

Act on an Icelandic International Ship Register
No. 38 of 27 March 2007

Article 1

Objective

The objective of this Act is to promote the registration of merchant ships in Iceland by establishing rules for the Icelandic International Ship Register.

Article 2

Application

This Act applies to the registration of merchant ships in Iceland on the Icelandic International Ship Register.

Article 3

Definitions

In this Act, the words and terms below have the following meanings:

1. The Icelandic International Ship Register (IIS) is a special Icelandic shipping register for merchant ships.

2. A merchant ship means any ship of 100 gross tonnage and over, which is used commercially for the carriage of cargo and/or passengers in international trade and for the carriage of cargo in domestic trade in Iceland.

Article 4

Registration

A condition of registration is that the owner of the merchant ship is an Icelandic citizen, a citizen of another European Economic Area Member State or a contracting party to the Convention Establishing the European Free Trade Association, a citizen of the Faroe Islands or a legal entity registered in Iceland.

Registration on the Icelandic International Ship Register will either be through the transfer from another ship registry, either Icelandic or foreign one, or as an initial registration. Subject to paragraphs 3 and 4, it is not permitted to register a merchant ship on the Icelandic International Ship Register when the ship is at the same time registered on another ship registry.

A merchant ship may be bareboat registered when parties under paragraph 1 operate the ship according to an agreement and when conditions on ownership are not fulfilled.

A merchant ship, which is initially registered on the Icelandic International Ship Register, may be bareboat registered on a foreign ship registry, provided that the conditions on ownership referred to in paragraph 1 are fulfilled.

The Icelandic Maritime Administration may deny the registration of a ship on the Icelandic International Ship Register if the ship has been involved in or participated in an

operation which is contrary to the provisions of international conventions to which Iceland is a party.

Article 5

Implementation

The Icelandic Maritime Administration is responsible for keeping the Icelandic International Register and for registering merchant ships as provided for in law and any regulations adopted thereunder.

The port of registry of merchant ships registered on the Icelandic International Ship Register is Reykjavik and the record of encumbrances with respect to rights in merchant ships shall be kept at the Office of the District Commissioner of Reykjavik.

Applications for registration shall be made on special forms that shall be available in Icelandic and English, both in printed form available at the Icelandic Maritime Administration and in digital form on the Administration's Web site, on which details can be found regarding the documents that must accompany the application.

When a registration has been completed, the Icelandic Maritime Administration shall inform the District Commissioner of Reykjavik accordingly.

Registrations, including conditions of registration and documents accompanying applications, information and notification requirements and the issue of certificates, and bareboat registrations, shall be according to applicable Icelandic Law on the registration of ships on the main Ship Register, as appropriate, and such rules shall always fulfil international requirements on ship registration to the extent that Iceland is bound to enforce these rules. Provision may be made for special rules that apply to registration on the Icelandic International Ship Register alone and the implementation of the registration in a regulation.

Article 6

Legal effects of registration

Merchant ships that are registered on the Icelandic International Ship Register are considered to be Icelandic ships and are entitled to fly the national flag of Iceland. Such merchant ships are subject to Icelandic laws, including legislation on registration, ship survey and inspection, and they are under Icelandic jurisdiction unless this Act provides otherwise.

Merchant ships that are registered on the Icelandic International Ship Register are not permitted to operate scheduled passenger transport services between Icelandic ports only.

Article 7

Change of ownership

If the ownership of a merchant ship registered on the Icelandic International Ship Register changes in any way or any changes are made that have an effect on the

registration, the new owner shall inform the Icelandic Maritime Administration about the change without delay and present any necessary documentation and related certificates.

The Icelandic Maritime Administration shall notify the District Commissioner of Reykjavík of the new owner when registration has been completed.

Article 8
Stamp duties

Title deeds and other proof-of-title documents relating to merchant ships registered on the Icelandic International Ship Register are not subject to stamp duties. The same applies to documents placing restrictions or limitations on such ships, and are issued in relation to the purchase of ships or their construction.

Article 9
Change in the use of a merchant ship

In the event of a change in the use of a merchant ship registered on the Icelandic International Ship Register, with the result that the ship no longer fulfils the conditions for registration pursuant to this Act, the shipowner shall immediately notify this to the Icelandic Maritime Administration. In the event that the change is permanent, the Icelandic Maritime Administration shall delete the merchant ship from the Icelandic International Ship Register.

Article 10
Deregistration

The Icelandic Maritime Administration shall delete a merchant ship from the Icelandic International Ship Register if any of the following applies:

1. the conditions for registration pursuant to this Act are no longer met,
2. a merchant ship has foundered and such loss is known or if the ship has disappeared without trace for six months,
3. a merchant ship is scrapped, deemed unusable or damaged beyond repair, or
4. a merchant ship has remained unused in a harbour or anchorage or has been on dry land for three consecutive years in Iceland or abroad.

Article 11
Manning of merchant ships

All Icelandic citizens who meet the conditions determined by a regulation with respect to education and training, seagoing service, age and medical fitness, are entitled to be issued a certificate of competency as masters of merchant ships registered on the Icelandic International Ship Register. Citizens of other European Economic Area Member States and contracting parties to the Convention Establishing the European Free Trade Association and citizens of the Faroe Islands are entitled to the same rights.

The Icelandic Maritime Administration may permit other citizens to engage in the capacity of masters on merchant ships registered on the Icelandic International Ship Register, in accordance with more specific conditions established in a regulation. There

are no other specific rules on the nationality of the crews of ships registered on the Icelandic International Ship Register.

The crews of merchant ships registered on the Icelandic International Ship Register shall meet the minimum requirements of the International Convention on Standards of Training, Certification and Watchkeeping, 1978, as amended (STCW Convention), and minimum safe manning requirements shall be complied with.

Article 12

Fees

Fees for registration of merchant ships on the Icelandic International Ship Register shall be further determined in a regulation and shall be stated in the tariff of the Icelandic Maritime Administration.

Article 13

Penalties, etc.

Violations of this Act are subject to fines, unless heavier penalties are provided for in other Acts, and shall be subject to the rules of public prosecution.

Article 14

Regulation

The Minister for Communications may adopt a regulation which further provides for the implementation of this Act, including for the establishment of the Icelandic International Ship Register; what merchant ships may be registered therein; the issue of certificates; notification and information requirements; inspection, ship survey and marking of merchant ships registered on the Icelandic International Ship Register; the issue of certificates concerning the registration and deletion; and conditions for education and training, seagoing service, age and medical fitness of masters.

Article 15

Entry into Force

This Act enters into force 1 January 2008.