



Office of
Deputy Commissioner
of Maritime Affairs

THE REPUBLIC OF LIBERIA

LIBERIA MARITIME AUTHORITY

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MARINE OPERATIONS NOTE: 02/2016 Supersedes Marine Operations Note: 09/2008

SUBJECT: Provisions for Vessel Entering Lay-up Status due to Financial Crisis

TO: All Owners and Operators of Liberian and NON-Liberian Flag Vessels and MODUs, Financial Institutions, and Legal Advisors

In reaction to the sustained downturn in the maritime and offshore market sectors, this advisory is issued to help mitigate the burden and financial strain placed on shipowners and vessel managers. The Liberian Registry considers it essential to support the shipping industry during these times of economic uncertainty.

In the event that a ship owner or financial institution decides to place vessels including MODUs in their possession out of service and register them in laid-up status for an unspecified time period, the Liberian Registry is prepared to enter into a commercial agreement¹ allowing for the deferral and/or waiver of fees and the facilitation of operational measures to ensure safe and secure removal of the vessel from service. These provisions are available to vessels currently in service, vessels currently under construction and vessels transferred from other Flag Administrations for the purpose of lay-up.

The following benefits will be made available to all eligible vessels:

Waiver of the following:

- *Initial Statutory Registration Fees;*
- *Registration Administrative Fee;*
- *Mortgage Recordation Fee;*
- *Amended Minimum Safe Manning Certificate Fee;*
- *Registration & Lay-up Certification Fees; and*
- *Annual Tonnage Taxes.*²

Deferral of the following fees until vessel is removed from lay-up status or sold:

- *Annual Marine Investigation and International Participation (MIIPS) Fees;*
- *Annual Marine Inspection Fee;*
- *Seafarer Documentation and Certification Fees for Initial Lay-up Crewmembers; and*
- *Operational Exemption, Dispensation and other Approval Fees.*

¹ Subject to a nominal accounting charge.

² Tonnage Tax waiver is subject to Section §54 of Liberian Maritime Law (RLM-107), which allows for a waiver of the annual tonnage tax for existing vessels under certain conditions. The initial and subsequent years of annual tonnage tax may be waived for vessels under this commercial lay-up agreement.

Approval of modified operating procedures and guidelines such as:

- *Hot (Unofficial) Lay-up Procedures;*
- *Cold (Official) Lay-up Procedures; and*
- *Minimum Safe Manning Levels.*

Guidelines and procedures have been developed by the Liberian Registry to address reduced minimum safe manning levels, lay-up procedures and the deferral of inspection intervals. These guidelines are available by contacting the Safety department at safety@liscr.com.

Ship owners and financial institutions are invited to take advantage of the financial and operational benefits offered by these provisions. For further information about lay-up registration procedures and a copy of the model Lay-Up Agreement are available at any of our regional offices or by contacting our Registration department at: +1 212 973 3434 or registrations@liscr.com.

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