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1 Marine Casualty

1.1 In the event of a collision, grounding or other major casualty, what are the key provisions that will impact upon the liability and response of interested parties? In particular, the relevant law / conventions in force in relation to:

(i) Collision

The International Regulations for Preventing Collisions at Sea, 1972 (COLREGs) have been adopted into the Israeli Law under the domestic Ports Regulations (Preventing Collisions at Sea), 1977.

(ii) Pollution

Israel is a signatory party to the Convention for the Protection of the Mediterranean Sea against Pollution, 1978 and re-affirmed its updated version as the "Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean, 1995". In addition, Israel joined The International Convention for the Prevention of Pollution from Ships (MARPOL) in 1983 and has re-affirmed Annexes 1, 2, 3 and 5.

(iii) Salvage / general average

Under the Salvage Fee and Lost Merchandise Order of 1926, anyone who provides aid to a distressed or grounded vessel, or helps to save the lives of people on board, is entitled to a fair payment for those services, which should be paid by either the owners of the ship or the salvaged cargo. If no understanding is reached, the parties will refer to arbitration. The Israeli Law, either by clause 42 (5) of the Shipping Act (Vessels), 1960, or clause 9 of the Admiralty Courts Act, 1861 (which also governs the Israeli Admiralty Court's authority) recognises the maritime lien for salvage. In addition, the English Marine Insurance Act, 1906 is also part of the Israeli Law and the Israeli Courts will consider customary law or foreign judgments when dealing in such matters.

(iv) Wreck removal

The law relating to a distressed vessel, wrecks and lost merchandise is governed by the Salvage Fee and Lost Merchandise Order of 1926. Under this Order, whoever finds lost merchandise or discovers any wreck must inform the receiver of wrecks at the Authority for Shipping and Ports of the Ministry of Transportation, who will publish a notice about the finding of the same and serve a copy of the notice to Lloyd's agent in Israel or to Lloyd's offices in London. If the merchandise or the wreck is not claimed within six months, it will be sold by the Receiver of the Wreck and the balance from the sale after deducting the salvage fee and expenses will be applied by the Minister of Treasury as part of the national income.

(v) Limitation of liability

Israel adopted the International Convention Relating to the Limitation of Liability of Owners of Sea-going Ships, Brussels, 10th October 1957 and its amending Protocol, Brussels 1979, as part of the Shipping Act (Limitation of Liability of Sea-going Ships) 1965.

(vi) The limitation fund

Following the orders of the above-mentioned Act, the owners can apply to the Maritime Court for the establishing of a limitation fund. If the Court is satisfied with the owner's application, it will order the establishment of the limitation fund and will give orders as to the owner's deposit and the publishing of notices to creditors. Creditor's claims or participation claims are to be filed by a local creditor within 30 days. In the case of a foreign creditor, claims must be filed within 60 days.

In the matter of MV Moraz (2022), the Haifa Maritime Court denied an Owner's application to set a limitation fund that would limit its liability to damages caused as a result of an oil leakage that leaked while the vessel was bunkered near Haifa Port. The Court held that the nature of the damages, which were a contamination of the port's facilities, should be considered as "damages to harbour works, basins and navigation ways", which appear in Article 1 (c) of the Brussels Convention, 1957, and as such are excluded by the above-mentioned Shipping Act. The Court also held that the incident resulted from an actual fault or privity of the owners through its local operators, which did not instruct the vessel crew properly and did not provide them with the required instructions for bunkering operations and therefore, also for this reason, the owners were not entitled to set a limitation found.

1.2 Which authority investigates maritime casualties in your jurisdiction?

As a member of the International Maritime Organization (IMO) since 1952, Israel conducts its Port State Control Inspections through the Ports and Shipping Authority. Besides regular safety controls, the Authority conducts investigations in matters of grounding and pollution and marine accidents.

1.3 What are the authorities' powers of investigation / casualty response in the event of a collision, grounding or other major casualty?

Following Chapter 12 of the Ports Regulations (Safety of Navigations) 1982, the Manager of Authority is authorised to conduct investigations in relation to any marine accident that took place in the Israeli marine territories. The investigation authorities include the examination of witnesses, collecting documents and evidence, and examination of the place where the event took place. The investigation will be concluded in a report detailing the sequence of events leading to the accident, the investigator's observations and conclusions in relation to the circumstances and causes of the accident, and recommendations for amending the deficiencies that were observed in relation to the accident. The purpose of the investigation is to learn the circumstances that caused the accident in order to learn the relevant lessons and avoid future accidents.

Under *folio no. 67484-03-19*, we have represented the cargo interests of the cargo carried in *M/V Diana,* which was grounded offshore of Haifa Bay on 19th January 2018, and applied to receive the documents and evidence collected by the Authority when investigating this marine accident, for the purpose of the arbitration proceedings taking place in London against the owners. In its judgment handed on 10th June 2020 at the Haifa District Court, the Honourable Judge Mr. Ron Sokol held that, although they are foreign entities, the cargo interests are entitled under the Israeli Freedom of Information Act, 1998, to receive the RCC communications that took place between the vessel and the RCC prior to the grounding that was annexed to the Authorities Report. As the Application was narrowed to these documents at that stage, the Court's findings left a path to apply for additional documents and information (including the whole report that was provided with blank parts) following a future arbitral award in this regard and the Israeli Arbitration Act.

In the matter of *M/V Stellar Pacific*, the death of the third officer on board the vessel while being berthed outside Ashdod Port was investigated both by the Authority and Ashdod Police. Their findings were submitted to us acting on behalf of the widow and two daughters and were presented before the Haifa Maritime Court as part of the pleadings and evidence we have filed on behalf of the claimants, which helped us to convince the Court with their entitlement to a compensation under the circumstances in which the seafarer had sadly found his death.

2 Cargo Claims

2.1 What are the international conventions and national laws relevant to marine cargo claims?

The Israeli Law adopts the Hague-Visby Rules as part of the Ordinance for the Carriage of Goods by Sea, as amended on 21st January, 1992.

2.2 What are the key principles applicable to cargo claims brought against the carrier?

According to the Ordinance for the Carriage of Goods by Sea, as amended on 21st January 1992, the Hague-Visby Rules will apply to any Bill of Lading (B/L), which governs the sea carriage of cargo: from any Israeli port; from a port of a country that is a party to either the Hague or Hague-Visby Rules; or when the B/L incorporates the Hague-Visby Rules or is governed by the laws of a country that applies the Rules. Accordingly, the claimant should file its claim within one year of the date of discharging the cargo, or of the date it should have been discharged (Article III 6); the claim is subject to the owner's limitation of liability to either 666.67 SDR per package or unit, or to 2 SDR per 1kg of the cargo lost or damaged, according to the highest of the two (Article VI (5)(a)). The damage caused to the cargo should be a result of the owner's failure to exercise due diligence at the beginning of the voyage to make the vessel sea worthy and properly manned and equipped (Article III (1) (a)–(c)/Article IV (1)), or due to perils of the sea or any other cause not arising without actual fault or privity of the carrier or without the fault or neglect of the agents or servants of the owner (Article IV (2) (a)–(q)).

2.3 In what circumstances may the carrier establish claims against the shipper relating to misdeclaration of cargo?

Following the Hague-Visby Rules (Article III (5)) and general principles of Contract and Torts Law, a shipper's failure to provide the accurate marks, numbers, quantity and weight of the cargo will impose on the shipper the liability to compensate the owners for any damages and expenses that will occur as a result of such an inaccuracy. Under the Israeli Law of Torts, "damage" is also defined as any inconvenience, and although the claimant must prove its damages, the Courts are authorised to award payment of compensation also by Court estimations.

2.4 How do time limits operate in relation to maritime cargo claims in your jurisdiction?

Under the Supreme Court's judgment in *folio no. 6260/97* "*Polska*", it was held that the wording "unless suit is brought within one year…" of Article III 6 of the Hague-Visby Rules is wide enough to contain a suit that was filed in foreign jurisdiction. Accordingly, a claim filed in Israel 12 months after the delivery date of the goods will not be time-barred if a claim was filed during the 12-month period in a foreign jurisdiction. In the matter of claim *in rem 30100-10-10 M/V Eleftheria*, the Haifa Maritime Court held that the claiming underwriter can add the insured as an additional claimant, even if the one-year limitation period has elapsed, reasoning that the underwriter's claim was filed within the one-year time-bar period and that the owners of the vessel are irrelevant to the entity suing them. In its decision handed in *folio no. 7195–18*, the Supreme Court overturned the judgments of the two lower instances and held that the phase "suit is brought" is narrowed to a suit filed by an entity who has the right to sue. Therefore, a suit that is filed by a claimant who has no title to sue, will not "break" the 12-month time-bar period and the claim, even if amended later (after the 12 months after the delivery of the cargo) by attaching the claimant who has title to sue, will be considered as time-barred.

3 Passenger Claims

3.1 What are the key provisions applicable to the resolution of maritime passenger claims?

Israel is not a party to the Athens Convention Relating to the Carriage of Passengers and Their Luggage by Sea, 1974. Therefore, passenger's claims will be governed by general Contract and Tort Law and the general law relating to law and jurisdiction clauses. The Israeli Shipping Act, 1960, clause 40–41 (6) recognises the maritime lien for the amount due as compensation for death and injuries to the vessel's passengers.

3.2 What are the international conventions and national laws relevant to passenger claims?

See question 3.1 above. Passenger claims will be filed and handled under regular civil procedure but might be subject to law and jurisdiction clauses in the carrier's terms and conditions; the amount due as compensation for death or injury of a passenger can be enforced as a maritime lien.

3.3 How do time limits operate in relation to passenger claims in your jurisdiction?

See questions 3.1 and 3.2 above. If accepting and enforcing the foreign law and jurisdiction clause would mean that the passenger's claim would be time-barred in the referred jurisdiction, the Court would have the discretion not to enforce the (contractual) law and jurisdiction clause on the grounds of enforcement causing injustice (following clause 3 (4) of the Contract's Act (Remedies due for Breach of the Contract), 1973). Therefore, in practice, it seems probable that the ordinary civil law time limit of seven years will operate when claims are filed by Israeli passengers. The maritime lien expires one year from the date of the injury/casualty, unless if at the end of that year the vessel is not calling at an Israeli port. In such circumstances, the one-year expiry period will begin upon the vessel's arrival to an Israeli port, provided, that in any case, the maritime lien will expire within three years after the date of the injury/casualty.

4 Arrest and Security

4.1 What are the options available to a party seeking to obtain security for a maritime claim against a vessel owner and the applicable procedure?

By a King's-Order-in-Council dated 2nd February 1937, the Supreme Court of Jerusalem was constituted as a Maritime Court under the Colonial Courts Admiralty Act, 1890. On the date when the Colonial Courts Admiralty Act was enacted, the relevant acts of Admiralty that were in force were the Admiralty Acts of 1840 and 1861 and some other acts, such as the Naval Prize Act of 1864. These continue to apply to the Israeli Haifa Maritime Court's (being a division of the Haifa District Court) jurisdiction up to this present date. The other rule that governs the Haifa Maritime Court authority is the Israeli Shipping Act, 1960, Chapters IV and V, which relate to maritime liens and mortgages, respectively, and adopt the continental maritime lien regime of the International Convention for the Unification of Certain Rules of Law Relating to Maritime Liens and Mortgages, 1926 (Brussels Convention, 1926). These two sets of rules continue to apply to date and can provide a claimant with a variety of maritime liens that may arise either from the Admiralty Act of 1840, Admiralty Act of 1861, or the Shipping Act of 1960, clauses 40–41 (1)–(8). The list of recognised maritime liens includes, *inter alia*, the following: (1) the costs of the Court's auction sale of an arrested vessel; (2) port dues of all kinds and other payments for such port services insofar as these payments are due either to the state, to another state or authority, or have been paid to them by a third party; (3) the cost of the preservation of an arrested vessel (from the date of its entry to the port and until its sale by the Court); (4) wages; (5) salvage; (6) compensations for death or injuries of passengers; (7) compensations for damages caused as a result of a collision at sea or any other navigation accident, or for damages done by a vessel to port facilities and indemnities for loss or damage to cargo or to passengers' baggage; and (8) payments due for the supply of necessaries.

In the main Supreme Courts judgments relating to maritime liens, relating to the *M/V Nadia S*, it was held that a maritime lien is a substantive right rather than a procedural right, attaching to the ship and following the res into the hands of third parties, and is determined according to the *lex cause*. By acknowledging the maritime lien as a substantive right, the Israeli Supreme Court has diverged from the majority opinion in the English judgment in the *Halycon Isle*.

In the matter of *M/V Ellen Hudig* (2004), the Haifa Maritime Court denied a maritime lien for "indemnities for loss or damage to baggage", reasoning that the alleged damage of additional expenses and freight payments related to the discharge of claimants' cargo from an arrested vessel, and costs of completing the voyage by a different vessel – all as a result of the vessel's arrest by the crew claiming unpaid wages and the owner's subsequent appearance before a Belgian Court under bankruptcy proceedings, do not fall under the owner's personal liability. Ever since, the *Ellen Hudig* matter has been cited by the Haifa Maritime Court as authority establishing the need to show owner's liability in order to have the Court recognise a maritime lien. Accordingly, in the matter of *M/V Nissos Rodos* (2016), it was held that the local agent who paid the port dues for the 17 calls of the vessel at Haifa Port, which called at Haifa Port under an agreement between the owners and another party acting as an operator, is not entitled to the (highly ranked) maritime lien for "port dues of any kind […] been paid by a third party", reasoning that the agent had no agreement with the owners and that there was no personal liability on behalf of the owner to pay the agent where the commercial relations were between the owners and the operator and between the operator and the agent, and not between the owners and the agent, directly. On the other hand, in the matter of *folio no. 22358–02–14 M/V Captain Hurry* (2016), although in this case there was a dismissal of a supplier's claim due to a lack of owner's liability, the Haifa Maritime Court mentioned that the maritime liens differ from each other and that, for example, the maritime lien for salvage exists even if the owners are not liable for the circumstances that led the vessel to distress. Therefore, a path to diversity in relation to the requirement of owner's liability might exist. In the matter of *M/V HUE YANG MEU GUI* (2023), we were able to arrest the vessel for unpaid bunkers that were supplied to the vessel while being chartered and where, according to the charterparty, it was the charterers' liability and responsibility to order and pay for the bunkers. By referring the Court to the principle cited in the American judgment of *World fuel Services Vs. M/V HEBEI SHIJAH*, according to charterers and their agents, are authorised by the owners to bind the vessel, unless the owners issue a notice to creditors notifying them on the otherwise, the arrest was granted. The matter itself was settled after the arrest.

4.2 Is it possible for a bunker supplier (whether physical and/or contractual) to arrest a vessel for a claim relating to bunkers supplied by them to that vessel?

The Maritime Court will recognise a maritime lien for necessaries such as bunkers, provided that the claimant is the contractual supplier who contracted, in the supply agreement, either with the owners directly or its agent or a management company acting on behalf of the owner. However, if the actual supplier is not a party to a supply agreement concluded with the owner or anyone acting on behalf of the owner, the actual supply of the necessaries might be found not to be sufficient, and the claim will probably be denied. In the matter of *M/V Emmanuel Tomasus* (2014), the physical supplier's claim was denied, the reason being that the claimant was not a party to the supply agreement and that the owners had paid the contractual supplier, and by effecting this payment the maritime lien was lifted, although the contractual supplier did not pay its subcontractor, the physical supplier. As mentioned in question 4.1 above, the matter of *M/V HUE YANG MEU GUI* (2023) indicates that the Haifa Maritime Court might accept an arrest application for unpaid bunkers supplied to chartered vessels.

4.3 Is it possible to arrest a vessel for claims arising from contracts for the sale and purchase of a ship?

Under clause 8 of the Admiralty Court Act, 1861, the Maritime Court has jurisdiction to decide all questions arising between co-owners and others, touching on ownership, possession and the earning of any ship registered at any port in England or Wales (now Israel), and may direct the said ship to be sold. In the matter of *M/V BADR*, we have obtained a judgment ordering on the cancelation of the Israeli registration of the vessel that was registered *ex parte* in the Israeli registry while the vessel was still registered in its original Libyan registration. As a temporary measure, upon the filing of the claim, the court accepted our application and ordered that, until the matter will be decided, both the registration and ownership of the vessel cannot be transferred and neither can a mortgage be registered on the vessel. During the hearing of the claim, the vessel itself was detained and arrested in Bulgaria.

4.4 Where security is sought from a party other than the vessel owner (or demise charterer) for a maritime claim, including exercise of liens over cargo, what options are available?

When the vessel is arrested by the Maritime Court, the arrest order states the amount that must be deposited or secured within the Court in order to have the vessel released. If no such deposit takes place and no notice of appearance against the claim is filed within seven days of service of the claim *in rem* and arrest order, the Court may order the judicial sale of the arrested vessel. However, the depositing of the security and countering of the claim is not limited to the owners and any party with an interest can appear before the Court and counter the claim.

4.5 In relation to maritime claims, what form of security is acceptable; for example, bank guarantee, P&I letter of undertaking?

A P&I letter of undertaking can be accepted as a security, provided that the club itself is a respected/reputed club that will be able to pay the secured amount. An Israeli bank's guarantee will be accepted; however, it is likely that a guarantee from a foreign bank will be rejected. The security should almost be equal to a deposit within the Court, and if a foreign bank is involved, the claimant will be requested to have his foreign bank reach the required arrangements with an Israeli bank so that the latter will issue the bank guarantee and deposit it with the Court.

4.6 Is it standard procedure for the court to order the provision of counter security where an arrest is granted?

No, typically no counter security is required. The Haifa Maritime Court has continuously held that there is usually no justification to put procedural thresholds before creditors seeking enforcement of their maritime liens and only in exceptional occasions will a counter security be demanded for the arrest. For example, such occasions could be where the validity of the documents constituting the lien is doubted, or when the documents and the supply of necessaries are not questioned but the existence of the owner's liability of the debt, as a result the existence of maritime lien for necessaries, is questioned. Additionally, the nature and ranking of the lien would be considered. In the matter of *Captain Hurry*, a deposit of US$ 12,500 was required as counter security for an arrest securing a claim of US$ 315,763 for a bunkers delivery, which was ultimately denied.

4.7 How are maritime assets preserved during a period of arrest?

If a "notice of appearance" is filed within seven days after the arrest, the vessel will not go under auction and its assets will continue to be under its owner's liability. If no such notice is filed, a liquidator will be nominated by the Court who can also be authorised for a relatively quick judicial sale of the vessel. Costs for preservation of the vessel from the date of its entry to its latest port (and until its sale) (and even if the entry took place before the arrest itself) are recognised marine liens, top-ranked at third position after the costs of the selling of the vessel and port dues, and before the crew's and master's wages.

4.8 What is the test for wrongful arrest of a vessel? What remedies are available to a vessel owner who suffers financial or other loss as a result of a wrongful arrest of his vessel?

The Israeli law recognises, as a general rule, the entitlement of the defendant to recover from the claimant the damages and losses caused as a result of a temporary relief order issued by the Court to secure a claim (such as attachment orders), following an application filed by the claimant, and under circumstances where eventually the claim was denied or the claimant has withdrawn its claim (Supreme Court's judgments in civil appeal 732/80 *Arens vs Bait-El*, civil appeal 2399/19). However, a matter of a wrongful ship arrest has not yet been decided by the Haifa Maritime Court. Considering the unique nature of a ship arrest, when applying the above-mentioned general rule, the Haifa Maritime Court will most likely refer to the traditional "Evengelismos Test" (1858) as a customary/indicative law. In the Singapore Court of Appeal judgment, in the matter of "*Vasily Golovnin*" [2008] SGCA 39, it was held that considering the arrest of the vessel provides security for the maritime claim that cannot be defeated by insolvency, and that in today's modern world there is no difficulty of furnishing, for example, a letter of undertaking from a P&I club to secure the release of the vessel, although being enunciated more than 150 years ago, and despite the conceptual difficulties and the criticism,

the Evangelismos test should be maintained. However, the Singapore Court of Appeal held that the focus should be on the second part of the test and it would be an objective inquiry of the circumstances and the evidence available at the time of the arrest that will determine whether the action and the arrest were so unwarrantably brought, or brought with so little colour, or so little foundation, as to imply that they were brought with malice or gross negligence. This means that, if a vessel owner will be able to prove that the claim and arrest were brought with so little foundation, he will most likely be able to claim damages occurred as a result of the arrest from the claimant. However, due to the fact that usually no security is required from the claimant when applying for the arrest, an owner's claim for wrongful arrest will not be secured.

4.9 When is it possible to apply for judicial sale of a ship and what is the procedure for judicial sale?

According to rules 138–139 of the Vice Admiralty Rules, 1883, the Court is authorised to order on the selling of the vessel, either before or after the final judgment and either by public auction or by a private contract. If the vessel is deteriorating in value, the Court is authorised to have it sold forthwith. In practice, if no notice of appearance is filed on behalf of the arrested vessel within seven days after been served with the writ of summons (and of the claim documents), the claimant may apply to the Court and ask for a judicial sale of the vessel, either by auction or private contract.

5 Evidence

5.1 What steps can be taken (and when) to preserve or obtain access to evidence in relation to maritime claims including any available procedures for the preservation of physical evidence, examination of witnesses or pre-action disclosure?

The Maritime Court is authorised under Article 96 of the Admiralty Regulations to order that any witness who cannot conveniently attend the trial must be examined previously thereto, before either the judge or the registrar. According to Article 171 of the Israeli Civil Procedure Regulations, 1984, the Court can order an immediate testimony hearing of a witness who is about to exit Israel, or on other grounds, provided there is a reasonable justification in the view of the Court to order this. Under Article 111 (a) of the Israeli Civil Procedure Regulations, 2018, the Court is authorised to nominate a temporary receiver to search, photocopy, copy and take possession of assets located at the Respondent's premises (interpreted to mean places under the Respondent's control) if there is *prima facie* evidence that the Respondent or any person on his behalf is about to remove the assets or destroy them in a manner that will harm the legal process. Accordingly, in the case of *M/V Diana*, the Maritime Court ordered for the immediate visit and examination of the vessel being subject to a cargo interest claim for indemnities due to damage caused to the cargo after the vessel could not maintain its position and drifted ashore and became grounded. The Court also ordered the Chief Engineer to provide immediate answers to a questionnaire or else to appear immediately in Court to be examined. Eventually, the Chief Engineer provided his answers in a written affidavit, which was provided one day before he and the vessel left by towing for repairs in Turkey, and that otherwise might not have been provided during the London arbitration proceedings. Later in the petition filed by the cargo interests under the Freedom of Information Act, 1998, the Court ordered the Israeli Authority for Shipping and Ports to disclose the communications that took place between the distressed *M/V Diana* and the Rescue Coordination Centre, prior to the grounding of the vessel, for the purpose of presenting these before the London arbitration proceedings.

5.2 What are the general disclosure obligations in court proceedings? What are the disclosure obligations of parties to maritime disputes in court proceedings?

The disclosure should be of any document and information where it is reasonable to presume that they include information that allows a party, either directly or non-directly, to promote the matter that is subject to the claim. Accordingly, the disclosure is of greater significance than admissibility, and a document can be subject to disclosure, even if it is not admissible as evidence at Court.

5.3 How is the electronic discovery and preservation of evidence dealt with?

There is no specific procedure for electronic discovery. The discovery of electronic correspondence or documents will be examined in view of the above-mentioned general rule, as mentioned in question 5.2 above. However, the Court is authorised as an immediate temporary relief to nominate a temporary liquidator with an authority to enter premises and either preserve and obtain assets, including documents, or to have a copy of these.

6 Procedure

6.1 Describe the typical procedure and timescale applicable to maritime claims conducted through: i) national courts (including any specialised maritime or commercial courts); ii) arbitration (including specialist arbitral bodies); and iii) mediation / alternative dispute resolution (ADR).

6.1.1 Which national courts deal with maritime claims?
The Haifa Maritime Court situated at the Haifa District Court has received, under the Maritime Court Act of 1952, the Supreme Court's authorities to act as a Maritime Court. As the Haifa Maritime Court is the Israeli Maritime Court, it governs the whole Israeli jurisdiction.

6.1.2 Which specialist arbitral bodies deal with maritime disputes in your jurisdiction?
There are no specialised maritime arbitral bodies. As mentioned above, maritime matters are all filed before the Haifa Maritime Court. Cargo claims are usually handled before Civil Court judges at the Haifa and Tel-Aviv Magistrate Courts. Matters can be referred to mediation or arbitration, subject to the parties' consent or under an arbitration agreement.

6.1.3 Which specialist ADR bodies deal with maritime mediation in your jurisdiction?
There is no special body. See question 6.1.2 above.

6.2 What are the principal advantages of using the national courts, arbitral institutions and other ADR bodies in your jurisdiction?

Due to the fact that maritime matters and cargo claims are usually referred to experienced judges, the Courts are very professional and efficient in either deciding the cases or referring the parties

to mediation or promoting a settlement, as appropriate. The Haifa Maritime Court is very quick in issuing Arrest Orders or Attachments and all of the above-mentioned Courts have what is called a "tolerant judicial temper".

6.3 Highlight any notable pros and cons related to your jurisdiction that any potential party should bear in mind.

From our experience, the Haifa Maritime Court will provide remedies to a claimant or owner, even if it is registered and domiciled in countries that do not have formal diplomatic relations with Israel. We were able to arrest vessels and enforce maritime liens in favour of a bunker supplier located in Dubai and, in the matter of *M/V BADR*, to protect the owner's interests in a tanker registered in the Libyan registry.

7 Foreign Judgments and Awards

7.1 Summarise the key provisions and applicable procedures affecting the recognition and enforcement of foreign judgments.

Under the Enforcement of Foreign Judgments Act, an Israeli Court is authorised to enforce a foreign judgment, provided that the judgment was handled by an authorised Court. It is not appealable and its contents are not contradictory to public policy (Article 3 (1)–(4)). If the Courts handling the foreign judgment do not, under their domestic law, enforce Israeli judgments, then the foreign judgment will be enforced by an Israeli Court, only if requested by the Attorney General (Article 4 (a)–(b)). In addition, under Article 13, the Minister of Justice is authorised to enact regulations relating to the enforcement of judgments according to specific enforcing and recognition agreements between the State of Israel and foreign countries. For example, the Treaty between Israel and Germany in 1997 (which came into force in January 1981) and the Convention between the governments of Israel and of the United Kingdom, for the reciprocal recognition and enforcement of judgments in civil matters, signed in London in 1970. In the case of *Captain Hurry*, the Maritime Court recognised a German declaratory judgment, declaring that the owners were not liable for any payment for the bunkers claimed by the claimant, and as a result the claim was dismissed.

Pursuant to clauses 16 (a) and 39 A of the Arbitration Act, 1968, a district court is authorised to order supportive remedies, such as attachments and restraining orders to secure arbitration proceedings taking place in foreign jurisdictions. Under *folio no. 59972–07–19*, *M/V Aquis Perls* and *M/V Mare Zen*, following our application, the Haifa District Court's ordered on attachments on the local defendant's arrests to secure a London arbitration in relation to unpaid hire were successfully obtained.

In the matter of *M/V Tiber River* (2024), following our application, the Haifa Maritime Court ordered the arrest of the vessel for the purpose of securing and enforcing the Piraeus Multi-member Court of First Instance order, ordering on the judicial bailment of the vessel and nominating the claimant and the bailee, for the purpose of securing its claim for management services provided to the owners of the vessel and payments effected in favour of the vessel to third parties.

7.2 Summarise the key provisions and applicable procedures affecting the recognition and enforcement of arbitration awards.

Israel has joined the New York Convention on the Recognition and Enforcement of Arbitral Awards. Under the Regulations for the Performing of the New York Convention (Foreign Arbitration), 1978, the District Courts are authorised to enforce a foreign arbitral award, provided that the applicant will present the Court with a verified copy of the award and of the arbitration agreement. In addition, under Articles 5 and 6 of the Arbitration Act, 1968, the District Court will order a stay of proceedings where the matter in dispute is subject to an arbitration agreement (or arbitration clause in the contract) and if the arbitration is subject to any international convention that was joined by Israel, the proceedings will be stayed according to the rules relating to stay of proceedings that appear in the Convention.

8 Offshore Wind and Renewable Energy

8.1 What is the attitude of your jurisdiction concerning the maritime aspects of offshore wind or other renewable energy initiatives? For example, does your jurisdiction have any public funding programme for vessels used in offshore wind? Summarise any notable legislative developments.

The rights for establishing artificial installations and structures for exploiting the natural resources in the exclusive economic zone of a coastal state are recognised under Article 56 of the UNCLOS (United Nations Convention of the Law of the Sea). Although Israel is not a signatory party to the UNCLOS under the Israeli law, the State of Israel seems itself as obliged to the orders of the UNCLOS relating to the maritime zones, as these are part of the customary international law that applies in the Israeli law, as there is no contrary Israeli legislation. In fact, the State of Israel exercises its economic rights in its exclusive economic zone (EEZ), especially by searching and drilling for natural gas and transferring it from the seabed and subsoil. In December 2010, Israel and Cyprus reached an agreement for the delimitation of the EEZ of each of the two countries. In October 2022, 12 years later, in the UN base in Naqura, the Israeli and Lebanon delegations delivered the signatures on the Israel–Lebanon Maritime Border Agreement, demarcating the maritime boundary line between the countries.

By entering these agreements, Israel's EEZ area and boundaries have been set and recognised, providing a venue for additional offshore activities, including winds or other renewable energy initiatives.

Currently, Israeli wind farms are located inland, for example, in the Golan Heights and Mount Gilboa. However, the possibility for establishing an offshore wind farm exists.

8.2 Do the cabotage laws of your jurisdiction impact offshore wind farm construction?

If an offshore farm construction is built, the maritime transportation of equipment and personal will be subject to the Costal Shipping Act (Permission to a Foreign Vessel), 2005, which requires that such a navigation is subject to a licence that is provided by the Authority of Shipping and Ports that will regulate, through the licence orders, matters such as safety, environment and minimum employment of Israeli seafarers, unless an exemption from this requirement is provided.

9 Updates and Developments

9.1 Describe any other issues not considered above that may be worthy of note, together with any current trends or likely future developments that may be of interest.

In the matter of *M/V Estelle* (2014), quoting its authorities under the Colonial Court's Act of 1890 and the Naval Prize Act, 1864, the Haifa Maritime Court held that it was authorised to act as a Prize Court and to order the confiscation of vessels attempting to breach the naval blockade imposed on Gaza. In this matter, due to the fact that the Israeli navy did not promptly bring the matter to adjudication, the vessel was released by the Court. In the further matters of *M/V Marianne* (2016), *M/V Zaytouna-Oliva* (2019), *M/V Freedom* and *M/V Kaarstein* (2021), the Haifa Maritime Court was promptly brought to adjudication, and the Court ordered the confiscation and judicial sale of these vessels, and of the transferring of the amounts received from the sale to the state of Israel, while the humanitarian aid itself (if carried on the confiscated vessels) was transferred to the Gaza strip after being discharged at Ashdod port and carried by land carriage. Currently, applications for confiscations of two fishing boats, that violated and attempted to break the fishing zone areas near the Gaza shoreline and continuously confronted with the Israel Navy, are now pending before the Haifa Maritime Court. Although filed before 7th October, these applications will be decided against the background of the launch of Hamas boats from Gaza on the morning of 7th October on 'Zikim' Shore at Ashkelon and the murdering of 19 civilians during the massacre that Hamas committed that day.

In the matter of *M/V Huriye Ana* (2017), the Maritime Court held that Israeli Law had no authority to order a sister-ship arrest as no such authority can be found either in the Admiralty Acts of 1840 and 1861 or in the Shipping Act, 1960. However, in the matter of *M/V OSOGOVO* (2021), while denying a supplier's arrest application for necessaries supplied to a sister-ship vessel of the subject-supplied vessel, the Haifa Maritime Court mentioned that it does not deny the possibility of extending, under "judicial legislation", the causes for "sister-ship arrest", leaving a path for applying to such an arrest by using, for example, the legal principles of lifting the corporate veil.

In the matter of *M/V CHRYSOPIGI* (2019), the Haifa Maritime Court held that marine insurance is not subject to the Israeli Insurance Act and that, therefore, a foreign marine insurer has recognised subrogation rights that provide him with standing to file a claim in the Israeli Courts, although it is not an "insurer", as defined under the Israeli Insurance Act. This decision was affirmed by the Supreme Court in appeal no. 8518/19.

In a similar matter – civil claim 31521–01–20 *Nobel Vs. Zim* – the Haifa District Court ordered that the act of subrogation is not related to the manner in which an insurer handles its insurance agreements, and accordingly, the act of subrogation is not subject to the Israeli local regulations and supervisions on insurers.

In the matters of *M/V Stellar Pacific* (2023), and *M/V Astrid L* (2023), where we represented the heirs for seafarers who sadly lost their lives while serving on the vessel, the Haifa Maritime Court ordered on the payments of compensations in amounts exceeding the amounts stated in the employment collective agreements as compensation amounts in case of injury or death. Although the Court's judgments were rendered without reasoning following settlement arrangements, in our opinion and understanding, the compensations amounts awarded eventually, reflect Israeli law's position that a limitation on owner's liability for compensation in tortious events and casualties that occur to a crew member are not within the "public policy" and therefore will not be enforced.

The War between Hamas and Israel began on the 7th October with the murder by a Hamas terrorist of 1,200 people, mainly civilians and many of them tortured and assaulted, and the kidnapping of 200 more. This massacre was followed by Hezbollah's missile launches from Lebanon and the Houthi's attacks on vessels navigating in the Red Sea crossing the Bab-al-Mandab straits, violating the freedom of Navigation under Article 38 of the UNCLOS[1] and constitute acts of piracy as defined in Articles 101 and 102,[2] imposing on all states the liability to cooperate to the fullest possible extent in the repression of these acts, under article 100.[3] These events led underwriters to activate the war cancelation clauses and to cancel the regular marine risk insurance policies covering voyages and cargo intended for Israel, with notices given 14 or seven days in advance.

As the ordinary arrangement under the Property Tax and Compensation Fund Act, 1973, provides for a governmental war-risk insurance arrangements covering damages to vessel's located within the Israeli exclusive economic zone (including the Israeli territorial waters), now the State of Israel has issued an alternative marine insurance arrangement covering vessels located outside the exclusive economic zone, headed to Israel, for a premium of 0.1725% of the vessel's value for a period of two weeks, which can also cover cargo from loading to discharge.

Following the above, the Israeli ports located at Haifa and Ashdod are operating almost as normal. The Port of Eilat, however, suffers from the "blockade" imposed by the Houthi's attacks and the decisions of mail shipping lines to take the long route around Africa instead of navigating through the red sea. Egypt has also reported on a decline in its income from the passage of vessels through the Suez Canal. In response to the Houthi's attacks of navigating vessels, on the 18th December 2023, Operation Prosperity Gurdian was established. This initiative under the aegis of the Combined Maritime forces (CMF), commanded by the U.S Navy, aims to address the security challenges in the southern Red Sea and the Gulf of Eden.[4] Despite these efforts, Houthis attacks on commercial shipping lanes continue.

The Treaty of Peace, Diplomatic Relations and Full Normalisation Between the United Arab Emirates and the State of Israel, followed by normalisation agreements with Bahrain, prove their strength in the current period of conflict in the middle east. Claimants and interests can find the Haifa Maritime Court and other Israeli courts a favourable jurisdiction.

Endnotes

1. UNCLOS, Article 38 .1 "In straits referred to I article 37, all ships and aircrafts enjoy the rights of transit passage, which shall not be impeded".
2. UNCLOS, Article 101: "Piracy consists of any of the following acts: (a) any illegal acts of violence or detention [..,] and directed: (i) on the high seas, against another ship or air craft […]; (ii) against a ship, aircraft, persons or property in a place outside the jurisdiction of any State"; According to UNCLOS Article.
3. UNCLOS Article 100: "All States shall cooperate to the fullest possible extent in the repression of piracy on the high seas or in any other place outside the jurisdiction of any State".
4. U.S. Department of Defense press release, " Statement from Secretary of Defense", December 18th, 2023, https://www.defense.gov



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Harris & Co. was established in 1996 by the late Adv. John Harris (1940-2023). The firm handles a lot of legal work in varied areas of the law and its main focus is in Maritime and Admiralty Law, including ship-arrests, charterparty disputes, cargo claims, sale and purchase of ships and the financing of ship purchases, arbitration and commercial litigation.
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The firm regularly receives "top tier" rankings from *Chambers and Partners, The Legal 500*, *Dun100* and *BdiCoface*. According to the latest ranking by *The Legal 500*, the firm has "A very devoted and young team mixed with staff rich with experience. A great combination!"

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