

EXPLANATORY MEMORANDUM TO
THE MERCHANT SHIPPING (CATEGORISATION OF REGISTRIES OF
RELEVANT BRITISH POSSESSIONS) (AMENDMENT) ORDER 2013

2013 No. 1115

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 Order extends the power of the Shipping Registries administered by the Governments of certain British Possessions to enable them to register ships of no more than 400 tons, provided that certain conditions relating to survey and inspection are satisfied.
3. **Matters of special interest to the Joint Committee on Statutory Instruments**
 - 3.1 None.
4. **Legislative Context**
 - 4.1 Section 18 of the Merchant Shipping Act 1995 enables an Order in Council to establish categories of registry by reference to which registration of ships in the relevant British possessions may be regulated. The Merchant Shipping (Categorisation of Registries of Relevant British Possessions) Order 2003, which is amended by this Order, establishes two Categories of Registry. Category 2 Registries are subject to restrictions on the tonnage, type and length of ships which they may register. They are exempted from these restrictions in relation to certain specified classes of ships, provided that certain conditions relating to survey and inspection are satisfied. This Order amends the 2003 Order to extend the exemption: previously, Category 2 Registries could (among other exemptions) register pleasure vessels of less than 400 tons. The amendment allows them to register any type of vessel of no more than 400 tons. (The wording “no more than” rather than “less than” has been used for consistency with the existing wording of the Schedule to the principal Order.)
5. **Territorial Extent and Application**
 - 5.1 Section 18 of the Merchant Shipping Act 1995 provides for Orders in Council to make provision for regulating the registration in relevant British provisions (defined in the Act as the Isle of Man, the Channel Islands and the colonies) of certain ships. The Merchant Shipping (Categorisation of Registries of Relevant British Possessions) Order 2003 applies to Bermuda, the British Virgin Islands, the Cayman

Islands, Gibraltar and the Isle of Man (Category 1 Registries) and Anguilla, the Falkland Islands, Guernsey, Jersey, Montserrat, St. Helena, and the Turks and Caicos Islands (Category 2 Registries). This instrument extends the powers of Category 2 Registries.

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

- 7.1 The Crown Dependencies and the British Overseas Territories in Category 2 (see paragraph 5.1) were limited to registering cargo ships of up to 150 tons. They were also permitted to register domestic passenger vessels, pleasure vessels of less than 400 tons, and ships of special local importance subject to controls being agreed with the Secretary of State. This Order additionally permits the registration of commercial cargo ships and/or passenger ships of no more than 400 tons subject to revised controls being agreed with the Secretary of State.
- 7.2 The Department for Transport has no current plans to consolidate the Merchant Shipping (Categorisation of Registries of Relevant British Possessions) Order 2003, which is amended by this Order and by S.I. 2005/2114 and 2008/1243.

8. Consultation outcome

- 8.1 This instrument responds to requests made by the Red Ensign Group, the group of British Shipping Registries which comprise the United Kingdom, the Crown Dependencies and the British Overseas Territories, at their Annual Conference in May 2012. Vessels registered in these Registries are entitled to fly the Red Ensign flag. All the Crown Dependencies and British Overseas Territories affected by the Order were consulted during its preparation, and unanimously supported the amendment it makes.

9. Guidance

- 9.1 The amendment made by the Order is straightforward, and it was not considered necessary to issue guidance since it only affects those Registries which had sought the extension to their powers. However, if any assistance is required, guidance can be given to Registries by the Maritime and Coastguard Agency, an Agency of the Department for Transport.

10. Impact

- 10.1 No impact on business, charities or voluntary bodies is foreseen.
- 10.2 No impact on the public sector is foreseen.
- 10.3 An Impact Assessment has not been prepared for this instrument, as the effect of it is limited to the Crown Dependencies and the British Overseas Territories listed at paragraph 5.1.

11. Regulating small business

- 11.1 The legislation does not apply to small business.

12. Monitoring & review

- 12.1 The Maritime and Coastguard Agency regularly monitors compliance by Category 2 registries with the survey and inspection conditions which they must satisfy to benefit from the exemptions allowed under the principal Order, and will continue to do so in relation to the extension to those exemptions which this Order allows. No review of the Order itself will take place at five-yearly intervals as the Order has no, or no significant, effect on business or other persons in the United Kingdom.

13. Contact

- 13.1 Ian Lardner at the Maritime and Coastguard Agency Tel: 02380 329 186 or email: ian.lardner@mca.gov.uk can answer any queries regarding the instrument.

