

General Average Rules IVR Applicability and application

Dr. Jolien Kruit 5 September 2019





# GA's – carriage by sea

2015: "Hanjin Green Earth"

2016: "CCNI Arauco"

2017: "APL Austria" / "MSC Daniela"

2018: "Maersk Honam"

2019:























# Agenda

- I. Background GA concept
  - what is it?
- II. GA Regime applicability
  - PIL-aspects
  - various rules
  - frame of reference

III. GA Regime – application (Zsolt Kovacs)





# I. Background GA Concept





# General average

In essence:

maritime burden sharing mechanism





# General average

#### Rule I IVR:

"Sacrifices and expenditure reasonably made and/or incurred, in extraordinary circumstances, for the purpose of saving a vessel and its cargo form a common peril are general average."





## II. GA Regime - applicability





# Regime

General Average Convention or EU Regulation does not exist

Basis: in the applicable national law / relevant

contract

(art. 26 CMNI)

What about the IVR Rules? / Danube Rules?





### **GA** standard rules

IVR Rules do not have an official, independent status

- Vienna Convention on Treaties not applicable
- No overriding importance or influence

In essence: "GA standard rules", including the IVR-Rules, need the national law





### IVR - status

#### Applicability IVR Rules:

- national legislations (incorporation or freedom of contract)
- contract of carriage
- general average security

Most national laws: freedom of contract

 with exceptions, whether are not specifically related to general average





## **IVR Rules - status**

BUT: which law?

International framework:

CMNI and/or EU Rome I and Rome II Regulation

Art. 29 CMNI applicable to general average obligations?





# **GA** standard rules - application

 An obligation shall be governed by the law chosen by the parties
 (art. 3 Rome I; art. 14 Rome II; art. 29 (1) CMNI)

Other sets of rules are contractual terms only





# **GA standard rules –** application

#### Contractual incorporation:

- Agreement required: parties/version/exclusions
- Specific conditions/criteria of national law









## IVR - content

**IVR** 

#

comprehensive general average regime!





## **Questions?**

#### **Jolien Kruit**

Advocaat Partner | Van Traa Advocaten N.V. <a href="mailto:kruit@vantraa.nl">kruit@vantraa.nl</a>
M +31 6 46 00 40 43 | D +31 10 22 45 511 <a href="mailto:www.vantraa.nl">www.vantraa.nl</a>

