

Cayman Islands



EU Member: No
Within EU for VAT: No
Ports: George Town, The Creek & Bloody Bay

Web: www.cishipping.com
Tel: +44 7825 313 181
Email: cisrlondon@cishipping.com

- Will allow limited chartering whilst registered privately, subject to the yacht holding full commercial certificates (and other, non-Flag rules and regulations being complied with). Alternatively, registration can be switched between commercial and private quite easily e.g. for the Caribbean/Mediterranean seasons.
- Fees are calculated on GT and are similar to those of the BVIs (Cayman is marginally cheaper for yachts over 750 GT).
- Allows the cost of name reservation (whilst yacht is under construction) to be deducted from final registration fees (saving approx. \$300).
- Cayman representative required for non-Cayman, corporate owned yachts.
- Useful 'name availability' search function on website.
- Will usually release COBR prior to completion of Carving & Marking which makes life easier for cruising/captains.
- 'White List' Registry, which assures quality and, in practice, means fewer Port State Control inspections.
- Red Ensign Group, Category 1 Registry, which assures quality and unlimited Tonnage.
- Representative offices in various jurisdictions, which allows for good time-zone coverage.

TLT Comments: The CISR London office is able to issue certificates, offering for instant (de-)registration. Registries which do not issue certificates outside their home territory, can cause delay.

France



EU Member: Yes
Within EU for VAT: Yes
Ports: Various

Web: www.rif.mer.developpement-durable.gouv.fr/en
Tel: +33 496 115510
Email: rif@developpement-durable.gouv.fr

- Commercial yachts over 24 metres and manned by a professional crew are registered on the French International Register, known as the 'RIF'.
- At least 25% of the crew must be European.
- Corporate owned yachts: (i) The Owner (or 50% of the owners, if more than one) must have its registered office in the EEA; and (ii) management and control of the yacht must be in France.
- Privately owned yachts: (i) The Owner (or 50% of the owners, if more than one) must be an EEA national; and (ii) the owner or manager (required if multiple owners) must reside or be domiciled in France.
- The 'Guichet Unique' is responsible for the registrations process.
- Flagging of private vessels is the responsibility of the French Dept. of Maritime Affairs.

TLT Comments: The French flag often dovetails with the French lease scheme which can have the effect of reducing a VAT liability on the yacht.

Gibraltar



EU Member: Yes
Within EU for VAT: Yes or no, depending on the facts
Port: Gibraltar

Web: www.gibraltarship.com
Tel: +350 200 47771
Email: maritime.registry@gibraltar.gov.gi

- 3 month provisional registration available.
- Renewal required annually, which can be inconvenient.
- Gibraltar representative required for non-Gibraltar corporate owned yachts over 24 metres.
- Private yachts and commercial/charter yachts under 24 metres are recorded on the Private Register (less onerous). All other yachts are recorded on the Commercial Register.
- 'White List' Registry, which assures quality and, in practice, means fewer Port State Control inspections.
- Red Ensign Group, Category 1 Registry, which assures quality and unlimited Tonnage.

TLT Comments: Not one of the most common Flags and not appropriate for yachts wishing to cruise in Spanish/Balearic waters unless the yacht has VAT-paid status.

British Virgin Islands



EU Member: No
Within EU for VAT: No
Ports: Road Harbour, White Bay & Gorda Sound

Web: www.vishipping.gov.vg
Tel: +44 207 355 9573
Email: vishipping@gov.vg

- Fees are calculated on a sliding scale, based on GT. Fees are similar to those of the Cayman Islands (marginally lower than Cayman for yachts of 400 - 750 GT).
- Recently upgraded to Red Ensign Group, Category 1 Registry, which assures quality and unlimited Tonnage.

TLT Comments: Certificates can only be issued in the BVI, which slows down the registration process and can cause difficulties in practice. BVI Registry will not usually issue a COBR until Carving and Marking is completed although a provisional COBR may be issued. This can make immediate cruising (domestically and internationally) difficult, and lenders will be concerned that mortgages will not be recorded immediately as they would be in other Flag states.

Italy

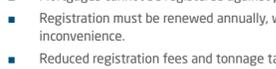


EU Member: Yes
Within EU for VAT: Yes
Ports: Various

- Registration is granted by central Italian Government and local port authorities i.e. a two-stage process. For non Italians, this can be a difficult process.
- The initial application is made to the Ministry of Infrastructure and Transport in Rome.

TLT Comments: Our experience is that Italian registration is rarely chosen unless the owner has a strong personal preference. The process is not quick or efficient and alternative Flag States tend to offer greater incentives and flexibility. We have heard that yachts may be detained in Italian waters for a period after de-registration, although this does not seem to be applied universally.

Singapore



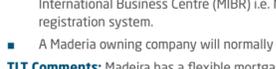
EU Member: No
Within EU for VAT: No
Port: Singapore

Web: www.mpa.gov.sg/web/portal/home/singapore-registry-of-ships
Tel: +65 6375 1932
Email: marine@mpa.gov.sg

- Only available to Singapore residents.
- Private registration only.
- Mortgages cannot be registered against pleasure craft (i.e. yachts).
- Registration must be renewed annually, which can be an inconvenience.
- Reduced registration fees and tonnage tax rebates available for vessels which exceed the IMO Energy Efficiency Design Index.
- Operates a 'voluntary' pleasure craft registration process, which does not evidence title/ownership, so be wary when purchasing yachts Flagged there.
- Will allow the Certificate of Registration to be issued prior to Carving & Marking being completed.
- 'White List' Registry, which assures quality and, in practice, means fewer Port State Control inspections.

TLT Comments: Not accustomed to yacht registrations, but may be appropriate for Singaporean clients.

Madeira



EU Member: Yes
Within EU for VAT: Yes
Port: Madeira

Web: www.madeiraregistry.com/en/registo-martimo.html
Tel: +351 913 592 431

- Commercial yachts must also be registered with the Madeira International Business Centre (MIBR) i.e. Madeira has a two-tier registration system.
- A Maderia owning company will normally be required for the yacht.

TLT Comments: Madeira has a flexible mortgage system, which allows the parties to choose which jurisdiction governs the mortgage. A nice touch for lenders, although more appropriate to commercial shipping than superyachts.

United Kingdom



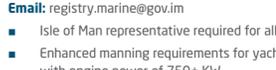
EU Member: Yes
Within EU for VAT: Yes
Ports: Various (including London)

Web: www.gov.uk/topic/ships-cargoes/ship-registration
Tel: +44 2380 329447
Email: ukshipregister@mcga.gov.uk

- 'White List' Registry, which assures quality and, in practice, means fewer Port State Control inspections.
- Red Ensign Group, Category 1 Registry, which assures quality and unlimited Tonnage.

TLT Comments: Whilst the UK Flag is of high quality, in practice there are few advantages to choosing the UK Flag over other Red Ensign Flags (notably Cayman Islands and BVI) which tend to be streamlined and dovetail with tax efficient ownership structures. The UK registration procedure can be time consuming, since the Registry prefers to deal by email rather than telephone.

Isle of Man



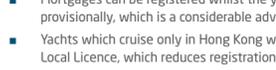
EU Member: Yes
Within EU for VAT: Yes or no, depending on facts
Ports: Douglas, Peel, Ramsey & Castletown

Web: www.gov.im/ded/shipregistry
Tel: +44 1624 688500
Email: registry.marine@gov.im

- Isle of Man representative required for all yachts over 24 metres.
- Enhanced manning requirements for yachts 80+ GT and/or yachts with engine power of 750+ KW.
- Yachts under 24m cannot be registered commercially.
- 'White List' Registry, which assures quality and, in practice, means fewer Port State Control inspections.
- Red Ensign Group, Category 1 Registry, which assures quality and unlimited Tonnage.

TLT Comments: Owners often simultaneously import yachts to the Isle of Man as the entry point to the EU, for VAT purposes. Flagging in the IoM is often the preferred next step. However, be aware that the yacht must physically visit the Isle of Man if imported for VAT, although this is not necessary for Flagging purposes.

Hong Kong



EU Member: No
Within EU for VAT: No
Port: Hong Kong

Web: www.mardep.gov.hk/en/pub_services/home.html
Tel: +852 2542 3711
Email: mdenquiry@mardep.gov.hk

- Allows provisional registration.
- Mortgages can be registered whilst the yacht is registered provisionally, which is a considerable advantage to Lenders.
- Yachts which cruise only in Hong Kong waters only need apply for a Local Licence, which reduces registration requirements.
- 'White List' Registry, which assures quality and, in practice, means fewer Port State Control inspections.

TLT Comments: As with Singapore, Hong Kong is not very popular for yacht registrations, although it seems more willing to accommodate yachts than Singapore.

The Registry claims that HK is the 'gateway to China' and whilst this may be true, Chinese red tape continues to make entry, exit and cruising within China difficult and impractical for most yacht owners.

Malta



EU Member: Yes
Within EU for VAT: Yes
Port: Valetta

Web: www.transport.gov.mt/ship-registration
Tel: +356 21 250 360
Email: mershipmalta.tm@transport.gov.mt

- Full EU-status.
- Renewal required annually, which can be inconvenient.
- Initial 6 month/provisional registration available, which is more flexible than some other registries.
- Commercial yachts must comply with the Maltese Commercial Code which is similar to (but less stringent than) the MCA Large Yacht Code.
- Yachts over 24m require full tonnage/safety survey, including engine room amendments.
- 'White List' Registry, which assures quality and, in practice, means fewer Port State Control inspections.

TLT Comments: Often, but not always, dovetails with the Maltese Lease Scheme. A key advantage of the Maltese Flag is the absence of minimum charter time requirements for commercial yachts. This is attractive to owners for whom Temporary Admission, Maltese Lease Schemes and other VAT efficient structures are not appropriate.

Guernsey



EU Member: Yes
Within EU for VAT: Yes or no, depending on facts
Port: Guernsey

Web: www.guernseyharbours.gov.gg
Tel: +44 1481 705822
Email: shipsregistry@gov.gg

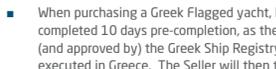
- Will not accept yachts over 150 GT.
- Will not allow yachts over 24m to register commercially.
- Renewal required every 10 years (no annual charge).
- Guernsey representative required for yachts over 24 metres.
- Simplified form of measurement for yachts under 24 metres.
- Red Ensign Group, Category 2 Registry, which assures quality but limits the Tonnage which is registrable (see above).

TLT Comments: Historically, Guernsey Flagged yachts without VAT-paid status have experienced difficulties when cruising in Spanish waters, as Spain regards Guernsey as within the EU for VAT purposes (although this stance is rumoured to have been relaxed recently).

Guernsey sits outside the EU for VAT purposes, so the Temporary Admission exemption is available, although it is not ideal since EU Flags tend to draw the attention of customs authorities.

Guernsey Flag is not always appropriate for yachts wishing to cruise in Greek waters, due to the Transit Log Rules for non-EU vessels owned by EU residents.

Greece



EU Member: Yes
Within EU for VAT: Yes
Ports: Various

Web: www.hrs.gr
Tel: +30 210 4196900
Email: hrs@hrsorg.gr

- Two-stage process: Corporate ownership documentation (e.g. Director and Shareholder Resolutions) must be submitted and approved by the Greek Companies Registry in addition to Ship Registry forms being submitted to Flag.
- Registration/deletion of vessels over 500GT must be approved (and signed) by the Minister of Maritime Affairs personally, before the Ship Registry will proceed with (de-)registration.
- International waters begin 6nm offshore (not 12nm).
- When purchasing a Greek Flagged yacht, Bills of Sale to be completed 10 days pre-completion, as they must be pre-lodged with (and approved by) the Greek Ship Registry. Bills of Sale must be executed in Greece. The Seller will then typically hold all executed Bills of Sale until completion.
- All Greek Ship Registry documents executed outside Greece must be translated, Notarized and Apostilled.
- If the owner wishes to rely on Temporary Admission, a Greek 'Transit Log' will be required (issued by the Greek Customs Authorities).

TLT Comments: The Greek Ship Registry will only issue Transcripts and Certificates the day after a request is made. This can make life difficult when purchasing a Greek Flagged yacht, particularly if the purchase is financed, as the lender will seek immediate confirmation of registration/deletion.

Marshall Islands



EU Member: No
Within EU for VAT: No
Ports: Bikini & Jaluit

Web: www.register-iri.com
Tel: +44 207 638 4748
Email: yachts@register-iri.com

- Permits private yachts (18+ metres) to charter up to 84 days p.a. but requires an additional annual survey and Minimum Safe Manning Certificate. Note that charters cannot take place in states which are signatories to the Paris MoU, incl. Croatia, Greece, Italy, Malta, Spain and the UK.
- Recent initiative to allow 24+ metre, privately registered yachts to charter for up to 84 days in French (including Monaco) waters. Note that the yacht must still comply with EU laws, including the requirement for the yacht itself to be VAT-paid or VAT-exempt.
- Private yachts may carry more than 12 passengers, subject to Flag certification.
- Private yachts can apply for US cruising permits.
- Allows registration of yachts with existing mortgages. The mortgage is transferred without needing to discharge it prior to transfer, which can save considerable time and inconvenience.
- 'White List' Registry, which assures quality and, in practice, means fewer Port State Control inspections.

TLT Comments: Marshall Islands Flagging is often favoured by owners with a US connection.

Jersey



EU Member: Yes
Within EU for VAT: Yes or no, depending on facts
Port: Jersey

Web: www.gov.je/travel/maritimeaviation/britishregistrieships
Tel: +44 1534 445500
Email: clmh.reception@gov.je

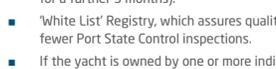
- 3 month provisional registration available with minimal documentation required. This can be advantageous; particularly for new builds.
- Will only accept yachts under 400 GT.
- Self-declaration of compliance for private (non-commercial) yachts between 150 and 400 GT.
- Will only accept vessels owned by an entity within the Commonwealth, EU, British Isles, Crown Dependencies or British Overseas Territories.
- Jersey Representative required if under non-Jersey ownership.
- Renewal required every 10 years (no annual fee).
- Red Ensign Group, Category 2 Registry, which assures quality but limits the Tonnage which is registrable (see above).

TLT Comments: Historically, Jersey Flagged yachts without VAT-paid status have experienced difficulties when cruising in Spanish waters, as Spain regards Jersey as within the EU for VAT purposes (although this stance is rumoured to have been relaxed recently).

Jersey sits outside the EU for VAT purposes, so the Temporary Admission exemption is available, although it is not ideal since EU Flags tend to draw the attention of customs authorities.

Jersey Flag is not always appropriate for yachts wishing to cruise in Greek waters, due to the Transit Log Rules for non-EU vessels owned by EU residents.

Cyprus



EU Member: Yes
Within EU for VAT: Yes
Port: Limassol

Web: www.mcw.gov.cy/mcw/dms/dms.nsf
Tel: +357 25 848100
Email: maritimeadmin@dms.mcw.gov.cy

- 6 month provisional registration available (which can be extended for a further 3 months).
- 'White List' Registry, which assures quality and, in practice, means fewer Port State Control inspections.
- If the yacht is owned by one or more individuals, more than 50% of the yacht must be owned by a Cypriot or EU citizen.
- If the yacht is owned by a corporate entity, 100% of the yacht must be owned by a Cyprus or EU company, or a company outside the EU which is controlled by Cypriot or EU citizens and the yacht must be managed by a Cypriot yacht manager.

TLT Comments: Cyprus operates a reduced-VAT lease scheme, similar to the Maltese Scheme, which dovetails with Cyprus Flagging. The provisional registration procedure is one of the most flexible and will be attractive where, for example, the yacht is undergoing surveys and does not presently have valid technical certificates required for full registration.

United States



EU Member: No
Within EU for VAT: No
Ports: Various

- The intricacies of Flagging in the US depend largely on the State in which the yacht is registered and, as such, are beyond the scope of this note.
- Yachts can be registered at State or Federal level, but must be registered, or 'Documented', Federally in order to cruise internationally. Banks will often require the yacht to be Documented as a condition of financing.
- Generally, the owner and crew must be US citizens. If owned by a corporate entity, the identities of the directors, officers and shareholders may be required i.e. ownership is less confidential than some non-US alternatives.
- Fees tend to be lower than some non-US alternatives, but the process can be time consuming and the US Coast Guard reports each registration to the relevant State Department of Revenue for tax monitoring purposes.

TLT Comments: Purchasers of Delaware owned/Flagged yachts should be extremely cautious, since the registration process is simplified, with minimal documentation required. The purchaser should ensure he is getting 'good title' to the yacht and investigate its history (including whether it has been mortgaged) thoroughly.

Bermuda



EU Member: No
Within EU for VAT: No
Port: Hamilton

Web: www.bermudashipping.bm
Tel: +1 441 295 7251
Email: enquiries.bermudashipping@gov.bm

- UK office, which can issue certain certificates (but not the COBR, which is only issued in Bermuda).
- Annual tonnage tax is payable.
- 'White List' Registry, which assures quality and, in practice, means fewer Port State Control inspections.
- Red Ensign Group, Category 1 Registry, which assures quality and unlimited Tonnage.

Barbados



EU Member: No
Within EU for VAT: No
Port: Bridgetown

Web: www.barbadosmaritime.com
Tel: +44 207 636 5739
Email: Online form

- Inspection requirements are more onerous than in some other Flag States:
 - Private yachts of more than 24 metres and 5 yrs old: inspections every 4 years; and
 - Commercial yachts of more than 24 metres and 1 year old: inspections annually.
- Yachts built pre-2003 are exempt from certain fire protection and damage stability requirements.
- 'White List' Registry, which assures quality and, in practice, means fewer Port State Control inspections.

TLT Comments: Barbados allows ownership by foreign entities and seems more relaxed regarding the identity of owners. A local representative for foreign-owned yachts is not required.



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