

THE ROLE OF A FLAG STATE IN TODAY'S SHIPPING ENVIRONMENT

23 July 2018
Athens, Greece

Presented by:
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Fleet Operations Manager



International Registries, Inc.
in affiliation with the Marshall Islands Maritime & Corporate Administrators

The Marshall Islands Registry
service and quality are within your reach



ROLE OF THE FLAG STATE

- The flag State confers nationality to ships and implies:
 - What rights the ship enjoys
 - Obligations the ship may be subject to
 - The law of the State that governs the ship

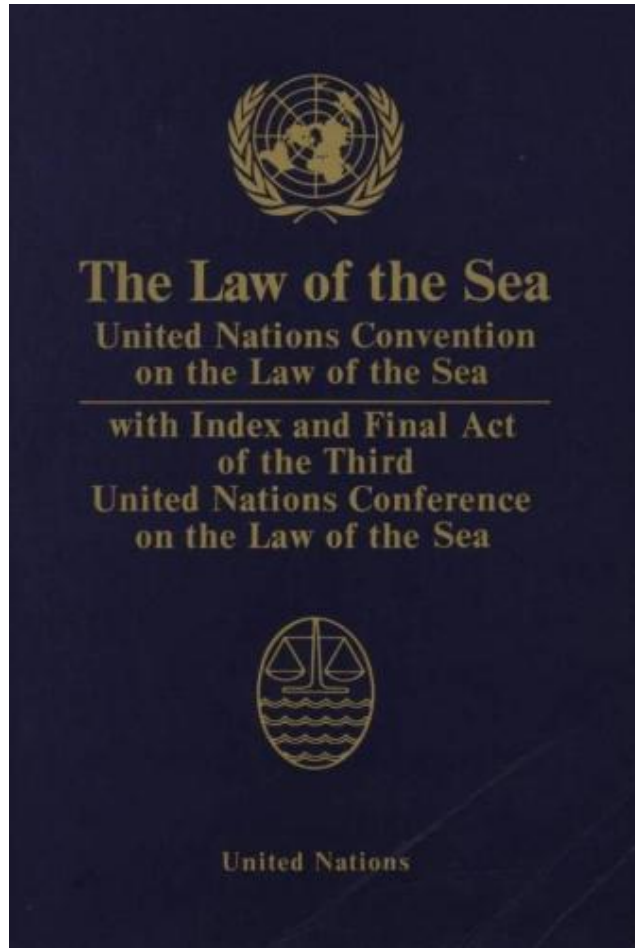


ROLE OF THE FLAG STATE (continued)

- Maintain a register of names
- Assume jurisdiction under its national law
- Ensure the safety of vessels
- Ensure vessel surveys are conducted
- Ensure crew qualifications



UNITED NATIONS (UN) CONVENTION ON THE LAW OF THE SEA (UNCLOS)



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Convention: arts. 94-95

Article 94

Duties of the Flag State

3. Every State shall take such measures for ships flying its flag as are necessary to ensure safety at sea with regard, *inter alia*, to:

- (a) the construction, equipment, and seaworthiness of ships;
- (b) the manning of ships, labour conditions and the training of crews, taking into account the applicable international instruments;
- (c) the use of signals, the maintenance of communications and the prevention of collisions.

ARTICLE 94

Duties of the Flag State



REGISTRATION OF SHIPS AND MORTGAGES

- Properly recorded in a public mortgage registry
- Insulated from political instability or other incidents
- Recorded in English
- Include satisfactory statutory provisions covering ranking of liens
- Permit speedy deletion of a vessel



ROLE OF THE FLAG STATE (continued)

- Records ownership
- Provides mortgage security
- Provides governing law
- Provides protection afforded to that nationality



INTERNATIONAL MARITIME ORGANIZATION (IMO) PARTICIPATION

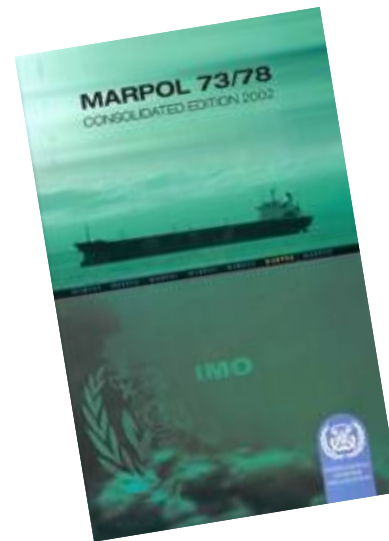
FLAG STATES MUST:

- ✓ Enforce applicable international laws;
- ✓ Participate in the work of international organizations; and
- ✓ Disseminate pertinent information.




INTERNATIONAL STANDARDS

- Good performance
- Excellent service
- Assistance in interpreting rules



MARITIME FORMS AND PUBLICATIONS



INTERNATIONAL REGISTRIES, INC.
providing support to the
Marshall Islands Maritime & Corporate Administrators

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CORPORATE SERVICES
MARITIME SERVICES
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SEAFARERS' DOCUMENTATION
SEARCH & RESCUE
INFO CENTER

>> SERVICE & QUALITY ARE WITHIN YOUR REACH

CORPORATE

MARITIME

Maritime Forms & Publications

Investigations

• **Marine Notices**

Marine Guidelines

Marine Safety

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Technical Circulars

Vessel Registration

You are here: [Forms & Publications](#) > [Maritime](#) > [Marine Notices](#)

The [Index - Marine Notices](#) contains the latest revision date for each Marine Notice.

For a list of recently updated documents [click here](#).

MN-1-000-1	Issuance of Republic of the Marshall Islands Marine Notices	UPDATED 07/2015
MN-1-000-3	Requirements on Carriage of Publications On Board Ships	UPDATED 06/2018
MN-1-000-4	Maritime Administrator Policy Goals and Measures Used Toward the Effective and Efficient Implementation of Mandatory IMO Instruments in Accordance with the Republic of the Marshall Islands Statement of Policy for the Marshall Islands Maritime Program	UPDATED 06/2015
MN-1-002-1	List of Office and Service Locations	UPDATED 06/2017
MN-1-004-1	Familiarization with Marshall Islands National Maritime Legislation	UPDATED 06/01/2017
MN-1-004-2	Reporting Certificate Fraud and Professional and Technical Incompetence	UPDATED 04/2018
MN-1-005-1	Fees for Official Documents and Services	UPDATED 07/2018
MN-1-006-1	Data Privacy Consent: Seafarers and Filing Agents	NEW
MN-1-007-1	Particularly Sensitive Sea Areas	UPDATED 03/2018
MN-1-109-1	Electronic Documents and Certificates	UPDATED 11/2017

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IMO AUDIT SCHEME AND ISO CERTIFICATION

- Evaluate the results
- Identify possible problems
- Work on the committees to overcome possible difficulties
- Requires:
 - Strong presence
 - Active participation
 - Proactive systems



PORT STATE CONTROL (PSC)



- **Paris Memorandum of Understanding (MoU):** Belgium, Bulgaria, Canada, Croatia, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Latvia, Lithuania, Malta, Netherlands, Norway, Poland, Portugal, Romania, Russian Federation, Slovenia, Spain, Sweden, UK
- **USCG:** United States
- **Tokyo MoU:** Australia, Canada, Chile, China, Fiji, Hong Kong, Indonesia, Japan, Malaysia, New Zealand, Panama*, Papua New Guinea, Peru, Philippines, Republic of Korea, Republic of the Marshall Islands (RMI), Russian Federation, Singapore, Thailand, Vanuatu, Vietnam

*Cooperating Member Authority



OPERATING FEATURES

- Pre-registration screening
- Annual safety inspections
- Vessel watch list



VETTING

- Development of an efficient and effective vetting system for new ships and managers
- Vetting includes examination of the previous record of ship and International Safety Management (ISM) Code managers



REGISTRATION REQUIREMENTS

- Legal documentation
- Classification Society (Class) documentation and survey report
- Cancellation from previous flag



CLASS SOCIETY INTERACTION

IACS

INTERNATIONAL ASSOCIATION OF CLASSIFICATION SOCIETIES LTD.



ClassNK



IRCLASS
Indian Register of Shipping



WHO WE ARE

- International Registries, Inc. and its affiliates (IRI) provide administrative and technical support to the RMI Maritime and Corporate Registries.
- IRI provides a broad spectrum of services for the shipping and financial services industries.



HISTORY



The company dates back to 1948, when it was founded by Edward R. Stettinius, seen here at the Yalta Conference when he was Secretary of State.



The WORLD PEACE, registered on March 11, 1949



POLITICAL STABILITY



Population:
74,539

Total Area:
500,000 sq. miles comprising 1,152
islands and islets

Government Type:

Sovereign nation; blend of United Kingdom
(UK) parliamentary and United States (US) style
of government

Capital:
Majuro



REGISTRY GROWTH

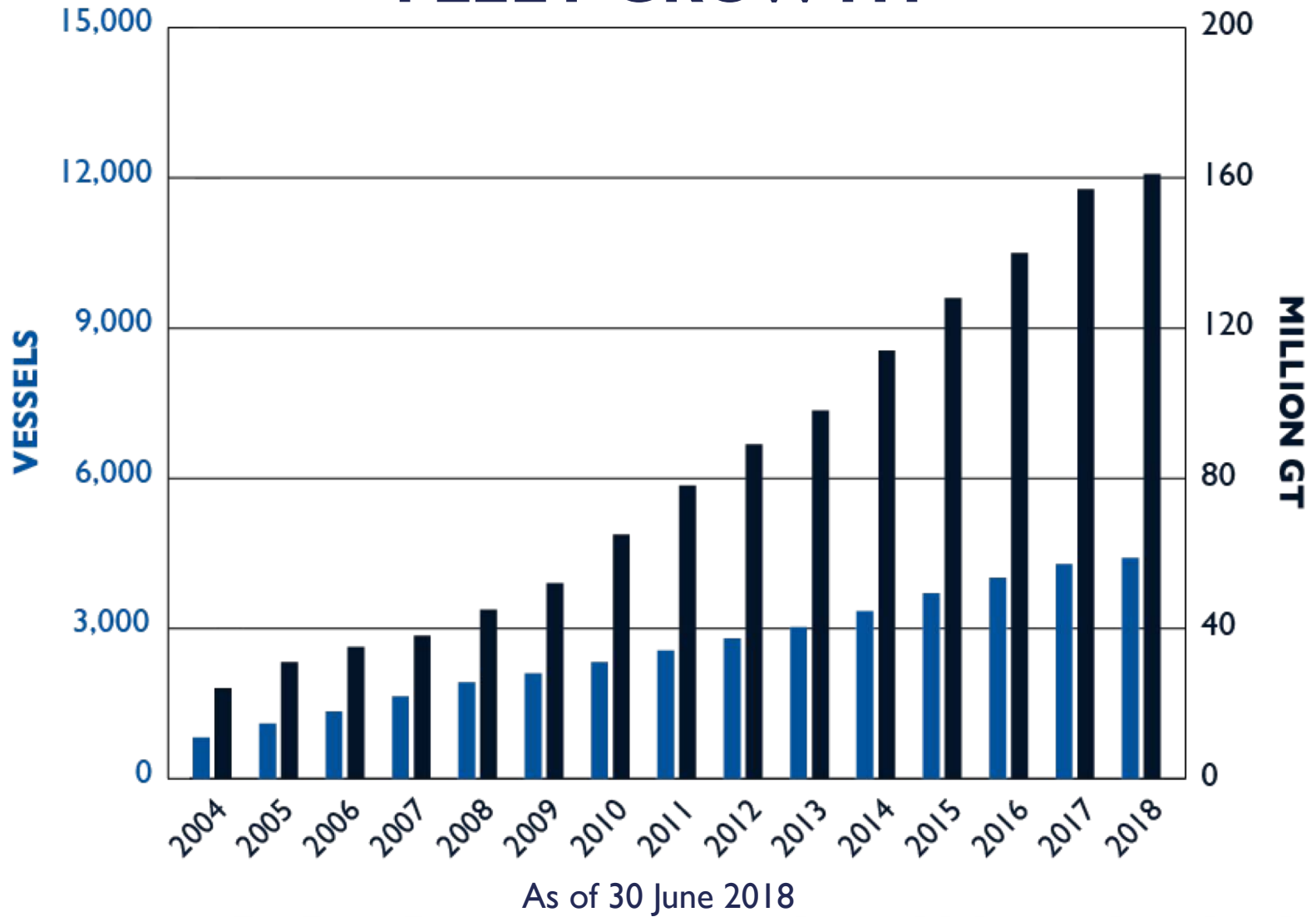
The RMI Maritime Registry has experienced significant growth since January 2000 and now exceeds 161 million gross tons and 4,405 vessels.



DECENTRALIZATION



FLEET GROWTH



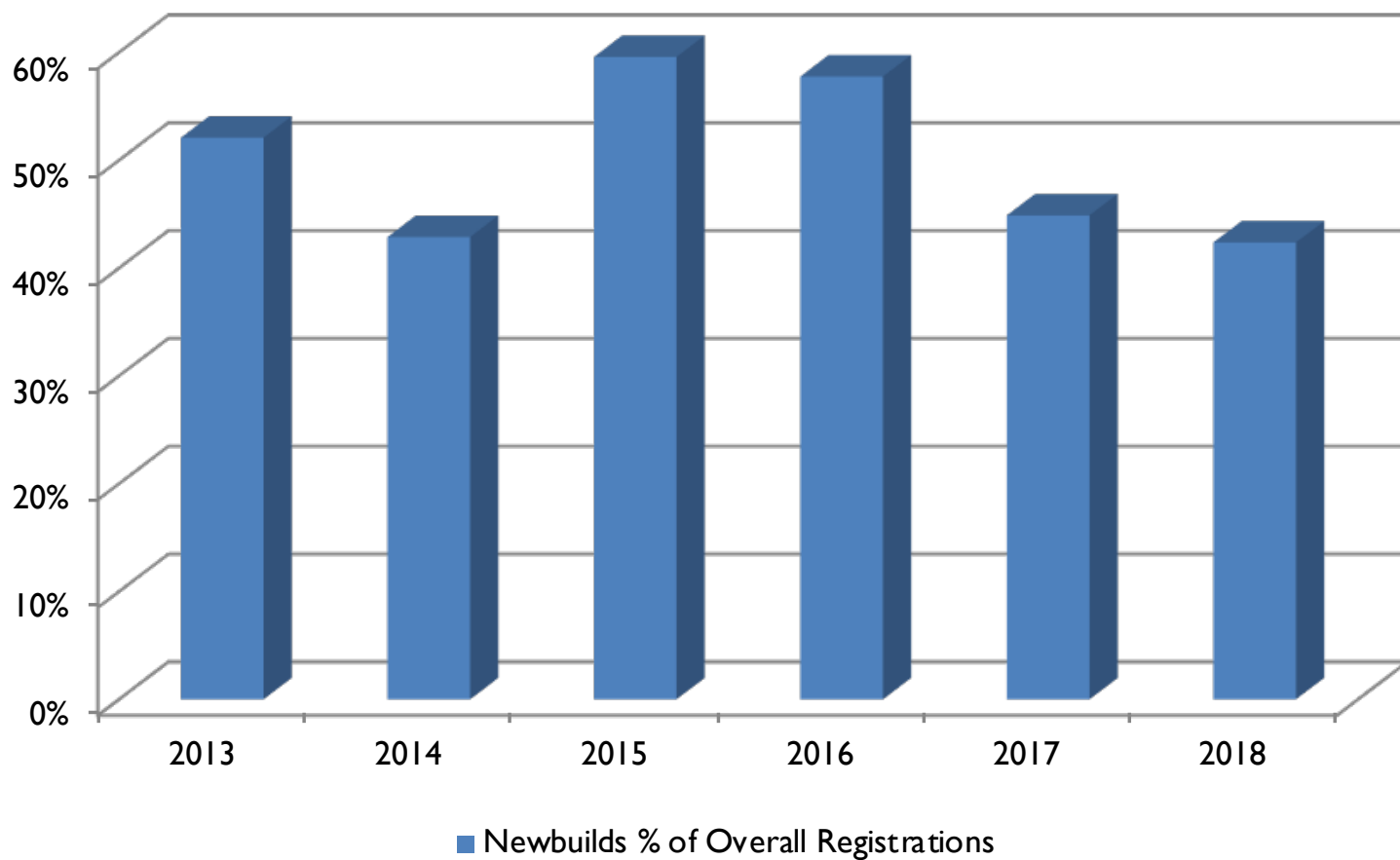
FLEET TYPES

VESSEL TYPE	NO. of VESSELS	% of FLEET	GROSS TONS	% of FLEET GROSS TONS
BULK CARRIER	1,479	34%	61,802,402	38%
CONTAINER	343	8%	18,038,244	11%
GAS CARRIER	189	4%	13,094,337	8%
GENERAL CARGO	157	4%	5,086,028	3%
MISCELLANEOUS	73	2%	409,655	0.25%
MOU	179	4%	7,677,953	5%
OSV	258	6%	490,182	0.30%
PASSENGER	11	0.25%	413,816	0.26%
TANKER	1,170	27%	54,235,520	34%
YACHT	546	12%	161,024	0.10%
TOTAL FLEET	4,405		161,409,161	

As of 30 June 2018



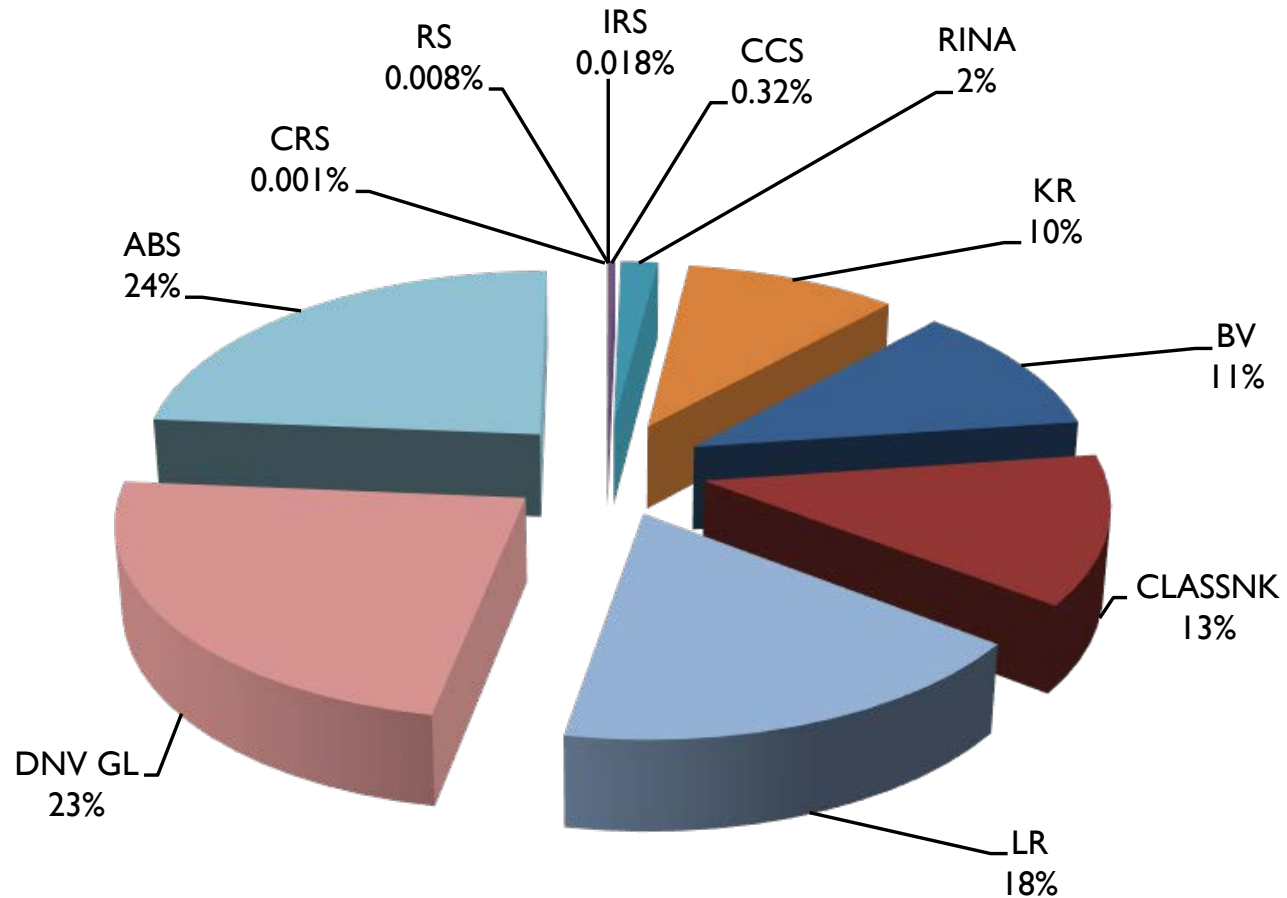
NEWBUILDING TONNAGE



As of 30 June 2018



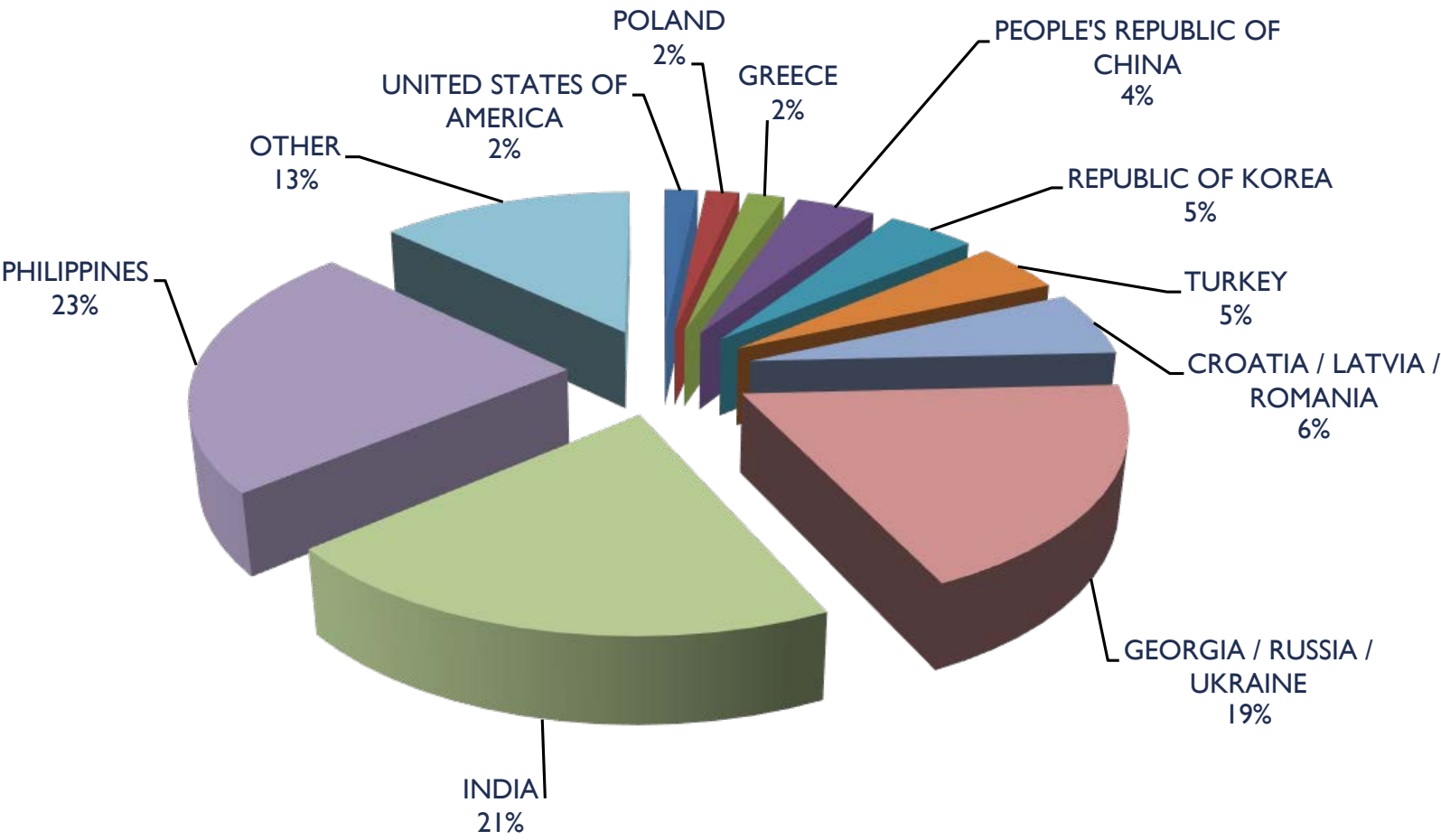
REGISTERED TONNAGE BY CLASS SOCIETY



As of 30 June 2018



OFFICER CERTIFICATES (OCs) BY NATIONALITY



As of 30 June 2018



PARIS MoU

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
12	Marshall Islands				4,022	
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

RANK	FLAG	INSPECTIONS 2015-2017	DETENTIONS 2015-2017	BLACK TO GREY LIMIT	GREY TO WHITE LIMIT	EXCESS FACTOR
WHITE LIST						
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
	68	309		254		-1.65
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

From Paris MoU 2017 Annual Report



TOKYO MoU

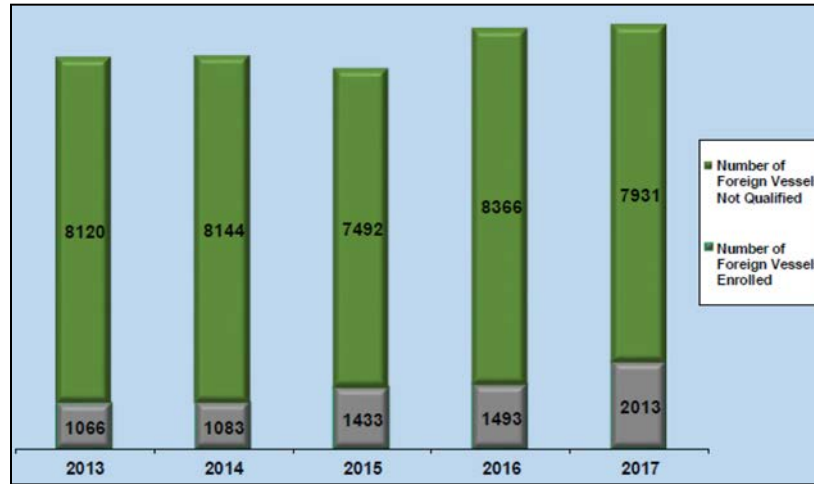
Flag	Inspections 2015-2017	Detentions 2015-2017	Black to Grey Limit	Grey to White Limit	Excess Factor
WHITE LIST					
Philippines	614	31		32	-0.07
Taiwan, China	324	14		15	-0.08
Italy	339	14		16	-0.18
Gibraltar (UK)	193	6		7	-0.27
Sweden	59	0		0	-0.40
Thailand	814	34		45	-0.49
France	126	2		4	-0.60
Luxembourg	100	1		2	-0.64
Russian Federation	909	34		50	-0.68
Netherlands	314	8		14	-0.79
Antigua and Barbuda	1,270	46		73	-0.79
Cyprus	1,558	57		92	-0.82
Malta	3,084	119		192	-0.84
Malaysia	579	17		30	-0.86
Viet Nam	2,252	78		137	-0.94
Saint Vincent and the Grenadines	228	4		9	-0.95
Belgium	85	0		2	-0.96
Isle of Man (UK)	634	17		33	-0.98
Germany	362	7		17	-1.11
Bermuda (UK)	222	3		9	-1.13
Greece	1,045	27		59	-1.15
Liberia	7,314	233		476	-1.15
Panama	25,321	851		1,705	-1.15
United States of America	148	1		5	-1.20
Tuvalu	353	5		16	-1.34
Denmark	536	9		27	-1.36
Cayman Islands (UK)	317	4		14	-1.37
Portugal	510	8		26	-1.39
United Kingdom (UK)	553	9		28	-1.39
Bahamas	2,254	51		137	-1.39
Marshall Islands	7,141	166		464	-1.46
Japan	599	7		31	-1.61
Norway	726	9		39	-1.62
Hong Kong, China	9,473	88		622	-1.96
Singapore	6,863	59		445	-1.98
Korea, Republic of	4,304	31		273	-2.03
China	1,981	7		119	-2.42

From Tokyo MoU
2017 Annual Report



USCG QUALSHIP 2I

Yearly Qualship 2I Enrollment (2013 – 2017)



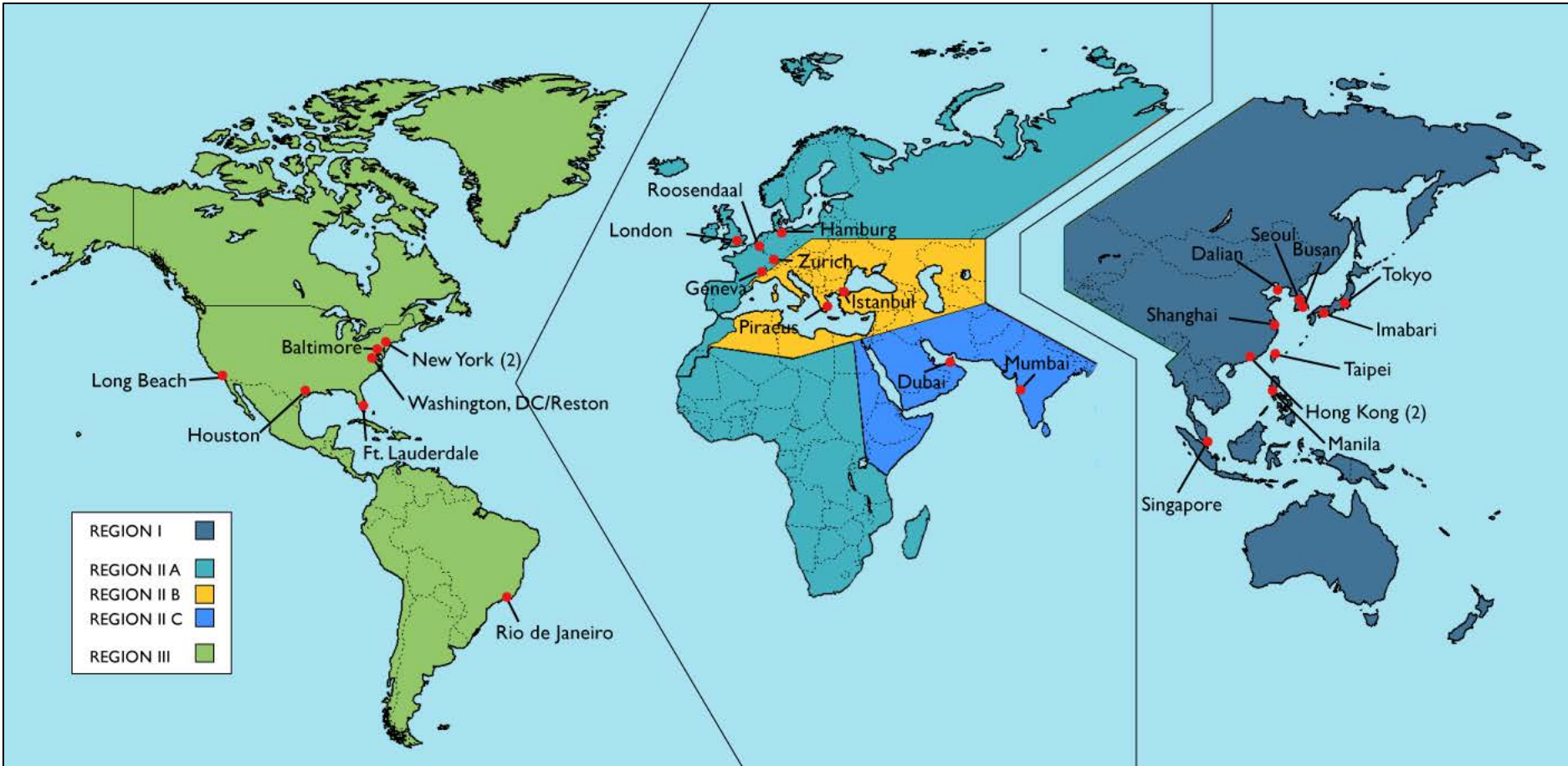
2017 Qualifying Jurisdictions

Bahamas	Denmark	Japan	United Kingdom
Belgium	France	Marshall Islands	
Bermuda	Germany	Netherlands	
British Virgin Islands	Gibraltar	Republic of Korea	
Canada	Hong Kong	Singapore	
Cayman Islands	Isle of Man	Switzerland	

From USCG 2017 Report to the IMO's Subcommittee on Flag State Implementation



DECENTRALIZATION



DECENTRALIZED REGISTRY SERVICES



- Vessel Registration
- Mortgage Recordation and Documentation
- Seafarers' Identification
- Technical Assistance
- Marine Safety

“KEEP THE SHIPS MOVING”



HOW CAN REGISTRATION BE DONE?



- Must be held by an RMI business entity or qualified foreign maritime entity (FME)
- Vessels should be under 20 years of age
- Clear and simple procedure
- All applications / mortgages in English
- Competitive fees
- Professional and efficient service
- The Provisional Certificate of Registry is issued at the time of closing and valid for 12 months



LOCALLY



- IRI has a dedicated IT network allowing each regional office direct access to the RMI corporate and maritime database.
- All IRI regional offices can register a vessel, including those under construction, record a mortgage or financing charter, and incorporate a company, allowing owners to conduct closings during normal business hours.



TECHNICAL AND MARINE SAFETY



TECHNICAL

- Technical experts worldwide
- Oversight of Class
- Review and provide authorization to Recognized Organizations (ROs) for issuance of short-term certificates
- Interpretation of IMO requirements



MANNING AND LICENSING

- Crew must hold RMI Seafarers' Identification and Record Books (SIRBs)
- Officers must apply for RMI endorsements
- Decentralization of issuance of original documentation
- Electronic/online application system



Republic of the Marshall Islands
OFFICE OF THE MARITIME ADMINISTRATOR
ENDORSEMENT ATTESTING THE RECOGNITION OF A CERTIFICATE
UNDER THE PROVISIONS OF THE INTERNATIONAL CONVENTION ON
STANDARDS OF TRAINING, CERTIFICATION AND WATCHKEEPING
FOR SEAFARERS, 1978, AS AMENDED

CERTIFICATE NUMBER: 286120

The Government of the Republic of the Marshall Islands certifies Certificate No. 2286120099 issued to

JERRY DOE

By or on behalf of the Government of the UNITED STATES OF AMERICA is duly recognized in accordance with the provisions of regulation 1/10 of the above Convention, as amended, and the holder is authorized to perform the following functions at the levels specified, subject to any limitations indicated and 4 SEPTEMBER 2013

FUNCTION	LEVEL	LIMITATIONS APPLYING (IF ANY)
Controlling the operation of the ship and care for persons on board	Management	Master Vessels Only
Master Engineering	Management	Master Vessels Only
Electrical, electronic and control engineering	Management	Master Vessels Only
Maintenance and Repair	Management	Master Vessels Only

The lawful holder of this certificate may serve in the following capacity or capacities specified in the applicable rule-making requirements of the Administration:

CAPACITY	LIMITATIONS APPLYING (IF ANY)
Chief Engineer	Master Vessels Only

Certificate No. 286120 issued on 4 SEPTEMBER 2013 FOLIO 189999

Signature of duly authorized official: R. A. Fay
Name of duly authorized official: R. A. Fay
Date of Birth of the holder of this certificate: 2 JANUARY 1979

Signature of the holder of the certificate: _____
NOTE: The original of this certificate must be kept available in accordance with Regulation 1/2, paragraph 11 of the Convention while serving on a ship

Photograph of the holder of the certificate:



MARINE SAFETY

- ROs / Recognized Security Organizations (RSOs) oversight
 - International Ship and Port Facility Security (ISPS) / ISM Code audits
 - Close contact to local Class offices
 - Regular meetings with all ROs / RSOs
- Vessel and operator risk assessments on a monthly basis



RMI INVOLVEMENT – CONSTRUCTION

- Assignment of Official Number and Call Sign in order to program the equipment
- Vessel is built in accordance with Class rules and international standards
- The International Convention for the Safety of Life at Sea (SOLAS), the International Convention for the Prevention of Pollution from Ships (MARPOL), and other international conventions apply during construction



INVESTIGATIONS

- Serious marine accidents or casualties must be reported to the RMI Maritime Administrator
- Review and determination as to required attendance
- Obligation to report to the IMO



REGULATORY AFFAIRS

- Permanent representative to the IMO
- Active delegation to committees and subcommittees
- RMI is a signatory to major international conventions like SOLAS, MARPOL, the International Convention on Load Lines, the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW), the International Regulations for Preventing Collisions at Sea (COLREGS), and the International Convention on Tonnage Measurement of Ships (ITC)
- Regulatory Affairs Group
- Development and updating of Marine Notices
- Marine Guidelines and Marine Safety Advisories to owners / operators
- Participates at International Labour Organization (ILO) meetings



CONCLUSION

- Experienced personnel
- Worldwide infrastructure
- Exceptional service



THANK YOU



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