



REPUBLIC OF CYPRUS

**SHIPPING DEPUTY MINISTRY TO THE PRESIDENT**

Circular No. 19/2019

SDM 12.3.01.36.02

SDM 5.13.09

7 November 2019

Tonnage Tax Companies

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

**Subject: Cyprus Tonnage Tax System (Law 44(I)/2010): Flags which appear on the Grey List and Black List of the Paris MOU for the Fiscal Year 2019**

As provided by sections 17(2), 27(2) and 40(2) of Law 44(I)/2010 and on the basis of the relevant tables contained in the Annual Report of the Paris MOU for the year 2018, the Permanent Secretary of the Shipping Deputy Ministry has decided that the flags appearing in Annex I are included in the Grey List of the Paris MOU and flags appearing in Annex II are included in the Black List of the Paris MOU.

It is recalled that, as provided by sections 17(1), 27(1) and 40(1) of the said Law, Qualifying non-Community ships shall have their annual tonnage tax increased:

- (a) by thirty per cent (30%) if the flag they are entitled to fly appears in the Grey List of the Paris MOU;
- (b) by sixty per cent (60%) if the flag they are entitled to fly appears in the Black List of the Paris MOU.

As provided by section 34(4) of the Law, ships under management (Community and non-Community ships), flying a flag which appears in the Black List of the Paris MOU, shall be deemed to fulfil the requirements of section 34(1), i.e. to comply with international and Community standards, only if the technical and crew management of every such ship is entirely performed from the territory of any EU/EEA Member State. In case of non-compliance with the above, the provisions of section 54 of the Law shall apply.

Costas Iacovou  
Permanent Secretary  
Shipping Deputy Ministry



**Cc:**

- Permanent Secretary, Ministry of Finance
- Permanent Secretary, Ministry of Foreign Affairs
- Maritime Offices of the Shipping Deputy Ministry abroad
- Diplomatic Missions and Honorary Consular Officers of the Republic
- Commissioner for State Aid Control
- Commissioner of Taxation, Tax Department
- Director General, Cyprus Investment Promotion Agency (CIPA)
- Cyprus Bar Association
- Institute of Certified Public Accountants of Cyprus

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## **ANNEX I**

### **Grey List of the Paris MOU to be used for the fiscal year 2019**

1. Algeria
2. Azerbaijan
3. Bulgaria
4. Curacao
5. Egypt
6. Georgia
7. India
8. Iran, Islamic Republic of
9. Jamaica
10. Kazakhstan
11. Kuwait
12. Lebanon
13. Libya
14. Malaysia
15. Morocco
16. Saint Vincent and the Grenadines
17. Saudi Arabia
18. Slovakia
19. Switzerland
20. Syrian Arab Republic
21. Thailand
22. Tunisia
23. Tuvalu
24. United States of America
25. Vanuatu
26. Viet Nam

## **ANNEX II**

### **Black List of the Paris MOU to be used for the fiscal year 2019**

1. Albania
2. Belize
3. Bolivia
4. Cambodia
5. Comoros
6. Congo, Republic of the
7. Dominica
8. Honduras
9. Moldova, Republic of
10. Mongolia
11. Montenegro
12. Saint Kitts and Nevis
13. Sierra Leone
14. Tanzania, United Republic of
15. Togo
16. Ukraine