

# NEWSFRONT

## GREEK SHIPPING INTELLIGENCE

4 November 2022

Vol. 23/ No. 41



### LEGAL OPINION

#### Ship auction / Creditors' ranking / Maritime lien

In auction of a foreign flag vessel in Greece, maritime liens are judged in a twofold way: Greek code of private maritime law provisions apply; however it is also provided that the law of the flag state applies as regards the encumbrances against the vessel.

Under Greek law, maritime liens precede mortgages against a vessel. Where we have a foreign flag vessel, the flag law should recognise the same claims as vested with maritime lien under its own provisions. If not, they would not be eligible to precede mortgage.

Further, ranking of such claims, once they are recognised as privileged with maritime lien under above dual test, is defined by the law of the place where auction takes place.

Piraeus One-Member Court of Appeal Judgment no 76/2022, Judge: Ch. Saramanti, Attorneys at law: G. Ramantanis Iatridis, A. Athanasiou, Piraeus Law Review, vol. 44 p. 31.

NOTE: Ranking is defined by the law of the auction jurisdiction, as it concerns the relation of claims among themselves. So, to precede with a naval mortgage, the maritime lien needs to be recognised as such by both flag law and law of the auction jurisdiction. To precede another lien, this will be defined from the law of auction jurisdiction.

*The legal column was written by Manolis Eglezos, Attorney at law,  
Manolis Eglezos & Associates Law Firm, Attorneys at Law and Consultants*