

A STUDY ON BENEFIT AND LIMITATION OF GENERAL IN MARITIME INDUSTRY

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ABSTRACT

Nowadays, in the shadow of developed science in the world, marine insurance holding a leading position in the economy of countries. A variety of economic activities and increase in the number of deals between countries, causes developing services and industries related to insurance especially marine insurance. It is worth mentioning that the most transactions are done by concentrating on the marine insurance transportation. The shipment damages have serious effects on society, as such insurance is essential. Marine insurance has several elements, but here the proper concentration is on General Average. General Average history goes back to the ancient time. It promotes the ownership and the merchants who involved in peril of the sea, this paper has the aim of demonstrating why sailors voluntarily throwing out the goods in the sea without any force. Further, the paper discusses how General Average is jettison insured by the insurance company while the other losses are not covered by General Average by the insurer. To add, to show how the General Average prevents extra damages through insurance in the peril of the sea is threatened captain, owner of the ship and merchants who contribute in shipping and how salvage charges occur by General Average.

KEY WORDS: Insurance, Marine Insurance, General Average, Shipment, and Losses