

Malta

Located in the Mediterranean Sea, just south of Sicily, the Maltese archipelago basically consists of three islands: Malta, Gozo and Comino. Their total population in 2000 was 382,525.

The largest island of the group is Malta, from which the archipelago takes its name. Valletta, the capital, is the cultural, administrative and commercial centre of the archipelago. Malta is well served with harbours, chief of which is the Valletta Grand Harbour. Malta's international airport is situated five kilometres from the capital.

The distance between Malta and the nearest point in Sicily is 93 km. The distance from the nearest point on the North African mainland (Tunisia) is 288 km. Gibraltar is 1,826 km to the west and Alexandria is 1,510 km to the east.

Malta has a centuries old Maritime tradition. The strategic location of the Maltese Islands at heart of the Mediterranean Sea, its natural harbours, and the entrepreneurial and maritime skills of its people have, since time immemorial, conspired with its history and millennial culture to transform this European sovereign state into an international maritime service centre.

It is from within this framework of an international maritime and service centre that Malta offers the international shipping community a thriving and reputable open ship register, one of the eight largest registers in the world.

The Malta Flag is today a flag of confidence, a flag of choice, its good standing evidenced both by the number of ship owning and ship management companies of repute which register their ships in Malta, and also by the confidence shown by the leading international banks and financiers who at times recommend the Maltese register.

The Malta maritime flag is the flag of a well-established, yet dynamic, maritime centre. The Malta international ship register completes the wide range of services, which is Maritime Malta and at the same time draws its strength from being an integral part of a truly international maritime and service centre.

Incentives

- Low company formation and ship registration costs;
- No restrictions on the nationality of the ship owner;
- Complete tax exemption;
- No restrictions on the nationality of the master, officers and crew;
- No restrictions or taxation on the sale or transfer of shares of a company owning Maltese registered ships;
- No restrictions or taxation on the sale and mortgaging of Maltese registered ships;
- No trading restrictions and preferential treatment to Maltese ships in certain ports.

Eligibility for Registration

All types of vessels, from pleasure yachts to oil rigs, may be registered provided that, inter alia, they are either wholly owned by Maltese citizens or by a Maltese company; a Maltese ship may also be bareboat charter registered under another flag.

There are neither trading restrictions nor age restrictions. However:

- Ships of 15 years and over, but under 20 years, must pass an inspection by an authorised flag state inspector before or within a month of provisional registration; and
- Ships of 20 years and over, must pass an inspection by an authorised flag state inspector prior to being provisionally registered. As a rule trading ships of 25 years and over are not registered.

Provisional Registration

Provisional registration has a validity of six months, although this can be extended by a further six months; by this time all the documentation has to be completed for permanent registration. This includes, in particular, evidence of ownership and of cancellation of former registry. Authority to operate still remains linked to conformity with the relative manning, safety and pollution prevention international standards.

- An application for registration by the owner or an authorised representative accompanied; if required, by an application for a change of name;
- A copy of the ship's International Tonnage Certificate, where applicable;
- Proof of qualification to own a Maltese ship; in the case of a body corporate, the memorandum and articles of association;
- Declaration of ownership made before the Registrar by the owner or an authorised representative;
- Evidence of seaworthiness; in the case of trading vessels, confirmation of class;
- Payment of initial and annual registration fees.

Documents to be submitted during provisional registration:

- A builder's certificate, if the vessel has not been registered elsewhere; Otherwise a bill of sale or any other document for registry;
- A cancellation of registry certificate from the last country of registry, showing vessel to be free from encumbrances or otherwise;
- A Certificate of Survey and a copy of the international Tonnage Certificate certifying that the vessel has been surveyed in accordance with Maltese regulations;
- Evidence that the vessel has been marked in accordance with the law;
- At least one crew list.

Permanent Registration

To register your ship permanently under the Maltese flag, you must provide the following documents within six months from provisional registration:

- a Carving and Marking note from an authorized surveyor in the port where the yacht lies; this is a form which we will provide to you after provisional registration;

- a radio installation form which must be filled in by an authorized surveyor in the port where the ship lies and a non-GMDSS radio licence application for vessels under 300 gross tons; for vessels over 300 gross tons a GMDSS radio licence application is needed and if required, an immarsat application; we will send you these documents following provisional registration or you can download them as you prefer;
- a cancellation of registry certificate from the last country of registry (deletion certificate);
- a Certificate of Survey and an International Tonnage Certificate issued on behalf of the Maltese authorities;
- a certificate of class;
- a crew list accompanied by photocopies of the officers' competency certificates and valid STCW endorsements.

Bareboat Registration

Maltese law provides both for bareboat charter registration of foreign ships under the Malta flag and also for the bareboat charter registration of Maltese ships under a foreign flag.

Vessels so registered enjoy the same rights and privileges, and have the same obligations as any other ship registered in Malta.

The two main principles adopted at law on bareboat charter registration are, the compatibility of the two registries, and, that matters regarding title over the ship, mortgages and encumbrances are governed by the underlying registry, while the operation of the vessel falls under the jurisdiction of the bareboat charter registry.

A bareboat charter registration shall be for the duration of the bareboat charter or until the expiry date of the underlying registration, whichever is the shorter, but in no case for a period exceeding two years. Registration may be extended.

Requirements for bareboat charter registration in Malta:

- The ship must be bareboat chartered to Maltese citizens or Maltese bodies corporate;
- The ship is not a Maltese ship, and is registered in a compatible registry;
- The Ship is not registered in another bareboat registry;
- The following documents must be produced:
 - An application for registration by the chartered or an authorised representatives;
 - A declaration of bareboat charter accompanied by the charter agreement;
 - A copy of the ship's International tonnage Certificate;
 - A transcript or an extract of the underlying registry, owners and any mortgages;
 - Evidence of seaworthiness, in the case of trading vessels, confirmation of class;
 - Payment of initial and annual registration fees.

Requirements for the bareboat charter registration of a Maltese ship under a foreign flag:

- The ship is registered as a Maltese ship under the Merchant Shipping Act;
- The bareboat charter registry where the ship is to be registered is a compatible registry.

The following documents must be developed:

- An application for the bareboat charter registration in the foreign registry by the owner or an authorised representative: Consent in writing of all the mortgages (if any);
- A written undertaking by the owner to surrender the ship's Certificate of Malta flag during the period of bareboat charter registration;
- A copy of the bareboat charter party.

Consent for the bareboat charter registration of a Maltese ship in a foreign registry will be issued. The certificate of Malta Registry must be surrendered to the Registrar for the duration of the foreign bareboat charter registry.

Seafarer Documents - Endorsements

Malta has acceded to IMO Convention STCW 1978. Maltese ships are subject to the provisions of the Merchant Shipping Act and ancillary regulations concerning the competency of officers and seamen.

There are no restrictions imposed on the nationality of the master, officers and crew engaged on Maltese Ships. However, to promote the employment of the Maltese seafarers there is a small reduction in fees for each Maltese seafarer employed.

Company Formation

The first step to be taken for a Malta flag registration is the formation of a Maltese shipping company. This is a straightforward and inexpensive operation.

Limited liability shipping companies are formed by means of a public deed or a private writing. The minimum of subscribed capital required by law is Lm500 of which 20% must be paid up.

The principal place of business need not be located in Malta and there are no restrictions on the sale and transfer of shares or stock of a Maltese shipping company.

A company can be registered in a few hours on the basis of a power of attorney sent by the shareholders to their representatives in Malta, together with the following information:

- The proposed company name; a name can be reserved for three months;
- The registered address of the proposed company; this can be the same as that of the representative in Malta;
- A minimum of two shareholders who can be foreign individuals or bodies corporate;
- The distribution of the proposed company shares;
- The name and details of the directors of the proposed company (these can be foreign individuals or bodies corporate);
- Details of voting, capital or class rights and indication of any local proxies.

Authorised Classification Societies

Prior to and during the period of the ship's registration, merchant vessels must be classed with one of the following classification societies authorised to issue statutory certificates on behalf of the Maltese Government:

- American Bureau of Shipping
- Bureau Veritas
- China Classification Society
- Det Norske Lloyd
- Germanischer Lloyd
- Korean Register of Shipping
- Lloyd's Register of Shipping
- Nippon Kaiji Kyokai
- Russian Maritime Register of Shipping
- Registro Italiano Navale

The following classification societies currently enjoy recognition applicable in certain circumstances on the specific authorisation of the Directorate:

- Croatian Register of Shipping
- Hellenic Register of Shipping
- Polish Register of Shipping