

A Comparative Study of the Legal Sanctions for Breach of Notices in Charter Party Contracts under Iranian and English Law

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Abstract

Notices in charter party contracts play a fundamental role in initiating, maintaining, and terminating the obligations of the parties. From notices of readiness and estimated time of arrival to off-hire, redelivery, and withdrawal notices, these instruments function as mechanisms to ensure predictability, maintain contractual balance, and manage commercial risks. However, the legal consequences of breaching such notices vary across legal systems. Under Iranian law, the Maritime Code of 1964 addresses only a limited number of these notices and, in practice, reduces their enforcement to the general rules of contractual and civil liability. In other words, damages remain the sole available remedy for non-compliance. By contrast, English law, through judicial precedents and landmark case law, recognizes not only damages but also contractual termination as a complementary sanction. The central question of this research is the comparative examination of the legal consequences of breach notices in charter party contracts under Iranian and English law. The methodology is descriptive-analytical, employing a comparative study of statutory provisions and judicial practice in the two legal systems. The findings demonstrate that the absence of termination as a remedy under Iranian law creates shortcomings in the protection of shipowners' and charterers' interests, whereas English law, by combining both termination and damages, offers greater efficiency and predictability for stakeholders in the shipping industry.

Keywords: Maritime Code; notices in charter party; ship chartering; time charter; voyage charter.

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