

EXPLANATORY MEMORANDUM TO
THE MERCHANT SHIPPING (REGISTRATION OF SHIPS) (AMENDMENT)
REGULATIONS 2017

2017 No. 879

1. Introduction

- 1.1 This explanatory memorandum has been prepared by the Department for Transport and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

- 2.1 This instrument removes or varies elements of the Merchant Shipping (Registration of Ships) Regulations 1993 ('the Registration Regulations') which require original or paper documents to be produced or sent, and allows the Registrar to receive or produce copies. This includes electronic copies, which will permit the Registrar to begin accepting applications electronically via a new electronic ship registration system currently in development. The instrument also makes smaller changes to remove outdated references to fax machines, 'office' copies, stamping of documents and lodging of documents, and introduces an obligation for the Secretary of State to review the Registration Regulations.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

- 3.1 None.

Other matters of interest to the House of Commons

- 3.2 As this instrument is subject to negative resolution procedure and has not been prayed against, consideration as to whether there are other matters of interest to the House of Commons does not arise at this stage.

4. Legislative Context

- 4.1 British ships are registered on the register of British ships pursuant to section 8 of the Merchant Shipping Act 1995. The register is maintained by the Registrar General of Shipping and Seamen. The details for the processes for, *inter alia*, applications to, removal from and management of the register are provided for in the Registration Regulations.
- 4.2 The Registration Regulations require that some documents submitted to the Registrar be stamped and returned (regulation 40), some documents endorsed (regulation 45), and some documents lodged (regulation 113A). The Registration Regulations also require that, where a certificate of registry has been lost and notification of that fact is given outside the United Kingdom, any duplicate certificate must be transmitted by fax, or, alternatively, a provisional certificate may be produced.
- 4.3 This instrument adds a specific power for the Registrar to instead send or receive copies rather than originals for certain listed documents. It also specifies that these copies can be sent electronically. The instrument removes or varies the requirements

for original documents, including the requirement to stamp or lodge documents. It also removes the references to faxed duplicate certificates.

5. Extent and Territorial Application

- 5.1 The extent of this instrument is the United Kingdom.
- 5.2 The territorial application of this instrument is the United Kingdom.

6. European Convention on Human Rights

- 6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

What is being done and why

- 7.1 Whilst it is possible within the current regulations for an application form to be submitted digitally, this is not possible for some of the evidence that must accompany any such application. This instrument amends the Registration Regulations to permit the Registrar to accept copies of such evidence, rather than the original documents. This means that those documents can be copied or scanned by applicants themselves, and then submitted electronically. This instrument also removes the obligation to stamp and return documents, as this is not possible for digital documents. Hard copy documents would still be returnable, not least because the documents would still remain the property of the applicant, and the Registrar would still be able to stamp documents on request.
- 7.2 The provision of an electronic system for ship registration is expected to be more convenient for applicants, and also reduces the chance that documents may be lost or damaged in transit. Online applications will also enable Registrar to process applications more efficiently, which is expected to be a key driver in growing the register. The range of services offered to vessel owners are expected to include registration, re-registration, the ability to update records and, finally, to remove registration.
- 7.3 There is little demand for faxed duplicate certificates in practice, and a requirement that they be faxed is outdated. By removing the reference to them in legislation their role will be replaced by provisional certificates that can also be issued under regulation 108(4). These perform the same function as faxed duplicate certificates.

Consolidation

- 7.4 Work is currently ongoing to consider all aspects of the UK flag as a part of the MCA's response to the Maritime Growth Study (available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/460861/maritime-growth-study-keeping-UK-competitive.pdf). It is anticipated that that work may produce more changes to the Merchant Shipping (Registration of Ships) Regulations, and that consolidation will be considered at that point.

8. Consultation outcome

- 8.1 There has not been any formal consultation by the department on the introduction of an electronic system for applications to the register, as this will be an optional system and ship owners will be able to continue to make paper applications if they so wish.

The department is developing the electronic system with the informal input of industry partners to ensure that it meets the requirements of businesses.

9. Guidance

9.1 None.

10. Impact

10.1 The impact on business, charities or voluntary bodies is medium/low as it gives businesses more ways to register their vessels, which is a mandatory process.

10.2 The impact on the public sector is medium/low as there will be process efficiencies.

10.3 An Impact Assessment is submitted with this memorandum and is published alongside the Explanatory Memorandum on the legislation.gov.uk website.

11. Regulating small business

11.1 The legislation applies to activities that are undertaken by small businesses.

11.2 To minimise the impact of the requirements on small businesses (employing up to 50 people), the approach taken is to add these requirements as an optional way of applying to the registry.

12. Monitoring & review

12.1 This instrument inserts a review clause into the Registration Regulations, with the result that the Secretary of State must review the Registration Regulations within five years of the coming into force of this instrument and at intervals not exceeding five years thereafter. When that review occurs it will cover the amendments made to the Registration Regulations by this instrument.

13. Contact

13.1 Adam Wheal at the Maritime and Coastguard Agency (telephone: 0203 817 2202 or email: adam.wheal@mca.gov.uk) can answer any queries regarding the instrument.