



AMRIT KAAL SESSIONS - INNOVATIVE MECHANISMS FOR ENHANCING
TONNAGE, SHIP REGISTRATION AND SHIP FINANCING

Global Practices in Ship Registration



**INDIA
MARITIME
WEEK
2025**

27th – 31st Oct 2025 | Mumbai



COMPARISON OF OPEN AND CLOSED REGISTRIES



Feature	Open Registry	Closed Registry
Ownership Restrictions	Little or none; any nationality can own/register	Strict; only nationals or domestic companies allowed
Crew Nationality	No restrictions; global crew allowed	Often must employ domestic/national crew
Taxation	Low or zero; favorable for shipowners	Normal or higher; based on corporate or income tax
Regulatory Oversight	Generally light	Strong, with rigorous inspections and compliance
Registration Process	Fast, simple, often online	Complex, may be lengthy and bureaucratic
Safety/Labor Standards	May be lower; variable enforcement	High; strong compliance with international norms
Strategic/National Control	Minimal	Strong; focus on domestic employment/security
Examples	Panama, Liberia, Marshall Islands	USA (Jones Act), India (pre-2025), Norway (NOR)
Global Share (by tonnage)	~70% of world merchant fleet	~30% of world merchant fleet





Liberia

World's largest registry by tonnage

- 5,000+ vessels
- 408.4 million deadweight tons



Panama

Streamlined online registration processes & Business-friendly regulatory

- 379.8 million deadweight tons



Marshall Islands

Major Asia-focused registry

- 308.5 million deadweight tons



Malta, Cyprus, Antigua & Barbuda, Bahamas





- 100+ million DWT





Key Reforms and Provisions in MS Act 2025 (1/2)







Reform	Change in Framework	Strategic Impact (Tonnage Growth)
 Ownership Liberalization	Allowing more than 50% FDIs, NRI, OCI & JV	Expands ownership base; attracts foreign capital → more ships under Indian flag.
 Registration Scope	Includes non-propelled craft (barges, dredgers, pontoons).	Brings thousands of support vessels into registry → tonnage jump without new builds.
 BBCD Registration	Allows bareboat charter-cum-demise (dual registration).	Enables asset-light expansion — leased foreign ships sail under Indian flag.
 Abandoned Vessel Policy	Section 15(8): Enables acquisition & re-registration post-survey.	Recovers idle tonnage → revives unused assets into operational registry.





Key Reforms and Provisions in MS Act 2025 (2/2)



Reform	Change in Framework	Strategic Impact (Tonnage Growth)
 Recycling Vessel Registration	Temporary Indian flag during recycling process	Adds short-term tonnage, boosts India's role as global recycling hub .
 Reverse Flagging	Allows Indian-owned ships to register abroad while retaining Indian linkage	Keeps ships connected to Indian system → retains notional tonnage & influence .
 Coastal Shipping Licensing	Licensing removed for Indian-flagged coastal trade.	Simplifies operations → faster deployment of Indian-flag vessels domestically.
 GIFT City Ecosystem	GIFT City with tax incentives, SPVs, and leasing support.	Financing & leasing center attracts global shipowners → new Indian-flag entries.





GLOBAL BEST PRACTICES IN BAREBOAT CHARTER-CUM-DEMISE REGISTRATION (1/3)



Country	Core Provisions	Key Insights
United Kingdom	<ul style="list-style-type: none"> - Allows dual registration. - Requires consent from primary registry. - Registration valid up to 5 years. - Closure on charter expiry or vessel destruction. 	<ul style="list-style-type: none"> - Flexible regime. - No suspension of primary registry required. - Mortgagee consent not mandated. - Dual registration possible.
Singapore	<ul style="list-style-type: none"> - Requires closure certificate from primary registry. - Minimum paid-up capital of SGD 500,000 for charterers. - Provisional registration allowed for up to 1 year. - Registry valid for charter duration + 60 days. 	<ul style="list-style-type: none"> - Strict compliance framework. - No dual registration permitted. - Ensures financial credibility of charterers. - Closure of primary registry mandatory.
Denmark	<ul style="list-style-type: none"> - Bareboat-in registration permitted. - BB CD ships treated at par with Danish ships. - Registration valid for 5 years, extendable by 1 year at a time. - Mortgages and liens not recorded. 	<ul style="list-style-type: none"> - Dual registration possible. - Danish flag mandatory. - Silent on suspension of primary registry. - Mortgage recording prohibited.
Liberia	<ul style="list-style-type: none"> - Requires suspension of primary registry. - Consent from owner and mortgagees mandatory. - Provisional registration for up to 2 years. - Penalty for flying foreign flag (up to USD 50,000). 	<ul style="list-style-type: none"> - Strong enforcement mechanisms. - Mandatory withdrawal of right to fly flag of foreign/primary state of registration. - Mortgage registration allowed only if recorded in original registry. - Non – payment of penalty for flying foreign flag constitutes maritime lien imposed for violations.
Malta	<ul style="list-style-type: none"> - Detailed definitions of BB CD terms. - Compatible registry concept introduced. - Full registration allowed. - Consent from owner and mortgagees required. - Surrender of original registry documents mandatory. - Max duration of registration: 2 years. 	<ul style="list-style-type: none"> - Comprehensive legal framework. - No dual registration permitted. - Mortgages only recorded in original registry. - One-month notice before closure. - Strong procedural safeguards.





GLOBAL BEST PRACTICES IN BAREBOAT CHARTER-CUM-DEMISE REGISTRATION (2/3)



Country	Core Provisions	Key Insights
Marshall Islands	<ul style="list-style-type: none">- Provisional registration only.- Finance charter recognized as a secured instrument.- Consent from owner and mortgagees required.- Flag withdrawal mandatory.- Penalty for violations (up to USD 50,000).	<ul style="list-style-type: none">- Innovative finance charter model.- Beneficial ownership vetting required.- Strong enforcement and transparency.- Mortgage recognition from original registry.- Renewable provisional registration.
Panama	<ul style="list-style-type: none">- Dual registration permitted.- Special bareboat charter register created.- Navigation and radio license required.- No mortgage registration allowed.- Registration ends on charter expiry or owner request.	<ul style="list-style-type: none">- Commercially flexible regime.- Treated as part of Panama Merchant Marine.- Regulatory compliance ensured via licensing.- Mortgages not recorded in Panama registry.
China	<ul style="list-style-type: none">- No dual nationality permitted.- Registration only after suspension of foreign registry.- Charterer obligations clearly defined.- Ownership transfer allowed on lease completion.- Mortgage creation restricted without charterer consent.	<ul style="list-style-type: none">- Strong regulatory clarity.- Charterer rights and obligations well-defined.- Suspension of original registry mandatory.- Charterer protected against unauthorized mortgages.- Ownership transfer provisions included.
Canada	<ul style="list-style-type: none">- Bareboat charterer has full possession and control.- Charterer designated as authorized representative.- Foreign registry must be suspended during charter.- No owner can be recorded in the Register.- Certificate of registry includes charterer details.- Charterer must notify Registrar within 30 days of changes.- Dual registration not permitted.- Laws silent on mortgage recording and consent from primary registry.	<ul style="list-style-type: none">- Governed by Canada Shipping Act, 2001.- Strong emphasis on charterer's operational control.- Suspension of foreign flag mandatory.- Clear obligations for notification and compliance.- Registry ensures exclusivity and charterer accountability.- No ownership recorded for bareboat chartered vessels.





GLOBAL BEST PRACTICES IN BAREBOAT CHARTER-CUM-DEMISE REGISTRATION (3/3)



Country	Core Provisions	Key Insights
Hong Kong	<ul style="list-style-type: none"> - Dual registration not permitted. - Demise charterer must be a qualified corporate entity. - Owner's written consent and joint declaration required. - Ship must not be registered elsewhere during Hong Kong registration. - Representative person must be appointed. - Detailed documentation required for first-time registration. - Provisional registration valid for one month; extendable. - Charterer must notify Registrar upon termination. - Foreign certificate of deletion required within 30 days. - Registration may be closed for non-compliance. - Laws silent on mortgage recording and suspension of primary registry. 	<ul style="list-style-type: none"> - Clear legal definitions for demise and sub-demise charter. - Strong compliance framework under Merchant Shipping (Registration) Ordinance, 1990. - Registrar requires comprehensive corporate and vessel documentation. - Charterer's authority and ship ownership status strictly verified. - Obligations on name change, termination notice, and representative person. - Most stringent requirements among global registries. - Full registration valid indefinitely once completed. - Consent from primary registry required; mortgagee consent not mandated.
New Zealand	<ul style="list-style-type: none"> - Demise charterer must have full possession and control. - Ship treated as New Zealand-owned during charter. - Charterer must be a New Zealand citizen, resident, or business (or controlled by them). - Declaration required confirming New Zealand control. - Copy of demise charterparty and builder's certificate required. 	<ul style="list-style-type: none"> - Governed by Ship Registration Act, 1992. - Strong emphasis on New Zealand control over chartered vessels. - Registration not permitted without declaration of control. - Attestation treats foreign-owned ships as locally owned. - Registrar empowered to close registration based on owner's failure to notify. - Legal effect of closure same whether initiated by owner or Registrar.
Australia	<ul style="list-style-type: none"> - Demise charterer must have full possession and control. - Charterer must be an Australian national or controlled by one. - Foreign residents operating Australian-owned ships may be exempted from registration. - Ships may be registered in General or International Register depending on type. - Charterer must submit a 'Declaration by Charterer'. 	<ul style="list-style-type: none"> - Governed by Shipping Registration Act, 1981. - Strong emphasis on Australian control over chartered vessels. - Exemption from registration possible for foreign-operated Australian ships. - Clear documentation and declarations required for registration and transfer. - Legal continuity ensured through transmission declarations.





Thank You