

A GUIDE TO SHIP REGISTRATION IN PAPUA NEW GUINEA

Introduction

This Guide is intended to set out the principal Papua New Guinea legislation and guidelines which an investor/shipowner needs to address if he wishes to register a ship under the PNG Ship Registry. It will also consider the topical issue of Bareboat Charter registrations.

The registration process is governed by the Merchant Shipping Act 1975 and its subsidiary legislations MS (Ship Registration Regulation) 2006).

The shipping register is administered by the Office of the General Manager, National Maritime Safety Authority and all official forms are obtainable from the Registrar of Ships with the National Maritime Safety Authority.

Eligibility for Registration

Automatic eligibility is granted to Papua New Guinea citizens and Companies incorporated under the Companies Act as a company and having their principal place of business in Papua New Guinea.

Registration Procedure

Application for the Registration of a Papua New Guinea Ship is made to the Registrar of Ships. Papua New Guinea does not operate an open registry and therefore a Papua New Guinea Consul is not permitted to accept registration documents and cannot issue certificates. The Registrar may temporarily accept facsimile copies of documents supporting an application for registration but it is assumed that the originals will follow shortly thereafter in order for the vessel to be registered.

The Papua New Guinea Ship Registry makes a distinction between provisional and permanent registration. Provisional Registration is granted to a ship to enable it to sail a newly built ship or a deleted ship from aboard into Papua New Guinea. The Provisional Registration Certificate is only for a duration of three months, pending the issuance of a permanent certificate of registration.

<u>Documentation Required to Support Application for Ship Registration</u>

The following documents are required by the Registrar of ships to support an application for Registration:

- If the applicant is a natural person (birth certificate or passport);
- If the applicant is a company incorporated under the Companies Act to conduct business in PNG (IPA Certificate);
- Its cover letter on its company letter head, with its full address together with its landline telephone number;
- Application for Ship Registration;



- Builders Certificate;
- Declaration of Qualified Persons;
- Tonnage Certificate (Convention Ship);
- Tonnage Certificate (None Convention Ship);
- Carving and Marking Note;
- Bill of Sale;
- Declaration of Ownership;
- Appointment of Agent
- Certificate of Survey/Survey Report;
- Deletion Certificate

Ship Registration Fees

The fees provided under the Merchant Shipping (Ship Registration) Regulation are revised from time to time by way of Marine Orders, to reflect current economic indices.

Effect of Registration on Maritime Mortgages in Papua New Guinea

Maritime mortgages are created in Papua New Guinea by submission of the Mortgage agreement, and letter of consent to the Ship Registry. Subsequent mortgages can also be created on the same vessel and they must also be registered. Registration of mortgages and liens is paramount because priority is determined by the date of registration, as opposed to the date of creation of the mortgage.

A registered mortgagee of a ship may dispose of the ship in respect of which is registered once his power of sale becomes exercisable provided he is first in turn. If there is a prior registered lien or mortgage, he can only exercise his power of sale through an order of a Court of competent jurisdiction.