



REPUBLIC OF CYPRUS
MINISTRY OF TRANSPORT,
COMMUNICATIONS AND WORKS



DEPARTMENT
OF MERCHANT SHIPPING
LEMESOS

Circular No. 16/2016

27 May 2016

TEN 5.13.09
TEN 12.3.03.39

To all Registered owners, Registered bareboat charterers
Managers and Representatives of ships flying the Cyprus Flag

To all Owners, Managers, Representatives and Agents in Cyprus of Ships, irrespective of
flag they are flying, calling at Cyprus ports
c/o Cyprus Shipping Chamber
c/o Cyprus Union of Shipowners
c/o Cyprus Shipping Association

Subject: The Implementation of the Provisions of the U.N. Security Council Resolutions or Decisions (Sanctions) and the E.U. Council Decisions and Regulations (Restrictive Measures) Law of 2016 (Law 58(I)/2016)

1. I refer to the above subject and wish to inform you of the enactment of the *Implementation of the Provisions of the United Nations Security Council Resolutions or Decisions (Sanctions) and the European Union Council Decisions and Regulations (Restrictive Measures) Law of 2016 (Law 58(I)/2016)*.¹

2. The purpose of Law 58(I)/2016 is to set out the obligations of any person or entity in the Republic of Cyprus to abide and comply with all the provisions of the U.N. Security Council Resolutions or Decisions (Sanctions) and /or the E.U. Decisions and Regulations (Restrictive Measures).

3. The said new legislation, and specifically **section 3** of the Law, provides that each Ministry or a **Department** of a Ministry, or independent agency or supervisory body² in the Republic of Cyprus, is responsible and competent for ensuring the implementation in the Republic of the provisions of the U.N. Security Council Resolutions or Decisions (Sanctions) and/or E.U. Decisions and Regulations (Restrictive Measures) , that fall within the area of its competence according to the Cyprus Constitution and applicable legislation.

Same section 3 of the new Law provides that the relevant supervisory bodies shall issue relevant Instructions to the persons and entities under their supervision. In case that such a person or entity fails to comply with these Instructions, the competent authority, as the case may be, may take action under the provisions of section 59(6) of the *Prevention and Suppression of Money Laundering from Unlawful Activities Laws*.

¹ Published in the Official Gazette of the Republic of Cyprus No. 4564, Supplement I (I) dated 25/4/2016.

² A Supervisory body as designated pursuant to section 59 of the *Prevention and Suppression of Money Laundering from Unlawful Activities Laws (Law 188(I)/2007 as amended)*



4. In addition, **section 6**, of the Law provides that where a person commits any act in contravention of any of the provisions of the U.N. Security Council Resolutions or Decisions (Sanctions) and/or E.U. Decisions and Regulations of the (Restrictive Measures), the **relevant competent authority**, reports the violation to the **Cyprus Police** for such investigation.

5. More importantly, your attention is drawn to **section 4** of the Law, which imposes specific penalties, (fines and imprisonment), in case of non-compliance, by any individual and/or legal entity, committing any act in contravention of any of the provisions of the U.N. Sanctions and/or E.U. Restrictive Measures as follows:

“ 4.- (1) Any person, who contravenes any of the provisions of the United Nations Security Council Resolutions or Decisions (Sanctions) and of the European Union Council Decisions and Regulations (Restrictive Measures), is guilty of an offence, and without prejudice to any other legislative provision providing a greater penalty ,upon conviction is subject to:

*a) in the case of an individual, imprisonment not exceeding **two years** or to a fine not exceeding **€100.000** (one hundred thousand Euro) or **both these penalties**;*

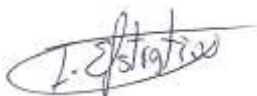
*b) in the case of a legal entity, a fine not exceeding **€300.000** (three hundred thousand Euro).*

(2) No criminal proceedings shall be instituted by virtue of this section without the consent of the Attorney General of the Republic.”

6. Finally, **section 5** of the Law provides that the Director of the Department of Customs and Excise, exercises his power to compound offences under the provisions of section 88 of the *Customs Code Laws of 2004 to 2011*,³ *mutatis mutandis*, in respect of the criminal offence set out in **section 4**.

7. All recipients of the present Circular are invited to take note of its content and should strictly abide by the provisions of the aforementioned new legislation, as well as the UN & EU Instruments implemented by virtue thereof, and DMS Circulars.

This Circular must be placed on board vessels flying the Cyprus flag.



Ioannis Efstratiou
Acting Director
Department of Merchant Shipping

Cc: - Permanent Secretary, Ministry of Transport, Communications and Works

- Attorney General of the Republic
- Permanent Secretary, Ministry of Foreign Affairs
- Permanent Secretary, Ministry of Defence
- Permanent Secretary, Ministry of Justice and Public Order
- Diplomatic Missions and Honorary Consular Officers of the Republic
- Maritime Offices of the Department of Merchant Shipping abroad

³ Customs Code Law 94(I)/2004 as amended.

- General Manager, Cyprus Ports Authority
- Director, Department of Customs and Excise
- Registrar of Companies
- Commander, Cyprus Marine Police
- Cyprus Shipping Chamber
- Cyprus Union of Shipowners
- Cyprus Shipping Association
- Cyprus Bar Association

Vp/AM