

Circular No. 33/2021

10 August 2021

SDM 5.13.09

To all Registered Owners, Registered Bareboat Charterers, Managers and Representatives of Ships flying the Cyprus Flag

Subject: (1) <u>Safety and Security of crew and vessels under Cyprus Flag calling or approaching ports and or countries where armed and or civil conflict takes place</u> (2) Extra-territorial application of Unilateral Sanctions imposed by third countries

With reference to the subject matter:

1. The Shipping Deputy Ministry wishes to reiterate its recommendation (Circular DMS No. 20/2015 is of relevance) to the owners, managers and operators of Cyprus flagged vessels to avoid any callings and transactions at foreign ports and or countries where political instability and or armed and or civil conflicts take place (or are evidently imminent). Increased vigilance and close communication should be maintained at all times with Port and Flag State authorities and local shipping agents, in accordance with the requirements of the ISPS Code.

2. Moreover, although Unilateral Sanctions imposed by third countries, i.e. sanctions that have not been imposed by either the United Nations Security Council or the European Union, do not generate any direct enforcement obligations for the Government of the Republic of Cyprus, the Shipping Deputy Ministry, wishes to bring to your attention the following:

- (i) contravention of Unilateral Sanctions imposed by third countries may result in serious implications for an owner, manager and operator of a vessel, including criminal proceedings brought about by the third country concerned;
- (ii) contravention of Unilateral Sanctions imposed by third countries may potentially impede or interfere with financing arrangements and insurance policies with irreversible and grave consequences for the vessel concerned.

3. Notwithstanding that the EU does not recognise the extra-territorial application of laws adopted by third countries and in this regard, has adopted Council Regulation (EC) No 2271/96 (the "Blocking Statute") as a means to protect EU operators from the extra-territorial application of third country laws, owners, managers and operators of Cyprus flagged vessels should:



- (i) take note of this Circular and in particular, carefully assess the potential risks relating to the contravention of Unilateral Sanctions imposed by third countries;
- (ii) seek legal advice and guidance from the Protection and Indemnity Clubs with which their vessels are entered before considering to engage in practices that may be subject to a third country's Unilateral Sanctions.

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Dr. Neophytos Papadopoulos Registrar of Cyprus Ships Permanent Secretary

- Cc: Permanent Secretary, Ministry of Foreign Affairs
 - Maritime Offices of the Shipping Deputy Ministry abroad
 - Diplomatic Missions and Honorary Consular Offices of the Republic
 - Recognised Organisations (ROs)
 - International Group of Protection and Indemnity Clubs
 - Cyprus Shipping Chamber
 - Cyprus Union of Shipowners
 - Cyprus Bar Association