



REPUBLIC OF CYPRUS
MINISTRY OF TRANSPORT,
COMMUNICATIONS AND WORKS



DEPARTMENT
OF MERCHANT SHIPPING
LEMESOS

Circular No. 6/2018

23 February 2018

TEN 5.13.09
TEN 12.3.01.42

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

To all Owners Managers and Representatives of ships
under a foreign flag calling at
Cyprus ports

Owners of Ships under Foreign Flag,
Charterers, and Ship Managers
operating in the Republic of Cyprus

Members of the Cyprus Shipping Chamber c/o CSC

Members of the Cyprus Union of Shipowners c/o CUS

To all Recognised Organizations

**Subject: Transformation and Renaming of the Department of Merchant Shipping
into a Deputy Ministry of Shipping**

I refer to the above subject and wish to inform you of the following:

1. As of 1st March 2018 the Department of Merchant Shipping is transformed and renamed into a **Deputy Ministry of Shipping** by the effect of the provisions of the *Establishment of a Deputy Ministry of Shipping and Appointment of a Deputy Minister of Shipping and for Matters Connected Therewith Law of 2017 (Law 123(I)/2017)*. The text of said Law in an English translation is herewith attached.¹
2. According to the Decision of the Council of Ministers of the Republic of Cyprus no. 83.605 dated 8 November 2017, the headquarters of the Deputy Ministry of Shipping will be in Limassol. Therefore, as from 1st March 2018 all correspondence with the Deputy Ministry of Shipping should be addressed to:

Permanent Secretary/ Acting Permanent Secretary
of the Deputy Ministry of Shipping
Deputy Ministry of Shipping,

¹ Law 123(I)/2017 was published in the Official Gazette of the Republic No. 4616, Supplement I (I), dated 28.07.2017. It shall enter into force on 1st March 2018.



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Telephone: +357 25848100, Telefax: +357 25848200
E-mail: maritimeadmin@dms.mcw.gov.cy,

3. The abbreviation in English of the Deputy Ministry of Shipping will be DMS. Its webpage will be the same, namely <http://www.shipping.gov.cy>
4. According to the provisions of subsection (2) of section 4 of Law 123(I)/2017 when anywhere in the shipping legislation² or in relevant public documents a mention is made-
 - (a) to the Ministry of Transport, Communications and Works, this shall be construed as a reference to the Deputy Ministry of Shipping;
 - (b) to the Minister of Transport, Communications and Works, this shall be construed as a reference to the Deputy Minister of Shipping;³
 - (c) to the Permanent Secretary of the Ministry of Transport, Communications and Works, this shall be construed as a reference to the Permanent Secretary of the Deputy Ministry of Shipping;⁴
 - (d) to the Department of Merchant Shipping, this shall be construed as a reference to the Deputy Ministry of Shipping;
 - (e) to the Director of the Department of Merchant Shipping, this shall be construed as a reference to the Permanent Secretary of the Deputy Ministry of Shipping.
5. Furthermore in accordance with the provisions of subsections (3), (4) and (5) of section 4 of Law 123(I)/2017:
 - (a) Any authorisation-approval, license-permit or act of any nature whatsoever, granted or made by virtue of the shipping legislation, shall be deemed to have been made under the provisions of Law 123(I)/2017;
 - (b) Any court proceedings or a legal action pending or initiated between the Department of Merchant Shipping and its employees-officers or any other person concerning matters raised prior to the date of entry into force of Law 123(I)/2017 (i.e. prior to 1st March 2018), continues or is brought against the

² According to section 2 of Law 123(I)/2017 the term “shipping legislation” means the Laws, Regulations and Orders issued by virtue of these Laws and relate to the activities of the Department of Merchant Shipping.

³ Provided that this provision shall not apply to *the Investigation of Marine Casualties and Incidents Law of 2012 (Law 94(I)/2012)*.

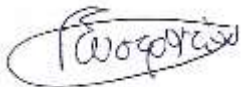
⁴ Provided that this provision shall not apply to *the Investigation of Marine Casualties and Incidents Law of 2012 (Law 94(I)/2012)*.



Deputy Ministry of Shipping which is established in accordance with the provisions of Law 123(I)/2017;

(c) As from the date of entry into force of Law 123(I)/2017 (i.e. 1st March 2018) and thereafter, any obligation arising in relation to the proceedings referred to in subsection (4) of section 4 of the Law shall become an obligation of the Deputy Ministry of Shipping established pursuant to the provisions of Law 123(I)/2017 and any remedy provided for or in connection with such proceedings, shall be executed against the Deputy Ministry of Shipping.

6. Finally, I draw your attention on the fact that according to the provisions of subsection (3) of section 5 of Law 123(I)/2017 all powers delegated to the Director and officers of the Department of Merchant Shipping by virtue of the shipping legislation in force, shall as from the date of entry into force of Law 123(I)/2017, be construed as delegated from the Deputy Minister of Shipping to officers of the Deputy Ministry of Shipping.



Ioannis Efstratiou
Acting Director

cc. - Permanent Secretary, Ministry of Transport, Communications and Works

- Maritime Offices of the Department of Merchant Shipping abroad
- General Manager Cyprus Ports Authority
- Inspectors of Cyprus Ships
- Permanent Secretary, Ministry of Foreign Affairs
- Diplomatic Missions and Honorary Consular Offices of the Republic
- Director General , Cyprus Investment Promotion Agency (CIPA)
- Commissioner for State Aid Control
- Commissioner of Taxation, Tax Department
- Cyprus Shipping Chamber
- Cyprus Union of Shipowners
- Cyprus Shipping Association
- Trade Union SEK
- Trade Union PEO
- Cyprus Bar Association
- Institute of Certified Public Accountants of Cyprus
- Cyprus Master Mariners Association
- Association of Merchant Marine Officers

**THE ESTABLISHMENT OF A DEPUTY MINISTRY OF SHIPPING AND
APPOINTMENT OF A
DEPUTY MINISTER OF SHIPPING AND FOR MATTERS CONNECTED THEREWITH
LAW OF 2017**

LAW No. 123(I) OF 2017 ¹

¹ **Editorial Note:** This Law was published in the Greek language in the Official Gazette of the Republic of Cyprus No. 4616, dated 28.07.2017, Supplement I(I). This is an “unofficial” translation into English prepared by the Department of Merchant Shipping and does not intend to replace any translation prepared by the Law Commissioner’s Office.

*According to Article 3 of the Constitution of the Republic of Cyprus, the official languages of the Republic of Cyprus are Greek and Turkish and therefore the present translation into English is **not the authentic version**. The authentic and therefore legally binding version, is the Greek version of this Law.*

Disclaimer: This translated document is intended for use as a documentation tool and the Department of Merchant Shipping / Deputy Ministry of Shipping of the Republic of Cyprus does not assume any liability for its content.

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Preamble.

WHEREAS the Cyprus merchant fleet is ranked as one of the largest globally, as well as at European level and whereas the Republic of Cyprus is considered as one of the largest shipmanagement centres in the world and as such, the State entity of the Republic of Cyprus is strengthened.

AND WHEREAS the contribution of merchant shipping to the Cyprus economy is very important.

AND WHEREAS, merchant shipping is an international activity that is constantly changing in line with current international trade and economic circumstances, and it is therefore necessary to expeditiously adapt the national public shipping administration to these international circumstances for the better utilisation of the relevant opportunities and the timely and effective response to the problems that arise.

AND WHEREAS the international and European Union legislative framework governing merchant shipping is subject to constant review and updating, which implies the immediate, active and effective presence of the Republic at international and European organizations and bodies so as to safeguard to the greatest extent possible the national interests of Cyprus.

AND WHEREAS, it emerged that the way in which shipping is developing impedes the imposition of horizontal policies necessary for the implementation of an integrated national shipping strategy.

AND WHEREAS, the existing framework has been found not to use effectively and to the greatest extent possible the comparative advantages that Cyprus presents in this sector, in conjunction with the new international opportunities in shipping.

AND WHEREAS, the aim is to establish a strategic and supervisory authority with the power to draw up a national shipping strategy and to enforce shipping legislation.

AND WHEREAS the proposed institutional arrangements are expected to lead to more effective planning and implementation of measures to modernize and strengthen the shipping infrastructure and activity in Cyprus, with the multiple benefits that this will bring to the Cyprus economy and the labour market, to this end, it is imperative to establish the Deputy Minister of Shipping as head of the Deputy Ministry of Shipping with coordinating and horizontal competences and powers in the field of shipping.

The House of Representatives enacts as follows:

*Short
title.*

1. This Law shall be cited as the Establishment of a Deputy Ministry of Shipping and Appointment of a Deputy Minister of Shipping and for Matters Connected Therewith Law of 2017.

PART I- INTRODUCTORY PROVISIONS

Interpretation.

2. -(1) In this Law unless the context otherwise requires—

“competent authority” means the Deputy Minister of Shipping;

“Department of Merchant Shipping” or “Department” means the Department of Merchant Shipping which up until the entry into force of this Law is under the Ministry of Transport, Communications and Works;

“Deputy Minister of Shipping” or “Deputy Minister” means the person appointed by the President of the Republic by virtue of the provisions of section 7;

“Deputy Ministry of Shipping” or “Deputy Ministry” means the deputy ministry defined in section 3;

“employee-officer” means any employee-officer of the Department of Merchant Shipping who, immediately prior to the date of entry into force of this Law, held a position at the Department of Merchant Shipping either permanently or temporarily, or in substitution;

“public servant” has the meaning attributed to the term by *the Public Service Law*;

1 of 1990
71 of 1991
211 of 1991
27(I) of 1994
83(I) of 1995
60(I) of 1996
109(I) of 1996
69(I) of 2000
156(I) of 2000
4(I) of 2001
94(I) of 2003
128(I) of 2003
183(I) of 2003
31(I) of 2004
218(I) of 2004
68(I) of 2005
79(I) of 2005
105(I) of 2005
96(I) of 2006
107(I) of 2008

137(I) of 2009
194(I) of 2011
78(I) of 2013
7(I) of 2014
21(I) of 2014
100(I) of 2015.

“Republic” means the Republic of Cyprus;

“shipping legislation” means the Laws, Regulations and Orders issued by virtue of these Laws and relate to the activities of the Department of Merchant Shipping;

“the Public Service Law” means *the Public Service Law*.

PART II- ESTABLISHMENT AND COMPETENCES OF THE DEPUTY MINISTRY OF SHIPPING

*Competences of the
Deputy Ministry of
Shipping.*

3. A Deputy Ministry of Shipping is established as a result of the transformation of the Department of Merchant Shipping provided for in subsection (1) of section 4, which has the following competences:

- (a) the development of a comprehensive national shipping strategy for the further development of the Cyprus Register of Ships and the executive planning of the development of the Cyprus shipping cluster,
- (b) the coordination and implementation of the national shipping strategy, using the necessary horizontal policies,
- (c) the continuous updating of shipping legislation as well as its implementation in relation to the powers that this legislation had granted to the Department of Merchant Shipping prior to the date of entry into force of this Law, including the registration of ships in the Cyprus Register of Ships and the issuing of relevant certificates and licenses,
- (d) the promotion and support of investments in shipping, including the development and implementation of incentives,
- (e) the promotion of maritime training and education,
- (f) the development of a strategy for the promotion of the Cyprus Register of Ships and Cyprus shipping abroad and locally in Cyprus:

Provided that, for this purpose, the views of an Advisory Committee chaired by the Deputy Minister of Shipping will be taken into account, and in this Committee, among other members, stakeholders related to the shipping sector will participate;

It is further provided that campaigns for the promotion and enhancement of the Cyprus shipping can be carried out through relevant awarding procedures to any body governed by public or private law ,selected by the Deputy Ministry;

- (g) the preparation of studies, market research, analysis of contemporary trends in shipping, the management of statistical data, the evaluation of the performance of programs and appropriations (funds) allocated to the shipping sector,
- (h) the upgrading and modernisation of the structure and procedures of the Deputy Ministry and the continuous upgrading of the quality of the services provided, as well as the promotion of innovation in the shipping sector;
- (i) the supervision of the shipping sector, the cooperation with other supervisory authorities, the provision of correct information to the shipping companies on shipping legislation,
- (j) the preparation and submission of proposals for reforms, which include, among other, the simplification of procedures for attracting shipping investment, the strengthening of the competitiveness and the wider development of the shipping industry.

PART III-

STAFFING AND OPERATION OF THE DEPUTY MINISTRY OF SHIPPING

4. –(1) The Department of Merchant Shipping is transformed and renamed to Deputy Ministry of Shipping.

(2) When anywhere in the shipping legislation or in relevant public documents a mention is made-

*Transformation
and renaming
of the Department
of Merchant
Shipping into a
Deputy Ministry of
Shipping.*

- (a) to the Ministry of Transport, Communications and Works, this shall be construed as a reference to the Deputy Ministry of Shipping;
- (b) to the Minister of Transport, Communications and Works, this shall be construed as a reference to the Deputy Minister of Shipping;

94(I) of 2012.

Provided that this provision shall not apply to *the Investigation of Marine Casualties and Incidents Law*;

- (c) to the Permanent Secretary of the Ministry of Transport, Communications and Works, this shall be construed as a reference to the Permanent Secretary of the Deputy Ministry of Shipping;

Provided that this provision shall not apply to *the Investigation of Marine Casualties and Incidents Law*;

- (d) to the Department of Merchant Shipping, this shall be construed as a reference to the Deputy Ministry of Shipping;
- (e) to the Director of the Department of Merchant Shipping, this shall be construed as a reference to the Permanent Secretary of the Deputy Ministry of Shipping.

(3) Any authorisation -approval , license-permit or act of any nature whatsoever, granted or made by virtue of the shipping legislation, shall be deemed to have been made under the provisions of this Law.

(4) Any court proceedings or a legal action pending or initiated between the Department of Merchant Shipping and its employees-officers or any other person concerning matters raised prior to the date of entry into force of this Law, continues or is brought against the Deputy Ministry of Shipping which is established in accordance with the provisions of this Law.

(5) As from the date of entry into force of this Law and thereafter ,any obligation arising in relation to the proceedings referred to in subsection (4) shall become an obligation of the Deputy Ministry of Shipping established pursuant to the provisions of this Law and any remedy provided for or in connection with such proceedings, shall be executed against the Deputy Ministry of Shipping.

*Staffing of the
Deputy Ministry
of Shipping.*

5. -(1) The Deputy Ministry of Shipping is staffed, operated and managed in accordance with the provisions of this Law, the provisions of *the Public Service Law* and the Regulations made under these Laws.

(2) The Deputy Minister of Shipping is the political supervisor and the competent authority for the personnel of the Deputy Ministry of Shipping who acts through the Permanent Secretary of the Deputy Ministry of Shipping, *mutatis mutandis* to the competences that Ministers have for the personnel of their Ministries ,in accordance with the provisions of section 2 of *the Public Service Law*.

(3) All powers delegated to the Director and officers of the Department of Merchant Shipping by virtue of the shipping legislation in force, shall as from the date of entry into force of this Law, be construed as delegated from the Deputy Minister of Shipping to officers of the Deputy Ministry of Shipping.

*Annual
Report
of Activities .*

6. – (1) The Deputy Ministry of Shipping shall prepare an Annual Report of Activities which it shall submit to the Council of Ministers and lay before the House of Representatives for their briefing.

(2) The Annual Report of Activities shall be published in such form and in such manner as deemed appropriate by the Deputy Minister, and in any case the Report shall be published on the official website of the Deputy Ministry:

Provided that the first Annual Report of Activities shall cover that period of the year corresponding to the period commencing on the date of the appointment of the first Deputy Minister until the end of the relevant year.

PART IV- APPOINTMENT, COMPETENCES AND TERMS OF SERVICE OF THE DEPUTY MINISTER OF SHIPPING

*Appointment of
Deputy Minister,
competences and
powers.*

7. -(1) The Deputy Minister is appointed by an act of the President of the Republic.

(2) A person appointed as Deputy Minister in accordance with the provisions of subsection (1), shall exercise the powers and competences assigned to him/ her pursuant to the provisions of this Law, as well as any other competences assigned to him/ her by the Council of Ministers.

(3) Without prejudice to the generality of subsection (2), the competences and powers of the Deputy Minister include the following:

- (a) the political supervision of the Deputy Ministry of Shipping;
- (b) the political representation of the Republic in the bodies and institutions of the European Union or in any international organization, the development of interstate relations and the execution of any acts falling within the powers or duties assigned to him/ her under the provisions of this Law or by the Council of Ministers;
- (c) the management of all issues and affairs which fall within the powers or duties assigned to him/ her;
- (d) the issuance of circulars, internal instructions and general instructions for the execution of any powers or duties assigned to him/ her and for the implementation of any Regulations made pursuant to this Law or any other relevant legislation in relation to the powers or duties assigned to him/ her;
- (e) the preparatory work for submission to the Ministers, depending on the subject matter, of bills, draft orders or draft Regulations relating to powers or duties assigned to him/ her pursuant to the provisions of this Law.

*Term
of office.*

8. The term of office of the Deputy Minister shall not exceed the term of office of the President of the Republic, during the tenure of whom he/ she was appointed and shall be terminated at the absolute discretion of the President of the Republic.

Incompatibility .

9. The status of Deputy Minister is incompatible with the office of a Member of the House of Representatives, a mayor, or a municipal councilor, or with the status of a member of the Armed Forces or the Security Forces of the Republic or with the status of a civil servant.

*Compensation
and pension
benefits.*

10. - (1) The compensation of the Deputy Minister shall be of the same level as that provided for the Ministers in accordance with *the Ministers and President, Vice-President and Members of the House of Representatives (Compensation) Law*.

22 of 1960
1 of 1969
57 of 1970
64 of 1973

36 of 1976
74 of 1978
49 of 1980
47 of 1983
229 of 1990
79(I) of 1995
127(I) of 2002
111(I) of 2005
74(I) of 2010
128(I) of 2012.

(2) The Deputy Minister is entitled to the same pension benefits as provided for the Ministers in accordance with the provisions of the *Pensions (Certain Officials of the Republic) Law*.

49 of 1980
46 of 1983
170 of 1986
130 of 1988
13 of 1989
136 of 1990
37 of 1991
63(I) of 1993
39(I) of 1996
47(I) of 1996
111(I) of 2002
112(I) of 2005.

Provided that, any other benefits and conditions that apply and/or are granted to the Ministers shall apply and /or be granted *mutatis mutandis* to the Deputy Minister.

Budget of the Deputy Ministry.

11. - (1) Subject to the provisions of the *Fiscal Responsibilities and Budget Systems Law*, the Deputy Minister draws up a budget proposal for each financial year, by which proposal it submits to the Minister of Finance the annual budget of its Deputy Ministry.

20(I) of 2014
123(I) of 2016
133(I) of 2016.

(2) The budget of the Deputy Ministry for each financial year, following approval by the Minister of Finance, shall be included in the Budget of the Republic for the relevant financial year.

Presence of the Deputy Minister at the meetings of the Council of Ministers and submission of proposals.

12. The Deputy Minister may submit proposals to the Council of Ministers and be present at its meetings for matters for which he/ she has been assigned a power or competence by virtue of the provisions of this Law or by the Council of Ministers, without participating in the decision making process.

**PART V-
FINAL PROVISIONS**

*Making of
Regulations.*

13. The Council of Ministers may make Regulations for the better implementation of this Law which shall be laid before the House of Representatives for approval.

*Entry into force
of this Law.*

14. The entry into force of this Law shall commence on 1st March 2018.

DMS Version February 2018 Final