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New policy on registering vessels in Cyprus Register of Ships



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Introduction

On 23 May 2019 the Deputy Ministry of Shipping via Circular 10/2019 updated its policy on the eligibility of ships registered under the Cyprus flag.

In general, ships of any type or size may be registered in the Register of Cyprus Ships or the Special Book of Parallel Registration, provided that the applicable age and type-related requirements specified below are satisfied.**(1)**

The new policy stipulates additional requirements beyond those in the Merchant Shipping Registration of Ships, Sales and Mortgages Law**(2)** for registering ships and should therefore be read in conjunction with the relevant legal provisions.

Age-related requirements

The entry inspection and additional inspections specified in the table below must be carried out when the age of a ship is equal to or greater than the number of years indicated under the related conditions corresponding to the type of the ship.**(3)**

Type of ship	Entry inspection required	Additional inspection required
Cargo ships	Yes, if over 15 years old	No

Passenger ships engaged in international or short international voyages or domestic voyages in the territory of a state other than Cyprus	Yes, if over 20 years old	Yes, if over 20 years old (biennially)
Fishing vessels under 25 years old	Yes	Yes (annually)
Ships of types other than those listed above	Yes, if over 15 years old (Pleasure yachts, non-propelled craft and other vessels with gross tonnage less than 500 may be excluded from this condition)	No

All ships (except passenger ships and fishing vessels) over 25 years old must meet the following requirements:

- the ship must pass an entry inspection prior to the registration of the vessel in the Register of Cyprus Ships; and
- the ship's records, age and detention history must justify registration.

An entry inspection – and additional inspections where required – are carried out by surveyors from the Shipping Deputy Ministry at the expense of the registered owner or registered bareboat charterer. **(4)**

Type-related requirements

In general, the registration of ships in the Register of Cyprus Ships or the Special Book of Parallel Registration may be allowed provided that the requirements relating to the relevant type of the ship as described below are met.

Passenger and cargo ships

If requested to engage cadets for training by the Shipping Deputy Ministry's permanent secretary, passenger and cargo ships engaged in international voyages (including short international voyages) must use cadets who are permanent Cypriot residents.

Fishing vessels

The director of the Department of Fisheries and Marine Research of the Ministry of Agriculture, Rural Development and the Environment must authorise the registration of fishing vessels **(5)** under the Cyprus flag; otherwise, the Register of Cyprus Ships will not consider such applications.

Fishing vessels which fall outside the scope of the EU Directive 97/70/EC (which established a harmonised safety regime for fishing vessels of 24 metres in length and over) must:

- be classed by a recognised organisation;
- comply with the codes, guidelines, recommendations and standards of the International Maritime Organisation, the International Labour Organisation, the Food and Agricultural Organisation or the European Union relevant to the type of

vessel; and

- be surveyed and certified to that effect by a recognised organisation.

Fishing vessels that are over 25 years old will not be accepted for registration in the Register of Cyprus Ships or the Special Book of Parallel Registration.

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Endnotes

(1) The registrar of Cyprus Ships will not consider applications to the Register of Cyprus Ships or the Special Book of Parallel Registration of ships which:

- at the time of application are banned on port state control grounds by a signatory state of any memoranda of understanding on port state control from entering ports of parties to that memorandum or which have been banned by a state from entering its ports;
- have been detained on port state control grounds on three or more occasions during the two years prior to the date of application for registration by states that are signatories of the Paris, Tokyo or Mediterranean memoranda of understanding on port state control or by the US Coast Guard; or
- have been constructed for exclusive use on inland navigation or are to be used exclusively in inland navigation (eg, in internal waters, rivers, inland waterways, canals, natural or artificial lakes, water reservoirs or dams).

(2) For example, the Merchant Shipping Registration of Ships, Sales and Mortgages Law stipulates ownership requirements and provides discretionary power to delete a vessel from the registry in certain instances. It clarifies that a ship may be registered in the Register of Cyprus Ships only if:

- more than 50% of the ship's shares are owned by:
 - Cypriot citizens; or
 - citizens of other EU/EEA member states which, if not permanent Cypriot residents, will have appointed an authorised representative in Cyprus; or
- 100% of the ship's shares are owned by one or more corporations, which have been established and operate:
 - in accordance with the laws of Cyprus and have their registered office there;
 - in accordance with the laws of any other EU/EEA member state and have their registered office, central administration or principal place of business within the European Economic Area and which have appointed an authorised representative in Cyprus or ensured that the management of the ship is entrusted in full to a Cypriot or EU ship management company having its place of business in Cyprus; or
 - outside Cyprus or any other EU/EEA member state but is controlled by Cypriot or EU/EEA citizens and has appointed an authorised representative in Cyprus or ensured that the ship's management is entrusted in full to a

Cypriot or an EU ship management company having its place of business in Cyprus.

(3) The policy contains further guidance regarding the manner in which the 'age' of vessels is calculated, including instances where a vessel has undergone a major conversion.

(4) The policy contains further guidance as to the period when entry inspections and any additional inspections must be performed.

(5) For the purpose of the policy, a 'fishing vessel' means ships that are employed in fishing operations or for the processing, storage or carriage of fish ('fish' is used as a collective term and includes molluscs, crustaceans and any aquatic animal which is harvested) or in any operations (including the transshipment of fish) ancillary thereto; however, it does not include ships used for the transport of fish or fish products as part of a general cargo.

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