



REPUBLIC OF CYPRUS
MINISTRY OF TRANSPORT,
COMMUNICATIONS AND WORKS



DEPARTMENT
OF MERCHANT SHIPPING
LEMESOS

Circular No.20/2017

TEN 12.3.01.36.02
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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 2017

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 2016, the Acting Director of the Department of Merchant Shipping 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.

Ioannis Efstratiou
Acting Director
Department of Merchant Shipping



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

- Permanent Secretary, Ministry of Finance
- Permanent Secretary, Ministry of Foreign Affairs
- Maritime Offices of the Department of Merchant Shipping 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 2017

1. Albania
2. Algeria
3. Azerbaijan
4. Bulgaria
5. Curacao
6. Egypt
7. Georgia
8. India
9. Jamaica
10. Korea, Republic of
11. Kuwait
12. Lebanon
13. Libya
14. Lithuania
15. Malaysia
16. Mongolia
17. Morocco
18. Poland
19. Slovakia
20. Switzerland
21. Saint Vincent and the Grenadines
22. Syrian Arab Republic
23. Thailand
24. Tunisia
25. Tuvalu
26. Ukraine
27. Viet Nam

ANNEX II

Black List of the Paris MOU to be used for the fiscal year 2017

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