

Registration of Ships in Cyprus

April 2011

Merchant Shipping (Registration of Ships, Sales and Mortgages) Law 1963 to 2005

This law requires that the vessel can be registered under the Cyprus flag if more than 50% of the shares of the ship are owned by Cypriot citizens or by citizens of other Member States who will have appointed representative in the Republic of Cyprus, by companies incorporated in Cyprus or by a corporation incorporated outside the Republic, in which the controlling interest is vested in Cypriots (physical persons), if specially authorized by a decision of the Council of Ministers of the Republic.

Age of ships

As of 1st January 2000, vessels of any size and type having an age not exceeding 15 years, except fishing vessels, may be registered in the Cyprus Register of Ships or the Special Book of Parallel Registration as long as they comply with the provisions contained in the merchant shipping legislation and the circulars of the Department of Merchant Shipping (DMS).

In addition, they must also comply with the following conditions, according to their age and type which must be fulfilled concurrently with the submission of the application for registration and must be complied with at all times while the vessel remains registered, irrespective of any subsequent transfer of ownership.

The owner/bareboat charterer of a vessel registered under the Cyprus flag in accordance with Government policy automatically undertakes that, whenever the Department of Merchant Shipping deems necessary to have the vessel inspected by its own surveyors as a result of identified deficiencies or an alleged serious violation of international conventions or EU instruments or prohibition of transportation orders or any other notification published in the Official Gazette of the Republic. The owner/bareboat charterer is required to submit the vessel to inspection, at his expense, in order for the Department to determine whether the vessel meets the applicable statutory requirements.

In the case of Parallel Registration of a Cyprus vessel in a foreign register or in the case of a lay-up of a Cyprus vessel either in Cyprus or in foreign country, the conditions, if any, imposed at the time of its initial registration are suspended for the duration of the status of parallel registration or for as long as the lay-up of the vessel lasts.

The age of a vessel is calculated by deducting the year when its keel was laid from the year when the application for registration of the vessel was filed with the Registrar of Cyprus Ships. The year of conversion or modification or major reconstruction and the year of completion or delivery of a vessel, are considered irrelevant and will be ignored.

A. Cargo vessels and tug boats

Cargo vessels are all merchant vessels of gross tonnage of 500 and over which have been constructed or adapted for the purpose of carrying cargo in any form. **Tug boats** are those with an engine power equal to or greater than 1500KW, or with an appropriate certificate of bollard pull of 20 tons or more.

1. Vessels over 15 but not exceeding 20 years of age

A vessel in this category may be registered provided it undergoes an entry inspection, which is completed with satisfactory results.

2. Vessels over 20 years of age but not exceeding 25 years of age

A vessel in this category may be registered provided:

- (a) it undergoes an entry inspection, which is completed with satisfactory results, and
- (b) where it is required by legislation that the vessel should comply with the ISM Code, it is operated by a shipmanagement company having its principal place of business in the EU For the purpose of this policy, EU includes any Member State of the EU and/or the European Economic Area, which is certificated for compliance with the ISM Code.

3. Vessels over 25 years of age

Vessels in this category are not accepted for registration in the Cyprus Register of Ships.

4. Special Cases

Notwithstanding the provisions of paragraphs 2 and 3 above, the following vessels may exceptionally be accepted for registration in the Cyprus Register of Ships:

a. a vessel over 20 years of age may be registered if it belongs to a fleet, which includes at least 5 vessels under the Cyprus flag aged up to 12 years, owned directly or indirectly by the same person(s), provided:

- i. it has not been detained by port state control authorities more than once within the last 12 months prior to the date of application for registration at ports of the Paris MOU, Tokyo MOU or the US Coastguard on grounds of safety, pollution prevention or for security reasons, and
- ii. it undergoes an entry inspection, which is completed with satisfactory results.

b. a vessel over 25 years of age may be registered provided:

- i. the vessel will serve the Cyprus trade and will call at Cyprus ports at least twice per month or at least 24 times in any one year, and
- ii. it has not been detained by port state control authorities more than once within the last 12 months prior to the date of application for registration at ports of the Paris MOU, Tokyo MOU or the US Coastguard on grounds of safety, pollution prevention or for security reasons, and
- iii. it undergoes an entry inspection, which is completed with satisfactory results and is subject to subsequent annual inspections, and
- iv. where it is required by legislation that the vessel should comply with the ISM Code, it is operated by a shipmanagement company having its principal place of business in the EU, which is certificated for compliance with the ISM Code.

B. Cargo vessels with a gross tonnage less than 500

1. Vessels not exceeding 20 years of age

A vessel in this category may be registered without any additional conditions.

2. Vessels over 20 years of age but not exceeding 25 years of age

A vessel in this category may be registered provided it undergoes an entry inspection, which is completed with satisfactory results.

3. Vessels over 25 years of age

Vessels in this category are not accepted for registration in the Cyprus Register of Ships.

4. Special Cases

Notwithstanding the provisions of paragraph 3 above, a vessel over 25 years of age may be registered provided:

- i. the vessel will serve the Cyprus trade and will call at Cyprus ports at least twice per month or at least 24 times in any one year, and
- ii. it has not been detained by port state control authorities more than once within the last 12 months prior to the date of application for registration at ports of the Paris MOU, Tokyo MOU or the US Coastguard on grounds of safety, pollution prevention or for security reasons, and
- iii. it undergoes an entry inspection, which is completed with satisfactory results and is subject to subsequent annual inspections.

C. Passenger vessels

Passenger vessels are those carrying more than 12 passengers in international voyages and include also self-propelled accommodation barges and any other structure used to accommodate persons on board.

1. Passenger vessels not exceeding 30 years of age

A vessel in this category may be registered provided it undergoes an entry inspection, which is completed with satisfactory results and is subject to subsequent annual inspections.

2. Passenger vessels over 30 years of age but not exceeding 40 years of age

A vessel in this category may be registered provided:

an inspection of the hull, machinery and general condition of the vessel is completed with satisfactory results after the submission of the application for registration but prior to the registration of the vessel (provisional, direct permanent, parallel) in the Cyprus Register of Ships and it undergoes an entry inspection, which is completed with satisfactory results and is subject to subsequent annual inspections, and

- a. it is operated by a shipmanagement company having its principal place of business in the
- b. EU, which is certificated for compliance with the ISM Code, and
- c. at least 2 cadets who are EU citizens and registered with the District Labour Office or with the Department of Merchant Shipping, are engaged for sea training for a period of up to 6 months in any one year. [This requirement is not applicable in the case of accommodation barges].

3. Passenger vessels over 40 years of age

Vessels in this category are not accepted for registration in the Cyprus Register of Ships.

4. Special Cases

Notwithstanding the provisions of paragraph 3 above, a vessel over 40 years of age may exceptionally be re-registered in the Cyprus Register of Ships provided:

- i. the vessel will serve the Cyprus trade and will call at Cyprus ports at least twice per month or at least 24 times in any one year, and
- ii. it has not been detained by port state control authorities more than once within the last 12 months prior to the date of application for registration at ports of the Paris MOU, Tokyo MOU or the US Coastguard on grounds of safety, pollution prevention or for security reasons, and
- iii. it undergoes an entry inspection, which is completed with satisfactory results and is subject to subsequent annual inspections, and

it is operated by a shipmanagement company having its principal place of business in the EU, which is certificated for compliance with the ISM Code.

D. Fishing vessels

Fishing vessels are those vessels, which are employed in fishing operations or for the processing, storage or carriage of fish or in any operations (including transshipment of fish) ancillary thereto, but it does not include any vessel used for the transport of fish or fish products as part of a general cargo.

1. General Requirements

- a. No fishing vessel, irrespective of age or size, may be registered provisionally, permanently or parallel-in, in the Cyprus Register of Ships, unless it secures beforehand the written consent of the Director of the Department of Fisheries and Marine Research of the Ministry of Agriculture, Natural Resources and Environment.
- b. Owners of fishing vessels of any size and age must submit, as a condition for the registration of such vessels, a declaration stating that they will abide, at all times, by the prevailing government policy in respect of fishing, particularly as regards the preservation of protected species and the prohibition of the use of certain fishing equipment and adhere strictly to the relevant EU fisheries legislation and international fisheries agreements and conventions.
- c. The employment of a fishing vessel flying the Cyprus flag in fishing operations or for the processing, storage or carriage of fish or in any operations ancillary thereto without a fishing license issued by the Department of Fisheries and Marine Research of the Ministry
- d. of Agriculture, Natural Resources and Environment, constitutes a breach of the Fisheries Law, Cap 135, as amended, as well as a breach of the conditions for its registration.
- e. Fishing vessels over 25 years of age are not accepted for registration in the Cyprus Register of Ships.

2. Special Requirements

a. Fishing vessels less than 24 metres in length

A vessel in this category over 15 years of age must undergo an entry inspection, which must be completed with satisfactory results.

b. Fishing vessels of 24 metres in length and over

- i. Fishing vessels which fall outside the scope of the Merchant Shipping (Harmonised Safety Regime for Fishing Vessels of 24 Metres in Length and Over) Law of 2002 (Law 56(I)/2002), as amended, should comply with the requirements of the Torremolinos Protocol or be certificated in accordance with the “Code of Safety for Special Purpose Ships” (IMO Assembly Resolution A.534(13) as amended by the IMO Resolution MSC.266(84)) or with the SOLAS 1974 Convention, as amended, whichever is applicable.
- ii. Fishing vessels in this category must comply with the requirements of Council Directive 92/48/EEC of 16 June 1992 laying down the minimum hygiene rules applicable to fishery products caught on board certain vessels in accordance with Article 3(1) (a) (i) of Directive 91/493/EEC.

A vessel in this category over 15 years of age must undergo an entry inspection, which must be completed with satisfactory results.

E. Coastal / small passenger vessels and landing crafts

Coastal passenger vessels are those vessels carrying fare-paying passengers on coastal trips, irrespective of size.

Small passenger vessels are passenger vessels with suitable facilities for carrying up to 12 passengers in international voyages.

Landing craft are those vessels of specific design and steel construction, which are aimed primarily to carry passengers and vehicles and are capable of landing them on the beach.

- 1. A motor vessel in this category up to 25 years, propelled primarily using an internal combustion engine, or
- 2. a sailing vessel in this category (with or without an auxiliary propulsion engine not exceeding 7.5KW (10HP)) irrespective of age, or

A Landing craft, irrespective of age, may be registered, provided, where it is required by legislation, that the vessel complies with the ISM Code, it is operated by a shipmanagement company having its principal place of business in the EU and is certificated for compliance with the ISM Code.

F. Pleasure Craft

Pleasure craft are yachts or other types of vessels used exclusively for recreation and are not engaged in any commercial operations, irrespective of size.

1. Vessels not exceeding 25 years of age

A vessel in this category may be registered without any additional conditions.

2. Vessels over 25 years of age

A vessel in this category may be registered provided it undergoes an entry inspection which is completed with satisfactory results.

Note:

- **Pleasure craft** up to 24 metres in length must comply with the provisions of the Basic Requirements (Recreational Craft) Regulations of 2003 (P.I. 307/2003), as amended, which incorporate the European Union Directive 94/25/EC.
- **Pleasure craft** over 24 metres in length should have a valid class certificate from a recognized organization.

G. Ships engaged in activities not previously mentioned and non self-propelled vessels

For the purposes of this policy, vessels in this category include offshore supply vessels, floating cranes, dredgers, barges, launches, support craft, research ships, tugboats not falling under section A, Mobile Offshore Drilling Units, etc.

1. Vessels not exceeding 25 years of age

A vessel in this category may be registered without any additional conditions.

2. Vessels over 25 years of age

A vessel in this category may be registered provided:

- a. it undergoes an entry inspection which is completed with satisfactory results, [This requirement is not applicable in the case of Mobile Offshore Drilling Units (MODU) with or without self-propulsion, where the DMS deems that, for each specific case, due to the design features of the particular vessel and the place and mode of its employment, such inspection is not necessary] and
- b. where it is required by legislation that the vessel should comply with the ISM Code, it is operated by a shipmanagement company having its principal place of business in the EU, which is certificated for compliance with the ISM Code.

Ship Registration - Procedure

Provisional registration

The application for provision registration of the vessel must be made to the Minister of Communications and Works through the Registrar of Cyprus Ships.

At the time of her provisional registration under the Cyprus flag a ship must be at a port so that she can be surveyed and certified on behalf of the Cyprus government. The presence of the ship at the port or place where the provisional registration will take place is not necessary.

1. For the provisional registration of a ship the following information is required:

- (a) Name of the vessel and her flag at the time of the application
- (b) Name of the person (legal or natural) applying for the registration of the vessel
- (c) Name of the vessel under which she will be registered
- (d) Particulars of the vessel (type, year of build, keel laying date and gross and net)
- (e) Name of the Classification Society (see Appendix 1 for Recognised Classification Societies) with which the ship is entered. In case the Owners of the

vessel contemplate a change of the Classification Society on acquiring the vessel this should also be stated

- (f) Declaration of Particulars of the company for ISM Code (Form ISM 01/Revision 03);
 - (g) Intended trading area of the vessel
 - (h) Place where the vessel will be at the time of her provisional registration, if known. This must be communicated to the Registrar of Cyprus Ships prior to the provisional registration
 - (i) The Consular office where the owners wish to effect the provisional registration of the vessel
 - (j) Name and address of the Shareholders and Directors of the company in whose ownership the vessel will be registered.
1. Following documents must be submitted to the Registrar of Cyprus Ship Registry together with the application for the provisional registration:
- (a) Memorandum and Articles of Association of the Cyprus company in the ownership of which the vessel will be registered*
 - (b) Certificate of Incorporation of the company*
 - (c) Certificate of Shareholders of the company*
 - (d) Certificate of Directors of the company*
 - (e) Certificate of Registered Office of the company*
- In the case of companies established in the EU or EEA or established outside the EU or EEA but controlled by citizens of the EU or EEA, a Notarial Certificate of Certifying Officer or competent authority of the EU can be submitted instead of the documents mentioned above.
- (f) Resolutions of the Directors of the Company for the purchase of the vessel and its registration in the Cyprus Registry
 - (g) Power of Attorney authorizing the person who will sign all the necessary documents on behalf of the Company
 - (h) Bill of Sale
 - (i) Builder's Certificate
 - (j) Declaration of Ownership
 - (k) Deletion Certificate / Certificate of Ownership and Free of Encumbrances from the previous registry
 - (l) Appointment or Authorised Representative ***
 - (m) Confirmation of vessel's Classification Society (where applicable)
 - (n) Confirmation of vessel's Radio Traffic Accounting Authority**

- (o) Registration of a Mobile Maritime Radio Station (Form MS 34)
- (p) Registration of SAR (Search and Rescue Particulars (Form MS 45)**
- (r) ISPS and ISM Forms (where it is required)**
- (s) Copy of a GMDSS – Shore Based Maintenance Agreement;
- (t) In case of a Parallel Registration in a foreign register, a Certificate of Parallel Registration from the foreign registry
 In the case of a pleasure craft under 24 metres:
 - i. Declaration of Conformity
 - ii. EC Type Examination Certificate from a notifying body
 - iii. Owner's Manual

* In the case of an individual, this is replaced with the Identity Card or Passport

** Does not apply to non-convention ships

*** In the case of a corporation established in the European Union (EU) or the European Economic Area (EEA) or outside the EU and the EEA but controlled by citizens of the EU or EEA

2. Provided that the relevant fees have been paid and all the necessary documentation has been deposited either with the Registrar of Cyprus Ships or with any diplomatic mission or the consular office of the Republic, the Registrar or the consular officer who has been instructed to carry out the ships' provisional registration will issue:
 - (a) Provisional Certificate of Cyprus Registry (Form MS.5), which is valid for six months from the date of issue
 - (b) Provisional Radio License and advise the vessel's Classification Society that it may proceed with the survey and certification of the vessel on behalf of the Government of the Republic of Cyprus.

The provisional registration is valid for six months and it can be extended for a further period of three months.

Permanent Registration

The permanent registration of a provisionally registered vessel must be effected within 6 months (or 9 months if the 3 months extension has been granted) from the date on which the vessel was provisionally registered.

The following documents must be submitted to the Registrar of Cyprus Ships:

- (a) Certificate of Survey (Form MS 1)
- (b) Tonnage Certificate (Form MS 12)
- (c) Ship's Carving and Marking Note (Form MS 32)
- (a) Copies of the International statutory certificates:
 - Cargo Ship Safety Construction Certificate
 - Cargo Ship Safety Equipment Certificate
 - Cargo Ship Safety Radio Certificate
 - International Load Lines Certificate
 - International Ship Security Certificate
 - International Safety Management Certificate
 - International Oil Pollution Prevention Certificate
 - International Air Pollution Prevention Certificate
 - International Sewage Pollution Prevention Certificate
 - International Anti-Fouling Systems Certificate

APPENDIX 1

AUTHORISED RECOGNISED ORGANISATIONS

Classification Societies Recognised by the Government of the Republic of Cyprus:

1. American Bureau of Shipping (ABS)
2. Bureau Veritas (BV)
3. China Classification Society (CCS)
4. Det Norske Veritas (DNV)
5. Germanischer Lloyd (GL)
6. Korean Register of Shipping (KR)
7. Lloyds Register (LR)
8. Nippon Kaiji Kyokai (NK)
9. Polski Rejestr Statkow (PRS)
10. Registro Navale Italiano (RINA)
11. Russian Maritime Register of Shipping (RS)

NOTES:

The above is intended to provide a brief guide only. It is essential that appropriate professional advice is obtained. Totalserve Management Ltd will be glad to assist you in this respect. Please do not hesitate to contact us.