article 1 of the Code may be performed by natural or legal persons that possess or own ships.
2. Shipping companies are legal entities registered under the procedure established by the legislation of Georgia.
Law of Georgia No 490 of 13 July 2000 – LHGI, No 28, 24.7.2000, Art. 87

Article 8
The Legal Entity under Public Law (LEPL) – Maritime Transport Agency of the Ministry of Economy and Sustainable Development of Georgia (the 'Agency') carries out technical regulation of the maritime industry in conformity with the legislation of Georgia.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 9
The Agency shall:
a) on behalf of Georgia, exercise state control over the flag and sea ports of Georgia, and draft and issue legal acts within the scope of its authority;
b) establish a unified system of education and certification of sailors;
c) administer the Maritime Rescue and Coordination Centre and exercise state supervision over arrangements for saving people's lives at sea and for elimination of marine pollution;
d) exercise other rights and duties defined under this Code and other legislative and subordinate normative acts of Georgia.
Law of Georgia No 490 of 13 July 2000 – LHGI, No 28, 24.7.2000, Art. 87

Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 10

All ships calling at the ports of Georgia shall be subject to technical survey of the classification society recognised by the flag State.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 11

1. In the areas where sea routes and navigation equipment are located and operated, land plots and water areas shall be allocated and construction works shall be conducted according to the procedure established by the legislation of Georgia in agreement with the LEPL State Hydrographic Service of Georgia – a competent authority of the Ministry of Economy and Sustainable Development of Georgia ('the LEPL State Hydrographic Service of Georgia') and with the Agency.
2. Natural and legal persons that violate the rules under this article shall, at the request of the LEPL State Hydrographic Service of Georgia and the Agency, within the specified period and at their own expense, dismantle, remove or modify buildings and structures that impede navigation and/or operation of navigation equipment.
3. Navigation equipment and facilities may be deployed within the territorial sea, or sea ports and the coastline of Georgia only in agreement with the LEPL State Hydrographic Service of Georgia.
4. The types of services rendered and the fees charged by the LEPL State Hydrographic Service of Georgia are determined by the Ministry of Economy and Sustainable Development of Georgia.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 784 of 19 December 2008 – LHGI, No 40, 29.12.2008, Art. 252
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 2397 of 2 May 2014 – website, 16.5.2014

Article 12

1. For the purposes of this Code, 'a ship' means any type of floating facilities, including zero draft ships and seaplanes, that are used or may be used as a means of travel on water, in particular to:
a) carry passengers, cargo and luggage, and post; to harvest fish and other marine resources; to extract minerals, rescue people and ships in distress, or to tow ships and other floating facilities, to carry out hydrotechnical works and to recover property sunk in the sea;
b) to provide emergency services (protection of fisheries, provision of sanitary and quarantine services, protection of the sea from pollution, etc.);
c) to carry out scientific, educational and cultural activities;
d) to conduct sports events;
e) to conduct other activities.
2. For the purposes of this Code, 'a ship' is a surface floating platform and installation.
3. A small size ship is a ship less than 7 (seven) meters in length intended for leisure and entertainment, or for business and economic activities, tourism, sports and other purposes, regardless of its type, origin and the navigation area.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 13

Under this Code, 'a fishing vessel' mean any vessel used for fishing and other types of offshore harvesting operations. Fishing gear is an integral part of a ship. Damage of fishing gear by another ship shall be deemed to be a maritime incident.

Article 14

1. A natural or legal person who is in charge of a ship is referred to as a ship owner regardless of whether he/she owns the ship or uses it on any other legitimate basis.
2. The owner of a ship is the State, or any natural or legal person that is entered as a ship owner in the register of ships maintained by the State of registry, unless expressly provided otherwise.
3. Each shipping company shall have a manager who is responsible for maritime safety and prevention of environmental pollution.
4. A ship owner shall ensure:
a) seaworthiness of the ship and navigation safety;
b) prevention of damage to people, ship and cargo;

c) proper technical functionality of the ship;
d) safe working conditions for crew members;
e) a supply of food, water, lubricants and fuel;
f) normal living conditions for crew members and passengers;
g) compliance with other obligations under the legislation of Georgia and international laws.
Law of Georgia No 490 of 13 July 2000 – LHGI, No 28, 24.7.2000, Art. 87
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 15

The terms described in the Code as specified in the chapters below have the following meanings:
a) (deleted - 5.6.2012, No 6386);
a[1]) in Chapter III[1] – 'crewing activity'– means intermediary activities carried out by a legal person established under the Law of Georgia on Entrepreneurs in order to recruit seafarers on ships;
b) in Chapter IV – 'seaport' – means all ports of Georgia except for naval ports;
c) in Chapter V – 'port captain' – means all non-naval port captains, including fishing port captains;
d) in Chapter VI – 'marine pilotage service' – means the service that regulates navigational relations in which marine pilots of Georgia are engaged when escorting ships to port approaches, within the internal port waters and between ports;
e) in Chapter VII – 'property sunk in the sea' – refers to a ship sunk in the territorial sea or internal waters of Georgia; a ship stranded in shallow waters, on rocks and other places; remains of a ship, its equipment, cargo, etc.;
f) in Chapter XXI – ship-owner's liability limits – refers to the liability of a ship-owner who owns a ship flying the national flag of Georgia. Liability of ship owners or operators of nuclear ships flying a foreign flag are determined under the legislation of the flag State, but if the scope of the legislation is lesser in scope than this Code, then the requirements of this Code shall apply.;
g) In Chapter XXII – 'preferential claims' – refers to cases where disputes are heard in Georgia;
h) in Chapter XXIII – 'sea protest' – refers to cases where a sea protest is submitted to a notary and/or a relevant person of Georgia;
i) In Chapter XXIV – claims and actions' – refers to cases where respective relations are governed by this Code; however, the provisions of Articles 364 and 374 of the Code apply only to the relations originated in Georgia;
j) rights and obligations of the parties according to contracts of carriage of goods by sea (Chapter VIII), contracts for carriage of passengers and luggage by sea (Chapter IX), cruise contracts (Chapter X), time charter contracts (Chapter XI), bareboat charter contracts (Chapter XII), contracts of maritime mortgage (Chapter XIII), contracts for towing operations (Chapter XIV) and marine insurance contracts (Chapter XV) shall be determined under the legislation of the place of their execution, unless otherwise agreed to by the parties. *Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012*
Law of Georgia No 6545 of 22 June 2012 – website, 4.7.2012
Law of Georgia No 6546 of 22 June 2012 – website, 4.7.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 16

1. Ownership rights or other property rights of ships navigating outside Georgian borders, and the issues related to the origination, alteration or termination of these rights shall be determined under the legislation of the flag State.
2. The rights to a ship under construction shall be determined by the legislation of the State where the ship is being constructed, unless otherwise provided for by a construction contract.
3. The State shall not be liable for a shipping company's obligations, and the shipping company shall not liable for obligations of the State, regardless of the place of registration of the shipping company, its organisational, legal or ownership form.
4. A shipping company established by the State shall be liable to the full extent of its property only for the obligations undertaken by the company.
5. A shipping company established by the State shall not liable for the performance of obligations undertaken by other shipping companies established by the State.
Law of Georgia No 490 of 13 July 2000 – LHGI, No 28, 24.7.2000, Art. 87

Article 17

1. The legal status of a crew, in particular, the relations of the crew members connected with the operation of the ship shall be determined by the law of the ship's flag State.
2. Relations between crew members and ship-owners shall be determined by the law of the ship's flag State, unless otherwise provided for in a contract that regulates these relationships.

Article 18

1. The rights to property sunk in territorial waters or internal waters (a ship, its remains, equipment, cargo, etc.), and the

matters related to this property shall be determined by the legislation of the State, in the territorial or internal waters of which the sunken property is located.
2. A ship sunk on the high seas, its cargo and other items shall be subject to the law of its flag State.

Article 19
1. Matters relating to general average shall be regulated by the legislation of the State where the ship calls after the event causing the accident, unless otherwise established by the parties.
2. If the parties whose interests are affected by the general average act are the residents of Georgia, they shall be subject to the legislation of Georgia, unless otherwise established by the parties.
3. Liability for damage in the case of general average shall be distributed under Articles 273-289 of this Code.

Article 20
1. Matters related to damage caused by the collision of ships in territorial and internal waters shall be governed by the legislation of the State in the territory of which the collision took place.
2. If a collision occurs on the high seas and the collision-related dispute is heard in Georgia, the rules provided in Chapter XVII of the Code shall be used.
3. If the ships involved in the collision are sailing under the flag of the same State and the collision does not affect the interests of third parties, then the law of the ship's flag State shall be applied, regardless of where the collision occurred.

Article 21
If a ship equipped with a nuclear-power plant ('a nuclear ship') causes nuclear damage in the territory of Georgia, including the territorial waters of Georgia, the rules referred to in the Chapter XIX of this Code shall be applied.

Article 22
If the damage caused by a ship is not covered under Articles 20 and 32 of this Code, payment of compensation shall be regulated by the legislation of the State where the action or circumstances causing the damage took place, and which has created the basis for a claim of compensation; if the damage is caused on the high seas, payment of compensation shall be regulated under the law of the ship's flag State.

Article 23
1. Matters related to the reward for salvage of ships or other objects in territorial and internal waters shall be regulated by the legislation of the State in the territory of which the salvage occurred, unless otherwise agreed to by the parties; if salvage occurs on the high seas and the salvage-related dispute is heard in Georgia, the rules under the Chapter XX of the Code shall apply.
2. If salvaged and rescue ships are sailing under the flag of the same State, the case shall be considered according to the legislation of that State, regardless of the place of salvage.
3. A salvage reward shall be distributed between the ship owner and the crew of the rescue ship, and between the members of this crew in accordance with the law of the ship's flag State.

Article 24
By agreement of the parties, foreign legislation and merchant shipping practices may be used in contracts provided for by the Code, unless it contradicts the Constitution of Georgia.

Article 25
Maritime property disputes involving foreign physical and legal persons may be referred to a foreign court or arbitration tribunal for adjudication, by the agreement of the parties.

Article 26
If an international treaty or convention to which Georgia is a signatory contains rules different from those provided by this Code, the rules of the international treaty or convention shall apply.

Article 27
1. Civil, administrative and other relationships, considering the peculiarities of maritime navigation, if they are not regulated by this Code, shall be governed by civil, administrative and other relevant laws, by analogy of law, or by the general principles of the legislation of Georgia.
2. Maritime navigation, except for the laws referred to in paragraph 1 of this article, shall be regulated under the resolutions adopted by the International Maritime Organisation (IMO) and its agencies.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Chapter II – Ship Registration

Article 28

For the purposes of this Law, the terms used herein have the following meanings:
a) ship:
a.a) a large ship – a vessel with gross registered tonnage of 100 tons or more;
a.b) a small ship – a vessel with gross registered tonnage of less than 100 tons, except for small size ships;
a.c) a ship under construction – a vessel under construction that may be identified by the number of the hull of the shipbuilder or by any other means;
b) Chief Registrar – Director of the Agency;
c) Registrar – a person to whom the Chief Registrar has delegated its powers as established by the Agency;
d) Register – the state register of ships of Georgia, which is maintained by the Agency;
e) suspension of a ship's registration – suspension of a ship's registration certificate or of a temporary registration certificate, on the basis of which the ship forfeits the right to use the national flag of Georgia;
f) deregistration of a ship – removal of a ship from the register based on an application of the ship-owner or another authorised person;
g) termination of a ship's registration – removal of a ship from the register by the decision of the Chief Registrar;
h) registration – a temporary, fixed-term or permanent registration of a ship:
h.a) a permanent registration – registration of a ship in the register of ships for an indefinite period;
h.b) a fixed-term registration – registration of a ship in the register of ships for a certain period of time at the request of the ship-owner or ship operator;
h.c) a temporary registration – registration of a ship in the register of ships before a fixed-term or permanent registration is issued, in cases established by the legislation of Georgia.
i) a recognised agent – a person and/or organisation, which, on the basis of a written agreement signed with the Agency, represents the Agency in the relations with ship-owners.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 29

1. The right to fly (to sail under) the national flag of Georgia shall be assigned to a ship upon its registration in the register.
2. The right to fly the national flag of Georgia shall be assigned to a ship under construction.
3. All forms of ownership provided for by the legislation of Georgia shall apply to a ship sailing under the national flag of Georgia.
4. A ship registration may be temporary, fixed-term or permanent, with the right to navigate or without the right of navigation.
5. The following ships are subject to registration in the register:
a) ships that are under state ownership of Georgia;
b) ships that are the property of natural or legal persons of Georgia;
c) ships that are the property of a foreign ship-owner, who has an authorised representative in Georgia in accordance with the legislation of Georgia;
d) ships that are operating under a bareboat charter arrangement provided for by this Code.
6. Georgia does not recognise a parallel registration of a ship, except for cases provided in paragraph 8 of this article.
7. Georgia does not recognise foreign registration of a Georgian ship, unless the ship is removed from the register as prescribed by the legislation of Georgia or unless its registration is suspended.
8. In the case of a bareboat charter a ship may be registered in Georgia if at the moment of chartering, its registration is suspended in the register of the ship's flag state or if the ship is not properly registered in the register of another country.
9. If a ship is properly registered in the register of another state, the ship may be registered in Georgia only after its foreign registration is suspended, terminated or removed.
10. The liability for flying the national flag of Georgia on a ship without proper authorisation shall be determined by the legislation of Georgia.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 30

1. A ship is registered in the register of ships by the Agency, which issues relevant certificates.
2. The Agency shall maintain a register, and approve the rules for ship registration, for maintenance of the register and for keeping records of maritime mortgages.
3. A temporary registration certificate may be issued prior to permanent registration or before the fixed-term registration,

for a period of not more than six months. Such period may be extended up to one year.
4. After the expiration of the one-year period referred to in paragraph 3 of this article, in special cases, upon a written request of a ship-owner, and with the consent of the Chief Registrar, the validity of a temporary registration certificate may be extended, but not longer than up to 1 (one) year. A temporary registration certificate gives rise to the same rights and duties as a permanent registration.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 31
1. The Chief Registrar shall take actions relating to a ship's registration under this Code.
2. A Registrar shall implement the procedures related to a ship registration within the delegated powers.
3. The Chief Registrar may delegate the powers related to a ship registration only to the following persons:
a) an employee of the Agency - a registrar;
b) a public servant of Georgia;
c) consular officials of Georgia;
d) a recognised organisation, in accordance with Chapter II[1] of this Code;
e) a recognised agent, only for the purposes of issuing temporary registration certificate.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 32
1. The Register shall consist of different Books, in particular:
a) the book for ships engaged in international shipping;
b) the book for ships engaged in internal shipping;
c) the book for bareboat charters;
d) the book for ships under construction.
2. A ship shall be registered at the same time only in one Book.
3. The property rights on a ship, other rights and property restrictions (maritime lien, maritime mortgage, etc.) shall be registered in the respective Book of the Register. Registration, deregistration or termination of the registration of a ship over which there is a property restriction (maritime lien, maritime mortgage, etc.), shall be performed only with a written consent of the person having the right of claim for whose benefit the property restriction is registered.
4. A ship's registration in a bareboat charter Book shall give rise to the same rights and obligations as a permanent registration. The period for registering a ship in a bareboat charter Book shall be determined by the effective period of a bareboat charter agreement or in accordance with the period of suspension of the ship's registration in the relevant foreign register.
5. Registration of a ship in the Register is the primary evidence for the right to fly (sail under) the national flag of Georgia.
6. The rules and conditions for the registration of small size ships shall be determined by the Agency.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 33
1. A ship that may be used for international navigation shall be registered in the Book for ships engaged in international shipping, except for the cases where the ship is registered as a bareboat charter.
2. A ship which is not be used for international navigation shall be registered in the Book for ships engaged in internal shipping, except for the cases where the ship is registered as a bareboat charter.
3. A ship shall be registered in the Book for bareboat charter if its foreign registration has been suspended and if the bareboat charterer files a written application for such registration.
4. At the request of a ship-owner, a ship under construction shall be registered in the Book for ships under construction only if the ship can be identifiable, considering the ship's construction phase, in the ship-owner's list of ships under construction or by any other means. The Chief Registrar shall decide the issue of registering a ship under construction. After completion of the construction of a ship, if the ship-owner confirms in writing his/her desire to register the ship, the Chief Registrar shall register the ship.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 34
1. A ship, which is subject to a technical survey under Chapter II[1] of this Code, shall be registered in the Register.

2. A small ship, which is not more than 3 (three) years old, need not undergo an annual technical survey, unless otherwise provided for by the legislation of Georgia.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 1923 of 3 November 2009 – LHGI, No 35, 19.11.2009, Art. 233
Law of Georgia No 3750 of 26 October 2010 – LHGI, No 62, 5.11.2010, Art. 390
Law of Georgia No 6171 of 8 May 2012 – website, 25.5.2012
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 35

1. A ship's registration shall be evidenced by a certificate of registration.
2. A registration certificate may be temporary, fixed-term and permanent.
3. A temporary registration certificate may be issued prior to a fixed-term or permanent registration.
4. A small ship registration shall be permanent and its suspension, termination or deregistration is possible only in cases established by the legislation of Georgia.
5. A registration certificate for a large ship shall be subject to annual verification.
6. A bareboat charter registration shall be confirmed by a fixed-term registration certificate, the duration of which is determined by the effective period of the bareboat charter agreement or in accordance with the period of suspension of the ship's registration in the relevant foreign register.,.
7. A ship has its name, which is assigned by the owner and may be changed at the request of the ship-owner.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 36

1. The grounds for refusal to register a ship are:
a) non-compliance of the ship's condition with the maritime safety standards established under international agreements of Georgia or the existence of marine pollution risk;
b) absence of guarantees for the safety and health of persons employed on the ship;
c) existence of a pre-confirmed suspicion that the ship is used for criminal purposes, against international security, law and order, peace or the national interests of Georgia;
d) existence of circumstances under paragraph 4 of this article.
2. The grounds for suspension of a ship's registration in the Register are:
a) the ship's bareboat charter registration in the relevant foreign register;
b) failure to pay the fees prescribed by the legislation of Georgia;
c) a written application of the registered ship-owner;
d) non-compliance of the ship's condition with the maritime safety standards or existence of a marine pollution risk;
e) absence of guarantees for the safety and health of persons employed on the ship;
f) existence of a pre-confirmed suspicion that the ship is used for criminal purposes, against international security, law and order, peace or the national interests of Georgia;
g) existence of a relevant decision of a court or administrative authority.
3. The grounds for deregistration of a ship are:
a) request of the ship-owner or of another authorised person;
b) decommissioning of the ship;
c) recognition of the ship as unfit for further operation and maintenance;
d) shipwreck;
e) the expiration of a bareboat charter term (in case of the bareboat charter registration);
f) request of the ship-owner or of another authorised person to prematurely terminate the bareboat charter registration of the ship;
g) existence of a relevant decision of a court or of an administrative authority.
4. The grounds for terminating the registration of a ship are:
a) loss of the seaworthiness by the ship after the registration or its destruction in any other way, including as a result of fire or sinking;
b) non-compliance of the ship's condition with the provisions of this Code and/or with the conditions of the ship's registration;
c) non-compliance of the ship's condition with the standards of maritime safety, navigation security and marine environment protection established under the international agreements of Georgia;
d) detention of the ship in the port of another State.
5. In the case provided for in paragraph 4 of this article, a ship-owner shall notify the Agency of such event.

6. In the case provided for in paragraph 4 of this article, the decision to terminate the registration of the ship shall be executed by an individual legal act of the Chief Registrar.
7. If a person authorised to register a ship submits an application to the Agency or if there are appropriate grounds, the Chief Registrar shall have the right to refuse to deregister/terminate the registration of the ship if any of the responsibilities or obligations related to the ship and owed to the Agency have not been fully performed or have been performed only partially. The Agency shall not issue a certificate of deregistration if the ship's registration certificate or other requested certificates are not submitted to the Agency.
8. (Deleted – 11.12.2015, No 4622).
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 37 (Deleted)
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 38
1. A ship shall be permitted to navigate if its condition complies with the requirements of navigation security, marine environment protection and maritime security established under the international agreements of Georgia or the legislation of Georgia.
2. Compliance under paragraph 1 of this article shall be established by the Agency and/or a recognised organisation in accordance with Chapter II[1] of this Code.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 39
1. A ship registered in Georgia shall have the following basic documents:
a) a registration certificate;
b) a muster list;
c) a ship's logbook;
d) an engine-room logbook (for a power-driven ship);
e) a ship's radio station logbook;
f) a sanitary logbook;
g) a ship's sanitary certificate;
h) a ship's radio station licence and other documents in accordance with the Radio Regulations;
i) other documents provided for by the international agreements of Georgia.
2. A ship's logbook, a ship's radio station logbook, sanitary and engine-room logbooks shall be maintained as prescribed by the Agency. At the same time, the rules for maintaining and issuing sanitary logbooks shall be determined by the Agency in agreement with the Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia.
3. The original copies of the documents referred to in this article shall be kept on board a ship. A copy of the registration certificate may be stored on board until the ship receives the original copy.
4. Special service and sports ships need not have a tonnage certificate. A special service ship’s displacement may be determined in a simplified manner, and evidenced by the relevant certificate.
5. A small ship need not have an engine-room or a sanitary logbook, unless otherwise required by the ship-owner.
6. Georgian ships that are engaged in international navigation, in addition to the documents referred to in paragraph 1 of this article, shall have other mandatory certificates, provided for by the international agreements of Georgia.
7. As an exception, the Agency may grant an exemption from the obligations under this article, on the grounds of expediency.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 3072 of 5 July 2018 – website, 11.7.2018

Article 40
1. The Agency shall issue a ship registration certificate according to its prescribed procedure.
2. The Agency may delegate its powers to recognised organisations and to technical supervision organisations in order for them to issue certificates provided for by the international agreements of Georgia.
3. The Agency shall issue a ship radio station certificate in agreement with the Georgian National Communications Commission.
4. In exceptional cases, the Agency may, in agreement with the recognised organisation under Chapter II[1] of this Code,

grant a one-time navigation right without the certificates determined by the same Code if the ship does not have relevant certificates or fails to comply with the required standards, provided such action does not contradict the obligations under the international agreements of Georgia.

5. The Agency may, in agreement with the recognised technical supervision organisation under Chapter II[1] of this Code, grant a one-time right to carry out international shipping to a ship which is engaged in internal navigation, if such navigation is intended to conduct current and obligatory repair works on the ship.

Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 41

Certificates of ships entering Georgian ports under foreign flags concerning their dimensions, passengers, freight and radio stations shall be recognised on the basis of the international agreements to which Georgia is a party.

Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 42

Alienation of a ship, which is in the state ownership of Georgia, to a foreign natural or legal person is possible in the prescribed manner, only with the permission of the Government of Georgia.

Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 1286 of 24 September 2013 – website, 8.10.2013

Article 43 (Deleted)

Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44 (Deleted)

Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Chapter III – Recognition of Organisations Conducting Inspection and Survey of Georgian Ships; their Powers, Rules of Operation and Standards

Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44[1]

For the purposes of this Chapter, the terms used herein have the following meanings:

a) authorisation – an act of delegating (granting) authority to an organisation recognised by Georgia;

b) a ship – all types of ships provided for by international agreements of Georgia;

c) a Georgian ship – a ship registered in the state register of ships of Georgia in accordance with the provisions of this Code and navigating under the national flag of Georgia;

d) a ship-owner – a natural or legal person who is the owner of the ship;

e) a cargo ship – a ship which is designed to carry cargo and which is not a passenger ship;

f) a passenger ship – a ship, which accommodates more than 12 passengers and the passengers are persons, other than:

f.a) the captain, crew members and other persons employed on the ship;

f.b) children under the age of 1 (one) year;

g) a cargo ship safety radio certificate – the certificate provided for in the revised radio regulations under International Convention for Safety of Life at Sea;

h) a class certificate – the document, developed and issued by recognised organisations based on the published rules and procedures, which certifies its compliance with the defined goals or services of the ship;

i) inspection and survey – a mandatory inspection and survey of Georgian ships based on regulations, standards, resolutions and recommendations of the international agreements of Georgia, the International Maritime Organisation and the International Telecommunication Union;

j) international conventions:

j.a) the 1974 International Convention for the Safety of Life at Sea, together with 1978 Protocol, as amended;

j.b) the 1966 International Convention on Load Lines (CLL), as amended;

j.c) the 1973 International Convention for the Prevention of Pollution from Ships (MAR POL), together with the 1978 Protocol, as amended;

j.d) the 1969 International Convention on Tonnage Measurement of Ships (TONNAGE 69), as amended;

j.e) protocols of the international agreements referred to in paragraphs (j.a)-(j.d), and other related documents and relevant codes, as amended;

j.f) other international agreements, recognised by Georgia as binding and relating to maritime safety, navigation security

and marine environment protection;
k) location – the place of the registered office, central administration or principal place of business of an organisation;
l) a ship operator – a ship-owner or any other person who may be a manager or a charterer who hires a ship without crew (a bareboat charterer), who is charged by the ship-owner with the management of the ship and who has consented to undertake such responsibility, assume the responsibility and comply with all obligations under the legislation of Georgia;
m) control with respect to an organisation – rights, contracts or any other means, in law or in fact, which, either separately or in combination confer the possibility of exercising decisive influence on a legal person or enable that entity to carry out tasks falling under the scope of this Code;
n) rules and procedures – a recognised organisation's requirements for the design, construction, equipment, maintenance and survey of ships which are agreed with the Agency;
o) the Minister – the Minister of Economy and Sustainable Development of Georgia;
p) organisation – a legal person, namely, a classification society or other private institution, its subsidiaries, other entities under its control, which jointly or separately carry out tasks falling under the scope of this Code;
q) a ship inspector – a person who is registered with the Agency as a ship inspector in accordance with the requirements of this Code;
r) a recognised organisation – an organisation recognised in accordance with this Code;
s) a statutory certificate – a certificate issued by or on behalf of Georgia in accordance with the international conventions;
t) IMO A.1070 (28) Resolution – Resolution of the International Maritime Organisation of 4 December 2013 on the International Maritime Organisation Instruments Implementation Code (III Code);
u) IMO A.739 (18) Resolution – Resolution of the International Maritime Organisation of 4 November 1993 on the Guidelines for the Authorisation of Organisations Acting on Behalf of the Administration;
v) M SC/Circ. 710 and MEPC/Circ. Circulars 307 – the circulars of the International Maritime Organisation of 9 October 1995 on the Model Agreement for the Authorisation of Recognised Organisations Acting on Behalf of the Administration;
w) the losing organisation – in cases of transfer of class, the recognised organisation whose class the ship had;
x) the gaining organisation – in cases of transfer of class, the recognised organisation whose class is assigned to the ship.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 44^2

1. An organisation recognised by the European Union shall have the right to exercise powers of the recognised organisation towards a ship sailing under the national flag of Georgia while fulfilling the pre-conditions set forth in this article.
2. When exercising powers of the recognised organisation towards a ship sailing under the national flag of Georgia, all such organisations shall have preliminary consultations with the Agency on the nature of the requested powers.
3. As a result of the consultations, an agreement between the Agency and the organisation shall be prepared in writing. This agreement shall comply with the requirements of Article 44^{15} of this Code, and shall include a statement that its activity in relation to a ship sailing under the national flag of Georgia is regulated by the legislation of Georgia.
4. The Agency shall be authorised to develop statutory instructions for recognised organisations concerning inspection, survey and certification of ships of Georgia according to the international agreements and IMO A.1070 (28) Resolution.
5. The Agency, in accordance with this Code, shall supervise and control the activities performed by recognised organisations in compliance with the international standards.
6. Georgia shall be entitled to financial compensation from a recognised organisation if the court or arbitral tribunal determines according to the legislation of Georgia that the property loss or damage, physical injury or death is caused by the action of the recognised organisation.
7. A dispute related to any matter under a written agreement concluded between the Agency and a recognised organisation shall be resolved according to the legislation of Georgia, unless otherwise agreed to by the parties.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 44^3

1. The Agency may transfer powers in full or with certain limitations to a ship inspector or a recognised organisation to carry out the following actions: inspection and survey, load line marking, capacity measurement, ship construction and repair monitoring, issuing and updating certificates that conform with international conventions, issuing and updating certificates on the exemption from the requirements of international conventions, issuing conformity certificates under Article 44^{12} of this Code.
2. The Agency shall verify all certificates issued in accordance with international agreements, which provide exemptions from the international agreements, regardless of whether they are permanent or temporary, as well as all amendments to such certificates.
3. Given the specific nature of a cargo ship radio station certificate, a private organisation, which is recognised by the

Agency, and which has relevant experience and trained personnel, may be granted authority to independently assess the safety radio communications.
4. In order for a private organisation to obtain the authority specified in paragraph 3 of this article, it shall meet the requirements determined in this Code and established and published by the Agency. A private organisation and shall be recognised and shall be charged with tasks based on the decision made by the Agency.
5. The Agency may cancel the recognition of a private organisation which no longer meets the requirements under paragraph 4 of this article, or whose work performance is graded as poor.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^4

A written agreement concluded between the Agency and a recognised organisation may obligate the recognised organisation to establish a representative office in Georgia.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^5

1. An organisation recognised by the EU shall have the right to submit a draft written agreement to the Agency. The draft shall comply with the requirements of circulars MSC/Circ. 710 and MEPC/Circ. 307. The Agency shall examine a draft written agreement submitted in accordance with this paragraph and make a decision no later than two weeks after its submission and inform the applicant organisation of the decision.
2. An organisation registered in Georgia, which meets the requirements defined by the Agency, may submit a draft written agreement to the Agency. A draft written agreement and the rules for its consideration must conform to the requirements of paragraph 1 of this article. A draft written agreement must also include full information and evidence, and if it meets the requirements of the Agency, the Agency shall verify compliance of the applicant organisation with the requirements established by the legislation of Georgia.
3. The Agency may, on the grounds of expediency, reject a draft written agreement submitted according to paragraphs 1 and 2 of this article.
4. The liability of an organisation for submitting false documents or information is determined by the relevant legislation of Georgia.
5. An organisation shall begin to exercise the powers towards a ship sailing under the national flag of Georgia only after signing a written agreement with the Agency. This Agreement shall enter into force after its publication as prescribed by the legislation of Georgia.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^6

1. Georgia may, taking into account the degree of liability imposed on a recognised organisation by a court decision or arbitral award, receive compensation from the recognised organisation if the court or arbitral tribunal imposes liability on Georgia, including payment of compensation to the injured parties for damage arising from any incident related to property loss or damage and/or injury or death that is caused by the recognised organisation or its agency, employee, agent or by a culpable action of another person acting on behalf of this organisation.
2. The Agency and a recognised organisation may agree on the limitation of liability specified in paragraph 1 of this article.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^7

1. If the Agency believes that a recognised organisation is no longer able to perform the functions provided for in Article 44^3 of this Code, the Agency may suspend or cancel the recognition of this organisation. The Agency shall promptly inform the organisation of the suspension or cancellation of its powers.
2. If the European Commission cancels or suspends the recognition of an organisation, the right of such organisation to exercise the powers of a recognised organisation towards a ship sailing under the national flag of Georgia shall be automatically lost or temporarily suspended.
3. The powers of an organisation shall be suspended or cancelled in accordance with paragraph 1 of this article by a relevant decision of the Agency; the decision shall be made public.
4. In making a decision to suspend or cancel under this article, the Agency shall be guided by the interests of safety and environmental protection.
5. If the Agency suspends recognition of a recognised organisation, the powers of this organisation to issue and update certificates for Georgian ships shall be suspended for the same period of time.
6. Paragraphs 1-5 of this article shall not affect the validity of certificates that are issued prior to the suspension or cancellation of the recognition of an organisation.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^8

1. The Agency shall promptly inform the International Maritime Organisation (IMO) of the suspension or cancellation of recognition of a recognised organisation.
2. The Agency's decision to suspend or cancel the powers of an organisation shall be made public in the prescribed manner.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^9

1. The Agency shall monitor the work of recognised organisations acting on behalf of Georgia to make sure that they are properly performing the functions provided for in Article 44^3 of this Code.
2. The Agency shall monitor the work of recognised organisations at least once every two years, and shall ensure the publication of the report on the results of the monitoring not later than 31 December of the next year.
3. A recognised organisation authorised by the Agency under Article 44^5 of this Code shall annually submit the results of the quality management system to the Agency.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^{10}

1. The rights under this article shall be assigned to a ship inspector to carry out assessment, control or monitoring as defined in Article 44^9 of this Code.
2. A ship inspector may, when exercising his/her powers either alone or with a person whose attendance is deemed necessary by the ship inspector, use all appropriate installations and equipment, which he/she deems necessary, to:
a) board any ship of Georgia, obtain all necessary information both in a port and in the course of navigation, monitor and inspect any ship of Georgia, which is under technical supervision of a recognised organisation during the inspection;
b) enter, monitor, inspect and examine any real property existing in Georgia or elsewhere, except for private property, if there is sufficient reason to believe that it is the property of the recognised organisation subject to assessment or this recognised organisation uses it for its business purposes;
c) examine data, books and documents registered in any existing database, that are stored on board a ship of Georgia specified in subparagraph (a) of this paragraph, or on a real property specified in subparagraph (b) of this paragraph or elsewhere (except for private property), if he/she has sufficient reason to believe that they contain interesting information, or if his/her access is directly related to the purpose for which he/she has been granted the right to conduct the inspection. A ship inspector may make copies of the mentioned information or excerpts if he/she has sufficient reason to believe that this information or excerpts can be used as evidence in criminal or administrative proceedings which are related to the failure to -fulfil the obligations imposed under this Code.
3. An operator, captain or sailor of a ship provided for in paragraph 2(a) of this article or a recognised organisation or a person who is responsible for real property specified in paragraph 2(b), except for private property, shall provide the ship inspector with assistance and necessary information required by the inspector to exercise the powers assigned to him/her.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^{11}

1. All ships of Georgia that are covered by the international agreements of Georgia, shall be under the technical supervision of recognised organisations and shall have a class assigned by these organisations.
2. In addition to the ships referred to paragraph 1 of this article, all ships of Georgia that are engaged in international navigation or have gross tonnage of 500 tons or more than 500 tons, shall be under the technical supervision of recognised organisations, regardless of the navigation area.
3. The requirements of this article shall not apply to pleasure yachts.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^{12}

Ships of Georgia shall be constructed according to requirements determined by recognised organisations concerning the installation of electrical equipment, machinery and control mechanisms and shall comply with these requirements.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^{13}

1. A recognised organisation shall cooperate with the Agency and the inspectors of ships to facilitate elimination of gaps and deficiencies existing with respect to ships belonging to its class.
2. A recognised organisation shall provide the Agency with all essential information on granting, transferring, changing, suspending or cancelling a class for the ships of Georgia.

3. A recognised organisation shall publish information on granting, transferring, changing, suspending or cancelling a class for the ships of Georgia on its official website, including the information on overdue surveys, recommendations, conditions for the class assigned to a ship, operating conditions for the ships sailing under the national flag of Georgia and belonging to its class and operational constraints.

4. A recognised organisation that enjoys the powers under Article 44^5 of this Code may not issue a certificate to a ship of Georgia, if the ship's class has been cancelled for security reasons or if the ship is in the process of changing its class, until the Agency expresses its opinion whether or not a full inspection is necessary.

5. A certificate issued in breach of paragraph 4 of this article shall be void.

6. In cases of transfer of class by a ship of Georgia:

a) the losing organisation shall provide the gaining organisation with information on all the overdue surveys, recommendations, and requirements, operating conditions and operating restrictions for the class assigned to a ship;

b) at the time of transfer, the losing organisation shall transfer the complete history file of the ship to the gaining organisation;

c) the gaining organisation may issue certificates to a ship only after all overdue surveys and control activities have been satisfactorily completed and all overdue recommendations or conditions of class previously issued in respect of the ship have been completed as specified by the losing organisation;

d) before issuing a relevant certificate to a ship, the gaining organisation shall obtain information about the date of issue of the certificate from the losing organisation, in order to confirm the place and measures taken to satisfy each overdue survey, recommendation and condition of class.

Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^{14}

1. The Director of the Agency may issue an order within his/her authority to resolve any issue under this Chapter.

2. The Director of the Agency may determine additional requirements relating to any issue under this Chapter.

Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^{15}

A written agreement shall be signed by the Agency on behalf of Georgia, or by its authorised representative on behalf of a recognised organisation. This agreement shall fully comply with the provisions of Annex 2 of the Resolution IMO A.739 (18), the provisions of the model agreement provided for in the circulars M SC/Circ. 710 and MEP C/Circ. 307.

Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 44^{16}

1. Technical supervision of ships not subject to the supervision of a recognised organisation, including small ships and small size ships, shall be carried out by an organisation accredited by the LEPL Unified National Body of Accreditation - Accreditation Centre. The Accreditation Centre shall define the procedures for granting accreditation.

2. A recognised organisation may also have the right to carry out the technical inspection of ships referred to in paragraph 1 of this article in accordance with the requirements approved by the Agency.

3. An authorised representative of the Agency shall participate in the accreditation process.

4. For the purposes of accreditation, the Agency shall determine under its normative act the essential requirements for the recognition of an organisation. The Agency shall also establish/approve the technical standard, according to which the organisation carries out the technical supervision of the ships referred to in paragraph 1 of this article.

5. In compliance with paragraph 1 of this article, an accredited organisation shall determine the navigation requirements for small and small-sized ships, as well as the navigation limits.

Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Chapter III – Ship's Captain and Crew

Article 45

1. A ship's crew consists of a ship's captain, other officers and seamen.

2. Other matters related to a ship's crew are regulated by the Law of Georgia on Education and Certification of Sailors.

3. Composition of a crew for the fishing vessel shall be determined under the Law of Georgia on Education and Certification of Sailors of Fishing Vessels.

Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 46

The captain and other members of the crew of a ship registered in the state register of ships of Georgia may be the citizens of any other State.

Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 47

1. Naval experts with respective rank shall be eligible to work as a ship's captain, officers and seamen in compliance with the Law of Georgia on Education and Certification of Sailors and the International Convention of 1978 on Standards of Training, Certification and Watchkeeping for Seafarers (including the amendments) .Naval experts with respective rank shall be eligible to work as a skipper, officer and seaman on a fishing vessel in accordance with the Law of Georgia on Education and Certification of Sailors.
2. Ranks shall be conferred after passing examinations in the Agency, and are evidenced by a relevant certificate of competence and a qualification certificate.
3. Ranks shall be taken away under procedures determined by the legislation of Georgia.
4. A person holding a captain's rank shall be eligible to work as a captain of a passenger ship sailing under the national flag of Georgia, who has appropriate competence in accordance with the International Convention of 1978 on Standards of Training, Certification and Watchkeeping for Seafarers (including the amendments).
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 48

1. During the entire voyage, a ship's captain shall be responsible for:
a) ensuring the ship's seaworthiness;
b) preventing human, ship and cargo damage;
c) navigation safety;
d) navigation of the ship;
e) ship management;
f) ensuring the required technical conditions aboard;
g) ensuring discipline aboard;
h) preventing marine pollution;
i) providing people with medical assistance;
j) making an emergency call at a port.
2. All persons on board a ship shall obey the captain's orders that are within his/her powers, unconditionally. Otherwise, the captain shall take appropriate measures against those persons.
3. If a person's actions pose a threat to the ship or to the safety of persons and property on board, the captain may place a person in custody in a special room and keep him/her there until the ship calls at the first port convenient for repatriation.
4. A ship's captain shall be liable under the legislation of Georgia for unlawful detention of a person in a special room.

Article 49

1. Pursuant to the Code of Administrative Offences of Georgia, a ship's captain shall hear administrative offence cases of the crew, take incentive measures, and impose disciplinary measures and administrative fines.
2. A ship's captain may relieve from duty any member of the crew, if necessary.

Article 50

Relations of a ship's captain and the crew members with a consular official of Georgia is determined by the Law of Georgia on Consular Activities.
Law of Georgia No 6439 of 12 June 2012 – website, 22.6.2012

Article 51

A ship's captain in his/her official capacity shall be considered to be a representative of the ship-owner and of the cargo owner in all transactions relating to the ship, cargo or navigation, and in matters relating to the resolution of disputes over the property entrusted to him/her, if a representative of the ship-owner or of the cargo owner is not present.

Article 52

1. Every instance of a child's birth or marriage shall be documented by the captain in the presence of two witnesses with an appropriate entry of these occasions in the logbook of the ship.
2. The evidence of these acts prepared by the captain of the ship shall be transferred to authorities dealing with registrations of marriage and birth for issuance of appropriate certificates.

Article 53

1. A ship's captain is obligated to attest the will of a person present on board the ship, save it and transfer it to the harbour master in a Georgian port, or to a consular official of Georgia in a foreign port.

2. If there is a death at sea, the captain shall record it in the presence of two witnesses, including a doctor or a paramedic if present, make an entry into the logbook of the ship and notify the ship-owner. The list of the diseased person's property on the ship shall be added to the record of death. The captain shall take measures to store the property of the deceased.
3. The captain of the ship shall transfer the death report and the list of property to a consular official of Georgia in a foreign port, or to the captain of a Georgian port, if the ship calls at a port of Georgia.
4. The captain shall make burial arrangements at the expense of the ship-owner. In special cases, when a ship is to remain in the high seas for a long time and the cadaver cannot be preserved, the captain may, according to marine customs, commit the body of the diseased to the sea, properly document it and make an appropriate entry into the logbook of the ship.
Law of Georgia No 6439 of 12 June 2012 – website, 22.6.2012

Article 54
1. If the captain of a ship can do so without serious danger to the ship, the crew and the passengers, he/she shall be obliged to:
a) help any person facing a risk of death at sea;
b) proceed with all possible speed to the rescue of persons in distress, if informed of their need of assistance and if such action may reasonably be expected from him/her.
2. The captain shall be held liable under the legislation of Georgia for the failure to fulfil obligations under paragraph 1 of this article. A ship-owner shall not be liable for such actions of the ship's captain.

Article 55
1. If a ship, the passengers on board and the cargo are in danger or otherwise experience dire circumstances, the ship's captain must convene the ship's council for consultations.
2. Such council shall not limit the rights of the captain, in any situation arising on board; a final decision shall be made by the ship's captain.

Article 56
1. If vital resources on board a ship, including emergency food reserves, have been depleted, the captain may undertake a requisition of the necessary food stock from the property of persons aboard and the food stowed on the ship in the form of cargo. Such requisition details shall be documented.
2. The cost of the requisitioned food and cargo shall be reimbursed by the ship-owner.

Article 57
1. If, the captain believes that the ship is facing imminent danger of total loss, after exhausting all means of saving passengers, the captain may authorise the crew members to abandon the ship.
2. The captain himself/herself shall be the last person to leave the ship the last after having taken all possible measures to save the ship, radio and engine logbooks, the voyage plan, documents, valuables and money.
3. In the case of a shipwreck, the captain shall fully retain his/her rights and duties with respect to the passengers, crew and cargo, regardless of where the crew takes shelter.
4. If the captain dies or is incapacitated, the chief mate shall assume command over the ship and its crew.

Article 58
If there is a military threat, military action, or attacks by pirates, the captain shall, taking account of the existing circumstances and in such a way as not to harm the people on board, take all measures permitted under international law to prevent the capture by the attackers of the people, documents, cargo and other property on board.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 59
1. If, in the course of a voyage, a captain of the ship urgently needs a certain amount of money to continue sailing, especially to repair the ship and to support the crew, but has no time or opportunity to receive the order from the ship-owner, the captain shall have authority to sell part of the property entrusted to him/her, if this property is not critical for the continuation of the voyage.
2. The captain may select the method for raising funds to continue navigation that is less prejudicial to the interests of the ship-owner and of the cargo owner.
3. The cost of the sold cargo shall be refunded to its owner, except when the loss is characterised by signs of general average, or when the sale has been carried out only in the interests of the cargo.

Article 60
1. (Deleted).
2. If in the course of a ship's voyage, a crime is committed in a foreign port and the crime is addressed by the criminal

legislation of that foreign State, the captain shall take necessary measures under the criminal procedure legislation of Georgia, act according to the navigation agreements concluded between Georgia and the given State and according to the conflict-of-laws rules under international law.
3. A ship's captain shall have the right to take into custody a person on board who is accused of committing a criminal offence and to transfer the accused to the relevant authority in the very first port of Georgia. If necessary, the captain may send this person and the investigation materials to Georgia by another ship that is registered in Georgia. In cases specified in an international agreement of Georgia, the captain may transfer this person to a competent authority of another State.
4. During a stay of a ship in a Georgian port, the captain shall transfer to the local authorities a person accused of committing a criminal offence stipulated by the criminal legislation.
Law of Georgia No 1361 of 20 April 2005 – LHGI, No 19, 28.4.2005, Art. 133
Law of Georgia No 3541 of 25 July 2006 – LHGI, No 36, 4.8.2006, Art. 267
Law of Georgia No 3619 of 24 September 2010 – LHGI, No 51, 29.9.2010, Art. 332

Article 61
1. When a ship's captain acts in the interests of maritime safety and marine environment protection at sea and makes any decision based on his/her professional experience in this field, the ship-owner, charterer or any other person may not limit his/her actions.
2. A ship-owner, a charterer or any other person may not dismiss without reasonable grounds or take other unfair decisions against the captain of the ship, who in accordance with his/her professional experience properly carries out his/her duties.
3. In the cases under paragraphs 1 and 2 of this article, a ship's captain shall have the right to appeal.

Article 62
1. In order to ensure maritime safety, prevent marine pollution and protect labour, the Agency shall determine a minimum allowable composition of the crew, who may be on board a ship at sea.
2. A minimum allowable composition of the crew shall be determined according to a total tonnage of the ship and its destination in compliance with the international conventions to which Georgia is a party.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 63
A ship shall be staffed by a specially trained crew. The qualification of each member of the crew shall be evidenced by an appropriate certificate of competence and by a qualification certificate.
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 64
Persons whose health condition meets the requirements established by the legislation of Georgia and international standards shall be allowed to work on a ship. Health status reports shall be issued by an authorised physician recognised in accordance with the legislation of Georgia.
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 65
The procedure for hiring or dismissing persons on the ship, their rights and obligations, working conditions on board, labour remuneration and their social protection shall be determined by the labour legislation of Georgia, this Code, disciplinary regulations and labour agreements.

Article 66
None of the crew members shall be permitted to work on a ship without the captain's consent. A captain's refusal to hire a person recommended by the ship-owner as a crew member must be substantiated.

Article 67
In the case of loss or damage to the property of a crew member as a result of an accident, the ship-owner shall compensate him/her for the damage.

Article 68
1. A crew member shall be repatriated at the expense of the ship-owner if:
a) he/she is dismissed on the initiative of the Agency;
b) he/she is ill or injured;
c) the ship has been wrecked;
d) the ship-owner is unable to fulfil contractual obligations;

e) he/she goes on leave;
f) the contract expires.
2. A ship-owner shall organise the repatriation of a seafarer after the termination of employment under the contract or collective agreement.
3. A ship-owner shall be responsible for arranging travel (usually by air), hotel, food, salary and cash assistance, and carriage of luggage in the amount stipulated under the contract, and shall provide medical treatment and compensate the expenses incurred.
4. If a ship-owner is unable to organise the repatriation of a seafarer and to reimburse the costs, then the relevant body of the executive authority of Georgia shall undertake this obligation and collect the incurred costs from the ship-owner at a later time.
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 69
In compliance with the international agreements of Georgia and other legislative and subordinate normative acts of Georgia, the crew of a ship shall properly perform their duties, and carry out the captain's orders and requirements in order to ensure navigation safety, protection of marine environment, carriage of cargo without any loss and technical maintenance of the ship. They shall also act in accordance with the Agency's legal acts and the rules of the company.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Chapter III – Crewing Activity
Law of Georgia No 6546 of 22 June 2012 – website, 4.7.2012

Article 69^1
1. A crewing activity may be carried out by a legal person, established in the legal form as provided for in the Law of Georgia on Entrepreneurs, for employment of seafarers on ships.
2. A crewing activity shall be carried out according to the legislation of Georgia.
Law of Georgia No 6546 of 22 June 2012 – website, 4.7.2012

Article 69^2
1. For the purposes of this Chapter, the Agency shall recognise a legal person carrying out a crewing activity. The rules and conditions for its recognition, and the provisions concerning monitoring activities, and the grounds for suspension and termination of recognition shall be determined under a subordinate legal act of the Director of the Agency.
2. For the purposes of this Chapter, the Agency shall determine the conditions for the collection, use and transfer of seafarers' personal data to a third party and the seafarers' personal data protection rules.
Law of Georgia No 6546 of 22 June 2012 – website, 4.7.2012

Article 69^3
A legal person carrying out a crewing activity shall:
a) maintain a constantly updated register of the seafarers employed by it and/or seafarers to be employed. The register is monitored by the Agency;
b) ensure that persons directly involved in the process of employment of seafarers have appropriate competence;
c) examine the qualifications of employment candidate seafarers and conformity of the submitted documents with the requirements of the work to be performed, also compliance of the collective or labour agreement with the legislation of Georgia and with the international labour standards on seafarers;
d) to the extent possible, examine the relevant means of ship-owners to protect seafarers abandoned in the ports of another State;
e) inform, before employment, seafarers of the conditions of the labour contract, including the scope of work, their rights and duties;
f) examine and respond to any claims related to its activities, and notify the Agency of any unresolved problem;
g) as far as possible, ensure that the ship-owners include social protection conditions for seafarers in labour contracts and properly fulfil them;
h) provide a seafarer with a copy of the labour contract after signing it;
i) ensure that a seafarer is not discriminated against on the basis of a labour contract, and is not at risk labour or other forms of exploitation;
j) ensure that the ship-owner undertake appropriate responsibility under a labour contract, taking into account the following minimum requirements:
j.a) the seafarer's name, surname, birth date and place; details of the employer;

j.b) the name of the seafarer's position;
j.c) the duration of the employment;
j.d) the conditions for the termination of the labour contract;
j.e) the remuneration amount for seafarers and the payment method;
j.f) vacation pay for seafarers, if any;
j.g) measures imposed for disciplinary violations;
j.h) provisions concerning the repatriation of seafarers;
k) as far as possible, ensure that the ship-owners undertake appropriate responsibility in respect of seafarers in the case of arrest or detention of the ship in a foreign port;
l) ensure that the crewing activities are carried out based on the quality management system recognised by the Agency.
Law of Georgia No 6546 of 22 June 2012 – website, 4.7.2012

Chapter IV – Seaports

Article 70
1. A seaport shall consist of a port area, the territory determined for it and hydraulic structures. A seaport shall have an organisational and legal form established under the legislation of Georgia.
2. A seaport's territory shall include a specially allocated land area, and the port area shall cover a specially allocated water area.
3. A seaport shall ensure that the port territory and the area are ready for safe navigation.
4. Navigation services in the territorial sea and all seaports of Georgia shall be ensured by the Agency via its structural unit in accordance with the requirements of the International Convention of 1974 for the Safety of Life at Sea, its Protocol of 1988, including the amendments made thereto.
4^1. Procedures for the operation and control of the navigation system within the territorial sea and all seaports of Georgia shall be determined by the normative act of the director of the Agency.
5. Cargo loading and unloading services for incoming ships, freight forwarding operations, cargo storage, accumulation, packaging, and warehousing activities, cargo transshipment from one carrier to another, and the operations relating to passenger service, cargo, luggage and postal carriage, fuel supply to the ships, technical maintenance, repair, etc. shall be performed within the bounds of the seaport's territory and the area.
6. A list of ports of Georgia that are open to foreign ships shall be defined by the Government of Georgia and shall be published in the 'Maritime Bulletin'. The Agency shall ensure the publication of this list.
7. The issues related to the establishment and operation of naval ports shall be regulated under the relevant legislation.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 1286 of 24 September 2013 – website, 8.10.2013
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 71
1. A seaport shall allocate a certain area within the port territory, berth or water area to natural and legal persons for their activities, and provide equipment and installations as prescribed by the legislation of Georgia.
2. A seaport shall, free of charge, provide appropriate areas to and create normal working conditions for relevant departments of the Agency, or for the relevant agencies of tax, border-migration and sanitary service authorities.
3. A seaport may not interfere with the activities of an enterprise and an organisation within the port territory, or become involved in their economic activities, except as provided for by the legislation of Georgia.
4. An enterprise and an organisation located within a seaport territory shall be obliged to observe the rules of the port.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 3806 of 12 November 2010 – LHGI, No 66, 3.12.2010, Art. 414
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 72
1. (Deleted).
2. Berths, hydraulic structures, lighthouses, beacons and water areas of the ports of special importance shall be owned by the State.
3. Allocation and deprivation of land and water areas shall be carried out according to the applicable legislation of Georgia.
Law of Georgia No 5301 of 11 July 2007 – LHGI, No 31, 3.8.2007, Art. 353
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 73 (Deleted)

Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 74 (Deleted)
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 75
1. (Deleted).
2. Cargo handling shall be carried out according to the order of entry of the ships. Exceptions may be made for ships sailing the regular lines, ships in distress or damaged ships.
3. (Deleted).
4. (Deleted).
5. An organisation that has its own territory, may set up the appropriate technical facilities and carry out sea-freight operations in the prescribed manner.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008– LHGI, No 12, 14.7.2008, Art. 91

Article 76
1. To ensure navigation safety and compliance with the port service norms and rules, a seaport shall be responsible for:
a) safe anchorage and mooring of ships at harbours;
b) smooth operation of hydraulic structures;
c) smooth operation of communication and electronic-radio-navigation facilities owned by the port;
d) smooth operation of navigation signs owned by the port;
e) maintenance of projected depths;
f) observance of port rules;
g) meeting the requirements of cleanliness and environmental protection within water areas and territory of the port;
h) receiving from ships oil-containing substances;
i) receiving from ships and utilising sewage, garbage, and other substances harmful to human health and the environment;
j) providing first aid to the people in distress as a result of an accident;
k)carrying out, within the scope of its authority, the instructions of the Agency and of the Maritime Rescue Coordination Centre during sea search and rescue operations and during the liquidation of accidental spills of oil and hazardous substances.
2. A seaport shall carry out the activities under paragraph 1 of this article according to this Code, other legislative and subordinate normative acts of Georgia and technical regulations approved by the Agency.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 77
1. A seaport shall operate in accordance with the rules of the port approved by the Agency. A seaport, within the scope of its authority, shall participate in the drafting of port rules.
2. In a port, the port operator shall be responsible for the cargo from the moment of its acceptance until its delivery to the consignee, other authorised person or carrier.
3. The operator shall be responsible for harm caused by the loss, delay or damage of the cargo.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 78
1. Agency, stevedoring, survey and forwarding services shall be carried out in a port according to international standards and the legislation of Georgia. Companies rendering such services shall be obliged to submit to the Agency registration and contact information prior to the performance of the activities.
2. An agency company shall be obligated, on behalf of the ship-owner or the charterer and on his/her instructions, to make payments for all kinds of services rendered and submit to the ship-owner or the charterer a total disbursement account.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 79 (Deleted)

Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 79[1] (Deleted)

Law of Georgia No 833 of 23 December 2008 – LHGI, No 40, 29.12.2008, Art. 272
Law of Georgia No 1923 of 3 November 2009 – LHGI, No 35, 19.11.2009, Art. 233
Law of Georgia No 3750 of 26 October 2010 – LHGI, No 62, 5.11.2010, Art. 390
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012
Law of Georgia No 2397 of 2 May 2014 – website, 16.5.2014

Chapter V – Implementation of Safe Navigation within a Seaport Water Area

Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 80

1. A seaport shall be responsible for the implementation of safe navigation within the water area of the seaport.
2. For the purposes of safe navigation and observance of port regulations, a seaport shall:
a) ensure the creation of appropriate conditions for safe conduct of pilotage operations by a pilot service in accordance with Article 87 of this Code;
b) ensure that appropriate measures are taken according to a plan for the recovery of property sunk within the area of responsibility of the port approved by the Agency;
c) ensure the mobilisation of all resources to conduct search and rescue operations to save people and ships in distress in the area of responsibility of the port, and carry out activities approved by the Agency for the liquidation of accidental spills of oil and hazardous substances;
d) ensure the storage of dangerous goods in the port and proper conduct of cargo operations.
3. In performing duties specified in paragraph 2 of this article, a seaport shall meet the requirements laid down by the international agreements of Georgia, this Code, other legislative or subordinate normative acts of Georgia, established technical regulations, port regulations or written requirements prescribed by the Agency for appropriate cases.
Law of Georgia No 490 of 13 July 2000 – LHGI, No 28, 24.7.2000, Art. 87
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 81 (Deleted)

Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 82

1. All ships (regardless of their flag State and form of ownership) shall obtain a written consent from the State Supervision and Control Service of the Seaport before departure.
2. A port captain may detain a ship or cargo in the seaport, if:
a) the ship is unfit for navigation;
b) port facilities, other property and navigation equipment of the port are not operational;
c) loading, supply or manning requirements are breached, or there are other defects associated with the ship that pose a threat to the safe navigation of the ship, human health or the environment;
d) ship documents are completed incorrectly;
e) there is a claim of a natural or legal person arising out of general average, salvage, agreement related to the carriage of goods, damage caused by collision of ships, failure to pay fees or from other damage;
f) a ship-owner or a cargo owner fails to provide appropriate security (in the case of a fine, or failure to pay fees or to reimburse damage).
3. An order issued by the captain of a seaport concerning the detention of a ship or cargo shall be effective for three days and nights. This period does not include Saturdays, Sundays and public holidays established by the legislation of Georgia. A ship or cargo shall be immediately released if a court does not make a decision regarding the detention of the ship or cargo within this period.
4. A ship owned by a foreign state, which is used for non-commercial purposes, may not be detained, except as provided in the international agreements of Georgia and the legislation of Georgia.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 83

1. A captain of each ship mooring at a seaport (except for a ship owned by a foreign state, which is used for non-commercial purposes) and persons on the port territory shall, as assigned by the Agency, transfer their own floating

objects or other technical facilities to the seaport upon request for rescuing people and ships in distress, and for eliminating sea pollution.
2. Compliance with the requirements established by the Agency and a seaport within their competence for ensuring navigation safety and observing order in a port shall be mandatory for all natural and legal persons and ship captains in the port.
3. An administrative sanction shall be used for the non-compliance with the requirements of the navigation safety and the observance of order in a port under the procedure established by the legislation of Georgia.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 83[1]
1. A ship shall be arrested only to secure a maritime claim.
2. A maritime claim derives from matters related to the ownership of a ship and other property relations arising during the conduct of the activities related to the construction, management, operation, commercial use, mortgage or salvage of the ship.
3. A ship may be arrested and released only by a court according to the civil procedure legislation of Georgia.
4. A ship in the state ownership of Georgia may be arrested or subjected to a penalty only with the approval of the Government of Georgia.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 84 (Deleted)
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 85 (Deleted)
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 86
1. Rules and conditions for a ship's entry, departure, standing in a seaport, for cargo operations, including storage and handling of dangerous goods, ship refuelling, pilotage and other issues shall be determined by 'Port Regulations', approved by the Agency.
2. The Agency, together with an authorised representative of a naval port, shipbuilding enterprise or other enterprises, the water areas of which adjoin the water areas of the seaport, shall establish traffic rules for the ports and for approaches to the port.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Chapter V[1] – State Supervision and Control of Seaport Water Area
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 86[1]
1. The Agency shall carry out state supervision and control of the navigation safety in the seaport water area through its structural unit - Port State Supervision and Control Service, headed by a Port Captain, who is appointed by the Director of the Agency.
2. A citizen of Georgia, who has completed education in ship navigation, holds the rank of captain of a ship with total capacity of more than 3 000 tons and, has at least 12-month's experience as a captain of such a ship, may be appointed as a port captain.
3. To ensure state supervision and control of navigation safety, the Agency shall:
a) conduct state supervision and control over navigation safety;
b) record entries/departures of ships (including fishing vessels) (regardless of their flag State and form of ownership) into/from seaports in accordance with port rules approved by the Agency;
c) monitor, within its powers, compliance with the international agreements of Georgia and the legislation of Georgia by ships entering the ports of Georgia (regardless of their flag State and form of ownership);
d) grant consent to carry out works for the recovery of property sunk in the sea within the water area of the seaport;
e) manage search and rescue operations to save people and ships in distress within the port water area; also manage liquidation efforts for accidental spills of oil and hazardous substances and coordinate the use all available resources in the seaport;
f) monitor compliance with relevant technical regulations in the field of navigation safety.
4. In performing its functions, the Agency may, under the legislation of Georgia:
a) detain a ship and/or cargo;

b) examine documents of ships entering a seaport, certificates of seafarers, and certificates of crew members;
c) give instructions to a seaport on navigation safety issues;
d) make other decisions on issues falling within its authority under this Code, under the Law of Georgia on Transport Management and Regulation and relevant subordinate legal acts.
5. If a foreign-flagged ship, upon entry into a port of Georgia, fails to present the documents required by this Code and the international agreements of Georgia, its cargo capacity, passenger capacity, minimum freeboard height and its radio station shall be inspected at the ship owner's expense, according to the technical survey rules and the inspection procedures established for ships sailing under the national flag of Georgia.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Chapter VI – Pilotage Service

Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 87

1. To ensure navigation safety, only a marine pilot ('the pilot') certified by the Agency shall carry out piloting activities in port approaches and within the port water area.
2. For the purpose of navigation safety, a seaport shall ensure proper functioning of the pilotage service in the seaport and within the port water area.
3. For the purposes of navigation safety the pilotage service shall not be established by the seaport and/or by an employee of the seaport or by a legal person related to it.
4. A pilotage service may be set up in a legal form determined under the Law of Georgia on Entrepreneurs. All seaports of Georgia shall be obliged to sign an appropriate agreement with the pilotage service concerned for rendering pilotage services. The agreement shall contain provisions for carrying out piloting activities in the seaport and port approaches and for anchoring and mooring by pilotage boats at harbours.
5. Activities of the pilotage service are regulated under the Technical Regulations ('the Technical Regulations') approved by the Government of Georgia, which is intended to ensure the safety at port approaches of Georgia and within the port water area and to regulate activities related to the pilotage services to be rendered by the pilotage service. The Technical Regulations is based on Recommendations on Training and Certification and on Operational Procedures for Maritime Pilots and Other Deep-Sea Pilots of the Resolution A.960 (23) of IMO of 5 December 2003 ('the Resolution'), International Convention on Standards of Training, Certification and Watchkeeping for Seafarers of 1978 ('the Convention'), this Code and other legal acts.
6. Activities related to the performance of pilotage services by a person holding pilotage service certificate or a certificate of the pilot shall be permanently supervised and controlled by the Agency. Aim of the supervision and control activities is to ensure the compliance with the requirements under the legislation of Georgia, the Resolution and the Convention, as well as the compliance with best marine practice. The pilotage service certified in marine safety matters and a certified pilot shall be subordinated to the seaport captain, who is a head of the State Supervision and Control Service of the seaport.
7. The term of certification of the pilotage service lasts for five years. Rules and procedures for the certification of the pilotage service shall be determined by the Technical Regulations.
8. If within the pilotage service area appropriate piloting activities cannot be carried out due to the fault of the pilotage service and/or of the seaport, and due to the non-existence of an agreement signed between them or due to other cases determined by the legislation of Georgia, the Agency may appoint an appropriate authorised person and/or a pilot certified by the Agency in order to ensure the performance of pilotage services, and the procedures for the remuneration of such services shall be determined by the Agency.
9. A pilot certified by the Agency shall fulfil the instruction of the Agency to ensure piloting activities within the area of compulsory piloting on the basis of appropriate remuneration, in order to ensure the protection of the state interests of Georgia and the naval safety in seaports of Georgia. Unreasonable refusal to perform compulsory instructions of the Agency shall be the basis of the termination of the pilot certificate. Procedures for the remuneration of the pilot shall be determined by the director of the Agency.
10. A pilotage service shall own/possess a vessel under technical supervision of the classification society recognised by the Agency that has been granted a status of the pilotage boat. The pilotage boat shall comply with the requirements under the Technical Regulations. The Agency shall grant the vessel a status of the pilotage boat by making an appropriate record in a ship registration certificate. The ship registration certificate shall also include the name of the seaport where the said pilotage boat is certified to navigate. The Agency may not issue separate certificates for each pilotage boat. If the vessel has not been constructed as a pilotage boat, the classification society shall additionally certify the compliance of this vessel with technical criteria necessary for this type of vessels. The classification society shall have a technical standard for the supervision of pilotage boats in order to perform such activities. The standard shall be approved by the Agency.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102

Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 88
A pilot shall be a citizen of Georgia who holds a pilot certificate issued by the Agency in accordance with the requirements of the International Maritime Organisations.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 89
1. (Deleted).
2. Navigation without a pilot shall be prohibited in compulsory pilotage areas.
3. If necessary, a ship's captain may take a pilot on board while sailing in optional pilotage areas. In this case, whenever the captain deems it appropriate, he/she shall reserve the right to refuse piloting services.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 90
1. While piloting a ship, a pilot shall monitor the changes on the fairway, the condition of coastal navigation marks and immediately notify the port captain of all maritime incidents related to the piloted ship and of any changes on the fairway.
2. While piloting a ship, a pilot shall indicate to the ship's captain the facts of violation of navigation rules, binding resolutions and other rules; the pilot shall demand the correction of the violations and immediately inform the port captain if these demands are disregarded by the ship’s captain, and if necessary, stop the movement of the ship.

Article 91
The Agency may limit the departure of ships in bad weather (in case of poor vision, storms, earthquakes, etc.), and under other special circumstances unfavourable for safe navigation.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 92
1. Liability for a marine incident involving a ship shall rest with the ship's captain, and if the incident happened during the performance of the official duties by a pilot, liability shall also rest with the pilotage service.
2. The damage caused by a pilot shall be compensated through compulsory insurance against civil liability.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 93
1. When a pilot is called on board, the pilot service shall immediately send him/her aboard the ship, and notify the captain. If for any reason it is impossible to immediately send a pilot to a ship, the pilot service shall notify the captain and inform him/her of the time of the pilot’s arrival.
2. A pilot on duty on board a ship may be accompanied by a person who is undergoing pilotage training (a trainee).

Article 94
A ship's captain shall ensure immediate and safe embarkation of a pilot and of a pilot-trainee, and during the whole period of piloting provide them, free of charge, with a separate accommodation and food equal to that enjoyed by the ship’s officers.
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 95
1. Upon boarding a ship, a pilot shall submit to the captain a pilot certificate and a pilot card.
2. A ship's captain may not take a pilot on board who fails to submit a pilot certificate and a pilot card.
3. The ship's captain shall enter in the card the place and time of the commencement and completion of the pilotage, accurate data on the cargo and the ship, and if necessary, enter comments relating to the circumstances incidental to the pilotage, and confirm it by signature.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 96
A pilot may not abandon a ship without the captain's consent before the ship is anchored, secured to a mooring by a rope, or escorted into the sea or before the arrival of a substitute pilot.

Article 97
A pilot's presence on board shall not relieve the captain from the obligation to navigate the ship. In special cases where the captain abandons the ship's bridge, he/she shall leave with the pilot a person who is responsible for ship-handling during the captain's absence.

Article 98
1. If the captain does not follow the pilot's recommendations, the pilot may, in the presence of a third person, refuse to conduct any further pilotage of the ship and request that the refusal be recorded in the pilot card; however, despite the pilot's refusal to pilot the ship, he/she shall be obliged to remain on the ship's bridge and provide the captain with the necessary data for safe navigation of the ship. If the captain requests the renewal of pilotage, the pilot shall be obliged to resume the pilotage.
2. If the captain doubts the accuracy of the pilot's recommendations, he/she may refuse his/her services. In that case, if the ship is within the compulsory pilotage area, the captain shall stop the movement of the ship to the extent possible before the arrival of a new pilot.

Article 99 (Deleted)
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102

Article 100
A captain, who requests the services of a pilot and after the arrival of the pilot refuses to receive the pilotage services, shall pay the pilotage charges in full.

Article 101
1. For entering incorrect data in a pilot card, the captain shall be fined in the amount double the pilotage charges. He/she shall also be liable, under the law, for the consequences caused by these data.
2. A pilot card shall include the:
a) ship's name;
b) ship's state flag;
c) ship-owner's name, address;
d) total registered tonnage and net registered tonnage;
e) dead weight (deadweight capacity);
f) ship's overall length, width and height of the board;
g) ship's draught;
h) name and number of the cargo;
i) work performed.

Article 102
A ship's captain shall pay for extraordinary services double the amount of the pilotage charges if the pilot has to spend more than two hours on board before the commencement of piloting through the fault of the captain or the agent and not as a result of *force majeure*.

Article 103
If, in the course of his/her duties, a pilot (or a pilot and a trainee) goes beyond the bounds of their service area, the captain shall reimburse the return costs to the pilot and the trainee (travel, daily expenses, hotel costs) and pay pilotage fees for each day/night.

Article 104 (Deleted)
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102

Chapter VII – Property Sunk in the Sea
Law of Georgia No 6545 of 22 June 2012 – website, 4.7.2012

Article 105
1. For the purposes of this Chapter, property sunk in the sea refers to ships, their remains, equipment, goods, etc. sunk in the territorial sea of Georgia or in internal waters, or stranded in shallow waters, rocks and other places.

2. Raising of property sunk in the sea, its recovery or destruction shall be carried out according to this Code and other legislative and subordinate normative acts of Georgia.
3. Property that has been accidentally sunk in the water area of a seaport during the cargo operations in the seaports of Georgia and during repair works of the seaport infrastructure shall not be deemed property sunk in the sea.
Law of Georgia No 6545 of 22 June 2012 – website, 4.7.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 106

1. Upon sinking of property in the sea, the owner and/or possessor of the sunk property shall immediately notify the head of the nearest Seaport State Supervision and Control Service - the port captain.
2. The Agency, in agreement with the relevant state authorities, shall set a period for the recovery of the property sunk in the sea, and approve an action plan for its protection and raising. The Agency shall notify the owner and/or possessor of the property on the mentioned period and the action plan.
3. If property is sunk in the water area of a seaport, in the event of its recovery, the action plan specified in paragraph 2 of this article shall also be agreed with the seaport. The seaport shall facilitate the implementation of this plan at the expense of the owner and/or possessor of the property sunk in the sea.
4. If property sunk in the sea poses a threat to human life and health, to safe navigation, or interferes with the harvesting of maritime resources, or with the conduct of hydraulic engineering, scientific, research, environmental, search and rescue and other similar operations, or creates a risk of environmental pollution, its owner and/or possessor shall immediately notify the head of the nearest Seaport State Supervision and Control Service - the port captain of this fact and, in accordance with his/her request, recover the property sunk in the sea at his/her own expense. The period for the recovery of the sunk property shall be agreed with the port captain.
5. When the property sunk in the seaport water area is recovered by the seaport, and where circumstances referred to in paragraph 4 of this article exist, or if such property hinders or may hinder commercial operations within the seaport water area, whether or not such property is in the ownership of the State, a seaport shall be obliged, in agreement with the Agency, to compensate expenses as a result of sale of recovered property.
6. The recovery and sale of property that has been accidentally sunk in the sea during cargo operations and seaport infrastructure repair works in the seaports of Georgia shall be carried out directly by the seaport at its own expense.
7. If the state-owned property sunk in the sea is recovered by the seaport and if the selling price of such property covers all recovery expenses and if certain proceeds remain after the sale of such property, the seaport shall be obliged to transfer it to the State Budget of Georgia. In the case of the sale of property referred to in this article, the seaport shall be obliged to inform the Agency thereon and submit appropriate documents to the Agency.
8. The State of Georgia as the owner of the property sunk in the sea shall not be liable to any person with regard to the compensation of expenses related to the recovery and/or sale of property sunk in the sea. This provision shall not apply to the cases when the State of Georgia requests the recovery of the property sunk in the sea at its own initiative.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6545 of 22 June 2012 – website, 4.7.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 107

1. If the owner and/or possessor of the property sunk in the sea is unknown, the Agency shall, for a reasonable period of time, issue a public notice to locate the owner and/or possessor of the property sunk in the sea, and indicate a reasonable time-limit for the recovery of the sunken property.
2. In view of the purposes of paragraph 1 of this article, if the property sunk in the sea is a ship and there is no information on the owner and/or possessor of the ship, in order to find the owner and/or possessor of the sunken property, the Agency, indicating a reasonable time-limit for the recovery of the sunken property, shall send a notice, to be transmitted to the flag state of the owner and/or possessor of the sunken property, to the Ministry of Foreign Affairs of Georgia or, by taking into account specific circumstance, the Agency shall directly communicate with an appropriate body of the State concerned in order to transmit such notice.
3. If the property sunk in the sea has not been recovered within a reasonable time-limit specified in paragraphs 1 and 2 of this article, the Agency may ensure the recovery of the property, or, in accordance with procedures under this Chapter, regardless the time-limit referred to in Article 108 of this Code, the Agency may sell, and if necessary, take measures for its destruction.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6545 of 22 June 2012 – website, 4.7.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 108

1. The owner and/or possessor of the property sunk in the sea may recover the property sunk in the sea within two years from the time of its sinking or claim the recovered property within the same period. At the same time, he/she shall be obliged to compensate the Agency or a seaport for the damage caused by sinking and recovery of the property and costs related to the recovery of the sunken property.
2. After the expiration of the time-limit referred to in paragraph 1 of this article, the property concerned shall move to the ownership of the State.
3. If the recovered property is sold by the seaport or the Agency due to impossibility and/or inexpediency of its storage, the proceeds from the sale of the sunken property shall be returned to the owner and/or possessor of the property sunk in the sea after deducting the costs and damage which have been incurred/sustained by the Agency or the seaport in the course of recovery, storage and sale of the property.
4. Relinquishment of sunken or recovered property shall not relieve the owner and/or possessor of the sunken property from the obligation to compensate the damage and costs caused to the Agency or the seaport.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6545 of 22 June 2012 – website, 4.7.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 109
If property sunk in the sea poses a threat to human life and health, to safe navigation, or interferes with the harvesting of maritime resources, and/or may create a risk of environmental pollution, and/or if the owner and/or possessor of the property sunk in the sea does not recover the property within the set time limit, the seaport shall be obliged, under the instruction of the Agency, to immediately recover the property sunk in the sea, and where necessary, to take measures for its destruction or for its elimination in any other way .
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6545 of 22 June 2012 – website, 4.7.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 110
The Agency may, on the application of the sea port or without it, prohibit the owner and/or the possessor of the property sunk in the sea from recovering the sunken property using the facilities belonging to the owner and/or possessor and/or to a ship-raising company selected by the owner and/or the possessor, if the operations performed by these facilities and/or their technology poses a threat to human life and health, to safe navigation or may cause environmental pollution. In this case, the Agency may recover the property sunk in the sea at the expense of its owner and/or possessor or require him/her to use the appropriate means and technology.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6545 of 22 June 2012 – website, 4.7.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 111
Military property sunk in the sea shall be recovered, destroyed or removed by the competent authority within the Ministry of Internal Affairs of Georgia in agreement with the Agency.
Law of Georgia No 6545 of 22 June 2012 – website, 4.7.2012

Article 112
Property sunk in a sea, which has been recovered by accident, shall be transferred to the Agency.
Law of Georgia No 6545 of 22 June 2012 – website, 4.7.2012

Article 113
1. The owner and/or possessor of the property sunk in the sea shall be deprived of the right to such property in the event he/she fails to recover it within the time-limit specified by this Code or to claim it in accordance with the terms and conditions specified under Article 108 of this Code.
2. State-owned property sunk in the sea shall be recovered by a holder of a licence to recover state-owned scrap metal and nonferrous metal sunk in the territorial sea and inland waters of Georgia as provided for by the Law of Georgia on Licences and Permits, except for the cases where the state-owned property sunk in the sea is recovered by the Agency or a seaport.
Law of Georgia No 6545 of 22 June 2012 – website, 4.7.2012
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Chapter VIII – Contract of Carriage of Goods by Sea

Article 114
1. A contract of carriage of goods by sea is a written agreement according to which the carrier or ship-owner undertakes to carry and deliver the cargo to the consignee, and the consignor or charterer undertakes to pay the shipping cost (freight).
2. Persons who have entered into a written agreement on freighting a ship (a charter-party) shall be considered to be the charterer and the ship-owner.
3. According to Article 31(4) of the United Nations Convention on the Carriage of Goods by Sea, the following conventions shall apply in Georgia: 1924 International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading ('The Hague-Visby Rules') and 1978 United Nations Convention on the Carriage of Goods by Sea ('The Hamburg Rules').

Article 115
1. A charter-party shall contain:
a) name of the parties;
b) name of the ship;
c) name of the cargo;
d) ports of loading and destination (a shipping route);
e) shipping cost (freight);
f) primary responsibilities of the parties and the conditions of carriage.
2. Additional terms may be included in a charter-party upon agreement of the parties.
3. A charter shall be signed by the ship-owner and the charterer or by their authorised representatives.

Article 116
1. The Agency may prohibit the receipt, import or export of cargo only in cases specified in paragraph 3 of this article and shall immediately notify the Minister of Economy and Sustainable Development of Georgia and other interested persons.
2. A prohibition, temporary suspension or restriction to accept cargo for shipping may be introduced in a certain direction in the course of shipping from one specific port or to another. The Agency shall immediately inform the consignor and the relevant agencies.
3. In the case of natural disasters, wreckage, accidents, or a quarantine, when traffic is stopped, acceptance of goods may be temporally suspended and/or restricted by decree of the port captain. The Agency shall be immediately notified of these events, and the Agency shall define the period of temporary suspension and/or restriction to accept goods and make it public in the 'Maritime Bulletin'.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 851 of 23 December 2008 – LHGI, No 40, 29.12.2008, Art. 277
Law of Georgia No 3750 of 26 October 2010 – LHGI, No 62, 5.11.2010, Art. 390
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 117
The rules referred to in this Chapter shall apply, unless otherwise provided for by a contract of carriage by sea concluded between the parties.

Article 118
1. Legal relations between a carrier and a consignee shall be regulated by a bill of lading or a sea waybill.
2. Terms and conditions of a contract of carriage by sea, which are set out in a bill of lading or in a sea waybill, shall be performed by the consignee, if the bill of lading or the sea waybill refers to the contract of carriage by sea in which these conditions are listed.

Article 119
A bill of lading is document of title to the goods, which evidences a contract of carriage by sea and the receipt or loading of the cargo by the carrier. A carrier shall be obliged to release goods upon the presentation of a bill of lading.

Article 120
1. Upon receipt of cargo on board a ship, a carrier shall, on demand of the shipper, issue a bill of lading (or a sea waybill) to the consignor confirming that the carrier has received the cargo indicated in the bill of lading.
2. A carrier may issue another document instead of a bill of lading or sea waybill to evidence the receipt of the goods for carriage. This document is a *prima facie* evidence of the receipt by the carrier of the goods (as described in the document) and of the conclusion of the contract of carriage by sea.
3. A bill of lading shall be drafted on the basis of a document signed by the consignor, which must include the particulars

specified in Article 121(a)-(j) of the Code.
4. The consignor shall be liable to the carrier for the consequences caused by entering incorrect, inaccurate or incomplete data in the document.

Article 121
A bill of lading shall contain:
a) the general nature of the goods, the leading marks necessary for identification of the goods, an express statement as to the dangerous or specific character of the goods, the number of packages or pieces, or weight of the goods or their quantity, all such particulars as provided by the consignor;
b) the apparent condition of the goods;
c) the name and principle place of business of the carrier;
d) the name of the consignor;
e) the name of the consignee (a straight bill of lading), release of goods pursuant to the order of the named person (an order bill of lading) or release of goods upon presentation of a bill of lading (a bearer bill of lading).
f) the port of loading according to the contract of carriage by sea and the date on which the goods were taken over by the carrier;
g) the port of discharge according to the contract of carriage by sea;
h) the number of originals of the bill of lading, if more than one;
i) a reference that the carriage is regulated either according to the 1924 International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading ('The Hague-Visby Rules') or the 1978 United Nations Convention on the Carriage of Goods by Sea ('The Hamburg Rules').
j) the statement, if applicable, that the goods shall or may be carried on deck;
k) the freight payable by the consignee or other indication that freight is payable by him/her;
l) place and date of issuance of the bill of lading;
m) the signature of the carrier or a person acting on behalf of him/her.

Article 122
The carrier shall provide the consignor with several copies of the same bill of lading. Each of them shall include the total number of the bills of lading. After the goods are released on the basis of one of the original bills of lading, all other copies shall become invalid.

Article 123
A bill of lading shall be transferred according to the following rules:
a) a straight bill of lading may be transferred by a special endorsement or otherwise, in conformity with the procedure established for the assignment of a claim;
b) an order bill of lading may be transferred by an endorsement or a blank endorsement;
c) a bearer bill of lading may be transferred in the usual manner.

Article 124
1. The consignor shall have the right to request:
a) the return of the goods prior to the ship's departure from the port;
b) the delivery of the goods in an intermediate port;
c) the delivery of the goods to a person not named in the bill of lading, provided that the person presents all copies of the bills of lading issued to the consignor and complies with all the provisions of this Code concerning the refusal of carriage by sea or presents appropriate security.
2. Any person lawfully holding a bill of lading, who has all copies of the bill of lading or the sea waybill shall enjoy the same right.

Article 125
1. The goods whose carriage without loss or damage requires containers and packaging shall be placed in appropriate containers and shall be well-packaged in order to ensure their integrity and safety during carriage and unloading.
2. Each cargo package shall have a full and clear marking in compliance with maritime shipping regulations.

Article 126
1. Before the commencement of the voyage, the carrier shall:
a) make the ship ready for navigation;
b) make the ship seaworthy;
c) properly equip and supply;
d) properly man the crew;
e) make fit and safe the ship’s holds and all other storage areas in which the goods are carried, in order to ensure proper

receipt, carriage and storage of the goods.
2. The carrier shall not be liable for the unseaworthiness of the ship if he/she can prove that it is caused by defects not discoverable by due diligence (latent defects).
3. Any agreement of the parties contradicting paragraph 1 of this article shall be void.

Article 127
The consignor shall be obligated to hand over all cargo-related documents to the carrier in compliance with the port regulations sanitary rules, regulations related to the carriage of goods across the customs border of Georgia and other administrative rules. The shipper shall be liable to the carrier for the delayed provision of the documents, and for the damage caused by the incorrectly or incompletely completed documents.
Law of Georgia No 3806 of 12 November 2010 – LHGI, No 66, 3.12.2010, Art. 414
Law of Georgia No 5961 of 27 March 2012 – website, 12.4.2012

Article 128
Cargo may be loaded on another ship in place of the previously selected one only with the consent of the consignor or the charterer, except where the reloading is caused by technical necessity that arose after the commencement of the loading.

Article 129
Cargo shall be stowed on a ship at the ship captain's discretion. The cargo may not be stowed on the deck without a written consent of the consignor except for cargo that may be loaded on the deck under the applicable rules and customs. The carrier shall be responsible for the correct stowage, fastening and separation of cargo on the ship. The carrier's orders regarding the loading, fastening and separation shall be binding upon all natural and legal persons who render freight services.

Article 130
Goods may be carried in a covered lighter, separate storage area of the ship or in a container.

Article 131
The amount of time allowed for the loading or unloading a ship (lay time) shall be determined by agreement of the parties, and if there is no such agreement, according to the normal practice of the ports of loading and discharge.

Article 132
1. On the expiry of the time allowed for loading and discharge of goods, the parties may, by agreement, set an additional time (demurrage time) and the amount payable to the carrier (demurrage) for the delaying of the ship, also a reward (despatch) for the completion of loading and unloading of the ship prior to the expiry of the allowed lay time.
2. If there is no agreement between the parties, the duration of the demurrage time, the amount of demurrage, and the amount of the despatch payable to the charterer or the consignor shall be determined in accordance with the periods and rates that are normally used in the relevant port.
3. If the rates are not fixed, the amount of demurrage shall be calculated according to the cost of maintaining the ship and its crew, and the amount of despatch shall be one half the amount of the demurrage.

Article 133
If demurrage time expires during the loading of a ship, the carrier may claim damages and put the ship to sea, even if the ship is not fully loaded, as agreed in advance, for reasons beyond the control of the carrier. In this case, the carrier shall have the right to receive the full freight.

Article 134
1. If a ship is fully chartered by the consignor, the captain of the ship may not refuse to accept the delivered goods until the lay time and the demurrage time expire, if the parties so agreed, even if the receipt and stowage of the goods may delay the ship longer than the stipulated period.
2. After the expiration of the demurrage time, the consignor shall be obliged to pay to the carrier compensation for the loss incurred for each day of the delay.
3. If only a certain part of the ship is allocated for the carriage of cargo, the captain may, before the expiry of the lay time (or of the lay time and demurrage time) refuse to accept the goods delivered with delay if the stowage may cause an additional delay of the ship, that damages the rest of the cargo. The carrier shall still retain the right to receive the full freight.

Article 135
If the entire ship, its part or specific compartments are intended for the carriage of goods, the consignor may demand that the extraneous goods [all goods not belonging to him/her] be removed from those compartments at the port of departure,

and if the entire ship is made available, the shipper may make such demand at any port of call. If the extraneous goods are not removed in due time, the consignor shall have the right to demand proportionate discount of the freight, and compensation for damage incurred.

Article 136

1. If an easily flammable, explosive or other hazardous cargo has been accepted under a wrong name and upon its receipt the carrier was unable to identify the character of the cargo by visual examination, he/she may, based on the circumstances, unload, destroy or render the cargo innocuous at any time without compensating the consignor.
2. The consignor shall be liable for the damage caused to the carrier or to a third person due to the transportation of easily flammable, explosive or other hazardous cargo. In this case the freight shall not be refunded, and if the freight has not been paid by the time of sending the goods, the carrier shall have the right to demand its payment in full.

Article 137

If the cargo referred to in Article 136 of the Code is accepted on board a ship with the carrier's consent and it poses a threat to the ship, people on board and the cargo, the carrier may act in accordance with Article 136(1) of the Code. In this case, the consignor shall not be liable for the damage caused to the carrier as a result of the carriage of this cargo, except for the case of a general average. The carrier shall have the right to request the amount of freight that is proportional to the actual distance of the transportation till the moment of its termination.

Article 138

If the entire ship is made available for the carriage of goods, the carrier shall, upon request of the consignor, put the ship to sea, even if the cargo is not fully accepted. The carrier shall still retain the right to receive the freight in full.

Article 139

If the value of the cargo stowed on board cannot cover the freight and other cargo-handling costs of the carrier, and if the consignor has not paid the freight in full prior to the ship’s departure and has presented no additional security, the carrier shall have the right to cancel the contract prior to departure and claim one half of the agreed freight, demurrage charges (if any), and compensation of other expenses. Such cargo shall be unloaded at the consignor's expense.

Article 140

1. If the entire ship is made available for the carriage of goods, the consignor or the charterer may repudiate a contract, for which they must pay:
a) one half of the full freight, demurrage charges (if any), the carrier's cargo-handling costs, the amounts not included into the freight, if the consignor repudiated the contract before the lay time or demurrage time expire or before the ship’s departure, depending on which of these two moments occurs sooner;
b) the full freight and other amounts according to paragraph 1(a) of this article, if he/she has repudiated the contract after one of the moments referred to in this sub-paragraph has occurred or the agreement was concluded only for one voyage;
c) the full freight for the voyage made, other amounts referred to in paragraph 1(a) of this article and half of the freight for the rest of the voyages, if he/she has repudiated the contract after the occurrence of one of the moments referred to in this sub-paragraph and the agreement was concluded for several voyages.
2. If the consignor repudiates a contract of carriage by sea before the ship’s setting out on a voyage, the carrier shall be obliged to return the goods to the consignor, even if the unloading delays the ship longer than the stipulated period of time.
3. If the consignor repudiates a contract in the course of the voyage, he/she shall have the right to receive the goods only in the port of destination indicated in the contract or in another port where the ship calls out of necessity.

Article 141

1. If a part of the ship is at the disposal of the consignor under the contract of carriage by sea, he/she may repudiate the contract provided that he/she pays the full freight, demurrage charges (if any) and reimburses the carrier's cargo-handling costs not included in the full freight.
2. At the consignor's request, the carrier shall be obliged to release the goods prior to delivery to the port of destination only if it does not cause damage to the carrier and other consignors.

Article 142

1. Either party may repudiate the contract of carriage by sea before the ship's departure from the seaport without compensating the other party for the related costs in the following cases:
a) during military or other operations, when the ship or cargo may be at risk of capture by others;
b) if ports of shipment or destination are blockaded;
c) if the ship is detained by order of the authorities for reasons beyond the control of the parties to the contract;
d) if the ship is used for special purposes by its flag State or port State;

e) if authorities prohibit the export of the goods intended for carriage t from the port of departure or import of the goods into the port of destination.
2. The cases referred to in paragraph 1(c) and (d) of this article shall not constitute grounds for refusing to perform the contract of carriage by sea without compensating the other party for the damage incurred, provided that such delay is short.
3. In the cases under this article the carrier shall not bear the reloading costs.

Article 143
In the circumstances under Article 142 of this Code, either party may repudiate the contract during the voyage. In this case, the consignor shall reimburse the carrier for all cargo-handling costs, including unloading costs, and the freight in proportion to the actual distance of the carriage of the cargo.

Article 144
1. A contract of carriage by sea shall become unconditionally invalid and the parties shall not be obliged to compensate each other for the damage caused if after signing the contract and prior to the ship's departure from the port of loading the following circumstances occur due to the reasons beyond the control of the parties to the contract:
a) the ship is wrecked or captured by force;
b) the ship is considered unfit for navigation;
c) the specific cargo has perished;
d) the cargo has perished after it has been delivered for loading, and the consignor is unable to supply other goods instead.
2. Due to these circumstances, a contract of carriage by sea shall become invalid even during a voyage. The carrier shall be entitled to the freight in proportion to the actual distance covered, based on the quantity of the cargo saved or delivered by him/her.

Article 145
1. If a ship is unable to call at a port of destination due to a prohibition imposed by the authorities, natural disasters or other reasons beyond the control of the carrier, the carrier shall immediately notify the consignor.
2. If the entire ship is made available for the carriage of goods and if the consignor's instructions on how to handle the cargo do not arrive within a reasonable time after sending the notification, the ship's captain may act at his/her discretion and make the decision most favourable for the consignor and unload the cargo at the nearest port or return the cargo to the port of shipment.
3. If only a part of the ship is made available for the carriage of goods and it is impossible to call at the port of destination, the captain of the ship shall be obliged to unload the goods at another port according to the instructions of the consignor. If the captain of the ship, within three days and nights after sending the notification does not receive such instructions from the consignor, the captain may, at his/her discretion, unload the goods at the nearest port and notify the shipper. The captain may also take such decision, if the consignor's instructions cannot be followed without damaging the owners of the other goods on board.
4. The consignor shall be obliged to reimburse the carrier for the costs incurred while waiting for instructions, and all expenses related to the cargo and the freight in proportion to the actual distance covered by the ship.

Article 146
A cargo carrier shall be obliged to carry the goods within a specified period of time, and if such time has not been fixed, within the period of time normally used in such cases.

Article 147
Deviation from the course for the purpose of saving people, ships or cargoes, and other reasonable deviation, if it is not caused by the carrier's misconduct, shall not be constitute a breach of contract of carriage by sea.

Article 148
The cargo shall be delivered in the port of destination to the holder of the original bill of lading:
a) in the case of a straight bill of lading the cargo shall be delivered to the consignee indicated in the bill of lading or to a person to whom the bill of lading has been transferred by endorsement or in any other form established for the assignment of claims;
b) in the case of an order bill of lading the cargo shall be delivered to the consignee or the consignor, depending on whether the bill of lading is issued 'to the order of the consignee' or 'to the order of the consignor', and if there are instructions on the bill of lading for its transfer to a particular person, the cargo shall be transferred to a person who is indicated in the last of the continuous list of endorsements or to a person who presents the bill of lading with a final blank endorsement;
c) in the case of a bearer bill of lading the cargo shall be transferred to 'the presenter'.

Article 149

1. The shipper and the carrier may demand that the goods and their quantity be inspected prior to the delivery. The cost of inspection shall be borne by the party who requested such inspection.
2. If the goods are found to be defective and the defect is under the responsibility of the carrier, he/she shall reimburse the costs.

Article 150

1. If at the time of receipt of goods the consignee does not notify the carrier in writing about lost or damaged cargo carried under a bill of lading, it shall be considered that the goods have been delivered to the consignee according to the bill of lading, unless proved otherwise.
2. If the consignee and the carrier jointly inspected and examined the goods, a written statement about lost or damaged goods need not be presented.
3. If the loss, shortage or damage of goods could not be detected through usual methods, the consignee may report it within three days after receipt of the goods.

Article 151

In the case of loss, shortage or damage of goods for reasons beyond the control of the carrier, the freight shall be paid in full. In cases provided for in Articles 137, 144, 145 the freight shall be paid in proportion to the actual distance covered by the ship.

Article 152

1. The consignor (charterer) shall cover the total amount payable to the carrier. The consignee shall be permitted to pay shipping fees in cases stipulated by the agreement concluded between the consignor and the carrier, and in cases provided by the rules of maritime cabotage operations in Georgia.
2. The consignee shall be obliged to pay the freight upon receipt of goods (unless the freight has been prepaid), demurrage charges (if any) and cargo-handling costs, and in the case of a general average the consignee shall pay a general average contribution or provide a proper security.
3. The carrier shall have the right not to deliver the goods until the payment of shipping fees or presentation of security.
4. If the carrier has delivered the goods, he/she shall no longer have the right to claim unpaid remuneration, except when he/she was unable to retain the goods for reasons beyond his/her control.

Article 153

1. If only a part of a ship is used for the transportation of cargo, and the consignee has not requested the cargo at the port of destination, has not issued any relevant instructions, or has refused to accept the cargo, the carrier may store the goods in a safe place at the risk and expense of the consignor and shall be obliged to notify the consignor.
2. If the entire ship is used for the transportation of cargo, and the consignee has not appeared at the port of destination or has refused to accept the cargo, the ship's captain shall be obliged to immediately notify the consignor. The captain shall unload the cargo in the port and deliver it to a warehouse only after the period allowed for unloading and demurrage time have expired, unless other instructions relating to the shipment of the cargo have been received during this period. The time spent by the carrier for the delivery of cargo shall be deemed as the delay of the ship.
3. If the cargo deposited for safekeeping is not claimed within two months after the entry of the ship into the port, and if the consignor does not compensate the carrier all the costs related to this shipment, the carrier may sell the goods and notify the consignor. Unclaimed perishable goods may be sold prior to the expiration of the specified period. The carrier shall notify the consignor of this fact.
4. The rules and time limits for acceptance and storage of cargo by consignees in seaports of Georgia, and for the sale of unclaimed goods shall be determined in accordance with the procedures determined by the Ministry of Finance of Georgia.

Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 154

1. During maritime cabotage between seaports of Georgia, the port cargo storage fees accumulated as a result of the delayed removal of the goods by the consignee may increase three-fold.
2. The collection of the increased cargo storage fees shall commence not earlier than after one day and night elapse, and only after the natural or legal person, who is to pay the increased fees, is notified in writing.

Article 155

1. The proceeds from the sale of the goods, less the amount payable to the carrier, shall be credited to the carrier's deposit in order to be paid according to the entitlement.

2. If the proceeds from the sale of the goods are not enough to cover their sale and storage costs, and other expenses, the carrier may recover the shortage from the consignor.
3. If within six months after the sale of the goods nobody claims the right to the proceeds from the sale of the goods, then the deposited amount shall be transferred to the State Budget. The proceeds from the sale of undocumented goods shall be used to cover the carrier's loss.
4. The proceeds from the sale of undocumented goods shall be paid into the carrier's account to cover the loss caused to him/her as a result of paying for the shortage of the cargo.

Article 156
1. The carrier shall be liable for the loss, shortage or damage of the cargo taken over on board if he/she fails to prove that the loss, shortage or damage is caused by reasons beyond his/her control, namely:
a) superior force (*force majeure*);
b) perils and accidents of the sea or other navigable waters;
c) fire, unless caused by the actual fault of the carrier;
d) saving or attempting to save life, ship or cargo at sea;
e) orders issued by the relevant authorities or their application (detention, arrest, quarantine, etc.);
f) acts of war, acts of terrorism, civil commotions;
g) negligence or any other action of the shipper or the consignee;
h) latent defects of the cargo, its wastage resulting from inherent defect or quality, which does not exceed the established norms;
i) externally invisible defects of containers and packaging;
j) insufficient or unclear marking of the cargo;
k) strikes or other circumstances causing complete or partial stoppage or restraint of labour from whatever cause.
2. According to this article, the carrier shall become liable upon receipt of the goods for carriage and shall be released from the liability upon their delivery.
3. A contract of carriage by sea, which does not comply with the rules of this article, shall be void, except for the agreement on the assumption of liability for the goods from the moment of their receipt until their loading on board a ship and until delivery of the goods after their unloading.

Article 157
1. The carrier shall not be liable for the loss, shortage, damage or deterioration of the cargo, except for the cargo transported by cabotage, if he/she proves that it is caused by negligence or other action of the ship's captain, other members of the crew or the pilot in the course of sailing or navigating the ship.
2. The carrier shall be liable under Article 156 of this Code for the loss, shortage, damage or deterioration of the cargo during loading, stowage, carriage, unloading or delivery of the cargo caused by negligence or other action of persons specified in paragraph 1 of this article.

Article 158
The carrier shall not be liable for the shortage of goods delivered to the port of destination, if:
a) a ship's compartments, lighters and containers are in good order and the shipper’s seals are intact;
b) containers are intact, without any trace of being opened during the voyage;
c) the cargo is accompanied by a representative of the consignor or the consignee and the consignee cannot prove that the shortage of the cargo is caused through the carrier's fault.

Article 159
1. The carrier shall reimburse any harm caused by loss or damage of cargo as follows:
a) in the case of loss or shortage of the cargo – the cost of the missing goods;
b) in the case of damage or deterioration of the cargo – in the amount proportionate to the reduction of the value of the cargo.
2. The carrier shall return the received freight if it is not included in the cost of the lost or missing goods.

Article 160
1. The cost of lost or missing goods shall be determined by the current prices applicable in the port of destination at the moment of entry of the ship into this port or during its stay there. If the prices applicable in the port are not available, the cost shall be determined according to the prices applicable at that time in the port of loading, with the addition of carriage costs.
2. Cargo transportation costs (freight, duties, etc.) payable by the carrier but unpaid due to the loss, shortage, damage or deterioration of the goods shall be deducted from the amount of the compensation for lost, missing, damaged or deteriorated goods.

Article 161
1. Unless the value of the goods has been declared and included in the bill of lading, the compensation for the loss, shortage, damage or deterioration of the goods shall not exceed the 666.67 units of account (SDR) defined by the International Monetary Fund per cargo unit or 2.0 units of account per kilogram of gross weight of the lost, missing, damaged or deteriorated cargo, whichever is higher after the cost of the container or the cost of other articles of transport of the consignor are deducted. Costs of the container or other article of transport belonging to the consignor shall be deducted from this amount.
2. Any agreement on the reduction of these amounts shall be void.
3. The carrier's liability shall not be limited to the provisions of paragraph 1 of this article, if it is proved that the loss, shortage, damage, or deterioration of the goods is caused by gross negligence or intentional action.
4. Liability of the agent or servant of the carrier shall not be limited to the provisions of this Chapter, if it is proved that the loss, shortage, damage, or deterioration of the goods is caused by gross negligence or intentional action.
5. If the number of packages and units packed in a container or in any other article of transport is specified in the bill of lading, for the purposes of this article this number shall be deemed the number of packages or units according to the bill of lading.
6. If the number of packages and units packed in a container or in any other article of transport is not specified in the bill of lading, the number of the cargo shall be considered to be one package or one unit.

Article 162
In the case of loss or damage of a container or of any other equipment, the carrier shall be liable within the following limits:
a) for the loss of a container or of any other auxiliary equipment - within the limits of the value of the container or of the auxiliary equipment, considering their actual wear and tear at the moment of the loss;
b) for the damage of a container or of any other auxiliary equipment - in the amount of the cost of its repair at the port of destination, unless the carrier has repaired it independently and/or at his/her own expense before delivering it to the consignee.

Article 163
Freight and other payments, which are payable to the carrier, and the term of their payment shall be determined under the contract of carriage by sea. The consignor or the consignee shall pay the penalty for the overdue freight in compliance with the contract of carriage by sea.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102

Article 164
The consignor or the consignee, according to the contract of carriage by sea, shall be liable for the delay of the ship, for delayed or failed delivery of cargo, for the delayed cargo-handling operations carried out by the consignor or the consignee, and for other violations caused by the consignor's or the consignee's actions.

Chapter IX – Contract of Carriage of Passengers and Luggage by Sea (Passengers and Luggage)

Article 165
1. Under a contract of carriage of passengers by sea ('contract of carriage'), the carrier shall be obliged to safely carry the passengers to the port of destination. If luggage is received by the carrier, it shall be obliged to carry the luggage to the port of destination and to deliver the luggage to the person authorised to receive it.
2. A passenger shall be obliged to pay the fare and in the case of luggage transportation, the luggage charge.
3. Carriage of passengers by sea covers the period during which the passenger is on board the ship or in the course of embarkation or disembarkation, and the period during which the passenger is transported by water from land to the ship or vice-versa, if the cost of such transport is included in the fare or if the ship used for this purpose has been put at the disposal of the passenger by the carrier.

Article 166
A travel ticket issued by the carrier shall be the proof of conclusion of the contract of carriage and of payment of the fare. Registration of the luggage shall be evidenced by a luggage receipt.

Article 167
1. The following rules provided in this Chapter shall be applicable unless otherwise agreed to by the parties.
2. Any agreement between the parties that restricts the rights of passengers under this Chapter shall be void.

Article 168
For safe navigation and carriage of passengers, the carrier shall, before the beginning of the voyage, make the ship

seaworthy, promptly and properly man, equip and supply it with all necessary means, and maintain the ship in this condition for the entire period of carriage of passengers by sea.

Article 169

1. A passenger shall have the right to:
a) transport children for free or at a discount;
b) carry hand luggage for free within established limits;
c) check in luggage for carriage by paying a luggage charge.
2. The Agency shall approve the benefits and terms of service enjoyed by passengers.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 170

1. A passenger may, at any time before the departure or at any port at which the ship calls for embarkation and disembarkation during the voyage, terminate the contract of carriage.
2. A passenger who informs the carrier of the termination of the contract of carriage, may claim a refund of the amount paid for travel and for the carriage of luggage within the limits of the rules, time limits and the amount stipulated by the contract.
3. Passengers shall be fully reimbursed for travel and luggage carriage fees, if they:
a) terminate the contract of carriage before the expiry of the specified time;
b) fail to board the ship due to illness or refuse to travel for the same reason and submit a relevant medical certificate;
c) refuse to travel by reason of the carrier's actions.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102

Article 171

1. A passenger carrier may terminate a contract of carriage of passengers by sea due to the circumstances referred to in Article 142(1) of this Code.
2. A contract of carriage shall be considered cancelled if the circumstances referred to in Article 144(1) of this Code, except for sub-paragraphs (c) and (d), occur.
3. If a contract of carriage is cancelled prior to departure, the passenger shall be fully reimbursed for travel and luggage carriage fees. If the contract is terminated after the beginning of the voyage, the passenger shall be reimbursed in proportion to the distance to be covered.
4. If due to a natural disaster, unsatisfactory sanitary and epidemic conditions in the ports of departure and destination or along the travel route, or due to other events that are beyond the control of the carrier it is impossible to perform the contract of carriage of passengers, the carrier may delay the ship's departure, change the voyage route or the place of embarkation and disembarkation.

Article 172

1. Under a contract of carriage of passengers, the carrier shall be obliged to insure passengers and their luggage against accidents in accordance with the legislation of Georgia.
2. the insurance amount paid by a passenger shall be included in the price of the travel ticket.
3. Fault or neglect of the carrier or of his/her servants or agents acting within the scope of their employment shall be presumed, unless the contrary is proved, if a passenger dies or is injured as a result of a shipwreck, collision, stranding, explosion, fire or defect in the ship.
4. The limits of the carrier's liability in the case of a passenger's death or injury, or damage to luggage, shall be determined in accordance with Article 175 of this Code.
5. If an international agreement on the carriage of passengers is concluded with the participation of Georgia, the carrier's liability in the case of a passenger's death or injury shall be determined by the relevant agreement.
6. The burden of proving the extent of the damage and that the incident that caused the damage took place during the carriage, shall lie with the claimant.

Article 173

If the deposited luggage has not been claimed within six months after the entry of the ship in a port, it may be sold in accordance with the procedure established by the legislation of Georgia.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102

Article 174

1. The carrier shall be liable for the loss, damage or delay in the delivery of the deposited luggage, if it is caused through the fault of the carrier, or his/her servants and agents.
2. In the case of missing or damaged hand luggage, the carrier shall be liable only if the passenger proves that it is caused

by the carrier's gross negligence or international action.
3. In the case of lost, missing or damaged luggage, the passenger shall immediately notify in writing the carrier or his/her agent; in the case of 'a latent defect' the notification shall be made within three days. Otherwise the luggage shall be considered to be delivered to the passenger without damage, unless the contrary is proved.

Article 175
1. The carrier's liability shall be limited to:
a) for death or physical injury of the passenger – 46 666 units of account (SDRs);
b) for loss of a motor vehicle or its damage (with luggage) – 3 333 units of account per vehicle;
c) for loss of or damage to cabin luggage – 833 units of account per passenger;
d) for loss of or damage to luggage other than the luggage specified in paragraph 1(b and c) of this article – 1 200 units of account;
2. According to a contract of carriage of passengers and luggage by sea, the limitation period for any action for damages shall be three years.
3. 'SDR' is determined as a unit of account by the International Monetary Fund. The amount referred to in paragraph 1(a-d) of this article shall be converted into the national currency of the State the court of which adjudicates the case.

Chapter X – Cruise Contract

Article 176
1. Under a cruise contract, the cruise organiser undertakes to carry out a collective voyage at sea according to a specific program (cruise) and to provide cruise participants with appropriate services (carriage by sea, meals, household and excursion services, etc.).
2. Cruise participants undertake to pay the appropriate fees.

Article 177
1. A cruise ticket or equivalent document issued by the cruise organiser shall certify the conclusion of the cruise contract.
2. A cruise contract shall contain:
a) the name and type of the ship;
b) the name, surname and address of the cruise organiser;
c) the name, surname and address of the passenger;
d) the number and class of the cabin, the cruise cost, including other expenses incurred;
e) the ports of embarkation and disembarkation;
f) the time of departure and arrival;
g) the ports of call;
h) the types of services offered during the cruise.

Article 178
A cruise organiser shall be obliged to prepare the ship before the voyage pursuant to Article 168 of this Code and to maintain it in this condition for the entire cruise period.

Article 179
1. The following rules specified in this Chapter shall be applicable unless otherwise agreed by the parties.
2. Any agreement between the parties which restricts the rights of cruise participants under this Chapter shall be void.

Article 180
1. A cruise participant may repudiate the cruise contract at least one week before the start of the cruise and may claim a refund of the cruise price in the manner and within the period prescribed by the contract.
2. If the cruise organiser fails to provide the cruise participant with a place on the ship as agreed in the contract, or with the similar place on another ship with his/her consent, which is comparable in terms of comfort provided by the previous ship, the cruise participant may repudiate the contract and claim full refund of the price of the cruise.

Article 181
1. A cruise organiser may repudiate a contract before the start of the cruise due to the circumstances referred to in Article 142(1)(a)-(e) of this Code.
2. A contract shall be cancelled if the circumstances referred to in Article 142(1)(a)-(e) of this Code have occurred after the start of the cruise and the cruise has been stopped. In this case, the cruise organiser shall be obliged to reimburse the part of the paid fees to the cruise participant and take him/her back to the port of departure as requested.

Article 182

If the duration of a cruise is extended due to unforeseen circumstances, the cruise organiser shall be obliged to provide all services at his/her expense to the cruise participants.

Article 183
A cruise organiser shall be liable for the death or injury of a cruise participant, or for the shortage or damage to the goods under Articles 172, 174, 175 of this Code, and for the failure to fulfil other terms and conditions stated in the cruise contract.

Chapter XI – Hiring a Ship for a Specific Period of Time (Time-Charter)

Article 184
Under a contract of hiring a ship for a specific period of time (time-charter), the ship-owner undertakes to lease the ship to the lessee (charterer) for a certain period of time and for a fee to carry cargo, passengers or for other merchant shipping purposes.

Article 185
1. Time-charters shall be concluded in writing.
2. The following rules specified in this Chapter shall be applicable unless otherwise agreed by the parties.

Article 186
Time-charters shall include the name of the parties to the contract, the name of the ship, its technical and operational data (deadweight capacity, cargo capacity, speed, etc.), navigation areas, objectives of leasing (chartering), the freight amount, duration of the contract, and the place where the ship is to be handed over and the place where the ship is to be returned.

Article 187
1. Within the scope of the rights granted under a time-charter, the charterer may independently enter into an agreement with a third party in his/her name on chartering a ship for a certain period of time. Such agreement shall not exempt the charterer from the liability under the contract signed with the ship-owner.
2. The rules under this Chapter shall apply to a freight agreement concluded between the charterer and a third party.

Article 188
1. A ship-owner shall be obliged to deliver a technically properly functioning ship to the charterer, to ensure its unimpeded use for the purpose indicated in the time charter.
2. In the case of a time charter, the ship-owner shall be obliged to equip and man the ship, and maintain the navigable condition of the ship during the time charter period, cover the ship’s insurance and crew maintenance costs.

Article 189
1. The charterer shall be obliged to use the ship only under the conditions and for the purpose provided for in the time charter.
2. After the expiry of the time-charter the charterer shall be obliged to return the ship in the same condition as it was received (excluding a natural wear and tear).
3. In the case of a delayed return of the ship, the charterer shall be obliged to pay the costs of delay.

Article 190
1. If a ship is chartered to carry goods, the charterer may conclude a contract of carriage of goods in his/her name, sign the charter, issue bills of lading and other documents related to the shipment.
2. The charterer shall be liable for the failure to comply with the requirements provided for in these documents, in particular, in the bill of lading and other documents related to the shipment.
3. The charterer shall be also liable for the obligations arising out of the bill of lading or other documents related to shipment, which are signed by the ship's captain.

Article 191
Under a time charter party, the ship's captain and the crew shall carry out the charterer's instructions in relation to commercial exploitation of the ship, except for the instructions relating to the ship's management, internal regulations and the composition of the crew.

Article 192
A charterer shall be responsible for the loss caused by salvage, damage or wreck of the ship, provided that the damage was his/her fault.

Article 193
1. The charterer shall be obliged to pay the charter fee to the ship-owner within the period and as prescribed by the time charter.
2. The charterer shall be exempt from the freight and the ship-related costs for the period during which the ship is unfit for navigation due to defects.
3. If the ship's unfitness for navigation is caused through the charterer's fault, he/she shall be obliged to pay the full freight and compensate the damage caused.
4. In the case of delayed payment of the freight, the ship-owner may seize the ship from the charterer and demand compensation for the damage caused by the delay.

Article 194
In the case of a shipwreck, the freight shall be paid including the day of the wreck, and if this day cannot be determined, including the day of receipt of the last information about the ship.

Article 195
The rewards paid for sea salvage operations performed by the crew of the time-chartered ship before the expiration of the time charter period shall be equally distributed between the ship-owner and the charterer, excluding the amount necessary for the compensation of the damage inflicted on the ship and the share of the crew members.

Chapter XII – Hiring a Ship without a Crew (Bareboat Charter)

Article 196
1. Under a bareboat charter the ship-owner undertakes to transfer the ship without its crew to the lessee (charterer) for a certain period of time for navigation purposes.
2. After the expiration of the bareboat charter, the ship may be transferred to the ownership of the charterer, if the agreement provides for the right to acquire the title to the ship, the charterer has fulfilled his/her contractual obligations and has covered the last instalment of the freight.
3. Bareboat charter contracts may be concluded only under Article 42 of this Code.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 197
A bareboat charter shall be concluded in writing.

Article 198
1. A bareboat charter shall contain:
a) the name of the parties;
b) the purpose of the contract;
c) the name of the ship;
d) the date of building the ship;
e) the class of the ship;
f) the deadweight capacity and cargo capacity;
g) the power of the engines;
h) the speed of travel and the rate of fuel consumption;
i) the term for the use of the ship, after the expiration of which the right to ownership of the ship may be transferred to the charterer;
j) the amount of the bareboat charter fee and time limits for its payment;
k) the time and place of delivery of the ship to the charterer;
l) the right of the charterer to man the crew;
m) the party responsible for the payment of registration costs;
n) any other necessary data.
2. Unless otherwise provided for by the contract, the charterer, within the scope of authority under the bareboat charter, may enter into an agreement with a third party in his/her own name for the entire duration of the bareboat charter or for a certain period of time (sub-bareboat charter). Conclusion of such agreement shall not exempt the charterer from the liability under the contract signed with the ship-owner.

Article 199
1. The ship-owner shall be obliged to deliver to the charterer the ship fit for navigation in order for the charterer to accomplish the objectives of the bareboat charter.
2. The ship-owner shall be liable for all the defects of that the ship (including latent defects) existing at the moment of its

transfer.
3. The charterer may raise a claim with respect to the fitness of the ship for navigation or other defects within one year after the ship has been delivered.

Article 200
The provisions of the following article provided in this Chapter shall be applicable unless otherwise agreed by the parties.

Article 201
1. The charterer shall be obliged to maintain the ship in seaworthy condition and cover its maintenance and repair costs.
2. The risk of accidental wreck or accidental damage shall be transferred to the charterer together with the transfer of the ship.
3. In the case of a bareboat charter, during the period of operation of the bareboat charter, rewards for maritime salvage operations performed by the chartered ship shall belong to the charterer.

Article 202
1. The charterer may repudiate a bareboat charter and claim damages, if:
a) the ship-owner fails to transfer the ship to the charterer within a defined period of time;
b) due to the defects referred to in Article 199(2) of this Code, the charterer cannot use the ship in accordance with the bareboat charter.
2. The ship-owner shall have the right to repudiate a bareboat charter and claim the return of the ship, if the charterer fails to pay the bareboat charter fee within three months after the beginning of each period of payment.

Article 203
1. If the ship is returned, the ship-owner shall receive his/her due portion of the bareboat charter fee for the use of the ship.
2. In this case the charterer shall receive back his/her portion of the contractual price for the use of the ship.
3. The charterer shall be obliged to return the ship to the ship-owner in the same condition as it was received, taking into account normal wear and tear. In the case of deterioration of the ship, the charterer shall reimburse the damage to the ship-owner.
4. If the charterer improves the ship's condition, the ship-owner shall be obliged to compensate the costs incurred. If the ship-owner refuses to pay reimbursement for the improvement made to the ship, the charterer may separate what has been improved, if possible.

Chapter XIII – Maritime Mortgage

Article 204
1. A ship-owner (mortgagor) may pledge (mortgage any ship or its title, including a ship under construction, as security to obtain a loan or by way of a mortgage under other financial security.
2. A mortgagee may be any natural or legal person of Georgia or of a foreign State, to whom a ship may be pledged according to the legislation of Georgia.

Article 205
1. A mortgage agreement shall contain:
a) the name of the parties;
b) the addresses of the parties;
c) the essence of the security of the mortgage;
d) the form of the mortgage;
e) the period for the performance of obligations;
f) the evaluation of the ship and the place of its stay;
g) the registration, transfer, modification or replacement of the mortgage;
h) the priority ranking of the registered mortgage;
i) any other conditions raised by one of the parties and agreed between the parties.
2. The rights and obligations of the parties, and the procedure for concluding a mortgage agreement shall be defined in accordance with the legislation of the mortgagee's state, unless otherwise agreed by the parties.
3. A mortgage shall not mean the sale of the ship to the mortgagee, and the mortgagor shall not be considered to be a person who loses the right of ownership to the pledged ship.

Article 206
1. A mortgage agreement shall be properly certified and registered in the State Register of Ships of Georgia. A record to that effect shall be made in the ship's certificate of ownership.

2. The procedure for keeping record of mortgages shall be established by the Agency.
3. For the registration of a mortgage, the mortgagor shall submit the original ship mortgage agreement and a copy certified by a notary.
4. The Agency shall be obliged to provide the mortgagor, and upon request, to the mortgagee and other interested parties, with an extract from the State Register of Ships of Georgia.
5. The registration of mortgages and the issuance of extracts from the State Register of Ships shall be paid services.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 207
1. If the object of the mortgage is a ship that has already been transferred under a mortgage and constitutes security for mortgage obligations, the rights of the previous mortgage-holder shall remain in force as well.
2. The claims of the next mortgagee shall be satisfied after the claims of the previous mortgage have been satisfied from the value of the ship.
3. The priority rights of the mortgagees with respect to the satisfaction of their claims shall be determined according to the date and hour of their registration in the State Register of Ships of Georgia.
4. The mortgagor shall inform each subsequent mortgagee of all existing mortgages, the nature of the mortgage and of the formation of secured liabilities. If the mortgagor fails to comply with this requirement, he/she shall reimburse to any of the mortgagee the damage caused in relation to this issue.

Article 208
A mortgage holder shall be entitled to claim damages if the obligations have not been fulfilled within the time specified in the mortgage agreement, with the exception of cases where such right, under mortgage law or the contract, arises later or could be exercised earlier.

Article 209
A mortgagee may fully satisfy his/her needs at the expense of the pledged ship, in particular, the damage caused by the deferral of obligations and interest, and in the cases under the mortgage agreement, the penalty. Necessary costs of the mortgagee must be also reimbursed to secure mortgage requirements.

Article 210
1. A pledged ship shall be fined in accordance with the mortgage agreement.
2. The sale of the pledged ship, which has been fined, shall be made in accordance of the applicable legislation of Georgia, unless otherwise provided for by the mortgage contract.

Article 211
1. A mortgage shall be cancelled in the case of
a) repayment of the debt;
b) the termination of monetary obligation in any other way of debt repayment (a forced sale of the ship, etc.);
c) a shipwreck, excluding insurance reimbursement;
d) the existence of a special contract.
2. Upon request of the mortgagor, the mortgagee shall be obliged to provide the mortgagor with a duly certified document evidencing full or partial satisfaction of the obligations.
3. Upon receiving from the mortgagee a duly certified document proving full or partial satisfaction of the obligations, the mortgage registration authority shall be obliged to immediately make an appropriate entry in the State Register of Ships of Georgia.

Article 212
If the mortgagor has gone bankrupt after having registered a mortgage in the State Register of Ships of Georgia, the registered mortgage obligations shall be deemed unenforceable.

Article 213
1. A mortgage shall remain in force in the case where the mortgagee, in accordance with the rules established by law, assigns the claims secured by the mortgage to a third person or passes the debt to another person based on the circumstances of the mortgage security.
2. Upon receipt of duly certified documents evidencing the assignment by the mortgagee the claims secured by the mortgage to another person or the transfer by the mortgagor of the right to pass a debt to another person, a corresponding entry about the person to whom all the rights of the mortgagee or all the obligations of the mortgagor are passed, must be made in the State Register of Ships.

Article 214
1. If in any legal way, for example, in the case of death or bankruptcy, a mortgagee's rights are passed to another person, this person, who receives these rights, shall prove this by a duly certified declaration. The declaration must evidence the legality of the transfer of property and the powers of the person who owns the transferred mortgage.
2. On the basis of these documents, the name of the person to whom the rights of the mortgagee with respect to the entire ship or its part are transferred shall be entered in the State Register of Ships of Georgia.

Chapter XIV – Towing Contracts

Article 215
Under a towing contract, the ship-owner undertakes to:
a) tow a ship or other floating object from one port to another;
b) tow a ship or other floating object at a certain distance for a certain period of time;
c) manoeuvre or be on duty if necessary.

Article 216
1. Towing contracts shall be concluded in writing.
2. A towing contract shall contain:
a) the port of departure and the port of destination;
b) the time for towing operations;
c) the rights and obligations of the parties;
d) the liability for breach of contract;
e) the specific features of towing objects that may affect the safety of towing operations;
f) other circumstances that the parties deem necessary to include in the contract.

Article 217
1. To carry out operations under a towing contract, the parties shall be obliged to bring the ship or other floating object in proper condition in a timely manner.
2. The owner of the ship and/or of the towing ship shall not be liable for the defects of his/her ship and/or tug boat if he/she proves that the defects were not discoverable even by due diligence (latent defects).

Article 218
During towing operations if a towed ship or other floating object or any property and cargo on board is damaged while a captain of the towing ship navigates the towed ship or other floating object, the liability shall lie with the owner of the towing ship, unless otherwise agreed by the parties, and if the owner fails to prove his/her innocence.

Article 219
During towing operations if the towing ship or any property and cargo on its board is damaged while a captain of the towed ship or of other floating object carries out the towing operations, the responsibility shall lie with the owner of the towed ship or of other floating object, unless otherwise agreed by the parties, and if the owner fails to prove his/her innocence.

Article 220
The owner of the towing ship shall not be liable for damage to the towed ship or to other floating object or to any property and cargo on their board if the towing operations are carried out under icy conditions and unless it is proved that the damage has been caused by reason of the towing ship.

Article 221
Under a towing contract, the owner of the towing ship shall be liable from the moment of taking a ship or other floating object in tow at the point of departure and shall be exempt from the liability upon mooring or dropping an anchor of the ship or of other floating object at the final point of the towing operations.

Article 222
As a rule, the captain of the towing ship shall manage maritime towing operations, and has no right to interfere with the by-laws of the towed ship or of other floating object.

Article 223
If the ship-owner assigns the management of the ship to a person who is not the captain of the towing ship, then the legal relationship of this person with the captains of the towing ship and of the towed ship or of other floating object shall be determined by the towing contract.

Article 224
If the ship or other floating object is not made fit for towing operations within the period determined by the contract, after arriving at a point of departure, the owner of the towing ship shall have the right to cancel the contract and recover from the owner of the object to be towed compensation for the costs for the sailing distance from the point of departure to the point of destination, and to the base station (or to another point, not farther than the base station), the costs for sailing back, or payment for lost possible income (loss of expected gain).

Article 225
If a towing ship enters into the port of departure in unseaworthy state or is not fit for towing operations, the owner of the ship or other floating object shall be entitled to terminate the contract and to claim from the owner of the towing ship the compensation for the costs incurred and for possible income.

Article 226
Towing operations carried out by the ships sailing under the national flag of Georgia between the ports of Georgia, or to foreign ports and back, shall be regulated by this Code.
Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 227
If a towed ship or other floating object is involved in a marine incident for reasons beyond the control of the towing ship, the captain of the towing ship shall be obliged to provide the towed ship or other floating object with rescue facilities and provide assistance until the victims no longer require help. In that case, only the actually incurred expenses, without remuneration for salvage, shall be reimbursed to the towing ship.

Article 228
1. Under a contract of port towing operations, the owner of the towing ship shall, for remuneration, bring a ship or other floating object into or out of the waters of the port, conduct manoeuvring, mooring or other operations of the towed in the waters of the port.
2. A captain's statement shall be the evidence of entering into a contract for port towing operations.

Article 229
1. The captain of the towed ship or of other floating object shall manage port towing operations unless otherwise provided for by the contract.
2. Management of towing operations shall be assigned to the captain of the towing ship only under a written agreement.

Article 230
1. To ensure the safety of navigation, the necessity of towing operations for entry, exit and movement within the waters of a seaport, for manoeuvring, mooring and for performing other operations shall be determined by the port regulations.
2. A ship with the total capacity of 500 tons or less shall be exempt from the use of a towing ship, unless the captain does requests its use.
Law of Georgia No 69 of 27 June 2008– LHGI, No 12, 14.7.2008, Art. 91

Chapter XV – Maritime Insurance Contracts

Article 231
Under a maritime insurance contract, the insurer undertakes, in exchange for appropriate consideration (insurance premium), to indemnify the insurant, or another person for whose benefit the contract is signed, against losses related to certain perils or accidents (insured event) referred to in the contract.

Article 232
A maritime insurance contract shall be concluded in writing.

Article 233
1. The following rules provided in this Chapter shall be applicable unless otherwise agreed by the parties.
2. Any agreement contrary to the provisions expressly referred to in this Chapter shall be void.

Article 234
1. A subject-matter of maritime insurance may be any property interest related to sailing, such as a ship (including the one under construction), cargo, freight, transportation fee, rental fees, profit, and other claims secured by the ship, cargo or freight, wages or other remuneration of the captain and crew members, property or civil liability of the ship-owner

and of the cargo carrier, and risks assumed and guaranteed by the insurer (reinsurance).
2. A subject-matter of insurance shall be specified in the contract of maritime insurance.

Article 235
1. When concluding a contract, the insurant shall be obliged to provide the insurer with all information known to him/her to assess the level of risk of the circumstances or such information that he/she ought to have known, and other information requested by the insurer.
2. An insurant shall be exempt from the obligation to provide the insurer with generally known information and such information that he/she knows or ought to have known.
3. If an insurant provides insufficient or inaccurate information, the insurer may to repudiate the contract.

Article 236
The insurer shall, upon request of the insurant, hand over the document signed by him/her to the insurant, which contains the conditions of maritime insurance (insurance policy, insurance certificate, etc.).

Article 237
The insurant shall be obliged to pay the insurance premium to the insurer within the specified period of time. A maritime insurance contract shall not take effect unless the insurance premium is paid, unless otherwise provided for by the contract.

Article 238
An insurant may conclude a maritime insurance contract for his/her benefit or for the benefit of another person who may or may not be specified in the contract.

Article 239
If a maritime insurance contract is concluded for the benefit of another person, the insurant shall be obligated to perform all contractual obligations. The same shall apply to the person for the benefit of whom the contract is concluded, regardless of whether or not the contract is made upon his/her instructions provided that he/she subsequently consents to be insured.

Article 240
If an insurance contract is concluded for the benefit of another person, the insurant shall enjoy all the rights under the contract without the need to obtain a power of attorney from this person.

Article 241
When paying the insurance compensation, the insurer may require the presentation of the insurance policy or other insurance documents issued by him/her at the time of insurance.

Article 242
1. If the insured cargo is alienated, the insurance contract shall remain in force. All the rights and obligations of the insurant shall be transferred to the purchaser of the cargo.
2. If the insurance premium has not been paid prior to the alienation of the cargo, both the insurant and the person who has purchased the cargo shall be obliged to pay it. The requirement to pay the insurance premium shall not apply to the holder of the insurance policy or of any other insurance document in which there is no indication that the insurance premium has not been paid.

Article 243
1. In the case of alienation of an insured ship, the maritime insurance contract shall be terminated upon the alienation. If a ship is alienated during a voyage, the contract shall remain in force until the end of the voyage and all the rights and obligations of the insurant shall be transferred to the purchaser of the ship.
2. This article shall also apply to the liability insurance of the ship-owner.

Article 244
1. When concluding a maritime insurance contract, the insurant shall be obliged to declare the amount for which he/she insures the corresponding interest (sum insured).
2. If the sum insured is less than the actual value of the insured interest (insurable value), the insurer shall be liable for damages in proportion to the ratio of the sum insured to the insurable value.
3. If the sum insured referred to in the maritime insurance contract exceeds the insurable value, the contract shall be deemed invalid with respect to that part of the sum insured that exceeds the insurable value.

Article 245
If an interest is insured by several insurers for the amounts which in total exceed the insurable value, each insurer shall be liable only in the amount of the insurable value, and each of them shall be liable in the amount proportionate to the sum insured specified in the maritime insurance contract.

Article 246
1. A maritime insurance contract shall remain in force even if by the moment of its conclusion the risk of the occurrence of damage subject to obligatory compensation no longer exists or the damage has already occurred.
2. If, when entering into a maritime insurance contract, the insurer knew or should have known that the risk of the occurrence of an insured event no longer exists or if the insurant knew or should have known about the already occurred damage, then the party who did not know about it shall not be obligated to perform with the requirements of the insurance contract.
3. The insurance premium shall be due to the insurer in the case where there is no need for him/her to comply with the obligations under the maritime insurance contract.

Article 247
All cargoes, received or shipped by the insurant within a specified period of time, may be insured under a special agreement (general policy).

Article 248
1. The insurant shall be obliged to promptly provide the insurer with all necessary information upon receipt of notice of each shipment of cargo covered by the general policy, in particular:
a) the name of the ship carrying the cargo;
b) the route of carriage;
c) the sum insured.
2. The insurant shall not be exempt from the duties referred to in paragraph 1 of this article even if he/she receives a notification that the cargo arrived at its destination without damage.
3. If the insurant fails to provide the insurer with necessary information or provides it with delay, the insurer may refuse to compensate the damage related to such shipment of cargo. The insurer shall retain the right to the insurance premium, which he/she would have received if the insurant cannot prove that the failure to deliver or delayed delivery of the information was not a result of his/her deliberate action.
4. If the insurant has intentionally delayed the delivery of necessary information, or failed to deliver or delivered false information about the cargo and the sum insured, the insurer may refuse to provide insurance under the general insurance policy. The insurer shall retain the right to the insurance premium which he/she would have received had the insurant faithfully and fully complied with the conditions of the insurance contract.

Article 249
1. The insurer shall be obliged to issue a policy or an insurance certificate for each shipment of cargo covered by the general policy, as requested by the insurant.
2. In the case of discrepancy between the content of the policy or insurance certificate and the general policy, the policy and insurance certificate shall take priority.

Article 250
The insurer shall not be liable for the damage caused by gross negligence or intentional action of the insurant, the consignor, the consignee or their representative.

Article 251
1. When a ship is insured, the insurer shall not be liable, except for the cases referred to in Article 250 of this Code, for damage caused as a result of sailing the ship in unseaworthy condition, unless it was the result of a latent defect.
2. The insurer shall not be also liable for the dilapidation, natural wear-and-tear of the ship and of its equipment and for the damage caused by explosive and self-igniting substances, if such cargo was loaded on board with the consent of the insurant or his/her representative but without the knowledge of the insurer.

Article 252
While insuring a cargo or anticipated profit, the insurer shall not be liable, except for the cases referred to in Article 250 of this Code, for damage caused as a result of inherent characteristics of the cargo (deterioration, loss, rust, mould, breakage or leakage, and self-ignition, etc.) and improper packing.

Article 253
Articles 250, 251 and 252 of this Code shall be applied with respect to freight insurance.

Article 254
The insurer shall not be liable for losses caused by radiation or radioactive damage during a nuclear explosion, unless otherwise provided for in the agreement.

Article 255
The insurer shall not be liable for damage caused as a result of the capture of the ship as a result of military actions or measures, pirate attacks, civil commotion, strike, confiscation, requisition, arrest or destruction of the ship or cargo by order of military or civil authorities.

Article 256
1. The insurant shall be obliged to immediately notify the insurer about all significant changes related to the subject-matter of insurance (transhipment, change of mode of transport, change of port of discharge, deviation from the agreed or usual route, leaving for wintering, etc.).
2. In the case of an increased risk against the subject-matter of insurance, if it is not related to salvage of life, ship or cargo, the insurer shall be entitled to revise the terms of the agreement and require additional insurance premium. If the insurant does not agree, the maritime insurance contract shall be cancelled upon occurrence of such change.

Article 257
1. Upon the occurrence of the insured event, the insurant shall be obliged to take all measures required of him/her to prevent and reduce the damage and shall immediately notify the insurer about the occurrence of the insured event and follow the instructions of the insurer, if any.
2. If the insurant by gross negligence or intentional action failed to take measures to prevent or reduce the damage, the insurer shall be released from liability for compensation of damage.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91

Article 258
Upon request of the insurant, the insurer shall be obliged to provide security for the payment of general average contribution within the limits of the sum insured.

Article 259
When preparing a general average statement, the insurant shall be obliged to protect the interests of the insurer.

Article 260
1. If the insured event occurs, the insurer shall have the right to be exempt from the obligations imposed under the marine insurance contract by way of paying the entire sum insured. The insurer shall notify the insurant of his/her intention to use this right within seven days after the receipt of the last notification on the insured event, and shall be obliged to compensate the damage prevention and reduction costs incurred by the insurant prior to the receipt of this notification.
2. In the case specified in this article, the insurer shall not obtain the title to the insured property by way of paying the sum insured.

Article 261
1. The insurer shall be obliged to reimburse the expenses incurred by the insurant to reduce or avoid the damages for which the insurer is responsible and the costs incurred to carry out the instructions of the insurer, to ascertain and determine the extent of the damage which is to be reimbursed by the insurer, and the costs related to the preparation of a general average statement.
2. The costs referred to in this article shall be reimbursed in proportion to the ratio of the sum insured to the insurable value.

Article 262
1. The insurer shall be liable for damages only within the limits of the sum insured. The costs referred to in Article 261 of this Code and the costs of general average shall be reimbursed by the insurer, regardless of whether or not this amount together with the damage exceeds the sum insured.
2. The insurer shall also be liable for the damage caused by several consecutive insured events even if their total amount exceeds the sum insured.

Article 263
If the sum insured is reimbursed in full, except for the case provided for in Article 260 of this Code, the following shall be conveyed to the insurer with his/her consent:

a) all the rights to the insured property, in the total value is insured-;
b) the right to a part of the property insured, in proportion to the ratio of the insured sum to the insurable value, if part of the value is insured.

Article 264
1. If the ship is missing, the insurer shall be liable to the full amount of the sum insured.
2. A ship shall be deemed to be missing if no information of it has been received for three months. If ongoing acts of war have prevented the receipt of this news, then this term shall be extended to six months.
3. If the ship is insured for a definite period of time, according to the maritime insurance contract, the insurer shall be liable for the disappearance of the ship without a trace if the latest news about the ship has been received before the expiration of the contract and if the insurer fails to prove that the shipwreck occurred prior to the expiry of the contract.

Article 265
1. The insurant may waive his/her right to the insured property (abandonment) and require the insurer to pay the sum insured in full, if:
a) the ship is missing;
b) the restoration or repair of the insured ship (constructive total loss) is economically infeasible;
c) the elimination of the causes of damage of the insured cargo or its delivery to the point of destination is economically infeasible;
d) the ship or cargo is seized, and both are insured against such threats, and the seizure continues for two months.
2. A state-owned ship may be abandoned only according to Article 42 of this Code.
3. An agreement of the parties contrary to this article shall be void.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 266
1. The insurant shall give a notice of abandonment within six months from the moment of the expiry of the period referred to in Articles 264 and 265 of the Code (start the occurrence of the circumstances).
2. After six months the insurant shall lose the right of abandonment, but may claim damages according to the standard procedure.
3. The insurant's notice of abandonment shall be unconditional and irrevocable.
4. Any agreement of the parties contrary to this article shall be void.

Article 267
If after receipt of the compensation from the insurer it has become known that there has not been a ship wreck or the captured ship and cargo have been released, the insurer may demand that the insurant retain the property and return the insurance compensation, less the damage, if any, suffered by the insurant.

Article 268
1. The insurer who has paid insurance compensation shall be subrogated, to the extent of the amount paid, to claims that the insurant (or beneficiary) may have against the person responsible for the damage. This right shall be exercised by the insurer according to the rules established for the recipient of compensation.
2. If the insurant waives his/her rights against a person who is responsible for the damage inflicted or if the use of this right is impossible through the insurant's fault, the insurer shall be exempt from the insurance reimbursement in whole or in the corresponding part.

Article 269
In the cases provided for in Articles 263, 265 and 268 of this Code, the insurant shall be obliged to deliver all the documents and evidence to the insurer, and provide the necessary information for the use of the transferred rights.

Article 270
If a third person has reimbursed the damage to the insurant, the insurer shall pay only the difference between the amount payable under the insurance contract and the amount received from the third party.

Chapter XVI – General Average

Article 271
1. General average means damage caused as a result of any extraordinary expenditure or sacrifice intentionally and reasonably made or incurred to save the ship, freight and goods facing a common peril.
2. General average shall be adjusted among the ship, freight and cargo according to their value at the place and time where and when the voyage ends.

3. In this Chapter freight shall also mean cost of carriage of passengers and their luggage.

Article 272

Articles 273-283 of this Code shall apply only in the cases where the parties have not agreed otherwise.

Article 273

The following shall be regarded as general average, provided the events specified in Article 271 take place:

a) damage caused by jettisoning the cargo or ship's equipment, and damage caused to the ship or cargo in the course of carrying out common rescue operations as a result of water which goes down the hatches opened or other opening made for the purpose of jettisoning of the cargo;

b) damage done to the ship and/or cargo in extinguishing fire on board, including scuttling or beaching the burning ship;

c) damage caused by intentional stranding and refloating, whether or not the ship might have been driven on shore;

d) damage caused to engines, other ship equipment and boilers in attempting to refloat the ship;

e) extraordinary expenses incurred when a ship is ashore, for discharge of cargo, fuel or other supplies into lighters, for their reshipping and for hiring lighters;

f) damage inflicted as a result of loss or damage of cargo, fuel or supplies, caused by their handling on board or by their discharge, re-loading or stowage, or storage, if the costs incurred for the performance of these operations are recognised as general average;

g) expenses incurred in salvage operations, whether or not carried out under a contract, to the extent to which the salvage operations are performed to preserve from peril the ship, freight and cargo;

h) loss of freight caused by the loss of cargo - when the loss of cargo is compensated as general average, deduction shall be made from the amount of the [gross] freight of the expenses which the carrier would have incurred to receive such freight, but has not incurred due to the sacrifice.

Article 274

The following shall also be admitted as general average or equal to general average:

a) costs incurred when a ship is forced to enter a place of refuge or to return to the place of loading due to an accident or other extraordinary circumstances, when such entry or return is necessary for common safety;

b) costs incurred due to the departure of the ship from a place of refuge or port of loading with its original cargo or its part, where it was forced to return;

c) expenses related to the handling of cargo, fuel or supplies at the ports of entry and departure or refuge, which was incurred for common safety or to repair the damage caused to the returned ship by an accident or other extraordinary circumstances, if the repairs were necessary to continue safe voyage;

d) storage costs incurred, including insurance if reasonable incurred, during reloading and stowage of discharged and restowed fuel, cargo or supplies under the circumstances referred to in subparagraph (c) of this article, provided the ship is condemned or if it fails to proceed on its voyage, storage costs shall be considered to be general average only up to the date of the ship's condemnation, abandonment of the voyage or up to the date of completion of discharge [of cargo], provided the ship's condemnation or abandonment takes place before this date;

e) expenses incurred for wages, maintenance of the crew, fuel and supplies during the prolongation of the voyage caused by a ship's entering a place of refuge or its returning to the port under the circumstances referred to in subparagraphs (a) and (c) of this article, provided the ship is condemned or abandons the original voyage; the mentioned costs shall be considered as general average up to the date of the ship's condemnation, abandonment of the voyage or up to the date of completion of discharge, provided the ship's condemnation or abandonment takes place before this date;

f) expenses incurred due to the detention of a ship at any place in the interests of the common safety because of an accident or other extraordinary circumstances, or for repair of a ship damaged under such circumstances, if this repair is necessary to continue a safe voyage; costs related to the detention of the ship at any place, and expenses related to wages and crew maintenance, port, fuel and supplies, arising due to the delay, shall be reimbursed according to general average adjustment rules, less the costs arising from the repair not included in general average;

g) expenses for a ship's temporary repair carried out for the common safety, at the places of loading, entry or refuge, and a temporary repair of the damage included in general average. The costs for temporary repair of accidental damages, which was necessary only to complete the given voyage, shall be reimbursed only within the limits of those saved expenses which would have been allowed in general average if these repairs have not been effected there;

h) any additional expense incurred in place of another expense which would have been included in general average. These costs shall be reimbursed only up to the amount of the general average expense avoided, regardless of the saving made by any of the participants of the general average.

Article 275

Damage, which is not referred to Articles 271, 273 and 274 of the Code, shall belong to particular average. Such damage shall not be distributed between a ship, cargo and freight. It shall be reimbursed by a person who has been damaged, or the one who is responsible for the damages.

Article 276

Regardless of the existence of the circumstances listed in Article 271, the following shall not be included in general average:

a) the value of jettisoned self-igniting cargo which is burning, and such cargo, which is shipped in breach of maritime trade rules and practices;

b) any damage caused by smoke or heat during fire extinguishing on board a ship;

c) damage sustained by cutting away wrecked or parts of the ship that have been carried away or are effectively lost by accident before sacrifices are made for common safety;

d) costs of handling on board or discharging cargo, fuel or supplies at a port of departure, entry or refuge, when the ship's damage is detected at a port of entry or departure and where no accident or other extraordinary circumstances connected with this damage has occurred during the voyage, and where the expenses are incurred only for restowage purposes due to shifting - dropping of goods during the voyage, unless such restowage is necessary for the common safety;

e) expenses incurred during the repairs for wages or the maintenance of the crew, for fuel and supplies, even when the repairs are necessary to continue a safe voyage and when the damage has been discovered at a port of departure or entry, provided that there is no accident or other extraordinary circumstances connected with this damage has occurred during the voyage;

f) any damage or loss caused to a ship or cargo as a result of the prolongation of the voyage (demurrage, loss of market, etc.).

Article 277

General average shall be adjusted according to the rules set forth in Article 271 of the Code, even if a threat causing extraordinary expenditures or sacrifices has arisen through a fault of person who has a property interest in the ship, freight or cargo. Such adjustment shall not deprive other participants in general average of the right to be reimbursed by the person responsible for the damage inflicted and this person shall not be deprived of possible remedies.

Article 278

1. Losses caused by damage or loss of cargo deliberately taken on board or shipped under a wrong name without permission of the ship-owner or of his/her agent shall not be distributed in accordance with Article 271 of this Code. If the cargo has been saved, its owner shall be obliged to take part in contributing to general average according to the standard procedure.

2. If the cost of cargo during its delivery for carriage is declared as less than its actual cost, the owner of the cargo shall take part in contributions to general average according to the actual cost of the cargo, but shall receive compensation according to the cost declared by him/her.

Article 279

1. The amount to be allowed as general average for damage to the ship, its machinery and gear caused by a general average act shall be as follows:

a) when the ship is repaired or its parts are replaced, the actual cost of repair or replacement;

b) in other cases, depreciation caused by such damage, but not exceeding the assessed cost of repairs.

2. If old material or parts are replaced by new ones on a ship that is over fifteen years old, – the cost of repairs deemed as general average shall be subject to 'new for old' deductions by one third.

3. In the case of actual or constructive total loss of the ship – the amount to be compensated according to general average shall be the difference between the net sound value of the ship less the cost necessary for the repair of the damage not included in general average - and the cost of the damaged ship, which may be ascertained according to the net proceeds of sale, if the ship is sold.

Article 280

1. The amount to be compensated as general average for damage to or loss of cargo sacrificed, shall be the value at the time of discharge, ascertained from the commercial invoice submitted to the consignee, and if there is no such invoice, from the value of the goods at the place of production. The value at the time of discharge shall include the cost of insurance and freight, except insofar as such freight is at risk of interests other than the cargo.

2. When the damaged cargo is sold, the loss to be compensated shall be the difference between the net sound value of the ship and net proceeds of sale.

Article 281

A commission of two per cent on general average disbursements, except for the maintenance of the crew and wages during the voyage, and fuel and supplies not replaced during the voyage, shall be allowed for the benefit of the party who bears the expenses.

Article 282
Interest at the rate of 7 per cent per annum shall be allowed on expenditures and other allowances in general average, from the moment of incurring the expenses until the issue of the general average adjustment. If any payment is made for the compensation of damage or expenses according to the general average procedures, then interest shall be charged on the amount paid including the day of its payment.

Article 283
1. Contributions to a general average shall be made upon the net value of the property at the end of the voyage, except for cargo contributions, which shall be the value at the time of discharge ascertained from the commercial invoice submitted by the consignee, and in the absence of the report, from the price of the cargo at the place of production. The value at the time of discharge shall include the cost of insurance and freight, insofar as such freight is at the risk of interests other than the cargo. In such circumstances, any loss or damage suffered by the cargo at the moment of discharge shall be deducted from the value of the cargo.
2. A ship's value shall be assessed without taking into account the beneficial or detrimental effect of any demise or a time charter-party [to which the ship may be committed].
3. The value of the ship shall be added to the amount compensated as general average for property sacrificed, if it has not already been included. Deductions shall be made from the freight and passage money at risk of the ship-owner of the expenses related to the maintenance of the crew and their wages which would not have been incurred if the ship and the cargo had been totally lost under the circumstances that caused the general average, and have not been included in general average.
4. All additional charges incurred with respect to the property after the general average act, shall be deducted from the value of the property, except for the charges included in general average.
5. Personal effects and luggage of passengers on which a bill of lading has not been issued shall not be included in the contributions to general average.

Article 284
An average adjuster shall estimate the extent of general average and shall calculate its distribution upon the application of interested persons. The average adjuster is appointed by a ship-owner from among the employees of maritime survey companies registered in Georgia. The average adjuster must have proper knowledge and experience in the field of private maritime law and merchant marine.

Article 285
1. A party who demands the adjustment of general average shall prove that the declared damage or costs are really recognised as general average.
2. All the material on the basis of which a general average statement is prepared shall be available for review. An average adjuster shall be obliged to give certified copies of these materials to the interested persons as requested, at their own expense.

Article 286
An average statement shall be drawn up for a fee, which is included in the general average statement and is distributed to all interested parties in proportion to their participation in the general average.

Article 287
Interested parties may appeal the general average statement to a court within six months, of which they must notify the average adjuster and send a copy of the statement of claim to him/her.

Article 288
If an average statement has not been appealed within the period provided for in Article 287 or has been appealed, but the court retained it in force, it may be reimbursed by means of an executive inscription [writ] of a notary. To obtain this executive inscription the general average statement and the average adjuster’s notice certifying that the general average statement has not been cancelled or changed by the court must be submitted to the notary's office.

Article 289
When establishing the type of accident, calculating the extent of general average and preparing an average statement, if the law is not complete [does not regulate all the issues at hand], an average adjuster shall act in accordance with the internationally recognised customs of maritime trade.

Chapter XVII – Reimbursement of Damages Caused by the Collision of Ships

Article 290

1. The rules of this Chapter shall be applied during the collision of ships at sea or in other waters.
2. According to this Chapter, an event during which one ship inflicts damage to another ship or people, cargo or other property on board by execution or non-execution of manoeuvres, or by breaching navigation rules even if there has been no physical contact between the ships shall also be treated as a ship collision.

Article 291
None of the ships involved in a collision shall be deemed to be at fault until so proved.

Article 292
If the collision is caused by one of the ships' wrong action or negligence, the damage shall be covered by the side that caused the collision.

Article 293
If a collision is caused by reason of all the ships involved in the collision, then the parties shall be liable in accordance with their fault in the collision. If it is impossible to establish the degree of fault, liability shall be evenly distributed between the parties.

Article 294
1. If a collision occurs due to a superior force (*force majeure*), and if it is impossible to determine the reason of the collision, damage shall be compensated by the party who suffered it.
2. This rule shall apply even in the case where the ships, or at least one of them, was anchored or otherwise fastened at the moment of the collision.

Article 295
1. In the case referred to in Article 293 of this Code, ship-owners shall be liable (jointly and severally) to a third party due to the harm caused by death or injury; the ship-owner who has paid more money than is required shall have the right to claim refund from other ship-owners.
2. All other damages inflicted to a third party shall be compensated in accordance with Article 293, but without joint and several liability.

Article 296
Liability established under Articles 292, 293 and 295 of this Code shall apply even if the collision is caused by a pilot or by reason of navigation management system.

Article 297
1. The captain of each ship involved in a collision shall be obliged, after the collision, to assist another ship, its crew and passengers as far as possible without seriously endangering his/her own ship, crew members and passengers.
2. Ship captains shall be obliged to inform each other of the name of their ships, port or registry, and ports of departure and destination or the nearest port, at which the ship will call.
3. The captain shall be liable under the legislation in force for the failure to perform the obligations under this article.
4. The ship-owner shall not be liable for the failure of the captain to fulfil the obligations under this article.

Chapter XVIII – Compensation for Damages Resulting from Environmental Pollution by Ships

Article 298
1. The ship-owner or a person defined in Article 14 of this Code shall be liable for the damage caused by escape or release of oil from the ship or by discharge from the ship into the sea of those substances ('the pollutants') that are harmful to human health and living resources of the sea, with the exception of the case specified in Article 299.
2. The loss resulting from sea pollution shall be the damage that is inflicted on the marine environment, coast or any other object (ships, fishing gear, etc.) by external pollutants of the ship. It shall include any amount spent by any person for the implementation of reasonable measures that could cause or have already caused escape or discharge pollutants to prevent or minimise the pollution damage, and the harm caused by these measures.

Article 299
The ship-owner shall not be liable for the damage caused by sea pollution if he/she proves that the pollution is caused by:
a) natural phenomenon of extraordinary, irresistible and inevitable character;
b) acts of war, hostilities or civil commotions;
c) a third person who acted or failed to act with intent to inflict damage;
d) malfunctioning lights or other navigation facilities, which is caused by the negligence or other unjustified actions of the authorities responsible for the proper operation of these facilities;

e) accidental pollutant discharge into sea caused by refusal of a port to receive sewage, garbage and other harmful substances.

Article 300
If the ship-owner proves that the damage resulting from sea pollution is partially or fully caused by intentional action or negligence of another responsible person and/or victim, then the amount of compensation payable for the damages by the ship-owner shall be reduced according to the degree of fault of the responsible party and/or of the victim or shall be completely exempted from the payment of damages.

Article 301
If damage resulting from sea pollution is caused by an escape or discharge of harmful substances from two or more ships into the sea and the degree of fault of each ship-owner cannot be established, the ship-owners shall be jointly and severally liable for damages.

Article 302
1. The ship-owner's liability for damage caused by sea pollution as a result of escape or discharge of harmful substances into the sea, in respect of one and several cases having occurred on the same ground shall be limited to a total sum of the IMF 133 units of account per each unit of the ship's capacity. This total sum shall not exceed 14 million units of account.
2. Capacity of a ship shall be the net tonnage of the ship plus the area of the engine room. If the capacity of a ship cannot be determined by usual rules of measurement, then it is considered that the capacity of the ship is 40 per cent of the volume (in tons) of oil or other substances that the ship can carry.

Article 303
In order to limit his/her liability for the pollution referred to in Article 302, the ship-owner may constitute a fund by depositing with the court or arbitral tribunal in which the owner faces the claim for damages, security that is equal to the monetary limit of his/her liability. The fund shall be set up by money transfer (deposit) or by other types of security, which is recognised by the court or arbitral tribunal to be acceptable and sufficient.

Article 304
1. A ship-owner carrying by tanker more than 2 000 tons of oil, shall be required to maintain insurance banking or other security covering his/her liability for damage caused by pollution.
2. A claim for damages due to oil pollution may be made against the insurer that has the same liability as the ship-owner or to another person that covers the liability of the ship-owner. A person against whom such a lawsuit has been brought, pursuant to Articles 302 and 303 of this Code, shall have the right to limit his/her liability and to establish a fund, which is equal to the monetary limit of the liability, even if the ship owner's liability, pursuant to Article 337 of this Code, cannot not be limited. In the case of such a lawsuit the defendant shall have the right to challenge the claims of the victim, on which the ship-owner could rely himself/herself, except for the insolvency of the ship-owner and liquidation of his/her enterprise. The defendant shall also be released from responsibility if he/she proves that the damage caused by oil pollution of the sea is the result of an intentional act of the crew of the ship. At the request of the defendant, the ship-owner shall appear in court during the hearing as a co-defendant.
3. A claim for damages, if it was not caused by wilful act or inaction or gross negligence, may not be raised against:
a) servants and/or agents of the owner or crew members;
b) any person who works on board the ship but is not a crew member;
c) charterers, including bareboat charterers and ship-managers, their servants and agents;
d) salvors, their servants and agents, who have carried out the salvage operations with the consent of the owner or upon the instructions of maritime authorities.
4. The owner's right of recourse shall not be limited.

Article 305
1. A ship carrying more than 2 000 tons of oil must have an appropriate valid certificate confirming that the liability of the ship-owner for oil pollution of the sea is covered in compliance with the requirements of Article 304 of the Code.
2. The Agency shall establish the rules and conditions for the issuance, verification and recognition of a certificate referred to in paragraph 1 of this article.
Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 306
Liability for damage caused by sea pollution shall be defined in accordance with Articles 337, 341, 342, 343, 348 of this Code.

Article 307
The term 'oil' means any persistent oil such as, crude oil, fuel oil, heavy diesel oil and lubricating oils, and whale and fish oil.

Chapter XIX – Liability of a Nuclear Ship Operator for Nuclear Damage

Article 308
1. A nuclear ship operator shall be liable for nuclear damage caused by a nuclear incident related to the nuclear ship, except for the cases specified in paragraph 1 of Article 310 of this Chapter.
2. Nuclear damage may be inflicted on a person or property by nuclear fuel with radioactive properties or radioactive and toxic, explosive or other hazardous properties, by radioactive products or waste of a nuclear ship, or by expenses incurred for the prevention or reduction of the damage.
3. Whenever both nuclear damage and damage other than nuclear damage have been caused, and the nuclear damage and such other damage cannot be separated, then the entire damage shall be considered to be nuclear damage.
4. Damage inflicted on a nuclear ship, its equipment, nuclear fuel, fuel and food supplies shall not be considered to be nuclear damage.
5. A nuclear incident shall be any occurrences or series of occurrences having the same origin which causes damage according to paragraphs 2 and 3 of this article.

Article 309
1. Except as provided in Article 314, no person other than the nuclear ship operator shall be liable for nuclear damage.
2. A nuclear ship operator is a natural or legal person authorised by the flag State to operate the ship, or who directly operates the ship.

Article 310
1. A nuclear ship operator shall be obliged to compensate nuclear damage if he/she fails to prove that the damage is caused by an act of war, hostilities, and civil commotion or *force majeure*.
2. If the operator proves that the nuclear damage is caused in whole or in part by intentional act of the victim, he/she shall be wholly or partially exempt from liability to the victim.

Article 311
1. A nuclear ship operator, who has paid compensation for nuclear damage, shall have the right of recourse against:
a) a person who has intentionally caused the nuclear damage;
b) a person who raised the sunken nuclear ship without the authorisation of the operator or of the ship's flag State, provided the damage is the result of his/her actions.
2. A claim of recourse may be also made against a person who has undertaken to reimburse nuclear damage in agreement with the operator of the nuclear ship. In the case under this article, a claim of recourse may also be made against a person who reimbursed the damage pursuant to Article 317 of this Code.

Article 312
1. A nuclear ship operator's liability for nuclear damage caused by a nuclear incident related to this ship shall be determined by the International Monetary Fund 81.97 million units of account, including court costs.
2. If a claim for damages inflicted on a natural person or property as a result of nuclear incident is made, then the first part of the sum established under paragraph 1 of this article, in the amount of 57.38 million units of account is intended solely to compensate the damage caused to the natural person; the second part, in the amount of 24.59 million units of account is intended to compensate the property damage.
3. If the first part of this sum is not enough to compensate the damage caused to the natural person, then the remaining amount shall be paid in proportion to the amount of the second part, together with the claim for property damages.
4. The amount of money that is intended to cover the claims shall be distributed among the claimants in proportion to their established clams.

Article 313
1. If nuclear damage is caused by operators of several nuclear ships, they shall be jointly and severally liable. The liability of the nuclear ship operator against whom a claim for the total damages is brought, may not exceed the limit established in paragraph 1 of Article 312.
2. A nuclear ship operator who has reimbursed the damage according to paragraph 1 of this article may demand from other operators of the nuclear ships compensation in proportion to the damages caused by each of them, and if the degree of fault cannot be apportioned, in equal parts.

Article 314

In the event of nuclear damage involving a nuclear ship that at the time of the nuclear incident does not have a permit issued by the flag State of the ship, the liability shall lie with the owner of the ship. In this case, the liability of the operator of the nuclear ship under Article 312 of this Code shall not be limited.

Article 315

1. In the case of a nuclear incident where a workman is injured when performing his/her labour (official) duties, the liability shall lie with the operator of the ship. The ship operator shall also be obliged to pay insurance premiums for the victim.
2. If the victim receives assistance or special pension insurance, then the compensation shall be made according to the legislation of Georgia.

Article 316

1. A nuclear ship must have an appropriate valid licence, which confirms that in the case of a nuclear accident the liability of the nuclear ship operator is covered in accordance with Article 312 of this Code.
2. The Agency shall establish the conditions and rules for the issuance, verification and recognition of the certificate specified in paragraph 1 of this article.

Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011

Article 317

1. A claim for nuclear damage caused by a nuclear ship may be brought directly against the insurer or another person who provides financial security for the nuclear ship operator.
2. When a claim for nuclear damage is brought against a nuclear ship operator, the insurer or another person who provides financial security, shall have the right to participate in court proceedings.

Article 318

1. If the extent of the nuclear damage exceeds the limits of the nuclear ship operator's liability, which is determined under Article 312(1) of this Code, a fund shall be constituted with a court or arbitral tribunal of the operator's or plaintiff's State or of the licensing State to secure the limited liability. To establish a fund the operator shall deposit with the court or arbitral tribunal, within the limits of the damage, funds (deposit) or any other security that the court or arbitral tribunal recognises as acceptable and sufficient.
2. The fund shall be established and distributed according to articles 343, 344, 345 and 347 of this Code.

Article 319

Liability for nuclear damage caused by a nuclear ship operator shall be determined by Articles 339(b), 341 and 348.

Article 320

A nuclear ship may enter the territorial waters and ports of Georgia only with the permission of the Government of Georgia. Control over nuclear ships within the territorial waters and ports of Georgia shall be exercised by the Agency and the Ministry of Environmental Protection and Agriculture of Georgia.

Law of Georgia No 4598 of 30 March 2007 – LHGI, No 11, 10.4.2007, Art. 102
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 4421 of 11 March 2011 – website, 17.3.2011
Law of Georgia No 459 of 25 March 2013 – website, 5.4.2013
Law of Georgia No 1286 of 24 September 2013 – website, 8.10.2013
Law of Georgia No 1664 of 7 December 2017 – website, 14.12.2017

Chapter XX – Reward for Salvage at Sea

Article 321

1. A salvage operation means any action taken in any waters to save life, ship or other property facing danger.
2. The rules of this Chapter shall also apply to the ships sailing under the military-naval flag of Georgia.

Law of Georgia No 4622 of 11 December 2015 – website, 23.12.2015

Article 322

1. Any action that is beneficial for saving the ship, its passengers, cargo, freight or other items facing danger, or for the carriage of passengers, luggage or for preserving the value of any other property, or for preventing environmental pollution, shall entitle the salvor to a fair reward.
2. The reward shall not be granted if the action has not been successful.

Article 323
The reward shall not be granted for:
a) salvage services rendered to a ship in danger notwithstanding the captain's express and reasonable prohibition;
b) salvage operations performed under a towing contract.

Article 324
1. People rescued shall not be obliged to pay cash reward for life-saving.
2. Salvors who saved people shall be entitled to a fair share of the reward granted for saving property in equal parts with the salvors of the property, if the people and property were saved during the same accident.

Article 325
The reward shall be granted even when the ship conducting salvage operations is owned by the owner of the ship which has been salvaged.

Article 326
1. The amount of the reward shall be determined by agreement of the parties, and if no such agreement is reached, by a court or arbitral tribunal.
2. Any agreement on salvage made at the moment of danger and under its influence may be declared void at the request of one of the parties or modified by a court or arbitral tribunal if the court or arbitral tribunal recognises that the terms of the agreement are unfair.

Article 327
Salvage reward shall include:
a) remuneration for the salvor;
b) costs incurred for salvage;
c) storage costs of the salvaged property;
d) special compensation, provided the salvor prevented or minimised environmental pollution.

Article 328
1. If the parties cannot agree on the amount of the reward, it shall be determined by a court or arbitral tribunal, taking into account the following criteria, regardless of the sequence, as follows:
a) the measure of success achieved by the salvor;
b) the salved value of the ship and other property;
c) the danger that the ship salvaged, its crew, passengers and cargo were facing;
d) the effort and skills of the salvors in salving the ship, life and other property;
e) the time used and expenses and losses incurred by the salvors;
f) the possible liability of the salvor to a third person;
g) the risk of liability and other risks run by the salvors or their equipment;
h) the value of the salvors' property put at risk;
i) special purpose of the rescue boat;
j) the efforts of the salvors in preventing or minimising environmental pollution.
2. The reward shall be paid by all of the ships and other property interests in proportion to their respective saved values.

Article 329
The amount of the reward may be reduced or the rescuers may be denied the reward, if the salvage operations are necessitated by their fault or they have committed theft, misappropriated property or recklessly performed their duties, which further complicated the operation results.

Article 330
1. If the salvor has prevented or minimised damage to the environment, the special compensation payable by the ship-owner to the salvor shall be increased up to a maximum of 30% of the expenses incurred by the salvor.
2. If a court or arbitral tribunal deems it fair and just to do so, taking into account the case circumstances and Articles 328-329 of the Code, may increase the special compensation further to the amount of 100% of the expenses incurred by the salvor.

Article 331
The amount of the salvage reward shall not exceed the value of the property saved.

Article 332

The value of the property saved shall be its estimated value, and if the property is sold, the proceeds of its sale; in both cases, the charges and fees are deducted from this amount, and the expenses related to loading and storage, property assessment and sale.

Article 333
The reward shall be distributed between several salvors based on their agreement, and if they fail to reach an agreement, based on a decision of the court or arbitral tribunal in accordance with Articles 328-329.

Article 334
The reward shall be distributed between the ship-owner, crew and other persons in accordance with their shares in the outcome of the salvage operations and by mutual agreement of the parties; if there is no such agreement, the distribution of the rewards shall be decided by a court or arbitral tribunal.

Article 335
Salvors shall receive a reward in the currency that is generally accepted for salvage operations.

Chapter XXI – Specifying the Limits of Liability of Ship-owners

Article 336
A ship-owner shall be liable for the assumed obligations with the property against which claims for damages may be claimed under the legislation of Georgia.

Article 337
1. A ship-owner's liability in claims arising regardless of their legal basis shall be determined under Article 340 of this Code. These claims are:
a) claims in respect of death or personal injury, or loss of or damage to property (including damage to port facilities, water basins, waterways, navigation equipment), which took place on board the ship or which are directly related to the operation of the ship or to salvage operations;
b) claims in respect of the removal, destruction or the rendering harmless the cargo on board the ship;
c) claims in respect of the damage caused by delays in the carriage of goods, passengers and their luggage by sea;
d) claims in respect of the damage caused by infringement of rights other than contractual rights, occurring in direct connection with the operation of the ship or salvage operations;
e) claims in respect of raising, removal, destruction or the rendering harmless of a sunken, wrecked, grounded or abandoned ship;
f) claims in respect of the damage inflicted to persons not present on board the ship or to property as a result of the ship's voyage or operation.
2. If the damage referred to in paragraph 1(f) of this article is caused by a person who is not on board the ship, then the ship-owner liable for the actions and negligence of this person shall be able to limit his/her liability, if this action or liability is related to navigation or management of the ship, or to loading, carriage or unloading of cargo, luggage or hand luggage, and to embarkation and disembarkation.

Article 338
The ship-owner may not limit his/her liability if it is proved that the damage resulted from his/her personal act or negligence committed with the intent to inflict such damage or recklessly and with knowledge that such damage would probably occur.

Article 339
Under Article 337 of this Code, limitation of liability shall not apply to:
a) claims for salvage or contributions in general average;
b) claims by the crew and servants of the ship-owner, whose duties are connected with the ship, including claims of their heirs or other persons entitled to make such claims, if under the law governing the relations between the ship-owner and such persons, the ship-owner is not entitled to limit his/her liability with respect to these claims or if he/she is by such law permitted to limit his liability to an amount greater than that provided for in Article 331;
c) claims with respect to raising or removal of sunken property;
d) claims for environmental pollution by various harmful substances and oil posing a threat to human life or marine living resources, when the liability for this damage is determined in accordance with Chapter XVIII of this Code;
e) claims for nuclear damages, where the liability is determined in accordance with Chapter XIX of this Code.

Article 340
1. The limits of liability for claims arising from the same accident and for those referred to in Article 337 of this Code,

shall be calculated as follows:
a) with respect to claims for death or injury:
333 000 units of account – for ships with a total capacity of not more than 500 tons;
For a ship with a total capacity of more than 500 tons, the following amount in addition to that mentioned in paragraph 1(a):
from 501 to 3 000 tons – 500 units of account per each ton;
from 3 001 to 30 000 tons – 333 units of account per each ton;
from 30 001 to 70 000 tons – 250 units of account per each ton;
above 70 000 tons – 167 units of account per each ton;
b) with respect to any other claims:
167 000 units of account for ships with a total capacity of not more than 500 tons;
For a with a total capacity of more than 500 tons, the following amount in addition to that mentioned in paragraph 1(b):
from 501 to 30 000 tons – 167 units of account per each ton;
from 30 001 to 70 000 tons – 125 units of account per each ton;
over 70 000 tons – 83 units of account per each ton.
2. Where the amount specified in paragraph 1(a) of this article is insufficient to pay in full the claims of a natural person in respect of the damage caused under paragraph 1 of this article, then the unpaid balance of such claims shall be covered proportionately from the amount mentioned in paragraph 1(b) of this article together with other claims.
3. Claims for the damage inflicted to a natural person shall belong to claims arising from the death or personal injury.
4. For the purposes of establishing the limits of a ship-owner's liability, a ship with a capacity of less than 300 units shall be considered to be a ship with a capacity of 300 units.

Article 341
The limits of liability provided for in Article 340 of this Code shall apply to the aggregate of all claims arising from one accident and brought against one ship-owner and against the persons referred to in Article 347 of this Chapter.

Article 342
Where a ship-owner who is entitled to limitation of liability under Article 337 of this Code has a claim against the claimant arising out of the same occurrence, their respective claims may be set off against each other and his/her liability shall be limited only according to the balance resulting from this set-off.

Article 343
1. In order to insure his/her liability a ship-owner may constitute a fund with the court or other competent authority in which the claim is raised against him/her.
2. The fund shall be established in the amount which does not exceed the limit of liability of the ship-owner. The fund may be constituted either by depositing the sum (deposit) or by providing any other security which is recognised as acceptable and sufficient by the court or other competent authority where the fund is constituted.

Article 344
A fund constituted in accordance with Article 343 of this Code shall be intended only to pay the claims with respect to which the liability can be limited.

Article 345
1. In accordance with Article 343 of this Code, the court where the fund is constituted, shall be exceptionally competent to decide any question concerning the distribution of the fund.
2. The fund shall be distributed among the creditors in proportion to their claims established by the court.

Article 346
A unit of account is a unit of 'Special Drawing Rights' as defined by the IMF. The amounts mentioned in Article 340(1) of this Chapter shall be converted into the national currency of the State in the court or arbitral tribunal of which the claim is heard.

Article 347
If any claims according to which the liability of the ship-owner may be limited are made against a person for whose action or neglect ship-owner is responsible, this person shall have the right to avail himself/herself of the limitation of liability established for the ship-owner, if it is not proved that this person has intentionally caused the damage.

Article 348
Any action aimed at insuring limited liability, in particular, constitution of a fund or invocation of such security shall not constitute an admission of liability.

Article 349
Any agreement under this Chapter regarding the reduction of a ship-owner's liability shall be void.

Chapter XII – Preferential Claims

Article 350
1. Before different claims are satisfied, including collateral claims, first priority claims shall be satisfied in the following order:
a) social insurance claims, after claims with respect to the damage caused by injury, various types of health deterioration or death are satisfied in full based on labour relationship, insofar as all these requirements apply to the ship;
b) claims with respect to nuclear damage and sea pollution;
c) claims for port fees;
d) aggregated claims for salvage rewards and contributions to general average;
e) claims for the damage caused by collision of ships at sea or by other maritime incidents, or for the damage inflicted to port facilities, other property of the port, and to navigation equipment;
f) claims with respect to actions taken by the captain of the ship, within his/her powers, to preserve the ship or to continue the voyage;
g) claims for damage to cargo or luggage;
h) claims for other amounts payable for the carriage of freight and cargo.
2. Claims for the payment of port services charges shall be equal to the claims referred to in paragraph 1(g and h) of this article, depending on the property used to satisfy them.

Article 351
The claims mentioned in Article 350(1)(a)-(g) of this Code shall be of first priority depending on:
a) the value of the ship;
b) the freight and the cost of carriage of passengers and of their luggage charged for the voyage during which the main claims are accrued;
c) the contribution to general average, which is due to the ship-owner from this ship;
d) the compensation due to the ship-owner for the loss of freight, and for the damage inflicted to the ship and not yet restored;
e) the rewards that is due to the ship-owner for salvage operations conducted before the completion of the voyage, less the amount which must be paid by the ship-owner in accordance with Article 332 of this Code.

Article 352
The claims under Article 350(1)(c), (d), (f) and (h) shall take priority and be satisfied from the following sources:
a) the value of the cargo not delivered to the consignee;
b) the compensation for the damage of the cargo;
c) the contributions to general average due to the ship-owner.

Article 353
The claims referred to in Article 350 shall be satisfied according to their order of priority and in proportion to the total number of claims, within the limits of each of the claim. The claims under Article 350(1)(d) and (f) shall be satisfied within the limits of this order of priority in reverse proportion to the time of their accrual. If several claims are related to one event, then they shall be considered to have accrued simultaneously.

Article 354
1. Claims related to the most recent voyage shall take priority over the same claims of the previous voyage.
2. The claims mentioned in Article 350(1)(a) relating to a several voyages shall be equal to the same claims of the most recent voyage.

Article 355
The right to preferential satisfaction of the claim shall be terminated one year after the submission of the claim, except for the claims referred to in Article 350(1)(f), the right of preferred satisfaction of which terminates upon the expiry of a six-month period after the date the claim is made.

Chapter XIII – Sea Protests

Article 356
1. If an incident occurs, either in the course of navigation or during the ship's stay, which may form a basis for making

property claims against the ship-owner, the shipmaster, or for the purposes of protecting the rights and legal interests of the ship-owner and securing evidence, shall state a sea protest in the prescribed manner.
2. The statement of sea protest must describe the circumstances related to the incident, and measures taken by the captain to protect the property entrusted to him/her.

Article 357
For the purpose of registration, a statement of sea protest shall be filed with:
a) the Agency in a notarised form – in a port of Georgia;
b) an official of the consular office of Georgia or a local competent person in accordance with the legislation of this state - in a foreign port.
Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 4222 of 22 February 2011 – website, 10.3.2011
Law of Georgia No 6439 of 12 June 2012 – website, 22.6.2012

Article 358
In a port of Georgia a statement of sea protest shall be made within 24 hours after entry into the port. If an incident giving rise to a statement of sea protest has occurred in the port, the protest shall be stated within 24 hours after the incident.

Article 359
1. If it is impossible to state the sea protest in the specified time, the reasons therefor must be provided in the statement of sea protest.
2. If there are reasons to believe that the damage to the cargo on board has been caused by the incident, then a statement of sea protest must be made before the hatches are opened. Only in exceptional cases may the cargo be unloaded before the statement of sea protest is made.

Article 360
To prove the circumstances described in the statement of sea protest, the captain of the ship shall be obliged to submit, along with the statement of sea protest, a log book and an extract from this log book, certified by the captain, to a notary or other public official not later than seven days after the entry of the ship into the port or from the accident, if it happened in the port.

Article 361
Based on the captain's statement, the data obtained from the log-book and the interview with the captain, and where necessary based on the results of the interview with other witnesses from among the crew members, the notary or another public official shall prepare a note of sea protest and shall endorse it by his/her signature and seal.

Article 362
Statements of sea protest made by the captains of foreign ships may be accepted by appropriate consular offices of foreign states in Georgia on a reciprocal basis or by the persons mentioned in Article 357(a) of this Code.

Chapter XXIV – Claims and Actions

Article 363
1. Circumstances, which may serve as the basis for property liability of the consignor, carrier or the consignee, or of a carrier of passengers, must be confirmed in writing, by an independent surveyor's report or by a statement of fact.
2. Confirmation of such circumstances in writing in foreign ports shall be made in accordance with local regulations.
3. A report or statement of fact must be drawn up to certify the following circumstances:
a) discrepancy between the actual name, weight, quantity of the cargo or luggage and the data included in the documents of transhipment;
b) damage or spoilage of cargo or luggage;
c) discovery of undocumented cargo or luggage or of documents not accompanied by the respective cargo and luggage;
d) return of stolen cargo and luggage to the carrier;
4. The form of a report or of a statement of fact, the procedure for its preparation, and the circumstances which do not require the preparation of a statement of fact, shall be determined in accordance with the rules or recommendations approved by an independent surveyor.

Article 364
1. Prior to bringing an action against the carrier arising out of the carriage of cargo by sea, a claim must be raised against the carrier.
2. Claims shall be made against the persons who were engaged in the carriage by sea during the loading and discharge of

the cargo; if the goods are not transported, the claim shall be made against those organisations that were obligated to carry the cargo under the contract of carriage of goods by sea.
3. A claim related to the carriage of luggage may be made against the cargo carrier, or against the port of departure or destination at the claimant's discretion.

Article 365
1. A claim relating to multimodal or unimodal transportation of cargo shall be made against the carrier whose means of transport were used to deliver the cargo or should have been used to deliver the cargo to the port of destination.
2. Where the final destination of transportation is a railway or bus station or an airport, the claim shall be made against the relevant carrier as prescribed for the respective type of transport.

Article 366
1. The following persons shall have the right to make a claim or bring an action:
a) the consignor in the case of delays in delivery or failure to deliver;
b) in the case of shortage, damage or loss of cargo – the forwarding agent (forwarder), the consignor or consignee, provided that he/she submits the bill of lading, or a written notice or a relevant document according to the applicable rules;
c) the consignee, in the case of delay in the delivery or release of the cargo, provided that he/she submits the bill of lading;
d) in the case of loss or delay in delivery of luggage – a person who presents the luggage receipt, and in the case of lost or damaged luggage - a person who presents a written notice;
e) in the case of excessive costs of carriage – the consignor or consignee, provided that they present the bill of lading.
2. If the cargo is carried under a sea waybill, then the claimant must submit the sea waybill instead of a bill of lading, and in the case of loss of the cargo transportable under invoice sea waybill, the claimant shall present a receipt.
3. The lack of a written notice shall not deprive the person the of right to make a claim or bring an action if it is proved that he/she was refused the written notice and this refusal was appealed.

Article 367
1. A consignor may transfer the right to make a claim or to bring an action to the consignee or vice versa, the consignee or consignor may transfer such right –to the owner of the cargo, to the freight forwarding organisation or insurer, to authorised lawyers or agents.
2. The transfer of the rights to make a claim or bring an action shall be confirmed by the signature of the transferor on the bill of lading, sea waybill, waybill or receipt or in writing.

Article 368
1. A claim shall be made in writing.
2. A claim must be accompanied with documents evidencing this right. Documents of carriage must be submitted in their original form, and in the absence of the originals, in the form of a copy.
3. When making a claim with respect to the loss, damage or deterioration of the cargo, the documents certifying the right to make a claim must be accompanied by documents certifying the value of the cargo.

Article 369
1. There is a two-year period of limitation for actions to be brought by legal entities of Georgia, and a three-year period of limitation for physical persons.
This period shall be calculated:
a) for claims accrued under a contract of carriage of goods - from the date of release of the goods, and if the goods are not released, from the day when they should have been released;
b) for claims for penalty or despatch money relating to the carriage of cargo - from the end of the month when the carriage began or should have begun. For claims relating to the imposition of penalties for exceeding laytime – from the date of receipt by the consignor of a copy (report) of the claim concerning monetary payment of the imposed penalty from the carrier;
c) for claims arising out of the contracts of temporary leasing (chartering) of ships, bareboat charters, ship mortgages, contracts of maritime towing, in relation to the transactions executed by the ship's captain within his/her statutory powers, or in relation to pilotage services, or in relation to other claims specified in Article 304 of this Code – from the date of receipt of the right of appeal;
d) with relation to the carriage of passengers – from the date on which the passengers left or should have left the ship, and if the claim is filed for the deterioration of the passenger's health, resulting in his/her death – from the date of the death of the passenger, but not later than three years after the date the passenger left the ship;
e) with relation to the carriage of luggage – from the date on which the luggage was released or should have been released;

f) for claims for damages caused by collision of ships – from the date of the collision;
g) for claims for salvage rewards at sea – from the date of completion of salvage operations;
h) for claims related to marine insurance contracts – from the date of receipt of the right to appeal.
2. The claim referred to in paragraph 1(a) of this article may be made against the cargo carrier within the first six months of the period of limitation.
3. The cargo carrier shall be obliged to review the claim filed and notify the applicant of its approval or rejection within three months after receipt of the claim.
4. The period of limitation shall be suspended on the day of filing a complaint against the cargo carrier until the receipt of response or the expiration of the deadline for response.

Article 370
1. A three-year period of limitation shall be determined for claims relating to damage caused by sea pollution and reimbursement of nuclear damage, and if the mentioned claims arise between the legal persons of Georgia, the period of limitation shall be a one-year.
2. This period shall be computed from the date when the victim learnt or should have learnt about the damage or loss inflicted on him/her, but not later than six years after the date of the accident, when the pollution took place and not later than 15 years after the date of damage as a result of the accident.

Article 371
The general limitation period established by the civil legislation of Georgia shall apply to claims for which this Code does not provide limitation periods, unless other limitation periods are defined for such claims by the international agreements of Georgia.

Article 372
1. The rules established by the civil legislation of Georgia for the termination, suspension and renewal of limitation periods shall apply to the period of limitation for the claims referred to in the Code.
2. If the accrual of the amount of the claim depends on the estimates related to general average, the period of limitation shall be suspended, from the day when the average adjuster makes a decision on the general average until the day when the interested persons receive the general average statement.

Article 373
The limitation period established for claims listed in Article 369(1)(f) and (g) of this Code shall be prolonged by three years if the ship, against which the claims are raised, has not entered the territorial waters of Georgia during the limitation period.

Article 374
1. At the time of the satisfaction of the claims under this Code, an annual interest shall be charged on the amount payable within the limits established by the National Bank of Georgia.
2. Interest shall be accrued from the date that the written request is issued to pay the given amount until the payment date.
3. The rules of this article shall not apply to penalties and bonuses, or to claims for damages, which are compensated by general average adjustment.

Chapter XXIV[1] – Seafarers' Uniforms
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 374[1]
Seafarers on board the ship sailing under the national flag of Georgia shall be obliged to wear appropriate uniforms. The uniform must correspond to the labour conditions and have symbols that distinguish the levels of competence of seafarers.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 374[2]
1. The employees of the Agency shall be obliged to wear appropriate uniforms.
2. The list of those employees of the Agency, who are obliged to wear uniforms shall be determined by the Agency in agreement with the Ministry of Economy and Sustainable Development of Georgia.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 374[3]
The Agency shall determine the basic characteristics of the working uniforms mentioned in articles 374[1] and 374[2] of this

Code.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Chapter XXIV[2] – Transitional Provisions

Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Article 374[4]

1. If a certificate is issued prior to the entry into force of Chapter II[1] of this Code, it shall be considered to be issued and to be in force under the provisions of this Code, if the issuing organisation is recognised according to the same Chapter.
2. If a certificate is issued prior to the entry into force of Chapter II[1] of this Code and the issuing organisation fails to be recognised in accordance with the same Chapter, validity of this certificate shall be determined by the validity period of the certificate issued.
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

Chapter XXV – Final Provisions

Article 375

This Code shall enter into force on 1 July 1997.

Annex to the Maritime Code of Georgia
Maritime Terms Used in the Maritime Code of Georgia

Law of Georgia No 69 of 27 June 2008 – LHGI, No 12, 14.7.2008, Art. 91
Law of Georgia No 6386 of 5 June 2012 – website, 19.6.2012

1. Ship – a floating vessel for carrying people and goods.
2. Barge – a floating vessel which is propelled by tugboats (lighter).
3. Tug (towboat) – a tug boat.
4. Towed vessel – a ship or other floating object that sails (moves) by means of a tugs (towboats).
5. Cruise – a sea journey.
6. Freight – rent for the carriage of cargo by a ship.
7. Chartering – leasing a ship for a certain period of time.
8. Charterer – a person or organisation taking a ship on charter.
9. Ship-owner – a person or organisation who rents out a ship.
10. Charter – an agreement concluded between the ship-owner and the charterer on the charter of the ship.
11. Bareboat-charter – hiring a ship without the crew.
12. Time-charter – hiring a ship for a certain period of time with the crew.
13. Voyage charter – chartering a ship for the carriage of a certain quantity of goods between the ports agreed in advance.
14. Ship mortgage – a ship mortgaged according to this Code.
15. Operator:
a) an official who receives orders from the dispatcher and informs the direct executor of these orders;
b) in the case of a bareboat-charter, any natural or legal person who is the owner or charterer of the ship, and who is officially liable as the owner or charterer of the ship.
16. Transport terminal operator – a person who, in the course his/her official duties, is obligated to take over the cargo that is the object of international carriage. A person, who is deemed to be a carrier according to the International Convention on the Carriage of Goods, shall not be deemed to be a transport terminal operator.
17. Laytime – exactly defined time, during which the vessel must be loaded or unloaded.
18. Demurrage time – extra time allowed after the expiry of the specified period required for completing stevedoring work.
19. Despatch – a bonus paid by the owner of the ship to the owner of the cargo for loading or unloading of the ship ahead of time.
20. Demurrage – an agreed amount paid by the charterer to the owner of the ship for the delay according to the demurrage time.
21. General average statement – calculation of the losses inflicted to the cargo and the ship in an accident.
22. Captain of the Port – the head of the State Supervision and Control Service of the seaport, who is responsible for the safety of navigation in the port.
23. Pilotage service – a natural or legal person registered in the legal form prescribed by the Law of Georgia on Entrepreneurs, which performs pilotage services through a certified pilot, in accordance with the requirements set by the Agency.
24. Pilot – a natural person certified according to the legislation of Georgia, who provides pilotage services in port

approaches of Georgia.
25. Bill of lading – a document that defines the legal relationship between the carrier and consignee and includes all details of the cargo (sea waybill).
26. Order bill of lading – a bill of lading, where the consignee is not indicated and only mentions the person who may order the release of the cargo.
27. Cabotage – coastal navigation between the ports of one State.
28. Disbursement voucher – a document based on which a settlement is made between the owner of the ship and the port.
29. Survey services – measuring empty and loaded ships, their technical expertise, and inspecting the quantity of the cargo, its shortage and damage, etc.
30. Flag State Control – control of the crew and the company by the flag State of the ship.
31. Port State Control – state control of the ships entering its ports.
32. The State Register of Ships of Georgia – a database of ships registered in Georgia.
33. Classification Society – a technical supervision organisation, under the regulations and supervision of which the ships are designed, constructed, etc.
34. Direct multimodal transport – cargo transportation by several modes of transport.
35. Direct water transport – international transportation by water and sea routes without performing cargo loading operations between the port of departure and port of destination (for example, from Hamburg to Poti or Batumi through rivers – the Elbe and the Danube – and the Black Sea).
36. BIMCO – Baltic and International Maritime Conference – an international organisation that unites ship owners, ship brokers and agents; creates and approves unified shipping forms, bills of lading and other commercial shipping documents. BIMCO is recognised by all arbitral tribunals around the world. It is mandatory to comply with its documents while drafting maritime commercial agreements.
37. Seaworthiness of a ship – a combination of navigation features which ensures smooth and safe sailing of ships.
38. Due diligence – ensuring the seaworthiness of the ship, which may be defined as competent and reasonable efforts of the carrier to comply with the necessary conditions provided for in Article 3(1)(a), (b) and (c) of The Hague-Visby Rules.
39. Property sunk in the sea – lost, unclaimed, abandoned property discovered in the sea or on a seashore, in particular, the beached cargo, the remains of the wrecked ship floating on the sea surface, any ship or property which was carried on board a ship or by means of a ship, etc. Property that has been accidentally sunk in the water area of a seaport during the cargo operations in seaports of Georgia and during the repair works of seaport infrastructure shall not be deemed property sunk in the sea.

President of Georgia **Eduard Shevardnadze**
Tbilisi
15 May 1997
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