NOTIFICATION

S.R.O. 30 (KE)/2003: In exercise of the power conferred by clause (h) of sub-Section (2) of section 74 of the Merchant Shipping Ordinance, 2001 (LII of 2001), the Federal Government is pleased to make the following rules, namely: -

THE MERCHANT SHIPPING (REGISTRATION OF SHIPS) RULES, 2002

1. **Short title, application and commencement-**

    a. These rules may be called the Merchant Shipping (Registration of Ships) Rules, 2002.

    b. Application-
    They shall apply to all ships having length over twenty-four meters intended to be registered in Pakistan.

    c. They shall come into force at once.

2. **Definitions-**
    (1) In these rules, unless there is any thing repugnant in the subject or context:

    a. **"Bare boat charter"** means a contract for the lease of a ship, for stipulated period of time, by virtue of which the lessee has complete possession and control of the ship including the right to appoint the Master and crew of the ship for the duration of the lease.

    b. **"Chartered vessel"** means vessel leased under bareboat charter party terms.

    c. **"Competent authority"** means the Directorate Ports and Shipping.

    d. **"Flag State"** means a state whose flag a chip is entitled to fly;

    e. **"Ordinance"** means the Pakistan Merchant Shipping Ordinance, 2001 (LII of 2001);

    f. **"Operator"** means the owner or bareboat chartterer or any other natural or juridical person to whom the responsibilities

of the owner or bareboat chartterer have been formally assigned;

g. **"Register"** means the official register or registers in which particulars of a ship are recorded;

h. **"Registrar"** means the Principal Officer of the Mercantile Marine Department; and

i. "State of registration" means the state in whose register of ships a ship has been entered.

(2)All other terms and expressions used, but not defined in these rules, shall have the same meaning as assigned to them in the Ordinance.

3. **Owner of a ship.** A Pakistani Ship may be owned by:

   a. Citizens of Pakistan by birth or migration;

   b. Persons having acquired citizenship of Pakistan by registration under the Pakistan Citizenship Act, 1951 (ii of 1951);

   c. Companies having their principal place of business in Pakistan and which control operation and management of the ship from Pakistan; or

   d. Any individual or company permitted by the Federal Government.

4. **Management.**
   The owner of every Pakistani ship shall appoint a manager who is a resident in Pakistan. The manager may be an officer of the owning company or of a management company. The appointment of or the management agreement stating the name of manager shall be registered with the Registrar of ships.

5. **Registration procedure.**

   a. The registration of Pakistani ships shall be done by Principal Officer (Registrar of Ships), Mercantile Marine Department, Karachi, on prescribed application from by the persons qualified to own ships under M.S.O. 2001 as given in Annex-A. Declaration shall be signed before the Registrar of Ships by the applicant.

b. Every name to be used for a Pakistani vessel shall be approved by the Directorate of Signals, Naval Headquarters, and Islamabad. This shall be applicable even if there is no change in the name of the vessel from its previous registry. More than one name may be submitted for approval in the order of preference. After approval of name an advertisement at least in the one daily newspaper shall be published for public notice.

c. The Call sign or signal letters shall be issued by the registrar of ships at the time of issuance of Certificate of Registry and the owner of a ship shall also obtain Mobile Station License to operate the ship board radio station while vessels equipped with GMDSS are required to obtain the Maritime Mobile Service identity (MMSI) number from the Pakistan Telecommunication Authority; Provided that the ships will be exempt from such formalities if there is no requirement for the vessel to be fitted with any radio station.

d. The following requirements shall be fulfilled as to ownership of a Pakistani ship or vessel.

    i. In case of individual proof of proprietorship, partnership or association of persons, national identity cards, national tax number and place of business shall be supplied;

    ii. In case of body corporate, a certified copy of memorandum and articles of association certificate of incorporation, certificate of commencement of business, list of directors with their nationality and address, and place of business in Pakistan shall be supplied;

e. The following shall be required as an evidence of ownership of a vessel;

    i. An original copy of the ownership deed or documents; and

    ii. Builders certificate shall be required for a new vessel and any other vessel a certified transcript of its former registry or similar other document showing the previous ownership and the bill of sale duly executed shall be required. If there shall be intervening changes

of ownership, all the intermediate bill of sale shall also be produced showing the continuity of title;

iii. Provided that a builder's certificate or bill of sale which is executed outside Pakistan shall be notarized and endorsed by the Pakistan Consulate of that country.

f. A copy of the full term Tonnage certificate issued by Mercantile Marine Department, Karachi, or one of the authorized classification societies in accordance with the provisions of the Merchant Shipping (Tonnage) Rules, 2002, shall be produced, if required.

g. A copy of the full term classification certificate issued by one of the authorized classification societies may be accepted as evidence of seaworthiness.

h. When applicable, copies of the vessels valid statutory certificate such as passenger ship safety, cargo ship safety construction, cargo ship safety equipment, cargo ship safety radio, international load line, international oil pollution prevention, noxious liquid substances document of compliance, safety management certificate shall be produced. Provided that the certificates shall be valid for at least for three month's period.

i. Evidence of cancellation of the former registry shall be required in all cases where the vessel, at any point in time, has been registered in another country. Such evidence may be in the form of Deletion Certificate or any other form as the case may be, issued by the last flag Government.

j. A certified copy of the carving and marking note issued by registrar of ships and certified by a surveyor from the Mercantile Marine Department or one of the authorized classification society's shall also be required, where applicable.

k. Attested photocopies of the following documents shall also be required for purposed of record and reference.

i. General arrangement plan

ii. Accommodation plan

iii. Tonnage certificate

iv. Previous ships registry; and

v. All other statutory certificates required under SOLAS, MARPOI and other IMO Conventions applicable to the concerned type of ship.

l. After completing all formalities and production of required documents mentioned under sub-rules (I) to (II), permanent Pakistani registry shall be issued by the registrar of ships.

m. A certificate of registry shall be issued to a ship n becoming Pakistan abroad in the following cases.

i. When at foreign port where a ship becomes the property of a person qualified to own a Pakistani ship, a permanent Pakistani ship registry and carving or marking note shall be prepared by the registrar and forwarded to the Pakistan consular officer at the port of delivery, who after certification of carving or marking of the vessel, shall deliver the registry to the owner; and

ii. In case of nay deficiency in production of all required documents under clause 5, subject to the alternative acceptable to the registrar, a provisional certificate of registry shall be issued.

6. **Statutory certificates.**

a. After issuance of Pakistan registry, the statutory certificates required to be carried on board as stipulated in SOLAS Convention attached as annexure "J" shall be issued, after survey, by the mercantile Marine Department or a classification society as recognized by the Government of Pakistan.

b. If the ship is delivered at a foreign port, special authorization shall be required to the issued to the Maritime Administration

of the port of delivery or a recognized classification society for survey and issuance of above certificates on behalf of Government of Pakistan.

7. **Bare boat charter registry.**

   a. A ship on bare boat or demise charter for a period of not less than six months may be registered as a Pakistani ship in the name of persons provided that such persons fall under nay of the description given in rule-3 of these rules subject to following condition, namely: -

      i. The chartterer and the operator of the ship shall be a citizen of Pakistan or a body corporate, or a legal entity, as allowed to be ship owner, under Ordinance.

      ii. The principal place of business shall be maintained in Pakistan and the chartered vessels shall be operated and controlled from Pakistan.

      iii. The vessel so chartered and subsequently registered under Pakistani flag shall be classed by the classification societies, as approved and recognized by the Federal Government, and shall maintain the class during the continuation currency of registration under Pakistan flag.

      iv. The master and the crew of the ship shall be engaged form Pakistan.

      v. The ship chartered and subsequently registered, shall fly the flag of Pakistan and change the original port of registry to new port of registry at the stem of the ship.

      vi. The name of the vessel shall not be changed unless mutually agreed by the owner and the chartterer and applied for the same with the consent of the flag state.

      vii. For bareboat charter registration under Pakistan flag, the applicant shall pay registration fees, capacity and presumptive income tax as prescribed by the Federal Government form time to time.

viii. The chartterer and the master of registered vessel under Pakistan flag shall abide by the rules and regulations with regard to safety standards, flag state control, and administration of fiscal nature, issued by the Federal Government from time to time.

ix. The chartterer shall obtain clearance from the flagging out sate and the consent of the owner of the ship for registering the vessel under Pakistan flag;

x. The chartterer shall provide all the particulars of mortgages, hypothecations and other encumbrances against the vessel intended to be registered under the Pakistan flag; and

xi. The vessel intended to be registered under these rules shall not to be in the ports of Pakistan. The registration may be accomplished while the vessel is in foreign ports, however, inspectors may be arranged by the competent authority to witness change of flag and completion of other necessary formalities required for bareboat registration.

b. The registrar upon receipt of an application form a chartterer of the vessel shall obtain the following documents, form the applicant, namely: -

i. Evidence of qualification to own a hip under rule-3;

ii. Particulars of the vessel, class and nationality;

iii. Evidence of ownership of the vessel;

iv. Certificate of suspension of ship registry or, in case of new building, the certificate of name, builders certificate, title deeds or other documents which provide evidence of ownership;

v. Copy of charter party with riding clauses, showing that charter terms are based on bareboat charter or bareboat charter with purchase option;
Particulars of owner such as: -

1. In case of ship owning by sole proprietor, the name and nationality of the person, name and type of the firm, address of registered business place, with telephones, telexes, facsimile, and e-mail, etc.
2. In case of ship owing by partnership, the name and nationality of managing partner, other partners, name, address and type of the firm, registered place of business along with particulars of communication media, or
3. In case of limited company incorporated or corporation; the name and nationality of managing director, other directors, registered principal place of business of the company, name and business place of managers, particulars of communication media etc.

vi. An undertaking or affidavit form owners entitled to sign for the company stating that they have agreed or have no objection to register the vessel by the chartterer at their home port for a period as specified in the charter party.

vii. Consent or administrative order from the administration of the flag state, indicating that vessel's registered rights shall remain suspended for the period, the ship is under the register of the chartterer homeport.

viii. And undertaking forms the applicant, stating that the vessel during currency of the register under Pakistan flag shall not fly any other flag except of Pakistan.

ix. A statement officially issued by the administration of the flag state, showing mortgage deeds, hypothecations and other encumbrances or interests against the vessel intended to be registered.

x. An undertaking from owners, chartterer and operators stating that the registrar shall be informed about the changes of ownership judicial sale of the vessel

alterations, conversions, if nay, in the ship during the currency of the registration under Pakistan flag; and

xi. Copies of all statutory and other certificates of the vessel, valid for at lest three months, ensuring that the vessel intended to be registered under these rules is seaworthy and classed under the approved classification society.

c. The registrar may if he considers necessary, demand such other documents to verify the information given by the applicant as may deem fit and appropriate.

d. The registrar, on his being satisfied that the requirement for temporary registry of a bareboat charter have been substantially complied with, shall issue certificate of registry and inform the flagging out state about the status of the registry.

e. The registrar shall ensure that vessels port of registry is properly painted or embossed at the stern of the ship while flying the flag of Pakistan.

f. The registrar may, if deems necessary and circumstances so arise, make an advance registry of a bareboat chartered vessel where a vessel is due to be delivered from shipyard, or to change hands at a time outside normal working days (during holiday) such advance registry shall be valid for maximum period of one week, thereafter, if not registered properly, shall stand cancelled or revoked automatically.

g. Pakistani missions abroad may, if the circumstance so arises, issue provisional registry or provisional certificate of nationality to bareboat chartered vessels upon receipt of instructions from the registrar of ships.

h. The ship registered under bareboat charter, shall be de-registered at any time on the request of a chartterer or upon expiry of the bareboat charter party whichever is earlier, the chartterer shall satisfy the competent authority that circumstances so exist which are beyond their control to mature is terms of contract.

i. The registrar may grant certificate of registry with such restrictions or endorsements as he may think fit.

j. The competent authority may de-register or suspend the registration of a bareboat chartered vessel, if on receipt of information if it is satisfied that registration of the vessel was based upon incorrect or insufficient information, or if at any time the charterer fails to satisfy the conditions laid down in these rules.