AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF INDIA

AND

THE GOVERNMENT OF THE REPUBLIC OF CYPRUS

ON

MERCHANT SHIPPING

The Government of the Republic of India and the Government of the Republic of Cyprus (hereinafter referred to as the "Contracting Parties");

Desiring to strengthen the friendly relations existing between the two States and to deepen their economic relations;

Aiming to develop and promote the cooperation between the Republic of India and the Republic of Cyprus and in the field of merchant shipping on a mutually advantageous basis, in accordance with their respective needs and objectives for economic development;

Have agreed as follows:

ARTICLE 1 Cooperation between the Contracting Parties

The Contracting Parties agree to cooperate on the basis of equal rights, mutual benefit and the principle of freedom of maritime navigation in order to develop the relations between the Republic of India and the Republic of Cyprus in the field of merchant shipping.

ARTICLE 2 Definitions

For the purpose of the present Agreement:

(a) The term "vessel" shall mean any merchant vessel registered in the territory and flying the national flag of either Contracting Party in accordance with its laws and regulations.

This definition excludes warships, auxiliary warships of armed forces, civil ships for non-commercial purposes, fishing vessels, fishery research and inspection vessels, vessels which are performing exclusively administrative or state functions, non-self-propelled dredgers and vessels providing port, roadstead and beach services including pilotage, towing, assistance and rescue at sea, vessels for hydrographic, oceanographic and scientific research and nuclear propelled vessels.

- (b) The term "crew" shall mean all persons, including the master, actually employed under contract for duties on board a vessel during a voyage and included in the crew list;
- (c) The term "ports of the Contracting Parties" shall mean seaports, including roadsteads, in the territory of either Contracting Party which are approved and open to international shipping.

ARTICLE 3 Scope of Application

The territories of the Contracting Parties to which the present Agreement applies are:

- (a) on the part of India, the Republic of India.
- (b) on the part of Cyprus, the Republic of Cyprus, and

ARTICLE 4 Freedom of Traffic

- (1) Subject to domestic laws, prevailing practices and bilateral agreements, the Contracting Parties agree:
 - (a) to promote participation of their vessels in the transportation of goods between their States;
 - (b) to cooperate in eliminating any hindrances which may hamper the development of sea trade between their States;

- (c) for the purpose of effectively utilizing their vessels, to encourage their participation, as far as possible, in the transportation of goods between their States and to and from third countries.
- (d) to cooperate for the employment, improvement of conditions of work and for the welfare of their seamen employed on each other's vessels.
- (2) The provisions of this Article shall not affect the participation of vessels of third countries in the sea trade between the ports of the Contracting Parties.
- (3) In conformity with this Article the shipping enterprises registered and operating in accordance with the laws and regulations of either Contracting Party may agree to operate jointly or separately liner services, as well as to conclude agreements on technical and commercial matters related to shipping.
- (4) The Contracting Parties shall adopt, within the limits of their respective national laws and regulations, all appropriate measures to reduce unnecessary delays of vessels in ports and to simplify, as far as possible, the carrying out of administrative, customs and sanitary formalities applicable in ports.
- (5) Notwithstanding the provisions of the present Agreement, vessels belonging to, operated or chartered by an enterprise registered and operating under the laws and regulations of one Contracting Party and having its registered office in the territory of that Contracting Party, shall not be chartered for or enter a port of the other Contracting Party which has been closed to international shipping by the latter Party.

ARTICLE 5 Treatment to be accorded to vessels in ports

- (1) Either Contracting Party shall afford to vessels of the other Contracting Party the same treatment as it affords to its own vessels engaged in international voyages in respect of free access to ports, use of ports for loading and unloading of cargoes and for embarking and disembarking of passengers, payment of dues and taxes based on the tonnage or otherwise, in accordance with the national laws and regulations, exercising normal commercial operations and use of services related to navigation.
- (2) The provisions of paragraph 1 of this Article:
 - (a) shall not apply to the activities reserved by each of the Contracting Parties for their organisations or enterprises;

ON PART TO BE A PART OF THE PART OF THE PROPERTY OF THE PART OF TH

- (b) shall not oblige a Contracting Party to extend to vessels of the other Contracting Party exemptions from compulsory pilotage or port entry requirements granted to its own vessels;
- (c) shall not affect the laws and regulations concerning entry and stay of foreigners.

ARTICLE 6 Recognition of Vessels Documents

- (1) Each of the Contracting Parties shall recognize the nationality of a vessel of the other Contracting Party on the basis of the documents on board that vessel issued by the competent authorities of the other Contracting Party in accordance with its national laws and regulations.
- (2) The vessel's documents on board, including documents in relation to the tonnage and the crew, issued or recognized by the competent authorities of one Contracting Party shall be accepted by the competent bodies of the other Contracting Party.
- (3) The tonnage certificate issued to vessels of the one Contracting Party shall be recognized in the ports of the other Contracting Party provided that the certificates have been issued by or on behalf of the competent authority of a Contracting Party and the certificates have been issued in accordance with the International Convention on Tonnage Measurement of Ships, 1969 (Tonnage 1969). In the case of tonnage certificates issued to vessels of the one Contracting Party to which the said Convention is not applicable, such tonnage certificates shall be recognized in the ports of the other Contracting Party provided that the certificates have been issued by or on behalf of the competent authority of a Contracting Party.

ARTICLE 7 Recognition of crew Documents

(1) Each of the Contracting Parties shall recognize the identity documents issued by the competent authorities of the other Contracting Party to members of the crew who are nationals of that Contracting Party and shall grant to the holders of such documents the rights provided for in Article 8 of the present Agreement under the conditions stipulated therein.

The identity documents are:

- the "Continuous Discharge Certificate-cum-Seafarers Identity Documents" issued by the Shipping Master or Competent Officer under the Directorate General of Shipping, Ministry of Shipping, Government of India, for nationals of the Republic of India.
- the "Seafarer's Identity and Sea Service Record Book" and the passport issued by the appropriate Cypriot authorities, for nationals of the Republic of Cyprus.

In case any of the identity documents mentioned in this paragraph is replaced or any new identity document is added, the new name will be notified to the other Contracting Party through diplomatic channels.

- (2) The provisions of Article 8 of the present Agreement shall be accordingly applied to any person who is neither an Indian nor a Cypriot, but holds identity documents corresponding to the provisions of either the Convention on Facilitation of International Maritime Traffic, 1965 and its Annex, or the Convention Concerning Seafarers' National Identity Documents No. 108 of the International Labour Organisation. Such identity documents must be issued by a country which is party to the relevant convention and the readmission of the bearer to that country is guaranteed.
- (3) The provisions of Article 8 of the present Agreement shall apply, to the extent possible, to any person who is neither an Indian national nor a Cypriot and holds an identity document other than that mentioned in paragraph 2 of this Article.

ARTICLE 8 Entry, Transit and Stay of crew member

- (1) During the time a vessel of the one Contracting Party is in a port of the other Contracting Party, each crew member of that vessel shall be permitted temporary shore leave in the territory of the municipality to which the port belongs, as well as in the territories of adjacent municipalities, without visa being required, provided he can show a relevant Identity document mentioned in Article 7 of the present Agreement. However, such leave shall only be permitted if the master has submitted to the appropriate authorities at the port a crew list on which the names of the crew members appear, in accordance with the regulations in force in that port.
- (2) While landing and returning to the vessel, the persons mentioned above are subject to frontier/immigration and customs control in force in that port.

- (3) Each of the Contracting Parties reserves the right to deny entry to its territory to persons on board the vessel whom it considers undesirable.
- (4) Holders of the seaman's identity documents specified in Article 7 of the present Agreement, who are nationals of either Contracting Party, are permitted as passengers of any means of transport to enter the territory of the other Contracting Party or to pass through its territory in transit whenever they are on the way to their vessel or moving to another vessel, on the way to their country or going for any other purpose with the consent of the competent authorities of this other Contracting Party, provided the necessary visa is issued in accordance with the laws and regulations of the Contracting Parties.
- (5) In case the holder of the seaman's identity documents specified in Article 7 of the present Agreement is not a national of either Contracting Party, any visa that may be required for the purpose referred to in paragraph (1) of this Article, in accordance with the national legislation, is to be issued, provided that the return to the country which has issued the seaman's travelling documents is guaranteed to the holder.

ARTICLE 9 Cooperation

- (1) The Contracting Parties agree to render to each other, within the available possibilities in accordance with the applicable laws and regulations, technical assistance in developing merchant fleets, including training of seafarers and also assistance in commercial matters. For this purpose the Contracting Parties shall encourage, support and facilitate cooperation between their appropriate training institutions and maritime organisations.
- (2) Shipping organisations and enterprises operating in the territory of one Contracting Party, shall be entitled to establish functioning representations in the territory of the other Contracting Party, in accordance with the latter's laws and regulations.
- (3) Each Contracting Party shall, in accordance with its laws and regulations, allow authorized Government representatives or diplomatic and consular missions of the other Contracting Party, as well as representatives of shipping enterprises registered in the other Contracting Party, to enter its ports and board vessels sailing under the flag or chartered by enterprises of the other Contracting Party, in order to perform duties related to the activities of these vessels and their crews.

ARTICLE 10 Vessel in Distress

- (1) If a vessel of one Contracting Party is shipwrecked, runs aground, is cast ashore, or suffers any other accident off the coast of the territory of the other Contracting Party, the vessel and the cargo shall enjoy in the territory of the latter Party the same benefits and privileges and accept the same liabilities as are accorded to a vessel of that Party and its cargo. The crew and passengers as well as the vessel itself and its cargo shall be granted, at any time, help and assistance to the same extent as in the case of a national vessel.
- (2) The cargo, equipment, fittings, stores or other articles rescued from a vessel which has suffered an accident referred to in paragraph (1) of this Article, shall be governed as per domestic tax laws in regard to taxes of any kind, provided they are not re-exported within a reasonable period of time.
- (3) Nothing in the provisions of paragraph (2) of this Article shall be construed so as to preclude the application of the laws and regulations of the Contracting Parties with regard to the temporary storage of goods.
- (4) Nothing in this Article shall prejudice any claim for salvage in respect of any help or assistance given to a vessel and its cargo.
- (5) The competent authorities of one Contracting Party in whose territory a vessel of the other Contracting Party has suffered a casualty, as described in paragraph (1), shall immediately notify the nearest consular representative of the other Contracting Party of the event and conduct an investigation into the cause of the casualty or provide every possible assistance for carrying out such investigation.

ARTICLE 11 Taxation

- (1) The taxation of income of any kind derived from the use of vessels in international traffic shall be regulated by the provisions of the Agreement between the Republic of India and the Republic of Cyprus and for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital.
- (2) Residents of the one Contracting Party who are employed on board vessels of the other Contracting Party as masters, officers or other members of the crew should be taxed on income derived from wages or other benefits in respect of

paid services rendered, only the Contracting Party where the vessel is registered and is flying its flag.

- (3) The freight income obtained from the operation, in international traffic, of vessels of the one Contracting Party, by organisations or enterprises established in accordance with its national legislation, will be exempted from fees and taxes of any kind in the territory of the other Contracting Party.
- (4) Shipping organisations or enterprises of either Contracting Party shall have the right to use income and other revenue obtained in freely convertible currency within the territory of the other Contracting Party and deriving from maritime transport operations, for the purpose of making payments in the territory of that other Contracting Party. Any surpluses, after settlement of all amounts due locally, if any, are remittable abroad.

ARTICLE 12 Application of Agreement

- (1) The provisions of the present Agreement do not affect the rights and obligations of the Contracting Parties arising out of the international conventions binding on either Contracting Party or their membership to international organisations particularly regional economic integration organisations.
- (2) Unless otherwise provided in the present Agreement, the national legislation of each Contracting Party shall be applied.

ARTICLE 13 Implementation

- (1) For the purpose of ensuring the effective implementation of the present Agreement a Maritime Joint Committee shall be set up, composed of representatives of the competent authorities of the Contracting Parties and experts appointed by them.
- (2) The Committee shall consider matters of mutual interest in the field of shipping and deal with any persistent problem, which may arise in the course of the application of the present Agreement.
- (3) The Committee shall be convened at the request of either Contracting Party.

(4) The matters referring to the implementation of the present Agreement shall be dealt with by the competent authorities of the Contracting Parties.

The competent authorities are:

- In the case of the Republic of India: the Ministry of Shipping.
- In the case of the Republic of Cyprus;
 the Ministry of Transport, Communications and Works;
- (5) In case any of the competent authorities mentioned in this Article is changed, the name of the new authority shall be notified to the other Contracting Party through diplomatic channels.

ARTICLE 14 Settlement of Dispute

- (1) Any differences in the interpretation and/or application of the present Agreement shall be settled by means of direct negotiations between the competent authorities of the Contracting Parties.
- (2) In case these authorities do not reach an agreement, the differences shall be settled through diplomatic channels.

ARTICLE 15 Entry into force and termination

- (1) The present Agreement shall enter into force thirty days after the receipt of the last notification by which the Parties notify each other of the completion of their internal procedures necessary for the entry into force.
- (2) The present Agreement is concluded for an unlimited period and either Contracting Party may terminate it upon giving to the other a six months written notice through diplomatic channels.

ARTICLE 16 Amendments

Any alteration of or amendment to the present Agreement shall be agreed upon in writing between the Contracting Parties and shall enter into force following the same procedure as described in Article 15.

ARTICLE 17 Termination of Previous Agreement

The Agreement between the Government of the Republic of India and the Government of the Republic of Cyprus on Merchant Shipping, signed in New Delhi on 11 February 1997, shall cease to have effect on the date the present Agreement enters into force.

DONE in **New Delhi**, this <u>28</u>th day of April, 2017, in two originals in the Greek, Hindi and English languages all texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

FOR THE GOVERNMENT OF THE REPUBLIC OF INDIA

FOR THE GOVERNMENT OF THE REPUBLIC OF CYPRUS

Name: Shri Nitin Gadkari

Designation: Minister of Road Transport and Highways and

Shipping

Name: Mr. Marios Demetriades

Designation: Minister of Transport, Communications and Works