



Maritime Circular No.11

To:

Ship - Owners / Managers / Operators, Registration Officers (RegOffs), Recognised Organisations (ROs), SLMARAD Departments (All)

Subject:

Incentives, Fines and Penalties Program for Ship Owners and Ship Managers.

Date:

26th October 2018

References:

SLMARAD Maritime Circular No.9

Purpose

To inform parties concern on the applicable discounts and fines related to vessels either indenting to be registered or currently registered with Sierra Leone flag.

Application

1. Transfer of Ship Incentives Scheme

- a. This Incentives scheme applies to ships aiming to be registered under Sierra Leone that meet the criteria presented in the table below. Owners may contact their nearest Registration Officer who can provide quotation through our online fee calculator.
- b. Any third-party fees are excluded from the discount.

Vessel's age:	GT		
	Up to 10,000	10,001 – 30,000	30,001 and above
Up to 10 years old	60%	80%	100%
Between 11 to 15 years old	25%	50%	90%
Between 16 to 20 years old	15%	30%	80%

2. Group Owner Incentives Scheme

- a. This scheme aims to provide incentives to ship owners who will register 3 or more ships under Sierra Leone flag.
- b. The registration should be completed within **12 months** from the date of registration of the first vessel.

- c. Group Owners are entitled to a **discount of 20%** on Initial Registration. The discount applies to the following fees:
 - a. Initial Registration Fee
 - b. Casualty Investigation and Emergency Response
 - c. Flag Safety Inspection
- d. The *application form for Group Owners (AFGO01)* must be submitted to the administration in order to receive our quotation.

3. No Detention Incentives Scheme

- a. No detention incentives scheme aims to provide discounts to existing vessels under Sierra Leone that had recorded a good Port State Control (PSC) inspection performance without any detention.
- b. Discount applies to total fees paid on Annual Registration or Renewal of Registry.

Item	Discounts
No detention for 3 years	15%
No detention for 2 years	10%
No detention for 1 year	5%

4. Detention Policy

- a. This scheme aims to improve the performance of Sierra Leone flag on Port State Control inspections (ref. SLMARAD Maritime Circular No.9).
- b. The penalties distinguish to the following categories:
 - i. Category A: Detention of vessels trading within the Paris MoU, Black Sea MoU and Med MoU

Item	Fee	Fee applies:
Any detention	Special FSI \$2,500*	At the time of FSI
2 nd detention within a 3 year period in Paris MoU and/or Black Sea MoU and/or Med MoU	Special FSI \$2,500*	De-registration

* Travelling and accommodation charges that may be required, are not included in the Special FSI surcharge, and will be charged to the shipowners additionally.

- ii. Category B: Detention of vessels trading within areas other than those specified in Category A

Item	Increase	Increase applies to:
1st detention within 1 year	10%	Annual Registration/Renewal of Registry
2nd detention within 3 years	15%	Annual Registration/Renewal of Registry
2nd detention within 1 year	35% + USD 3,500.00*	Annual Registration/Renewal of Registry

* The surcharge of **USD 3,500.00** shall be paid within one month after the 2nd detention of a vessel, unless otherwise agreed by the flag.

5. Late Payment Scheme

- a. This scheme aims to ensure that all payments of annual dues and consequently renewal of flag certificates are done on time.

Item	Increase	Increase applies to:
Up to 3 months late submission of Annual Dues	10%	Annual Registration/Renewal of Registry
More than 3 months late submission of Annual Dues	20%	Annual Registration/Renewal of Registry

6. Other Fines

Item	Fine in USD (\$)
Issuance of fraudulent certificate issued by SL Flag. (individuals and/or ships)	1,500
Vessels conducting illegal fishing or transshipment	8,500
Vessels involved in smuggling and human trafficking	50,000
Violation of sanctions	50,000
Failure to comply with Flag State requirements and/or instructions	5,000
Vessels involved in pollution of the marine environment by the discharge of harmful substances or effluents containing such substances in contravention of MARPOL 73/78 Convention	100,000
Other illegal activities	At the discretion of the Administration

For additional information please contact SLMARAD at info@slmarad.com

Revision Status

Date	Revision	Comments - Changes
11/01/2017	0	Initial – Adopted
21/06/2018	1	Removed paragraph 7
26/10/2018	2	Restructure of document contents and addition of new items.