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WORLD MARITIME UNVIERSITY
Malmö, Sweden

**OPEN REGISTRIES AND RECOGNIZED
ORGANIZATIONS: SYNERGY OR
DYSFUNCTION**

By

LIA CAROLINA BARROSO ROJAS
Panamá

A dissertation submitted to the World Maritime University in partial Fulfilment of
the requirements for the award of the degree of

MASTER OF SCIENCE
In
MARITIME AFFAIRS
(MARITIME LAW AND POLICY)

2019

DECLARATION

I certify that all the material in this dissertation that is not my own work has been identified, and that no material is included for which a degree as previously been conferred on me.

The contents of this dissertation reflect my own personal views, and are not necessarily endorsed by the University.

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ACKNOWLEDGMENT

First and foremost, I have to thank God for helping me again to achieve another goal in my life.

I especially thank to International Maritime Organization, my donor, for giving me the opportunity to obtain that MSc. Also to thank the Maritime Authority of Panama, for trusting the human development of its staff and allowing the professional growth of this collaborator.

Special thanks to my research supervisor, Professor Maximo Mejia, for all guidance during these research.

Finally, but not least, I would like to thanks my parents for their unconditional support, and for being an engine to achieve each proposed goal and allow my professional and work growth.

ABSTRACT

Title of Dissertation: **Open Registries and Recognized Organization: Synergy or Dysfunction**

Degree: **Master of Science**

This dissertation is a study of the open register system and the delegation of authority to recognized organizations to exercise the flag State duties of the countries that have open registers.

The research examines the open register system focusing on the characteristics and benefits of the system that make it attractive for shipowners. In addition, it discusses the objections to and criticism of the OR system by the industry. The study looks to understand the factors for the growth of the system and its relationship with conditions for maritime safety.

Furthermore, this dissertation studies recognized organizations acting on behalf the States. Hence, it provides the background of the legal framework of delegating authority, describes the function of the recognized organization and differentiates the dual role of the class society and the recognized organization.

The objective of this research is to understand the relationship between the recognized organizations and the flag States. Further, it aims to understand the functionality of allowing ORs and evaluates the relationship between the lack of control by ORs with maritime safety.

In brief, the dissertation analyses the performance of open registry vessels in relation with the delegation of authority to a recognized organization. It determines whether the open registry and recognized organization is a synergy or a dysfunction.

KEY WORDS: Open registry, recognized organization, lack of control, IMO instruments, flag state control, port state control.

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LIST OF ABBREVIATIONS

CHS: Convention On the High Sea
CR: Closed register
CS: Classification Societies
FoC: Flag of Convenience
FSC: Flag State Control
GISIS: Global Integrated Shipping Information System
IACS: International Associations of Classification Societies
ILO: International Labour Convention
ITF: International Transport Worker Federation
IMO: International Maritime Organization
ISM: International Safety Management Code
LLC: International Convention On Load Lines, 1988 as amended
MARAD: Maritime Administration
MARPOL: International Convention for The Prevention of Pollution from Ships
OP: Open Registry
Paris MoU: Paris Memorandum of Understanding
PSC: Port State Control
QSCS: Quality System Certification Scheme
ROs: Recognized Organization
RO CODE: Recognized Organization Code
SHG: Shipping Industry Guidelines
SOLAS: International Convention for the Safety of Life at Sea, 1974
STCW: International Convention On Standards of Training Certification and Watch Keeping for Seafarers, 1978 as amended
UN: United Nations
UNCLOS: United Nations Convention on the Law of the Sea, 1982
UNCROS: United Nations Convention on Conditions for Registration of Ships, 1986

CHAPTER I

INTRODUCTION

1.1. Background

According to the United Nations Convention on the Law of the Sea (UNCLOS), the principle of freedom of navigation prevails on the high seas, which means that high seas are open to all the States. Under this convention, there are state specific aspects concerning the principle of freedom, which includes the development of points such as freedom of navigation and overflight. States cannot claim sovereignty or jurisdiction within the high sea. Every vessel is covered under this free access to the high seas. However, in regard to freedom of navigation, UNCLOS and public international law provide a framework which prohibits specific situations within the vessels. Every vessel should have a nationality, which is attributable to the registration of the ship under a state, which will enable the registration of the vessel under its requirements, to be allowed to use the high seas.

The flag state has its conditions for allowing a ship entry in its registry; some countries will enable the registration of foreign ships, and others do not allow it. Those registries that allow the entry of foreign vessels are called international registry or open registry (OR), as a consequence of the market force and attraction offered. ORs offer several advantages for ship owners, such as anonymity, no income tax, freedom of nationality for the seafarers crewing the ship, and the shipowner does not have an economic or political link with the country situation (Wells, 1981).

ORs have their beginnings in the 20th century. Typically, the first vessels that transferred from one flag to another flag did so for the purpose of avoiding some

specific prohibitions. This can also be explained as the needed for advantages in the shipping industry and the global trade. For instance, one of the first cases was the small cargo ship "Belen Quezada" which was transferred from Canadian to Panamanian flag to avoid some prohibitions from the American Law (Coles & Watt, 2009).

Every state that allows ships entry into its registry has an obligation to ratify the International Maritime Organization (IMO) instruments, and international conventions. It also has the responsibility to ensure that these conventions and tools will be complied with by the shipowner. However, due to the development of different advantages, certain registries in some countries are more liberal with their vessels as a consequence of the lack of a genuine link between the flag state and the shipowner. The OR gives shipowners some advantages that result as gains for them; however, the lack of control results in a dangerous situation for the whole industry.

Usually, the flag state verifies the standards of the vessels regarding the conventions through a recognized organization (RO), which, on behalf of the flag state, exercises the control to ensure compliance with national and international law (IACS, 2015). Every flag state has the opportunity to delegate this control to ROs, which shall survey the vessels in respect of their compliance the national law and the conventions ratified by the flag state.

Maritime framework conventions allow the states to delegate the inspection process to ROs. However, the decision to delegate this function to an RO is entirely under the flag state (IACS, 2015), as is the scope that those ROs shall have regarding the national law and the international maritime conventions. The role of the ROs on behalf of the flag state is to establish and apply the technical standards on aspects such as design and construction (Clyne & Saville , 2007).

The delegation authority from the flag States to a recognized organization require control and monitoring in order to ensure that the organization is doing it suitable. This

delegation will need to conduct a relation between the maritime administration and the recognized organization that allow the coordination and understanding to develop the statutory duties.

This dissertation seeks to understand the type of relationship between open registries and recognized organizations. based on the fact that the existence of synergy¹ represents that both organizations act in collaboration to be able to carry out the activities effectively. On the contrary, it will be identified as dysfunction² when it is understood that the relationship develops without any collaboration and in an irresponsible way, which does not allow for understanding and the exercise of suitable functions.

1.2. Aim of the research

This research aims to understand the functionality of allowing the OR and evaluate the relationship between the lack of control by ORs with maritime safety. Moreover, it aims to assess the real work of the ROs as a control entity on behalf of the flag states. As is known, many registers delegate their tasks to ROs. It is, therefore, essential to evaluate if the lack of control a consequence of the ineffective work of ROs or because the ORs do not give them sufficient guidelines to carry out the job on their behalf. A further aim of the research is to understand if the stigma associated with ORs is because they are not doing their job or because ROs do not care about the guidelines of the flag state.

¹Synergy: The interaction or cooperation of two or more organizations, substances, or other agents to produce a combined effect greater than the sum of their separate effects (LEXICO Powered by Oxford, s.f.).

²Dysfunction: Abnormality or impairment in the operation of a specified bodily organ or system. Disruption of normal social relations (LEXICO Powered by Oxford, s.f.).

1.3. Objectives

The research objective includes an analysis of the duties of flag states and the control exercised by the ROs on behalf of the flag states, while evaluating the issues presented by the vast number of vessels under open registries. It aims to determine whether the performances of the ROs comply with the requirements of the flag states they are representing. This objective will be achieved through the following steps:

- Identify the different reasons why shipowners register their ships with open registries.
- Analyse the disadvantage for the industry of the registrations of vessels under an OR system in respect of international ship standards.
- Review the international legal framework regarding the technical, safety, and security standards for vessels along with the implementation of those standards under the control of flag states.
- Determine the type of control exercised by open registries regarding compliance with international regulations.
- Evaluate the scope of the ROs as an entity of control on behalf of flag states.
- Determine the responsibility of ROs acting on behalf of flag states.

1.4. Methodology

This research is conducted through the description and analysis of primary and secondary sources, in addition to legal sources that will allow an analysis of the OR and ROs.

The development of the research is based on the historical growth of Ship registration, specifically of OR, looking to understand the need for this type of registry and the advantages it brings for shipowners. It then analyses the role and the scope of ROs acting on behalf of the flag states. Subsequently, it determines the existence of a lack of control by ORs and identifies the reasons for and consequences of this lack of control. This research focuses on reviewing the criticisms of the OR.

The research also looks to understand the function of ROs in carrying out the duties of states, and how this relationship works. It aims to understand if RO's and OR are

working together after the delegation agreement, or if the ROs fail to comply with the requirements of the State.

Summing up, the research aims to determine through the analysis of information and description of the two entities, the relationship between them and the effect of the same.

1.5. Structure of the dissertation

The objective of this research is to provide a neutral and general vision of the OR and the ROs through a review of the concepts of each entity and analyse whether the weakness is in control by open flag states or in the inspection by the ROs on behalf of the States. This document will be developed in six chapters, so that the proposed objectives can be covered. Chapter I is a brief explanation of the research background, establishing the focus points of the document. Chapter II describes the concept of ship registration, open registry, and their characteristics.

Chapter III shows the objection by some parts of the industry against the growth of the open registry system. Subsequently, chapter IV examines the role of the recognized organizations, acting on behalf of flag States, mostly OR, in order to understand the functions that they should exercise as flag control. Chapter V analyses the relationship between flag States and recognized organizations. Chapter VI concludes the dissertation by integrating the findings, discussing the relationship between the open registries and recognized organizations and summarizing the research.

CHAPTER II

THE RISE OF THE OPEN REGISTRY

2.1. Concept of Ship Registration

“The high seas being open to all nations, no States May validly purport to subject any part of them to its sovereignty (United Nations, 1963)”

"Freedom of High Seas" is considered as one of the fundamental principles of International Public Law (Coles & Watt, 2009). The principle attempts to establish that the high seas shall be open to all nations. Hence, States may not adduce any part of the sea under their sovereignty. All vessels should have free access to the parts of the sea that are not included in the territorial sea or internal waters of any State.

Nevertheless, in exercising the freedom of high seas, it is necessary to prevent any disorder or abuses derived from its use without prohibitions of the area (Xhelilaj, 2013). Even though the principle allows the use of the high seas without restriction, it does not sponsor actions of anarchy or/and abuse.

The international law creates a regulatory framework that allows the system to be protected from abuse, anarchy, and other problems and the principle of freedom on the high seas to be exercised in a proper way (Ready, 1998).

The jurisdiction over a vessel sailing in the high seas belongs solely to the State where the ship is registered (Ready, 1998). On the other hand, a vessel that does not possess

nationality is not protected under international law (Coles & Watt, 2009). Hence, the freedom of navigation on the high seas is a right possessed by every vessel that sails under the flag of a State (Ready, 1998)

States restrict their authority solely over vessels, allowing the development of a system that balances the use of freedom of navigation and the protection of law and order over the high seas (Xhelilaj, 2013). Simultaneously international law requires that each State ensure compliance with the rules by the vessels flying its flag and exercise jurisdiction to accomplish the protection of freedom of navigation.

Registration began with the law of imperial Rome. At that time, vessels were registered by the name of the vessel and the name of owner as well as by tonnage (Coles & Watt, 2009). Ship registration means that the vessel is registered into the public record of the State, which allows the inscription of the vessel (Ready, 1998). For instance, States possess sovereignty to establish conditions to enable the registration of a vessel under their regimes. This action also grants the State's nationality to the vessel.

The United Nations Convention on Conditions for Registration of Ships (UNCROS) regarding the register of a ship establishes the following (United Nations, 1986):

A State of registration shall establish a register of ships flying its flag, which register shall be maintained in a manner determined by that State and in conformity with the relevant provisions of this Convention. Ships entitled by the laws and regulations of a State to fly its flag shall be entered in this register in the name of the owner or owners or, where national laws and regulations so provide, the bareboat charter...

The registration of vessels generates duties for the States regarding safety and security (Xhelilaj, 2013). It is essential to highlight that every ship sailing in high seas must possess a national character (Ready, 1998). The registration allows a ship to have a national character, which means that it will have a nationality.

The registration represents the protection and recognition of the vessel by the conferring of the nationality of the State that allows the vessel to enter into its register (Ready, 1998). The action of registering a vessel is described as a process to record a ship and make this authorized by the flag State.

2.1.1. Nationality

All vessels sailing in international water must be covered by a nationality that is granted by the State. The United Nations Convention on the Law of the Sea (UNCLOS), concerning the nationality of the vessels, establishes the following, article 91:

1. Every State shall fix the conditions for the grant of its nationality to ships, for the registration of ships in its territory, and for the right to fly its flag. Ships have the nationality of the State whose flag they are entitled to fly. There must exist a genuine link between the State and the ship.

2. Every State shall issue to ships to which it has granted the right to fly its flag documents to that effect...

The concept of nationality has been used to describe the existing relationship between the State of registration and the ship (Sohn & Noyes, 2004). Thus, the nationality of the vessel is grant by the flag its flying and where the vessel is public registered. As a fundamental rule, each vessels sailing on the high seas shall possesses a national character (Coles & Watt, 2009).

Moreover, some registries uses the nationality of the ship owners to determine the nationality of the vessel. However, following UNCLOS, every State has its requirements to admit the registration of a vessel. Thus, some States allow the registration of ships under their registers even if the owner does not posses their nationality. For instance, States such as Marshall Islands, Panama, Liberia, and St

Vincent and the Grenadines allow vessels to register under their flags whether the owner is national or foreign (Coles & Watt, 2009).

Ship registration is defining as the process to grant nationality for the vessel. Sometimes this action generally is considering as an extension of territory from the State which flag is flying over the vessel.

Particularly, the national character of a vessel makes reference to its registration, under the system of the State that allows it (Coles & Watt, 2009). The necessity of developing a national character comes from the growth of the shipping industry and the need of vessels to sail in international water in order to carry out their tasks (Xhelilaj, 2013). This situation involves legal implications regarding the governance of high seas considering the right of freedom.

The recognition of a vessel by national law worldwide is just allowed by the registration of it, so then the ship get the legal personality (Pamborides, 1999). The nationality allows the ship to have legal right to visit foreign ports and carry out the tasks that shipping industry requires.

In terms of legal and commercial activities, the registration of vessels, which gives them nationality, allows the ship to have a legal regime. This legal regime facilitates the relationship between the crew and the shipowner. Moreover, this possession of a legal regime helps with legal issues that might come from international relations arising as a result of the nature of activities carried out by ships (Xhelilaj, 2013).

In other hand, the absence of nationality for vessels represents several negative impacts such as the prohibition from entering foreign ports, making it impossible to engage in trade. Additionally, in this aspect it is important to highlight that the absence of nationality leaves vessels without a legal regime, which can be a critical factor regarding disputes with private parties (Sohn & Noyes, 2004).

2.1.2. Flag

“Ships have the nationality of the State whose flag they are entitled to fly” (Ready, 1998)

Flag in maritime law is defined as a visual evidence and symbol of the nationality of ships and as an identification for the vessel (Coles & Watt, 2009). In the other hand, the flag indicates the legal regime that applies to the vessels, meaning that every State that allows a ship to fly its flag has jurisdiction over the ship.

Every flag State should enforce jurisdiction and control over the ships. Moreover, States as established by regulation, have the duty to keep a record of the ships and take care of the control of the ship in regard to safety protocols (United Nations, 1963).

2.1.3. Documentation

Documentation representing the evidence on paper is issued by the State in order to prove the nationality of the vessel (Ready, 1998). The document also constitutes evidence of the right of the ship to fly the flag of the State that grants its nationality to it.

2.1.4. Duties of flag State

International law looks at the flag State as an individual in charge of regulating and exercising compliance with the international instruments that regulate the maritime trade. Moreover, flag States need to ensure compliance with the freedom of the high seas (Coles & Watt, 2009).

Consequently, when a State allows the registration of a vessel under its system, it immediately assumes the obligation to take the measures needed in order to maintain safety standards. The registration of a vessel directly gives the State a legal obligation and responsibility to exercise jurisdiction over the vessel (Hodsanee, 2008)

2.2. History of open registry

The beginnings of OR or flag of convenience (FoC), is not completely clear. However, it is estimated to have started in the 1950s based on the use of this term in a report from the Organization of European Economic Co-operation, making reference to

Panama, Honduras and Liberia Flag (Tolofari, 1989). However, theories state the real appearance of OR, in terms of popularization, in 1919 with the case of "Belen Quezada" vessel (Coles & Watt, 2009)

Some authors mention that the term FoC was, in the past, used to refer to registries that allowed shipowners to register vessels under the State even though they were not citizens of the country. Today, it is common to refer to them as OR.

Defining OR requires implications of specific characteristics looking at the motivation for the use of this registry and politico-economic factors which allow the creation of this system (Metaxas, 1985).

ORs are defined as countries that allow vessels to enter into their registers when the owner of the vessel is not a citizen of the country. Moreover, they are considered as accessible registries (Tolofari, 1989). These registries are also defined as States in which shipping companies or shipowners register their vessels looking to increase their benefits and decrease operational cost (Metaxas, 1985).

Additional to the use of OR as a cost saving means for shipowners, this register offers more opportunities of work for seafarers (Hoffmann, Sanchez, & Talley, 2005). Additionally, ORs do not consider the nationality of vessels as a determining factor in making them eligible for registry under their Flags (Coles & Watt, 2009).

This type of registry became popular to avoid some specific controls. Hence, vessels were transferred from their current flags to new flags to avoid specific prohibitions. In addition, the need for benefits in the shipping industry and global trade allow the appearance of OR. For instance, the "Belen Quezada" was transferred from Canadian Flag to Panamanian flag to avoid specific prohibitions in the American Law. The transfer of the vessel to Panamanian flag was done with the purpose of avoiding the prohibition of the sale of liquor onboard American vessels (Coles & Watt, 2009).

Consequently, the emergence of OR is attributable mainly to the intention to avoid specific restrictions or/and regulations, and allow shipping companies to continue international trading.

States develop the OR regime to allow the possibility of non-national shipowners to register vessels in their national registers; this also allows them to have crew from different nationalities. ORs, which are open to non-national ship owners and have lower requirements than Close Registers (CR), seem to be more attractive. As a consequence of this attractiveness, the OR system is growing (Mejia, 2013).

OR allows emerging countries to provide register services taking into consideration that the system enables shipowners to register their vessels in a different nationality (United Nations Conference, 2016). In the other hand, the use of OR becomes a wicked for aspects such as labour rights, safety standards, and environmental protection (Coles & Watt, 2009).

2.3. Characteristics of open registry

OR allows shipowners to register their ships even though they have different nationalities than the countries of registration or when the ships are under the control of a person who is not of the same nationality as the State. Therefore, this type of registry can be characterized as opportune, since it allows the registration of merchant ships by foreigners.

Since the beginning of OR, the main factor that has characterized it is the benefits to the shipowner that the system gives. In the other hand, the registration of the fleet under those OR system allows the economic growth of the country for flag State (Coles & Watt, 2009).

For ship owners, OR represents the possibility to avoid taxes, and also the use of international crew let the shipowner decrease the wage for crew (Coles & Watt, 2009).

ORs are considered attractive because the system provides possibilities not to being obligated to follow the wages scales in which the country which the vessel is register (Coles & Watt, 2009).

Hence, ORs provides the following formally described, benefits to shipowner (Great Britain. Parliament. House of Commons, 2009):

- Flag States allow the registration of vessels when the shipowner is foreign.
- ORs are considered easy to access and it is easy to change from the OR to another flag.
- The tax fees are minimal and income tax is not a requirement for ships.
- Usually, countries that have ORs are small. Thus, the economies of these countries from the income from the registration the vessel.
- There is not a mandatory requirement concerning the recruitment of crew. OR admit the recruitment of international personnel.

In the other hand, ORs are considered flag States with a lack of control. These criteria come from the fact that because the countries are small, they do not have enough resources and power to ensure the compliance with international agreements and protocols.

2.4.Factors for choosing open registry

OR is attractive because, for the shipowner, this type of registry seems a bit easy in terms of controls and represents a savings in terms of money for manning of the vessels.

For shipowner, the main advantages of registering their vessel under the OR system is the possibility of better benefits, and also reduction in the cost of operation of the vessel.

In other words, the utilization of OR represents advantages for the shipowners such as legal protection, benefits concerning taxes rate, and anonymity. It also, provides a favorable system for operating costs (Coles & Watt, 2009).

2.4.1. Economical aspects

As entrepreneurs, shipowners tend to seek favorable conditions, especially in terms of economic matters. However, once shipowners choose a country that has OR, it also represents economics advantages for the country.

Concerning the economic aspects, OR provides lower rates for registration of the vessels. Furthermore, it provides a low tax rate in addition to having few taxes obligations. Therefore, shipowner considers this as an advantage when it comes to choosing the nationality of the vessel, and also some of OR provides facilities when it means to maritime financing.

For the flag State, the registration of a ship represents a profit based on the taxes that shipowner must pay based on the raw tonnage of the ship this obligation constitutes an annual fee.

The shipowner is not obliged to pay taxes based on the profits derived from the commercial operation of the vessel in the flag country. Nevertheless, it does not exempt shipowners from fiscal obligations in the country of origin. However, the system operated by OR results in particular difficulty in identifying the real beneficiaries of the profits. Hence, the owners are not required to declare the profit of the vessel under the national jurisdiction (Ready, 1998).

Returning to benefits for the country, ship registration is considered as an advantage that provides opportunities of work for its seafarers. In addition, the economic income from issuing certificates of registration and certification of seafarers that also contribute to economic development.

2.4.2. Operational aspects

For shipowner, the registration in OR system represent the possibility of generating more profit with less input in operation matters. Hence, ORs do not demand specific conditions for recruitment of personnel to operate the vessel, while, at the same time, enabling the employment of international crews (Coles & Watt, 2009).

The freedom to recruitment personnel allows shipowners to look for the best rates in terms of salary. OR provides to shipowners a high scope of freedom to choose their crews' nationality (Tolofari, 1989).

OR does not force shipowners to recruit crew from the same nationality that the vessel has. Thus, the recruitment of international crew gives to owners the possibility of maintaining low cost for the hiring of personnel, resulting in a considerable benefit for shipowners (Ready, 1998). Therefore, for the shipowner has no a duty register the international crew members, who are not residents of the country in which the vessel is registered, in the social system (Ready, 1998).

2.4.3. Political factors

OR appeared in a period during maritime trade between countries used to had some regulations that banned the arrival of some flagged vessels to other ports, and also some of the regulations banning the carriage of some specific species.

Hence, from a political perspective the appearance of OR provides to the vessel operators the ability to trade internationally without any prohibition as a consequences of the flag that the vessel is flying.

Similarly, the vessel under a flag from an OR system is a considerable advantage to sail. OR allow a vessel to cruise all countries without the risk its transit being prohibited. The syndrome of discrimination against a particular flag is not an issue that impact the OR (Ready, 1998).

2.5. International regulation for ship registration

The first conditions for ship registration were codified by international law through the Convention on the High Seas (CHS). The international law establishes as a requirement the character of nationality by registering a ship in the country that wishes to grant its nationality, in this way, the ship can be enabled to participate in international trade (Mansell, 2009).

2.5.1. Convention on the High Sea

In 1956, the United Nations (UN), in order to examine the Law of the Sea not only in legal aspects but also in matters such as technical, biological, economic, and political, held the first Conference on the Law of the Seas in Geneva, Switzerland. During the gathering, four Conventions on the Law of the Sea were developed with the aim of regulating activities over the sea. Those four conventions were developed from the draft provided by the International Law Commission of UN (United Nations, 2008). The UN opened the four conventions for signature on 29 April 1958.

The CHS was adopted during that Conference. CHS defines how the high seas are integrated and regulates aspects such as freedom of high seas, rights of States to have ships flying their flag, right of visit, and hot pursuit. On the other hand, CHS introduced the provision demanding a “genuine link” as a requirement for the registration of vessels (United Nations, 2008).

Regarding registration of ships, CHS stated that every State, non-coastal State or a coastal State, has the right to grant its nationality to vessels to sail on the high sea. CHS provides to every State the right to establish its requirements for allowing the registration of vessels under its own flag (United Nations, 1963).

Consequently, CHS establishes the duties of flag States, for instance, the exercise of jurisdiction over the vessels as well as the control and audit of technical, safety, and social matters over ships. The flag State shall ensure the compliance with measures for safety at sea in terms of construction and equipment of the vessel, and conditions of the crew, seaworthiness of ship (United Nations, 1963).

CHS entered into force on 30 September 1962 providing to States their duties pertaining to matters of the high seas. It is still valid for States that have not adopted UNCLOS. Concerning the objective of the whole paper, this Convention provides the first international legal framework in terms of ship registration stating the basics in order to define the nationality of a ship.

2.5.2. United Nations Convention on the Law of the Sea

In December 1973, the UN held the third Conference on the Law of the Seas. This Conference was finalized on 30 April 1982, with the adoption of the United Nations Convention on the Law of the Sea (UNCLOS). On 10 December 1982, the Conference signed the final act; the same day, the Convention was opened for signature and 119 States signed the Convention. Thus, UNCLOS entered into force on 14 November 1994, binding 154 States. On July 2008, the European Union joined UNCLOS (United Nations, 2008).

UNCLOS was developed to establish a mutual understanding and cooperation concerning the Law of the Sea. This Convention has been considered as the Constitution of the Oceans. Thus, it is one of the most important multilateral treaties.

UNCLOS, in a certain way, maintains the precepts established in the Geneva Convention. Moreover, it incorporates new topics such as the common heritage principle, exclusive economic zone, jurisdiction, and protection of the environment, among others.

Nevertheless, for the interest of the whole paper, UNCLOS concerning ship registration, restates the requirement of a genuine link between shipowners and the nationality of the vessel. Meanwhile, the Convention increases the obligation for flag States. This increase in duties lies in the specific establishment of the controls that the country should exercise as a flag State.

Furthermore, UNCLOS asks for every State to keep a database with the name and the characteristics of every vessel flying its flag. In the other hand, the convention provide more control for the flag State concerning all the requirements of the vessel for sailing and compliance with international regulations for transit.

UNCLOS has been signed by 157 States and has 168 State parties (United Nations, 1994). The Convention applies to all the States who have ratified it. In the case of States that do not ratify UNCLOS, the Geneva Convention of 1958 is still in effect.

2.5.3. United Nation Convention on Conditions for Registration of Ships

The United Nations Conference on Trade and Commerce (UNCTAD) held the conference on Conditions for Registration of Ships in Geneva, Switzerland, 7 February 1986. During the Conference the United Convention on Conditions for Registration of Ships (UNCCROS) was adopted. The document established the conditions for registration of vessels under the Flag of a determined State (United Nations, s.f.).

The adoption of UNCCROS represented a reaffirmation concerning the requirement of a link between the ship and Flag State. Consequently, the Convention reaffirms the requirements stated under CHS and UNCLOS.

UNCCROS was developed with the purpose of strengthening the genuine link and providing order for States to exercise the control and jurisdiction over the vessels under their flags. Hence, control and jurisdiction will cover aspects such as identification and accountability regarding shipowners. Moreover, the convention demands the control and audit concerning the administrative, technical, economic, and social matters in the operation of a vessel (United Nations Conference, 1986).

From 1 May 1986 to 30 April 1987, the Convention was open for signature. Currently the convention consists of 14 signatory States and 15 member States. However, UNCROS has not yet entered into force.

CHAPTER III

OBJECTIONS TO OPEN REGISTRIES REGIME

The appearance of OR led to immediate complaints regarding safety issues and standards of the vessels, for instance, safety issues related to the lack of control by the States (UNCTAD, 2008).

Shipowners from the United States of America do not call this regime as OR, but as flag of necessity as a result of the benefits the regime provides (Thuong, 1987). This name was granted as a result of the benefits that this system spells, which at the time was supposed to represent the needs of the shipowner, for example, providing the benefit of registering vessels under a system whose flag will not suffer any discrimination. A further benefit is the possibility to escape from safety regulations, which is the fundamental concern with OR.

The biggest issue with those ORs is that their vessels are not complying with international regulations, meaning that vessels under these flags are characterized by deficiencies regarding safety and security standards. ORs are specially marked and differentiated by the existent of a lack of common standards (Xhelilaj, 2013)

The appearance of OR for some sectors of the industry represents a departure from the model that is wanted by the industry. As a consequence of the remarkable increase in ORs, there are those who oppose to the high demand that the system has, maintaining that this type of registry goes against the security of the ship, and against living conditions on board (Ready, 1998).

Moreover, OR regimen has been controversial since its appearance, attracting both proponents and objectors. As a consequence, low-cost crew, low-cost operation manning and foreign labour makes it attractive to some shipowners, making OR fleets an unfair competition for the traditional registry system.

Consequently, there are trends against the regime, stating that OR should be eliminated, considering them undesirable.

3.1. Flag of convenience (campaign against the regime)

In 1958 the Maritime Transport Committee of the Organization for European Economic Co-operation define them as:

Flag such as Panama, Liberia, Honduras, and Costa Rica whose laws allow—and, indeed, make it easy for—ships owned by foreign nationals or companies to fly these flags. This is in contrast to the practice in the maritime countries (and in many others) where the right to fly the national flag is subject to stringent conditions and involves far-reaching obligations (Great Britain. Parliament. House of Commons, 2009)



Figure 1: Image of the Campaign hold by ITF. (ITF)

Complaints against OR were supported by campaigns trying to eliminate the emergence and existence of the somehow successful new system for ship registration. For instance, FoC was introduced into the maritime industry as a result of the campaign carried out by the International Transport Workers Federation (ITF) against OR (Mansell J. N., 2009), basically, against the existence of a registry that allowed ample benefits for the shipowner. In 1948, ITF launched a campaign against the increasing FoC regime, as a consequence of considering the system a risk for seafarers. For instance, figure 1 is a image develop by the ITF that shows the flags of the countries considered FoC.

Hence, the campaign was looking to achieve the removal of FoC based on two fundamental objectives. First, ITF aimed to eliminate FoC because the regime does not have a "genuine link" between the flag that the vessel flies and the nationality of the shipowner and seafarers. Second, the ITF was looking to ensure that every seafarer on board no matter the nationality was protected against labour exploitation (ITF Seafarers, s.f.). For ITF, the system of FoC represents those vessels which are registered or are flying the flag of a country different than the ship owner's nationality (ITF Seafarers, s.f.).

As discussed in the previous chapter, the regime provides certain benefits such as low registration fees, low taxes or in some cases the absence of both, and the freedom to choose crew from different nationality than the vessel. Thus, the facilities and the lack of nationality requirement for crew makes this system attractive for the shipowner.

Consequently, the ITF considers the development of the OR system to be dangerous considering that the absence of a "genuine link" could be synonymous with low-security conditions, and lack of training standards for the crew as well as the possible lack of control as a result of the absence of effective jurisdiction (Great Britain. Parliament. House of Commons, 2009).

Furthermore, ITF states that FoC is bound to promote their registry by offering low costs for vessel registration and minimum regulation, which means lower standards. Therefore, the campaign against this system is trying to eliminate them.

Even though the campaign has not achieved its basic goal, the elimination of the FoC, ITF continues its struggle against OR through negotiating with those owners that they deem to be FoC to ensure the minimum standards for seafarers and safety (ITF Seafarers, s.f.).

The concept of FoC was implemented by those who somehow lost their advantages due to the emergence of the system as a result of the transfer of vessels from traditional register to OR (Wiswall, 1996). In this case shipowners preferred to register under OR instead of traditional maritime register as a result of the several advantages which allow shipowners to get more profit with less cost.

The term FoC is not used nowadays since it has been replaced by the term OR , which seems more favorable, especially in the legal aspect (Wiswall, 1996).

3.2. General legal aspects

Since the appearance of OR, a certain part of the maritime industry started a campaign against the regime as a result of the lack of control of some aspects, under their consideration. Thus, they based the struggle in the fact that OR are inefficient registries because they do not have the resources needed to ensure seaworthiness (Mansell J. N., 2009).

The objections from a legal perspective against OR are based on the assumption that this regimen is running against the international regulations. In the other hand, UNCTAD states that the high degree of anonymity that shipowners can get under the OR system represents a serious risk (Herman, 1978).

The anonymity granted to shipowners with the registration of the vessel under an OR enables them to avoid all kinds of responsibility (Anderson, 1996). Hence, this argument is not only considered a basis for legal objection, but also for safety and occupational risk (seafarers). In addition, it is difficult for States to prosecute or exercise indemnity for the victims of any incident as a result of this lack of safety standards (Mensah, 2013). This anonymity may link the discussion to the issue of establishing the existence of “genuine link”.

In addition, results difficult to pursue shipowner who are committed to committing illegal acts (Mensah, 2013) as a consequences of the anonymity provide by the OR system which have been a legal concern. This anonymity may link the discussion to the issue of aiming the existence of “genuine link”.

Furthermore, FoC was considered as a demonstration of the absences of rules or standards which help regulate maritime safety and environmental protection of the oceans (Herman, 1978). These concerns are the primary objections nowadays against the OR system based on a lack of compliance with regulation for maritime transit as a consequence of the possible lack of resources from the States to ensure compliance.

3.3. Requirement of genuine link

Genuine link can be defined as the responsibilities or the duties that a State assumes when it grants its nationality to a vessel (Tache, 1982). Consequently, the establishment of a genuine link as a condition to register a vessel is, for those who support it, a way to restrict the emergence of OR and may abolish the system (Matlin, 1991).

Consequently, arguing that countries having an OR system do not have resources to exercise jurisdiction and guarantee control over the ship is a reason to demand a genuine link between the nationality of the ship, country of registration and nationality of the owner. Thus, the States are not capable of exercising control over the ships.

In addition to the ITF's campaign, objections to OR also emanate from legal, politics and economics aspects. Notably, in the legal aspect, those who are against OR hold that the existence of OR results against the international rules because of the absence of genuine link (Mensah, 2013).

However, there are positions against the establishment of a genuine link as a requirement for registration of a ship. This position is based on the fact that UNCLOS states that every State should fix its conditions to grant its nationality to a vessel. Thus, the establishment of a genuine link could be interpreted as going against the rules or violating the sovereignty of the State (Mensah, 2013).

The existent of a genuine link between the jurisdiction and the shipowner and the flag State is a fundamental aspect for defining the OR. There is a permanent connection between the fact of genuine link and definition of OR, even though there are positions against and in favor of the genuine link as a requirement (Mansell J. N., 2009).

The establishment or not of a genuine link is still an issue as a result of the lack of agreement between legal character and complaints about the absence of this link. Also, it should be noted that UNCLOS grants each State the freedom to establish its requirements to grant nationality to a vessel.

Therefore, this requirement could be considered as a violation of sovereignty granted by the same convention to countries, but on the other hand for some sectors, this requirement is essential to control compliance with standards.

On the whole, the setting of genuine link as condition for ship registration could not be establish under the provision of UNCLOS (Theocharidis & Doner, 2017). Therefore, in the judgment of the case M/N Saiga No. 2 the interpretation of the judges pointed that based on the provision of UNCLOS the need for ask a genuine link is related to the effective implementation of the flag State duties. Also, states that the

genuine link is not criteria to validate the registration of a ship in a flag State (The MV "Saiga", 1999).

3.4. Labour conditions

The struggle against the OR system started in 1930 based on the position of the United States of America against the transfer of their vessels to Panamanian and Honduran flags. Then, in 1948, ITF started a campaign against the Panamanian flag and, in 1958, started a boycott against OR (Ready, 1998).

Seafarers, through ITF, began an ongoing campaign against OR based on the lack of resources of States with OR systems have to ensure the compliance with international and national regulations concerning seafarers' lives and work conditions (Mansell J. N., 2009). Remember that the campaign heled by ITF was focused on two objectives: first, the demand for a genuine link and second, the protection of seafarers (ITF Seafarers, s.f.).

The critique is based on the fact that shipowners register their vessels under the OR system looking to avoid labour standards. Also, being under the jurisdiction of OR, a shipowner is not required to meet a specific wage standard, hence it allows recruitment for minimum rates that results in convenience for shipowners. Moreover, ships under an OR regime are not subject to labour contracts and collective conventions.

As a consequence of the lack of control by the OR States over vessels flying their flags, which include ineffective monitoring of working conditions, seafarers are vulnerable to exploitation and abuse (Negret, 2016). Therefore, the struggle against OR lies in breach of rights for seafarers as a result of the freedom of shipowners to exploit them for more working hours and poor conditions.

3.5. Flag state responsibility

UNCLOS establishes the duties of States concerning the ship registration. Thus, article 94 states that every ship should be surveyed in order that the State ensures the vessels

flying its flag are in compliance with the regulations. Nevertheless, this function is not codified by a competent international organization, IMO which is in charge of establishing the minimum standards for safety at sea (Mansell J. N., 2009).

Flag States have primary jurisdiction over a vessel flying their flags so each State shall ensure that its ships meet all the standards or regulations concerning safety, crewing and pollution control (Yu, Zhao, & Chiang, 2018). Nevertheless, OR States are considered inefficient to ensure this compliance as a result of their lack of resources because most OR States are small countries.

Moreover, States who have OR systems are normally unwilling to impose the strictest standards. Furthermore, they do not adequately ensure that they comply with the international regulations and exercise effective supervision over their vessels (Yu, Zhao, & Chiang, 2018).

Consequently, the lack of control by the flag State represents an increase in sub-standard vessels. Furthermore, the issue with this lack of control by flag States also guides us towards the lack of connection between the flag State, the owner, and their vessels. In other words, OR States are not capable of conducting the inspection and verifying the compliance with safety regulations (Yu, Zhao, & Chiang, 2018).

It is important to highlight that flag States under the following conventions have the ability to delegate their function to a ROs: International Convention for the Safety on Life at Sea (SOLAS), International Convention for the Prevention of Pollution from Ships (MARPOL), International Load Line Convention (LLC). Hence the ROs will have the responsibility to exercise surveys on behalf of the flag States. These delegations will be discussed further in chapter IV.

Consequently, the fact that small countries are the ones who have OR system and because of this, they are able to exercise correct control over their vessels can be

tackled by the delegation of the authority, which could lead the States to achieve an excellent performance.

3.6. Safety risk (lack of control)

The fight against flag registrations is largely based on conditions and standards for safety. In recent years, ships registered under an OR system appear to be the main actors in maritime disasters (Xhelilaj, 2013). For instance, the cases of Amoco Cadiz (1978) and Exxon Valdez (1989) are the largest, most well-known incidents in the industry. Also, the statistics show that OR vessels have higher losses than those in the traditional system (Ready, 1998).

The objections were based on safety issues and absence of control of safety standards; flag States do not have a genuine link with ship owners which means that there is a lack of interest from the shipowner to keep a strong relationship with the flag State. Moreover, casualties indicate that the majority of vessels which have accidents are under an OR system (UNCTAD, 2008).

States with OR systems have been criticized based on the lack of capacity to monitor safety and working conditions or investigate accidents (Negret, 2016). However, most of the OR countries have ratified SOLAS. Thus, vessels from the OR system are the ones who, most of the time, comply with the regulation (Ready, 1998). In spite of this, the most common objection to the system is the deficiency in safety and security standards of the vessels registered under an OR State.

ORs are considered flexible in exercising their functions to ensure compliance with international standards. Therefore, it is beneficial for a shipowner to register dangerous and substandard ships under this regime (Anderson, 1996). Hence, this fact is used by those who are against the regime as a reason to restrict the system in order to maintain safety at sea.

The establishment of functions such as port State control (PSC) seems to be a help to those states by allowing the inspection of the vessels concerning standards for seaworthiness and the crew.

As shown, in legal matters OR enables shipowners to evade domestic law and regulations in aspects such as construction, manning, design, and equipment of the ship (Herman, 1978). Thus, in safety measures, it becomes a serious problem for the industry. The evasion of safety measures makes it impossible to guarantee the safety of ships and clean ocean.

The lack of control by the countries concerning functions of flag State control (FSC) and PSC allows the appearance of the so-called substandard ships, representing a real risk for navigation. Therefore, some sectors assume this fight against the ORs based on the fact that the elimination of this system will eliminate sub-standard ships.

As shown, the basic critique is based on the fact that shipowners use OR to avoid requirements concerning international standards and safety at sea. Therefore, the port State control is established, which works to survey the ships to verify their compliance with minimum standards, so ships that do not comply can be sanctioned (Mensah, 2013).

3.7. Politico-economic distortion

Most critiques of OR regime come from the developing countries based in unfair conditions for competition. It is also stated that those registries do not allow them to develop as a consequence of the benefits for the shipowner that OR provides for their vessels (Mensah, 2013).

Economically, the appearance of OR represented a risk for the traditional maritime registry, resulting from a large amount of tonnage transfer from this system to the OR system (Xhelilaj, 2013).

OR system provides minimum conditions and gives freedom of recruitment of crew, meaning that there is not a nationality requirement for the crew. Hence, concerning the economic distortion, it affects the seafarers directly as a result of this freedom because shipowners try to pay lower wages.

Furthermore, some of the vessels from OR have been involved in terrorism and piracy activities (Mensah, 2013) which results in damage in a political sense. It also affects the fight against these types of activities by IMO with the different members of the international maritime community.

The International Labour Organization's (ILO) criticism is based on the lack of compliance with minimum standards (Mensah, 2013). However, the complaint lies in the lack of decent conditions for seafarers. Thus, ILO states that the increase of OR is mostly attributed to benefits for shipowners of low wages as a result of the freedom from requirements for recruitment and wages.

In addition, shipowners choose to register under an OR system as a result of the numerous benefits, especially in the economic aspects. For instance, taxes are annually based on the tonnage of the ship, and there is no obligation to declare taxes concerning the profit of the commercial operation of the vessel.

Hence, UNCTAD bases its opposition against the OR as a consequence of freedom from financial obligations that this regime provides to shipowner (Ready, 1998).

Consequently, countries who have traditional register systems state that benefits and conditions offered by OR deny them the opportunity to develop as flag States and does not allow fair competence.

CHAPTER IV

RECOGNISED ORGANIZATIONS

The role of flag States after granting their nationality to ships also extends to ensuring compliance with the safety standards established by international law through IMO instruments and regulations. Hence, maritime administrations (MARAD) are required to carry out surveys and issue certification as a measure to prove that vessels are meeting the standards for transit.

There are cases that for MARAD, which is in charge of the safety duties, the exercise of control over the vessels that are entitled to fly its flag. This, issue comes to the fact that classification societies (CS) can be authorized by the administration to act on their behalf (Ha, 1987).

The regulations allow the discharge of these duties to ROs authorized by the MARAD. The role of the CS covers public tasks (Bruyne J. d., 2014). Thus, this task refers to the implementation of maritime policies and certifications to comply with the regulations. In other words, the duties of ROs is to carry out the statutory surveys a certification on behalf of the flag States.

Some States delegate their authority to ROs, then the organizations have the duties to enforce and implement international maritime safety standards, in other words delegate their statutory power (Bruyne J. d., 2014). ROs are defined as organizations

that are designated by the flag State to exercise its duties of FSC (International Maritime Organization, 2013).

Some of the ROs normally are CS that meet the conditions for been a RO, so then the conventional ROs which are CS members of The International Association of Classification Societies (IACS) (Mansell J. N., 2009). Further, the convenient who are those that are out of CS. However, is important to highlight that ROs can be CS but also can be just organizations that meet the conditions, this means that the ROs just has the public role.

Furthermore, the IMO Resolution A.787(19) defines ORs as organizations that meet the conditions stated in Resolution A.739(18) and that have been delegated by the flag State administration to provide the necessary services and certification of ships that fly the flag of the state.

Consequently, the role of ORs depends also on their performance of the technical, operational, and flag duties that the State delegates to them (Mansell J. N., 2009). Hence, it is important that every State monitor and audit the activities of ROs in order to ensure they are complying with the delegated duties in strict adherence to regulations.

The international conventions for maritime transit permits flag States to discharge the inspection and survey of their ships to ROs. The delegation of these duties is based on the fact that many States do not have enough technical, or personnel resources to comply with the tasks.

Concerning the delegation of authority, the flag States, meeting the provisions established by regulations, have the responsibility to inform and provide all information regarding ROs to IMO. In that sense, IMO provides the module on ROs in the Global Integrated Shipping Information System (GISIS).

Therefore, the ROs are organizations designated by those flag State countries that do not have enough expertise, experience, technical and personnel resources to carry out the responsibilities, established by UNCLOS and other regulations, to ensure that their vessels meet the minimum standards for transit.

4.1. Classification societies

The CS arose as a result of the need to create an entity that helps the collection of vessel data such as age, characteristics, design, and safety system. Therefore, the CS was created as a tool to have external criteria in terms of verifying technology for determining the conditions of the ship, basically knowing if it is seaworthy.

Furthermore, CS are independent organizations that develop rules for the constructions and maintenance of ships, but also carry out inspections to ensure the seaworthiness of ships at sea (International Cargo Handling, 1993).

Hence, CS are organizations that survey and classify the vessel in respect of the minimum standards. The purpose of the classification is to know the condition of the vessel for insurance and other purposes that the shipowner needs (Bruyne J. d., 2014). Furthermore, the duty of certifying and classifying the vessel helps insurers to assess the possible risk of the vessels.

CS develops and applies technical standards for design, construction, and survey of ships (EMSA, s.f.). It also establishes basic minimum standards for maintenance of the hull and machinery of the ships. The survey and classification of the vessel constitute the duties of the CS in their private role. The CS are independent, which means that their services are retained by the shipowner.

Moreover, CS were developed from the necessity of shipowner to have an instrument that works to prove of the condition of vessels as a requirement for insurance companies and charterers (Mansell J. N., 2009).

Through the use of CS, the structure and functionality of the vessel are verified. Hence, the objective of the inspections and certifications is to prove that the ship is suitable (International Association of, 2011). However, the standards used by CS to carry out their tasks are developed by themselves and must comply with international regulations.

4.2. International Association of Classification Societies

The IACS was established on September 11, 1968. The LLC stated the need for collaboration between the CSs in order to secure as much uniformity as possible regarding the implementation of standards.

In 1939, after the recommendation by the LLC, Registro Italiano Navale (RINA) held a conference of CSs, where it was agreed to further the cooperation between CSs that were present at the meeting. Subsequently, in 1955, created working parties on specific topics were created, leading to the creation of the IACS, as mentioned above in 1968. IACS has 12 members (Annex I) CSs.

Hence, in 1969 IACS was recognized by IMO as a consultant member of the organization. Here is necessary to highlight that IACS is a technical based non-governmental organization. Thus, IACS is the only non-governmental organization with observer status that can develop and apply rules. IACS is governed by a council. The secretariat is located in London, and the Quality System Certification Scheme (QSCS) is in Southampton UK. The QSCS provide the certification standard in order to qualify for being a member of the IACS (International Classification Societies, 2011).

The purpose of IACS is to provide classification and statutory certification, but also to provide services as ROs on behalf of the MARADs. Furthermore, the IACS was created to promote the improvement of the safety standards, as consultative organization, and to keep a collaboration among the maritime industries (Ha, 1987).

The relationship of IACS with the delegation of ROs springs from the fact that most of the organizations that meet the minimum provisions for being ROs are part of the association (Mansell J. N., 2009).

4.3. Analysis of the delegation authority to ROs

Flag States, under UNCLOS, article 94, are forced to take measures to ensure that their vessels comply with safety conditions in matters such as construction, equipment, seaworthiness of ships, manning of the ship, and labour conditions, among others.

Hence, some countries, especially small countries that has OR system, have the desire to comply with their duties and exercise control to accomplish the requirements stated by UNCLOS; however, the lack of resources limits their capability (Hosanee, 2009).

Consequently, the flag State delegates its duties an RO in order to comply with the tasks assigned by international regulations. This delegation of duties is a measure under IMO instruments and conventions SOLAS, MARPOL, LLC, and RO CODE.

Nevertheless, the States are supported by international law to delegate the authority for exercise of surveys and certifications. MARADs still have the responsibility over the performance of statutory tasks. Furthermore, the States shall monitor the ROs' compliance with IMO instruments (Mansell J. N., 2009).

The effectiveness of the delegation of duties to ROs is ensured by surveys and monitoring through audits by the States, and also through compliance with standards for safety stated by IMO. The IMO requires every State that discharges its statutory duties to an ROs to provide information about the delegation through a module in IMO

GISIS. In addition, as requirement by regulations, MARADs have the responsibility to verify the effectiveness of the work performed by the ROs on their behalf.

Most of the worldwide tonnage is registered under the OR system (Mansell J. N., 2009). Hence, OR States are enabled to exercise their duty and comply with regulations, mainly because this delegation provides to States the possibility of technical aid outside the country.

However, States delegating their duties need to verify whether the ROs have the technical, operational and research resources to exercise the surveys on behalf of the States (Mansell J. N., 2009). Thus, even though the States are looking for external help to fulfill their duties, it is necessary to find a competent entity who can face the task.

Consequently, the essential factor of this is the abundant technical and world-wide resources that CSs usually have (Sun, 1999). Hence, the technical resources that ROs have allow them to comply with the needs of the State to delegate their duties and comply with IMO regulations.

Therefore, while delegation of authority to OR represents an advantage in improving performance and complying with regulations, as mentioned, some of the ORs are concerned about their duties. In particular, for small countries, it is challenging to achieve their tasks as a consequence of some inadequacies. However, this delegation helps the States: first, to improve their performance; second, to keep track of the safety system of the vessels flying their flag and; third, to have extensive geographical coverage to exercise their technical surveys and certifications.

The ROs on behalf of the State only verify compliance with the international and national regulation adopted by the States.

4.4. Authorization for recognized organizations

At the beginning the system of ROs acting on behalf of the States, some positions states, it was a bit absolute, means that this delegation did not have any regulation or guidance for implementation. Therefore, IMO promoted the creation of instruments that would allow to regulated the authorization of ROs. The instruments implemented looked to provide a framework for the delegation of authority.

On November 4, 1994, IMO the adopted Resolution A.739(18) which states the Guidelines for the Authorization of Organizations Acting on Behalf of the Administration. The objective was to develop a detailed specification on the precise survey and certification functions of recognized organizations.

Hence, Appendix 1 of Resolution A.739 (18) states the minimum standards for ROs acting on behalf of the administration and provides the minimum conditions that a CS should comply with as an RO on behalf of any MARAD. In other words, the guideline requires information to be provided by ROs in order to to be authorized by an administration to undertake the duties on its behalf.

Therefore, to delegate authorization to ROs, the MARAD needs to verify that the organization has provided evidence, by documentation, of its experience in carrying out the task of assessing the design, construction, and equipment of merchant ships. Moreover, the organization needs to have experience in reviewing the safety-management systems of the vessels. Secondly, the organization needs to prove its capability in the performance of the duties. This capability should be measured regarding the authority and tasks that are going to be delegated.

Apart from the general conditions provided by the resolution, it also states some specific provision for delegating authority to perform certification services. Hence, the organization should be capable of reviewing engineers' designs, drawing, calculations, and similar technical information and technical criteria dictated by the MARAD.

To illustrate, the following constitutes some of the conditions that the organization should comply with in order to conduct a field survey and inspection:

- The organization needs to provide the publication and regular maintenance of the rules in English for the design, construction, and certification of the vessel and the essential engineering system. Further, it must provide an adequate research system to ensure its capability to update the criteria.
- The MARAD and other parties need to be allowed by the ROs to be involved in the development of rules and regulations.
- The RO should be established with technical, managerial, and support staff, catering to development and maintenance of rules and regulations. Moreover, it should have a qualified person to provide the services adequate geographical coverage.
- The ROs should be prepared to provide any information to the MARAD.

On the other hand, this resolution also provides specific provisions for delegating the authority for perform certification services, which require the audit and inspection of the safety-management system attributes of shore-based ship management entities and shipboard personnel, as follows:

- Provision and application of proper procedures to assess the degree of compliance of safety-management systems.
- Systematic training and qualification regime for the personnel engaged in the certification process.

As shown, Resolution A.739(18) provides the conditions for the ROs and MARAD to delegate the survey and certification. This provision looks for the correct and efficient implementation of the duties by the ROs on behalf of the MARAD.

4.5. Delegation agreement

The regulations provide to maritime administrations the possibility to delegate and authorize an organization to carry out the duties of the States, meaning surveys and certifications established by the international convention. Hence, States and ROs formalize this relation through an ‘agreement on the delegation of power’ to exercise and enforce the regulations for maritime safety (Bruyne J. d., 2014).

The delegation of authority has its basis in a formal agreement between the RO and the MARAD (Annex III), and the agreement is a compromise. Hence, the agreement establishes the duties and the authority to be discharged by the RO.

The agreement is a document mainly including the execution of functions, the legal basis of the functions, reporting, and exchange of information concerning the development of rules/regulations and legal liability. It establishes a legal basis in case some conflict happens.

In brief, after the building of the agreement, the administration should hold the responsibility to supervise the performance of the RO to protect its national interest. Consequently, the agreement is a formal paper establishing the conditions for the relationship between the RO and MARAD.

The IMO Resolution A.739(18) through which is established the Guidelines for the Authorization of Organizations Acting on Behalf of the Administrations in its Appendix 2 provide the elements to be included in an agreement. Hence, the delegation agreement is subject to the provision of these resolution.

The agreements as minimum requirements need to establishes the application, purpose, functions on behalf of the State, legal basis means the acts and regulations, a clause requiring the reporting to the MARAD, among other conditions that are necessary to be establishes under an agreement.

4.6. International legal framework

UNCLOS is considered as the umbrella for the law of the sea. This convention, as discussed previously, was developed in order to establish regulations for all matters in the sea. Basically, it represents a shared understanding and cooperation among the Laws of the Sea.

Concerning this research, UNCLOS provides all the requirements or conditions for a vessel to sail in the high seas, but also provides the duties for a State once it grants its nationality to a vessel. Article 94 of UNCLOS states the duties of a flag State.

Hence, every State needs to ensure that its vessels are in compliance with the regulations for maritime transit. The convention states that States need to exercise jurisdiction and control in the administrative, social, and technical matters over the ships flying their flags; furthermore, States need to take control over the measures for design, construction, and equipment among other safety issues.

International regulations provide the States the opportunity to delegate these duties to a CS that will operate on their behalf. Therefore, the ROs will be in charge of the certification and surveys on behalf of the States.

4.6.1. International Convention on Load Lines

On April 5, 1966, the LLC was adopted and subsequently entered into force on July 21, 1968. The LLC was developed to establish the limits as to the load that a ship could hold, guaranteeing the stability of the ship, and taking into account the tension that may be on the hull. It seeks to avoid overloading the ship (International Maritime Organization, 2019).

Article 13 Survey, Inspection and Marking of LLC, states the following:

***The survey, inspection and marking of ships**, as regards the enforcement of the provisions of the present Convention and the granting of exemptions therefrom, **shall be carried out by officers of the Administration**. The*

Administration may, however, entrust the survey, inspection, and marking either to surveyors nominated for the purpose or to organizations recognized by it. In every case, the Administration concerned fully guarantees the completeness and efficiency of the survey, inspection, and marking... Highlight by the author.

Hence, the convention establishes that surveys and inspections need to be carried out by the administration, but also provides the option to delegate to an RO the performance of these duties. However, the administration needs to ensure that the RO will carry out the duties in complete adherence to the regulation.

Furthermore, LLC in relation to the certificates that need to be issued as evidence of the compliance with the provision of the convention establishes that these certificates can be issued by an RO authorized by the MARAD, article 16 Issue of Certificates, paragraph 3).

“3) Such certificates shall be issued by the Administration or by any person or organization duly authorized by it. In every case, the Administration assumes full responsibility for the certificate.” Highlight by the author.

4.6.2. International Convention for the Prevention of Pollution from Ships

MARPOL is the main international convention concerning the prevention of pollution of the marine environment by ships. The provisions of the convention aim to prevent and control oil pollution from ship accidents or operational routines. Six annexes shape the convention; each annex has a particular area or regulation (International Maritime Organization, 2019).

The convention in regulation 4(3) paragraph (a) states that surveys of ships concerning the provision of the convention in Annex 1, need to be carried out by the Stated, but also allow the States to discharge this responsibility to an RO recognized by them.

(a) Surveys of ships as regards the enforcement of the provisions of this Annex shall be carried out by officers of the Administration. The Administration may, however, entrust the surveys either to surveyors nominated for the purpose or to organizations recognized by it... Highlight by the author.

Regulation 4(3) in paragraph (b) also provides the opportunity to delegate the inspection to an entity recognized by the State.

(b) *The Administration shall institute arrangements for unscheduled inspections to be carried out during the period of validity of the Certificate. Such inspections shall ensure that the ship and its equipment remain in all respects satisfactory for the service for which the ship is intended. These inspections may be carried out by their inspection services, or by nominated surveyors or by recognized organizations, or by other Parties upon request of the Administration. Where the Administration, under the provisions of paragraph (1) of this regulation, establishes mandatory annual surveys, the above-unscheduled inspections shall not be obligatory*... Highlight by the author.

This convention in Annex 1, regulation (2) also states that MARADs may delegate the issue of certificates to a society authorized by them, but the MARAD assumes the full responsibility for the certificate.

“Such certificate shall be issued either by the Administration or by any persons or organization duly authorized by it. In every case, the Administration assumes full responsibility for the certificate.”

Simultaneously, MARPOL Annex II Regulation 8(1), paragraph (4) establishes that the States need to assign surveyors or delegate the authority to ROs to ensure the implementation of the regulations.

“(a)The Government of each Party to the Convention shall appoint or authorize surveyors for the purpose of implementing this regulation. The

surveyors shall execute control in accordance with control procedures developed by the Organization.” Highlight by the author.

In this sense, the research is looking to understand the working relationship between the RO and the registries, focus especially on OR, pointed to establish a control over the ROs when they are acting on behalf the States. MARPOL states in Regulations 9(4) and 9(7) that the RO shall enter the inspection of every ship in the Cargo Record Book, but this book also needs to be inspected by the MARAD.

As shown, MARPOL through it annexes states provisions that allow the States to delegate their functions referring to surveys and issuance of certificates. For the objective of this research, MARPOL provisions provide to OR system countries the possibility to delegate their duties, as characterized by being small countries, to fulfil the compliance with regulations.

4.6.3. International Convention for the Safety of Life at Sea

SOLAS was adopted on November 1, 1974, and entered into force on May 25, 1980. The Convention states the minimum standards for the construction, equipment, and operation of ships. The States have the responsibility to ensure compliance with this convention and its conditions, but also to issue certificates that are prescribed by SOLAS as evidence that the conditions have been achieved by their ships (International Maritime Organization, 2019).

The convention states under Part B- Surveys and Certificates, Regulation 6- Inspection and Survey, the following:

(a). The inspection and survey of ships, so far as regards the enforcement of the provisions of the present regulations and the granting of exemptions therefrom, shall be carried out by officers of the Administration. The Administration may, however, entrust the inspections and surveys either to surveyors nominated for the purpose or to organizations recognized by it.

(b). *An Administration nominating surveyors or recognizing organizations to conduct inspections and surveys as set forth in paragraph (a) **shall as a minimum empower any nominated surveyor or recognized organization to:***

(i). require repairs to a ship;

(ii). carry out inspections and surveys if requested by the appropriate authorities of a port State.

The Administration shall notify the Organization of the specific responsibilities and conditions of the authority delegated to nominated surveyors or recognized organizations.

(c). *When a nominated surveyor or recognized organization determines that the condition of the ship or its equipment does not correspond substantially with the particulars of the certificate or is such that the ship is not fit to proceed to sea without danger to the ship, or persons on board, such surveyor or organization shall immediately ensure that corrective action is taken and shall in due course notify the Administration. If such corrective action is not taken the relevant certificate should be withdrawn, and the Administration shall be notified immediately; and, if the ship is in the port of another Party, the appropriate authorities of the port State shall also be notified immediately. When an officer of the Administration, a nominated surveyor or a recognized organization has notified the appropriate authorities of the port State, the Government of the port State concerned shall give such officer, surveyor or organization any necessary assistance to carry out their obligations under this regulation. When applicable, the Government of the port State concerned shall ensure that the ship shall not sail until it can proceed to sea, or leave port for the purpose of proceeding to the appropriate repair yard, without danger to the ship or persons on board.*

(d). In every case, the Administration shall fully guarantee the completeness and efficiency of the inspection and survey, and shall undertake to ensure the necessary arrangements to satisfy this obligation... Highlight by the author.

Regulation 6 of SOLAS, paragraph (a) stated that every State should ensure compliance with the provision of the convention. This should be carried out by personnel of the MARAD, but it also provides to the States the possibility to delegate the duties to an RO. The delegation of the duties to ROs must confer a minimum of authority, contained in the aforementioned regulation paragraph (b).

The convention, in addition to allowing the delegation of functions also, within its provisions, establishes that the RO must notify or inform the MARAD of the functions carried out. Hence, in cases where ROs require certain repairs or notice any situation on any of the vessels that have been inspected, this information must be notified to the MARAD delegated by the authority.

As shown, the delegation of the duties, as a requirement from this convention, needs to be under the supervision of the MARAD. Hence, the cooperation between the MARAD and the RO should be harmonized and with the exercise of full control and audit from the MARAD to the RO, considering that, with the delegation agreement, both entities become a team to ensure the provision of the convention.

4.7. Recognized organization code

On June 13, 2013, the code for recognized organization (RO CODE) was adopted by Resolution MSC.349(92). The RO CODE was developed as a result of the necessity to compile all the requirements or/and provisions in a single IMO mandatory instrument. Consequently, the RO CODE provides a standard approach to facilitating or/and assisting the MARAD in meeting the duties of authorization, delegation, and audit of ROs. The RO CODE provides a standard for achieving harmonized and

consistent implementation of requirements for the assessment and authorization of ROs.

The code is structured into 3 parts as follow: Part I- General, Part II- Recognition and Authorization for Organizations, and Part III-Oversight of RO. It also contains 2 Appendices.

Hence, the first part of this code provides the purpose and objective for the development of the convention, and the extent of its coverage. This part contains the general provisions for understand the scope and the development of the code in the same way as other IMO instruments and conventions.

The second part establishes the definitions of ROs and the mandatory requirements that ROs need to meet in order to be authorized by MARADs. The RO CODE in part II contains the requirements for the ROs in order to be recognized and authorized by a flag State. It mainly provides the requirements for exercising and achieving the duties in compliance with the regulations. Finally, part III provides non-mandatory guidelines to flag States for the monitoring and audit of the delegation of authority.

4.8. Dual role of recognized organizations

The CS is employed by shipowner to carry out inspections and certifications of ship conditions. The service is performed under a private contract between the CS and the shipowner.

On the other hand, these same CSs perform inspection functions on behalf of the maritime administrations of the states that delegate them, at which time they become ROs and maintain a public contract with the State.

Societies can carry out inspections that meet the requirements established by the IMO standards. Hence, they are used publicly to represent the State and privately provide the certificates and surveys that the shipowner needs to prove their status.

Consequently, the dual role of the CS arises from the existence of two different sources of technical standards involved in the survey and certification process. Hence, there are the statutory requirements developed by the RO on behalf a MARAD, and also the CS when it acts with its own rules as a classification process in the private sector (Lamb, s.f.).

First, the private role of societies involves the development of classification services and appraisal services. The last one refers to the evaluation of ship quality. Thus, shipowner use the services to help them make the vessel insurable and attain evidence of the seaworthiness of the ship. Consequently, CS refers to the classification services provided for the ships in the private role of the societies. Secondly, the public role of the societies refers to the statutory services or certification on behalf of a flag State (Lamb, s.f.).

The international law, means through UNCLOS and other IMO instruments, attribute to flag States the duty of ensuring that their fleets are in compliance with the regulations and the minimum standards for safety at sea. In additions, this convention asks the States to carry out surveys and certifications as evidence that the vessels are complying with the regulations. In that sense the convention also allows the States to delegate these duties to an entity that complies with the requirements to be authorized. Thus, some States, OR which is the concern of this research, delegate this authority or duty in an RO authorized by them to fulfil the regulations. Hence, the ROs develop their function as a public role, meaning that the MARAD discharges its power to exercise surveys and issue certifications to the ROs.

4.9. Liability of recognized organization

Ones ROs are acting on behalf of the States are subject to administrative, civil and criminal liability. However, this liability is also subject to specific legal immunity concerning the jurisdiction of the State (Bruyne J. D., 2014)

The ROs especially those who are CS has become promoters of international technical regulations (Boisson, 1993) these come from the fact that CS are private entities that develop rules for technical standards for vessels and survey them.

The criteria to define the liability of the ROs needs the understanding of how the ROs and CS work, in the sense of who uses its services and the contractual arrangement. Previously, the services of CS were only used by the insurers and charterers (Boisson, 1993), as explained before, the shipowner needs evidence to prove the proper conditions and seaworthiness of the ship as a requirement of insurers and charterers, which is the function of the CS.

Meanwhile, the shipowner becomes the primary users of CS services as a result of the need to keep tracking the construction of the vessels and survey them. Thus, shipyards start using the CS services in the needed for technical recommendations.

Hence, nowadays results in quite challenging to identify who is the primary user of CS and ROs services, apart from the fact that this research is looking at States as the primary user of ROs, as a consequence of the clients changing during the life period of a vessel.

Consequently, in the relation between the RO and the State, the rules are set up by the delegation's agreement as described in point 4.5 requirement some minimums conditions, for instances the liability clause (Annex III). Hence, the liability of the ROs acting on behalf of the States will be subject to what is established on the agreement.

In other words, the fundamental sources of obligation for an ROs is the delegation agreement between the RO and the MARAD. So then, in the case, the RO fails in its obligation, it involves liability. Ones the RO fails its obligations either by negligence or default, guilt will be discharged; this means the liability.

The ROs on behalf of the States carry out the statutory inspections and issued certificates ones the vessels are meeting with the requirements established by regulations such as MARPOLL, SOLAS, LLC, among other IMO instruments.

For determine the liability of CS the clients only need to establish the existences of a contract which establishes the obligations, this contract will demonstrate the failure of the CS in its obligations, in French and UK law (Boisson, 1993).

Nevertheless, since the duty of the CS is to classify and certify the seaworthiness of a ship, in terms of discharge responsibilities the classification provides by CS do not make vessel seaworthiness, or the absence of it would not make the vessels unseaworthiness. Hence, the ROs could not be the guarantee of seaworthiness and safety a see since they do not have control over the operation of the vessel.

In the Muncaster Castle case, 13 December 1961, the House of Lords states a new view for the liability of these organization; the judgment establishes that negligence of the surveyor does not relieve the owner of its responsibilities (Boisson, 1993).

On the other hand, as described before, the liability of ROs ones are acting on behalf of the States is subject to the delegation agreement, and the law of the country. These means that the RO might take advantages in some instances of the immunity privilege that jurisdiction of the country provides to them.

As shown, CS and ROs are not liable for the obligations that shipowner needs to comply. Hence, the shipowner never can use the certificate as evidence of seaworthiness. Also, the RO might exempt its responsibility based on the fact that shipowner does not meet its obligations.

The liability of ROs falls on the delegation agreement, specifically on the liability and immunity clauses. On the other hand, the ROs exempt its responsibility through the

inclusion of negligence and indemnity clauses in the agreement. However, the public role of the organization does not mean that it can be excluded from its responsibility.

In brief, the fact that shipowner does not meet with its obligations cannot be considered as an exclusion of liability, since from negligent acts arise legal responsibilities. On the other hand, it is necessary to consider the immunity provided to the ROs by the States cause the absence of this might reduce the interest of RO to acts on behalf of the States.

CHAPTER V

ANALYSIS: Relation of Recognized Organization and Open Registries

To analyse the relation of ORs and ROs is necessary to determine whether the relation is considering casual link or an association in order to improve the performance of the ships in terms of safety regulations (Mansell, 2009).

Flag States need to establish a system that allows them to ensure that the tasks performed by ROs acting on their behalf are in compliance with the regulations. On the other hand, flag States that are not interested in fulfilling their duties delegate their authority to substandard ROs, which clearly do not have the resources to complete the task (Mansell, 2009).

Every State that grants its nationality to a vessel immediately has the responsibility to ensure the compliance of the vessel with international standards. In other words, the States have the duty to control technical, operational, social, and administrative matters of the vessel.

Hence, every flag State needs to take the measures that allow them to exercise their control and jurisdiction over the vessels under their system. All flag States must ensure the acceptance and compliance of international regulations, standards, practices, and procedures (Mejia Jr. & Schöder-Hinrichs, 2013).

Consequently, the primary duty is to verify that every vessel complies with these previous conditions stated in international regulations and conventions. The flag State

is obligated to exercise sanctions when the ship does not comply with the standards. In addition, this sanction can also be imposed for a violation of any convention that the State has ratified.

The RO is accountable and responsible for the tasks that it carries on behalf of the MARAD's for the flag State. Essentially, the ROs are in charge of conducting inspections and surveys to the same extent as CS, on behalf of the States.

On the other hand, the importance of the relationship between ROs and MARAD is mainly related to safety standards. The link between the flag State and maritime security is becoming stronger as a consequence of increasing issues regarding safety. This means that the control exercised by the flag state has necessarily to increased, especially because the flag States are the only ones who can exercise jurisdiction over a vessel that bears its nationality.

To evaluate the performance of a flag State, it is necessary to considerer the performance of the ROs, which are generally the ones who develop the statutory surveys and certifications on behalf of the States (Mansell, 2019).

In the other hand, it is essential for the analysis and the understanding of the relationship between ROs and OR, that the flag States are required to monitor the performance of the ROs. Moreover, as mentioned in Chapter 4, they must provide all the information about the ROs undertaking their duties to IMO in the GISIS form (Mansell, 2019).

Consequently, the States who delegate their authority for conducting inspections are required to inspect the ROs' performance, but also to execute random inspections of their vessels as a way to evaluate the performance of the RO.

Up to this point, it is understood that the relationship between the flag State and the recognized organization has a binding character by the regulations that issue provisions requiring the flag State to exercise some control over the organizations to which they delegate their functions.

Historically, OR has been criticized as a result of the inefficient or deficient control that those countries exercise over their fleets. Opponents of OR argue that small countries, which usually have OR systems, are characterized by lack of control, representing a risk for the safety allowing the transit of substandard vessels.

Some of ROs do not meet the requirements for delegation of authority, and this issue allows the increase of substandard vessels, as a result of substandard surveys. This phenomenon is directly associated with risk to crews' lives, and to the marine environment because the substandard ROs issue certificates to vessels that do not meet compliance with the standards (Mansell, 2009).

The campaign held by ITF against FoC was, based on the fact that ORs do not exercise control over their fleets, which is considered as a lack of control by flag States. ITF also listed the countries that the federation considered as FoC; certainly those States have OR systems.

Antigua and Barbuda	Bahamas	Barbados	Belize	Bermuda (UK)	Bolivia
Cambodia	Cayman Islands	Comoros	Cyprus	Equatorial Guinea	Faroe Islands (FAS)
French International Ship Register (FIS)	German International Ship Register (GIS)	Georgia	Gibraltar (UK)	Honduras	Jamaica
Lebanon	Liberia	Malta	Madeira	Marshall Islands (USA)	Mauritius
Moldova	Mongolia	Myanmar	Netherlands Antillers	North Korea	Panama
	Sao Tome and Principe	Sri Lanka	Tonga	Vanuatu	

Table 1: List of FoC countries by ITF. Table by the Author. (ITF, 2019)

Figure 2 shows a list of OR countries provide by ITF, the objections recognized those countries as having systems that do not exercise efficient control over their fleets. The objection to the OR regime extends to several reasons, but certainly the main reason is that the possible lack of control the system provides opens the door to an increase in number of substandard vessels.

A flag State's performance indicates the compliance of the State in its duties, established by IMO instruments and international regulations. The shipping industry has developed a system that summarizes the conditions or standards, the Shipping Industry Guidelines (SHG), which mainly help to advise the owners, MARADs, and policymakers about the effectiveness of the flag States (Mansell, 2009).

Hence, the Paris Memorandum of Understanding (Paris MoU) on PSC consists of an agreement between of 27 MARADs and extends to the European Coastal States and the North Atlantic basin from North America to Europe (Paris MoU, s.f.), providing reports regarding the detention and deficiencies of vessels in accordance to the information provided by PSC.

The Paris MoU provides, every month, a list of vessels detained by PSC. This list provided by the Paris MoU contains the details of detentions, including the flag State and the type of deficiency, but also if these detentions are related to RO's, subject to the issuance of the certificates. The report from Paris MoU also has the details by every vessel.

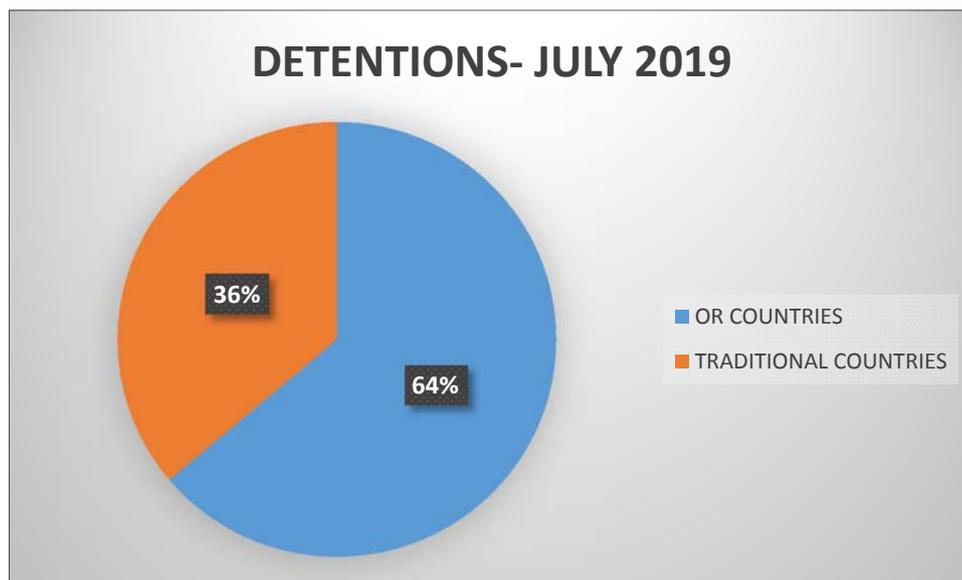


Table 2: OR and Traditional registry detentions. Table by the author. (Paris MoU, 2019)

The last report from Paris MoU regarding the detention by PSC in July 2019 (Annex IV) shows a total of 47 detentions, 30 of which concern flag States mentioned in ITF's list of open registries, shown in Table 1. This represents 64% of the total detentions in the month.

This 64 % of detentions from OR system vessels, considered the basis for the objection against the OR is evidence that the OR countries are possibly not fulfilling their function of ensuring compliance with the standards.

On the other hand, from those 30 detentions, four (Annex V) vessels' deficiencies were related to RO's. The fact that just four detentions, which represent less than the 20% of detention, were OR vessels, indicates that the relationship between ROs and MARADs is good enough to ensure that standards established by the conventions and IMO instruments are met.

RANK	FLAG	INSPECTIONS 2015-2017	DETENTIONS 2015-2017	BLACK TO GREY LIMIT	GREY TO WHITE LIMIT	EXCESS FACTOR
WHITE LIST						
1	France	258	0	25	11	-1.89
2	Cayman Islands, UK	438	2	40	21	-1.84
3	Netherlands	3,028	35	236	188	-1.83
4	Denmark	1,189	12	98	68	-1.79
5	United Kingdom	1,194	13	99	69	-1.76
6	Norway	1,429	17	116	84	-1.75
7	Italy	1,087	12	90	62	-1.74
8	Bahamas	2,239	30	177	136	-1.73
9	Isle of Man, UK	694	7	60	37	-1.71
10	Singapore	1,887	27	151	113	-1.68
11	Sweden	316	2	30	14	-1.66
12	Marshall Islands	4,022	68	309	254	-1.65
13	Hong Kong, China	1,997	31	159	121	-1.64
14	Belgium	220	1	22	9	-1.59
15	Germany	588	8	52	30	-1.52
16	Ireland	120	0	13	3	-1.41
17	Cyprus	1,921	44	153	116	-1.36
18	Gibraltar, UK	716	14	62	38	-1.32
19	Liberia	4,105	110	315	260	-1.29
20	Finland	408	7	38	20	-1.26
21	Luxembourg	199	2	20	8	-1.24
22	China	198	2	20	7	-1.24
23	Malta	4,681	135	357	298	-1.23
24	Greece	903	22	76	50	-1.18
25	Bermuda, UK	243	4	24	10	-1.04
26	Estonia	90	0	11	2	-1.04
27	Japan	117	1	13	3	-0.88
28	Philippines	150	2	16	5	-0.86
29	Antigua and Barbuda	2,866	110	224	178	-0.84
30	Portugal	762	26	65	41	-0.76
31	Poland	102	1	12	2	-0.67
32	Latvia	100	1	12	2	-0.64
33	Barbados	341	11	32	16	-0.55
34	Saudi Arabia	59	0	8	0	-0.40
35	Panama	6,110	334	461	394	-0.34
36	Korea, Republic of	82	1	10	1	-0.28
37	Croatia	105	2	12	3	-0.26
38	Faroe Islands, DK	251	9	25	10	-0.24
39	Turkey	1,133	59	94	65	-0.19
40	Spain	156	5	17	5	-0.05

Table 3: White list from Paris MoU 2018. (Paris MoU, 2018)

The lack of control has been used as one of the main reasons in the fight against the OR system; however, nowadays the States that have OR systems are improving their

performance (under pressure from the industry) in order to ensure that their vessels comply with the requirements. For instance, Table 2 shows that some of the countries considered OR systems in the list of ITF are part of the White list of the Paris MoU concerning the performance. This constitutes a clear example that even some part of the industry hold that ORs produce substandard vessels, the performances list shows the contrary, meaning that the recent increase in measures for ensuring the compliance of regulations in OR systems is giving results.

In relation to RO delegation, the excellent performance of the flag State indicates that the OR delegating its duties is carrying out a good relationship with its ROs, and also monitoring their job to ensure that it is meeting with the standards.

In brief, PSC detentions are used to measure and analyze the performance of FSC. This means that the lists, such as those provided by Paris MoU and other MoUs, constitute evidence of the role of each flag State in the meeting of their duties.

The improvement of the OR system in the performance list shows that the relationship between the ROs and the OR is clearly one of synergy. This, synergy is the result of the exercise of delegation over the ROs and the perfect understanding between them to achieve the fulfilment of the provisions established by MARPO, SOLAS, and LLC, among other conventions and IMO instruments.

As shown through this study, countries that have OR system care about fulfilling the tasks established by UNCLOS, MARPOL, SOLAS, and LLC, among other conventions, and discharge statutory duties over ROs in order to achieve compliance and have more geographical control. Nevertheless, there are countries that do not care about the standards and delegate their duties in an irresponsible way.

As already discussed in chapter II, the OR has grown as a consequence of the several benefits that the regime provides for shipowners. Hence, some countries look at the

register as an economic benefit for the gross domestic product; however, there those that, even though there is no secure link between the country and shipowner, take the measures to ensure compliance with regulations.

Even though the delegation of duties to ROs should be under the control and conditions established by RO CODE and IMO instruments, there are some irresponsibilities when it comes to delegating the authority.

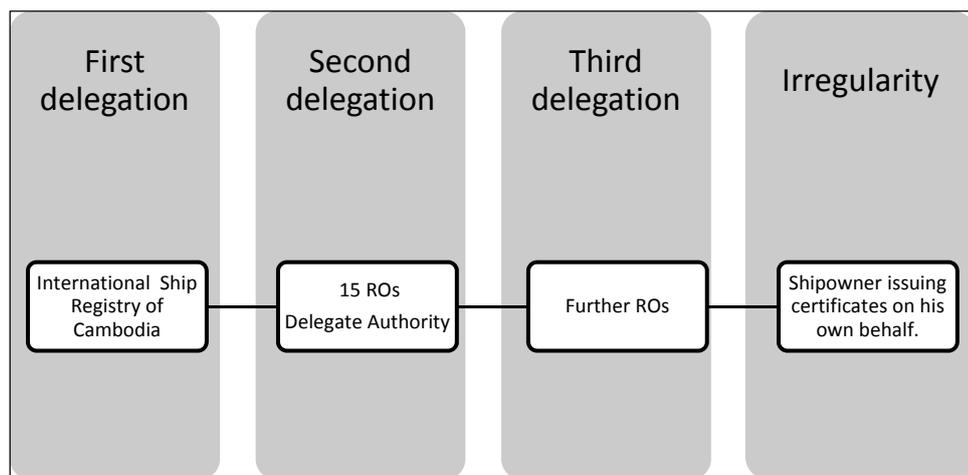


Figure 2: Irresponsible delegation, case Cambodia. Figure by the author. (Mansell J. N., 2009)

For instance, in 2008, Cambodia was recognized as having one of the worst records in flag State performance. As a result of the pressure, the country decided to delegate its duties to a private organization, International Ship Registry of Cambodia. However, this organization sub-delegated the authority to another 15 ROs, some of which delegated further to other organizations the right of carrying out the inspections and issuance of certifications. Thus, ones of those sub-sub-delegations resulted in a shipowner who was acting as judge and jury by issuing certificates on his own behalf (Mansell, 2009). Figure 3 illustrates how the delegation worked in this case.

The situation with the delegation in Cambodia, constituted a clear example of dysfunction in the relationship between ROs and OR, based on the fact that this delegation does not represent the correct interpretation of UNCLOS, SOLAS, and

other IMO instruments that established the need for every State that delegates its authority to monitor and audit the job of the ROs.

Hence, there was a need to have a framework that establishes the guidelines for the delegation of authority, which is already set by the RO CODE and other IMO instruments.

In addition, it is essential to highlight that for IMO the responsibility of complying with regulations relies on the FSC, this fact means that in the case that the delegation result is ineffective, the responsibility will be on the flag State who delegated the authority. Hence, it is important to comply with established regulations, regarding delegation authority, to monitor and audit the ROs in order to verify they are meeting the standards.

The relation between OR and ROs is based on two facts. The first is the need of the ORs that care about the regulations to fulfil their duties flag States. Secondly, the lack of resources in technical, personnel, economic, and geographical matter.



Figure 3: Categories of ROs. Figure by the author. (Mansell, 2009)

The delegation of the authority also requires assessing whether the RO is qualified to carry out the tasks. The industry distinguishes the ROs into two categories, as shown in figure 4, where the conventional ROs represent all the CS that are members of the IACS and meet the requirements for being ROs. The second category is the convenient ROs that do not have cohesion or uniform professional standards (Mansell, 2009).

RECOGNIZED ORGANIZATION PERFORMANCE TABLE 2016-2018

Recognized Organization	RO abrev	Inspections	Detentions	Low/medium limit	Medium / high limit	Excess Factor	Performance level
American Bureau of Shipping	ABS	6,009	2	139	102	-1.95	High
DNV GL AS	DNVGL	18,192	18	395	332	-1.88	
China Classification Society	CCS	869	0	25	10	-1.87	
Lloyd's Register	LR	12,505	14	276	224	-1.86	
Bureau Veritas	BV	11,450	25	254	204	-1.74	
Nippon Kaiji Kyokai	NKK	8,393	23	189	146	-1.66	
Korean Register of Shipping	KRS	1,233	2	33	16	-1.62	
Turkish Lloyd	TL	487	0	15	4	-1.60	
RINA Services S.p.A.	RINA	4,427	13	104	73	-1.60	
Russian Maritime Register of Shipping	RMRS	2,926	15	71	46	-1.24	
Polski Rejestr Statkow (Polish Register of Shipping)	PRS	531	3	16	5	-0.48	
Panama Maritime Documentation Services	PMDS	149	0	6	0	0.05	
Phoenix Register of Shipping	PHRS	496	5	16	4	0.06	
Croatian Register of Shipping	CRS	153	1	6	0	0.19	
International Naval Surveys Bureau	INSB	617	9	19	6	0.23	
Indian Register of Shipping	IRS	155	3	6	0	0.49	
Overseas Marine Certification Services	OMCS	99	2	5	0	0.50	
Dromon Bureau of Shipping	DBS	542	11	17	5	0.51	
Macosnar Corporation	MC	131	3	6	0	0.56	
Intermaritime Certification Services, ICS Class	ICS	174	4	7	0	0.57	
Isthmus Bureau of Shipping, S.A.	IBS	117	4	5	0	0.78	
Bulgarian Register of Shipping	BRS	237	7	9	1	0.78	
National Shipping Adjuster Inc.	NASHA	217	7	8	0	0.84	
Maritime Bureau of Shipping	MBS	84	4	4	0	0.94	
Maritime Lloyd - Georgia	ML	149	6	6	0	0.96	
Other	OTHER	399	13	13	3	0.99	Low
Venezuelan Register of Shipping	VRS	130	6	6	0	1.15	
Mediterranean Shipping Register	MSR	150	8	6	0	1.79	
International Register of Shipping	IS	254	14	9	1	2.44	Very Low
Panama Shipping Registrar Inc.	PSR	97	7	5	0	2.60	
Shipping Register of Ukraine	SRU	515	30	16	5	3.27	
Columbus American Register	COLAMREG	67	7	4	0	4.23	

In this table only Recognized Organizations that had 10 or more inspections in a 3-year period are taken into account

Table 4: Performance list of ROs 2016-2018. (ParisMou, 2016-2018)

The increasing association of flag State with ROs in order to deliver an effective FSC requires to measure the performance of the ROs. As shown in Table 3, the Paris MoU provides the performance of the ROs; basically, there is a tool for the States to verify the performance of ROs under their authorization. Furthermore, the performance of the ROs is always related to the performance of the FSC. Therefore, if the ROs are doing it suitable, it means that FSC is fulfilling with its duties; hence, this association is efficient.

The fact that States delegate their authority to ROs represents an association in order to fulfil the duties that every States has concerning the safety conditions of every vessel. Hence, the ROs represents the technical control of the States when it comes to a geographical extent, meaning that the State can comply with its obligations.

Even though ROs are carrying out statutory surveys and issuing certificates on behalf of the States, the MARAD shall control the performance of these duties. In addition, it is necessary to point out that the States are still responsible for it. However, when the ROs fail in their duties, they might be liable for negligence, if it is the case, subject to the delegation agreement clauses.

The relationship of the open registries and the recognized organizations can be identified as synergistic considering that, from the public role, the ROs respond to the need of the OR to fulfil the functions that as a flag state they must exercise. The States must exercise control over the organization and indicate the conditions and functions, which are established in the delegation agreement.

However, as mentioned in previous paragraphs, an example of a delegation with irresponsible character may be a sign of dysfunction in this relationship. Hence, the disinterest of States to fulfil the safety condition implies that the delegation is carried out without any control, so the proliferation of sub-standard vessels could continue.

This situation constitutes a sample of the refusal of some regions of the industry towards open registrations, and in some way towards the delegation of functions.

CHAPTER VI

CONCLUSION

This dissertation has described the registrations of ships focusing on the growth of the open registry system, but also on the implementation of delegation of authority to recognized organizations by States, for exercising the statutory surveys and issuance certificates on its behalf.

The registration of a ship represents the granting of nationality to it. Once a vessel possesses a nationality and has the right to fly the flag of a State, it also has the right to sail in the high seas. Here it is essential to highlight that the freedom of navigation on the high seas represents that the sea is open to all States. However, it is required that every ship has a legal and national character. This legal character, primarily, will protect the vessel under international law.

In that sense, the increase of maritime trading allowed the appearance of measures that condemned some flags, but in turn allowed the emergence of the open registry regimen. This regimen allows the registration of a vessel even though the owner is not of the same nationality as the ship. Furthermore, the system is characterized by multiple benefits such as economic, legal, political, and social, which turn out to be attractive for ship owners.

Concerning the registration of the vessels, shipowners look, mainly, for a system that allows them to increase their profits by incurring fewer expenses for the operation of the ship. Hence, open registries are characterized as providing a number of benefits that are attractive for shipowners.

For ship registration, the open registries regime is attractive to shipowners as a result of the political, economic, and operational factors. The fact that this system allows the recruitment of personnel that is not from the same nationality as the vessels, gives shipowners the opportunity to look for seafarers that have a minimum rate of wages. Hence, this operational factor becomes one of the main reasons for them to choose open registries.

Furthermore, an open registry regime is characterized by having an easy system to change from flag to flag; this is also a benefit for the shipowners. In terms of economic factors, the taxes for registrations are low, and the registration fee is sometimes the only tax.

Moreover, open registries allow vessels to be registered even when the owner of the ships is not a citizen of the country of registration. This factor provides benefits to the shipowner but is also a weakness of the system when it comes to the campaigns against the system.

However, after being a solution, OR has also become a challenge for some sectors of the industry. The objections to the open registry system are primarily based on the fact that the States carrying this system are not competent to exercise control over their vessels. In other words, the system represents a lack of control in aspects such as work and safety conditions.

The open registries, since their appearance, have been criticized based on the fact that those countries do not provide enough control. However, nowadays as a consequence

of the pressure of the maritime industry, some of the countries that care about performance and fulfilment of the international conventions to which they are party, are making an effort to exercise real control to abolish substandard vessels.

Moreover, it is also stated that countries that have a traditional register system consider the open registry as unfair competence, but also an impediment for the growth of those countries.

The campaign against the system of open registry was based on the facts that countries with that system sometimes do not have enough resources to exercise the statutory duties as FSC. The ITF is against the system as a result of the conditions for seafarers that do not comply with the regulations for maritime safety.

The research also shows the appearance of the classification societies and recognized organizations, which are mainly responsible for the development of technical standards, surveys and issuance of certificates to shipowners as evidence that their ship has met the conditions.

The recognized organizations, and sometimes classification societies in their public role, are entities that meet with some conditions, established by resolution A.739(18) issued by IMO, to carry out statutory surveys and issue certificates on behalf of the States. Most of the recognized organizations come from the classification societies who are members of the IACS, which are the conventional ROs. However, there are classification societies that are not part of the IACS that are delegated as recognized organizations. There are also recognized organizations that are not class societies.

The flag State control represents the most essential control concerning the needed of meeting safety requirements established by IMO conventions and instruments. The United Nations Convention on the Law of the Sea set up the duties of States once they

grant their nationality to a vessel. Thus, when a States grants its nationality to a vessel, it acquires the duty to ensure that each of its vessels complies with the regulations.

Nevertheless, some States do not have enough resources to ensure that their vessels meet regarding technical and constructions among others, established by the Convention on the Law of the Sea. In the case of open registries, most are small countries with limited resources.

The international regulations for maritime transit MARPOL, SOLAS, and LLC, among others allow States to delegate their duties to a recognized organization. The possibility of delegating the functions to a recognized organization represents the possibility for states with an open registry to be able to fulfill their obligations of flag state control.

The delegation of authority over the recognized organizations for the exercise of statutory surveys and issuance of certificates on behalf of the maritime administrations of States represents a way to ensure control over the vessels and States to fulfil their duties as flag States.

Since the delegation of authority over recognized organizations represents a tool for open registries to exercise their statutory duties, it becomes necessary to provide a framework to regulate these delegations. As mentioned previously, IMO through resolutions provides the requirements to be a recognized organization.

Furthermore, IMO developed the RO CODE to compile all the provisions in a single document. Hence, the RO CODE provides the requirements that an organization needs to meet in order to be authorized by a States to carry out statutory surveys and certifications. It also provides the conditions or regulates how the States have to exercise their delegation and control over the ROs.

The RO CODE is a tool that establishes a framework for the relationship between the recognized organizations and open registries. In other words, this code provides the mechanism for States to delegate their statutory authority, establishing the responsibilities and the scope of the ROs.

The fact that States can delegate their authority represents an improvement of the performance of flag States, which could lead to a decline in substandard ships as flag State control is improved with support from port State control.

Further work needs to be done to ensure the effectiveness of the delegation authority over the recognized organizations, and improve the image of the open registries. The performance of the flag States needs to be improved in order to tackle the image of lack control that those who against the system stated.

The flag States control measures require that the States perform intensive training course for the personnel and increase the budget assign for the develop the duty of control.

The delegation authority of statutory surveys and issued certificates shall be carried out over organization that complies with conditions for being recognized organization, but also States needs to really monitor the task developed by the organization.

Recognized organizations have to ensure that their personnel have the required capability for carrying out the task delegated by the States. They, therefore, need to promote constant training course for their personnel.

Are open registries effective? The objections stated the lack of control that characterized this system; hence maritime administrations need to take into consideration the delegation of their authority to a recognized organization, serious and with experience, in developing the duties of flag States.

In general, open registries and the recognized organization have a binding relation once it comes to delegation of authority since the IMO conventions require that the States supervise the activities. The performance of the open registries depends on the performance of the recognized organization, means that once the flag States it is doing it suitable, the relation is a clear sample of synergy in their relation.

The relation between open registries and recognized organizations is characterized to be a combination of synergy and dysfunction. Since the fact that IMO instruments for regulating maritime transit establish a binding character between them, it can be adduced that this relation is entirely a synergy.

The recently improve in FSC performance of those countries that have an open registry with a delegation authority over recognized organizations shows that this relation is working in harmony, is that both of them have a suitable performance they are complying with the regulations.

Nevertheless, the relation is also characterized sometimes by a dysfunction. For instance, in chapter V of this dissertation mention the case of Cambodia, which in 2008 delegate the authority without any control over the recognized organizations. Hence, some anomalies were detected into that delegation.

The fact that States do not exercise the correct control and, do not has a good relation with the recognized organizations more than be a clear example of a broke relation between the State and ROs represents for sure a lack of control but also a dysfunction in the relation that represents a risk for the safety of shipping.

In other words, synergy is created in those situations in which open registration systems exercise their functions responsibly and effectively, means that they comply with the provisions of the regulations and ensure to exercise the correct control over

the recognized organizations to which they delegate their authority. Also, this synergy will depend on the recognized organization acting with the same servitude and commitment as the flag state when exercising the functions delegated to it.

In the other hand, the relationship can create a dysfunction when the flag State acts without exercising due control and monitoring of the functions that are delegated to the recognized organization. Dysfunction that in some cases may be higher, affecting maritime safety, due to the delegation of organizations that do not meet a strict standard and responsible for carrying out inspections and issuing certificates as established by the IMO instruments.

The safety of shipping is highly depending on the exercise of control by the States of ships flying their flag. The international community would benefit from a concentrated effort by all States, organizations, and stakeholders concerned to ensure that recognized organizations and open registries relationships are strengthened by synergy rather than undermined crippling by a dysfunction.

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ANNEXES

Annex I: List of IACS members.

American Bureau of Shipping (ABS)
BUREAU VERITAS MARINE & OFFSHORE
China Classification Society (CCS)
ClassNK
Croatian Register of Shipping (CRS)
Det Norske Veritas and Germanischer Lloyd- DNV GL
Indian Register of Shipping (IRS)
Korean Register (KR)
LLOYD'S REGISTER
Polish Register of Shipping (PRS)
Registro Italiano Navale-RINA
Russian Maritime Register of Shipping

Annex II: Resolution A.739(18)

IMO INSTRUMENT

RESOLUTION A.739(18)
adopted on 4 November 1993

GUIDELINES FOR THE AUTHORIZATION OF ORGANIZATIONS ACTING ON BEHALF OF THE ADMINISTRATION

THE ASSEMBLY,

RECALLING Article 15(j) of the Convention on the International Maritime Organization concerning the functions of the Assembly in relation to regulations and guidelines concerning maritime safety and the prevention and control of marine pollution from ships,

RECOGNIZING the importance of ships being in compliance with the provisions of relevant international conventions, such as SOLAS 74, Load Lines 66, MARPOL 73/78 and STCW 78, to ensure prevention of maritime casualties and marine pollution from ships,

NOTING that the Administrations are responsible for taking necessary measures to ensure that ships flying their States' flags comply with the provisions of such conventions, including surveys and certification,

NOTING FURTHER that, under regulation I/6 of the 1974 SOLAS Convention and regulation 4 of Annex I and regulation 10 of Annex II of MARPOL 73/78, the Administration may entrust the inspections and surveys to nominated surveyors or recognized organizations and further that the Administration shall notify the Organization of the specific responsibilities and conditions of the authority delegated to nominated surveyors or recognized organizations,

DESIRING to develop uniform procedures and a mechanism for the delegation of authority to, and the minimum standards for, recognized organizations acting on behalf of the Administration, which would assist flag States in the uniform and effective implementation of the relevant IMO conventions,

HAVING CONSIDERED the recommendations made by the Maritime Safety Committee at its sixty-second session and by the Marine Environment Protection Committee at its thirty-fourth session,

1. ADOPTS the Guidelines for the Authorization of Organizations Acting on behalf of the Administration, set out in the Annex to the present resolution;
2. URGES Governments as soon as possible to:
 - (a) apply the said Guidelines; and
 - (b) review the standards of already recognized organizations in the light of the Minimum Standards for recognized organizations acting on behalf of the Administration set out in Appendix 1 to the Annex to the present resolution;
3. REQUESTS the Maritime Safety Committee and the Marine Environment Protection Committee:
 - (a) to review the Guidelines and Minimum Standards with a view to improving them as necessary; and
 - (b) to develop, as a matter of urgency, detailed specifications on the precise survey and certification functions of recognized organizations;
4. REQUESTS the Secretary-General to collect from Member Governments information on the implementation of the present resolution.

ANNEX

GUIDELINES FOR THE AUTHORIZATION OF ORGANIZATIONS ACTING ON BEHALF OF THE ADMINISTRATION

General

1 Under the provisions of regulation I/6 of SOLAS 74, article 13 of Load Lines 66, regulation 4 of Annex I and regulation 10 of Annex II of MARPOL 73/78 and article 6 of Tonnage 69, many flag States authorize organizations to act on their behalf in the surveys and certification and determination of tonnages as required by these conventions.

2 Control in the assignment of such authority is needed in order to promote uniformity of inspections and maintain established standards. Therefore, any assignment of authority to recognized organizations should:

- .1 determine that the organization has adequate resources in terms of technical, managerial and research capabilities to accomplish the tasks being assigned, in accordance with the Minimum Standards for the Recognized Organizations Acting on behalf of the Administration set out in appendix 1;
- .2 have a formal written agreement between the Administration and the organization being authorized which should as a minimum include the elements as set out in appendix 2 or equivalent legal arrangements;
- .3 specify instructions detailing actions to be followed in the event that a ship is found not fit to proceed to sea without danger to the ship or persons on board, or presenting unreasonable threat of harm to the marine environment;
- .4 provide the organization with all appropriate instruments of national law giving effect to the provisions of the conventions or specify whether the Administration's standards go beyond convention requirements in any respect; and
- .5 specify that the organization maintains records which can provide the Administration with data to assist in interpretation of convention regulations.

Verification and monitoring

3 The Administration should establish a system to ensure the adequacy of work performed by the organizations authorized to act on its behalf. Such a system should, inter alia, include the following items:

- .1 Procedures for communication with the organization
- .2 Procedures for reporting from the organization and processing of reports by the Administration
- .3 Additional ship's inspections by the Administration

.4 The Administration's evaluation/acceptance of the certification of the organization's quality system by an independent body of auditors recognized by the Administration

.5 Monitoring and verification of class related matters, as applicable.

Appendix 1

MINIMUM STANDARDS FOR RECOGNIZED ORGANIZATIONS
ACTING ON BEHALF OF THE ADMINISTRATION

An organization may be recognized by the Administration to perform statutory work on its behalf subject to compliance with the following minimum conditions for which the organization should submit complete information and substantiation.

General

1 The relative size, structure, experience and capability of the organization commensurate with the type and degree of authority intended to be delegated thereto should be demonstrated.

2 The organization should be able to document extensive experience in assessing the design, construction and equipment of merchant ships and, as applicable, their safety management system.

Specific provisions

3 For the purpose of delegating authority to perform certification services of a statutory nature in accordance with regulatory instruments which require the ability to review applicable engineering designs, drawings, calculations and similar technical information to technical regulatory criteria as dictated by the Administration and to conduct field survey and inspection to ascertain the degree of compliance of structural and mechanical systems and components with such technical criteria, the following should apply:

- .1 The organization should provide for the publication and systematic maintenance of rules and/or regulations in the English language for the design, construction and certification of ships and their associated essential engineering systems as well as the provision of an adequate research capability to ensure appropriate updating of the published criteria.
- 2 The organization should allow participation in the development of its rules and/or regulations by representatives of the Administration and other parties concerned.
- 3 The organization should be established with:
 - 3.1 a significant technical, managerial and support staff catering also for capability of developing and maintaining rules and/or regulations; and
 - 3.2 a qualified professional staff to provide the required service representing an adequate geographical coverage and local representation as required.
- 4 The organization should be governed by the principles of ethical behaviour, which should be contained in a Code of Ethics and as such recognize the inherent responsibility associated with a delegation

of authority to include assurance as to the adequate performance of services as well as the confidentiality of related information as appropriate.

- 5 The organization should demonstrate the technical, administrative and managerial competence and capacity to ensure the provision of quality services in a timely fashion.
- 6 The organization should be prepared to provide relevant information to the Administration.
- .7 The organization's management should define and document its policy and objectives for, and commitment to, quality and ensure that this policy is understood, implemented and maintained at all levels in the organization•
- .8 The organization should develop, implement and maintain an effective internal quality system based on appropriate parts of internationally recognized quality standards no less effective than ISO 9000 series, and which, inter alia, ensures that:
 - 8.1 the organization's rules and/or regulations are established and maintained in a systematic manner;
 - 8.2 the organization's rules and/or regulations are complied with;
 - 8.3 the requirements of the statutory work for which the organization is authorized, are satisfied;
 - 8.4 the responsibilities, authorities and interrelation of personnel whose work affects the quality of the organization's services, are defined and documented;
 - 8.5 all work is carried out under controlled conditions;
 - 8.6 a supervisory system is in place which monitors the actions and work carried out by the organization;
 - 8.7 a system for qualification of surveyors and continuous updating of their knowledge is implemented;
 - 8.8 records are maintained, demonstrating achievement of the required standards in the items covered by the services performed, as well as the effective operation of the quality system; and
 - 8.9 a comprehensive system of planned and documented

the ability to assess by audit and similar inspection of the relevant safety management system attributes of shore based ship management entities and shipboard personnel and systems, the following should, in addition, apply:

- .1 the provision and application of proper procedures to assess the degree of compliance of the applicable shore -side and shipboard safety management systems;
- .2 the provision of a systematic training and qualification regime for its professional personnel engaged in the safety management system certification process to ensure proficiency in the applicable quality and safety management criteria as well as adequate knowledge of the technical and operational aspects of maritime safety management; and
- .3 the means of assessing through the use of qualified professional staff the application and maintenance of the safety management system both shore based as well as on board ships intended to be covered in the certification.

Appendix 2

ELEMENTS TO *BE* INCLUDED IN AN AGREEMENT

A formal written agreement or equivalent between the Administration and the recognized organization should as a minimum cover the following items:

- 1 Application
- 2 Purpose
- 3 General conditions
- 4 The execution of functions under authorization
 - .1 Functions in accordance with the general authorization
 - .2 Functions in accordance with special (additional) authorization
 - .3 Relationship between the organization's statutory and other related activities
 - .4 Functions to co-operate with port States to facilitate the rectification of reported port State control deficiencies or the discrepancies within the organization's purview.
- 5 Legal basis of the functions under authorization
 - .1 Acts, regulations and supplementary provisions
 - .2 Interpretations
 - .3 Deviations and equivalent solutions
- 6 Reporting to the Administration
 - .1 Procedures for reporting in the case of general authorization
 - .2 Procedures for reporting in the case of special authorization
 - .3 Reporting on classification of ships (assignment of class, alterations and cancellations), as applicable
 - .4 Reporting of cases where a ship did not in all respects remain fit to proceed to sea without danger to the ship or persons on board or presenting unreasonable threat of harm to the environment
 - .5 Other reporting
- 7 Development of rules and/or regulations - Information
 - .1 Co-operation in connection with development of rules and/or regulations - liaison meetings

- .1 Exchange of rules and/or regulations and information
- .2 Language and form
- 1 Other conditions
 - .1 Remuneration
 - .2 Rules for administrative proceedings
 - .3 Confidentiality
 - .4 Liability
 - .5 Financial responsibility
 - .6 *Entry* into force
 - .7 Termination
 - .8 Breach of agreement
 - .9 Settlement of disputes
 - .10 Use of sub-contractors
 - .11 Issue of the agreement
 - .12 Amendments
- 2 Specification of the authorization from the Administration to the organization
 - .1 Ship types and sizes
 - .2 Conventions and other instruments, including relevant national legislation
 - .3 Approval of drawings
 - .4 Approval of material and equipment
 - .5 Surveys
 - .6 Issuance of certificates
 - .7 Corrective actions
 - .8 Withdrawal of certificates

- 2 Access to internal instructions, circulars and guidelines
- 3 Access by the Administration to the organization's documentation relevant to the Administration's fleet
- .4 Co-operation with the Administration's inspection and verification work
- 5 Provision of information and statistics on, e.g. damage and casualties relevant to the Administration's fleet

Annex III: Delegation agreement example

AGREEMENT GOVERNING THE DELEGATION OF STATUTORY CERTIFICATION AND SERVICES FOR VESSELS REGISTERED IN SWEDEN

between

THE SWEDISH TRANSPORT AGENCY

and

XXX

Issued on 1 December 2015, with effects from 1 January 2016.

1. PURPOSE

This Agreement pursuant to Swedish rules and regulations and in compliance with the Class Directive, the Class Regulation, the ISPS Regulation and the MLC is between XXX, hereinafter referred to as the RO, and THE SWEDISH TRANSPORT AGENCY, hereinafter referred to as the STA, with respect to the performance of marine statutory surveys and issuance of relevant certificates.

The purpose of this Agreement is to authorize the RO to perform statutory certification and services on behalf of the STA on ships registered in Sweden and classed with the RO and to define the scope, terms, conditions and requirements for that authorization.

With regard to ISM, ISPS and MLC, the RO is also authorised to perform statutory certification and services on ships and companies operating the ships regardless if they are classed by the RO, when the ship owner so desires and subject to agreement by the RO.

This agreement is issued in accordance with Chapter 7, Section 11 of the Ship Safety Act (2003:364) and in accordance with the Ship and Port Facility Security Act (2004:487).

2. DEFINITIONS

Applicable instruments: international conventions and codes; EU regulations; Swedish laws, rules and regulations.

Calculation Software: Software that the RO develops to check for rule compliance and that is, upon release, used by the STA solely for the purpose of checking compliance.

Class Certificate: a document issued by a RO, certifying the fitness of a ship for a particular use or service in accordance with the rules and procedures laid down and made public by that RO.

Class Directive: Directive 2009/15/EC of the European Parliament and the Council of 23 April 2009 on common rules and standards for ship inspection and survey organisations and for the relevant activities of maritime administrations, in its up-to-date version.

Class Regulation: Regulation (EC) No 391/2009 of the European Parliament and of the Council of 23 April 2009 on common rules and standards for ship inspection and survey organisations, in its up-to-date version.

IMO Resolution A.1053(27): Survey guidelines under the harmonized system of survey and certification (HSSC), in their up-to-date version.

ISM Regulation: Regulation (EC) No 336/2006 of the European Parliament and of the Council of 15 February 2006 on the implementation of the International Safety Management Code within the Community repealing Council Regulation (EC) No 3051/95, in its up-to-date version.

ISPS Regulation: Regulation (EC) No 725/2004 of The European Parliament and of the Council of 31 March 2004 on enhancing ship and port facility security, in its up-to-date version.

MLC: Maritime Labour Convention, 2006.

RO Code: IMO “Code for Recognized Organizations”, as per Resolution MSC.349(92).

Statutory certification and services: certificates issued, and services provided, under the authority of laws, rules and regulations laid down by the Swedish legislator. This includes plan review, survey, and/or audit leading to the issuance of, or in support of the issuance of, a certificate by or behalf of STA as evidence of compliance with requirements contained in an international convention or national legislation.

3. GENERAL CONDITIONS

The RO shall at all times remain in compliance with the criteria of authorization set out in the Class Regulation and the RO Code. When applicable, the RO shall also at all times remain in compliance with the conditions for recognition issued by the STA regarding MLC and/or ISPS.

All statutory certification and services under this agreement, which are covered by IMO Resolution A.1053(27) and the RO Code, shall be provided in accordance with these same instruments. When carrying out statutory certification and services according to this agreement the RO must also follow all applicable instruments as well as interpretations and instructions as referred to in 5.3.

Statutory survey services rendered and statutory certificates issued by the RO will be accepted as services rendered by or certificates issued by the STA provided that the RO maintains in compliance with the provisions of this Agreement.

3.1 Scope of authorization

The RO is authorized to perform the statutory certification and services listed in Appendix I to this Agreement.

Authorizations for services outside the scope of Appendix I to this Agreement will be dealt with as mutually agreed on a case-by-case basis and shall be stipulated in a written agreement.

3.2 Withdrawal and suspension of the authorization

The authorization of the RO can be withdrawn if the RO no longer fulfils the criteria for authorization stipulated in the Class Regulation. The decision of withdrawal is taken by the European Commission. The STA may, however, suspend the authorization if the STA considers that the RO can no longer carry out the tasks specified in this agreement. With regard to MLC and ISPS, the authorization of the RO can also be withdrawn if the RO no longer fulfills the criteria for recognition issued by the STA.

The STA shall give the RO the opportunity to respond to the alleged poor performance and, if needed, to undertake the necessary preventive and remedial action to ensure full compliance. Only non-compliance shall lead to the said suspension.

The STA may decide to withdraw the ISM or ISPS verification and certification of individual ships and/or companies without prior warning to the RO and without any prejudice to the RO recognitions. The STA will inform the RO about the withdrawal and its reason. Notwithstanding the above, the scope of authorization may be partially or fully withdrawn by the STA as per 7.2 below.

3.3 Surveyors

The RO statutory certification and services shall be performed exclusively by surveyors and auditors employed solely by the RO. The surveyors and auditors shall

be duly qualified, trained and authorised to execute all duties and activities incumbent upon their employer, within their level of work responsibility.

While remaining responsible for the certification on behalf of the STA, the RO may utilize service providers for radio surveys for Cargo Ship Safety Radio Certificate, which are approved by the RO in accordance with the procedures under its Quality Management System.

If the RO, in exceptional and duly justified cases, finds that its own exclusive surveyor, inspector or auditor is not available, RO shall inform the STA who may then nominate an exclusive surveyor, inspector or auditor of one of the other Recognised Organisations authorized by the STA.

3.4 Port State interventions

When the RO is notified in any way (e.g. by Port State Authorities, the STA, owners, a management company, an agent, a master, a crew member etc.) of an accident or a Port State intervention on a Swedish registered ship for which the RO has issued or endorsed the relevant certificate, the matter shall be dealt with without delay.

In so far as the statutory certification and services covered by this Agreement are concerned, the RO agrees to co-operate with port State control officers to facilitate the rectification of reported deficiencies and to carry out inspections in this regard on behalf of the STA when so requested, and report to the STA.

3.5 Code of conduct

When performing its duties on behalf of the STA, the RO is to take into account every person's equality before the law and is also to act in an objective and impartial manner.

When performing duties in accordance with this agreement, RO employees may not give or receive gifts, rewards or other benefits.

RO employees may not be involved in any conflict of interest when performing duties in accordance with this agreement. A conflict of interest will arise, inter alia, when the person performing the statutory certification or services, his or her next of kin, or another person close to him or her

- a. is a party concerned,
- b. may expect extraordinary benefit or detriment from the result of the statutory certification or services, or

c. is a representative – either of the person, company or organization concerned or of someone else who may expect extraordinary benefit or detriment from the result of the statutory certification or services.

A conflict of interest will also arise when there are other special circumstances that may influence the impartiality of the person performing the statutory certification or services.

A person involved in a conflict of interest may not perform duties on behalf of the STA. However, he or she may take such measures as cannot be taken by somebody else without the inopportune delay of the matter. If an RO employee is aware of a fact that may be assumed to entail a conflict of interest involving him or her, the RO employee is to make this known voluntarily. If an employee is believed to be involved in a conflict of interest and no one has taken over his

or her role in the matter, the RO must contact the STA at the earliest possible opportunity, so that the conflict of interest may be investigated.

3.6 Limitations of the rights to make certain decisions

When performing its duties on behalf of the STA and in accordance with this agreement, the RO executes public authority. However, the RO may only make fully favourable decisions, i.e. decisions granting the applicant what he or she has applied for in all terms, or decisions which do not in any other way go against the applicant. More detailed provisions in this regard can be found in II.3 in Appendix II.

If the RO finds that a decision implying the exercise of public authority has to be made and that the decision should not be in full favour of the applicant, the RO must promptly contact the STA and hand the matter over to the STA together with all relevant information. The STA will then make a decision in the matter.

The RO is not authorized to disclose a ship's security plan upon request by officials in a port state according to article 9.8.1 in appendix II to the ISPS Regulation. If such request is made, it shall immediately be referred to the STA.

The RO shall inform those affected by the decision in a suitable way, referring to the procedure above.

3.7 Documentation management

Documents received or drawn up by the RO on behalf of the STA within the scope of this agreement are subject to the terms in Appendix II.

4. INTERPRETATIONS, EQUIVALENTS AND EXCEPTIONS

While interpretations of the applicable instruments, as well as the determination of equivalents or the acceptance of substitutes to the requirements of the applicable instruments are the prerogative of the STA, the RO will co-operate in their establishment as necessary.

Exemptions from the requirements of the applicable instruments are the prerogative of the STA and exemption certificates must be approved by the STA prior to issuance. Requests for equivalents and exceptions from the statutory documents will be handled as following:

- a. The owner or the operator of the ship in question shall sign the request and send it to the RO or the STA.
- b. If the RO receives such a request; the RO shall make any necessary plan approvals and promptly send their well founded recommendation, including all relevant documentation, calculations and suggested

conditions or similar to the STA. If the request is made directly to the STA, the RO shall, at the request of the STA, promptly deliver relevant documents to the STA.

- c. The STA decide whether or not to approve the request and inform the RO of the decision.

IMO Resolutions and Circulars, and IACS Unified Requirements, Unified Interpretations and procedural requirements will be accepted by the STA only if they are not in conflict with the STA's written interpretations.

The STA reserves the right to suspend, cancel or revoke any document or approval issued by the RO pursuant to this Agreement. The STA will inform the RO accordingly.

5. INFORMATION AND LIAISON

The RO and the STA, recognizing the importance of technical liaison, agree to proceed as follows in the maintenance of an effective dialogue.

5.1 Way of Communication

The primary line of communication between the STA and the RO shall be through the RO main representation in Sweden, unless otherwise agreed between the STA and the RO.

The preferred way of communication is by e-mail. To facilitate timely answers, all questions and comments should be forwarded in a common electronic format.

The STA's RO relations team will attend questions such as:

- a. Day to day liaison between the STA and the RO.
- b. Interpretations of applicable instruments.
- c. Any questions about interpretations and/or ambiguities of this agreement.
- d. Requests concerning transfer of certification from the STA to the RO.
- e. Requests concerning specific ships, for example during new building, conversion or flagging in to Swedish flag (If the responsible STA surveyor is known to the RO, he or she may be copied in the email).
- f. Handling information on Transfer of Class (TOC) and declassing (i.e. class suspension and withdrawal).

The STA and the RO shall provide an official e-mail address and phone number for the purpose of this communication.

For use in case of accidents and other incidents involving ships under Swedish flag, a point of contact (contact by phone, fax and e-mail) with direct access 24 hours a day, 365 days a year shall be provided by the RO. A surveyor from the RO in Sweden shall always be available to liaise with the STA and other RO surveyors in all matters relating to ships flying the Swedish flag.

To make sure that the above on-duty system is reliable at all times, the STA and the RO shall notify each other immediately of any changes in the contact details.

5.2 Cooperation in connection with development of rules or regulations - Liaison

The RO shall invite the STA to participate in relevant technical committees etc, in order to permit the STA to participate in the development of rules and procedures.

The STA and the RO shall hold regular liaison meetings, including technical meetings when necessary, in order to discuss questions of mutual interest and to evaluate the effectiveness of this agreement.

5.3 Exchange of rules, regulations and information

The STA will provide the RO with the STA's relevant interpretations of international conventions and national regulations, and other necessary instructions, for the RO to be able to perform statutory certification and services. The STA shall notify the RO of any additions, deletions or revisions thereto in advance of their effective date and specify whether the flag State's standards go beyond convention requirements in any respect.

When a foreign ship is to be transferred to the Swedish register, or a new ship is to be built to the Swedish flag, the RO will, upon request, attend to a meeting held by the STA and attended by the ship owner. The purpose of this meeting is to agree on which provisions will be applicable to the ship.

The RO shall provide the STA with electronic access to all rules, interpretations and calculation software relevant to the STA in respect of work carried out by the RO in accordance with this agreement. Access to calculation software may be provided remotely or at RO's premises.

Regulations, rules, instructions, report forms and correspondence shall be written in English.

With regard to ships covered by this agreement, the STA shall have direct electronic access to the RO's register, and to data banks containing the status of all statutory certificates and class certificates including conditions of class and recommendations. The STA shall on request be granted access to all plans and documents, including reports on surveys, on the basis of which statutory or class certificates have been issued or endorsed, and to information on the results of bottom surveys and surveys of hull, machinery and electrical installations.

The RO shall, by registered mail, send a copy of an approved security plan to the STA within 30 days of the approval. The same applies to all formally approved amendments made to previously approved security plans.

5.4 Reporting

The RO must produce a report on each inspection and maintain a record of the inspection reports.

In the following situations the RO shall report, without undue delay, information pertaining to services performed pursuant to this agreement.

- a. After carrying out activities for which the RO is authorized, the status must be reported to the system of the RO upon completion of the survey reports, and an e-mail

shall be sent to the STA containing the main details of the performed activity (name and IMO number of the ship, date and place of the survey).

b. The RO shall, as soon as possible after completing the initial survey and inspection functions, submit to the STA a confirmation to the effect that the ship complies with the relevant requirements and that all reports on initial surveys of the same requirements have been received, checked and filed. In addition, a copy of general arrangement drawings shall be submitted for ships that have not previously been registered in the Swedish Register of Ships.

c. When a final decision with regard to the assignment of class has been made by the RO. The information shall include any restrictions and essential conditions relating to the class or statutory certificates regarding the operation and trading area of the ship and any significant deviations from the RO's rules regarding class certificate or deviations from the applicable instruments regarding statutory certificate. The same procedures shall apply when a non-classed ship is being classed with the RO.

d. When the RO suspends, withholds or withdraws, cancels, or seriously alters the operational limitations of its classification for a ship registered in the Swedish Register together with the reason(s) why such action was taken.

e. Whenever a request for classification of a ship that will be or has been registered in the Swedish register is received.

At the request of the STA, the RO shall provide the STA with statistics, copies of statutory certificates and any other information relevant to this agreement. The STA may provide special forms to be completed by the RO for the purpose of assisting the STA in fulfilling its reporting obligations to the Commission and other international organizations.

6. SUPERVISION

The STA will be given the opportunity to check that the RO continues to comply with the requirements of Annex I to the Class Regulation and that the functions delegated to the RO are effectively carried out in accordance with this agreement, the Class Directive, the Class Regulation, the MLC and the ISPS Regulation. The STA may monitor the work of the RO at any time. When the monitoring requires the participation of RO personnel the STA and RO shall agree on a suitable time.

The STA shall, according to article 9.2 of the Class Directive, report to the European Commission and the member states of the European Union the result of the assessment

of the RO and submit to them the performance record of the RO and other relevant information.

6.1 Documentation of quality assurance system

The RO undertakes to submit to the STA, upon request, documentation concerning the quality assurance system practiced by the RO.

The STA may choose to cooperate with other administrations or to recognize audits performed on the RO by an independent audit group which effectively is representing the interests of the Administrations or IMO, such as the European Commission or other member states or the RO's independent Accredited Certification Body (ACB) with respect to the IACS Quality System Certification Scheme (QSCS). The RO should inform the STA when the local office of the RO in Sweden will be audited and offer the STA the opportunity to participate in the audit as an observer.

Should the STA choose to conduct direct auditing of the RO, the frequency and extent of the audits should be the subject of an agreement between the STA and the RO.

6.2 Access to internal instructions, circulars and guidelines

The RO undertakes to submit, upon request, internal instructions, circulars and guidelines as well as other information showing that the delegated functions are being carried out in accordance with the rules and regulations in force.

The RO shall allow the STA access to forms, reports, checklists and instructions that RO surveyors use when conducting statutory certification and services on Swedish ships in accordance with this agreement.

Employees of the STA shall have access to all internal training programs and courses related to classification and statutory services arranged by the RO, at no cost, except for travel and accommodation which shall be borne by the STA.

6.3 Cooperation with the STA's inspection and verification work

The STA shall be able to check that the functions delegated to the RO are effectively carried out. The RO agrees to assist the audit team from the STA in carrying out random inspections and verifications at the RO's offices, on ships and at shipyards, including joined inspections on Swedish ships.

6.4 The STA's access to the RO's documentation relevant to the STA's fleet

The RO undertakes to give the STA's audit team access to the documentation system, including "XXX" computer system, employed by the RO to follow up the surveys carried out and the recommendations issued, and to other information concerning the ships covered by the authorization.

7. OTHER CONDITIONS

7.1 Remuneration

Remuneration for statutory certification and services carried out by the RO on behalf of the STA will be charged by the RO directly to the party requesting such services.

The STA and the RO shall not invoice each other for any costs or financial burden caused by this Agreement.

7.2 Amendments

Amendments to this Agreement or its Appendix will become effective only after consultation and written agreement between the STA and the RO.

Notwithstanding the above, the STA may revoke parts of Appendix I to this agreement at three months' written notice to the RO, for policy reasons and

without any relation to the quality of or other performance of the RO. Such measures shall apply equally to all ROs authorized by the STA.

7.3 Governing Law and settlement of Disputes

The Agreement and its amendments shall be governed by and construed in accordance with Swedish law. Any dispute arising in connection with this Agreement which cannot be settled by private negotiations between the parties shall be settled finally by arbitration of three arbitrators in Stockholm, Sweden, according to Swedish Law. The language of the arbitration shall be English.

The RO shall have a local representation of a legal nature on the territory of Sweden to ensure legal personality under Swedish Law and the competence of the Swedish national courts. The RO representation in Sweden shall be a legal party capable of representing the RO in a Swedish Court of Law.

7.4 Liability

If liability arising out of any marine casualty is finally and definitely imposed on the STA by a court of law or as part of the settlement of a dispute through arbitration

procedures, together with a requirement to compensate the injured parties for loss of or damage to property or personal injury or death which is proved in that court of law to have been caused by a willful act or omission or gross negligence of the RO, its bodies, employees, agents or others who act on behalf of the RO, the STA shall be entitled to financial compensation from the RO to the extent that the loss, damage, injury or death was, as decided by that court, caused by the RO.

If liability arising out of any marine casualty is finally and definitely imposed on the STA by a court of law or as part of the settlement of a dispute through arbitration procedures, together with a requirement to compensate the injured parties for personal injury or death which is proved in that court of law to have been caused by any negligent or reckless act or omission of the RO, its employees, agents or others who act on behalf of the RO, the STA shall be entitled to financial compensation from the RO to the extent that the personal injury or death was, as decided by that court, caused by the RO. The financial compensation may be up to but not exceeding an amount of 5.000.000 EURO (five million Euros).

If liability arising out of any marine casualty is finally and definitely imposed on the STA by a court of law or as part of the settlement of a dispute through arbitration procedures, together with a requirement to compensate the injured parties for loss of or damage to property which is proved in that court of law to have been caused by any negligent or reckless act or omission of the RO, its employees, agents or others who act on behalf of the RO, the STA shall be entitled to financial compensation from the RO, to the extent that the loss or

damage was, as decided by that court, caused by the recognised organization. The compensation may be up to but not exceeding an amount of 2.500.000 EURO (two and a half million Euros).

The RO and its employees who are involved in or responsible for statutory certification and services are required by the STA to be covered by professional indemnity or professional liability insurance in the event that liability is finally and definitely imposed on the flag state for liabilities specified in the second and third paragraphs of this article.

The STA shall not enter into a conciliation, which involves acceptance of such liability mentioned in the first, second or third paragraph of this article, without the consent of the RO.

If the STA is summoned, or is expected to be summoned to answer for such liability as is mentioned above in this article, the RO shall be informed without undue delay. The STA shall, for information purposes, send all claims, documents and other relevant material to the RO.

Neither party shall be liable to the other for any special, indirect or consequential losses or damages resulting from or arising out of services performed under this Agreement, including, without limitation, loss of profit, loss of production, loss of contract, loss of use, business interruption or any other special, indirect or consequential losses suffered or incurred by any party, howsoever caused.

While acting for the STA under this Agreement, the RO shall be free to create contracts directly with its clients, and such contracts may contain the RO's normal contractual conditions for limiting its legal liability.

In the performance of statutory certification and services hereunder, the RO, its officers and employees are entitled to all the protection of law and the same defenses and/or counterclaims as would be available to the STA and its own staff surveyors or employees if the latter had conducted the statutory certification and services in question.

7.5 Confidentiality

In so far as activities related to this agreement are concerned, both RO and the STA agree to hold information in confidence, and shall use such information only to assist in performing its obligations related to this Agreement. The information shall not be disclosed except:

- a. to those of its representatives who need such information for the purpose of performing the obligations under this Agreement, and authorised audit teams performing audits in connection with certification of the RO, or
- b. to those having been given the right to receive such information either by Swedish law, international or EU legislation, court decision, or by written permission from the owner of the information.

The obligation to observe secrecy shall apply even if a person no longer works for the RO.

7.6 Termination

If this agreement is breached by one of the parties, the other party shall notify the violating party of its breach in writing. The violating party shall, within 30 days, inform the other party about the steps it intends to take, and remedy the breach without undue delay, but within 90 days at most. If the violating party fails to do so, the other party has the right to terminate the agreement immediately.

This Agreement may be terminated by either party by giving the other party 12 months' written notice.

8. SIGNATURE

This Agreement enters into force on 1 January 2016 and supersedes all previous Agreements.

This agreement together with Appendices I and II has been executed in two originals.

On behalf of
The Swedish Transport Agency

On behalf of XXX

Annex IV: Paris MoU- Detentions List July 2019

Paris Memorandum of Understanding on Port State control

Released from detention this month: 7 - 2019

IMO	Name*	Flag	Inspection Date	Duration Of Detention	Release Date	Nr. of det <36
9045651	ADELA	PA	19-7-2019	12	31-7-2019	4
8230352	DAYLIGHT	PA	8-7-2019	8	16-7-2019	3
9209087	DISCOVER	MD	27-6-2019	5	2-7-2019	3
9117416	LITA	LR	1-7-2019	9	10-7-2019	3
7235070	LIZORI	MD	19-7-2019	8	27-7-2019	3
8136556	REINA	PW	2-7-2019	4	6-7-2019	3
9006423	ALCON	PA	10-7-2019	2	12-7-2019	2
8100595	CAMILLA D	MD	4-7-2019	20	24-7-2019	2
8520836	DAYTONA-H	KM	20-7-2019	8	28-7-2019	2
9609902	MBC DAISY	IT	29-6-2019	27	26-7-2019	2
8402591	RAFAELO-I	AL	17-7-2019	8	25-7-2019	2
8003931	RAYAN	TG	26-7-2019	4	30-7-2019	2
9031973	STAR PRIME	KM	18-7-2019	8	26-7-2019	2
8420103	TUGRA	MD	19-7-2019	4	23-7-2019	2
9583897	AARGAU	CH	5-7-2019	22	27-7-2019	1
9057290	ALEXANDER TVARDOVSKIY	CK	26-6-2019	28	24-7-2019	1
9175913	ANGELOS	CK	1-7-2019	9	10-7-2019	1
9843596	ARESTEAS	MT	5-7-2019	1	6-7-2019	1
7615012	ARMONY	TZ	16-7-2019	7	23-7-2019	1
9488657	CAPE FUSHEN	PA	28-6-2019	8	6-7-2019	1
8611984	CENK CAR	MT	8-7-2019	6	14-7-2019	1
9148087	CORAL MER	AG	16-7-2019	4	20-7-2019	1
9467225	DOUWE-S	NL	2-7-2019	5	7-7-2019	1
9221798	EVANGELIA	LR	19-7-2019	4	23-7-2019	1
9223643	EYLEM	PA	28-6-2019	5	3-7-2019	1
9003079	FELIX	VC	27-7-2019	4	31-7-2019	1
9447287	FT STURLA	IT	25-7-2019	6	31-7-2019	1
8502080	INZHENER TRUBIN	RU	16-5-2019	63	18-7-2019	1
9063885	KAAMI	BS	25-7-2019	2	27-7-2019	1
9005895	KAPTAN CEVDET	TR	4-7-2019	5	9-7-2019	1
7338767	KRONOS	FO	30-7-2019	1	31-7-2019	1
9283538	LAKE ONTARIO	AG	19-7-2019	5	24-7-2019	1

IMO	Name*	Flag	Inspection Date	Duration Of Detention	Release Date
9522958	LOZA	MT	19-6-2019	33	22-7-20
9315226	MAERSK SEMBAWANG	SG	18-7-2019	2	20-7-20
9122239	MARIS	CY	15-7-2019	4	19-7-20
8418746	MIA	PA	1-7-2019	5	6-7-20
9099171	MIRA A	DK	1-7-2019	3	4-7-20
8509002	MY EFEKAN 2	VU	18-7-2019	2	20-7-20
7724253	OTTO	CM	9-7-2019	2	11-7-20
7235068	PORADA	UA	28-6-2019	4	2-7-20
7347548	PRINCE	CY	10-7-2019	7	17-7-20
P190010	RINI V	MT	1-7-2019	1	2-7-20
9258674	SEA FAITH	MH	11-7-2019	5	16-7-20
9304318	SICHEM PALACE	MT	5-7-2019	4	9-7-20
9447885	SOUTHAMPTON EXPRESS	PT	14-7-2019	2	16-7-20
9166467	SYLVIA	GI	10-7-2019	3	13-7-20
9226970	THORNBURY	BS	1-7-2019	5	6-7-20
	47				

Annex V: Detailed report from Paris MoU- Detentions July 2019

Released from detention - period : 7 - 2019

IMO : 8230352
 Name: DAYLIGHT
 Company Davlight Shipping & Trading . . . Panama
 Classification society Inter maritime Certification Services, ICS Class
 Charterer . . .

Number of detentions last
 36 months: 3

Type	Flag	Gross tonnage	Keel date
General cargo/multipurp	Panama	2457	1977
Port of detention	Date of release	Duration of detention	Total of deficiencies
Azov	2019-7-16	8 day(s)	23

Recognised Organisation	Certificate	Issued	Expiry	Last Survey	Date
Inter maritime Certification Services, ICS Class	Cargo Ship Safety Equipment	12-7-2017	14-3-2020	Turkey	14-6-2019
Inter maritime Certification Services, ICS Class	Load Line	12-7-2017	14-3-2020	Turkey	14-6-2019
Inter maritime Certification Services, ICS Class	Safety Management Certificate	4-8-2017	12-7-2022		

Deficiencies reason for detention	Action Taken	RO related	Class. (RO) related
Hull damage impairing seaworthiness	As in the agreed class condition	yes	Inter maritime Certification Services, ICS Class
Bulkhead -corrosion	As in the agreed class condition	yes	Inter maritime Certification Services, ICS Class
Ventilators, air pipes, casings	Rectified	yes	Inter maritime Certification Services, ICS Class
Machinery space openings	As in the agreed class condition	yes	Inter maritime Certification Services, ICS Class
Emergency fire pump and its pipes	Rectified	yes	Inter maritime Certification Services, ICS Class

Released from detention - period : 7 - 2019

IMO : 8420103
 Name: TUGRA
 Company Sinop Shipping Corp . . . Moldova, Republic of
 Classification society Bulgarian Register of Shipping
 Charterer . . .

Number of detentions last
 36 months: 2

Type	Flag	Gross tonnage	Keel date
General cargo/multipurp	Moldova, Republic of	1838	1985
Port of detention	Date of release	Duration of detention	Total of deficiencies
Kavkaz	2019-7-23	4 day(s)	4

Recognised Organisation	Certificate	Issued	Expiry	Last Survey	Date
Bulgarian Register of Shipping	Cargo Ship Safety Equipment	4-7-2019	3-12-2019		
Bulgarian Register of Shipping	Load Line	4-7-2019	3-12-2019		
Bulgarian Register of Shipping	Safety Management Certificate	4-7-2019	3-12-2019		

Deficiencies reason for detention	Action Taken	RO related	Class. (RO) related
Propulsion main engine	Rectified	yes	Bulgarian Register of Shipping

Released from detention - period : 7 - 2019

IMO : 9063885

Name: KAAMI

Company Misje Rederi AS , , , Bahamas

Classification society DNVGLAS

Charterer , , ,

Number of detentions last 36 months: 1

Type	Flag	Gross tonnage	Keeldate
General cargo/multipurp	Bahamas	2715	1992
Port of detention	Date of release	Duration of detention	Total of deficiencies
Slovag	2019-7-27	2 day(s)	4

Recognised Organisation

<u>Recognised Organisation</u>	<u>Certificate</u>	<u>Issued</u>	<u>Expiry</u>	<u>Last Survey</u>	<u>Date</u>
DNV GL AS	Cargo Ship Safety Equipment	6-7-2019	17-5-2024		
DNV GL AS	Load Line	25-7-2019	2-8-2019		
DNV GL AS	Safety Management Certificate	7-7-2019	17-12-2021		

Deficiencies reason for detention

<u>Deficiencies reason for detention</u>	<u>Action Taken</u>	<u>RO related</u>	<u>Class. (RO) related</u>
Openings to cargo area, doors, ... scuttles	As in the agreed flag State condition	yes	DNV GL AS

IMO : 7347548

Name: PRINCE

Company A-Ships Management SA , , , Cyprus

Classification society RINA Services S.p.A.

Charterer , , ,

Number of detentions last 36 months: 1

Type	Flag	Gross tonnage	Keeldate
Ro-Ro passenger ship	Cyprus	13336	1973
Port of detention	Date of release	Duration of detention	Total of deficiencies
Igoumenitsa	2019-7-17	7 day(s)	12

Recognised Organisation

<u>Recognised Organisation</u>	<u>Certificate</u>	<u>Issued</u>	<u>Expiry</u>	<u>Last Survey</u>	<u>Date</u>
RINA Services S.p.A.	Load Line	31-5-2019	30-10-2019		
RINA Services S.p.A.	Passenger Ship Safety	31-5-2019	30-10-2019	Greece	31-5-2019
RINA Services S.p.A.	Safety Management Certificate	8-2-2019	11-9-2023		

Deficiencies reason for detention

<u>Deficiencies reason for detention</u>	<u>Action Taken</u>	<u>RO related</u>	<u>Class. (RO) related</u>
ISM	Corrective action taken on the ISM system by the Company is required within 3 months	no	
Cleanliness of engine room	Rectified	no	