



REPUBLIC OF CYPRUS
MINISTRY OF TRANSPORT,
COMMUNICATIONS AND WORKS



DEPARTMENT
OF MERCHANT SHIPPING
LEMESOS

Circular No 25/2017

4 December 2017

TEN 5.13.09
TEN 3.8.01.20

All Registered Owners, Registered Bareboat Charterers, Managers and Representatives of Ships flying the Cyprus Flag

Members of the Cyprus Shipping Chamber c/o CSC

Members of the Cyprus Union of Shipowners c/o CUS

Subject: Agreement between the Government of the Republic of Cyprus and the Government of the Republic of India on Merchant Shipping

I wish to refer to the above subject and to inform you that an Agreement on Merchant Shipping between the Government of the Republic of Cyprus and the Government of the Republic of India was signed in New Delhi on 28th April 2017. This agreement was published in the Official Gazette No.4231, Supplement VII, dated 7th July 2017 and entered into force on **29 November 2017**. From the date of entry into force of this Agreement, the previous Agreement on Merchant Shipping between Cyprus and India which had been signed on 11 February 1997, has ceased to have effect.

The most important provisions of the new Agreement are the following:

- (a) Either Contracting Party shall afford to vessels of the other Contracting Party the same treatment as it affords to its own vessels engaged in international voyages in respect of free access to ports, use of ports for loading and unloading of cargoes and for embarking and disembarking of passengers, payment of dues and taxes based on the tonnage or otherwise, in accordance with the national laws and regulations, exercising normal commercial operations and use of services related to navigation (Article 5).
- (b) Each of the Contracting Parties shall recognize the identity documents issued by the competent authorities of the other Contracting Party to members of the crew who are nationals of that Contracting Party (Article 7).
- (c) During the time a vessel of the one Contracting Party is in a port of the other Contracting Party, each crew member of that vessel shall be permitted temporary shore leave in the territory of the municipality to which the port belongs, as well as in the territories of adjacent municipalities, without visa being required, provided he can show a relevant identity document mentioned in Article 7 of the present Agreement. However, such leave shall only be permitted if the master has submitted to the appropriate authorities at the port a crew list on which the names of the crew members appear, in accordance with the regulations in force in that port (Article 8).



(d) If a vessel of the one Contracting Party is shipwrecked, runs aground, is cast ashore or suffers any other accident off the coast of the territory of the other Contracting Party, the vessel and the cargo shall enjoy in the territory of the latter Party the same benefits and privileges and accept the same liabilities as are accorded to a vessel of that and its cargo. The crew and passengers as well as the vessel itself and its cargo shall be granted, at any time, help and assistance to the same extent as in the case of a national vessel (Article 10).

(e) The taxation of income of any kind derived from the use of vessels in international traffic shall be regulated by the provisions of the Agreement between the Republic of Cyprus and the Republic of India for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital (Article 11 (1)).

(f) Residents of the one Contracting Party who are employed on board vessels of the other Contracting Party as masters, officers or other members of the crew should be taxed on income derived from wages or other benefits in respect of paid services rendered, only the Contracting Party where the vessel is registered and is flying its flag (Article 11 (2)).

(f) The freight income obtained from the operation, in international traffic, of vessels of the one Contracting Party, by organisations or enterprises established in accordance with its national legislation, will be exempted from fees and taxes of any kind in the territory of the other Contracting Party (Article 11 (3)).

(g) Shipping organisations or enterprises of either Contracting Party shall have the right to use income and other revenue obtained in freely convertible currency within the territory of the other Contracting Party and deriving from maritime transport operations, for the purpose of making payments in the territory of that other Contracting Party. Any surpluses, after settlement of all amounts due locally, if any, are remittable abroad (Article 11 (4)).



Ioannis Efstratiou
Acting Director
Department of Merchant Shipping

- cc. - Permanent Secretary, Ministry of Transport, Communications and Works
- Permanent Secretary, Ministry of Foreign Affairs
 - Permanent Secretary, Ministry of the Interior
 - Permanent Secretary, Ministry of Finance
 - Maritime Offices of the Department of Merchant Shipping abroad
 - Diplomatic Missions and Honorary Consular Officers of the Republic
 - Commissioner of Taxation, Tax Department
 - Cyprus Ports Authority
 - Cyprus Shipping Chamber
 - Cyprus Union of Shipowners
 - Cyprus Bar Association