

Shipping & Transport - Cyprus

Draft law on protection of Cyprus ships from acts of piracy

Contributed by **Andreas Neocleous & Co LLC**

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New legislation on the measures to be taken to protect Cyprus ships from acts of piracy and other illegal acts is passing through Parliament.

The draft law affirms the general principle that necessary measures must be taken for the safety of ships and the prevention of illegal acts in accordance with Chapter XI-2 of the International Convention for the Safety of Life at Sea, the International Ship and Port Facility Security Code and EC Regulation 725/2004. Additional measures, including the use of private security firms, may be taken when a vessel enters a high-risk area. The draft law sets out:

- a process for the Cyprus authorities to grant operators of Cyprus ships permission to employ private security contractors to protect a vessel;
- the licensing process for private security firms wishing to provide services to Cyprus ships (firms that are not incorporated in Cyprus will be required to appoint an authorised representative in Cyprus); and
- the rights and obligations of the master, crew and other persons onboard Cyprus ships, including rights of arrest and detention with respect to persons that have committed or purported to commit an illegal act against the vessel, its cargo or the persons onboard.

The draft law also deals with the obligation to compensate persons onboard Cyprus ships for damage resulting from the fault or negligence of servants of private security contractors. Contractors may contractually limit their liability, and the shipowner and the person controlling the ship may rely on the limitations contained in the Convention on Limitation of Liability for Maritime Claims 1976 (as amended by the 1996 protocol), which covers claims in respect of loss of life, personal injury and damage to property.

The Merchant Shipping (Shipowners' Insurance for Maritime Claims) Law 2012, which transposed EU Directive 2009/20/EC into Cyprus law, requires that owners of ships of 300 gross tonnes or more that fly the Cyprus flag or, irrespective of flag, call at Cyprus ports or operate within Cyprus's territorial waters, must have insurance in place in respect of such claims that covers the relevant limits laid down in the convention.

For further information on this topic please contact [Costas Stamatiou](#) or [Vassilis Psyrras](#) at [Andreas Neocleous & Co LLC](#) by telephone (+357 25 110 000), fax (+357 25 110 001) or email (stamatiou@neocleous.com or vassilis.psyrras@neocleous.com).

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Authors

Costas Stamatiou



Vasileios Psyrras

