THE MARITIME TRANSPORT ACT, NO. 5 OF 2006

WRECK AND SALVAGE SERVICE REGULATIONS

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THE MARITIME TRANSPORT ACT, NO. 5 OF 2006

WRECK AND SALVAGE SERVICE REGULATIONS [Made under section 380]

IN EXERCISE of the powers conferred upon me under section 380 of the Maritime Transport Act, No. 5 of 2006, **I, DR. SIRA UBWA MAMBOYA**, Minister responsible for Maritime transport, do hereby make the Wreck and Salvage Service Regulations as follows:

PART ONE PRELIMINARY PROVISIONS

Short title and
commencement1. These Regulation may be cited as the Wreck and Salvage Service
Regulations of 2018 and shall come into operation after being signed by the
Minister and published in the Official Gazette.

Interpretation **2.** In these Regulations unless the context requires otherwise:

"Act" means the Maritime Transport Act, No. 5 of 2006;

"Authority" means the Zanzibar maritime Authority;

"marine accident" means an accident which does not include a deliberate act or omission with the intention to cause harm to the safety of a ship, an individual or environment;

"former owner" in relation to any vessel or property, means the person who owned the vessel or property immediately before the vessel or property came under the control of the Director General;

"Director General" means the Director General of the Authority;

"Government" means the Revolutionary Government of Zanzibar;

"maritime casualty" means a collision of vessels, stranding or other incident of navigation or other occurrence on board a vessel or external to it, resulting in material damage or imminent threat of material damage to a vessel or cargo;

"Minister" means the minister responsible for maritime transport affairs;

"payment" means any reward, remuneration or compensation made to the receiver for rendering salvage service under these Regulations;

"Principal Receiver" means the Principal Receiver of Wreck designated as such under section 330(1) of the Act;

"property" means any property not permanently and intentionally attached to the shoreline and includes freight at risk and also includes a vessel, cargo, equipment and personal effects;

"receiver" means a receiver of wreck appointed under sub regulation 4(2) of these Regulations;

"salvor" means any person rendering salvage services;

"salvage" includes, subject to the Salvage Convention, all expenses properly incurred by the salvor in the performance of the salvage services;

"Salvage Convention" means the International Convention on Salvage, 1989;

"salvage operation" means any act or activity undertaken to assist a vessel or any other property in danger in navigable waters;

"salvage services" means services rendered in direct connection with salvage operations;

"shipwrecked persons" means in relation to a vessel, the persons belonging to the vessel;

"vessel" includes any ship or boat, or any other description of vessel used in navigation; and

"wreck" includes-

- (a) jetsam, flotsam, lagan and derelict found in or on the shores of the sea or any tidal water;
- (b) fishing boats or lost or abandoned at sea and either-
 - (i) found or taken possession of within Zanzibar; or
 - (ii) found or taken possession of beyond Zanzibar and brought within Zanzibar,

shall be treated as wreck for the purposes of these Regulations.

Application **3.**-(1) These Regulations shall apply for any civil salvage service rendered by the Government or property of the government or any agent appointed to provide salvage service on behalf of the government.

(2) Without prejudice sub regulation (1) of this regulation, the provisions to these Regulations shall not apply to warships or other noncommercial vessels owned or operated by a foreign State and entitled at the time of salvage operations, to sovereign immunity under generally recognized principles of international law unless that State has decided to apply the Salvage Convention to such ships or vessels.

PART TWO WRECK AND SALVAGE SERVICE

Principal of
& Receiver4.-(1) The Director General shall be the principal receiver of wreck and
shall, in that capacity, exercise general direction and supervision over all
matters relating to wreck and salvage.

(2) The Director General may appoint any other person to be a receiver of wreck in any specified area and to perform the duties of a receiver under these Regulations.

(3) Without prejudice sub regulation (2) of this regulation, the Principal Receiver may perform or carry out anything assigned to the receiver.

(4) The provisions of sections 332, 333 and 334 of the Act shall apply in circumstances where any vessel is wrecked, stranded or in distress at any place on or near the coasts of Zanzibar

Receiver to take possession 5.-(1) Upon any wreck being delivered to the Receiver or his agent by trust to deal with it in accordance with the provisions of the Act and these Regulations.

> (2) Upon delivery to the Receiver or his Agent of such wreck any lien which the owner, master or crew of such vessel had by virtue of salving such wreck shall cease and determine but in place of such lien the owner of the vessel which delivered such wreck to the receiver or his agent shall have a charge on the wreck prior to its being vested in the Receiver to secure his right

> > 5

to a reward for salvage and upon the Receiver vesting the wreck in himself such charge shall cease but the salvor shall be entitled to payment of a salvage reward out of the proceeds of sale of such wreck.

Declaration to **6.**-(1) The master or owner of a vessel which brings to a port any wreck be made by shall complete and sign a declaration form in the Second Schedule to these master or Regulation with respect to that wreck setting out the particulars relating to that owner. wreck and deliver such declaration to the Receiver or his agent at the same time as he delivers the wreck to the Receiver.

> (2) If the owner of such a vessel is a corporation such declaration may be signed on the corporation's behalf by a director or secretary or other duly authorised agent of the corporation.

Receiver to 7.-(1) The Receiver or his agent shall inspect the wreck delivered to make him pursuant to regulation 6 of these Regulations and place his identification inventory mark on the wreck and cause an inventory thereof to be made in writing as soon as possible after delivery thereof to him and cause one copy of such inventory to be delivered to the salvor.

> (2) The Receiver shall take all reasonable steps to keep wreck delivered to him or his agent whilst it is in his custody or control safely and properly cared for and insured.

Vestingof 8.-(1) If the Receiver forms the opinion that any wreck in his possession or control -

- (a) is under the value of five hundred dollars; or
- (b) is so much damaged or of so perishable a nature that it cannot with advantage be kept; or
- (c) is not of sufficient value to pay for warehousing or for safe and proper protection or insurance; or
- (d) is of such a nature or such a great value that it cannot conveniently be kept safely and properly protected -

may cause the same and all right title and interest of all persons therein to vest forthwith in himself and from the time of the vesting thereof the Receiver shall become the sole legal owner thereof and shall thereafter deal with the same as the law may allow.

(2) In any other case the Receiver shall cause the wreck in his possession or control to be kept safely for a period of three months after

wreck in receiver

publication of the advertisement referred to in regulation 9 of these Regulations.

(3) Upon expiry of such period refereed in the advertisement made under regulation 9 of these Regulations, no person establishes to the satisfaction of the Receiver that he is the true owner of such wreck, the Receiver shall cause the wreck and all right title and interest of all persons therein to vest himself under the powers given to him and from the time of the vesting thereof the Receiver shall be the sole legal owner thereof and shall thereafter deal with the same in accordance with the law.

(4) Upon the Receiver vesting in himself any wreck the rights of persons having any claims in respect thereof shall thereafter lie only against the proceeds of sale and shall not lie against the wreck itself.

Advertisement **9.-**(1)Where any wreck is delivered to the Receiver or his agent he shall as soon as possible after such delivery (but not later than twenty-one days after such delivery) cause to be advertised in or to the effect of the form in the Third Schedule to these Regulations in a daily newspaper circulating-

- (a) if the wreck be a vessel or part thereof and her nationality is known, at her last port of registry; or
- (b) if the wreck be a vessel or part thereof and her nationality is unknown; or
- (c) if the wreck be goods and the original port of loading on the voyage on which they were abandoned is known, in that place; or
- (d) if the wreck be goods and the original port of loading on the voyage on which they were abandoned is unknown, but the intended port of discharge on that voyage is known, in the last mentioned place; or
- (e) if the wreck be goods and neither the original ports of loading nor intended discharge on the voyage on which they were abandoned are known, then in a place where the Receiver believes there is a substantial international market in goods of the kind forming a substantial part of the wreck so delivered to him.

(2) Where the newspaper in which such advertisement is published is in a language other than the English language the advertisement shall be translated into the language in which the newspaper is published.

(3) in such advertisement, the Receiver shall describe the wreck in the form in which it is set out in the declaration delivered to him pursuant to the regulation 6 of these Regulations unless it appears to him that such description is incorrect in any material particular, in which case he shall correct it.

Release of wreck to true owner **10**.-(1) If before the Receiver has vested wreck in himself a person establishes to the satisfaction of the Receiver that he is the true owner thereof, the Receiver may deliver the wreck to the true owner provided that prior to such delivery being effected the true owner pays to the Receiver the costs of Receivership, together with thirty-six and two thirds per cent of the value of the wreck after deducting therefrom the costs of Receivership.

(2) Before such delivery being effected under sub regulation (1) of this regulation, the true owner shall give security for additional salvage reward in accordance with the sub regulation (4) of this regulation.

(3) The Receiver shall pay out of the sum referred to in sub regulation (1) of this regulation -

- (a) as a handling fee and one-third per cent of the value of the wreck after deducting therefrom such cost Receivership; and
- (b) to the salvor on account of his reward for salving such wreck thirty-three and one-third per cent of the value of the wreck after deducting therefrom such costs of Receivership.

(4) The security to be given by the true owner of the wreak pursuant to the provisions of sub regulation (1) of this regulation shall be provided in such form as the Receiver shall direct and subject to the provisions of sub regulation (5) of this regulation, shall be equivalent in amount to the difference between thirty-three and one-third per cent and fifty per cent of the value of the wreak after deducting therefrom the cost of Receivership.

(5) The salvor may be by notice in writing require the Receiver to obtain such amount of security as is specified in the notice being greater than the amount of security calculated in accordance with the provisions of sub regulation (4) of this regulation before releasing the wreck to the true owner, and if so required.

(6) The Receiver shall obtain such greater amount of security before releasing the wreck to the true owner, but the arbitrator in any arbitration under the provisions of sub regulation (7) of this regulation may award that the salvor do pay to the true owner of the wreck the cost of providing the security exceeding the amount of the additional salvage reward awarded by him or exceeding the amount of security to be provided under the provisions of sub regulation (4) of this regulation, which is the greater.

(7) The salvor and the true owner of the wreck may agree in writing that the wreck shall be released to the true owner after payment to the Receiver of the amounts referred to in sub regulation (1) of this regulation, without provision of security and the Receiver shall then release the wreck without the provision of such security in accordance with the terms of such agreement.

(8) Except where an agreement referred to in sub regulation (7) of this regulation otherwise provides the question of what is the proper salvage reward (being at least thirty-three and one-third per cent of the value of the wreck after deducting therefrom the costs of Receivership) shall be referred to arbitration as hereinafter provided.

(9).(i) Upon the award of the arbitrator (or appeal arbitrator, if there be an appeal) being published the salvor shall be entitled to be paid out of the security the amount of the reward awarded by such arbitrator which exceeds thirty-three and one third per cent of the value of the wreck after deducting therefrom the costs of Receivership together with the proportion of any interest earned on the security which is properly attributable to the amount payable to the salvor out of the security and the Receiver,

> (ii) after payment of such of the costs of the arbitration as are properly payable out of the security, shall release the balance of the security to the true owner of the wreck.

(10) If the true owner of the wreck fails to make payments and provide security in accordance with this regulation, upon request by the Receiver, the Receiver may vest the wreck in himself and then deal with the wreck and the proceeds of sale thereof as if the true owner had established to the satisfaction of the Receiver that he was the true owner thereof only after the wreck had been vested in the Receiver. Vesting Deed **11**. Where the Receiver is entitled to vest wreck in himself, he shall do so by executing under his official seal a vesting deed and upon such execution thereof all rights in and claims against the wreck by the true owner, and by the salvor shall be divested and the Receiver shall become the legal owner of such property free from all encumbrances and the true owner of the wreck and the salvor shall thereafter have rights against the Receiver only in respect of the proceeds of sale of the wreck which shall be dealt with as hereafter appearing.

Sale of wreck and payments to be made out of proceeds

12. After vesting the wreck in himself the Receiver shall take all reasonable steps to sell the wreck by public auction or private treaty in one lot or in several lots for the best price reasonably obtainable in any suitable place within the Zanzibar or elsewhere with reasonable expedition and he shall deal with the proceeds of sale in the following order -

- (a) he shall pay or reimburse himself for the costs of Receivership;
- (b) he shall pay the handling fee of three and one-third per cent of the proceeds of sale after deducting therefrom the costs referred to in paragraph (a) of this section;
- (c) he shall pay to the salvor on account of his entitlement to a reward for salving it thirty per cent of the proceeds of sale after deducting therefrom the costs referred to in paragraph (a) of this regulation;
- (d) he shall invest the balance of the proceeds on fixed deposit with a bank approved by the Board.

Payment out of balance if owner does not establish claim 13.-(1)Upon the expiry of one year from the date upon which the wreck was delivered to the Receiver, if no person claiming to be the true owner of the wreck has by that time established that he is the true owner of the wreck to the satisfaction of the Receiver, the Receiver shall pay out the balance of the proceeds of sale of the wreck and the interest earned thereon pursuant to an investment made to that balance after deducting any costs of Receivership not already taken into account in the distribution under that section as follows:

- (a) as to ten per cent thereof, to the Government;
- (b) as to ninety per cent thereof, to the salvor as additional reward for his salvage services in respect of the wreck.

(2) Subject to sub regulation (1) of this regulation, no proceedings shall be brought thereafter against the Receiver or any other person by the true owner or any person claiming under him or any other person claiming an interest in the wreck in relation to the wreck or the proceeds of sale thereof. Payment out 14. If within the period of one year from the date upon which the wreck of balance if was delivered to the Receiver, but after the wreck has been vested in the owner Receiver, a person establishes to the satisfaction of the Receiver that he was establishes the true owner thereof, the Receiver shall pay out the balance of the proceeds claim of sale of the wreck and the interest earned thereon pursuant to an investment made to that wreck, after deducting therefrom any costs of Receivership. Power to 15. The Receiver may enter into such agreement as appears to it make appropriate with any person or corporation to enable or assist him to carry out agreements his duties hereunder or facilitating the achievement of these Regulations or facilitating the discovery and recovery of wreck by any vessel. Receiver's 16. The Receiver may employ such experts, advisers and agents as are power to reasonably necessary to assist him in his duties in respect of any particular employ wreck or the proceeds of its sale and may pay their reasonable remuneration experts for assisting him. Fees of **17**.-(1) The principal receiver and every receiver shall be paid all of his Receiver expenses incurred by them in the performance of their duties and such fees in respect of such other matters as may be prescribed in these Regulations. (2) A receiver shall, in addition to all other rights and remedies for the recovery of the expenses and fees as provided under sub regulation (1) of this regulation, have the same rights and remedies in respect thereof as a salvor as has been provided for under these Regulations. Dispute as to 18. Whenever any dispute arises as to the amount payable to the amount to be receiver in respect of expenses or fees, such dispute shall be determined by the payable to Arbitrator to be appointed subject with the laws and in case no resolution has receiver been reached, the party may institute a civil case in any court of competent jurisdiction. Appeal in 19. Where a dispute relating to salvage has been determined by the cases of Court or by arbitration, any party aggrieved by the decision may appeal there salvage from, in like manner as in the case of any other judgment. dispute.

PART THREE PAYMENT OF FEES AND EXPENSES OF THE RECEIVER

Fees and expenses for attendance of Receiver or his agent	 20(1) The following fees and expenses shall be charged in respect of the attendance of a Receiver or his agent at the scene of any wreck or stranding of a vessel, or in connection with the relief of any vessel in distress, on or near the coasts of Zanzibar: (a) fees for the first six days' attendance: (i) the Receiver of Wreck shall be paid (state amount in USD)per day; or (ii) an agent of the Receiver(state amount in USD)per day; and (iii) after the first six days, the Receiver or his agent (state amount in USD) per day.
	(b) expenses shall be paid in the actual cost of conveyance of the Receiver or his agent to and from the scene of the wreck or stranding or in connection with the relief of a vessel in distress.
	(2) The Authority may authorise the remission of the fees specified in subregulation (1) of this regulation, in any case where in its opinion special circumstances warrant the remission.
Fee for custody of wreck	21 (1) A charge shall be made of five per cent of the value of any wreck taken into custody by a Receiver or his agent, but the total amount so charged shall not in any case exceed twenty percent of the total cost incurred by the Receiver or his agent in salvage operation.
	(2) Fees, expenses and charges occurring due under this regulation shall be deemed to be expenses properly incurred by a Receiver in the execution of his duty, and may be recovered as such in the manner provided in the Act.
Abandonment of lien for salvage by agreement	22. The salvor and the master shall make a statement or declaration relating to wreck alleged to be salved which shall specify, as far as possible, the following particulars:
	(a) particulars to be stated both by the salvor and the master or other

- (a) particulars to be stated both by the salvor and the master or other person in charge of the wreck alleged to be salved:
 - (i) the place, condition, and circumstances in which the vessel,

cargo or property was at the time when the services were rendered for which salvage is claimed;

- (ii) the nature and duration of the services rendered;
- (b) additional particulars to be stated by the salvor:
 - (i) the proportion of the value of the vessel, cargo and property and of the freight which the salvor claims for salvage;
 - (ii) the values at which the salvor estimates the vessel, freight, cargo and property respectively, and the several amounts that the salvor claims for salvage in respect of the same; or
 - (iii) any other circumstances which the salvor thinks relevant to the that claim;
- (c) additional particulars to be stated by the master or other person in charge of the wreck alleged to be salved:
 - (i) a copy of the certificate of registry of the said vessel, and of the endorsements thereon, stating any change which (to his knowledge or belief) has occurred in the particulars contained in the certificate; and stating also, to the best of his knowledge and belief, the state of the title to the vessel for the time being, and of the encumbrances and certificates of mortgage or sale, if any, affecting the same, and the names and places of business of the owners and encumbrancers;
 - (ii) the name and place of business or residence of the freighter(if any) of the said vessel and the freight to be paid for the voyage on which she then is;
 - (iii) a general account of the quantity and nature of the cargo at the time the salvage services were rendered;
 - (iv) the name and place of business or residence of the owner of the cargo and of the consignee thereof;
 - (v) the values at which the master or person making the statement estimates the vessel, cargo, and property, and the freight respectively, or if he thinks fit, in lieu of the estimated value of the cargo, a copy of the vessel's

manifest;

- (vi) an accurate list of the property saved in cases where the vessel is not saved;
- (vii) an account of the proceeds of the sale of the vessel, cargo, or property, in cases where the cargo or property are sold at the port where the statement is made;
- (viii) the number, capacities and condition of the crew of the vessel at the time when the services were rendered; and
- (ix) any other circumstances deemed relevant to the matters in question.

Salvage bond 23. Any security given under the provisions of the Act by the master of wreck alleged to have been salved to abide by the decision of some court in the matter of the salvage to be paid in respect of the wreck shall be substantially in accordance with the form set out in the Schedule to these Regulations.

Valuation of 24.-(1) Where any dispute relating to salvage arises on the issue of exactly amount as to cost or expenses incurred in salvage operation, the government valuer may be engaged to determine the value and when the valuation has been made, the valuer shall give copies thereof to both parties.

(2) A copy of the valuation purporting to be signed by the valuer and certified as a true copy by the receiver shall be admissible as evidence in any subsequent proceedings.

(3) Fees in respect of any valuation made under sub regulation (1) of this regulation, shall be paid by the master or owner of the vessel.

Offences and 25. Any person who contravenes any provision of these Regulations, commits an offence and shall upon conviction, be liable to a fine of not less than the equivalent of three thousand dollars in shillings.

Compounding of offences **26.**-(1) Notwithstanding any other law, where a ship or master violates any provision of these Regulation, the Director General may serve on that ship or master a notice in the specified form, calling upon such ship or master to pay in respect of the offence, the amount of fines so specified with the offence alleged to have been committed.

(2) The notice under sub regulation (1) of this regulation, shall specify:

- (a) name and registration number of the ship;
- (b) the offence alleged to have been committed;
- (c) place and time upon which the offence has occurred;
- (d) actual amount of fine so specified for that offence;
- (e) time and manner in which the fine should be paid; and
- (f) any other particular or information relating to that offence when the Director General may think necessary.

(3) The ship or master served with a notice under sub regulation (1) of this regulation shall, within seven days from the date in which the notice has been delivered to him, pay the amount of fine to the Authority.

(4) Where a ship or master has been served with a notice under sub regulation (1) of this regulation, fails to pay such a fine within the time limit specified in the notice, the Authority shall proceeds with criminal action against such a ship or master.

(5) When the ship or master pay the amount of fine so specified in the notice, no further criminal actions relating to the same offence shall be taken against the ship or master.

FIRST SCHEDULE

SALVAGE BOND [Made under regulation 23]

(N.B. Any of the particulars not known, or, by reason of the claim being only against the cargo etc. that are not required, may be omitted.)

WHEREAS certain salvage services are alleged to have been rendered by the vessel (*insert names of vessel and of master*) master, to the vessel (*insert names of vessel and master*) master, belonging to (*insert name of port of registry*), freighted by (*the name of the freighter*) and to the cargo therein, consisting of (*state very shortly the descriptions and quantities of the goods, and the names and addresses of their owners and consignees*):

AND WHEREAS the last-mentioned vessel and her cargo have been brought into the port of *(insert name)* in the State of *(insert name)*, and a statement of the salvage claim has been sent to the Registrar of Ships or other proper officer of *(insert name of State Court of competent jurisdiction in which the agreement is to be adjudicated upon)* and the amount to be inserted in this Bond has been fixed by mutual agreement at the sum of *(state the sum)*.

NOW I, the said (*insert name of master second abovementioned*) do hereby, in pursuance of this bond, bind the several owners for the time being of the said (*insert name of vessel to which services rendered*) and of the cargo therein and of the freight payable in respect of that cargo, and their respective heirs, executors and administrators, to pay among them, as salvage for the services so alleged to have been rendered as aforesaid, such sum, not exceeding the said sum of (*state the sum fixed*), in such proportions and to such persons as (*insert name of Court in which agreement is to be adjudicated upon*) shall determine.

IN WITNESS whereof, I have hereunto set my hand and seal, this day of, 20.....

SIGNED, SEALED, and delivered by the said (insert name of master second abovementioned).

(Signature)

In the presence of [signatures and addresses and occupations of two witnesses].

SECOND SCHEDULE

DECLARATION

[Made under regulation 6(1)]

That, I have set out below all I know as to the name and whereabouts of the true owner of such wreck.

The description of the wreck is as follows:

Descriptions

The information I have as to the name and whereabouts of the true owner is as follows:

DATED this day of 20....

.....

Signature of Declarant.

THIRD SCHEDULE

ADVERTISEMENT [Made under regulation 9(1)]

A copy of the said claim maybe inspected at the office of the Receiver of Wreck.

A limitation period of one year from the date referred to above within which the true owner must establish his claim applies by virtue of these Regulations.

The description of the wreck delivered to the Receiver under a declaration in accordance with the Second Schedule is as follows:

Description

.....

Receiver.

SIGNED on 12 this day of February, 2019.

(DR. SIRA UBWA MAMBOYA) MINISTER OF INFRASTUCTURE, COMMUNICATION AND TRANSPORTATION