

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

LAW No. 123(I) OF 2017<sup>1</sup>

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<sup>1</sup> **Editorial Note:** *This Law was published in the Greek language in the Official Gazette of the Republic of Cyprus No. 4616, Supplement I(I), dated 28.07.2017, together with a **corrigendum** published at page 41 of the Official Gazette No.4643, Supplement I (I), dated 20.03.2018. This is an “unofficial” translation into English prepared by the Shipping Deputy Ministry to the President (SDM) 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.***

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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 Shipping Deputy Minister to the President as head of the Shipping Deputy Ministry to the President 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 Shipping Deputy Ministry to the President and Appointment of a Shipping Deputy Minister to the President 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 Shipping Deputy Minister to the President;

“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;

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

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

“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 SHIPPING DEPUTY**  
**MINISTRY TO THE PRESIDENT**

*Competences of the  
Shipping Deputy  
Ministry to the  
President.*

**3.** A Shipping Deputy Ministry to the President 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 in Cyprus:

Provided that, for this purpose, the views of an Advisory Committee chaired by the Shipping Deputy Minister to the President 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 SHIPPING DEPUTY MINISTRY**  
**TO THE PRESIDENT**

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

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

(2) When anywhere in the shipping legislation 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 Shipping Deputy Ministry to the President;
- (b) to the Minister of Transport, Communications and Works, this shall be construed as a reference to the Shipping Deputy Minister to the President;

94(l) 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 Shipping Deputy Ministry to the President ;

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

(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 Shipping Deputy Ministry to the President 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 Shipping Deputy Ministry to the President established pursuant to the provisions of this Law and any remedy provided for or in connection with such proceedings, shall be executed against the Shipping Deputy Ministry to the President.

*Staffing of the Shipping Deputy Ministry to the President.*

5. -(1) The Shipping Deputy Ministry to the President 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 Shipping Deputy Minister to the President is the political supervisor and the competent authority for the personnel of the Shipping Deputy Ministry to the President who acts through the Permanent Secretary of the Shipping Deputy Ministry to the President, 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 Shipping Deputy Minister to the President to officers of the Shipping Deputy Ministry to the President.

*Annual Report of Activities .*

6. – (1) The Shipping Deputy Ministry to the President 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 Shipping Deputy Minister to the President, 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 Shipping Deputy Minister to the President until the end of the relevant year.

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

*Appointment of  
Shipping Deputy  
Minister to the  
President,  
competences  
and powers.*

**7.** –(1) The Shipping Deputy Minister to the President is appointed by an act of the President of the Republic.

(2) A person appointed as Shipping Deputy Minister to the President 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 Shipping Deputy Minister to the President include the following:

- (a) the political supervision of the Shipping Deputy Ministry to the President;
- (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 Shipping Deputy Minister to the President 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 Shipping Deputy Minister to the President 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 Shipping Deputy Minister to the President 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(l) of 1995  
127(l) of 2002  
111(l) of 2005  
74(l) of 2010  
128(l) of 2012.

(2) The Shipping Deputy Minister to the President 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(l) of 1993  
39(l) of 1996  
47(l) of 1996  
111(l) of 2002  
112(l) 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 Shipping Deputy Minister to the President.

*Budget of the Shipping Deputy Ministry to the President.*

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

**11.** - (1) Subject to the provisions of *the Fiscal Responsibilities and Budget Systems Law*, the Shipping Deputy Minister to the President 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.

(2) The budget of the Shipping Deputy Ministry to the President 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 Shipping Deputy Minister to the President at the meetings of the Council of Ministers and submission of proposals.*

**12.** The Shipping Deputy Minister to the President 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 1<sup>st</sup> March 2018.

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